

CLASS "A" OR "B"

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

ANNUAL REPORT

OF

OFFICIAL COPY

Public Service Commission

Do Not Remove From This Office

WS926-16-AR
Frank D. Usina
North Beach Utilities, Inc.
4125 Coastal Highway
St. Augustine, FL 32084-1418

Submitted To The

STATE OF FLORIDA



RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
2017 JUN 26 PM 1:35
DIVISION OF
ACCOUNTING & FINANCE

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2016

EXECUTIVE SUMMARY

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.

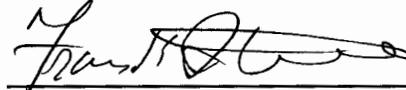
YES NO
 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the the report as to the business affairs of the respondent are true, correct and complete for the period for which 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, 2016

WS926-16-AR NORTH BEACH UTILITIES, INC
(Exact Name of Utility)

County: St Johns

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

4125 Coastal Highway
St Augustine, FL 32084-1418

Telephone: (904) 824-1806

E Mail Address: max@bellsouth.net

WEB Site: N/A

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

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

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

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

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

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

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

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

Individual Partnership Sub S Corporation 1120 Corporation

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

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

COMPANY PROFILE

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

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

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

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

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

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

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

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

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

C. Quality, responsive service and operation.

D. None beyond water and waste water service.

E. Anticipated slow growth throughout our service area with mixed use development in the area of the Vilano Town Center at lesser levels than earlier planned.

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

Wastewater plant expansion 300,000 GPD permitted with construction completed in 2005.

Water plant 210,000 GPD reservoir completed in 2006. This is in addition to the original 100,000 GPD for a total of 310,000 GPD.

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/16

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 Revocable Living Trust	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)		

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%	\$ 45,795
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
Elizabeth K Usina	Secretary/Treasurer	1	0

**FINANCIAL
SECTION**

UTILITY NAME: WS926-16-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)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 5,788,429	\$ 5,840,037
108-110	Less: Accumulated Depreciation and Amortization	F-8	3,298,562	3,432,929
Net Plant			\$ 2,489,867	\$ 2,407,108
114-115	Utility Plant Acquisition adjustment (Net)	F-7	0	0
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 2,489,867	\$ 2,407,108
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	\$ 0	\$ 0
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			\$ 0	\$ 0
123	Investment in Associated Companies	F-10	0	0
124	Utility Investments	F-10	0	0
125	Other Investments	F-10	0	0
126-127	Special Funds	F-10	0	0
Total Other Property & Investments			\$ 0	\$ 0
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 132,386	\$ 97,188
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	118,281	130,474
145	Accounts Receivable from Associated Companies	F-12	0	0
146	Notes Receivable from Associated Companies	F-12	0	0
151-153	Material and Supplies		60,642	58,194
161	Stores Expense			
162	Prepayments		20,352	37,179
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Miscellaneous Current and Accrued Assets	F-12	18,003	17,117
Total Current and Accrued Assets			\$ 349,664	\$ 340,152

* Not Applicable for Class B Utilities

UTILITY NAME: WS926-16-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)
DEFERRED DEBITS				
181	Unamortized Debt Discount & Expense	F-13	\$ 0	\$ 0
182	Extraordinary Property Losses	F-13	0	0
183	Preliminary Survey & Investigation Charges			
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Miscellaneous Deferred Debits	F-14	0	0
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			\$ 0	\$ 0
TOTAL ASSETS AND OTHER DEBITS			\$ <u>2,839,531</u>	\$ <u>2,747,260</u>

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

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

UTILITY NAME: WS926-16-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)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 500	\$ 500
204	Preferred Stock Issued	F-15	0	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	(93,900)	(82,136)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 540,712	\$ 552,476
LONG TERM DEBT				
221	Bonds	F-15	0	0
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17	12,285	5,140
224	Other Long Term Debt	F-17	537,415	461,539
Total Long Term Debt			\$ 549,700	\$ 466,679
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		60,823	70,680
232	Notes Payable	F-18	0	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		18,273	19,144
236	Accrued Taxes	W/S-3	0	0
237	Accrued Interest	F-19	0	0
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	1,967	3,363
Total Current & Accrued Liabilities			\$ 384,244	\$ 396,368

* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	F-13	\$ 0	\$ 0
252	Advances For Construction	F-20	0	0
253	Other Deferred Credits	F-21	0	0
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			\$ 0	\$ 0
OPERATING RESERVES				
261	Property Insurance Reserve		\$	\$
262	Injuries & Damages Reserve			
263	Pensions and Benefits Reserve			
265	Miscellaneous Operating Reserves			
Total Operating Reserves			\$ 0	\$ 0
CONTRIBUTIONS IN AID OF CONSTRUCTION				
.271	Contributions in Aid of Construction	F-22	\$ 2,665,253	\$ 2,703,188
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(1,340,694)	(1,417,183)
Total Net CIAC			\$ 1,324,559	\$ 1,286,005
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$	\$
282	Accumulated Deferred Income Taxes - Liberalized Depreciation			
283	Accumulated Deferred Income Taxes - Other		40,316	45,732
Total Accumulated Deferred Income Tax			\$ 40,316	\$ 45,732
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ 2,839,531	\$ 2,747,260

