

CLASS "A" OR "B"

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

ANNUAL REPORT

OF

WS926-09-AR
North Beach Utilities, Inc.
4125 Coastal Highway
St. Augustine, FL 32084-1418

473W + 409S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



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PUBLIC SERVICE
COMMISSION
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ECONOMIC REGULATION

FOR THE

YEAR ENDED DECEMBER 31, 2009

EDMISTON & EDMISTON, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

17 CORDOVA STREET

ST. AUGUSTINE, FLORIDA 32084

MARGARET ANN EDMISTON, CPA
MARGARET GREER EDMISTON, CPA
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TELEPHONE (904) 824-9192
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ESTABLISHED 1951
WILLIAM C. EDMISTON, JR.
(1926-2008)

Mr. Frank D. Usina
North Beach Utilities, Inc.
St. Augustine, FL 32084

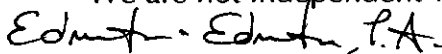
We have compiled the balance sheets of North Beach Utilities, Inc., as of December 31, 2009 and 2008, the related operating statements for the years then ended and the statement of retained earnings for the year ended December 31, 2009 included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information on pages F-4 through F-15, F-17 through F-23, W-2 through W-10(b), and S-2 through S-10(b) of the accompanying prescribed form.

Our compilation was limited to presenting, in the form prescribed by the Florida Public Service Commission, information that is the representation of the management of North Beach Utilities, Inc. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements (including related disclosures) and the supplementary information on pages F-4 through F-15, F-17 through F-23, W-2 through W-10(b), and S-2 through S-10(b) are presented in accordance with the requirements of the Florida Public Service Commission, which differ from generally accepted accounting principles. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

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

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


Certified Public Accountants

March 26, 2010

GENERAL INSTRUCTIONS

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

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

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

TABLE OF CONTENTS

SCHEDULE	PAGE	SCHEDULE	PAGE
EXECUTIVE SUMMARY			
Certification	E-1	Business Contracts With Officers, Directors and Affiliates	E-7
General Information	E-2	Affiliation of Officers and Directors	E-8
Directory of Personnel Who Contact the FPSC	E-3	Businesses Which Are A Byproduct, Coproduct or Joint Product of Providing Service	E-9
Company Profile	E-4	Business Transactions With Related Parties - Part I and II	E-10
Parent / Affiliate Organization Chart	E-5		
Compensation of Officers & Directors	E-6		
FINANCIAL SECTION			
Comparative Balance Sheet - Assets and Other Debits	F-1	Unamortized Debt Discount / Expense / Premium	F-13
Comparative Balance Sheet - Equity Capital and Liabilities	F-2	Extraordinary Property Losses	F-13
Comparative Operating Statement	F-3	Miscellaneous Deferred Debits	F-14
Schedule of Year End Rate Base	F-4	Capital Stock	F-15
Schedule of Year End Capital Structure	F-5	Bonds	F-15
Capital Structure Adjustments	F-6	Statement of Retained Earnings	F-16
Utility Plant	F-7	Advances From Associated Companies	F-17
Utility Plant Acquisition Adjustments	F-7	Long Term Debt	F-17
Accumulated Depreciation	F-8	Notes Payable	F-18
Accumulated Amortization	F-8	Accounts Payable to Associated Companies	F-18
Regulatory Commission Expense - Amortization of Rate Case Expense		Accrued Interest and Expense	F-19
Nonutility Property	F-9	Misc. Current and Accrued Liabilities	F-20
Special Deposits	F-9	Advances for Construction	F-21
Investments and Special Funds	F-10	Other Deferred Credits	F-21
Accounts and Notes Receivable - Net	F-11	Contributions In Aid Of Construction	F-22
Accounts Receivable From Associated Companies	F-12	Accum. Amortization of C.I.A.C.	F-23
Notes Receivable From Associated Companies	F-12	Reconciliation of Reported Net Income with Taxable Income For Federal Income Taxes	F-23
Miscellaneous Current and Accrued Assets	F-12		

TABLE OF CONTENTS

SCHEDULE	PAGE	SCHEDULE	PAGE
WATER OPERATION SECTION			
Listing of Water System Groups	W-1	CIAC Additions / Amortization	W-8
Schedule of Year End Water Rate Base	W-2	Water Operating Revenue	W-9
Water Operating Statement	W-3	Water Utility Expense Accounts	W-10
Water Utility Plant Accounts	W-4	Pumping and Purchased Water, Source Supply	W-11
Basis for Water Depreciation Charges	W-5	Water Treatment Plant Information	W-12
Analysis of Entries in Water Depreciation Reserve	W-6	Calculation of ERC's	W-13
Contributions in Aid of Construction	W-7	Other Water System Information	W-14
WASTEWATER OPERATION SECTION			
Listing of Wastewater System Groups	S-1	Contributions in Aid of Construction	S-7
Schedule of Year End Wastewater Rate Base	S-2	CIAC Additions / Amortization	S-8
Wastewater Operating Statement	S-3	Wastewater Operating Revenue	S-9
Wastewater Utility Plant Accounts	S-4	Wastewater Utility Expense Accounts	S-10
Analysis of Entries in Wastewater Depreciation Reserve	S-5	Calculation of ERC's	S-11
Basis for Wastewater Depreciation Charges	S-6	Wastewater Treatment Plant Information	S-12
		Other Wastewater System Information	S-13

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, 2009

NORTH BEACH UTILITIES, INC
(Exact Name of Utility)

County: St Johns

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

4125 Coastal Highway
St Augustine, FL 32084-1418

Telephone: (904) 824-1806

E Mail Address: max@bellsouth.net

WEB Site: N/A

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

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

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

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

4125 Coastal Highway
St Augustine, FL 32084-1418

Telephone: (904) 824-1806

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

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

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

Individual Partnership Sub S Corporation 1120 Corporation

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

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

**DIRECTORY OF PERSONNEL WHO CONTACT
THE FLORIDA PUBLIC SERVICE COMMISSION**

NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Frank D Usina	President		
Robert Usina	Director of Utilities		
Susanne S Driscoll (904) 824-9192	CPA	Edmiston & Edmiston, PA	Fiscal/Reporting
Charles E Pellicer (904) 829-6054	Attorney	Charles E Pellicer	Legal
William T Smoot (904) 223-9773	Engineer	WET Engineering Inc	Engineering

(1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
 (2) Provide individual telephone numbers if the person is not normally reached at the company.
 (3) Name of company employed by, if not on general payroll.

