

CLASS "A" OR "B"

WATER AND/OR WASTEWATER UTILITIES
(Gross Revenue of More Than \$200,000 Each)

ANNUAL REPORT

OF

WS926-11-AR

NORTH BEACH UTILITIES, INC

Exact Legal Name of Respondent

473W & 409S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



FOR THE

YEAR ENDED DECEMBER 31, 2011

EDMISTON & EDMISTON, P.A.

CERTIFIED PUBLIC ACCOUNTANTS
17 CORDOVA STREET
ST. AUGUSTINE, FLORIDA 32084

MARGARET ANN EDMISTON, CPA
MARGARET GREER EDMISTON, CPA
E. CATALINA USINA-MORSE, CPA
SUSANNE S. DRISCOLL, CPA

TELEPHONE (904) 824-9192
FAX (904) 824-3783

ESTABLISHED 1951
WILLIAM C. EDMISTON, JR.
(1926-2008)

ACCOUNTANTS' COMPILATION REPORT

Mr Frank D Usina
North Beach Utilities, Inc.
St Augustine, Florida

We have compiled the balance sheets of North Beach Utilities, Inc., as of December 31, 2011 and 2010, the related operating statements for the years then ended and the statement of retained earnings for the year ended December 31, 2011 included in the accompanying prescribed form. We have also compiled the supplementary information on pages F-4 through F-15, F-17 through F-23, W-2 through W-10(b), and S-2 through S-10(b) of the accompanying prescribed form. We have not audited or reviewed the accompanying financial statements and the supplementary information referred to above, and accordingly, do not express an opinion or provide any assurance about whether the financial statements and the supplementary information on pages F-4 through F-15, F-17 through F-23, W-2 through W-10(b), and S-2 through S-10(b) are in accordance with the form prescribed by Florida Public Service Commission.

Management is responsible for the preparation and fair presentation of the financial statements and the supplementary information on pages F-4 through F-15, F-17 through F-23, W-2 through W-10(b), and S-2 through S-10(b) in accordance with requirements prescribed by Florida Public Service Commission and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and supplementary information on pages F-4 through F-15, F-17 through F-23, W-2 through W-10(b), and S-2 through S-10(b).

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements and the supplementary information on pages F-4 through F-15, F-17 through F-23, W-2 through W-10(b), and S-2 through S-10(b).

These financial statements (including related disclosures) and the supplementary information on pages F-4 through F-15, F-17 through F-23, W-2 through W-10(b), and S-2 through S-10(b) are presented in accordance with the requirements of Florida Public Service Commission, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Florida Public Service Commission and is not intended to be and should not be used by anyone other than this specified party.

The supplementary information, contained on pages E-2 through E-10(b), W-1, W-11 through W-14, S-1, and S-11 through S-13 of the accompanying prescribed form has not been audited, reviewed or compiled by us, and accordingly, we assume no responsibility for that information.

We are not independent with respect to North Beach Utilities, Inc.

Edmiston & Edmiston, P.A.
Certified Public Accountants
March 27, 2012

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts for Water and Wastewater Utilities as adopted by Rule 25-30.115 (1), Florida Administrative Code.
2. Interpret all accounting words and phrases in accordance with the Uniform System of Accounts (USOA). Commission Rules and the definitions on next page.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent enter the words "Not Applicable." Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar.
7. Complete this report by means which result in a permanent record. You may use permanent ink or a typewriter. Do not use a pencil.
8. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule in the report. Additional pages should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statements should be made at the bottom of the page or on an additional page. Any additional pages should state the name of the utility and the year of the report, and reference the appropriate schedule.
10. The utility shall file the original and two copies of the report with the Commission at the address below, and keep a copy for itself. Pursuant to Rule 25-30.110 (3), Florida Administrative Code, the utility must submit the report by March 31 for the preceeding year ending December 31.

Florida Public Service Commission
Division of Economic Regulation
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

11. Pursuant to Rule 25-30.110 (7) (a), Florida Administrative Code, any utility that fails to file its annual report or extension on or before March 31, or within the time specified by any extension approved in writing by the Division of Economic Regulation, shall be subject to a penalty. The penalty shall be based on the number of calendar days elapsed from March 31, or from an approved extended filing date, until the date of filing. The date of filing shall be included in the days elapsed.

GENERAL DEFINITIONS

ADVANCES FOR CONSTRUCTION - This account shall include advances by or in behalf of customers for construction which are to be refunded either wholly or in part. (USOA)

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC) - This account shall include concurrent credits for allowance for funds used during construction based upon the net cost of funds used for construction purposes and a reasonable rate upon other funds when so used. Appropriate regulatory approval shall be obtained for "a reasonable rate". (USOA)

AMORTIZATION - The gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized. (USOA)

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - Any amount or item of money, services, or property received by a utility, from any person or governmental agency, any portion of which is provided at no cost to the utility, which represents an addition or transfer to the capital of the utility, and which is utilized to offset the acquisition, improvement, or construction costs of the utility's property, facilities, or equipment used to provide utility services to the public. (Section 367.021 (3), Florida Statutes)

CONSTRUCTION WORK IN PROGRESS (CWIP) - This account shall include the cost of water or wastewater plant in process of construction, but not yet ready for services. (USOA)

DEPRECIATION - The loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in the current operation and against which the utility is not protected by insurance. (Rule 25-30.140 (i), Florida Administrative Code)

EFFLUENT REUSE - The use of wastewater after the treatment process, generally for reuse as irrigation water or for in plant use. (Section 367.021 (6), Florida Statutes)

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WATER) - (Rule 25-30.515 (8), Florida Administrative Code.)

- (a) 350 gallons per day;
- (b) The number of gallons a utility demonstrates in the average daily flow for a single family unit; or
- (c) The number of gallons which has been approved by the DEP for a single family residential unit.

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WASTEWATER) - Industry standard of 80% of Water ERC or 280 gallons per day for residential use.

GUARANTEED REVENUE CHARGE - A charge designed to cover the utility's costs including, but not limited to the cost of the operation, maintenance, depreciation, and any taxes, and to provide a reasonable return to the utility for facilities, a portion of which may not be used and useful to the utility or its existing customers. (Rule 25-30.515 (9), Florida Administrative Code)

LONG TERM DEBT - All Notes, Conditional Sales Contracts, or other evidences of indebtedness payable more than one year from date of issue. (USOA)

PROPRIETARY CAPITAL (For proprietorships and partnerships only) - The investment of a sole proprietor, or partners, in an unincorporated utility. (USOA)

RETAINED EARNINGS - This account reflects corporate earnings retained in the business. Credits would include net income or accounting adjustments associated with correction of errors attributable to a prior period. Charges to this account would include net losses, accounting adjustments associated with correction of errors attributable to a prior period or dividends. (USOA)

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UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2011

CERTIFICATION OF ANNUAL REPORT

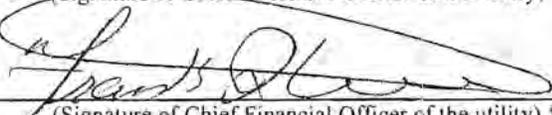
I HEREBY CERTIFY, to the best of my knowledge and belief:

- | | | |
|--|--------------------------------|--|
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the the financial statement of the utility. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents. |

Items Certified			
1.	2.	3.	4.
x	x	x	x

1.	2.	3.	4.
x	x	x	x


(Signature of Chief Executive Officer of the utility) *


(Signature of Chief Financial Officer of the utility) *

* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

NOTICE: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

ANNUAL REPORT OF

YEAR OF REPORT
December 31, 2011

WS926-10-AR NORTH BEACH UTILITIES, INC
(Exact Name of Utility)

County: St Johns

List below the exact mailing address of the utility for which normal correspondence should be sent:

4125 Coastal Highway
St Augustine, FL 32084-1418

Telephone: (904) 824-1806

E Mail Address: max@bellsouth.net

WEB Site: N/A

Sunshine State One-Call of Florida, Inc. Member Number NB1682

Name and address of person to whom correspondence concerning this report should be addressed:

Robert Usina
4125 Coastal Highway
St Augustine, FL 32084-1418
Telephone: (904) 824-1806

List below the address of where the utility's books and records are located:

4125 Coastal Highway
St Augustine, FL 32084-1418

Telephone: (904) 824-1806

List below any groups auditing or reviewing the records and operations:

Date of original organization of the utility: 04/13/83

Check the appropriate business entity of the utility as filed with the Internal Revenue Service

Individual Partnership Sub S Corporation 1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5% or more of the voting securities of the utility:

	Name	Percent Ownership
1.	Frank D Usina	26%
2.	John F Usina	49%
3.	Elizabeth K Usina	25%
4.		
5.		
6.		
7.		
8.		
9.		
10.		

