

CLASS "A" OR "B"

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

ANNUAL REPORT

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Public Service Commission
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O.

WS926-15-AR
Frank D. Usina
North Beach Utilities, Inc.
4125 Coastal Highway
St. Augustine, FL 32084-1418

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2015

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
2016 MAY -3 AM 10:12
DIVISION OF
ACCOUNTING & FINANCE

EXECUTIVE SUMMARY

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

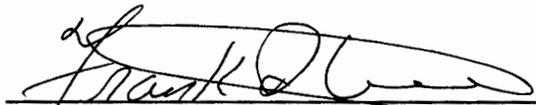
CERTIFICATION OF ANNUAL REPORT

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

- | | |
|---|---|
| <p>YES
<input checked="" type="checkbox"/></p> <p>NO
<input type="checkbox"/></p> | <p>1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.</p> |
| <p>YES
<input checked="" type="checkbox"/></p> <p>NO
<input type="checkbox"/></p> | <p>2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.</p> |
| <p>YES
<input checked="" type="checkbox"/></p> <p>NO
<input type="checkbox"/></p> | <p>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.</p> |
| <p>YES
<input checked="" type="checkbox"/></p> <p>NO
<input type="checkbox"/></p> | <p>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.</p> |

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, 2015

WS926-15-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.		

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

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: WS926-15-AR NORTH BEACH UTILITIES, INC

PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/15

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)		
JFFD Corporation	50%	50%	

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

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%	\$ 45,935
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: WS926-15-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	\$ 5,710,015	\$ 5,788,429
108-110	Less: Accumulated Depreciation and Amortization	F-8	3,177,722	3,298,562
Net Plant			\$ 2,532,293	\$ 2,489,867
114-115	Utility Plant Acquisition adjustment (Net)	F-7		0
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 2,532,293	\$ 2,489,867
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	\$	\$ 0
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			\$ 0	\$ 0
123	Investment in Associated Companies	F-10	0	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		\$ 58,393	\$ 132,386
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	114,244	118,281
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		66,398	60,642
161	Stores Expense			
162	Prepayments		18,798	20,352
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Miscellaneous Current and Accrued Assets	F-12	74,196	18,003
Total Current and Accrued Assets			\$ 332,029	\$ 349,664

* Not Applicable for Class B Utilities

F-1(a)

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

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
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**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED DEBITS				
181	Unamortized Debt Discount & Expense	F-13	\$ 397	\$ 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			\$ 397	\$ 0
TOTAL ASSETS AND OTHER DEBITS			\$ 2,864,719	\$ 2,839,531

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

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

F-1(b)

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

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
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**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	(133,230)	(93,900)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 501,382	\$ 540,712
LONG TERM DEBT				
221	Bonds	F-15	0	0
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17	25,817	12,285
224	Other Long Term Debt	F-17	602,958	537,415
Total Long Term Debt			\$ 628,775	\$ 549,700
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		60,603	60,823
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		15,068	18,273
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	7,790	1,967
Total Current & Accrued Liabilities			\$ 386,642	\$ 384,244

* Not Applicable for Class B Utilities

F-2(a)

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

**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	\$ 2,591,705	\$ 2,665,253
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	1,265,282	(1,340,694)
Total Net CIAC			\$ 1,326,423	\$ 1,324,559
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$	\$
282	Accumulated Deferred Income Taxes - Liberalized Depreciation			
283	Accumulated Deferred Income Taxes - Other		21,497	40,316
Total Accumulated Deferred Income Tax			\$ 21,497	\$ 40,316
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ 2,864,719	\$ 2,839,531

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
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COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 1,206,742	\$ 1,290,254
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)	0	0
Net Operating Revenues			\$ 1,206,742	\$ 1,290,254
401	Operating Expenses	F-3(b)	\$ 950,031	\$ 988,983
403	Depreciation Expense:	F-3(b)	\$ 170,642	\$ 167,840
	Less: Amortization of CIAC	F-22	73,334	75,412
Net Depreciation Expense			\$ 97,308	\$ 92,428
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	112,932	111,038
409	Current Income Taxes	W/S-3	0	6,686
410.1	Deferred Federal Income Taxes	W/S-3	18,918	14,422
410.11	Deferred State Income Taxes	W/S-3	3,670	5,157
411.1	Provision for Deferred Income Taxes - Credit	W/S-3	(22,588)	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			\$ 1,160,271	\$ 1,218,714
Net Utility Operating Income			\$ 46,471	\$ 71,540
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)]			\$ 46,471	\$ 71,540

