

CLASS "A" OR "B"

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

ANNUAL REPORT

OF

WS926-12-AR

NORTH BEACH UTILITIES, INC

Exact Legal Name of Respondent

473W & 409S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
13 MAR 29 AM 10:19
DIVISION OF
ACCOUNTING & FINANCE

FOR THE

YEAR ENDED DECEMBER 31, 2012

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
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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, 2012 and 2011, the related operating statements for the years then ended and the statement of retained earnings for the year ended December 31, 2012 included in the accompanying prescribed form. We have not audited or reviewed the financial statements included in the accompanying prescribed form and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the form prescribed by the Florida Public Service Commission.

Management is responsible for the preparation and fair presentation of the financial statements included in the form prescribed by the Florida Public Service Commission and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

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.

The financial statements included in the accompanying prescribed form are presented in accordance with the requirements of the Florida Public Service Commission, and are not intended to be a presentation in accordance with 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, on pages E-1 through E-10(b), F-4 through F-15, F-17 through F-23, W-1 through W-14, and S-1 through S-13 of the prescribed form is presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Florida Public Service Commission, who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The supplementary information included 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) has been compiled by us without audit or review and, accordingly, we do not express an opinion or provide any assurance on it. The supplementary information included on pages E-1 through E-10(b), W-1, W-11 through W-14, S-1, and S-11 through S-13 was not audited, reviewed, or compiled by us and, accordingly, we do not express an opinion or provide any assurance on it.

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

Edmiston & Edmiston, P.A.
Certified Public Accountants
March 27, 2013

EXECUTIVE SUMMARY

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

YEAR OF REPORT
December 31, 2012

CERTIFICATION OF ANNUAL REPORT

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

YES NO

1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.

YES NO

2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

YES NO

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 NO

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


(Signature of Chief Executive Officer of the utility) *

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


(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, 2012

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
[] [] [] [X]

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

Table with 2 columns: Name, Percent Ownership. Rows include Frank D Usina (26%), John F Usina (49%), Elizabeth K Usina (25%).

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.

PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/12

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%	

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

YEAR OF REPORT December 31, 2012
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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%	\$ 46,491
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, 2012

**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	\$ 5,493,002	\$ 5,526,217
108-110	Less: Accumulated Depreciation and Amortization	F-8	2,793,104	2,921,126
Net Plant			\$ 2,699,898	\$ 2,605,091
114-115	Utility Plant Acquisition adjustment (Net)	F-7		0
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 2,699,898	\$ 2,605,091
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		\$ 62,201	\$ 32,015
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	104,803	103,030
145	Accounts Receivable from Associated Companies	F-12	105,824	105,000
146	Notes Receivable from Associated Companies	F-12	0	0
151-153	Material and Supplies		58,034	53,653
161	Stores Expense			
162	Prepayments		5,084	20,584
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Miscellaneous Current and Accrued Assets	F-12	62,344	71,787
Total Current and Accrued Assets			\$ 398,290	\$ 386,069

* Not Applicable for Class B Utilities

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

YEAR OF REPORT December 31, 2012
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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	\$ 5,167	\$ 3,577
182	Extraordinary Property Losses	F-13		0
183	Preliminary Survey & Investigation Charges			
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Miscellaneous Deferred Debits	F-14	7,256	1,395
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			\$ 12,423	\$ 4,972
TOTAL ASSETS AND OTHER DEBITS			\$ 3,110,611	\$ 2,996,132

* Not Applicable for Class B Utilities

<p>NOTES TO THE BALANCE SHEET</p> <p>The space below is provided for important notes regarding the balance sheet</p>

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

YEAR OF REPORT
December 31, 2012

**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	(167,673)	(171,507)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 466,939	\$ 463,105
LONG TERM DEBT				
221	Bonds	F-15		0
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		12,939
224	Other Long Term Debt	F-17	838,658	754,728
Total Long Term Debt			\$ 838,658	\$ 767,667
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		52,311	59,390
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		15,985	17,296
236	Accrued Taxes	W/S-3	0	0
237	Accrued Interest	F-19	145	2
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	3,356	5,290
Total Current & Accrued Liabilities			\$ 374,978	\$ 385,159