COMPANY PROFILE

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.
- B. Public services rendered.
- C. Major goals and objectives.
- D. Major operating divisions and functions.
- E. Current and projected growth patterns.
- F. Major transactions having a material effect on operations.

A. The utility began its operation as a partnership in 1970 to provide water service only to a small area of North Beach Subdivision. The initial water plant was a 15,000 GPD package plant. Growth was slow throughout the 70's but eventually required expansion to free standing aerators, pressure tank and additional pumps.

In 1983 the utility was asked by the St Johns County Health Department to expand outside of North Beach Subdivision to provide water and sewage service to the planned Sea Side Condominium. The utility was incorporated and installed a 35,000 GPD package waste water treatment plant at that time. By 1985 the utility had expanded water and waste water service south along A-1-A to Vilano Road and water only north to serve Ponte Vedra Shores West.

Also in 1985 St Johns County opted for Public Service Commission regulation. We requested a staff assisted rate case at that time. A detailed engineering and financial study was done at that time by the PSC staff. Rate increases since that time have been based on that study.

A major water plant expansion was completed in March 1988 with installation of a second well (8"), variable speed high service pumps, a 750 GPM fire service pump and a 100,000 gallon reservoir. In March 1989 a 150,000 GPD field directed waste water plant was completed. Tankage was constructed to allow expansion to 300,000 GPD.

In March 1990 we were notified by DEP that additional water treatment was required. Consultants recommended reverse osmosis treatment as the best option. Permitting, financing and construction of the reverse osmosis treatment was completed in September 1994 to continue the existing 400,000 GPD plant capacity.

Installation of 3rd RO unit completed August, 2000. Plant capacity now 777,600 GPD.

B. Water and waste water service with fire hydrants in over 50% of the service area.

C. Quality, responsive service and operation.

D. None beyond water and waste water service.

E. Anticipated slow growth throughout our service area with mixed use development in the area of the Vilano Town Center that is now happening at lesser levels than earlier planned. New planned growth is a Publix with small retail area. The planned Vilano Town Center had resulted in the loss of four restaurants, one motel, several mobile homes, and personal residences which may or may not reopen or be replaced in the near term.

F. 12" water transmission line from water plant to Vilano area completed in December 2002

Wastewater plant expansion permitted with construction complete in 2005.

210,000 GPD reservoir at water plant completed in 2006.

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2011

PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/11

Complete below an organizational chart that shows all parents, subsidiaries and affiliates of the utility.
The chart must also show the relationship between the utility and affiliates listed on E-7, E-10(a) and E-10(b).

There are no parents or subsidiaries.

Officer Stock ownership %	Frank D Usina	John F Usina	Elizabeth K Usina
North Beach Utilities, Inc	26%	49%	25%
North Beach Investment, Inc	15.3039%	17.0834%	15.1213%
St Augustine Scenic Cruise, Inc	50%	50%	0%
The Reef of St Augustine, Inc	100%	0%	0%
Aunt Kate's, LLC	4% (Managing Member)		
JFFD	50%	50%	

COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
Frank D Usina	President	40%	\$ 45,853
John F Usina	Vice-President	0%	0
Elizabeth K Usina	Secretary/Treasurer	0%	0

COMPENSATION OF DIRECTORS

For each director, list the number of directors' meetings attended by each director and the compensation received as a director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS' MEETINGS ATTENDED (c)	DIRECTORS' COMPENSATION (d)
Frank D Usina	President	1	\$ 0
John F Usina	Vice-President	1	0
Elizabeth K Usina	Secretary/Treasurer	1	0

FINANCIAL SECTION

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2011

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 5,465,132	\$ 5,493,002
108-110	Less: Accumulated Depreciation and Amortization	F-8	2,662,189	2,793,104
Net Plant			\$ 2,802,943	\$ 2,699,898
114-115	Utility Plant Acquisition adjustment (Net)	F-7		0
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 2,802,943	\$ 2,699,898
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	\$	\$ 0
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			\$ 0	\$ 0
123	Investment in Associated Companies	F-10		0
124	Utility Investments	F-10		0
125	Other Investments	F-10		0
126-127	Special Funds	F-10		0
Total Other Property & Investments			\$ 0	\$ 0
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 49,268	\$ 62,201
132	Special Deposits	F-9	0	0
133	Other Special Deposits	F-9	0	0
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	94,925	104,803
145	Accounts Receivable from Associated Companies	F-12	105,048	105,824
146	Notes Receivable from Associated Companies	F-12	0	0
151-153	Material and Supplies		72,109	58,034
161	Stores Expense			
162	Prepayments		8,632	8,867
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Miscellaneous Current and Accrued Assets	F-12	48,628	62,344
Total Current and Accrued Assets			\$ 378,610	\$ 402,073

* Not Applicable for Class B Utilities

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2011
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**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED DEBITS				
181	Unamortized Debt Discount & Expense	F-13	\$ 6,756	\$ 5,167
182	Extraordinary Property Losses	F-13		0
183	Preliminary Survey & Investigation Charges			
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Miscellaneous Deferred Debits	F-14	5,728	7,256
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			\$ 12,484	\$ 12,423
TOTAL ASSETS AND OTHER DEBITS			\$ 3,194,037	\$ 3,114,394

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

The space below is provided for important notes regarding the balance sheet

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2011

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 500	\$ 500
204	Preferred Stock Issued	F-15		0
202,205 *	Capital Stock Subscribed			
203,206 *	Capital Stock Liability for Conversion			
207 *	Premium on Capital Stock			
209 *	Reduction in Par or Stated Value of Capital Stock			
210 *	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid - In Capital		634,112	634,112
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	(196,644)	(163,890)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 437,968	\$ 470,722
LONG TERM DEBT				
221	Bonds	F-15		0
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		0
224	Other Long Term Debt	F-17	917,706	838,658
Total Long Term Debt			\$ 917,706	\$ 838,658
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		49,981	52,311
232	Notes Payable	F-18		0
233	Accounts Payable to Associated Companies	F-18	303,181	303,181
234	Notes Payable to Associated Companies	F-18	0	0
235	Customer Deposits		16,292	15,985
236	Accrued Taxes	W/S-3	0	0
237	Accrued Interest	F-19	13	145
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	2,575	3,356
Total Current & Accrued Liabilities			\$ 372,042	\$ 374,978

* Not Applicable for Class B Utilities

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2011

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____ 0
252	Advances For Construction	F-20	_____	_____ 0
253	Other Deferred Credits	F-21	_____	_____ 0
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			\$ _____ 0	\$ _____ 0
OPERATING RESERVES				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves		_____	_____
Total Operating Reserves			\$ _____ 0	\$ _____ 0
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	\$ 2,424,941	\$ 2,458,206
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	981,417	(1,050,967)
Total Net CIAC			\$ 1,443,524	\$ 1,407,239
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ _____	\$ _____
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		22,797	22,797
Total Accumulated Deferred Income Tax			\$ 22,797	\$ 22,797
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ 3,194,037	\$ 3,114,394

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2011

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 1,107,797	\$ 1,147,781
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		0
Net Operating Revenues			\$ 1,107,797	\$ 1,147,781
401	Operating Expenses	F-3(b)	\$ 793,558	\$ 833,311
403	Depreciation Expense:	F-3(b)	\$ 175,838	\$ 163,182
	Less: Amortization of CIAC	F-22	68,609	69,550
Net Depreciation Expense			\$ 107,229	\$ 93,632
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		0
407	Amortization Expense (Other than CIAC)	F-3(b)		0
408	Taxes Other Than Income	W/S-3	110,715	113,584
409	Current Income Taxes	W/S-3	10,116	13,597
410.1	Deferred Federal Income Taxes	W/S-3	7,337	0
410.11	Deferred State Income Taxes	W/S-3	1,708	0
411.1	Provision for Deferred Income Taxes - Credit	W/S-3	(8,297)	0
412.1	Investment Tax Credits Deferred to Future Periods	W/S-3		0
412.11	Investment Tax Credits Restored to Operating Income	W/S-3		0
Utility Operating Expenses			\$ 1,022,366	\$ 1,054,124
Net Utility Operating Income			\$ 85,431	\$ 93,657
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		0
413	Income From Utility Plant Leased to Others			0
414	Gains (losses) From Disposition of Utility Property			0
420	Allowance for Funds Used During Construction			0
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 85,431	\$ 93,657

* For each account, Column e should agree with Columns f, g and h on F-3(b)

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES.

