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**CLASS "A" OR "B"**

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

**ANNUAL REPORT**

OF

WS926-13-AR  
Frank D. Usina  
North Beach Utilities, Inc.  
4125 Coastal Highway  
St. Augustine, FL 32084-1418

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



FOR THE

YEAR ENDED DECEMBER 31, 2013

RECEIVED  
FLORIDA PUBLIC SERVICE  
COMMISSION  
DIVISION OF  
ACCOUNTING & FINANCE  
14 APR - 3 AM 8:52

# EDMISTON & EDMISTON, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

17 CORDOVA STREET

ST. AUGUSTINE, FLORIDA 32084

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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, 2013 and 2012, the related operating statements for the years then ended and the statement of retained earnings for the year ended December 31, 2013 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 managements of North Beach Utilities, Inc and the Florida Public Service Commission and is not intended to be and should not be used by anyone other than these specified parties.

The accompanying statements were prepared to present the assets, liabilities, capital, revenues and expenses of the North Beach Utilities, Inc to the Florida Public Service Commission and are not intended to be a complete presentation of North Beach Utilities, Inc's assets, liabilities, equity, revenues and expenses.

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

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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 for purposes of additional analysis and is not a required part of the basic financial statements. 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 from information that is the representation of management. We have not audited or reviewed 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) and accordingly, do not express an opinion or provide any assurance on such supplementary information. We have not compiled, reviewed, or audited 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 and do not express an opinion or provide any form of assurance on it.

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



Certified Public Accountants  
March 31, 2014

# **EXECUTIVE SUMMARY**

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

**YEAR OF REPORT**  
December 31, 2013

**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, 2013

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.	<u>Frank D Usina</u>	<u>26%</u>
2.	<u>John F Usina</u>	<u>49%</u>
3.	<u>Elizabeth K Usina</u>	<u>25%</u>
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. 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, 2013

**PARENT / AFFILIATE ORGANIZATION CHART**

Current as of 12/31/13

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

<b>YEAR OF REPORT</b> December 31, 2013
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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%	\$ 45,614
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

**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>UTILITY PLANT</b>				
101-106	Utility Plant	F-7	\$ 5,526,217	\$ 5,643,596
108-110	Less: Accumulated Depreciation and Amortization	F-8	2,921,126	3,055,992
Net Plant			\$ 2,605,091	\$ 2,587,604
114-115	Utility Plant Acquisition adjustment (Net)	F-7		0
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 2,605,091	\$ 2,587,604
<b>OTHER PROPERTY AND INVESTMENTS</b>				
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
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		\$ 32,015	\$ 37,459
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	103,030	106,002
145	Accounts Receivable from Associated Companies	F-12	105,000	45,000
146	Notes Receivable from Associated Companies	F-12	0	0
151-153	Material and Supplies		53,653	65,557
161	Stores Expense			
162	Prepayments		20,584	18,498
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Miscellaneous Current and Accrued Assets	F-12	71,787	74,442
Total Current and Accrued Assets			\$ 386,069	\$ 346,958

\* Not Applicable for Class B Utilities

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

<b>YEAR OF REPORT</b> December 31, 2013
--------------------------------------------

**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>DEFERRED DEBITS</b>				
181	Unamortized Debt Discount & Expense	F-13	\$ 3,577	\$ 1,987
182	Extraordinary Property Losses	F-13		0
183	Preliminary Survey & Investigation Charges			
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Miscellaneous Deferred Debits	F-14	1,395	3,169
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			\$ 4,972	\$ 5,156
<b>TOTAL ASSETS AND OTHER DEBITS</b>			<b>\$ 2,996,132</b>	<b>\$ 2,939,718</b>

\* Not Applicable for Class B Utilities

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

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

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>EQUITY CAPITAL</b>				
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	(171,507)	(138,921)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 463,105	\$ 495,691
<b>LONG TERM DEBT</b>				
221	Bonds	F-15		0
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17	12,939	3,469
224	Other Long Term Debt	F-17	754,728	700,346
Total Long Term Debt			\$ 767,667	\$ 703,815
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		59,390	73,136
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		17,296	17,954
236	Accrued Taxes	W/S-3	0	0
237	Accrued Interest	F-19	2	72
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	5,290	6,674
Total Current & Accrued Liabilities			\$ 385,159	\$ 401,017

\* Not Applicable for Class B Utilities

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

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>DEFERRED CREDITS</b>				
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>
<b>OPERATING RESERVES</b>				
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>
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>				
271	Contributions in Aid of Construction	F-22	\$ 2,479,646	\$ 2,509,646
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	( 1,120,942 )	( 1,191,948 )
Total Net CIAC			\$ <u>1,358,704</u>	\$ <u>1,317,698</u>
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ _____	\$ _____
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		21,497	21,497
Total Accumulated Deferred Income Tax			\$ <u>21,497</u>	\$ <u>21,497</u>
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			\$ <u>2,996,132</u>	\$ <u>2,939,718</u>