UTILITY NAME: 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 growth throughout our service area with mixed use development in the area of the Vilano Town Center has not and will not occur in the foreseeable future. The planned Vilano Town Center has resulted in the loss of four restaurants, one motel, several mobile homes, and personal residences which will 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: NORTH BEACH UTILITIES, INC

PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/09

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

There are no parents or subsidiaries.

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

*Frank D Usina owns 100% of voting stock for this entity.

COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
Frank D Usina	President	40%	\$ 46,492
John F Usina	Vice-President	0%	0
Elizabeth K Usina	Secretary/Treasurer	0%	0

COMPENSATION OF DIRECTORS

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

UTILITY NAME: NORTH BEACH UTILITIES, INC

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, or other business arrangements* entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
None		\$ _____	

* Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.

UTILITY NAME: NORTH BEACH UTILITIES, INC

AFFILIATION OF OFFICERS AND DIRECTORS

For each of the officials listed on page E-6, list the principal occupation or business affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

NAME (a)	PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
Frank D Usina	President		
Frank D Usina	President		St Augustine Scenic Cruise, Inc
Frank D Usina	President		The Reef of St Augustine, Inc
Frank D Usina	Managing member		Aunt Kate's, LLC
John F Usina	Vice-President		North Beach Investment, Inc
John F Usina	Vice-President		St Augustine Scenic Cruise, Inc
Elizabeth K Usina	Secretary/Treasurer		North Beach Investment, Inc
Elizabeth K Usina	Secretary/Treasurer		St Augustine Scenic Cruise, Inc

YEAR OF REPORT
December 31, 2009

UTILITY NAME: NORTH BEACH UTILITIES, INC

**BUSINESSES WHICH ARE A BY-PRODUCT, CO PRODUCT OR JOINT-PRODUCT
RESULT OF PROVIDING WATER OR WASTEWATER SERVICE**

Complete the following for any business which is conducted as a byproduct, co product, or joint product as a result of providing water and / or wastewater service. This would include any business which requires the use of utility land and facilities. Examples of these types of businesses would be orange groves, nurseries, tree farms, fertilizer manufacturing, etc. This would not include any business for which the assets are properly included in Account 121 - Nonutility Property along with the associated revenue and expenses segregated out as nonutility also.

	ASSETS			REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCOUNT NUMBER (c)	REVENUES GENERATED (d)	ACCOUNT NUMBER (e)	EXPENSES INCURRED (f)	ACCOUNT NUMBER (g)	
NONE	\$		\$				

BUSINESS TRANSACTIONS WITH RELATED PARTIES

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any one year, entered into between the Respondent and a business or financial organization, firm, or partnership named on pages E-2 and E-6, identifying the parties, amounts, dates and product, and asset, or service involved.

Part I. Specific Instructions: Services and Products Received or Provided

- Enter in this part all transactions involving services and products received or provided.
- Below are some types of transactions to include:

-management, legal and accounting services -computer services -engineering & construction services -repairing and servicing of equipment	-material and supplies furnished -leasing of structures, land, and equipment -rental transactions -sale, purchase or transfer of various products
---	--

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased (S)old (d)	AMOUNT (e)
North Beach Investment, Inc	Office space, furniture and equipment; bookkeeping and receptionist personnel, employee fringe benefits and use and storage of various vehicles	Monthly	P	\$ 48,000

UTILITY NAME: NORTH BEACH UTILITIES, INC

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

Part II. Specific Instructions: Sale, Purchase and Transfer of Assets

1. Enter in this part all transactions relating to the purchase, sale, or transfer of assets.
2. Below are examples of some types of transactions to include:
 - purchase, sale or transfer of equipment
 - purchase, sale or transfer of land and structures
 - purchase, sale or transfer of securities
 - noncash transfers of assets
 - noncash dividends other than stock dividends
 - write-off of bad debts or loans
3. The columnar instructions follow:
 - (a) Enter name of related party or company.
 - (b) Describe briefly the type of assets purchased, sold or transferred.
 - (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".
 - (d) Enter the net book value for each item reported.
 - (e) Enter the net profit or loss for each item reported. (column (c) - column (d))
 - (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
NONE		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
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		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____

FINANCIAL SECTION

UTILITY NAME: NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2009
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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)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 5,352,562	\$ 5,457,446
108-110	Less: Accumulated Depreciation and Amortization	F-8	2,367,670	2,586,557
Net Plant			\$ 2,984,892	\$ 2,870,889
114-115	Utility Plant Acquisition adjustment (Net)	F-7		0
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 2,984,892	\$ 2,870,889
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	\$	\$ 0
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			\$ 0	\$ 0
123	Investment in Associated Companies	F-10		0
124	Utility Investments	F-10		0
125	Other Investments	F-10		0
126-127	Special Funds	F-10		0
Total Other Property & Investments			\$ 0	\$ 0
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 22,333	\$ 7,484
132	Special Deposits	F-9		0
133	Other Special Deposits	F-9		0
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	101,610	91,835
145	Accounts Receivable from Associated Companies	F-12		0
146	Notes Receivable from Associated Companies	F-12		0
151-153	Material and Supplies		46,113	62,963
161	Stores Expense			
162	Prepayments		9,388	9,388
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Miscellaneous Current and Accrued Assets	F-12	24,320	36,259
Total Current and Accrued Assets			\$ 203,764	\$ 207,929