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

YEAR OF REPORT

UTILITY NAME: WS926-15-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>763,913</u> 0	\$ <u>526,341</u> 0	\$ _____
\$ <u>763,913</u>	\$ <u>526,341</u>	\$ <u>0</u>
\$ <u>538,155</u>	\$ <u>450,828</u>	\$ _____
<u>85,836</u> <u>28,311</u>	<u>82,004</u> <u>47,101</u>	_____
\$ <u>57,525</u>	\$ <u>34,903</u>	\$ <u>0</u>
<u>0</u> <u>0</u> <u>58,678</u> <u>37,318</u> <u>(5,143)</u> <u>542</u> <u>0</u> <u>0</u> <u>0</u>	<u>0</u> <u>0</u> <u>52,360</u> <u>(30,632)</u> <u>19,565</u> <u>4,615</u> <u>0</u> <u>0</u> <u>0</u>	_____ _____ _____ _____ _____ _____ _____ _____ _____
\$ <u>687,075</u>	\$ <u>531,639</u>	\$ <u>0</u>
\$ <u>76,838</u>	\$ <u>(5,298)</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>76,838</u>	\$ <u>(5,298)</u>	\$ <u>0</u>

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

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2015

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)]			\$ 46,471	\$ 71,540
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
421	Nonutility Income			
426	Miscellaneous Nonutility Expenses			
Total Other Income and Deductions			\$ 0	\$ 2
TAXES APPLICABLE TO OTHER INCOME				
408.2	Taxes Other Than Income		\$	\$ 0
409.2	Income Taxes			
410.2	Provision for Deferred Income Taxes			
411.2	Provision for Deferred Income Taxes - Credit			
412.2	Investment Tax Credits - Net			
412.3	Investment Tax Credits Restored to Operating Income			
Total Taxes Applicable To Other Income			\$ 0	\$ 0
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ 39,490	\$ 31,815
428	Amortization of Debt Discount & Expense	F-13	1,590	397
429	Amortization of Premium on Debt	F-13	0	0
Total Interest Expense			\$ 41,080	\$ 32,212
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$	\$
434	Extraordinary Deductions			
409.3	Income Taxes, Extraordinary Items			
Total Extraordinary Items			\$ 0	\$ 0
NET INCOME			\$ 5,391	\$ 39,330

Explain Extraordinary Income:

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

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	\$ 3,077,528	\$ 2,710,901
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	1,761,441	1,537,121
110	Accumulated Amortization	F-8	0	0
271	Contributions in Aid of Construction	F-22	1,018,379	1,646,874
252	Advances for Construction	F-20		
Subtotal			\$ 297,708	\$ (473,094)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	546,604	794,090
Subtotal			\$ 844,312	\$ 320,996
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)		67,269	56,354
	Other (Specify): _____ _____ _____			
RATE BASE			\$ <u>911,581</u>	\$ <u>377,350</u>
NET UTILITY OPERATING INCOME			\$ <u>76,838</u>	\$ <u>(5,298)</u>
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			<u>8.43%</u>	<u>-1.40%</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: WS926-15-AR NORTH BEACH UTILITIES, INC

**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	537,415	43.67%	11.16%	4.87%
Customer Deposits	18,273	1.48%	11.16%	0.17%
Tax Credits - Zero Cost	0	0.00%		0.00%
Tax Credits - Weighted Cost	0	0.00%		0.00%
Deferred Income Taxes	40,316	3.28%	11.16%	0.37%
Other (Explain)	0	0.00%		0.00%
Additional paid in capital	634,112	51.53%	11.16%	5.75%
Total	\$ 1,230,616	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>#14-0272-PAA-WS issued May 29, 2014</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: WS926-15-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	\$ 3,077,528	\$ 2,710,901	\$ _____	\$ 5,788,429
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	\$ 3,077,528	\$ 2,710,901	\$ 0	\$ 5,788,429

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

UTILITY NAME: WS926-15-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	\$ 1,684,299	\$ 1,493,423	\$	\$ 3,177,722
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 85,836	\$ 82,004	\$	\$ 167,840
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	\$ 85,836	\$ 82,004	\$ 0	\$ 167,840
Debits during year:				
Book cost of plant retired	8,694	38,306		47,000
Cost of Removal				0
Other Debits (specify):				0
Cumulative prior year depreciation in excess of cost				0
Total Debits	\$ 8,694	\$ 38,306	\$ 0	\$ 47,000
Balance end of year	\$ <u>1,761,441</u>	\$ <u>1,537,121</u>	\$ <u>0</u>	\$ <u>3,298,562</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: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
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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
_____	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>