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

**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)	\$ 1,175,928	\$ 1,200,743
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		0
Net Operating Revenues			\$ 1,175,928	\$ 1,200,743
401	Operating Expenses	F-3(b)	\$ 918,170	\$ 908,410
403	Depreciation Expense:	F-3(b)	\$ 169,930	\$ 172,102
	Less: Amortization of CIAC	F-22	69,975	71,006
Net Depreciation Expense			\$ 99,955	\$ 101,096
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	111,841	110,330
409	Current Income Taxes	W/S-3	0	0
410.1	Deferred Federal Income Taxes	W/S-3	22,782	17,925
410.11	Deferred State Income Taxes	W/S-3	5,304	5,320
411.1	Provision for Deferred Income Taxes - Credit	W/S-3	(29,386)	(21,159)
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			\$ 1,128,666	\$ 1,121,922
Net Utility Operating Income			\$ 47,262	\$ 78,821
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)]			\$ 47,262	\$ 78,821

\* 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**  
December 31, 2013

**COMPARATIVE OPERATING STATEMENT (Cont'd)**

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ <u>718,982</u> 0	\$ <u>481,761</u> 0	\$ _____
\$ <u>718,982</u>	\$ <u>481,761</u>	\$ <u>0</u>
\$ <u>473,499</u>	\$ <u>434,911</u>	\$ _____
<u>84,483</u> <u>26,728</u>	<u>87,619</u> <u>44,278</u>	_____
\$ <u>57,755</u>	\$ <u>43,341</u>	\$ <u>0</u>
<u>0</u> <u>0</u> <u>62,411</u> <u>0</u> <u>17,925</u> <u>5,320</u> <u>0</u> <u>0</u> <u>0</u>	<u>0</u> <u>0</u> <u>47,919</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>(21,159)</u> <u>0</u> <u>0</u> <u>0</u>	_____ _____ _____ _____ _____ _____ _____ _____ _____
\$ <u>616,910</u>	\$ <u>505,012</u>	\$ <u>0</u>
\$ <u>102,072</u>	\$ <u>(23,251)</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>102,072</u>	\$ <u>(23,251)</u>	\$ <u>0</u>

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

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

<b>YEAR OF REPORT</b> December 31, 2013
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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)]			\$ 47,262	\$ 78,821
<b>OTHER INCOME AND DEDUCTIONS</b>				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ _____	\$ _____
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		_____	_____
419	Interest and Dividend Income		_____	_____
421	Nonutility Income		_____	_____
426	Miscellaneous Nonutility Expenses		_____	_____
Total Other Income and Deductions			\$ 0	\$ 0
<b>TAXES APPLICABLE TO OTHER INCOME</b>				
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
<b>INTEREST EXPENSE</b>				
427	Interest Expense	F-19	\$ 49,506	\$ 44,645
428	Amortization of Debt Discount & Expense	F-13	1,590	1,590
429	Amortization of Premium on Debt	F-13	_____	0
Total Interest Expense			\$ 51,096	\$ 46,235
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.3	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ 0	\$ 0
<b>NET INCOME</b>			<u>\$ (3,834)</u>	<u>\$ 32,586</u>

Explain Extraordinary Income:

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

**YEAR OF REPORT**  
December 31, 2013

**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	\$ 3,039,594	\$ 2,604,002
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	1,609,484	1,446,508
110	Accumulated Amortization	F-8	0	0
271	Contributions in Aid of Construction	F-22	961,457	1,548,189
252	Advances for Construction	F-20		
Subtotal			\$ 468,653	\$ (390,695)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	490,913	701,035
Subtotal			\$ 959,566	\$ 310,340
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)		59,187	54,364
	Other (Specify): _____ _____ _____			
RATE BASE			\$ 1,018,753	\$ 364,704
NET UTILITY OPERATING INCOME			\$ 102,072	\$ (23,251)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			10.02%	-6.38%

**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)**

<b>CLASS OF CAPITAL (a)</b>	<b>DOLLAR AMOUNT (2) (b)</b>	<b>PERCENTAGE OF CAPITAL (c)</b>	<b>ACTUAL COST RATES (3) (d)</b>	<b>WEIGHTED COST (c x d) (e)</b>
Common Equity	\$ 500	0.04%	11.16%	0.00%
Preferred Stock	0	0.00%		0.00%
Long Term Debt	700,346	50.96%	11.16%	5.69%
Customer Deposits	17,954	1.31%	11.16%	0.15%
Tax Credits - Zero Cost	0	0.00%		0.00%
Tax Credits - Weighted Cost	0	0.00%		0.00%
Deferred Income Taxes	21,497	1.56%	11.16%	0.17%
Other (Explain)	0	0.00%		0.00%
Additional paid in capital	634,112	46.14%	11.16%	5.15%
<b>Total</b>	<b>\$ 1,374,409</b>	<b>100.00%</b>		<b>11.16%</b>

(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>#13-0241-PAA-WS issued June 3, 2013</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

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**SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS  
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING**