* Not Applicable for Class B Utilities

**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	\$ 918	\$ 183
182	Extraordinary Property Losses	F-13		0
183	Preliminary Survey & Investigation Charges			
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Miscellaneous Deferred Debits	F-14	11,198	5,371
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			\$ 12,116	\$ 5,554
TOTAL ASSETS AND OTHER DEBITS			<u>\$ 3,200,772</u>	<u>\$ 3,084,372</u>

* Not Applicable for Class B Utilities

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

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 500	\$ 500
204	Preferred Stock Issued	F-15		0
202,205 *	Capital Stock Subscribed			
203,206 *	Capital Stock Liability for Conversion			
207 *	Premium on Capital Stock			
209 *	Reduction in Par or Stated Value of Capital Stock			
210 *	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid - In Capital		634,112	634,112
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	(290,927)	(263,997)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 343,685	\$ 370,615
LONG TERM DEBT				
221	Bonds	F-15		0
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		0
224	Other Long Term Debt	F-17		0
Total Long Term Debt			\$ 0	\$ 0
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		37,088	68,010
232	Notes Payable	F-18	812,048	693,607
233	Accounts Payable to Associated Companies	F-18	428,735	422,687
234	Notes Payable to Associated Companies	F-18		0
235	Customer Deposits		8,119	13,506
236	Accrued Taxes	W/S-3	0	0
237	Accrued Interest	F-19	186	158
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	5,553	1,433
Total Current & Accrued Liabilities			\$ 1,291,729	\$ 1,199,401

* 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
252	Advances For Construction	F-20	_____	_____ 0
253	Other Deferred Credits	F-21	_____	_____ 0
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			\$ _____ 0	\$ _____ 0
OPERATING RESERVES				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves		_____	_____
Total Operating Reserves			\$ _____ 0	\$ _____ 0
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	\$ 2,397,530	\$ 2,411,660
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	844,567	(912,808)
Total Net CIAC			\$ _____ 1,552,963	\$ _____ 1,498,852
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ _____	\$ _____
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		12,395	15,504
Total Accumulated Deferred Income Tax			\$ _____ 12,395	\$ _____ 15,504
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ _____ 3,200,772	\$ _____ 3,084,372

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)	\$ 1,035,319	\$ 1,055,730
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		0
Net Operating Revenues			\$ 1,035,319	\$ 1,055,730
401	Operating Expenses	F-3(b)	\$ 767,207	\$ 728,908
403	Depreciation Expense:	F-3(b)	\$ 221,193	\$ 233,883
	Less: Amortization of CIAC	F-22	67,836	68,241
Net Depreciation Expense			\$ 153,357	\$ 165,642
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		0
407	Amortization Expense (Other than CIAC)	F-3(b)		0
408	Taxes Other Than Income	W/S-3	50,906	71,553
409	Current Income Taxes	W/S-3		0
410.1	Deferred Federal Income Taxes	W/S-3	2,214	14,251
410.11	Deferred State Income Taxes	W/S-3		0
411.1	Provision for Deferred Income Taxes - Credit	W/S-3		(11,142)
412.1	Investment Tax Credits Deferred to Future Periods	W/S-3		0
412.11	Investment Tax Credits Restored to Operating Income	W/S-3		0
Utility Operating Expenses			\$ 973,684	\$ 969,212
Net Utility Operating Income			\$ 61,635	\$ 86,518
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)]			\$ 61,635	\$ 86,518

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

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ <u>641,999</u> 0	\$ <u>413,731</u> 0	\$ _____
\$ <u>641,999</u>	\$ <u>413,731</u>	\$ <u>0</u>
\$ 398,842	\$ 330,066	\$ _____
<u>112,253</u> <u>25,666</u>	<u>121,630</u> <u>42,575</u>	_____
\$ <u>86,587</u>	\$ <u>79,055</u>	\$ <u>0</u>
<u>0</u>	<u>0</u>	_____
<u>0</u>	<u>0</u>	_____
<u>44,917</u>	<u>26,636</u>	_____
<u>0</u>	<u>0</u>	_____
<u>14,251</u>	<u>0</u>	_____
<u>0</u>	<u>0</u>	_____
<u>0</u>	<u>(11,142)</u>	_____
<u>0</u>	<u>0</u>	_____
<u>0</u>	<u>0</u>	_____
\$ <u>544,597</u>	\$ <u>424,615</u>	\$ <u>0</u>
\$ <u>97,402</u>	\$ <u>(10,884)</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>97,402</u>	\$ <u>(10,884)</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)]			\$ 61,635	\$ 86,518
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	43
421	Nonutility Income		_____	_____
426	Miscellaneous Nonutility Expenses		_____	_____
Total Other Income and Deductions			\$ 2	\$ 43
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		_____	0
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	\$ 67,963	\$ 58,897
428	Amortization of Debt Discount & Expense	F-13	734	734
429	Amortization of Premium on Debt	F-13	_____	0
Total Interest Expense			\$ 68,697	\$ 59,631
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.3	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ 0	\$ 0
NET INCOME			<u>\$ (7,060)</u>	<u>\$ 26,930</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	\$ 2,928,510	\$ 2,528,936
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	<u>1,331,110</u>	<u>1,255,447</u>
110	Accumulated Amortization	F-8	<u>0</u>	<u>0</u>
271	Contributions in Aid of Construction	F-22	<u>923,247</u>	<u>1,488,413</u>
252	Advances for Construction	F-20		
Subtotal			\$ <u>674,153</u>	\$ <u>(214,924)</u>
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	385,861	526,947
Subtotal			\$ <u>1,060,014</u>	\$ <u>312,023</u>
114	Plus or Minus: 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>49,855</u>	<u>41,258</u>
	Other (Specify): _____ _____ _____			
RATE BASE			\$ <u>1,109,869</u>	\$ <u>353,281</u>
NET UTILITY OPERATING INCOME			\$ <u>97,402</u>	\$ <u>(10,884)</u>
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			<u>8.78%</u>	<u>-3.08%</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%	13.27%	0.01%
Preferred Stock	0	0.00%		0.00%
Long Term Debt	693,607	51.64%	13.27%	6.85%
Customer Deposits	13,506	1.00%	13.27%	0.13%
Tax Credits - Zero Cost	0	0.00%		0.00%
Tax Credits - Weighted Cost	0	0.00%		0.00%
Deferred Income Taxes	1,433	0.11%	13.27%	0.02%
Other (Explain)	0	0.00%		0.00%
Additional paid in capital	634,112	47.21%	13.27%	6.26%
Total	\$ 1,343,158	100.00%		13.27%