* Not Applicable for Class B Utilities

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

YEAR OF REPORT
December 31, 2012

**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			\$ <u>_____ 0</u>	\$ <u>_____ 0</u>
OPERATING RESERVES				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves		_____	_____
Total Operating Reserves			\$ <u>_____ 0</u>	\$ <u>_____ 0</u>
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	\$ <u>2,458,206</u>	\$ <u>2,479,646</u>
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(1,050,967)	(1,120,942)
Total Net CIAC			\$ <u>1,407,239</u>	\$ <u>1,358,704</u>
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	21,497
Total Accumulated Deferred Income Tax			\$ <u>22,797</u>	\$ <u>21,497</u>
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ <u>3,110,611</u>	\$ <u>2,996,132</u>

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

YEAR OF REPORT December 31, 2012
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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)	\$ 1,147,781	\$ 1,175,928
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		0
Net Operating Revenues			\$ 1,147,781	\$ 1,175,928
401	Operating Expenses	F-3(b)	\$ 833,311	\$ 918,170
403	Depreciation Expense:	F-3(b)	\$ 163,182	\$ 169,930
	Less: Amortization of CIAC	F-22	69,550	69,975
Net Depreciation Expense			\$ 93,632	\$ 99,955
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	113,584	111,841
409	Current Income Taxes	W/S-3	17,380	0
410.1	Deferred Federal Income Taxes	W/S-3	0	22,782
410.11	Deferred State Income Taxes	W/S-3	0	5,304
411.1	Provision for Deferred Income Taxes - Credit	W/S-3	0	(29,386)
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			\$ 1,057,907	\$ 1,128,666
Net Utility Operating Income			\$ 89,874	\$ 47,262
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)]			\$ 89,874	\$ 47,262

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

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ <u>714,364</u> 0	\$ <u>461,564</u> 0	\$ _____
\$ <u>714,364</u>	\$ <u>461,564</u>	\$ <u>0</u>
\$ 459,142	\$ 459,028	\$ _____
<u>82,163</u> <u>26,238</u>	<u>87,767</u> <u>43,737</u>	_____
\$ <u>55,925</u>	\$ <u>44,030</u>	\$ <u>0</u>
<u>0</u> <u>0</u> <u>63,964</u> <u>0</u> <u>22,782</u> <u>5,304</u> <u>0</u> <u>0</u> <u>0</u>	<u>0</u> <u>0</u> <u>47,877</u> <u>0</u> <u>0</u> <u>0</u> <u>(29,386)</u> <u>0</u> <u>0</u>	_____ _____ _____ _____ _____ _____ _____ _____ _____
\$ <u>607,117</u>	\$ <u>521,549</u>	\$ <u>0</u>
\$ <u>107,247</u>	\$ <u>(59,985)</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><u>107,247</u></u>	\$ <u><u>(59,985)</u></u>	\$ <u><u>0</u></u>

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

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

YEAR OF REPORT December 31, 2012
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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)]			\$ <u>89,874</u>	\$ <u>47,262</u>
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			\$ <u>17</u>	\$ <u>0</u>
TAXES APPLICABLE TO OTHER INCOME				
408.2	Taxes Other Than Income		\$ _____	\$ <u>0</u>
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			\$ <u>0</u>	\$ <u>0</u>
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ <u>54,665</u>	\$ <u>49,506</u>
428	Amortization of Debt Discount & Expense	F-13	<u>1,589</u>	<u>1,590</u>
429	Amortization of Premium on Debt	F-13	_____	<u>0</u>
Total Interest Expense			\$ <u>56,254</u>	\$ <u>51,096</u>
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.3	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ <u>0</u>	\$ <u>0</u>
NET INCOME			\$ <u><u>33,637</u></u>	\$ <u><u>(3,834)</u></u>

Explain Extraordinary Income:

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

YEAR OF REPORT
December 31, 2012

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	\$ 2,956,213	\$ 2,570,004
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	1,530,617	1,390,509
110	Accumulated Amortization	F-8	0	0
271	Contributions in Aid of Construction	F-22	950,357	1,529,289
252	Advances for Construction	F-20		
Subtotal			\$ 475,239	\$ (349,794)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	464,185	656,757
Subtotal			\$ 939,424	\$ 306,963
114	Plus or Minus: Acquisition Adjustments (2)	F-7	0	0
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	0	0
	Working Capital Allowance (3)		57,393	57,379
	Other (Specify): _____ _____ _____			
RATE BASE			\$ 996,817	\$ 364,342
NET UTILITY OPERATING INCOME			\$ 107,247	\$ (59,985)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			10.76%	-16.46%