<b>CLASS OF CAPITAL (a)</b>	<b>PER BOOK BALANCE (b)</b>	<b>NON-UTILITY ADJUSTMENTS (c)</b>	<b>NON-JURISDICTIONAL ADJUSTMENTS (d)</b>	<b>OTHER (1) ADJUSTMENTS SPECIFIC (e)</b>	<b>OTHER (1) ADJUSTMENTS PRO RATA (f)</b>	<b>CAPITAL STRUCTURE (g)</b>
Common Equity	\$ 500	\$ _____	\$ _____	\$ _____	\$ _____	\$ 500
Preferred Stock	_____	_____	_____	_____	_____	0
Long Term Debt	700,346	_____	_____	_____	_____	700,346
Customer Deposits	17,954	_____	_____	_____	_____	17,954
Tax Credits - Zero Cost	_____	_____	_____	_____	_____	0
Tax Credits - Weighted Cost	_____	_____	_____	_____	_____	0
Deferred Inc. Taxes	21,497	_____	_____	_____	_____	21,497
Other (Explain)	_____	_____	_____	_____	_____	0
Additional paid in capital	634,112	_____	_____	_____	_____	634,112
<b>Total</b>	<b>\$ 1,374,409</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,374,409</b>

(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	\$ 3,039,594	\$ 2,604,002	\$ _____	\$ 5,643,596
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
	<b>Total Utility Plant</b>	<b>\$ 3,039,594</b>	<b>\$ 2,604,002</b>	<b>\$ 0</b>	<b>\$ 5,643,596</b>

**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
	<b>Total Plant Acquisition Adjustments</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
115	Accumulated Amortization None	\$ _____	\$ _____	\$ _____	\$ 0
		_____	_____	_____	0
		_____	_____	_____	0
		_____	_____	_____	0
		_____	_____	_____	0
	<b>Total Accumulated Amortization</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
	<b>Net Acquisition Adjustments</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

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)
<b>ACCUMULATED DEPRECIATION</b>				
<b>Account 108</b>				
Balance first of year	\$ 1,530,617	\$ 1,390,509	\$	\$ 2,921,126
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 84,483	\$ 87,619	\$	\$ 172,102
Account 108.2 (2)				0
Account 108.3 (2)				0
Other Accounts (specify):				0
				0
				0
Salvage				0
Other Credits (Specify):				0
				0
<b>Total Credits</b>	\$ 84,483	\$ 87,619	\$ 0	\$ 172,102
Debits during year:				
Book cost of plant retired	5,616	31,620		37,236
Cost of Removal				0
Other Debits (specify):				0
Cumulative prior year depreciation in excess of cost				0
<b>Total Debits</b>	\$ 5,616	\$ 31,620	\$ 0	\$ 37,236
<b>Balance end of year</b>	\$ <u>1,609,484</u>	\$ <u>1,446,508</u>	\$ <u>0</u>	\$ <u>3,055,992</u>
<b>ACCUMULATED AMORTIZATION</b>				
<b>Account 110</b>				
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
<b>Total credits</b>	\$ 0	\$ 0	\$ 0	\$ 0
Debits during year:				
Book cost of plant retired				0
Other debits (specify):				0
				0
<b>Total Debits</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>Balance end of year</b>	\$ <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 <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____
Total Investment in Associated Companies		\$ <u>0</u>
UTILITY INVESTMENTS (Account 124): NONE <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____
Total Utility Investment		\$ <u>0</u>
OTHER INVESTMENTS (Account 125): NONE <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____
Total Other Investment		\$ <u>0</u>
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): NONE <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>		\$ _____ _____ _____ _____ _____ _____
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  
Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ 58,009	
Wastewater	47,993	
_____	_____	
_____	_____	
Total Customer Accounts Receivable		\$ 106,002
OTHER ACCOUNTS RECEIVABLE ( Account 142):		
None	\$ _____	
_____	_____	
_____	_____	
Total Other Accounts Receivable		\$ 0
NOTES RECEIVABLE (Account 144):		
None	\$ _____	
_____	_____	
_____	_____	
Total Notes Receivable		\$ 0
Total Accounts and Notes Receivable		\$ 106,002
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
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET</b>		<b>\$ 106,002</b>

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

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**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES  
ACCOUNT 145**

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
North Beach Investment Company Inc	\$ 45000
Total	\$ <u>45000</u>

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES  
ACCOUNT 146**

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
NONE	%	\$
	%	
	%	
	%	
	%	
	%	
	%	
	%	
Total		\$ <u>0</u>

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS  
ACCOUNT 174**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Employee advances	\$ 74,271
Employee health insurance advances	171
Total Miscellaneous Current and Accrued Liabilities	\$ <u>74,442</u>

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

**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	\$ 1,987
<b>Total Unamortized Debt Discount and Expense</b>	\$ <u>1,590</u>	\$ <u>1,987</u>
UNAMORTIZED PREMIUM ON DEBT (Account 251):	\$	\$
<b>Total Unamortized Premium on Debt</b>	\$ <u>0</u>	\$ <u>0</u>

**EXTRAORDINARY PROPERTY LOSSES  
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
None	\$
<b>Total Extraordinary Property Losses</b>	\$ <u>0</u>