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)	\$ 1,290,254	\$ 1,361,213
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)	0	0
Net Operating Revenues			\$ 1,290,254	\$ 1,361,213
401	Operating Expenses	F-3(b)	\$ 988,983	\$ 1,073,887
403	Depreciation Expense:	F-3(b)	\$ 167,840	\$ 206,252
	Less: Amortization of CIAC	F-22	75,412	76,487
Net Depreciation Expense			\$ 92,428	\$ 129,765
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)	0	0
407	Amortization Expense (Other than CIAC)	F-3(b)	0	0
408	Taxes Other Than Income	W/S-3	111,038	110,957
409	Current Income Taxes	W/S-3	6,686	4,174
410.1	Deferred Federal Income Taxes	W/S-3	14,422	3,460
410.11	Deferred State Income Taxes	W/S-3	5,157	1,956
411.1	Provision for Deferred Income Taxes - Credit	W/S-3	0	0
412.1	Investment Tax Credits Deferred to Future Periods	W/S-3	0	0
412.11	Investment Tax Credits Restored to Operating Income	W/S-3	0	0
Utility Operating Expenses			\$ 1,218,714	\$ 1,324,199
Net Utility Operating Income			\$ 71,540	\$ 37,014
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)	0	0
413	Income From Utility Plant Leased to Others		0	0
414	Gains (losses) From Disposition of Utility Property		0	0
420	Allowance for Funds Used During Construction		0	0
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 71,540	\$ 37,014

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

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES.

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ <u>801,487</u> 0	\$ <u>559,726</u> 0	\$ _____
\$ <u>801,487</u>	\$ <u>559,726</u>	\$ <u>0</u>
\$ <u>551,121</u>	\$ <u>522,766</u>	\$ _____
<u>101,842</u> <u>28,651</u>	<u>104,410</u> <u>47,836</u>	_____
\$ <u>73,191</u>	\$ <u>56,574</u>	\$ <u>0</u>
<u>0</u>	<u>0</u>	_____
<u>0</u>	<u>0</u>	_____
<u>56,709</u>	<u>54,248</u>	_____
<u>38,587</u>	<u>(34,413)</u>	_____
<u>3,460</u>	<u>0</u>	_____
<u>1,956</u>	<u>0</u>	_____
<u>0</u>	<u>0</u>	_____
<u>0</u>	<u>0</u>	_____
<u>0</u>	<u>0</u>	_____
\$ <u>725,024</u>	\$ <u>599,175</u>	\$ <u>0</u>
\$ <u>76,463</u>	\$ <u>(39,449)</u>	\$ <u>0</u>
<u>0</u>	<u>0</u>	_____
\$ <u>76,463</u>	\$ <u>(39,449)</u>	\$ <u>0</u>

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

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)]			\$ 71,540	\$ 37,014
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ _____	\$ _____
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		_____	_____
419	Interest and Dividend Income		2	28
421	Nonutility Income		_____	_____
426	Miscellaneous Nonutility Expenses		_____	_____
Total Other Income and Deductions			\$ 2	\$ 28
TAXES APPLICABLE TO OTHER INCOME				
408.2	Taxes Other Than Income		\$ 0	\$ 0
409.2	Income Taxes		_____	_____
410.2	Provision for Deferred Income Taxes		_____	_____
411.2	Provision for Deferred Income Taxes - Credit		_____	_____
412.2	Investment Tax Credits - Net		_____	_____
412.3	Investment Tax Credits Restored to Operating Income		_____	_____
Total Taxes Applicable To Other Income			\$ 0	\$ 0
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ 31,815	\$ 25,278
428	Amortization of Debt Discount & Expense	F-13	397	0
429	Amortization of Premium on Debt	F-13	0	0
Total Interest Expense			\$ 32,212	\$ 25,278
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.3	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ 0	\$ 0
NET INCOME			<u>\$ 39,330</u>	<u>\$ 11,764</u>

Explain Extraordinary Income:

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 3,093,209	\$ 2,746,828
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	<u>1,825,491</u>	<u>1,607,438</u>
110	Accumulated Amortization	F-8	<u>0</u>	<u>0</u>
271	Contributions in Aid of Construction	F-22	<u>1,030,604</u>	<u>1,672,584</u>
252	Advances for Construction	F-20		
Subtotal			\$ <u>237,114</u>	\$ <u>(533,194)</u>
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	575,256	841,927
Subtotal			\$ <u>812,370</u>	\$ <u>308,733</u>
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7	<u>0</u>	<u>0</u>
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	<u>0</u>	<u>0</u>
	Working Capital Allowance (3)		<u>68,890</u>	<u>65,346</u>
	Other (Specify):			

RATE BASE			\$ <u>881,260</u>	\$ <u>374,079</u>
NET UTILITY OPERATING INCOME			\$ <u>76,463</u>	\$ <u>(39,449)</u>
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			<u>8.68%</u>	<u>-10.55%</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.