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
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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): <u>NONE</u> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____
Total Investment in Associated Companies		\$ <u>0</u>
UTILITY INVESTMENTS (Account 124): <u>NONE</u> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____
Total Utility Investment		\$ <u>0</u>
OTHER INVESTMENTS (Account 125): <u>NONE</u> <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): <u>NONE</u> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____
Total Special Funds		\$ <u>0</u>

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
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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	\$ 63,410	
Wastewater	54,221	
CIAC receivable	650	
Total Customer Accounts Receivable		\$ 118,281
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		\$ 118,281
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		\$ 118,281

YEAR OF REPORT

UTILITY NAME: WS926-15-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	\$ 397	\$ 0
Total Unamortized Debt Discount and Expense	\$ <u>397</u>	\$ <u>0</u>
UNAMORTIZED PREMIUM ON DEBT (Account 251):		
Total Unamortized Premium on Debt	\$ <u>0</u>	\$ <u>0</u>

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

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

YEAR OF REPORT

UTILITY NAME: WS926-15-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	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
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: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
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**CAPITAL STOCK
ACCOUNTS 201 AND 204***

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

* Account 204 not applicable for Class B utilities.

**BONDS
ACCOUNT 221**

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

* 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	\$ (133,230)
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	\$ 39,330
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	\$ (93,900)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ 0
Total Retained Earnings		\$ (93,900)
Notes to Statement of Retained Earnings: Change in income tax expense from estimated to actual after Annual Report filing.		

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
Due to associated company	\$ 12,285
Total	\$ 12,285

**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	\$ 16,653
N/P Suntrust Bank - Consolidation loan	6.00 %	Fixed	520,762
Total			\$ 537,415

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

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2015

**NOTES PAYABLE
ACCOUNTS 232 AND 234**

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

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

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
ACCOUNT 233**

Report each account payable separately.

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

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

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
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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	\$ _____ 354	\$ _____ 354	\$ _____
SunTrust Interest /Ally Bank - Truck loan	_____	427	_____ 631	_____ 631	_____
SunTrust Interest - Consolidation loan	_____	427	_____ 30,830	_____ 30,830	_____
Total Account 237.2	\$ _____ 0		\$ _____ 31,815	\$ _____ 31,815	\$ _____ 0
Total Account 237 (1)	\$ _____ 0		\$ _____ 31,815	\$ _____ 31,815	\$ _____ 0
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ _____ 31,815		
Less Capitalized Interest Portion of AFUDC: _____ _____			_____ _____		
Net Interest Expensed to Account No. 427 (2)			\$ _____ 31,815		

(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.
(2) Must agree to F-3 (c), Current Year Interest Expense

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
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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	\$ 1,967
Total Miscellaneous Current and Accrued Liabilities	\$ <u>1,967</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
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: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
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**OTHER DEFERRED CREDITS
ACCOUNT 253**

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

**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>984,907</u>	\$ <u>1,606,798</u>	\$ _____	\$ <u>2,591,705</u>
Add credits during year:	\$ <u>33,472</u>	\$ <u>40,076</u>	\$ _____	\$ <u>73,548</u>
Less debit charged during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Contribution In Aid of Construction	\$ <u><u>1,018,379</u></u>	\$ <u><u>1,646,874</u></u>	\$ <u><u>0</u></u>	\$ <u><u>2,665,253</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>518,293</u>	\$ <u>746,989</u>	\$ _____	\$ <u>1,265,282</u>
Debits during the year:	\$ <u>28,311</u>	\$ <u>47,101</u>	\$ _____	\$ <u>75,412</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>546,604</u></u>	\$ <u><u>794,090</u></u>	\$ <u><u>0</u></u>	\$ <u><u>1,340,694</u></u>

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (UTILITY OPERATIONS)

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

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ 39,330
Reconciling items for the year:		
Taxable income not reported on books:		
Tap fees adjustment		3,510
Deductions recorded on books not deducted for return:		
1/2 Entertainment & meals		520
Federal income tax		28,053
Deferred State income tax		4,397
Income recorded on books not included in return:		
Federal income tax benefit		(6,185)
State income tax benefit		0
Deduction on return not charged against book income:		
Depreciation		(41,048)
Adjusted for Section 179 carryover from 2014		(8,064)
Federal tax net income		\$ 20,513