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

**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	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Deferred Rate Case Expense</b>	\$ <u>0</u>	\$ <u>0</u>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
Prepaid insurance	\$ _____	\$ 3,169
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Other Deferred Debits</b>	\$ <u>0</u>	\$ <u>3,169</u>
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
None	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Regulatory Assets</b>	\$ <u>0</u>	\$ <u>0</u>
<b>TOTAL MISCELLANEOUS DEFERRED DEBITS</b>	\$ <u>0</u>	\$ <u>3,169</u>

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

**CAPITAL STOCK  
ACCOUNTS 201 AND 204\***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
<b>COMMON STOCK</b>		
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	%	\$
<b>PREFERRED STOCK</b>		
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	\$ (171,507)
439	Changes to Account: Adjustments to Retained Earnings ( requires Commission approval prior to use): Credits: _____	\$ _____
	Total Credits:	\$ 0
	Debits: _____	\$ _____
	Total Debits:	\$ 0
435	Balance Transferred from Income	\$ 32,586
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	\$ (138,921)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ 0
Total Retained Earnings		\$ (138,921)
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	\$ 3,469
Total	\$ 3,469

**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 Ally Bank - Chevy Truck	3.19 %	Fixed	\$ 31,670
N/P Suntrust Bank - Consolidation loan	6.00 %	Fixed	668,676
Total			\$ 700,346

\* 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	_____
_____	_____	%	_____
_____	_____	%	_____
_____	_____	%	_____
_____	_____	%	_____
_____	_____	%	_____
_____	_____	%	_____
_____	_____	%	_____
<b>Total Account 232</b>			\$ <u>0</u>
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			\$
Due to Officers	_____	%	_____
Accrued interest due to related party	_____	%	195,000
_____	_____	%	108,181
_____	_____	%	_____
*Due to error in PSC worksheet linking this information is detail for Accounts Payable to Associated companies	_____	%	_____
_____	_____	%	_____
_____	_____	%	_____
_____	_____	%	_____
<b>Total Account 234</b>			\$ <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	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
<b>Total</b>	\$ <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>2</u>		\$ <u>72</u>	\$ <u>2</u>	\$ <u>72</u>
Total Account 237.1	\$ <u>2</u>		\$ <u>72</u>	\$ <u>2</u>	\$ <u>72</u>
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$ _____	427	\$ 255	\$ 255	\$ _____
SunTrust Interest /Ally Bank - Truck loan	_____	427	849	849	_____
SunTrust Interest - Consolidation loan	_____	427	43,469	43,469	_____
Total Account 237.2	\$ <u>0</u>		\$ <u>44,573</u>	\$ <u>44,573</u>	\$ <u>0</u>
Total Account 237 (1)	\$ <u>2</u>		\$ <u>44,645</u>	\$ <u>44,575</u>	\$ <u>72</u>
INTEREST EXPENSED: Total accrual Account 237		237	\$ 44,645	(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	
Less Capitalized Interest Portion of AFUDC: _____ _____					
Net Interest Expensed to Account No. 427 (2)			\$ <u>44,645</u>		



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

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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	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Regulatory Liabilities</b>	\$ <u>_____</u>	\$ <u>_____</u>
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
NONE	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Other Deferred Liabilities</b>	\$ <u>_____</u>	\$ <u>_____</u>
<b>TOTAL OTHER DEFERRED CREDITS</b>	\$ <u>_____</u>	\$ <u>_____</u>

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

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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>950,357</u>	\$ <u>1,529,289</u>	\$ _____	\$ <u>2,479,646</u>
Add credits during year:	\$ <u>11,100</u>	\$ <u>18,900</u>	\$ _____	\$ <u>30,000</u>
Less debit charged during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Contribution In Aid of Construction	\$ <u><u>961,457</u></u>	\$ <u><u>1,548,189</u></u>	\$ <u><u>0</u></u>	\$ <u><u>2,509,646</u></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>464,185</u>	\$ <u>656,757</u>	\$ _____	\$ <u>1,120,942</u>
Debits during the year:	\$ <u>26,728</u>	\$ <u>44,278</u>	\$ _____	\$ <u>71,006</u>
Credits during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u><u>490,913</u></u>	\$ <u><u>701,035</u></u>	\$ <u><u>0</u></u>	\$ <u><u>1,191,948</u></u>

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

<b>YEAR OF REPORT</b> December 31, 2013
--------------------------------------------

**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)	\$ 32,586
Reconciling items for the year:		
Taxable income not reported on books:		
Tap fees adjustment		1,650
Deductions recorded on books not deducted for return:		
1/2 Entertainment & meals		917
Income recorded on books not included in return:		
Federal income tax benefit		
State income tax benefit		
Deduction on return not charged against book income:		
Depreciation		(21,373)
Section 179 carryover from 2012		(13,780)
Federal tax net income		\$ 0

Computation of tax :

**WATER  
OPERATION  
SECTION**



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

<b>YEAR OF REPORT</b> December 31, 2013
--------------------------------------------