YEAR OF REPORT

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ <u>700,965</u> 0	\$ <u>446,816</u> 0	\$ _____
\$ <u>700,965</u>	\$ <u>446,816</u>	\$ <u>0</u>
\$ <u>421,708</u>	\$ <u>411,603</u>	\$ _____
<u>90,375</u> <u>26,238</u>	<u>72,807</u> <u>43,312</u>	_____
\$ <u>64,137</u>	\$ <u>29,495</u>	\$ <u>0</u>
<u>0</u> <u>0</u> <u>71,183</u> <u>33,462</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u>	<u>0</u> <u>0</u> <u>42,401</u> <u>(19,865)</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u>	_____ _____ _____ _____ _____ _____ _____ _____ _____
\$ <u>590,490</u>	\$ <u>463,634</u>	\$ <u>0</u>
\$ <u>110,475</u>	\$ <u>(16,818)</u>	\$ <u>0</u>
<u>0</u> <u>0</u> <u>0</u> <u>0</u>	<u>0</u> <u>0</u> <u>0</u> <u>0</u>	_____ _____ _____ _____
\$ <u>110,475</u>	\$ <u>(16,818)</u>	\$ <u>0</u>

* Total of Schedules W-3 / S-3 for all rate groups.

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ 85,431	\$ 93,657
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$	\$
416	Costs & Expenses of Merchandising Jobbing, and Contract Work			
419	Interest and Dividend Income			17
421	Nonutility Income			
426	Miscellaneous Nonutility Expenses			
Total Other Income and Deductions			\$ 0	\$ 17
TAXES APPLICABLE TO OTHER INCOME				
408.2	Taxes Other Than Income		\$	\$ 0
409.2	Income Taxes			
410.2	Provision for Deferred Income Taxes			
411.2	Provision for Deferred Income Taxes - Credit			
412.2	Investment Tax Credits - Net			
412.3	Investment Tax Credits Restored to Operating Income			
Total Taxes Applicable To Other Income			\$ 0	\$ 0
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ 57,519	\$ 54,665
428	Amortization of Debt Discount & Expense	F-13	1,376	1,589
429	Amortization of Premium on Debt	F-13		0
Total Interest Expense			\$ 58,895	\$ 56,254
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$	\$
434	Extraordinary Deductions			
409.3	Income Taxes, Extraordinary Items			
Total Extraordinary Items			\$ 0	\$ 0
NET INCOME			\$ 26,536	\$ 37,420

Explain Extraordinary Income:

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 2,944,650	\$ 2,548,352
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	1,453,841	1,339,263
110	Accumulated Amortization	F-8	0	0
271	Contributions in Aid of Construction	F-22	943,817	1,514,389
252	Advances for Construction	F-20		
Subtotal			\$ 546,992	\$ (305,300)
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	437,947	613,020
Subtotal			\$ 984,939	\$ 307,720
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7	0	0
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	0	0
	Working Capital Allowance (3)		52,714	51,450
	Other (Specify):			

RATE BASE			\$ 1,037,653	\$ 359,170
NET UTILITY OPERATING INCOME			\$ 110,475	\$ (16,818)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			10.65%	-4.68%

NOTES :

- (1) Estimate based on the methodology used in the last rate proceeding.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.
In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

**SCHEDULE OF CURRENT COST OF CAPITAL
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING (1)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ 500	0.03%	11.16%	0.00%
Preferred Stock	0	0.00%		0.00%
Long Term Debt	838,658	55.46%	11.16%	6.19%
Customer Deposits	15,985	1.06%	11.16%	0.12%
Tax Credits - Zero Cost	0	0.00%		0.00%
Tax Credits - Weighted Cost	0	0.00%		0.00%
Deferred Income Taxes	22,797	1.51%	11.16%	0.17%
Other (Explain)	0	0.00%		0.00%
Additional paid in capital	634,112	41.94%	11.16%	4.68%
Total	\$ 1,512,052	100.00%		11.16%

(1) If the utility's capital structure is not used, explain which capital structure is used.

(2) Should equal amounts on Schedule F-6, Column (g).

(3) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates.

APPROVED RETURN ON EQUITY

Current Commission Return on Equity:	<u>11.16%</u>
Commission order approving Return on Equity:	<u>#11-0287-PAA-WS issued July 5, 2011</u>

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	<u>N/A</u>
Commission order approving AFUDC rate:	<u>N/A</u>

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

<p>YEAR OF REPORT December 31, 2011</p>
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**SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING**

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURISDICTIONAL ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS SPECIFIC (e)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ 500	\$	\$	\$	\$	\$ 500
Preferred Stock						0
Long Term Debt	838,658					838,658
Customer Deposits	15,985					15,985
Tax Credits - Zero Cost						0
Tax Credits - Weighted Cost						0
Deferred Inc. Taxes	22,797					22,797
Other (Explain)						0
Additional paid in capital	634,112					634,112
Total	\$ 1,512,052	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,512,052

(1) Explain below all adjustments made in Columns (e) and (f):

<p>_____</p>

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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**UTILITY PLANT
ACCOUNTS 101 - 106**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ 2,944,650	\$ 2,548,352	\$	\$ 5,493,002
102	Utility Plant Leased to Other				0
103	Property Held for Future Use				0
104	Utility Plant Purchased or Sold				0
105	Construction Work in Progress				0
106	Completed Construction Not Classified				0
	Total Utility Plant	<u>\$ 2,944,650</u>	<u>\$ 2,548,352</u>	<u>\$ 0</u>	<u>\$ 5,493,002</u>

**UTILITY PLANT ACQUISITION ADJUSTMENTS
ACCOUNTS 114 AND 115**

Report each acquisition adjustment and related accumulated amortization separately.
For any acquisition adjustments approved by the Commission, include the Order Number.

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment None	\$	\$	\$	\$ 0
					0
					0
					0
	Total Plant Acquisition Adjustments	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
115	Accumulated Amortization None	\$	\$	\$	\$ 0
					0
					0
					0
	Total Accumulated Amortization	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
	Net Acquisition Adjustments	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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ACCUMULATED DEPRECIATION (ACCT. 108) AND AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION				
Account 108				
Balance first of year	\$ 1,368,977	\$ 1,293,212	\$	\$ 2,662,189
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 90,375	\$ 72,807	\$	\$ 163,182
Account 108.2 (2)				0
Account 108.3 (2)				0
Other Accounts (specify):				0
				0
Salvage				0
Other Credits (Specify):				0
				0
Total Credits	\$ 90,375	\$ 72,807	\$ 0	\$ 163,182
Debits during year:				
Book cost of plant retired	5,511	26,756		32,267
Cost of Removal				0
Other Debits (specify):				0
Cumulative prior year depreciation in excess of cost				0
Total Debits	\$ 5,511	\$ 26,756	\$ 0	\$ 32,267
Balance end of year	\$ <u>1,453,841</u>	\$ <u>1,339,263</u>	\$ <u>0</u>	\$ <u>2,793,104</u>
ACCUMULATED AMORTIZATION				
Account 110				
Balance first of year	\$ 0	\$ 0	\$ 0	\$ 0
Credit during year:				
Accruals charged to:				
Account 110.2 (3)	0			0
Other Accounts (specify):				0
				0
Total credits	\$ 0	\$ 0	\$ 0	\$ 0
Debits during year:				
Book cost of plant retired				0
Other debits (specify):				0
				0
Total Debits	\$ 0	\$ 0	\$ 0	\$ 0
Balance end of year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

- (1) Account 108 for Class B utilities.
- (2) Not applicable for Class B utilities.
- (3) Account 110 for Class B utilities.

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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**REGULATORY COMMISSION EXPENSE
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
None	\$ _____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total	\$ <u>_____ 0</u>		\$ <u>_____ 0</u>

NONUTILITY PROPERTY (ACCOUNT 121)

Report separately each item of property with a book cost of \$25,000 or more included in Account 121.

Other Items may be grouped by classes of property.

DESCRIPTION (a)	BEGINNING YEAR (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
None	\$ _____	\$ _____	\$ _____	\$ _____ 0
_____	_____	_____	_____	_____ 0
_____	_____	_____	_____	_____ 0
_____	_____	_____	_____	_____ 0
Total Nonutility Property	\$ <u>_____ 0</u>	\$ <u>_____ 0</u>	\$ <u>_____ 0</u>	\$ <u>_____ 0</u>

SPECIAL DEPOSITS (ACCOUNTS 132 AND 133)

Report hereunder all special deposits carried in Accounts 132 and 133.