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

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ 500	0.04%	11.16%	0.00%
Preferred Stock	0	0.00%		0.00%
Long Term Debt	461,539	40.29%	11.16%	4.50%
Customer Deposits	9,084	0.79%	11.16%	0.09%
Tax Credits - Zero Cost	0	0.00%		0.00%
Tax Credits - Weighted Cost	0	0.00%		0.00%
Deferred Income Taxes	40,316	3.52%	11.16%	0.39%
Other (Explain)	0	0.00%		0.00%
Additional paid in capital	634,112	55.35%	11.16%	6.18%
Total	\$ 1,145,551	100.00%		11.16%

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

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

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

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

APPROVED RETURN ON EQUITY

Current Commission Return on Equity:	<u>11.16%</u>
Commission order approving Return on Equity:	<u>#16-0254-PAA-WS issued June 29, 2016</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: WS926-16-AR NORTH BEACH UTILITIES, INC

**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	\$ 3,093,209	\$ 2,746,828	\$ _____	\$ 5,840,037
102	Utility Plant Leased to Other	_____	_____	_____	0
103	Property Held for Future Use	_____	_____	_____	0
104	Utility Plant Purchased or Sold	_____	_____	_____	0
105	Construction Work in Progress	_____	_____	_____	0
106	Completed Construction Not Classified	_____	_____	_____	0
	Total Utility Plant	\$ <u>3,093,209</u>	\$ <u>2,746,828</u>	\$ <u>0</u>	\$ <u>5,840,037</u>

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

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

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

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION				
Account 108				
Balance first of year	\$ 1,761,441	\$ 1,537,121	\$	\$ 3,298,562
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 101,842	\$ 104,410	\$	\$ 206,252
Account 108.2 (2)	_____	_____	_____	0
Account 108.3 (2)	_____	_____	_____	0
Other Accounts (specify):	_____	_____	_____	0
_____	_____	_____	_____	0
_____	_____	_____	_____	0
Salvage	_____	_____	_____	0
Other Credits (Specify):	_____	_____	_____	0
_____	_____	_____	_____	0
Total Credits	\$ 101,842	\$ 104,410	\$ 0	\$ 206,252
Debits during year:				
Book cost of plant retired	37,792	34,093	_____	71,885
Cost of Removal	_____	_____	_____	0
Other Debits (specify):	_____	_____	_____	0
Cummalative prior year depreciation in excess of cost	_____	_____	_____	0
Total Debits	\$ 37,792	\$ 34,093	\$ 0	\$ 71,885
Balance end of year	\$ <u>1,825,491</u>	\$ <u>1,607,438</u>	\$ <u>0</u>	\$ <u>3,432,929</u>
ACCUMULATED AMORTIZATION				
Account 110				
Balance first of year	\$ 0	\$ 0	\$ 0	\$ 0
Credit during year:				
Accruals charged to:				
Account 110.2 (3)	\$ 0	\$	\$	\$ 0
Other Accounts (specify):	_____	_____	_____	0
_____	_____	_____	_____	0
Total credits	\$ 0	\$ 0	\$ 0	\$ 0
Debits during year:				
Book cost of plant retired	_____	_____	_____	0
Other debits (specify):	_____	_____	_____	0
_____	_____	_____	_____	0
Total Debits	\$ 0	\$ 0	\$ 0	\$ 0
Balance end of year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

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

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

**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
_____	0	_____	_____	0
_____	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>

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

INVESTMENTS AND SPECIAL FUNDS
ACCOUNTS 123 - 127

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

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

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	\$ 67,422	
Wastewater	63,052	
CIAC receivable	0	
Total Customer Accounts Receivable		\$ 130,474
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		\$ 130,474
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
Balance first of year	\$ _____	
Add: Provision for uncollectibles for current year	\$ _____	
Collection of accounts previously written off	_____	
Utility Accounts	_____	
Others	_____	
Total Additions		\$ 0
Deduct accounts written off during year:		
Utility Accounts	_____	
Others	_____	
Total accounts written off		\$ 0
Balance end of year		\$ 0
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ 130,474

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2016

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
NONE	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ <u>0</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	\$ 16,469
Employee health insurance advances	648
_____	_____
_____	_____
Total Miscellaneous Current and Accrued Liabilities	\$ <u>17,117</u>

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

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

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

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

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

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

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

**MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186**

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

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2016

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

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

* Account 204 not applicable for Class B utilities.

**BONDS
ACCOUNT 221**

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

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

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	\$ (93,900)
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	\$ 11,764
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	\$ (82,136)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ 0
Total Retained Earnings		\$ (82,136)
Notes to Statement of Retained Earnings: Change in income tax expense from estimated to actual after Annual Report filing.		

**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
Due to associated company	\$ 5,140
Total	\$ <u>5,140</u>

**OTHER LONG-TERM DEBT
ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
N/P Ally Bank - Chevy Truck	3.19 %	Fixed	\$ 9,094
N/P Suntrust Bank - Consolidation loan	4.95 %	Fixed	452,445
Total			\$ <u>461,539</u>

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

**NOTES PAYABLE
ACCOUNTS 232 AND 234**

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

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

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
ACCOUNT 233**

Report each account payable separately.

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

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2016
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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 _____ _____ _____	\$ _____ _____ _____		\$ _____ _____ _____	\$ _____ 0 _____ _____	\$ _____ _____ _____
Total Account 237.1	\$ _____ 0		\$ _____ 0	\$ _____ 0	\$ _____ 0
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$ _____	427	\$ _____ 214	\$ _____ 214	\$ _____
SunTrust Interest /Ally Bank - Truck loan	_____	427	_____ 419	_____ 419	_____
SunTrust Interest - Consolidation loan	_____	427	_____ 24,645	_____ 24,645	_____
Total Account 237.2	\$ _____ 0		\$ _____ 25,278	\$ _____ 25,278	\$ _____ 0
Total Account 237 (1)	\$ _____ 0		\$ _____ 25,278	\$ _____ 25,278	\$ _____ 0
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ _____ 25,278		
Less Capitalized Interest Portion of AFUDC:			_____		
_____			_____		
_____			_____		
Net Interest Expensed to Account No. 427 (2)			\$ _____ 25,278		