(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>13.27%</u>
Commission order approving Return on Equity:	<u>19093 dated 4/4/88</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:

NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2009

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

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURISDICTIONAL ADJUSTMENTS (d)	OTHER (I) ADJUSTMENTS SPECIFIC (e)	OTHER (I) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ 500	\$	\$	\$	\$	\$ 500
Preferred Stock						0
Long Term Debt	693,607					693,607
Customer Deposits	13,506					13,506
Tax Credits - Zero Cost						0
Tax Credits - Weighted Cost						0
Deferred Inc. Taxes	1,433					1,433
Other (Explain)						0
Additional paid in capital	634,112					634,112
Total	\$ 1,343,158	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,343,158

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

**UTILITY PLANT
ACCOUNTS 101 - 106**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ 2,928,510	\$ 2,528,936	\$ _____	\$ 5,457,446
102	Utility Plant Leased to Other	_____	_____	_____	0
103	Property Held for Future Use	_____	_____	_____	0
104	Utility Plant Purchased or Sold	_____	_____	_____	0
105	Construction Work in Progress	_____	_____	_____	0
106	Completed Construction Not Classified	_____	_____	_____	0
	Total Utility Plant	\$ <u>2,928,510</u>	\$ <u>2,528,936</u>	\$ <u>0</u>	\$ <u>5,457,446</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
	Total Plant Acquisition Adjustments	\$ _____ 0	\$ _____ 0	\$ _____ 0	\$ _____ 0
115	Accumulated Amortization None	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	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>

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	\$ 1,221,467	\$ 1,146,203	\$	\$ 2,367,670
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 112,253	\$ 121,631	\$	\$ 233,884
Account 108.2 (2)	_____	_____	_____	0
Account 108.3 (2)	_____	_____	_____	0
Other Accounts (specify):	_____	_____	_____	0
	_____	_____	_____	0
Salvage	_____	_____	_____	0
Other Credits (Specify):	_____	_____	_____	0
	_____	_____	_____	0
Total Credits	\$ 112,253	\$ 121,631	\$ 0	\$ 233,884
Debits during year:				
Book cost of plant retired	2,610	12,387	_____	14,997
Cost of Removal	_____	_____	_____	0
Other Debits (specify):	_____	_____	_____	0
	_____	_____	_____	0
Total Debits	\$ 2,610	\$ 12,387	\$ 0	\$ 14,997
Balance end of year	<u>\$ 1,331,110</u>	<u>\$ 1,255,447</u>	<u>\$ 0</u>	<u>\$ 2,586,557</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: NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2009
--

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

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

NONUTILITY PROPERTY (ACCOUNT 121)

Report separately each item of property with a book cost of \$25,000 or more included in Account 121.
Other items may be grouped by classes of property.

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

SPECIAL DEPOSITS (ACCOUNTS 132 AND 133)

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

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

UTILITY NAME: NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2009
--

INVESTMENTS AND SPECIAL FUNDS
ACCOUNTS 123 - 127

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

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

UTILITY NAME: NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2009
--

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	\$ 52,607	
Wastewater	37,879	
Other	99	
Total Customer Accounts Receivable		\$ 90,585
OTHER ACCOUNTS RECEIVABLE (Account 142):		
A/R CIAC	\$ 1,250	
Total Other Accounts Receivable		\$ 1,250
NOTES RECEIVABLE (Account 144):		
None	\$	
Total Notes Receivable		\$ 0
Total Accounts and Notes Receivable		\$ 91,835
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		\$ 91,835

UTILITY NAME: NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2009
--

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	\$ 35,751
Employee health insurance advances	508
_____	_____
_____	_____
Total Miscellaneous Current and Accrued Liabilities	\$ <u> 36,259</u>

UTILITY NAME: NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2009
--

**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	\$ 734	\$ 183
Total Unamortized Debt Discount and Expense	\$ <u>734</u>	\$ <u>183</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	\$
Total Extraordinary Property Losses	\$ <u>0</u>

UTILITY NAME: NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2009

**MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1)		
None	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total Deferred Rate Case Expense	\$ <u>0</u>	\$ <u>0</u>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
Prepaid insurance	\$ _____	\$ 4,371
Electric deposits	_____	1,000
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Debits	\$ <u>0</u>	\$ <u>5,371</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>5,371</u>

UTILITY NAME: NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2009
--

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

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

* Account 204 not applicable for Class B utilities.