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)	\$ 3,039,594
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	<u>1,609,484</u>
110	Accumulated Amortization	F-8	<u>0</u>
271	Contributions in Aid of Construction	W-7	<u>961,457</u>
252	Advances for Construction	F-20	
Subtotal			\$ <u>468,653</u>
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 490,913
Subtotal			\$ <u>959,566</u>
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		<u>59,187</u>
	Other (Specify):		
WATER RATE BASE			\$ <u>1,018,753</u>
WATER OPERATING INCOME		W-3	\$ <u>102,072</u>
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			<u>10.02%</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, 2013

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	\$ 718,982
469	Less: Guaranteed Revenue and AFPI	W-9	0
	Net Operating Revenues		\$ 718,982
401	Operating Expenses	W-10(a)	\$ 473,499
403	Depreciation Expense	W-6(a)	84,483
	Less: Amortization of CIAC	W-8(a)	26,728
	Net Depreciation Expense		\$ 57,755
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		32,354
408.11	Property Taxes		30,057
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 62,411
409.1	Income Taxes		
410.10	Deferred Federal Income Taxes		17,925
410.11	Deferred State Income Taxes		5,320
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		\$ 616,910
	Utility Operating Income		\$ 102,072
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		\$ 102,072

W-3

GROUP \_\_\_\_\_

SEE ACCOUNTANTS' COMPILATION REPORT

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

<b>YEAR OF REPORT</b> December 31, 2013
--------------------------------------------

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	97,952			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	16,669	50,788		67,457
311	Pumping Equipment	87,938	9,160		97,098
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	8,186	4,611	196,857
335	Hydrants	31,386			31,386
336	Backflow Prevention Devices	0			0
339	Other Plant Miscellaneous Equipment	0			0
340	Office Furniture and Equipment	9,474	654	1,004	9,124
341	Transportation Equipment	42,104	19,149		61,253
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	1,059		25,663
346	Communication Equipment	0			0
347	Miscellaneous Equipment	0			0
348	Other Tangible Plant	3,330			3,330
<b>TOTAL WATER PLANT</b>		<b>\$ 2,956,213</b>	<b>\$ 88,996</b>	<b>\$ 5,615</b>	<b>\$ 3,039,594</b>

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

W-4(a)  
GROUP \_\_\_\_\_

SEE ACCOUNTANTS' COMPILATION REPORT

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

**YEAR OF REPORT**  
December 31, 2013

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	67,457		67,457			
311	Pumping Equipment	97,098		97,098			
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	196,857				196,857	
335	Hydrants	31,386				31,386	
336	Backflow Prevention Devices	0					
339	Other Plant Miscellaneous Equipment	0					
340	Office Furniture and Equipment	9,124					9,124
341	Transportation Equipment	61,253					61,253
342	Stores Equipment	0					
343	Tools, Shop and Garage Equipment	1,476					1,476
344	Laboratory Equipment	0					
345	Power Operated Equipment	25,663					25,663
346	Communication Equipment	0					
347	Miscellaneous Equipment	0					
348	Other Tangible Plant	3,330					3,330
<b>TOTAL WATER PLANT</b>		<b>\$ 3,039,594</b>	<b>\$ 0</b>	<b>\$ 184,315</b>	<b>\$ 446,804</b>	<b>\$ 2,139,394</b>	<b>\$ 269,081</b>

W-4(b)  
GROUP \_\_\_\_\_

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2013

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, 2013

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	\$ 74,047	\$ 3,077	\$	\$ 3,077
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	15,950	15		15
308	Infiltration Galleries and Tunnels	0			0
309	Supply Mains	2,243	119		119
310	Power Generation Equipment	6,916	2,241		2,241
311	Pumping Equipment	65,105	2,737		2,737
320	Water Treatment Equipment	412,181	7,279		7,279
330	Distribution Reservoirs and Standpipes	158,644	13,444		13,444
331	Transmission and Distribution Mains	555,095	35,758		35,758
333	Services	65,022	3,084		3,084
334	Meters and Meter Installations	96,051	10,325		10,325
335	Hydrants	9,498	837		837
336	Backflow Prevention Devices	0			0
339	Other Plant Miscellaneous Equipment	0			0
340	Office Furniture and Equipment	3,482	884		884
341	Transportation Equipment	39,577	3,282		3,282
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	1,189	67		67
344	Laboratory Equipment	0			0
345	Power Operated Equipment	22,287	1,334		1,334
346	Communication Equipment	0			0
347	Miscellaneous Equipment	0			0
348	Other Tangible Plant	3,330	0		0
<b>TOTAL WATER ACCUMULATED DEPRECIATION</b>		<b>\$ 1,530,617</b>	<b>84,483</b>	<b>0</b>	<b>84,483</b>