(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

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2016
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**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Accrued employee leasing expense	\$ 3,363
Total Miscellaneous Current and Accrued Liabilities	\$ <u>3,363</u>

**ADVANCES FOR CONSTRUCTION
ACCOUNT 252**

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

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

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2016
--

**OTHER DEFERRED CREDITS
ACCOUNT 253**

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

**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>1,018,379</u>	\$ <u>1,646,874</u>	\$ _____	\$ <u>2,665,253</u>
Add credits during year:	\$ <u>12,225</u>	\$ <u>25,710</u>	\$ _____	\$ <u>37,935</u>
Less debit charged during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Contribution In Aid of Construction	\$ <u><u>1,030,604</u></u>	\$ <u><u>1,672,584</u></u>	\$ <u><u>0</u></u>	\$ <u><u>2,703,188</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>546,605</u>	\$ <u>794,091</u>	\$ _____	\$ <u>1,340,696</u>
Debits during the year:	\$ <u>28,651</u>	\$ <u>47,836</u>	\$ _____	\$ <u>76,487</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>575,256</u></u>	\$ <u><u>841,927</u></u>	\$ <u><u>0</u></u>	\$ <u><u>1,417,183</u></u>

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)	\$ 11,764
Reconciling items for the year:		
Taxable income not reported on books:		
Tap fees adjustment		1,710
_____		_____
_____		_____
_____		_____
Deductions recorded on books not deducted for return:		
1/2 Entertainment & meals		678
Federal income tax expense		4,174
Deferred Federal income tax		3,460
Deferred State income tax		1,956
Income recorded on books not included in return:		
_____		_____
_____		_____
_____		_____
_____		_____
Deduction on return not charged against book income:		
Depreciation		(13,097)
_____		_____
_____		_____
_____		_____
Federal tax net income		\$ 10,645

Computation of tax :

**WATER
OPERATION
SECTION**

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2016
--

SYSTEM NAME / COUNTY : _____

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
10I	Utility Plant In Service	W-4(b)	\$ 3,093,209
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	1,825,491
110	Accumulated Amortization	F-8	0
271	Contributions in Aid of Construction	W-7	1,030,604
252	Advances for Construction	F-20	
Subtotal			\$ 237,114
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 575,256
Subtotal			\$ 812,370
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		68,890
	Other (Specify):		
WATER RATE BASE			\$ 881,260
WATER OPERATING INCOME		W-3	\$ 76,463
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			<u>8.68%</u>

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

UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2016

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	\$ 801,487
469	Less: Guaranteed Revenue and AFPI	W-9	0
	Net Operating Revenues		\$ 801,487
401	Operating Expenses	W-10(a)	\$ 551,121
403	Depreciation Expense	W-6(a)	101,842
	Less: Amortization of CIAC	W-8(a)	28,651
	Net Depreciation Expense		\$ 73,191
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		36,067
408.11	Property Taxes		20,500
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		142
408	Total Taxes Other Than Income		\$ 56,709
409.1	Income Taxes		38,587
410.10	Deferred Federal Income Taxes		3,460
410.11	Deferred State Income Taxes		1,956
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		\$ 725,024
	Utility Operating Income		\$ 76,463
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		\$ 76,463

W-3
GROUP _____

UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2016

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	9,354	2,437		11,791
310	Power Generation Equipment	67,457	2,460	20,831	49,086
311	Pumping Equipment	95,996	6,272	4,610	97,658
320	Water Treatment Equipment	455,000			455,000
330	Distribution Reservoirs and Standpipes	445,790	15,000		460,790
331	Transmission and Distribution Mains	1,384,175			1,384,175
333	Services	107,831	6,780	450	114,161
334	Meters and Meter Installations	197,851	15,784	8,876	204,759
335	Hydrants	31,386	4,740	2,315	33,811
336	Backflow Prevention Devices	0			0
339	Other Plant Miscellaneous Equipment	0			0
340	Office Furniture and Equipment	6,497		710	5,787
341	Transportation Equipment	61,253			61,253
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	865			865
344	Laboratory Equipment	0			0
345	Power Operated Equipment	25,663			25,663
346	Communication Equipment	0			0
347	Miscellaneous Equipment	0			0
348	Other Tangible Plant	4,205			4,205
TOTAL WATER PLANT		\$ 3,077,528	\$ 53,473	\$ 37,792	\$ 3,093,209

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

W-4(a)
GROUP _____

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2016

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	11,791		11,791			
310	Power Generation Equipment	49,086		49,086			
311	Pumping Equipment	97,658		97,658			
320	Water Treatment Equipment	455,000			455,000		
330	Distribution Reservoirs and Standpipes	460,790				460,790	
331	Transmission and Distribution Mains	1,384,175				1,384,175	
333	Services	114,161				114,161	
334	Meters and Meter Installations	204,759				204,759	
335	Hydrants	33,811				33,811	
336	Backflow Prevention Devices	0					
339	Other Plant Miscellaneous Equipment	0					
340	Office Furniture and Equipment	5,787					5,787
341	Transportation Equipment	61,253					61,253
342	Stores Equipment	0					
343	Tools, Shop and Garage Equipment	865					865
344	Laboratory Equipment	0					
345	Power Operated Equipment	25,663					25,663
346	Communication Equipment	0					
347	Miscellaneous Equipment	0					
348	Other Tangible Plant	4,205					4,205
TOTAL WATER PLANT		\$ 3,093,209	\$ 0	\$ 174,505	\$ 455,000	\$ 2,197,696	\$ 266,008