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, 2012
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**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	0.04%	11.16%	0.00%
Preferred Stock	0	0.00%		0.00%
Long Term Debt	754,728	52.85%	11.16%	5.90%
Customer Deposits	17,296	1.21%	11.16%	0.14%
Tax Credits - Zero Cost	0	0.00%		0.00%
Tax Credits - Weighted Cost	0	0.00%		0.00%
Deferred Income Taxes	21,497	1.50%	11.16	0.16%
Other (Explain)	0	0.00%		0.00%
Additional paid in capital	634,112	44.40%	11.16%	4.96%
Total	\$ 1,428,133	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>#12-0339-PAA-WS issued June 28, 2012</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

YEAR OF REPORT
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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	\$ 2,956,213	\$ 2,570,004	\$ _____	\$ 5,526,217
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	\$ 2,956,213	\$ 2,570,004	\$ 0	\$ 5,526,217

**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
		_____	_____	_____	0
	Total Plant Acquisition Adjustments	\$ 0	\$ 0	\$ 0	\$ 0
115	Accumulated Amortization None	\$ _____	\$ _____	\$ _____	\$ 0
		_____	_____	_____	0
		_____	_____	_____	0
		_____	_____	_____	0
		_____	_____	_____	0
	Total Accumulated Amortization	\$ 0	\$ 0	\$ 0	\$ 0
	Net Acquisition Adjustments	\$ 0	\$ 0	\$ 0	\$ 0

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	\$ 1,453,841	\$ 1,339,263	\$	\$ 2,793,104
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 82,163	\$ 87,767	\$	\$ 169,930
Account 108.2 (2)				0
Account 108.3 (2)				0
Other Accounts (specify):				0
				0
				0
Salvage				0
Other Credits (Specify):				0
				0
Total Credits	\$ 82,163	\$ 87,767	\$ 0	\$ 169,930
Debits during year:				
Book cost of plant retired	5,387	36,521		41,908
Cost of Removal				0
Other Debits (specify):				0
Cumulative prior year depreciation in excess of cost				0
Total Debits	\$ 5,387	\$ 36,521	\$ 0	\$ 41,908
Balance end of year	\$ <u>1,530,617</u>	\$ <u>1,390,509</u>	\$ <u>0</u>	\$ <u>2,921,126</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

YEAR OF REPORT December 31, 2012
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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

YEAR OF REPORT December 31, 2012
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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

YEAR OF REPORT December 31, 2012
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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
Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ 56,593	
Wastewater	45,437	
_____	_____	
_____	_____	
Total Customer Accounts Receivable		\$ 102,030
OTHER ACCOUNTS RECEIVABLE (Account 142):		
A/R CIAC	\$ 1,000	
_____	_____	
_____	_____	
Total Other Accounts Receivable		\$ 1,000
NOTES RECEIVABLE (Account 144):		
None	\$ _____	
_____	_____	
_____	_____	
Total Notes Receivable		\$ 0
Total Accounts and Notes Receivable		\$ 103,030
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		\$ 103,030

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

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**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	\$ 1,590	\$ 3,577
Total Unamortized Debt Discount and Expense	\$ 1,590	\$ 3,577
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

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**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>1,037</u>
Other prepaid expenses	_____	<u>358</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Debits	\$ <u>0</u>	\$ <u>1,395</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>1,395</u>

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

YEAR OF REPORT
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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	\$ (163,890)
439	Changes to Account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: _____	\$ _____
	Total Credits:	\$ 0
	Debits: _____	\$ 3,783
	Total Debits:	\$ 3,783
435	Balance Transferred from Income	\$ (3,834)
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	\$ (171,507)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ 0
	Total Retained Earnings	\$ (171,507)

Notes to Statement of Retained Earnings:
Change in income tax expense from estimated to actual after Annual Report filing.