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

W-6(a)  
GROUP \_\_\_\_\_

SEE ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2013

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	\$ 77,124
305	Collecting and Impounding Reservoirs				0	0
306	Lake, River and Other Intakes				0	0
307	Wells and Springs				0	15,965
308	Infiltration Galleries and Tunnels				0	0
309	Supply Mains				0	2,362
310	Power Generation Equipment				0	9,157
311	Pumping Equipment				0	67,842
320	Water Treatment Equipment				0	419,460
330	Distribution Reservoirs and Standpipes				0	172,088
331	Transmission and Distribution Mains				0	590,853
333	Services				0	68,106
334	Meters and Meter Installations	4,612			4,612	101,764
335	Hydrants				0	10,335
336	Backflow Prevention Devices				0	0
339	Other Plant Miscellaneous Equipment				0	0
340	Office Furniture and Equipment	1,004			1,004	3,362
341	Transportation Equipment				0	42,859
342	Stores Equipment				0	0
343	Tools, Shop and Garage Equipment				0	1,256
344	Laboratory Equipment				0	0
345	Power Operated Equipment				0	23,621
346	Communication Equipment				0	0
347	Miscellaneous Equipment				0	0
348	Other Tangible Plant				0	3,330
<b>TOTAL WATER ACCUMULATED DEPRECIATION</b>		<b>\$ 5,616</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 5,616</b>	<b>\$ 1,609,484</b>

W-6(b)  
GROUP \_\_\_\_\_

SEE ACCOUNTANTS' COMPILATION REPORT



UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

<b>YEAR OF REPORT</b> December 31, 2013
--------------------------------------------

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	17	\$ 450	\$ 7,650
Tap	17	90	1,530
Bore	3	600	1,800
Tap surcharge for larger meter 1 1/2"	1	70	70
Tap surcharge for larger meter 1"	1	50	50
			0
			0
			0
<b>Total Credits</b>			\$ <u>11,100</u>

**ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION**

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 464,185
Debits during the year:	
Accruals charged to Account 272	\$ 26,728
Other debits (specify) :	
_____	_____
_____	_____
<b>Total debits</b>	\$ 26,728
Credits during the year (specify) :	
_____	\$ _____
_____	_____
<b>Total credits</b>	\$ 0
<b>Balance end of year</b>	\$ <u>490,913</u>

W-8(a)

GROUP \_\_\_\_\_

SEE ACCOUNTANTS' COMPILATION REPORT



UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2013

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	1,122	1,100	573,372
461.2	Sales to Commercial Customers	35	35	114,262
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings	8	7	26,693
Total Metered Sales		1,165	1,142	\$ 714,327
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		1,165	1,142	\$ 714,327
Other Water Revenues:				
469	Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			4,655
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 4,655
Total Water Operating Revenues				\$ 718,982

\* 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, 2013

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	18,592		
610	Purchased Water	0		
615	Purchased Power	45,920	22,960	
616	Fuel for Power Production	1,100	550	
618	Chemicals	23,788		11,894
620	Materials and Supplies	21,341		7,113
631	Contractual Services-Engineering	3,051		
632	Contractual Services - Accounting	12,480		
633	Contractual Services - Legal	0		
634	Contractual Services - Mgt. Fees	30,720		
635	Contractual Services - Testing	210		
636	Contractual Services - Other	240,257	180,193	7,688
641	Rental of Building/Real Property	0		
642	Rental of Equipment	4,352		
650	Transportation Expenses	21,057	7,019	
656	Insurance - Vehicle	3,056		
657	Insurance - General Liability	10,225		
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	2,396		
675	Miscellaneous Expenses	34,954	8,737	
<b>Total Water Utility Expenses</b>		<b>\$ 473,499</b>	<b>\$ 219,459</b>	<b>\$ 26,695</b>

W-10(a)

GROUP \_\_\_\_\_

SEE ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**  
December 31, 2013

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)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
					18,592
22,960					
550					
11,894					
	7,114		7,114		
					3,051
					12,480
					30,720
210					
7,688	7,688	7,688	7,689		21,623
			4,352		
7,019		7,019			
					3,056
					10,225
				2,396	
8,739		8,739			8,739
\$ <u>59,060</u>	\$ <u>14,802</u>	\$ <u>23,446</u>	\$ <u>19,155</u>	\$ <u>2,396</u>	\$ <u>108,486</u>

W-10(b)

GROUP \_\_\_\_\_

SEE ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2013

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		8,258		8,258	9,387
February		8,308		8,308	10,627
March		10,266		10,266	10,858
April		10,312		10,312	11,250
May		10,785		10,785	11,941
June		10,878		10,878	12,707
July		12,417		12,417	13,194
August		11,190		11,190	9,757
September		10,622		10,622	12,824
October		10,102		10,102	11,117
November		9,342		9,342	9,310
December		10,113		10,113	11,310
Total for Year	0	122,593	0	122,593	134,282

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	340,450 Avg daily flow	Artesian well
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

W-11

GROUP \_\_\_\_\_

SYSTEM \_\_\_\_\_

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2013

SYSTEM NAME / COUNTY :

\_\_\_\_\_

**WATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each water treatment facility

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

W-12

GROUP \_\_\_\_\_

SYSTEM \_\_\_\_\_

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2013

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	1,091	1,091
3/4"	Displacement	1.5	1	2
1"	Displacement	2.5	8	20
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>1,158</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:

$$(107,084,685 \text{ Total annual single family gallons sold} / 1,253 \text{ average SFR customers}) / 365 \text{ days} = 234 \text{ ERC}$$