W-4(b)
GROUP _____

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UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

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:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2016

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	\$ 83,279	\$ 2,069	\$	\$ 2,069
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	15,970	0		0
308	Infiltration Galleries and Tunnels	0			0
309	Supply Mains	2,859	331		331
310	Power Generation Equipment	16,626	17,779		17,779
311	Pumping Equipment	70,677	5,573		5,573
320	Water Treatment Equipment	434,123	7,412		7,412
330	Distribution Reservoirs and Standpipes	199,071	13,735		13,735
331	Transmission and Distribution Mains	662,911	36,191		36,191
333	Services	74,272	3,185		3,185
334	Meters and Meter Installations	106,802	10,484		10,484
335	Hydrants	11,905	968		968
336	Backflow Prevention Devices	0			0
339	Other Plant Miscellaneous Equipment	0			0
340	Office Furniture and Equipment	4,051	529		529
341	Transportation Equipment	50,084	3,193		3,193
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	721	66		66
344	Laboratory Equipment	0			0
345	Power Operated Equipment	24,628	240		240
346	Communication Equipment	0			0
347	Miscellaneous Equipment	0			0
348	Other Tangible Plant	3,462	87		87
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 1,761,441	101,842	0	101,842

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

W-6(a)
GROUP _____

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2016

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	\$ _____ 85,348
305	Collecting and Impounding Reservoirs	_____	_____	_____	_____ 0	_____ 0
306	Lake, River and Other Intakes	_____	_____	_____	_____ 0	_____ 0
307	Wells and Springs	_____	_____	_____	_____ 0	_____ 15,970
308	Infiltration Galleries and Tunnels	_____	_____	_____	_____ 0	_____ 0
309	Supply Mains	_____	_____	_____	_____ 0	_____ 3,190
310	Power Generation Equipment	_____ 20,831	_____	_____	_____ 20,831	_____ 13,574
311	Pumping Equipment	_____ 4,610	_____	_____	_____ 4,610	_____ 71,640
320	Water Treatment Equipment	_____	_____	_____	_____ 0	_____ 441,535
330	Distribution Reservoirs and Standpipes	_____	_____	_____	_____ 0	_____ 212,806
331	Transmission and Distribution Mains	_____	_____	_____	_____ 0	_____ 699,102
333	Services	_____ 450	_____	_____	_____ 450	_____ 77,007
334	Meters and Meter Installations	_____ 8,876	_____	_____	_____ 8,876	_____ 108,410
335	Hydrants	_____ 2,315	_____	_____	_____ 2,315	_____ 10,558
336	Backflow Prevention Devices	_____	_____	_____	_____ 0	_____ 0
339	Other Plant Miscellaneous Equipment	_____	_____	_____	_____ 0	_____ 0
340	Office Furniture and Equipment	_____ 710	_____	_____	_____ 710	_____ 3,870
341	Transportation Equipment	_____	_____	_____	_____ 0	_____ 53,277
342	Stores Equipment	_____	_____	_____	_____ 0	_____ 0
343	Tools, Shop and Garage Equipment	_____	_____	_____	_____ 0	_____ 787
344	Laboratory Equipment	_____	_____	_____	_____ 0	_____ 0
345	Power Operated Equipment	_____	_____	_____	_____ 0	_____ 24,868
346	Communication Equipment	_____	_____	_____	_____ 0	_____ 0
347	Miscellaneous Equipment	_____	_____	_____	_____ 0	_____ 0
348	Other Tangible Plant	_____	_____	_____	_____ 0	_____ 3,549
TOTAL WATER ACCUMULATED DEPRECIATION		\$ _____ 37,792	\$ _____ 0	\$ _____ 0	\$ _____ 37,792	\$ _____ 1,825,491

W-6(b)
GROUP _____

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2016
--

SYSTEM NAME / COUNTY : _____

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>1,018,379</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>12,225</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>0</u>
Total Credits		\$ <u>12,225</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>1,030,604</u>

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

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

W-7
GROUP _____

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2016

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	15	\$ 450	\$ 6,750
Tap	15	90	1,350
Bore	1	2,575	2,575
Line extension	1	1,550	1,550
			0
			0
			0
			0
Total Credits			\$ <u>12,225</u>

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 546,605
Debits during the year:	
Accruals charged to Account 272	\$ 28,651
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 28,651
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ 0
Balance end of year	\$ <u>575,256</u>

W-8(a)
GROUP _____

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2016

SYSTEM NAME / COUNTY : _____

WATER 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

W-8(b)
GROUP _____

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2016
--

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	1,180	1,202	653,119
461.2	Sales to Commercial Customers	36	35	115,786
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings	7	7	29,162
Total Metered Sales		1,223	1,244	\$ 798,067
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		1,223	1,244	\$ 798,067
Other Water Revenues:				
469	Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ _____
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			3,420
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 3,420
Total Water Operating Revenues				\$ 801,487