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (Account 132): None	\$ _____
_____	_____
_____	_____
Total Special Deposits	\$ <u>_____ 0</u>
OTHER SPECIAL DEPOSITS (Account 133): None	\$ _____
_____	_____
_____	_____
Total Other Special Deposits	\$ <u>_____ 0</u>

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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INVESTMENTS AND SPECIAL FUNDS
ACCOUNTS 123 - 127

Report hereunder all investments and special funds carried in Accounts 123 through 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): NONE	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Investment in Associated Companies		\$ <u>0</u>
UTILITY INVESTMENTS (Account 124): NONE	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Utility Investment		\$ <u>0</u>
OTHER INVESTMENTS (Account 125): NONE	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Investment		\$ <u>0</u>
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): NONE		\$ _____
_____		_____
_____		_____
_____		_____
_____		_____
Total Special Funds		\$ <u>0</u>

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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ACCOUNTS AND NOTES RECEIVABLE - NET
ACCOUNTS 141 - 144

Report hereunder all accounts and notes receivable included in Accounts 141, 142, and 144. Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ 59,750	
Wastewater	43,853	
_____	_____	
_____	_____	
Total Customer Accounts Receivable		\$ 103,603
OTHER ACCOUNTS RECEIVABLE (Account 142):		
A/R CIAC	\$ 1,200	
_____	_____	
_____	_____	
Total Other Accounts Receivable		\$ 1,200
NOTES RECEIVABLE (Account 144):		
None	\$ _____	
_____	_____	
_____	_____	
Total Notes Receivable		\$ 0
Total Accounts and Notes Receivable		\$ 104,803
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
Balance first of year	\$ _____	
Add: Provision for uncollectibles for current year	\$ _____	
Collection of accounts previously written off	_____	
Utility Accounts	_____	
Others	_____	
_____	_____	
_____	_____	
Total Additions	\$ 0	
Deduct accounts written off during year:		
Utility Accounts	_____	
Others	_____	
_____	_____	
_____	_____	
Total accounts written off	\$ 0	
Balance end of year		\$ 0
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ 104,803

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
ACCOUNTS 181 AND 251**

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181): Amortization of debt expense	\$ 1,589	\$ 5,167
Total Unamortized Debt Discount and Expense	\$ 1,589	\$ 5,167
UNAMORTIZED PREMIUM ON DEBT (Account 251):		
Total Unamortized Premium on Debt	\$ 0	\$ 0

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
None	\$
Total Extraordinary Property Losses	\$ 0

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

**MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1)		
None	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total Deferred Rate Case Expense	\$ <u>0</u>	\$ <u>0</u>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
Prepaid insurance	\$ _____	\$ <u>7,256</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Debits	\$ <u>0</u>	\$ <u>7,256</u>
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
None	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Assets	\$ <u>0</u>	\$ <u>0</u>
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ <u>0</u>	\$ <u>7,256</u>

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2011
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**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
Par or stated value per share	%	\$ 1
Shares authorized		500
Shares issued and outstanding		500
Total par value of stock issued	%	\$ 500
Dividends declared per share for year	%	\$
PREFERRED STOCK		
Par or stated value per share	%	\$
Shares authorized		
Shares issued and outstanding		
Total par value of stock issued	%	\$
Dividends declared per share for year	%	\$

* Account 204 not applicable for Class B utilities.

**BONDS
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NONE	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ 0

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
2. Show separately the state and federal income tax effect of items shown in Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ (196,644)
439	Changes to Account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: _____ _____	\$ _____ _____
	Total Credits:	\$ 0
	Debits: _____ _____	\$ _____ 4,666
	Total Debits:	\$ 4,666
435	Balance Transferred from Income	\$ 37,420
436	Appropriations of Retained Earnings: _____ _____	_____ _____
	Total Appropriations of Retained Earnings	\$ 0
437	Dividends Declared: Preferred Stock Dividends Declared _____	_____ _____
438	Common Stock Dividends Declared _____ _____	_____ _____
	Total Dividends Declared	\$ 0
215	Year end Balance	\$ (163,890)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____ _____	_____ _____ _____
214	Total Appropriated Retained Earnings	\$ 0
Total Retained Earnings		\$ (163,890)

Notes to Statement of Retained Earnings:
Adjustment is due to change in 2010 income tax expense from estimated to actual after Annual Report filing

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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**NOTES PAYABLE
ACCOUNTS 232 AND 234**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NOTES PAYABLE (Account 232):			
		% Fixed	\$
		% Fixed	
		%	
		%	
		%	
		%	
		%	
		%	
		%	
		%	
Total Account 232			\$ <u>0</u>
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			\$
Due to Officers		%	195,000
Accrued interest due to related party		%	108,181
		%	
*Due to error in PSC worksheet linking this information is detail for Accounts Payable to Associated companies		%	
		%	
		%	
		%	
		%	
Total Account 234			\$ <u>303,181</u>

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
*See Above	\$
Total	\$ <u>0</u>

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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**ACCRUED INTEREST AND EXPENSE
ACCOUNTS 237 AND 427**

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt	\$ <u>13</u>		\$ <u>132</u>	\$ _____	\$ <u>145</u>
_____	_____		_____	_____	_____
_____	_____		_____	_____	_____
_____	_____		_____	_____	_____
Total Account 237.1	\$ <u>13</u>		\$ <u>132</u>	\$ <u>0</u>	\$ <u>145</u>
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$ _____	427	\$ <u>749</u>	\$ <u>749</u>	\$ _____
SunTrust Interest - Truck loan	_____	427	<u>673</u>	<u>673</u>	_____
SunTrust Interest - Consolidation loan	_____	427	<u>53,111</u>	<u>53,111</u>	_____
Total Account 237.2	\$ <u>0</u>		\$ <u>54,533</u>	\$ <u>54,533</u>	\$ <u>0</u>
Total Account 237 (1)	\$ <u>13</u>		\$ <u>54,665</u>	\$ <u>54,533</u>	\$ <u>145</u>
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ <u>54,665</u>		
Less Capitalized Interest Portion of AFUDC:			_____		
_____			_____		
_____			_____		
Net Interest Expensed to Account No. 427 (2)			\$ <u>54,665</u>		

(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.

(2) Must agree to F-3 (c), Current Year Interest Expense

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Accrued employee leasing expense	\$ 3,356
Total Miscellaneous Current and Accrued Liabilities	\$ <u>3,356</u>

**ADVANCES FOR CONSTRUCTION
ACCOUNT 252**

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
NONE	\$ 0		\$ 0	\$ 0	\$ 0
					0
					0
					0
					0
					0
					0
					0
					0
					0
Total	\$ <u>0</u>		\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

* Report advances separately by reporting group, designating water or wastewater in column (a).

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2011
--

**OTHER DEFERRED CREDITS
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1):		
NONE	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total Regulatory Liabilities	\$ _____	\$ _____
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
NONE	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Liabilities	\$ _____	\$ _____
TOTAL OTHER DEFERRED CREDITS	\$ _____	\$ _____

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2011

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>929,777</u>	\$ <u>1,495,164</u>	\$ _____	\$ <u>2,424,941</u>
Add credits during year:	\$ <u>14,040</u>	\$ <u>19,225</u>	\$ _____	\$ <u>33,265</u>
Less debit charged during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Contribution In Aid of Construction	\$ <u>943,817</u>	\$ <u>1,514,389</u>	\$ <u>0</u>	\$ <u>2,458,206</u>

**ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 272**

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>411,709</u>	\$ <u>569,708</u>	\$ _____	\$ <u>981,417</u>
Debits during the year:	\$ <u>26,238</u>	\$ <u>43,312</u>	\$ _____	\$ <u>69,550</u>
Credits during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u>437,947</u>	\$ <u>613,020</u>	\$ <u>0</u>	\$ <u>1,050,967</u>

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (UTILITY OPERATIONS)

- The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.
- If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ 37,420
Reconciling items for the year:		
Taxable income not reported on books:		
Tap fees adjustment		990
_____		_____
_____		_____
Deductions recorded on books not deducted for return:		
1/2 Entertainment & meals		436
Federal income tax - estimated		11,520
_____		_____
_____		_____
Income recorded on books not included in return:		
_____		_____
_____		_____
Deduction on return not charged against book income:		
Depreciation		(4,285)
_____		_____
_____		_____
Federal tax net income		\$ 46,081

Computation of tax :

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2011
--

SYSTEM NAME / COUNTY : _____

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 2,944,650
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	<u>1,453,841</u>
110	Accumulated Amortization	F-8	<u>0</u>
271	Contributions in Aid of Construction	W-7	<u>943,817</u>
252	Advances for Construction	F-20	
Subtotal			\$ <u>546,992</u>
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 437,947
Subtotal			\$ <u>984,939</u>
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		<u>52,714</u>
	Other (Specify):		
WATER RATE BASE			\$ <u>1,037,653</u>
WATER OPERATING INCOME		W-3	\$ <u>110,475</u>
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			<u><u>10.65%</u></u>

- NOTES : (1) Estimate based on the methodology used in the last rate proceeding.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.
 In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2011