**BONDS
ACCOUNT 221**

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

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

STATEMENT OF RETAINED EARNINGS

- Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
- 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	\$ (290,927)
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	\$ 26,930
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	\$ (263,997)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ 0
Total Retained Earnings		\$ (263,997)
Notes to Statement of Retained Earnings:		

UTILITY NAME: NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2009
--

**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

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

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

UTILITY NAME: **NORTH BEACH UTILITIES, INC**

**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):			
N/P GMAC - Chevy Truck	7.87 %	Fixed	\$ 14,404
N/P Suntrust Bank - Consolidation loan	7.65 %	Fixed	679,203
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 232			\$ <u>693,607</u>
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			
Due to North Beach Investment, Inc	%		\$ 64,506
Due to Officers	%		250,000
Accrued interest due to related party	%		108,181
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 234			\$ <u>422,687</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>

YEAR OF REPORT
December 31, 2009

UTILITY NAME: NORTH BEACH UTILITIES, INC

**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	\$ 186			\$ 28	\$ 158
Total Account 237.1	\$ 186		0	\$ 28	\$ 158
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$	427	139	\$ 139	\$
SunTrust Interest - Truck loan		427	1,291	1,291	
SunTrust Interest - Consolidation loan		427	57,467	57,467	
Total Account 237.2	\$ 0		58,897	\$ 58,897	\$ 0
Total Account 237 (1)	\$ 186		58,897	\$ 58,925	\$ 158
INTEREST EXPENSED:					
Total accrual Account 237		237	58,897	\$ 58,897	
Less Capitalized Interest Portion of AFUDC:					
Net Interest Expensed to Account No. 427 (2)			58,897	\$ 58,897	

(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

YEAR OF REPORT
December 31, 2009

UTILITY NAME: NORTH BEACH UTILITIES, INC

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Accrued employee leasing expense	\$ 1,433
Total Miscellaneous Current and Accrued Liabilities	\$ 1,433

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

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

UTILITY NAME: NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2009
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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>917,667</u>	\$ <u>1,479,863</u>	\$ _____	\$ <u>2,397,530</u>
Add credits during year:	\$ <u>5,580</u>	\$ <u>8,550</u>	\$ _____	\$ <u>14,130</u>
Less debit charged during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Contribution In Aid of Construction	\$ <u><u>923,247</u></u>	\$ <u><u>1,488,413</u></u>	\$ <u><u>0</u></u>	\$ <u><u>2,411,660</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>360,195</u>	\$ <u>484,372</u>	\$ _____	\$ <u>844,567</u>
Debits during the year:	\$ <u>25,666</u>	\$ <u>42,575</u>	\$ _____	\$ <u>68,241</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>385,861</u></u>	\$ <u><u>526,947</u></u>	\$ <u><u>0</u></u>	\$ <u><u>912,808</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)	\$ 26,930
Reconciling items for the year:		
Taxable income not reported on books:		
Tap fees adjustment		630
Deductions recorded on books not deducted for return:		
1/2 Entertainment & Meals		128
Depreciation		43,010
Federal income tax benefit		3,109
Income recorded on books not included in return:		
Deduction on return not charged against book income:		
Federal tax net income		\$ 73,807

Computation of tax :

**WATER
OPERATION
SECTION**

UTILITY NAME:

NORTH BEACH UTILITIES, INC

WATER LISTING OF SYSTEM GROUPS

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned a group number. Each individual system which has not been consolidated should be assigned its own group number.
 The water financial schedules (W-2 through W-10) should be filed for the group in total.
 The water engineering schedules (W-11 through W-14) must be filed for each system in the group.
 All of the following water pages (W-2 through W-14) should be completed for each group and arranged by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
North Beach Utilities, Inc/St Johns	473W	N/A

UTILITY NAME: NORTH BEACH UTILITIES, INCSYSTEM NAME / COUNTY : ST JOHNS

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 2,928,510
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	1,331,110
110	Accumulated Amortization	F-8	0
271	Contributions in Aid of Construction	W-7	923,247
252	Advances for Construction	F-20	
Subtotal			\$ 674,153
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 385,861
Subtotal			\$ 1,060,014
114	Plus or Minus: Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		68,075
	Other (Specify):		
WATER RATE BASE			\$ 1,128,089
WATER OPERATING INCOME		W-3	\$ 97,402
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			8.63%

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: NORTH BEACH UTILITIES, INCSYSTEM NAME / COUNTY : ST JOHNS

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	W-9	\$ 641,999
469	Less: Guaranteed Revenue and AFPI	W-9	0
	Net Operating Revenues		\$ 641,999
401	Operating Expenses	W-10(a)	\$ 398,842
403	Depreciation Expense	W-6(a)	112,253
	Less: Amortization of CIAC	W-8(a)	25,666
	Net Depreciation Expense		\$ 86,587
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		16,019
408.11	Property Taxes		28,898
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 44,917
409.1	Income Taxes		
410.10	Deferred Federal Income Taxes		14,251
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		\$ 544,597
	Utility Operating Income		\$ 97,402
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		\$ 97,402

YEAR OF REPORT
December 31, 2009

UTILITY NAME: NORTH BEACH UTILITIES, INC
SYSTEM NAME / COUNTY : ST JOHNS

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$	\$	\$	\$
302	Franchises				0
303	Land and Land Rights	70,283	0	0	70,283
304	Structures and Improvements	90,934			90,934
305	Collecting and Impounding Reservoirs				0
306	Lake, River and Other Intakes				0
307	Wells and Springs	15,970			15,970
308	Infiltration Galleries and Tunnels				0
309	Supply Mains	3,790			3,790
310	Power Generation Equipment	8,526	5,376		13,902
311	Pumping Equipment	84,991	4,609		89,600
320	Water Treatment Equipment	449,163	572		449,735
330	Distribution Reservoirs and Standpipes	440,238			440,238
331	Transmission and Distribution Mains	1,355,585	4,035		1,359,620
333	Services	107,831			107,831
334	Meters and Meter Installations	146,364	37,773		184,137
335	Hydrants	29,987			29,987
336	Backflow Prevention Devices				0
339	Other Plant Miscellaneous Equipment				0
340	Office Furniture and Equipment	4,248	740	582	4,406
341	Transportation Equipment	41,128		1,955	39,173
342	Stores Equipment				0
343	Tools, Shop and Garage Equipment	81	266	73	274
344	Laboratory Equipment				0
345	Power Operated Equipment	25,300			25,300
346	Communication Equipment				0
347	Miscellaneous Equipment				0
348	Other Tangible Plant	3,330			3,330
TOTAL WATER PLANT		\$ 2,877,749	\$ 53,371	\$ 2,610	\$ 2,928,510