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

UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

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	22,037		
610	Purchased Water	0		
615	Purchased Power	53,015	26,508	
616	Fuel for Power Production	386	193	
618	Chemicals	38,937		19,468
620	Materials and Supplies	39,131		13,043
631	Contractual Services-Engineering	925		
632	Contractual Services - Accounting	14,720		
633	Contractual Services - Legal	0		
634	Contractual Services - Mgt. Fees	30,720		
635	Contractual Services - Testing	0		
636	Contractual Services - Other	273,783	202,602	8,213
641	Rental of Building/Real Property	0		
642	Rental of Equipment	1,756		
650	Transportation Expenses	18,241	6,081	
656	Insurance - Vehicle	3,645		
657	Insurance - General Liability	15,108		
658	Insurance - Workman's Comp.	0		
659	Insurance - Other	0		
660	Advertising Expense	0		
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	0		
667	Regulatory Commission Exp.-Other	0		
668	Water Resource Conservation Exp.	0		
670	Bad Debt Expense	1,202		
675	Miscellaneous Expenses	37,515	9,378	
Total Water Utility Expenses		\$ 551,121	\$ 244,762	\$ 40,724

W-10(a)
GROUP _____

UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2016

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)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
					22,037
26,507					
193					
19,469					
	13,044		13,044		
		462			463
					14,720
					30,720
0					
8,213	8,213	10,951	8,213		27,378
			1,756		
6,080		6,080			3,645
					15,108
				1,202	
9,379		9,379			9,379
\$ <u>69,841</u>	\$ <u>21,257</u>	\$ <u>26,872</u>	\$ <u>23,013</u>	\$ <u>1,202</u>	\$ <u>123,450</u>

W-10(b)
GROUP _____

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2016
--

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		9,495		9,495	9,627
February		9,460		9,460	11,339
March		11,394		11,394	11,381
April		11,724		11,724	12,786
May		15,720		15,720	12,852
June		12,468		12,468	15,345
July		17,165		17,165	16,109
August		14,755		14,755	16,689
September		12,841		12,841	12,784
October		9,302		9,302	19,444
November		13,013		13,013	12,671
December		12,112		12,112	12,335
Total for Year	<u>0</u>	<u>149,449</u>	<u>0</u>	<u>149,449</u>	<u>163,362</u>

If water is purchased for resale, indicate the following:

Vendor N/A

Point of delivery _____

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

N/A

SOURCE OF SUPPLY

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
Well A	616 GPM	163 Avg daily flow	Artesian well
Well B	1,800 GPM	449,512 Avg daily flow	Artesian well
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

SYSTEM NAME / COUNTY : _____

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

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

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2016
--

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	1,191	1,191
3/4"	Displacement	1.5	2	3
1"	Displacement	2.5	10	25
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>1,264</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:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

<p>ERC Calculation:</p> <p style="text-align: center;">(133,494,530 Total annual single family gallons sold/1,335 average SFR customers)/365 days = 274 ERC</p>

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2016

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. 958

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:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2016

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)	\$ 2,746,828
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	1,607,438
110	Accumulated Amortization	F-8	0
271	Contributions in Aid of Construction	S-7	1,672,584
252	Advances for Construction	F-20	
Subtotal			\$ (533,194)
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 841,927
Subtotal			\$ 308,733
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		65,346
	Other (Specify):		
WASTEWATER RATE BASE			\$ <u>374,079</u>
WASTEWATER OPERATING INCOME		S-3	\$ <u>(39,449)</u>
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			<u>-10.55%</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: WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2016

SYSTEM NAME / COUNTY : _____

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	S-9(a)	\$ 559,726
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
Net Operating Revenues			\$ 559,726
401	Operating Expenses	S-10(a)	\$ 522,766
403	Depreciation Expense	S-6(a)	104,410
	Less: Amortization of CIAC	S-8(a)	47,836
Net Depreciation Expense			\$ 56,574
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		25,188
408.11	Property Taxes		28,980
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		80
408	Total Taxes Other Than Income		\$ 54,248
409.1	Income Taxes		(34,413)
410.10	Deferred Federal Income Taxes		0
410.11	Deferred State Income Taxes		0
411.10	Provision for Deferred Income Taxes - Credit		0
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
Utility Operating Expenses			\$ 599,175
Utility Operating Income			\$ (39,449)
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			\$ (39,449)

UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2016

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	1,300		31,072
355	Power Generation Equipment	0			0
360	Collection Sewers - Force	559,599	6,987		566,586
361	Collection Sewers - Gravity	0			0
362	Special Collecting Structures	0			0
363	Services to Customers	31,309	13,999	750	44,558
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	737,054		15,970	721,084
371	Pumping Equipment	165,805	45,764	14,093	197,476
374	Reuse Distribution Reservoirs	0			0
375	Reuse Transmission and Distribution System	0			0
380	Treatment and Disposal Equipment	815,233			815,233
381	Plant Sewers	0			0
382	Outfall Sewer Lines	0			0
389	Other Plant Miscellaneous Equipment	13,845			13,845
390	Office Furniture and Equipment	2,479		635	1,844
391	Transportation Equipment	62,917			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	39,593	1,970	2,645	38,918
396	Communication Equipment	0			0
397	Miscellaneous Equipment	0			0
398	Other Tangible Plant	0			0
Total Wastewater Plant		\$ 2,710,901	\$ 70,020	\$ 34,093	\$ 2,746,828