SYSTEM NAME / COUNTY :

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	W-9	\$ 700,965
469	Less: Guaranteed Revenue and AFPI	W-9	0
	Net Operating Revenues		\$ 700,965
401	Operating Expenses	W-10(a)	\$ 421,708
403	Depreciation Expense	W-6(a)	90,375
	Less: Amortization of CIAC	W-8(a)	26,238
	Net Depreciation Expense		\$ 64,137
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	0
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		31,545
408.11	Property Taxes		39,638
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 71,183
409.1	Income Taxes		33,462
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		\$ 590,490
	Utility Operating Income		\$ 110,475
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$ 0
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
	Total Utility Operating Income		\$ 110,475

W-3

GROUP _____

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2011

SYSTEM NAME / COUNTY : _____

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 0	\$ _____	\$ _____	\$ 0
302	Franchises	0	_____	_____	0
303	Land and Land Rights	70,283	0	0	70,283
304	Structures and Improvements	90,934	_____	_____	90,934
305	Collecting and Impounding Reservoirs	0	_____	_____	0
306	Lake, River and Other Intakes	0	_____	_____	0
307	Wells and Springs	15,970	_____	_____	15,970
308	Infiltration Galleries and Tunnels	0	_____	_____	0
309	Supply Mains	3,790	_____	_____	3,790
310	Power Generation Equipment	14,228	_____	_____	14,228
311	Pumping Equipment	87,367	2,641	2,070	87,938
320	Water Treatment Equipment	446,804	_____	_____	446,804
330	Distribution Reservoirs and Standpipes	440,238	3,461	_____	443,699
331	Transmission and Distribution Mains	1,359,621	_____	_____	1,359,621
333	Services	107,831	_____	_____	107,831
334	Meters and Meter Installations	187,968	7,413	3,440	191,941
335	Hydrants	29,987	1,399	_____	31,386
336	Backflow Prevention Devices	0	_____	_____	0
339	Other Plant Miscellaneous Equipment	0	_____	_____	0
340	Office Furniture and Equipment	6,049	2,662	_____	8,711
341	Transportation Equipment	42,104	_____	_____	42,104
342	Stores Equipment	0	_____	_____	0
343	Tools, Shop and Garage Equipment	1,476	_____	_____	1,476
344	Laboratory Equipment	0	_____	_____	0
345	Power Operated Equipment	24,604	_____	_____	24,604
346	Communication Equipment	0	_____	_____	0
347	Miscellaneous Equipment	0	_____	_____	0
348	Other Tangible Plant	3,330	_____	_____	3,330
TOTAL WATER PLANT		\$ 2,932,584	\$ 17,576	\$ 5,510	\$ 2,944,650

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2011

SYSTEM NAME / COUNTY : _____

WATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
301	Organization	\$ 0	\$	\$	\$	\$	\$
302	Franchises	0					
303	Land and Land Rights	70,283					70,283
304	Structures and Improvements	90,934					90,934
305	Collecting and Impounding Reservoirs	0					
306	Lake, River and Other Intakes	0					
307	Wells and Springs	15,970		15,970			
308	Infiltration Galleries and Tunnels	0					
309	Supply Mains	3,790		3,790			
310	Power Generation Equipment	14,228		14,228			
311	Pumping Equipment	87,938		87,938			
320	Water Treatment Equipment	446,804			446,804		
330	Distribution Reservoirs and Standpipes	443,699				443,699	
331	Transmission and Distribution Mains	1,359,621				1,359,621	
333	Services	107,831				107,831	
334	Meters and Meter Installations	191,941				191,941	
335	Hydrants	31,386				31,386	
336	Backflow Prevention Devices	0					
339	Other Plant Miscellaneous Equipment	0					
340	Office Furniture and Equipment	8,711					8,711
341	Transportation Equipment	42,104					42,104
342	Stores Equipment	0					
343	Tools, Shop and Garage Equipment	1,476					1,476
344	Laboratory Equipment	0					
345	Power Operated Equipment	24,604					24,604
346	Communication Equipment	0					
347	Miscellaneous Equipment	0					
348	Other Tangible Plant	3,330					3,330
TOTAL WATER PLANT		\$ 2,944,650	\$ 0	\$ 121,926	\$ 446,804	\$ 2,134,478	\$ 241,442

W-4(b)

GROUP _____

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2011

SYSTEM NAME / COUNTY :

BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
304	Structures and Improvements	28		3.57%
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	27		3.70%
308	Infiltration Galleries and Tunnels			
309	Supply Mains	32		3.13%
310	Power Generation Equipment	17		5.88%
311	Pumping Equipment	17		5.88%
320	Water Treatment Equipment	17		5.88%
330	Distribution Reservoirs and Standpipes	33		3.03%
331	Transmission and Distribution Mains	38		2.63%
333	Services	35		2.86%
334	Meters and Meter Installations	17		5.88%
335	Hydrants	40		2.50%
336	Backflow Prevention Devices			
339	Other Plant Miscellaneous Equipment			
340	Office Furniture and Equipment	15		6.67%
341	Transportation Equipment	6		16.67%
342	Stores Equipment			
343	Tools, Shop and Garage Equipment	14		7.14%
344	Laboratory Equipment			
345	Power Operated Equipment	10		10.00%
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	10		10.00%
Water Plant Composite Depreciation Rate *				

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2011

SYSTEM NAME / COUNTY :

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d+e) (f)
304	Structures and Improvements	\$ 68,268	\$ 2,827	\$	\$ 2,827
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	15,920	15		15
308	Infiltration Galleries and Tunnels	0			0
309	Supply Mains	2,005	119		119
310	Power Generation Equipment	5,636	604		604
311	Pumping Equipment	62,317	2,390		2,390
320	Water Treatment Equipment	388,488	16,229		16,229
330	Distribution Reservoirs and Standpipes	131,808	13,392		13,392
331	Transmission and Distribution Mains	483,579	35,758		35,758
333	Services	58,854	3,084		3,084
334	Meters and Meter Installations	83,196	10,197		10,197
335	Hydrants	7,998	750		750
336	Backflow Prevention Devices	0			0
339	Other Plant Miscellaneous Equipment	0			0
340	Office Furniture and Equipment	2,586	655		655
341	Transportation Equipment	36,094	1,797		1,797
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	1,001	98		98
344	Laboratory Equipment	0			0
345	Power Operated Equipment	17,897	2,460		2,460
346	Communication Equipment	0			0
347	Miscellaneous Equipment	0			0
348	Other Tangible Plant	3,330	0		0
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 1,368,977	90,375	0	90,375

* Specify nature of transaction
Use () to denote reversal entries.

W-6(a)
GROUP

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2011

SYSTEM NAME / COUNTY :

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (CONT'D)

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
304	Structures and Improvements	\$ _____	\$ _____	\$ _____	\$ _____ 0	\$ _____ 71,095
305	Collecting and Impounding Reservoirs	_____	_____	_____	_____ 0	_____ 0
306	Lake, River and Other Intakes	_____	_____	_____	_____ 0	_____ 0
307	Wells and Springs	_____	_____	_____	_____ 0	_____ 15,935
308	Infiltration Galleries and Tunnels	_____	_____	_____	_____ 0	_____ 0
309	Supply Mains	_____	_____	_____	_____ 0	_____ 2,124
310	Power Generation Equipment	_____	_____	_____	_____ 0	_____ 6,240
311	Pumping Equipment	_____ 2,070	_____	_____	_____ 2,070	_____ 62,637
320	Water Treatment Equipment	_____	_____	_____	_____ 0	_____ 404,717
330	Distribution Reservoirs and Standpipes	_____	_____	_____	_____ 0	_____ 145,200
331	Transmission and Distribution Mains	_____	_____	_____	_____ 0	_____ 519,337
333	Services	_____	_____	_____	_____ 0	_____ 61,938
334	Meters and Meter Installations	_____ 3,441	_____	_____	_____ 3,441	_____ 89,952
335	Hydrants	_____	_____	_____	_____ 0	_____ 8,748
336	Backflow Prevention Devices	_____	_____	_____	_____ 0	_____ 0
339	Other Plant Miscellaneous Equipment	_____	_____	_____	_____ 0	_____ 0
340	Office Furniture and Equipment	_____	_____	_____	_____ 0	_____ 3,241
341	Transportation Equipment	_____	_____	_____	_____ 0	_____ 37,891
342	Stores Equipment	_____	_____	_____	_____ 0	_____ 0
343	Tools, Shop and Garage Equipment	_____	_____	_____	_____ 0	_____ 1,099
344	Laboratory Equipment	_____	_____	_____	_____ 0	_____ 0
345	Power Operated Equipment	_____	_____	_____	_____ 0	_____ 20,357
346	Communication Equipment	_____	_____	_____	_____ 0	_____ 0
347	Miscellaneous Equipment	_____	_____	_____	_____ 0	_____ 0
348	Other Tangible Plant	_____	_____	_____	_____ 0	_____ 3,330
TOTAL WATER ACCUMULATED DEPRECIATION		\$ _____ 5,511	\$ _____ 0	\$ _____ 0	\$ _____ 5,511	\$ _____ 1,453,841