Computation of tax :

**WATER
OPERATION
SECTION**

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

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)	\$ 3,077,528
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	<u>1,761,442</u>
110	Accumulated Amortization	F-8	<u>0</u>
271	Contributions in Aid of Construction	W-7	<u>1,018,379</u>
252	Advances for Construction	F-20	
Subtotal			\$ <u>297,707</u>
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 546,604
Subtotal			\$ <u>844,311</u>
114	Plus or Minus: Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		<u>67,269</u>
	Other (Specify):		
WATER RATE BASE			\$ <u>911,580</u>
WATER OPERATING INCOME		W-3	\$ <u>76,838</u>
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			<u>8.43%</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: WS926-15-AR NORTH BEACH UTILITIES, INC

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	\$ 763,913
469	Less: Guaranteed Revenue and AFPI	W-9	0
	Net Operating Revenues		\$ 763,913
401	Operating Expenses	W-10(a)	\$ 538,155
403	Depreciation Expense	W-6(a)	85,836
	Less: Amortization of CIAC	W-8(a)	28,311
	Net Depreciation Expense		\$ 57,525
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		34,386
408.11	Property Taxes		24,096
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		196
408	Total Taxes Other Than Income		\$ 58,678
409.1	Income Taxes		37,318
410.10	Deferred Federal Income Taxes		(5,143)
410.11	Deferred State Income Taxes		542
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		\$ 687,075
	Utility Operating Income		\$ 76,838
	Add Back:		
469	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		\$ 76,838

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
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SYSTEM NAME / COUNTY : _____

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 0	\$	\$	\$ 0
302	Franchises	0			0
303	Land and Land Rights	70,283			70,283
304	Structures and Improvements	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			9,354
310	Power Generation Equipment	67,457			67,457
311	Pumping Equipment	95,996			95,996
320	Water Treatment Equipment	446,804	8,196		455,000
330	Distribution Reservoirs and Standpipes	445,790			445,790
331	Transmission and Distribution Mains	1,367,957	16,218		1,384,175
333	Services	107,831			107,831
334	Meters and Meter Installations	197,070	8,864	8,083	197,851
335	Hydrants	31,386			31,386
336	Backflow Prevention Devices	0			0
339	Other Plant Miscellaneous Equipment	0			0
340	Office Furniture and Equipment	6,497			6,497
341	Transportation Equipment	61,253			61,253
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	1,476		611	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		\$ 3,052,944	\$ 33,278	\$ 8,694	\$ 3,077,528

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: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2015

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	9,354		9,354			
310	Power Generation Equipment	67,457		67,457			
311	Pumping Equipment	95,996		95,996			
320	Water Treatment Equipment	455,000			455,000		
330	Distribution Reservoirs and Standpipes	445,790				445,790	
331	Transmission and Distribution Mains	1,384,175				1,384,175	
333	Services	107,831				107,831	
334	Meters and Meter Installations	197,851				197,851	
335	Hydrants	31,386				31,386	
336	Backflow Prevention Devices	0					
339	Other Plant Miscellaneous Equipment	0					
340	Office Furniture and Equipment	6,497					6,497
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		\$ 3,077,528	\$ 0	\$ 188,777	\$ 455,000	\$ 2,167,033	\$ 266,718

W-4(b)
GROUP _____

UTILITY NAME: WS926-15-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: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2015

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	\$ 80,202	\$ 3,077	\$	\$ 3,077
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	2,566	293		293
310	Power Generation Equipment	12,892	3,734		3,734
311	Pumping Equipment	67,580	3,097		3,097
320	Water Treatment Equipment	426,684	7,439		7,439
330	Distribution Reservoirs and Standpipes	185,564	13,507		13,507
331	Transmission and Distribution Mains	626,721	36,191		36,191
333	Services	71,189	3,083		3,083
334	Meters and Meter Installations	104,467	10,418		10,418
335	Hydrants	11,120	785		785
336	Backflow Prevention Devices	0			0
339	Other Plant Miscellaneous Equipment	0			0
340	Office Furniture and Equipment	3,398	653		653
341	Transportation Equipment	46,892	3,192		3,192
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	1,299	33		33
344	Laboratory Equipment	0			0
345	Power Operated Equipment	24,382	246		246
346	Communication Equipment	0			0
347	Miscellaneous Equipment	0			0
348	Other Tangible Plant	3,374	88		88
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 1,684,300	85,836	0	85,836