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

YEAR OF REPORT
December 31, 2009

UTILITY NAME: NORTH BEACH UTILITIES, INC

ST JOHNS

SYSTEM NAME / COUNTY :

WATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
301	Organization	\$ 0	\$	\$	\$	\$	\$
302	Franchises	0					
303	Land and Land Rights	70,283					70,283
304	Structures and Improvements	90,934					90,934
305	Collecting and Impounding Reservoirs	0					
306	Lake, River and Other Intakes	0					
307	Wells and Springs	15,970		15,970			
308	Infiltration Galleries and Tunnels	0					
309	Supply Mains	3,790		3,790			
310	Power Generation Equipment	13,902		13,902			
311	Pumping Equipment	89,600		89,600			
320	Water Treatment Equipment	449,735			449,735		
330	Distribution Reservoirs and Standpipes	440,238				440,238	
331	Transmission and Distribution Mains	1,359,620				1,359,620	
333	Services	107,831				107,831	
334	Meters and Meter Installations	184,137				184,137	
335	Hydrants	29,987				29,987	
336	Backflow Prevention Devices	0					
339	Other Plant Miscellaneous Equipment	0					
340	Office Furniture and Equipment	4,406					4,406
341	Transportation Equipment	39,173					39,173
342	Stores Equipment	0					
343	Tools, Shop and Garage Equipment	274					274
344	Laboratory Equipment	0					
345	Power Operated Equipment	25,300					25,300
346	Communication Equipment	0					
347	Miscellaneous Equipment	0					
348	Other Tangible Plant	3,330					3,330
TOTAL WATER PLANT		\$ 2,928,510	\$ 0	\$ 123,262	\$ 449,735	\$ 2,121,813	\$ 233,700

W-4(b)
GROUP _____

UTILITY NAME: NORTH BEACH UTILITIES, INC

SYSTEM NAME / COUNTY : ST JOHNS

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.

YEAR OF REPORT
December 31, 2009

UTILITY NAME: NORTH BEACH UTILITIES, INC

SYSTEM NAME / COUNTY : ST JOHNS

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 64,795	\$ 3,246		\$ 3,246
305	Collecting and Impounding Reservoirs				0
306	Lake, River and Other Intakes				0
307	Wells and Springs	16,637	591		591
308	Infiltration Galleries and Tunnels				0
309	Supply Mains	1,767	119		119
310	Power Generation Equipment	6,829	659		659
311	Pumping Equipment	77,761	5,133		5,133
320	Water Treatment Equipment	346,334	26,428		26,428
330	Distribution Reservoirs and Standpipes	105,130	13,339		13,339
331	Transmission and Distribution Mains	412,312	35,705		35,705
333	Services	52,679	3,084		3,084
334	Meters and Meter Installations	65,252	9,717		9,717
335	Hydrants	6,488	750		750
336	Backflow Prevention Devices				0
339	Other Plant Miscellaneous Equipment				0
340	Office Furniture and Equipment	(605)	1,858		1,858
341	Transportation Equipment	45,299	6,856		6,856
342	Stores Equipment				0
343	Tools, Shop and Garage Equipment	(1,818)	1,905		1,905
344	Laboratory Equipment				0
345	Power Operated Equipment	14,869	2,530		2,530
346	Communication Equipment				0
347	Miscellaneous Equipment				0
348	Other Tangible Plant	7,737	333		333
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 1,221,466	112,253	0	112,253

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

YEAR OF REPORT
December 31, 2009

UTILITY NAME: NORTH BEACH UTILITIES, INC
SYSTEM NAME / COUNTY : ST JOHNS

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					\$ 68,041
305	Collecting and Impounding Reservoirs					0
306	Lake, River and Other Intakes					0
307	Wells and Springs					17,228
308	Infiltration Galleries and Tunnels					0
309	Supply Mains					1,886
310	Power Generation Equipment					7,488
311	Pumping Equipment					82,894
320	Water Treatment Equipment					372,762
330	Distribution Reservoirs and Standpipes					118,469
331	Transmission and Distribution Mains					448,017
333	Services					55,763
334	Meters and Meter Installations					74,969
335	Hydrants					7,238
336	Backflow Prevention Devices					0
339	Other Plant Miscellaneous Equipment					0
340	Office Furniture and Equipment	581			581	672
341	Transportation Equipment	1,955			1,955	50,200
342	Stores Equipment				0	0
343	Tools, Shop and Garage Equipment	73			73	14
344	Laboratory Equipment				0	0
345	Power Operated Equipment				0	17,399
346	Communication Equipment				0	0
347	Miscellaneous Equipment				0	0
348	Other Tangible Plant				0	8,070
TOTAL WATER ACCUMULATED DEPRECIATION						\$ 1,331,110

UTILITY NAME: NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2009

SYSTEM NAME / COUNTY : ST JOHNS

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>917,667</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>5,580</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>0</u>
Total Credits		\$ <u>5,580</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>923,247</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:

NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2009
--

SYSTEM NAME / COUNTY :

ST JOHNS

WATER CIAC SCHEDULE "A"

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

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Capacity	11	\$ 450	\$ 4,950
Tap	7	90	630
			0
			0
			0
			0
			0
			0
			0
Total Credits			\$ 5,580