W-6(b)

GROUP _____

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2011

SYSTEM NAME / COUNTY :

WATER CIAC SCHEDULE "A"

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,
MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Capacity	29	\$ 450	\$ 13,050
Tap	11	90	990
			0
			0
			0
			0
			0
			0
			0
Total Credits			\$ 14,040

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 411,709
Debits during the year:	
Accruals charged to Account 272	\$ 26,238
Other debits (specify) :	
Total debits	\$ 26,238
Credits during the year (specify) :	
	\$
Total credits	\$ 0
Balance end of year	\$ 437,947

W-8(a)

GROUP _____

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2011

SYSTEM NAME / COUNTY :

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue			\$
461.1	Metered Water Revenue: Sales to Residential Customers	1,114	1,129	580,031
461.2	Sales to Commercial Customers	33	35	97,437
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings	6	7	21,446
Total Metered Sales		1,153	1,171	\$ 698,914
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
Total Fire Protection Revenue		0	0	\$ 0
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		1,153	1,171	\$ 698,914
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			2,051
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 2,051
Total Water Operating Revenues				\$ 700,965

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2011

SYSTEM NAME / COUNTY :

WATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 0	\$	\$
603	Salaries and Wages - Officers, Directors and Majority Stockholders	0		
604	Employee Pensions and Benefits	16,495		
610	Purchased Water	0		
615	Purchased Power	47,024	23,512	
616	Fuel for Power Production	1,042	521	
618	Chemicals	26,074		13,037
620	Materials and Supplies	35,402		7,200
631	Contractual Services-Engineering	5,228		
632	Contractual Services - Accounting	16,314		
633	Contractual Services - Legal	0		
634	Contractual Services - Mgt. Fees	30,720		
635	Contractual Services - Testing	2,155		
636	Contractual Services - Other	184,284	147,427	4,164
641	Rental of Building/Real Property	0		
642	Rental of Equipment	126		
650	Transportation Expenses	16,309	5,437	
656	Insurance - Vehicle	2,393		
657	Insurance - General Liability	10,849		
658	Insurance - Workman's Comp.	0		
659	Insurance - Other	0		
660	Advertising Expense	0		
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	0		
667	Regulatory Commission Exp.-Other	0		
668	Water Resource Conservation Exp.	0		
670	Bad Debt Expense	1,273		
675	Miscellaneous Expenses	26,020	6,505	
Total Water Utility Expenses		\$ 421,708	\$ 183,402	\$ 24,401

W-10(a)

GROUP _____

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2011

SYSTEM NAME / COUNTY :

WATER UTILITY EXPENSE ACCOUNT MATRIX

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
23,512	_____	_____	_____	_____	16,495
521	_____	_____	_____	_____	_____
13,037	_____	_____	_____	_____	_____
_____	21,003	_____	_____	_____	_____
_____	_____	_____	7,199	_____	5,228
_____	_____	_____	_____	_____	16,314
_____	_____	_____	_____	_____	_____
2,155	_____	_____	_____	_____	30,720
4,165	4,165	4,165	4,165	_____	16,033
_____	_____	_____	126	_____	_____
5,436	_____	5,436	_____	_____	2,393
_____	_____	_____	_____	_____	10,849
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	1,273	_____
6,505	_____	6,505	_____	_____	6,505
\$ <u>55,331</u>	\$ <u>25,168</u>	\$ <u>16,106</u>	\$ <u>11,490</u>	\$ <u>1,273</u>	\$ <u>104,537</u>

W-10(b)

GROUP _____

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2011

SYSTEM NAME / COUNTY : _____

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) (b)+(c)-(d) (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January		7,764		7,764	8,861
February		7,403		7,403	7,998
March		9,766		9,766	9,804
April		10,302		10,302	11,729
May		12,220		12,220	14,757
June		13,220		13,220	14,163
July		12,222		12,222	14,533
August		11,449		11,449	13,897
September		10,899		10,899	11,931
October		8,377		8,377	11,586
November		8,897		8,897	10,033
December		9,514		9,514	10,905
Total for Year	0	122,033	0	122,033	140,197

If water is purchased for resale, indicate the following:

Vendor N/A

Point of delivery _____

If water is sold to other water utilities for redistribution, list names of such utilities below:

N/A

SOURCE OF SUPPLY

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
Well A	616 GPM	1,361 Avg daily flow	Artesian well
Well B	1,800 GPM	344,470 Avg daily flow	Artesian well
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

W-11

GROUP _____

SYSTEM _____

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

SYSTEM NAME / COUNTY : _____

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>777,600</u>		
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Storage Tank</u>		
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	<u>Aerated/Reverse Osmosis/Blend</u>		
LIME TREATMENT			
Unit rating (i.e., GPM, pounds per gallon): <u>N/A</u>	Manufacturer:	<u>N/A</u>	
FILTRATION			
Type and size of area:			
Pressure (in square feet): <u>N/A</u>	Manufacturer:	<u>N/A</u>	
Gravity (in GPM/square feet): <u>N/A</u>	Manufacturer:	<u>N/A</u>	

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

SYSTEM NAME / COUNTY : _____

CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		
5/8"	Displacement	1.0	1,115	1,115
3/4"	Displacement	1.5	1	2
1"	Displacement	2.5	11	28
1 1/2"	Displacement or Turbine	5.0	1	5
2"	Displacement, Compound or Turbine	8.0	5	40
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				<u>1,189</u>

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC Calculation:

$$(116,223,847 \text{ Total annual single family gallons sold} / 1,266 \text{ average SFR customers}) / 365 \text{ days} = 252 \text{ ERC}$$

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

SYSTEM NAME / COUNTY : _____

OTHER WATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.

1. Present ERCs * the system can efficiently serve. 2,222
2. Maximum number of ERCs * which can be served. 2,222
3. Present system connection capacity (in ERCs *) using existing lines. 2,222
4. Future connection capacity (in ERCs *) upon service area buildout. 1,033
5. Estimated annual increase in ERCs *. 10
6. Is the utility required to have fire flow capacity?
If so, how much capacity is required? No
7. Attach a description of the fire fighting facilities.
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system:
None
9. When did the company last file a capacity analysis report with the DEP? February 15, 2000
10. If the present system **does not** meet the requirements of DEP rules:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? _____
11. Department of Environmental Protection ID # 2550812
12. Water Management District Consumptive Use Permit # 157
 - a. Is the system in compliance with the requirements of the CUP? Yes
 - b. If not, what are the utility's plans to gain compliance? N/A

* An ERC is determined based on the calculation on the bottom of Page W-13.

**WASTEWATER
OPERATION
SECTION**

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2011

SYSTEM NAME / COUNTY :

SCHEDULE OF YEAR END WASTEWATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4(a)	\$ 2,548,352
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	1,339,262
110	Accumulated Amortization	F-8	0
271	Contributions in Aid of Construction	S-7	1,514,389
252	Advances for Construction	F-20	
Subtotal			\$ (305,299)
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 613,020
Subtotal			\$ 307,721
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		51,450
	Other (Specify):		
WASTEWATER RATE BASE			\$ 359,171
WASTEWATER OPERATING INCOME		S-3	\$ (16,818)
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			<u>-4.68%</u>

NOTES : (1) Estimate based on the methodology used in the last rate proceeding.