W-13

GROUP \_\_\_\_\_

SYSTEM \_\_\_\_\_

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. 1,064
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

<b>YEAR OF REPORT</b> December 31, 2013
--------------------------------------------

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)	\$ 2,604,002
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	1,446,508
110	Accumulated Amortization	F-8	0
271	Contributions in Aid of Construction	S-7	1,548,189
252	Advances for Construction	F-20	
Subtotal			\$ (390,695)
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 701,035
Subtotal			\$ 310,340
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		54,364
	Other (Specify):		
WASTEWATER RATE BASE			\$ <u>364,704</u>
WASTEWATER OPERATING INCOME		S-3	\$ <u>(23,251)</u>
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			<u>-6.38%</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, 2013

SYSTEM NAME / COUNTY : \_\_\_\_\_

**WASTEWATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
<b>UTILITY OPERATING INCOME</b>			
400	Operating Revenues	S-9(a)	\$ 481,761
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
Net Operating Revenues			\$ 481,761
401	Operating Expenses	S-10(a)	\$ 434,911
403	Depreciation Expense	S-6(a)	87,619
	Less: Amortization of CIAC	S-8(a)	44,278
Net Depreciation Expense			\$ 43,341
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		21,679
408.11	Property Taxes		26,240
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 47,919
409.1	Income Taxes		0
410.10	Deferred Federal Income Taxes		0
410.11	Deferred State Income Taxes		0
411.10	Provision for Deferred Income Taxes - Credit		(21,159)
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
Utility Operating Expenses			\$ 505,012
Utility Operating Income			\$ (23,251)
Add Back:			
530	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			\$ (23,251)

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

**YEAR OF REPORT**  
December 31, 2013

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	\$	\$	\$ 0
352	Franchises	0			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	11,960		509,240
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	788,293		13,896	774,397
371	Pumping Equipment	91,234	33,449	17,336	107,347
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	3,363		388	2,975
391	Transportation Equipment	43,767	19,150		62,917
392	Stores Equipment	0			0
393	Tools, Shop and Garage Equipment	6,322			6,322
394	Laboratory Equipment	0			0
395	Power Operated Equipment	38,534	1,059		39,593
396	Communication Equipment	0			0
397	Miscellaneous Equipment	0			0
398	Other Tangible Plant	0			0
<b>Total Wastewater Plant</b>		<b>\$ 2,570,004</b>	<b>\$ 65,618</b>	<b>\$ 31,620</b>	<b>\$ 2,604,002</b>

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, 2013

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		509,240					
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			774,397				
371	Pumping Equipment			107,347				
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							2,975
391	Transportation Equipment							62,917
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							6,322
394	Laboratory Equipment							
395	Power Operated Equipment							39,593
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 0	\$ 530,844	\$ 881,744	\$ 802,862	\$ 0	\$ 0	\$ 388,552

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

S-4(b)  
GROUP \_\_\_\_\_

SEE ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

<b>YEAR OF REPORT</b> December 31, 2013
--------------------------------------------

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, 2013

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	\$ 18,922	\$ 587	\$	\$ 587
355	Power Generation Equipment	0			0
360	Collection Sewers - Force	302,036	17,024		17,024
361	Collection Sewers - Gravity	0			0
362	Special Collecting Structures	0			0
363	Services to Customers	9,001	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	291,866	37,920		37,920
371	Pumping Equipment	8,909	21,989		21,989
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	9,793	1,118		1,118
390	Office Furniture and Equipment	1,731	361		361
391	Transportation Equipment	26,264	6,006		6,006
392	Stores Equipment	0			0
393	Tools, Shop and Garage Equipment	2,596	316		316
394	Laboratory Equipment	0			0
395	Power Operated Equipment	35,188	1,680		1,680
396	Communication Equipment	0			0
397	Miscellaneous Equipment	0			0
398	Other Tangible Plant	0			0
Total Depreciable Wastewater Plant in Service		\$ 1,390,509	\$ 87,619	\$ 0	\$ 87,619

\* 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, 2013

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	\$ 19,509
355	Power Generation Equipment	_____	_____	_____	0	0
360	Collection Sewers - Force	_____	_____	_____	0	319,060
361	Collection Sewers - Gravity	_____	_____	_____	0	0
362	Special Collecting Structures	_____	_____	_____	0	0
363	Services to Customers	_____	_____	_____	0	9,619
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	13,896	_____	_____	13,896	315,890
371	Pumping Equipment	17,336	_____	_____	17,336	13,562
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	10,911
390	Office Furniture and Equipment	388	_____	_____	388	1,704
391	Transportation Equipment	_____	_____	_____	0	32,270
392	Stores Equipment	_____	_____	_____	0	0
393	Tools, Shop and Garage Equipment	_____	_____	_____	0	2,912
394	Laboratory Equipment	_____	_____	_____	0	0
395	Power Operated Equipment	_____	_____	_____	0	36,868
396	Communication Equipment	_____	_____	_____	0	0
397	Miscellaneous Equipment	_____	_____	_____	0	0
398	Other Tangible Plant	_____	_____	_____	0	0
<b>Total Depreciable Wastewater Plant in Service</b>		<b>\$ 31,620</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 31,620</b>	<b>\$ 1,446,508</b>