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

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**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
Due to associated company	\$ 12,939
Total	\$ <u>12,939</u>

**OTHER LONG-TERM DEBT
ACCOUNT 224**

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)	
N/P GMAC - Chevy Truck	7.87 %	Fixed	\$ 1,616
N/P Suntrust Bank - Consolidation loan	6.00 %	Fixed	753,112
Total			\$ <u>754,728</u>

* 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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**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	\$ 145		\$	\$ 143	\$ 2
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
Total Account 237.1	\$ 145		\$ 0	\$ 143	\$ 2
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$	427	\$ 605	\$ 605	\$
SunTrust Interest - Truck loan	_____	427	326	326	_____
SunTrust Interest - Consolidation loan	_____	427	48,575	48,575	_____
Total Account 237.2	\$ 0		\$ 49,506	\$ 49,506	\$ 0
Total Account 237 (1)	\$ 145		\$ 49,506	\$ 49,649	\$ 2
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 49,506		
Less Capitalized Interest Portion of AFUDC:					

Net Interest Expensed to Account No. 427 (2)			\$ 49,506		

(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	\$ 5,290
_____	_____
_____	_____
_____	_____
Total Miscellaneous Current and Accrued Liabilities	\$ 5,290

**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
Total	\$ 0		\$ 0	\$ 0	\$ 0

* 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, 2012
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**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, 2012
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**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>943,817</u>	\$ <u>1,514,389</u>	\$ _____	\$ <u>2,458,206</u>
Add credits during year:	\$ <u>6,540</u>	\$ <u>14,900</u>	\$ _____	\$ <u>21,440</u>
Less debit charged during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Contribution In Aid of Construction	\$ <u>950,357</u>	\$ <u>1,529,289</u>	\$ <u>0</u>	\$ <u>2,479,646</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>437,947</u>	\$ <u>613,020</u>	\$ _____	\$ <u>1,050,967</u>
Debits during the year:	\$ <u>26,238</u>	\$ <u>43,737</u>	\$ _____	\$ <u>69,975</u>
Credits during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u>464,185</u>	\$ <u>656,757</u>	\$ <u>0</u>	\$ <u>1,120,942</u>

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

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**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)	\$ (3,834)
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		667
_____		_____
_____		_____
Income recorded on books not included in return:		
Federal income tax benefit		(1,055)
State income tax benefit		(245)
_____		_____
_____		_____
Deduction on return not charged against book income:		
Depreciation		(13,748)
_____		_____
_____		_____
Federal tax net income		\$ (17,225)

Computation of tax :

**WATER
OPERATION
SECTION**

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

YEAR OF REPORT
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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)	\$ 2,956,213
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	1,530,617
110	Accumulated Amortization	F-8	0
271	Contributions in Aid of Construction	W-7	950,357
252	Advances for Construction	F-20	
Subtotal			\$ 475,239
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 464,185
Subtotal			\$ 939,424
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		57,393
	Other (Specify):		
WATER RATE BASE			\$ 996,817
WATER OPERATING INCOME		W-3	\$ 107,247
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			<u>10.76%</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
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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	\$ 714,364
469	Less: Guaranteed Revenue and AFPI	W-9	0
	Net Operating Revenues		\$ 714,364
401	Operating Expenses	W-10(a)	\$ 459,142
403	Depreciation Expense	W-6(a)	82,163
	Less: Amortization of CIAC	W-8(a)	26,238
	Net Depreciation Expense		\$ 55,925
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		32,146
408.11	Property Taxes		31,818
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 63,964
409.1	Income Taxes		
410.10	Deferred Federal Income Taxes		22,782
410.11	Deferred State Income Taxes		5,304
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		\$ 607,117
	Utility Operating Income		\$ 107,247
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		\$ 107,247

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
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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			70,283
304	Structures and Improvements	90,934	7,018		97,952
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	2,441		16,669
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	5,479	4,138	193,282
335	Hydrants	31,386			31,386
336	Backflow Prevention Devices	0			0
339	Other Plant Miscellaneous Equipment	0			0
340	Office Furniture and Equipment	8,711	2,012	1,249	9,474
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		\$ 2,944,650	\$ 16,950	\$ 5,387	\$ 2,956,213

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, 2012

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	97,952					97,952
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	16,669		16,669			
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	193,282				193,282	
335	Hydrants	31,386				31,386	
336	Backflow Prevention Devices	0					
339	Other Plant Miscellaneous Equipment	0					
340	Office Furniture and Equipment	9,474					9,474
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		\$ 2,956,213	\$ 0	\$ 124,367	\$ 446,804	\$ 2,135,819	\$ 249,223