* 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: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
--

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	\$ 83,279
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	2,859
310	Power Generation Equipment	_____	_____	_____	0	16,626
311	Pumping Equipment	_____	_____	_____	0	70,677
320	Water Treatment Equipment	_____	_____	_____	0	434,123
330	Distribution Reservoirs and Standpipes	_____	_____	_____	0	199,071
331	Transmission and Distribution Mains	_____	_____	_____	0	662,912
333	Services	_____	_____	_____	0	74,272
334	Meters and Meter Installations	8,083	_____	_____	8,083	106,802
335	Hydrants	_____	_____	_____	0	11,905
336	Backflow Prevention Devices	_____	_____	_____	0	0
339	Other Plant Miscellaneous Equipment	_____	_____	_____	0	0
340	Office Furniture and Equipment	_____	_____	_____	0	4,051
341	Transportation Equipment	_____	_____	_____	0	50,084
342	Stores Equipment	_____	_____	_____	0	0
343	Tools, Shop and Garage Equipment	611	_____	_____	611	721
344	Laboratory Equipment	_____	_____	_____	0	0
345	Power Operated Equipment	_____	_____	_____	0	24,628
346	Communication Equipment	_____	_____	_____	0	0
347	Miscellaneous Equipment	_____	_____	_____	0	0
348	Other Tangible Plant	_____	_____	_____	0	3,462
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 8,694	\$ 0	\$ 0	\$ 8,694	\$ 1,761,442

W-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: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
--

SYSTEM NAME / COUNTY : _____

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>984,907</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>33,472</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>0</u>
Total Credits		\$ <u>33,472</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>1,018,379</u>

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

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

UTILITY NAME:

WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2015

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	40	\$ 450	\$ 18,000
Tap	39	90	3,510
Bore	1	650	650
Line extension	1	11,312	11,312
			0
			0
			0
			0
Total Credits			\$ 33,472

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 518,293
Debits during the year:	
Accruals charged to Account 272	\$ 28,311
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 28,311
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ 0
Balance end of year	\$ 546,604

W-8(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:

WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2015

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	1,128	1,180	619,993
461.2	Sales to Commercial Customers	34	36	113,336
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings	7	7	25,416
Total Metered Sales		1,169	1,223	\$ 758,745
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		1,169	1,223	\$ 758,745
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			5,168
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 5,168
Total Water Operating Revenues				\$ 763,913

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

W-9

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:

WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2015

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	24,872		
610	Purchased Water	0		
615	Purchased Power	57,704	28,852	
616	Fuel for Power Production	422	211	
618	Chemicals	32,540		16,270
620	Materials and Supplies	51,762		17,254
631	Contractual Services-Engineering	0		
632	Contractual Services - Accounting	14,400		
633	Contractual Services - Legal	0		
634	Contractual Services - Mgt. Fees	30,720		
635	Contractual Services - Testing	171		
636	Contractual Services - Other	251,220	185,903	8,166
641	Rental of Building/Real Property	0		
642	Rental of Equipment	260		
650	Transportation Expenses	16,074	5,358	
656	Insurance - Vehicle	3,398		
657	Insurance - General Liability	11,575		
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	1,356		
675	Miscellaneous Expenses	41,681	10,404	
Total Water Utility Expenses		\$ 538,155	\$ 230,728	\$ 41,690

W-10(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:

WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2015

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)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
					24,872
28,852					
211					
16,270					
	17,254		17,254		0
		0			14,400
					30,720
171					
8,165	8,165	10,049	8,165		22,607
			260		
5,358		5,358			3,398
					11,575
				1,356	
10,404		10,404			10,469
<u>\$ 69,431</u>	<u>\$ 25,419</u>	<u>\$ 25,811</u>	<u>\$ 25,679</u>	<u>\$ 1,356</u>	<u>\$ 118,041</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:

WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2015

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		9,568		9,568	7,585
February		8,009		8,009	10,428
March		11,149		11,149	10,058
April		10,900		10,900	11,480
May		13,001		13,001	13,224
June		13,851		13,851	14,371
July		13,420		13,420	12,751
August		11,195		11,195	12,429
September		10,607		10,607	10,156
October		11,906		11,906	9,994
November		11,335		11,335	12,972
December		11,149		11,149	10,674
Total for Year	0	136,090	0	136,090	136,122

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
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