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

S-4(a)
GROUP _____

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2016

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							31,072
355	Power Generation Equipment							
360	Collection Sewers - Force		566,586					
361	Collection Sewers - Gravity							
362	Special Collecting Structures							
363	Services to Customers		44,558					
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells			721,084				
371	Pumping Equipment			197,476				
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment and Disposal Equipment				815,233			
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant Miscellaneous Equipment				13,845			
390	Office Furniture and Equipment							1,844
391	Transportation Equipment							62,917
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							6,322
394	Laboratory Equipment							
395	Power Operated Equipment							38,918
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
Total Wastewater Plant		\$ 0	\$ 611,144	\$ 918,560	\$ 829,078	\$ 0	\$ 0	\$ 388,046

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

S-4(b)
GROUP _____

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2016
--

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:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2016
--

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	\$ 20,683	\$ 611	\$	\$ 611
355	Power Generation Equipment	0			0
360	Collection Sewers - Force	351,136	16,457		16,457
361	Collection Sewers - Gravity	0			0
362	Special Collecting Structures	0			0
363	Services to Customers	10,994	1,162		1,162
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	344,343	32,995		32,995
371	Pumping Equipment	25,325	23,694		23,694
374	Reuse Distribution Reservoirs	0			0
375	Reuse Transmission/Distribution Sys.	0			0
380	Treatment and Disposal Equipment	684,203	22,381		22,381
381	Plant Sewers	0			0
382	Outfall Sewer Lines	0			0
389	Other Plant Miscellaneous Equipment	11,676	238		238
390	Office Furniture and Equipment	1,932	265		265
391	Transportation Equipment	44,942	5,916		5,916
392	Stores Equipment	0			0
393	Tools, Shop and Garage Equipment	3,499	285		285
394	Laboratory Equipment	0			0
395	Power Operated Equipment	38,388	406		406
396	Communication Equipment	0			0
397	Miscellaneous Equipment	0			0
398	Other Tangible Plant	0			0
Total Depreciable Wastewater Plant in Service		\$ 1,537,121	\$ 104,410	\$ 0	\$ 104,410

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

S-6(a)
GROUP _____

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2016

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-b+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
354	Structures and Improvements	\$ _____	\$ _____	\$ _____	\$ 0	\$ 21,294
355	Power Generation Equipment	_____	_____	_____	0	0
360	Collection Sewers - Force	_____	_____	_____	0	367,593
361	Collection Sewers - Gravity	_____	_____	_____	0	0
362	Special Collecting Structures	_____	_____	_____	0	0
363	Services to Customers	750	_____	_____	750	11,406
364	Flow Measuring Devices	_____	_____	_____	0	0
365	Flow Measuring Installations	_____	_____	_____	0	0
366	Reuse Services	_____	_____	_____	0	0
367	Reuse Meters and Meter Installations	_____	_____	_____	0	0
370	Receiving Wells	15,970	_____	_____	15,970	361,368
371	Pumping Equipment	14,093	_____	_____	14,093	34,926
374	Reuse Distribution Reservoirs	_____	_____	_____	0	0
375	Reuse Transmission/Distribution Sys.	_____	_____	_____	0	0
380	Treatment and Disposal Equipment	_____	_____	_____	0	706,584
381	Plant Sewers	_____	_____	_____	0	0
382	Outfall Sewer Lines	_____	_____	_____	0	0
389	Other Plant Miscellaneous Equipment	_____	_____	_____	0	11,914
390	Office Furniture and Equipment	635	_____	_____	635	1,562
391	Transportation Equipment	_____	_____	_____	0	50,858
392	Stores Equipment	_____	_____	_____	0	0
393	Tools, Shop and Garage Equipment	_____	_____	_____	0	3,784
394	Laboratory Equipment	_____	_____	_____	0	0
395	Power Operated Equipment	2,645	_____	_____	2,645	36,149
396	Communication Equipment	_____	_____	_____	0	0
397	Miscellaneous Equipment	_____	_____	_____	0	0
398	Other Tangible Plant	_____	_____	_____	0	0
Total Depreciable Wastewater Plant in Service		\$ 34,093	\$ 0	\$ 0	\$ 34,093	\$ 1,607,438

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

S-6(b)
GROUP _____

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2016

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	20	\$ 750	\$ 15,000
Lift Stations	0		0
Bore	6	650	3,900
Bore	3	700	2,100
Bore	1	600	600
Bore	1	625	625
Line extention(Several customers)	1	3,485	3,485
			0
Total Credits			\$ <u>25,710</u>

ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 794,091
Debits during the year:	
Accruals charged to Account 272	\$ 47,836
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 47,836
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ 0
Balance end of year	\$ <u>841,927</u>

S-8(a)

GROUP _____

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UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2016

SYSTEM NAME / COUNTY :

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
WASTEWATER SALES				
Flat Rate Revenues:				
521.1	Residential Revenues	762	791	\$ 394,218
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues	4	4	46,006
521.6	Other Revenues			
521	Total Flat Rate Revenues	766	795	\$ 440,224
Measured Revenues:				
522.1	Residential Revenues			
522.2	Commercial Revenues	31	30	119,502
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	Total Measured Revenues	31	30	\$ 119,502
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
Total Wastewater Sales		797	825	\$ 559,726
OTHER WASTEWATER REVENUES				
530	Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
531	Sale of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues			
Total Other Wastewater Revenues				\$ 0