W-4(b)
GROUP _____

SEE ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2012

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, 2012

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	\$ 71,095	\$ 2,952	\$	\$ 2,952
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	15,935	15		15
308	Infiltration Galleries and Tunnels	0			0
309	Supply Mains	2,124	119		119
310	Power Generation Equipment	6,240	676		676
311	Pumping Equipment	62,637	2,468		2,468
320	Water Treatment Equipment	404,717	7,464		7,464
330	Distribution Reservoirs and Standpipes	145,200	13,444		13,444
331	Transmission and Distribution Mains	519,337	35,758		35,758
333	Services	61,938	3,084		3,084
334	Meters and Meter Installations	89,952	10,237		10,237
335	Hydrants	8,748	750		750
336	Backflow Prevention Devices	0			0
339	Other Plant Miscellaneous Equipment	0			0
340	Office Furniture and Equipment	3,241	1,490		1,490
341	Transportation Equipment	37,891	1,686		1,686
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	1,099	90		90
344	Laboratory Equipment	0			0
345	Power Operated Equipment	20,357	1,930		1,930
346	Communication Equipment	0			0
347	Miscellaneous Equipment	0			0
348	Other Tangible Plant	3,330	0		0
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 1,453,841	82,163	0	82,163

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

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2012
--

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	\$ _____ 74,047
305	Collecting and Impounding Reservoirs	_____	_____	_____	_____ 0	_____ 0
306	Lake, River and Other Intakes	_____	_____	_____	_____ 0	_____ 0
307	Wells and Springs	_____	_____	_____	_____ 0	_____ 15,950
308	Infiltration Galleries and Tunnels	_____	_____	_____	_____ 0	_____ 0
309	Supply Mains	_____	_____	_____	_____ 0	_____ 2,243
310	Power Generation Equipment	_____	_____	_____	_____ 0	_____ 6,916
311	Pumping Equipment	_____	_____	_____	_____ 0	_____ 65,105
320	Water Treatment Equipment	_____	_____	_____	_____ 0	_____ 412,181
330	Distribution Reservoirs and Standpipes	_____	_____	_____	_____ 0	_____ 158,644
331	Transmission and Distribution Mains	_____	_____	_____	_____ 0	_____ 555,095
333	Services	_____	_____	_____	_____ 0	_____ 65,022
334	Meters and Meter Installations	_____ 4,138	_____	_____	_____ 4,138	_____ 96,051
335	Hydrants	_____	_____	_____	_____ 0	_____ 9,498
336	Backflow Prevention Devices	_____	_____	_____	_____ 0	_____ 0
339	Other Plant Miscellaneous Equipment	_____	_____	_____	_____ 0	_____ 0
340	Office Furniture and Equipment	_____ 1,249	_____	_____	_____ 1,249	_____ 3,482
341	Transportation Equipment	_____	_____	_____	_____ 0	_____ 39,577
342	Stores Equipment	_____	_____	_____	_____ 0	_____ 0
343	Tools, Shop and Garage Equipment	_____	_____	_____	_____ 0	_____ 1,189
344	Laboratory Equipment	_____	_____	_____	_____ 0	_____ 0
345	Power Operated Equipment	_____	_____	_____	_____ 0	_____ 22,287
346	Communication Equipment	_____	_____	_____	_____ 0	_____ 0
347	Miscellaneous Equipment	_____	_____	_____	_____ 0	_____ 0
348	Other Tangible Plant	_____	_____	_____	_____ 0	_____ 3,330
TOTAL WATER ACCUMULATED DEPRECIATION		\$ _____ <u>5,387</u>	\$ _____ <u>0</u>	\$ _____ <u>0</u>	\$ _____ <u>5,387</u>	\$ _____ <u>1,530,617</u>

W-6(b)
GROUP _____

SEE ACCOUNTANTS' COMPILATION REPORT

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

YEAR OF REPORT
December 31, 2012

SYSTEM NAME / COUNTY : _____

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>943,817</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>6,540</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>0</u>
Total Credits		\$ <u>6,540</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>950,357</u>

If any prepaid CIAC has been collected, provide a supporting schedule showing how the amount is determined.

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, 2012

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	11	\$ 450	\$ 4,950
Tap	11	90	990
Bore	1	600	600
			0
			0
			0
			0
			0
			0
Total Credits			\$ 6,540

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 437,947
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	\$ 464,185

W-8(a)

GROUP _____

SEE ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2012

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	1,129	1,122	576,046
461.2	Sales to Commercial Customers	35	35	108,532
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings	7	8	26,314
Total Metered Sales		1,171	1,165	\$ 710,892
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		1,171	1,165	\$ 710,892
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			3,472
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 3,472
Total Water Operating Revenues				\$ 714,364