W-11

GROUP _____

SYSTEM _____

UTILITY NAME:

WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2015

SYSTEM NAME / COUNTY :

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):

777,600

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

Storage Tank

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

Aerated/Reverse Osmosis/Blend

LIME TREATMENT

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

Manufacturer:

N/A

FILTRATION

Type and size of area:

Pressure (in square feet):

N/A

Manufacturer:

N/A

Gravity (in GPM/square feet):

N/A

Manufacturer:

N/A

W-12

GROUP _____

SYSTEM _____

UTILITY NAME:

WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2015

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	1,168	1,168
3/4"	Displacement	1.5	2	3
1"	Displacement	2.5	11	28
1 1/2"	Displacement or Turbine	5.0	1	5
2"	Displacement, Compound or Turbine	8.0	5	40
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				<u>1,244</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:

$$(111,814,947 \text{ Total annual single family gallons sold} / 1,316 \text{ average SFR customers}) / 365 \text{ days} = 233 \text{ ERC}$$

UTILITY NAME:

WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2015

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. 978

5. Estimated annual increase in ERCs *. 10

6. Is the utility required to have fire flow capacity? No
If so, how much capacity is required? _____

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
OPERATING
SECTION**

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2015

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)	\$ 2,710,901
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	1,537,121
110	Accumulated Amortization	F-8	0
271	Contributions in Aid of Construction	S-7	1,646,874
252	Advances for Construction	F-20	
Subtotal			\$ (473,094)
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 794,090
Subtotal			\$ 320,996
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		56,354
	Other (Specify):		
WASTEWATER RATE BASE			\$ 377,350
WASTEWATER OPERATING INCOME		S-3	\$ (5,298)
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			-1.40%

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: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2015

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)	\$ 526,341
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
Net Operating Revenues			\$ 526,341
401	Operating Expenses	S-10(a)	\$ 450,828
403	Depreciation Expense	S-6(a)	82,004
	Less: Amortization of CIAC	S-8(a)	47,101
Net Depreciation Expense			\$ 34,903
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		23,685
408.11	Property Taxes		28,202
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		473
408	Total Taxes Other Than Income		\$ 52,360
409.1	Income Taxes		(30,632)
410.10	Deferred Federal Income Taxes		19,565
410.11	Deferred State Income Taxes		4,615
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			\$ 531,639
Utility Operating Income			\$ (5,298)
530	Add Back: Guaranteed Revenue (and AFPI)	S-9(a)	\$ 0
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
Total Utility Operating Income			\$ (5,298)

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2015

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	552,642	6,957		559,599
361	Collection Sewers - Gravity	0			0
362	Special Collecting Structures	0			0
363	Services to Customers	21,604	9,705		31,309
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	758,259		21,205	737,054
371	Pumping Equipment	132,773	50,133	17,101	165,805
374	Reuse Distribution Reservoirs	0			0
375	Reuse Transmission and Distribution System	0			0
380	Treatment and Disposal Equipment	791,392	23,841		815,233
381	Plant Sewers	0			0
382	Outfall Sewer Lines	0			0
389	Other Plant Miscellaneous Equipment	12,345	1,500		13,845
390	Office Furniture and Equipment	2,479			2,479
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			39,593
396	Communication Equipment	0			0
397	Miscellaneous Equipment	0			0
398	Other Tangible Plant	0			0
Total Wastewater Plant		\$ 2,657,071	\$ 92,136	\$ 38,306	\$ 2,710,901

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: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2015

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 (l)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (m)	.7 GENERAL PLANT (n)
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	_____	559,599	_____	_____	_____	_____	_____
361	Collection Sewers - Gravity	_____	_____	_____	_____	_____	_____	_____
362	Special Collecting Structures	_____	_____	_____	_____	_____	_____	_____
363	Services to Customers	_____	31,309	_____	_____	_____	_____	_____
364	Flow Measuring Devices	_____	_____	_____	_____	_____	_____	_____
365	Flow Measuring Installations	_____	_____	_____	_____	_____	_____	_____
366	Reuse Services	_____	_____	_____	_____	_____	_____	_____
367	Reuse Meters and Meter Installations	_____	_____	_____	_____	_____	_____	_____
370	Receiving Wells	_____	_____	737,054	_____	_____	_____	_____
371	Pumping Equipment	_____	_____	165,805	_____	_____	_____	_____
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	_____	_____	_____	_____	_____	_____	2,479
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	\$ 590,908	\$ 902,859	\$ 829,078	\$ 0	\$ 0	\$ 388,056