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2011

SYSTEM NAME / COUNTY :

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	S-9(a)	\$ 446,816
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
Net Operating Revenues			\$ 446,816
401	Operating Expenses	S-10(a)	\$ 411,603
403	Depreciation Expense	S-6(a)	72,807
	Less: Amortization of CIAC	S-8(a)	43,312
Net Depreciation Expense			\$ 29,495
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	0
Taxes Other Than Income			
408.10	Utility Regulatory Assessment Fee		20,105
408.11	Property Taxes		22,296
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 42,401
409.1	Income Taxes		(19,865)
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
Utility Operating Expenses			\$ 463,634
Utility Operating Income			\$ (16,818)
530	Add Back: Guaranteed Revenue (and AFPI)	S-9(a)	\$ 0
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
Total Utility Operating Income			\$ (16,818)

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2011

SYSTEM NAME / COUNTY : _____

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ _____	\$ _____	\$ _____	\$ _____ 0
352	Franchises	_____	_____	_____	_____ 0
353	Land and Land Rights	246,973	_____	_____	246,973
354	Structures and Improvements	29,772	_____	_____	29,772
355	Power Generation Equipment	_____	_____	_____	_____ 0
360	Collection Sewers - Force	497,280	_____	_____	497,280
361	Collection Sewers - Gravity	_____	_____	_____	_____ 0
362	Special Collecting Structures	_____	_____	_____	_____ 0
363	Services to Customers	21,604	_____	_____	21,604
364	Flow Measuring Devices	_____	_____	_____	_____ 0
365	Flow Measuring Installations	_____	_____	_____	_____ 0
366	Reuse Services	_____	_____	_____	_____ 0
367	Reuse Meters and Meter Installations	_____	_____	_____	_____ 0
370	Receiving Wells	827,062	_____	23,340	803,722
371	Pumping Equipment	39,492	37,684	3,416	73,760
374	Reuse Distribution Reservoirs	_____	_____	_____	_____ 0
375	Reuse Transmission and Distribution System	_____	_____	_____	_____ 0
380	Treatment and Disposal Equipment	787,347	4,045	_____	791,392
381	Plant Sewers	_____	_____	_____	_____ 0
382	Outfall Sewer Lines	_____	_____	_____	_____ 0
389	Other Plant Miscellaneous Equipment	11,470	_____	_____	11,470
390	Office Furniture and Equipment	2,847	831	_____	3,678
391	Transportation Equipment	27,429	_____	_____	27,429
392	Stores Equipment	_____	_____	_____	_____ 0
393	Tools, Shop and Garage Equipment	2,738	_____	_____	2,738
394	Laboratory Equipment	_____	_____	_____	_____ 0
395	Power Operated Equipment	38,534	_____	_____	38,534
396	Communication Equipment	_____	_____	_____	_____ 0
397	Miscellaneous Equipment	_____	_____	_____	_____ 0
398	Other Tangible Plant	_____	_____	_____	_____ 0
Total Wastewater Plant		\$ <u>2,532,548</u>	\$ <u>42,560</u>	\$ <u>26,756</u>	\$ <u>2,548,352</u>

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

S-4(a)

GROUP _____

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

SYSTEM NAME / COUNTY : _____

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (i)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (j)	.7 GENERAL PLANT (k)
351	Organization	\$	\$	\$	\$	\$	\$	\$
352	Franchises							
353	Land and Land Rights							246,973
354	Structures and Improvements							29,772
355	Power Generation Equipment							
360	Collection Sewers - Force		497,280					
361	Collection Sewers - Gravity							
362	Special Collecting Structures							
363	Services to Customers		21,604					
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells			803,722				
371	Pumping Equipment			73,760				
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment and Disposal Equipment				791,392			
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant Miscellaneous Equipment				11,470			
390	Office Furniture and Equipment							3,678
391	Transportation Equipment							27,429
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							2,738
394	Laboratory Equipment							
395	Power Operated Equipment							38,534
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 0	\$ 518,884	\$ 877,482	\$ 802,862	\$ 0	\$ 0	\$ 349,124

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

S-4(b)
GROUP _____

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2011

SYSTEM NAME / COUNTY :

BASIS FOR WASTEWATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - D) / C (e)
354	Structures and Improvements	27		3.70%
355	Power Generation Equipment			
360	Collection Sewers - Force	27		3.70%
361	Collection Sewers - Gravity			
362	Special Collecting Structures			
363	Services to Customers	35		2.86%
364	Flow Measuring Devices			
365	Flow Measuring Installations			
366	Reuse Services			
367	Reuse Meters and Meter Installations			
370	Receiving Wells	25		4.00%
371	Pumping Equipment	15		6.67%
374	Reuse Distribution Reservoirs			
375	Reuse Transmission/Distribution Sys.			
380	Treatment and Disposal Equipment	15		6.67%
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant Miscellaneous Equipment	10		10.00%
390	Office Furniture and Equipment	15		6.67%
391	Transportation Equipment	6		16.67%
392	Stores Equipment			
393	Tools, Shop and Garage Equipment	14		7.14%
394	Laboratory Equipment			
395	Power Operated Equipment	10		10.00%
396	Communication Equipment			
397	Miscellaneous Equipment			
398	Other Tangible Plant			
Wastewater Plant Composite Depreciation Rate *				

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2011

SYSTEM NAME / COUNTY : _____

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
354	Structures and Improvements	\$ 17,401	\$ 934	\$	\$ 934
355	Power Generation Equipment	0			0
360	Collection Sewers - Force	265,236	18,400		18,400
361	Collection Sewers - Gravity	0			0
362	Special Collecting Structures	0			0
363	Services to Customers	7,765	618		618
364	Flow Measuring Devices	0			0
365	Flow Measuring Installations	0			0
366	Reuse Services	0			0
367	Reuse Meters and Meter Installations	0			0
370	Receiving Wells	254,878	39,596		39,596
371	Pumping Equipment	1,317	6,965		6,965
374	Reuse Distribution Reservoirs	0			0
375	Reuse Transmission/Distribution Sys.	0			0
380	Treatment and Disposal Equipment	684,203	0		0
381	Plant Sewers	0			0
382	Outfall Sewer Lines	0			0
389	Other Plant Miscellaneous Equipment	7,557	1,118		1,118
390	Office Furniture and Equipment	1,127	394		394
391	Transportation Equipment	21,345	1,871		1,871
392	Stores Equipment	0			0
393	Tools, Shop and Garage Equipment	2,344	64		64
394	Laboratory Equipment	0			0
395	Power Operated Equipment	30,038	2,847		2,847
396	Communication Equipment	0			0
397	Miscellaneous Equipment	0			0
398	Other Tangible Plant	0			0
Total Depreciable Wastewater Plant in Service		\$ 1,293,211	\$ 72,807	\$ 0	\$ 72,807

* Specify nature of transaction.
Use () to denote reversal entries.

S-6(a)

GROUP _____

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2011

SYSTEM NAME / COUNTY :

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
354	Structures and Improvements	\$	\$	\$	\$ 0	\$ 18,335
355	Power Generation Equipment				0	0
360	Collection Sewers - Force				0	283,636
361	Collection Sewers - Gravity				0	0
362	Special Collecting Structures				0	0
363	Services to Customers				0	8,383
364	Flow Measuring Devices				0	0
365	Flow Measuring Installations				0	0
366	Reuse Services				0	0
367	Reuse Meters and Meter Installations				0	0
370	Receiving Wells	23,340			23,340	271,134
371	Pumping Equipment	3,416			3,416	4,866
374	Reuse Distribution Reservoirs				0	0
375	Reuse Transmission/Distribution Sys.				0	0
380	Treatment and Disposal Equipment				0	684,203
381	Plant Sewers				0	0
382	Outfall Sewer Lines				0	0
389	Other Plant Miscellaneous Equipment				0	8,675
390	Office Furniture and Equipment				0	1,521
391	Transportation Equipment				0	23,216
392	Stores Equipment				0	0
393	Tools, Shop and Garage Equipment				0	2,408
394	Laboratory Equipment				0	0
395	Power Operated Equipment				0	32,885
396	Communication Equipment				0	0
397	Miscellaneous Equipment				0	0
398	Other Tangible Plant				0	0
Total Depreciable Wastewater Plant in Service		\$ 26,756	\$ 0	\$ 0	\$ 26,756	\$ 1,339,262

* Specify nature of transaction.
Use () to denote reversal entries.