* 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, 2012

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	18,305		
610	Purchased Water	0		
615	Purchased Power	47,348	23,674	
616	Fuel for Power Production	346	173	
618	Chemicals	21,761		10,880
620	Materials and Supplies	33,782		11,260
631	Contractual Services-Engineering	3,994		
632	Contractual Services - Accounting	13,408		
633	Contractual Services - Legal	0		
634	Contractual Services - Mgt. Fees	30,720		
635	Contractual Services - Testing	146		
636	Contractual Services - Other	224,837	168,627	7,195
641	Rental of Building/Real Property	0		
642	Rental of Equipment	268		
650	Transportation Expenses	15,192	5,064	
656	Insurance - Vehicle	2,279		
657	Insurance - General Liability	10,262		
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	1,798		
675	Miscellaneous Expenses	34,696	8,674	
Total Water Utility Expenses		\$ 459,142	\$ 206,212	\$ 29,335

W-10(a)

GROUP

SEE ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2012

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)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
23,674	_____	_____	_____	_____	18,305
173	_____	_____	_____	_____	_____
10,881	_____	_____	_____	_____	_____
_____	11,261	_____	_____	_____	_____
_____	_____	_____	11,261	_____	3,994
_____	_____	_____	_____	_____	13,408
_____	_____	_____	_____	_____	30,720
146	_____	_____	_____	_____	_____
7,195	7,195	7,195	7,195	_____	20,235
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
5,064	_____	5,064	_____	_____	_____
_____	_____	_____	_____	_____	2,279
_____	_____	_____	_____	_____	10,262
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	1,798	_____
8,674	_____	8,674	_____	_____	8,674
\$ <u>55,807</u>	\$ <u>18,456</u>	\$ <u>20,933</u>	\$ <u>18,724</u>	\$ <u>1,798</u>	\$ <u>107,877</u>

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

YEAR OF REPORT
December 31, 2012

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		10,029		10,029	10,078
February		8,845		8,845	11,177
March		11,409		11,409	10,580
April		11,701		11,701	13,718
May		11,657		11,657	11,971
June		10,009		10,009	13,725
July		13,821		13,821	13,579
August		10,594		10,594	10,744
September		9,999		9,999	11,321
October		9,096		9,096	10,485
November		8,484		8,484	9,480
December		8,350		8,350	9,935
Total for Year	<u>0</u>	<u>123,994</u>	<u>0</u>	<u>123,994</u>	<u>136,793</u>

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

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2012

SYSTEM NAME / COUNTY :

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):

777,600

**Location of measurement of capacity
(i.e. Wellhead, Storage Tank):**

Storage Tank

**Type of treatment (reverse osmosis,
sedimentation, chemical, aerated, etc.):**

Aerated/Reverse Osmosis/Blend

LIME TREATMENT

Unit rating (i.e., GPM, pounds
per gallon): N/A

Manufacturer: N/A

N/A

FILTRATION

Type and size of area:

Pressure (in square feet): N/A

Manufacturer: N/A

N/A

Gravity (in GPM/square feet): N/A

Manufacturer: N/A

N/A

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GROUP _____

SYSTEM _____

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2012

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	1,111	1,111
3/4"	Displacement	1.5	1	2
1"	Displacement	2.5	11	28
1 1/2"	Displacement or Turbine	5.0	2	10
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>1,190</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:

$$(110,239,068 \text{ Total annual single family gallons sold} / 1,289 \text{ average SFR customers}) / 365 \text{ days} = 234 \text{ ERC}$$

W-13

GROUP _____

SYSTEM _____

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

YEAR OF REPORT

December 31, 2012

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, 2012

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)	\$ 2,570,004
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	1,390,508
110	Accumulated Amortization	F-8	0
271	Contributions in Aid of Construction	S-7	1,529,289
252	Advances for Construction	F-20	
Subtotal			\$ (349,793)
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 656,757
Subtotal			\$ 306,964
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		57,379
	Other (Specify):		
WASTEWATER RATE BASE			\$ <u>364,343</u>
WASTEWATER OPERATING INCOME		S-3	\$ <u>(59,985)</u>
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			<u>-16.46%</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, 2012

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)	\$ 461,564
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
Net Operating Revenues			\$ 461,564
401	Operating Expenses	S-10(a)	\$ 459,028
403	Depreciation Expense	S-6(a)	87,767
	Less: Amortization of CIAC	S-8(a)	43,737
Net Depreciation Expense			\$ 44,030
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		20,770
408.11	Property Taxes		27,107
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 47,877
409.1	Income Taxes		0
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		(29,386)
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
Utility Operating Expenses			\$ 521,549
Utility Operating Income			\$ (59,985)
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			\$ (59,985)