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:

WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
--

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:

WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2015

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	\$ 20,096	\$ 587	\$	\$ 587
355	Power Generation Equipment	0			0
360	Collection Sewers - Force	334,937	16,199		16,199
361	Collection Sewers - Gravity	0			0
362	Special Collecting Structures	0			0
363	Services to Customers	10,237	757		757
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	331,655	33,893		33,893
371	Pumping Equipment	18,817	23,609		23,609
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	11,514	162		162
390	Office Furniture and Equipment	1,777	155		155
391	Transportation Equipment	39,026	5,916		5,916
392	Stores Equipment	0			0
393	Tools, Shop and Garage Equipment	3,213	286		286
394	Laboratory Equipment	0			0
395	Power Operated Equipment	37,948	440		440
396	Communication Equipment	0			0
397	Miscellaneous Equipment	0			0
398	Other Tangible Plant	0			0
Total Depreciable Wastewater Plant in Service		\$ 1,493,423	\$ 82,004	\$ 0	\$ 82,004

* 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: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
--

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	\$ 20,683
355	Power Generation Equipment	_____	_____	_____	0	0
360	Collection Sewers - Force	_____	_____	_____	0	351,136
361	Collection Sewers - Gravity	_____	_____	_____	0	0
362	Special Collecting Structures	_____	_____	_____	0	0
363	Services to Customers	_____	_____	_____	0	10,994
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	21,205	_____	_____	21,205	344,343
371	Pumping Equipment	17,101	_____	_____	17,101	25,325
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	11,676
390	Office Furniture and Equipment	_____	_____	_____	0	1,932
391	Transportation Equipment	_____	_____	_____	0	44,942
392	Stores Equipment	_____	_____	_____	0	0
393	Tools, Shop and Garage Equipment	_____	_____	_____	0	3,499
394	Laboratory Equipment	_____	_____	_____	0	0
395	Power Operated Equipment	_____	_____	_____	0	38,388
396	Communication Equipment	_____	_____	_____	0	0
397	Miscellaneous Equipment	_____	_____	_____	0	0
398	Other Tangible Plant	_____	_____	_____	0	0
Total Depreciable Wastewater Plant in Service		\$ 38,306	\$ 0	\$ 0	\$ 38,306	\$ 1,537,121

- * 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: WS926-15-AR NORTH BEACH UTILITIES, INC

SYSTEM NAME / COUNTY : _____

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ <u>1,606,798</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8(a)	\$ <u>40,076</u>
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	<u>0</u>
Total Credits		\$ <u>40,076</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>1,646,874</u>

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

UTILITY NAME:

WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2015

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	42	\$ 750	\$ 31,500
Lift Stations	0	3,000	0
Bore	1	1,175	1,175
Bore	4	650	2,600
Line extention(Several customers)	1	4,801	4,801
			0
			0
			0
Total Credits			\$ <u>40,076</u>

ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 746,989
Debits during the year:	
Accruals charged to Account 272	\$ 47,101
Other debits (specify):	
Total debits	\$ 47,101
Credits during the year (specify):	
Total credits	\$ 0
Balance end of year	\$ <u>794,090</u>

S-8(a)

GROUP _____

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UTILITY NAME:

WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2015

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 _____

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UTILITY NAME:

WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
--

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	717	762	\$ 373,534
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues	4	4	45,416
521.6	Other Revenues			
521	Total Flat Rate Revenues	<u>721</u>	<u>766</u>	<u>\$ 418,950</u>
	Measured Revenues:			
522.1	Residential Revenues			
522.2	Commercial Revenues	31	31	107,391
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	Total Measured Revenues	<u>31</u>	<u>31</u>	<u>\$ 107,391</u>
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
Total Wastewater Sales		<u>752</u>	<u>797</u>	<u>\$ 526,341</u>
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				<u>\$ 0</u>

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

S-9(a)
GROUP _____

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UTILITY NAME:

WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
--

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				\$ 526,341

* 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:

WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2015

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	13,945						
710	Purchased Sewage Treatment	0						
711	Sludge Removal Expense	111,028					111,028	
715	Purchased Power	22,098					22,098	
716	Fuel for Power Production	237					237	
718	Chemicals	15,923				7,961		7,962
720	Materials and Supplies	78,385		26,128		26,128		26,129
731	Contractual Services-Engineering	1,300						
732	Contractual Services - Accounting	8,100						
733	Contractual Services - Legal	0						
734	Contractual Services - Mgt. Fees	17,280						
735	Contractual Services - Testing	0						
736	Contractual Services - Other	144,709	1,207	1,206	1,206	1,206	94,060	1,206
741	Rental of Building/Real Property	0						
742	Rental of Equipment	7,902					1,248	6,654
750	Transportation Expenses	9,156	3,052		3,052		3,052	
756	Insurance - Vehicle	1,912						
757	Insurance - General Liability	6,729						
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	667						
775	Miscellaneous Expenses	11,457	2,825		2,824		2,825	
Total Wastewater Utility Expenses		\$ 450,828	\$ 7,084	\$ 27,334	\$ 7,082	\$ 35,295	\$ 234,548	\$ 41,951

S-10(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:

WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2015

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	_____	13,945	_____	_____	_____	_____
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	_____	520	_____	_____	780	_____
732	Contractual Services - Accounting	_____	8,100	_____	_____	_____	_____
733	Contractual Services - Legal	_____	_____	_____	_____	_____	_____
734	Contractual Services - Mgt. Fees	_____	17,280	_____	_____	_____	_____
735	Contractual Services - Testing	_____	_____	_____	_____	_____	_____
736	Contractual Services - Other	1,206	23,153	_____	_____	20,259	_____
741	Rental of Building/Real Property	_____	_____	_____	_____	_____	_____
742	Rental of Equipment	_____	_____	_____	_____	_____	_____
750	Transportation Expenses	_____	_____	_____	_____	_____	_____
756	Insurance - Vehicle	_____	1,912	_____	_____	_____	_____
757	Insurance - General Liability	_____	6,729	_____	_____	_____	_____
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	667	_____	_____	_____	_____	_____
775	Miscellaneous Expenses	_____	2,983	_____	_____	_____	_____
Total Wastewater Utility Expenses		\$ 1,873	\$ 74,622	\$ 0	\$ 0	\$ 21,039	\$ 0

S-10(b)
GROUP _____

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UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2015

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	762	762
3/4"	Displacement	1.5		0
1"	Displacement	2.5		0
1 1/2"	Displacement or Turbine	5.0		0
2"	Displacement, Compound or Turbine	8.0		0
3"	Displacement	15.0		0
3"	Compound	16.0		0
3"	Turbine	17.5		0
4"	Displacement or Compound	25.0		0
4"	Turbine	30.0		0
6"	Displacement or Compound	50.0		0
6"	Turbine	62.5		0
8"	Compound	80.0		0
8"	Turbine	90.0		0
10"	Compound	115.0		0
10"	Turbine	145.0		0
12"	Turbine	215.0		0
Total Wastewater System Meter Equivalents				<u>762</u>

CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

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

Use one of the following methods:

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

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

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

For wastewater only utilities:

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

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

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

ERC Calculation:

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

UTILITY NAME: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2015
--

SYSTEM NAME / COUNTY : _____

WASTEWATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	<u>.300MGD</u>	_____	_____
Basis of Permit Capacity (1)	<u>Avg Annual Daily Flow</u>	_____	_____
Manufacturer	_____	_____	_____
Type (2)	<u>Extended Aeration</u>	_____	_____
Hydraulic Capacity	<u>.317 MGD</u>	_____	_____
Average Daily Flow	<u>Annual Avg .139 MGD</u>	_____	_____
Total Gallons of Wastewater Treated	<u>50.74 MGD</u>	_____	_____
Method of Effluent Disposal	<u>Rapid I Filtration Basin</u>	_____	_____

(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: WS926-15-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2015

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:

For the Year Ended December 31, 2015

(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)	<u>758,745</u>	<u>758,744</u>	<u>1</u>
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)	<u>5,168</u>	<u>5,385</u>	<u>< 217 ></u>
Total Water Operating Revenue	\$ 763,913	\$ 764,129	\$ < 216 >
LESS: Expense for Purchased Water from FPSC-Regulated Utility	_____	_____	_____
Net Water Operating Revenues	\$ 763,913	\$ 764,129	\$ < 216 >

Explanations:

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:

For the Year Ended December 31, 2015

(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)	\$ 526,341	\$ 526,341	\$ 0
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 Wastewater Operating Revenue	\$ 526,341	\$ 526,341	\$ 0
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	_____	_____	_____
Net Wastewater Operating Revenues	\$ 526,341	\$ 526,341	\$ 0

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).