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 360,195
Debits during the year:	
Accruals charged to Account 272	\$ 25,666
Other debits (specify):	
Total debits	\$ 25,666
Credits during the year (specify):	
	\$
Total credits	\$ 0
Balance end of year	\$ 385,861

W-8(a)

GROUP _____

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2009

SYSTEM NAME / COUNTY :

ST JOHNS

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

UTILITY NAME: NORTH BEACH UTILITIES, INC

SYSTEM NAME / COUNTY : ST JOHNS

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	1,103	1,096	532,844
461.2	Sales to Commercial Customers	33	33	88,178
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings	6	6	18,905
Total Metered Sales		<u>1,142</u>	<u>1,135</u>	\$ <u>639,927</u>
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
Total Fire Protection Revenue		<u>0</u>	<u>0</u>	\$ <u>0</u>
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		<u>1,142</u>	<u>1,135</u>	\$ <u>639,927</u>
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			2,072
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ <u>2,072</u>
Total Water Operating Revenues				\$ <u>641,999</u>

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

UTILITY NAME:

NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2009
--

SYSTEM NAME / COUNTY :

ST JOHNS

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	19,797		
610	Purchased Water	0		
615	Purchased Power	52,809	26,405	
616	Fuel for Power Production	894	447	
618	Chemicals	22,279		11,140
620	Materials and Supplies	7,166		2,389
631	Contractual Services-Engineering	25,112		
632	Contractual Services - Accounting	12,521		
633	Contractual Services - Legal	0		
634	Contractual Services - Mgt. Fees	30,720		
635	Contractual Services - Testing	1,774		
636	Contractual Services - Other	170,687	137,388	3,700
641	Rental of Building/Real Property	0		
642	Rental of Equipment	99		
650	Transportation Expenses	12,479	4,159	
656	Insurance - Vehicle	2,438		
657	Insurance - General Liability	11,277		
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.	3,067	3,067	
670	Bad Debt Expense	1,863		
675	Miscellaneous Expenses	23,860	5,965	
Total Water Utility Expenses		\$ 398,842	\$ 177,431	\$ 17,229

UTILITY NAME:

NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2009
--

SYSTEM NAME / COUNTY :

ST JOHNS

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)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
26,404	_____	_____	_____	_____	19,797
447	_____	_____	_____	_____	_____
11,139	_____	_____	_____	_____	_____
_____	2,389	_____	_____	_____	_____
_____	_____	_____	2,388	_____	25,112
_____	_____	_____	_____	_____	12,521
_____	_____	_____	_____	_____	30,720
1,774	_____	_____	_____	_____	_____
3,700	3,700	3,700	3,700	_____	14,799
_____	_____	_____	99	_____	_____
4,160	_____	4,160	_____	_____	2,438
_____	_____	_____	_____	_____	11,277
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	1,863	_____
5,965	_____	5,965	_____	_____	5,965
\$ <u>53,589</u>	\$ <u>6,089</u>	\$ <u>13,825</u>	\$ <u>6,187</u>	\$ <u>1,863</u>	\$ <u>122,629</u>

UTILITY NAME:

NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2009

SYSTEM NAME / COUNTY :

ST JOHNS

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January		7,421		7,421	9,365
February		6,796		6,796	7,899
March		8,102		8,102	9,616
April		8,740		8,740	12,046
May		9,346		9,346	11,662
June		9,098		9,098	12,567
July		9,539		9,539	11,161
August		8,787		8,787	10,381
September		9,016		9,016	11,236
October		10,073		10,073	10,951
November		8,628		8,628	10,297
December		8,036		8,036	8,573
Total for Year	0	103,582	0	103,582	125,754

If water is purchased for resale, indicate the following:

Vendor N/A

Point of delivery _____

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

N/A

SOURCE OF SUPPLY

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

W-11

GROUP _____

SYSTEM _____

UTILITY NAME: NORTH BEACH UTILITIES, INC

SYSTEM NAME / COUNTY : ST JOHNS

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>Artesian/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: NORTH BEACH UTILITIES, INC

SYSTEM NAME / COUNTY : ST JOHNS

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	1,085	1,085
3/4"	Displacement	1.5	1	2
1"	Displacement	2.5	8	20
1 1/2"	Displacement or Turbine	5.0	1	5
2"	Displacement, Compound or Turbine	8.0	1	8
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				1,120

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:

$$(100,380,400 \text{ Total annual single family gallons sold} / 1,110 \text{ average SFR customers}) / 365 \text{ days} = 248 \text{ ERC}$$

UTILITY NAME:

NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2009

SYSTEM NAME / COUNTY :

ST JOHNS

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. 3,308

2. Maximum number of ERCs * which can be served. 3,308

3. Present system connection capacity (in ERCs *) using existing lines. 3,308

4. Future connection capacity (in ERCs *) upon service area buildout. 3,060

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:

NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2009
--

WASTEWATER LISTING OF SYSTEM GROUPS

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned a group number. Each individual system which has not been consolidated should be assigned its own group number.

The wastewater financial schedules (S-2 through S-10) should be filed for the group in total.

The wastewater engineering schedules (S-11 through S-13) must be filed for each system in the group.

All of the following wastewater pages (S-2 through S-13) should be completed for each group and arranged by group number.