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2012

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	_____	_____	0
360	Collection Sewers - Force	497,280	_____	_____	497,280
361	Collection Sewers - Gravity	0	_____	_____	0
362	Special Collecting Structures	0	_____	_____	0
363	Services to Customers	21,604	_____	_____	21,604
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	803,722	_____	15,429	788,293
371	Pumping Equipment	73,760	37,870	20,396	91,234
374	Reuse Distribution Reservoirs	0	_____	_____	0
375	Reuse Transmission and Distribution System	0	_____	_____	0
380	Treatment and Disposal Equipment	791,392	_____	_____	791,392
381	Plant Sewers	0	_____	_____	0
382	Outfall Sewer Lines	0	_____	_____	0
389	Other Plant Miscellaneous Equipment	11,470	_____	_____	11,470
390	Office Furniture and Equipment	3,678	381	696	3,363
391	Transportation Equipment	27,429	16,338	_____	43,767
392	Stores Equipment	0	_____	_____	0
393	Tools, Shop and Garage Equipment	2,738	3,584	_____	6,322
394	Laboratory Equipment	0	_____	_____	0
395	Power Operated Equipment	38,534	_____	_____	38,534
396	Communication Equipment	0	_____	_____	0
397	Miscellaneous Equipment	0	_____	_____	0
398	Other Tangible Plant	_____	_____	_____	0
Total Wastewater Plant		\$ <u>2,548,352</u>	\$ <u>58,173</u>	\$ <u>36,521</u>	\$ <u>2,570,004</u>

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

S-4(a)

GROUP _____

SEE ACCOUNTANTS' COMPILATION REPORT

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

YEAR OF REPORT
December 31, 2012

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			788,293				
371	Pumping Equipment			91,234				
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							3,363
391	Transportation Equipment							43,767
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							6,322
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	\$ 879,527	\$ 802,862	\$ 0	\$ 0	\$ 368,731

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, 2012

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, 2012

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	\$ 18,335	\$ 587	\$	\$ 587
355	Power Generation Equipment	0			0
360	Collection Sewers - Force	283,636	18,400		18,400
361	Collection Sewers - Gravity	0			0
362	Special Collecting Structures	0			0
363	Services to Customers	8,383	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	271,134	36,160		36,160
371	Pumping Equipment	4,866	24,439		24,439
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	8,675	1,118		1,118
390	Office Furniture and Equipment	1,521	906		906
391	Transportation Equipment	23,216	3,048		3,048
392	Stores Equipment	0			0
393	Tools, Shop and Garage Equipment	2,408	188		188
394	Laboratory Equipment	0			0
395	Power Operated Equipment	32,885	2,303		2,303
396	Communication Equipment	0			0
397	Miscellaneous Equipment	0			0
398	Other Tangible Plant	0			0
Total Depreciable Wastewater Plant in Service		\$ 1,339,262	\$ 87,767	\$ 0	\$ 87,767

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

S-6(a)
GROUP _____

SEE ACCOUNTANTS' COMPILATION REPORT

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

YEAR OF REPORT
December 31, 2012

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	\$ 18,922
355	Power Generation Equipment	_____	_____	_____	0	0
360	Collection Sewers - Force	_____	_____	_____	0	302,036
361	Collection Sewers - Gravity	_____	_____	_____	0	0
362	Special Collecting Structures	_____	_____	_____	0	0
363	Services to Customers	_____	_____	_____	0	9,001
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	15,429	_____	_____	15,429	291,865
371	Pumping Equipment	20,396	_____	_____	20,396	8,909
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	9,793
390	Office Furniture and Equipment	696	_____	_____	696	1,731
391	Transportation Equipment	_____	_____	_____	0	26,264
392	Stores Equipment	_____	_____	_____	0	0
393	Tools, Shop and Garage Equipment	_____	_____	_____	0	2,596
394	Laboratory Equipment	_____	_____	_____	0	0
395	Power Operated Equipment	_____	_____	_____	0	35,188
396	Communication Equipment	_____	_____	_____	0	0
397	Miscellaneous Equipment	_____	_____	_____	0	0
398	Other Tangible Plant	_____	_____	_____	0	0
Total Depreciable Wastewater Plant in Service		\$ 36,521	\$ 0	\$ 0	\$ 36,521	\$ 1,390,508