S-6(b)

GROUP _____

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2011

SYSTEM NAME / COUNTY :

CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ 1,495,164
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8(a)	\$ 19,225
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	0
Total Credits		\$ 19,225
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ 1,514,389

Explain all debits charged to Account 271 during the year below:

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2011
--

SYSTEM NAME / COUNTY : _____

WASTEWATER CIAC SCHEDULE "A"

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,
MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Capacity	5	\$ 750	\$ 3,750
Lift Stations	15	925	13,875
Bore	1	1,000	1,000
Bore	1	600	600
			0
			0
			0
			0
Total Credits			\$ <u>19,225</u>

ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 569,708
Debits during the year:	
Accruals charged to Account 272	\$ 43,312
Other debits (specify):	
Total debits	\$ 43,312
Credits during the year (specify):	
	\$
Total credits	\$ 0
Balance end of year	\$ <u>613,020</u>

S-8(a)

GROUP _____

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2011

SYSTEM NAME / COUNTY: _____

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
WASTEWATER SALES				
521.1	Flat Rate Revenues: Residential Revenues	679	695	\$ 312,914
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues	5	4	43,983
521.6	Other Revenues			
521	Total Flat Rate Revenues	684	699	\$ 356,897
522.1	Measured Revenues: Residential Revenues			
522.2	Commercial Revenues	26	29	89,919
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	Total Measured Revenues	26	29	\$ 89,919
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
Total Wastewater Sales		710	728	\$ 446,816
OTHER WASTEWATER REVENUES				
530	Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
531	Sale of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues			
Total Other Wastewater Revenues				\$ 0

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

S-9(a)
GROUP _____

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2011
--

SYSTEM NAME / COUNTY :

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
540.1	Flat Rate Reuse Revenues: Residential Reuse Revenues	_____	_____	\$ _____
540.2	Commercial Reuse Revenues	_____	_____	_____
540.3	Industrial Reuse Revenues	_____	_____	_____
540.4	Reuse Revenues From Public Authorities	_____	_____	_____
540.5	Other Revenues	_____	_____	_____
540	Total Flat Rate Reuse Revenues	0	0	\$ _____ 0
541.1	Measured Reuse Revenues: Residential Reuse Revenues	_____	_____	_____
541.2	Commercial Reuse Revenues	_____	_____	_____
541.3	Industrial Reuse Revenues	_____	_____	_____
541.4	Reuse Revenues From Public Authorities	_____	_____	_____
541	Total Measured Reuse Revenues	0	0	\$ _____ 0
544	Reuse Revenues From Other Systems	_____	_____	_____
Total Reclaimed Water Sales				\$ _____ 0
Total Wastewater Operating Revenues				\$ <u>446,816</u>

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2011

SYSTEM NAME / COUNTY : _____

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES- OPERATIONS (d)	.2 COLLECTION EXPENSES- MAINTENANCE (e)	.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ 0	\$	\$	\$	\$	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders	0						
704	Employee Pensions and Benefits	9,279						
710	Purchased Sewage Treatment	0						
711	Sludge Removal Expense	114,119					114,119	
715	Purchased Power	19,954					19,954	
716	Fuel for Power Production	586					586	
718	Chemicals	13,452				6,726		6,726
720	Materials and Supplies	52,596		17,532		17,532		17,532
731	Contractual Services-Engineering	1,647						
732	Contractual Services - Accounting	9,176						
733	Contractual Services - Legal	0						
734	Contractual Services - Mgr. Fees	17,280						
735	Contractual Services - Testing	7,811					7,811	
736	Contractual Services - Other	134,463	1,569	1,569	1,569	1,569	100,847	1,569
741	Rental of Building/Real Property	0						
742	Rental of Equipment	71					71	
750	Transportation Expenses	9,081	3,027		3,027		3,027	
756	Insurance - Vehicle	1,346						
757	Insurance - General Liability	4,803						
758	Insurance - Workman's Comp.	0						
759	Insurance - Other	0						
760	Advertising Expense	0						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	0						
767	Regulatory Commission Exp.-Other	0					0	
770	Bad Debt Expense	844						
775	Miscellaneous Expenses	15,095	3,773		3,774		3,774	
Total Wastewater Utility Expenses		\$ 411,603	\$ 8,369	\$ 19,101	\$ 8,370	\$ 25,827	\$ 250,189	\$ 25,827

S-10(a)

GROUP _____

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2011

SYSTEM NAME / COUNTY: _____

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES- OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES- MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES- OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES- MAINTENANCE (o)
701	Salaries and Wages - Employees	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
703	Salaries and Wages - Officers, Directors and Majority Stockholders	_____	_____	_____	_____	_____	_____
704	Employee Pensions and Benefits	_____	9,279	_____	_____	_____	_____
710	Purchased Sewage Treatment	_____	_____	_____	_____	_____	_____
711	Sludge Removal Expense	_____	_____	_____	_____	_____	_____
715	Purchased Power	_____	_____	_____	_____	_____	_____
716	Fuel for Power Purchased	_____	_____	_____	_____	_____	_____
718	Chemicals	_____	_____	_____	_____	_____	_____
720	Materials and Supplies	_____	_____	_____	_____	_____	_____
731	Contractual Services-Engineering	_____	1,647	_____	_____	_____	_____
732	Contractual Services - Accounting	_____	9,176	_____	_____	_____	_____
733	Contractual Services - Legal	_____	_____	_____	_____	_____	_____
734	Contractual Services - Mgt. Fees	_____	17,280	_____	_____	_____	_____
735	Contractual Services - Testing	_____	_____	_____	_____	_____	_____
736	Contractual Services - Other	1,568	24,203	_____	_____	_____	_____
741	Rental of Building/Real Property	_____	_____	_____	_____	_____	_____
742	Rental of Equipment	_____	_____	_____	_____	_____	_____
750	Transportation Expenses	_____	_____	_____	_____	_____	_____
756	Insurance - Vehicle	_____	1,346	_____	_____	_____	_____
757	Insurance - General Liability	_____	4,803	_____	_____	_____	_____
758	Insurance - Workman's Comp.	_____	_____	_____	_____	_____	_____
759	Insurance - Other	_____	_____	_____	_____	_____	_____
760	Advertising Expense	_____	_____	_____	_____	_____	_____
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	_____	_____	_____	_____	_____	_____
767	Regulatory Commission Exp.-Other	_____	_____	_____	_____	_____	_____
770	Bad Debt Expense	844	_____	_____	_____	_____	_____
775	Miscellaneous Expenses	_____	3,774	_____	_____	_____	_____
Total Wastewater Utility Expenses		\$ 2,412	\$ 71,508	\$ 0	\$ 0	\$ 0	\$ 0

S-10(b)

GROUP _____

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2011
--

SYSTEM NAME / COUNTY : _____

CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (e x d) (e)
All Residential		1.0		0
5/8"	Displacement	1.0	683	683
3/4"	Displacement	1.5		0
1"	Displacement	2.5		0
1 1/2"	Displacement or Turbine	5.0		0
2"	Displacement, Compound or Turbine	8.0		0
3"	Displacement	15.0		0
3"	Compound	16.0		0
3"	Turbine	17.5		0
4"	Displacement or Compound	25.0		0
4"	Turbine	30.0		0
6"	Displacement or Compound	50.0		0
6"	Turbine	62.5		0
8"	Compound	80.0		0
8"	Turbine	90.0		0
10"	Compound	115.0		0
10"	Turbine	145.0		0
12"	Turbine	215.0		0
Total Wastewater System Meter Equivalents				<u>683</u>

CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one wastewater equivalent residential connection (ERC).

Use one of the following methods:

(a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.

(b) If no historical flow data are available, use:

$$ERC = (\text{Total SFR gallons treated (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day})$$

For wastewater only utilities:

Subtract all general use and other non residential customer gallons from the total gallons treated.

Divide the remainder (SFR customers) by 365 days to reveal single family residence customer gallons per day.

NOTE: Total gallons treated includes both treated and purchased treatment.

ERC Calculation: Sewer is flat rate. No flow data available for sewer and no information available for separation of gallons treated between residential and other.
--

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

SYSTEM NAME / COUNTY : _____

WASTEWATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	300MGD		
Basis of Permit Capacity (1)	Avg Annual Daily Flow		
Manufacturer			
Type (2)	Extended Aeration		
Hydraulic Capacity	317 MGD		
Average Daily Flow	Annual Avg 130 MGD		
Total Gallons of Wastewater Treated	42.91 MGD		
Method of Effluent Disposal	Rapid I Filtration Basin		

(1) Basis of permitted capacity as stated on the Florida DEP WWTP Operating Permit
(i.e. average annual daily flow, etc)

(2) Contact stabilization, advanced treatment, etc.

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2011

SYSTEM NAME / COUNTY : _____

OTHER WASTEWATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.

1. Present number of ERCs* now being served 152

2. Maximum number of ERCs* which can be served 304

3. Present system connection capacity (in ERCs*) using existing lines 304

4. Future connection capacity (in ERCs*) upon service area buildout 304

5. Estimated annual increase in ERCs* 10

6. Describe any plans and estimated completion dates for any enlargements or improvements of this system

7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known _____

8. If the utility does not engage in reuse, has a reuse feasibility study been completed? No
If so, when? _____

9. Has the utility been required by the DEP or water management district to implement reuse? No
If so, what are the utility's plans to comply with this requirement? _____

10. When did the company last file a capacity analysis report with the DEP? Apr-09

11. If the present system does not meet the requirements of DEP rules:
a. Attach a description of the plant upgrade necessary to meet the DEP rules.
b. Have these plans been approved by DEP? _____
c. When will construction begin? _____
d. Attach plans for funding the required upgrading.
e. Is this system under any Consent Order with DEP? No

12. Department of Environmental Protection ID # FLA0011765

* An ERC is determined based on the calculation on S-11