\* 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, 2013

SYSTEM NAME / COUNTY :

\_\_\_\_\_

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ <u>1,529,289</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8(a)	\$ <u>18,900</u>
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	<u>0</u>
Total Credits		\$ <u>18,900</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>1,548,189</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, 2013

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	22	\$ 750	\$ 16,500
Lift Stations	0	3,000	0
Bore	0	200	0
Bore	4	600	2,400
			0
			0
			0
			0
<b>Total Credits</b>			<b>\$ 18,900</b>

**ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION**

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 656,757
Debits during the year:	
Accruals charged to Account 272	\$ 44,278
Other debits (specify):	
Total debits	\$ 44,278
Credits during the year (specify):	
Total credits	\$ 0
Balance end of year	\$ 701,035

S-8(a)

GROUP \_\_\_\_\_

SEE ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2013

SYSTEM NAME / COUNTY : \_\_\_\_\_

**WASTEWATER CIAC SCHEDULE "B"**

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION  
RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS  
WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
NONE		\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Credits		\$ _____ 0

S-8(b)

GROUP \_\_\_\_\_

SEE ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

<b>YEAR OF REPORT</b> December 31, 2013
--------------------------------------------

SYSTEM NAME / COUNTY : \_\_\_\_\_

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
<b>WASTEWATER SALES</b>				
<b>Flat Rate Revenues:</b>				
521.1	Residential Revenues	691	710	\$ 329,300
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues	4	4	43,696
521.6	Other Revenues			
521	<b>Total Flat Rate Revenues</b>	<b>695</b>	<b>714</b>	<b>\$ 372,996</b>
<b>Measured Revenues:</b>				
522.1	Residential Revenues			
522.2	Commercial Revenues	30	29	108,765
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	<b>Total Measured Revenues</b>	<b>30</b>	<b>29</b>	<b>\$ 108,765</b>
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
<b>Total Wastewater Sales</b>		<b>725</b>	<b>743</b>	<b>\$ 481,761</b>
<b>OTHER WASTEWATER REVENUES</b>				
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			
<b>Total Other Wastewater Revenues</b>				<b>\$ 0</b>

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

S-9(a)  
GROUP \_\_\_\_\_

SEE ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2013

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>481,761</u>

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

S-9(b)

GROUP \_\_\_\_\_

SEE ACCOUNTANTS' COMPILATION REPORT

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

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	10,458						
710	Purchased Sewage Treatment	0						
711	Sludge Removal Expense	160,144					160,144	
715	Purchased Power	23,276					23,276	
716	Fuel for Power Production	620					620	
718	Chemicals	13,447				6,724		6,723
720	Materials and Supplies	27,369		9,123		9,123		9,123
731	Contractual Services-Engineering	1,683						
732	Contractual Services - Accounting	7,020						
733	Contractual Services - Legal	0						
734	Contractual Services - Mgt. Fees	17,280						
735	Contractual Services - Testing	1,824					1,824	
736	Contractual Services - Other	143,958	1,680	1,680	1,680	1,679	107,969	1,679
741	Rental of Building/Real Property	0						
742	Rental of Equipment	454					454	
750	Transportation Expenses	11,694	3,898		3,898		3,898	
756	Insurance - Vehicle	1,719						
757	Insurance - General Liability	5,433						
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	876						
775	Miscellaneous Expenses	7,656	1,912		1,914		1,915	
Total Wastewater Utility Expenses		\$ 434,911	\$ 7,490	\$ 10,803	\$ 7,492	\$ 17,526	\$ 300,100	\$ 17,525

S-10(a)  
GROUP \_\_\_\_\_

SEE ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2013

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	_____	10,458	_____	_____	_____	_____
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	_____	1,683	_____	_____	_____	_____
732	Contractual Services - Accounting	_____	7,020	_____	_____	_____	_____
733	Contractual Services - Legal	_____	_____	_____	_____	_____	_____
734	Contractual Services - Mgt. Fees	_____	17,280	_____	_____	_____	_____
735	Contractual Services - Testing	_____	_____	_____	_____	_____	_____
736	Contractual Services - Other	1,679	25,912	_____	_____	_____	_____
741	Rental of Building/Real Property	_____	_____	_____	_____	_____	_____
742	Rental of Equipment	_____	_____	_____	_____	_____	_____
750	Transportation Expenses	_____	_____	_____	_____	_____	_____
756	Insurance - Vehicle	_____	1,719	_____	_____	_____	_____
757	Insurance - General Liability	_____	5,433	_____	_____	_____	_____
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	876	_____	_____	_____	_____	_____
775	Miscellaneous Expenses	_____	1,915	_____	_____	_____	_____
Total Wastewater Utility Expenses		\$ 2,555	\$ 71,420	\$ 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, 2013

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	710	710
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				710

**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

<b>YEAR OF REPORT</b> December 31, 2013
--------------------------------------------

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 .139 MGD	_____	_____
Total Gallons of Wastewater Treated	50.74 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, 2013

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.