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

S-6(b)
GROUP _____

SEE ACCOUNTANTS' COMPILATION REPORT

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

YEAR OF REPORT December 31, 2012
--

SYSTEM NAME / COUNTY : _____

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ <u>1,514,389</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8(a)	\$ <u>14,900</u>
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	<u>0</u>
Total Credits		\$ <u>14,900</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>1,529,289</u>

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, 2012

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	10	\$ 750	\$ 7,500
Lift Stations	1	3,000	3,000
Bore	1	200	200
Bore	7	600	4,200
			0
			0
			0
			0
Total Credits			\$ 14,900

ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 613,020
Debits during the year:	
Accruals charged to Account 272	\$ 43,737
Other debits (specify):	
Total debits	\$ 43,737
Credits during the year (specify):	
	\$
Total credits	\$ 0
Balance end of year	\$ 656,757

S-8(a)

GROUP _____

SEE ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2012
--

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				
Flat Rate Revenues:				
521.1	Residential Revenues	679	691	\$ 319,447
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues	5	4	42,681
521.6	Other Revenues			
521	Total Flat Rate Revenues	684	695	\$ 362,128
Measured Revenues:				
522.1	Residential Revenues			
522.2	Commercial Revenues	26	30	99,436
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	Total Measured Revenues	26	30	\$ 99,436
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
Total Wastewater Sales		710	725	\$ 461,564
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.

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

YEAR OF REPORT December 31, 2012
--

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				
Flat Rate Reuse Revenues:				
540.1	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
Measured Reuse Revenues:				
541.1	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>461,564</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, 2012

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	9,185						
710	Purchased Sewage Treatment	0						
711	Sludge Removal Expense	198,110					198,110	
715	Purchased Power	20,909					20,909	
716	Fuel for Power Production	194					194	
718	Chemicals	14,195				7,097		7,098
720	Materials and Supplies	30,008		10,002		10,003		10,003
731	Contractual Services-Engineering	1,670						
732	Contractual Services - Accounting	7,542						
733	Contractual Services - Legal	0						
734	Contractual Services - Mgt. Fees	17,280						
735	Contractual Services - Testing	1,576					1,576	
736	Contractual Services - Other	131,699	1,537	1,536	1,536	1,537	98,775	1,536
741	Rental of Building/Real Property	0						
742	Rental of Equipment	156					156	
750	Transportation Expenses	8,636	2,879		2,878		2,879	
756	Insurance - Vehicle	1,282						
757	Insurance - General Liability	5,912						
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	659						
775	Miscellaneous Expenses	10,015	2,503		2,504		2,504	
Total Wastewater Utility Expenses		\$ 459,028	\$ 6,919	\$ 11,538	\$ 6,918	\$ 18,637	\$ 325,103	\$ 18,637

S-10(a)

GROUP _____

SEE ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2012

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	_____	9,185	_____	_____	_____	_____
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	_____	1,670	_____	_____	_____	_____
732	Contractual Services - Accounting	_____	7,542	_____	_____	_____	_____
733	Contractual Services - Legal	_____	_____	_____	_____	_____	_____
734	Contractual Services - Mgt. Fees	_____	17,280	_____	_____	_____	_____
735	Contractual Services - Testing	_____	_____	_____	_____	_____	_____
736	Contractual Services - Other	1,536	23,706	_____	_____	_____	_____
741	Rental of Building/Real Property	_____	_____	_____	_____	_____	_____
742	Rental of Equipment	_____	_____	_____	_____	_____	_____
750	Transportation Expenses	_____	_____	_____	_____	_____	_____
756	Insurance - Vehicle	_____	1,282	_____	_____	_____	_____
757	Insurance - General Liability	_____	5,912	_____	_____	_____	_____
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	659	_____	_____	_____	_____	_____
775	Miscellaneous Expenses	_____	2,504	_____	_____	_____	_____
Total Wastewater Utility Expenses		\$ 2,195	\$ 69,081	\$ 0	\$ 0	\$ 0	\$ 0

S-10(b)

GROUP _____

SEE ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2012

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 (c 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				683

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.

S-11

GROUP _____

SYSTEM _____

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

YEAR OF REPORT December 31, 2012
--

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	45.73 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, 2012

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.

S-13

GROUP _____

SYSTEM _____