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

S-9(a)
GROUP _____

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2016
--

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
Measured Reuse Revenues:				
541.1	Residential Reuse Revenues	_____	_____	_____
541.2	Commercial Reuse Revenues	_____	_____	_____
541.3	Industrial Reuse Revenues	_____	_____	_____
541.4	Reuse Revenues From Public Authorities	_____	_____	_____
541	Total Measured Reuse Revenues	0	0	\$ _____ 0
544	Reuse Revenues From Other Systems	_____	_____	_____
Total Reclaimed Water Sales				\$ _____ 0
Total Wastewater Operating Revenues				\$ <u>559,726</u>

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

S-9(b)
GROUP _____

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2016

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	12,349						
710	Purchased Sewage Treatment	0						
711	Sludge Removal Expense	210,809					210,809	
715	Purchased Power	24,362					24,362	
716	Fuel for Power Production	217					217	
718	Chemicals	20,241				10,120		10,121
720	Materials and Supplies	53,666		17,888		17,889		17,889
731	Contractual Services-Engineering	0						
732	Contractual Services - Accounting	8,280						
733	Contractual Services - Legal	0						
734	Contractual Services - Mgt. Fees	17,280						
735	Contractual Services - Testing	0						
736	Contractual Services - Other	138,362	1,383	1,384	1,384	1,384	89,934	1,384
741	Rental of Building/Real Property	0						
742	Rental of Equipment	3,767					603	3,164
750	Transportation Expenses	14,012	4,670		4,671		4,671	
756	Insurance - Vehicle	2,050						
757	Insurance - General Liability	9,122						
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	547						
775	Miscellaneous Expenses	7,702	1,900		1,900		1,899	
Total Wastewater Utility Expenses		\$ 522,766	\$ 7,953	\$ 19,272	\$ 7,955	\$ 29,393	\$ 332,495	\$ 32,558

S-10(a)

GROUP _____

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UTILITY NAME: WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2016

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	_____	12,349	_____	_____	_____	_____
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	_____	0	_____	_____	0	_____
732	Contractual Services - Accounting	_____	8,280	_____	_____	_____	_____
733	Contractual Services - Legal	_____	_____	_____	_____	_____	_____
734	Contractual Services - Mgt. Fees	_____	17,280	_____	_____	_____	_____
735	Contractual Services - Testing	_____	_____	_____	_____	_____	_____
736	Contractual Services - Other	1,384	20,754	_____	_____	19,371	_____
741	Rental of Building/Real Property	_____	_____	_____	_____	_____	_____
742	Rental of Equipment	_____	_____	_____	_____	_____	_____
750	Transportation Expenses	_____	_____	_____	_____	_____	_____
756	Insurance - Vehicle	_____	2,050	_____	_____	_____	_____
757	Insurance - General Liability	_____	9,122	_____	_____	_____	_____
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	547	_____	_____	_____	_____	_____
775	Miscellaneous Expenses	_____	2,003	_____	_____	_____	_____
Total Wastewater Utility Expenses		\$ <u>1,931</u>	\$ <u>71,838</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>19,371</u>	\$ <u>0</u>

S-10(b)
GROUP _____

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2016
--

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	791	791
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				791

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.

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

UTILITY NAME:

WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2016

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 .159 MGD	_____	_____
Total Gallons of Wastewater Treated	57.24 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: WS926-16-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2016

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.

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue**

Water Operations

Class A & B

Company: North Beach Utilities, Inc

For the Year Ended December 31, 2016

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. W-9	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Unmetered Water Revenues (460)	\$ -	\$ -	\$ -
Total Metered Sales (461.1-461.5)	798,067.00	798,067.00	-
Total Fire Protection Revenue (462.1-462.2)	-	-	-
Other Sales to Public Authorities (464)	-	-	-
Sales to Irrigation Customers (465)	-	-	-
Sales for Resale (466)	-	-	-
Interdepartmental Sales (467)	-	-	-
Total Other Water Revenues (469-474)	3,420.00	3,421.00	(1.00)
Total Water Operating Revenue	\$ 801,487.00	\$ 801,488.00	\$ -
LESS: Expense for Purchased Water			
from FPSC-Regulated Utility	\$ -	\$ -	\$ -
Net Water Operating Revenues	\$ 801,487.00	\$ 801,488.00	\$ -

Explanations: Difference due to rounding

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule W-9 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).

Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Wastewater Operations
Class A & B

Company: North Beach Utilities, Inc
For the Year Ended December 31, 2016

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues Per Sch. S-9	Gross Wastewater Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Total Flat-Rate Revenues (521.1-521.6)	\$ 559,726.00	\$ 559,726.00	\$ -
Total Measured Revenues (522.1-522.5)	-	-	-
Revenues from Public Authorities (523)	-	-	-
Revenues from Other Systems (524)	-	-	-
Interdepartmental Revenues (525)	-	-	-
Total Other Wastewater Revenues (530-536)	-	-	-
Reclaimed Water Sales (540.1-544)	-	-	-
Total Other Wastewater Revenues (469-474)	-	-	-
Total Wastewater Operating Revenue	\$ 559,726.00	\$ 559,726.00	\$ -
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	\$ -	\$ -	\$ -
Net Wastewater Operating Revenues	\$ 559,726.00	\$ 559,726.00	\$ -

Explanations:

Instructions:

For the current year, reconcile the gross Wastewater revenues reported on Schedule S-9 with the gross Wastewater revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).