<u>SYSTEM NAME / COUNTY</u>	<u>CERTIFICATE NUMBER</u>	<u>GROUP NUMBER</u>
North Beach Utilities, Inc/St Johns	409S	N/A

UTILITY NAME: NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2009

SYSTEM NAME / COUNTY : ST JOHNS

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)	\$ 2,528,936
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	1,255,447
110	Accumulated Amortization	F-8	0
271	Contributions in Aid of Construction	S-7	1,488,413
252	Advances for Construction	F-20	
Subtotal			\$ (214,924)
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 526,947
Subtotal			\$ 312,023
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		53,077
	Other (Specify):		
WASTEWATER RATE BASE			\$ 365,100
WASTEWATER OPERATING INCOME		S-3	\$ (10,884)
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			-2.98%

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: NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2009

SYSTEM NAME / COUNTY : ST JOHNS

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	S-9(a)	\$ 413,731
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
Net Operating Revenues			\$ 413,731
401	Operating Expenses	S-10(a)	\$ 330,066
403	Depreciation Expense	S-6(a)	121,630
	Less: Amortization of CIAC	S-8(a)	42,575
Net Depreciation Expense			\$ 79,055
406	Amortization of Utility Plant Acquisition Adjustment	F-7	0
407	Amortization Expense (Other than CIAC)	F-8	0
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		10,314
408.11	Property Taxes		16,322
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 26,636
409.1	Income Taxes		
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		(11,142)
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
Utility Operating Expenses			\$ 424,615
Utility Operating Income			\$ (10,884)
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			\$ (10,884)

YEAR OF REPORT
December 31, 2009

UTILITY NAME: NORTH BEACH UTILITIES, INC
SYSTEM NAME / COUNTY: ST JOHNS

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$	\$	\$	\$ 0
352	Franchises				0
353	Land and Land Rights	246,973			246,973
354	Structures and Improvements	29,772			29,772
355	Power Generation Equipment				0
360	Collection Sewers - Force	494,177	3,103		497,280
361	Collection Sewers - Gravity				0
362	Special Collecting Structures				0
363	Services to Customers	21,604			21,604
364	Flow Measuring Devices				0
365	Flow Measuring Installations				0
366	Reuse Services				0
367	Reuse Meters and Meter Installations				0
370	Receiving Wells	812,758	62,653	10,623	864,788
371	Pumping Equipment				0
374	Reuse Distribution Reservoirs				0
375	Reuse Transmission and Distribution System				0
380	Treatment and Disposal Equipment	791,264			791,264
381	Plant Sewers				0
382	Outfall Sewer Lines				0
389	Other Plant Miscellaneous Equipment	11,470			11,470
390	Office Furniture and Equipment	1,918	635		2,553
391	Transportation Equipment	26,189		1,690	24,499
392	Stores Equipment				0
393	Tools, Shop and Garage Equipment	1,274	119	73	1,320
394	Laboratory Equipment				0
395	Power Operated Equipment	37,413			37,413
396	Communication Equipment				0
397	Miscellaneous Equipment				0
398	Other Tangible Plant				0
Total Wastewater Plant		\$ 2,474,812	\$ 66,510	\$ 12,386	\$ 2,528,936

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

YEAR OF REPORT
December 31, 2009

UTILITY NAME: NORTH BEACH UTILITIES, INC

SYSTEM NAME / COUNTY: ST JOHNS

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 (k)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (l)	.7 GENERAL PLANT (m)
351	Organization	\$						
352	Franchises							
353	Land and Land Rights							246,973
354	Structures and Improvements							29,772
355	Power Generation Equipment							
360	Collection Sewers - Force		497,280					
361	Collection Sewers - Gravity							
362	Special Collecting Structures							
363	Services to Customers		21,604					
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells			864,788				
371	Pumping Equipment							
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment and Disposal Equipment				791,264			
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant Miscellaneous Equipment				11,470			2,553
390	Office Furniture and Equipment							24,499
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							1,320
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							37,413
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 0	\$ 518,884	\$ 864,788	\$ 802,734	\$ 0	\$ 0	\$ 342,530

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

UTILITY NAME:

NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2009
--

SYSTEM NAME / COUNTY :

ST JOHNS

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			
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.

YEAR OF REPORT
December 31, 2009

UTILITY NAME: NORTH BEACH UTILITIES, INC

SYSTEM NAME / COUNTY : ST JOHNS

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
354	Structures and Improvements	\$ 15,197	\$ 1,102		\$ 1,102
355	Power Generation Equipment				0
360	Collection Sewers - Force	223,608	18,342		18,342
361	Collection Sewers - Gravity				0
362	Special Collecting Structures				0
363	Services to Customers	6,529	618		618
364	Flow Measuring Devices				0
365	Flow Measuring Installations				0
366	Reuse Services				0
367	Reuse Meters and Meter Installations				0
370	Receiving Wells	191,219	37,800		37,800
371	Pumping Equipment				0
374	Reuse Distribution Reservoirs				0
375	Reuse Transmission/Distribution Sys.				0
380	Treatment and Disposal Equipment	661,774	52,777		52,777
381	Plant Sewers				0
382	Outfall Sewer Lines				0
389	Other Plant Miscellaneous Equipment	5,365	1,147		1,147
390	Office Furniture and Equipment	(336)	617		617
391	Transportation Equipment	18,461	4,366		4,366
392	Stores Equipment				0
393	Tools, Shop and Garage Equipment	(131)	1,120		1,120
394	Laboratory Equipment				0
395	Power Operated Equipment	24,517	3,741		3,741
396	Communication Equipment				0
397	Miscellaneous Equipment				0
398	Other Tangible Plant				0
Total Depreciable Wastewater Plant in Service		\$ 1,146,203	\$ 121,630	\$ 0	\$ 121,630

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

YEAR OF REPORT
December 31, 2009

UTILITY NAME: NORTH BEACH UTILITIES, INC
SYSTEM NAME / COUNTY: ST JOHNS

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)	BALANCE AT END OF YEAR (c+f-j) (k)
354	Structures and Improvements	\$	\$	\$	\$ 0	\$ 16,299
355	Power Generation Equipment				0	0
360	Collection Sewers - Force				0	241,950
361	Collection Sewers - Gravity				0	0
362	Special Collecting Structures				0	0
363	Services to Customers				0	7,147
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	10,623			10,623	218,396
371	Pumping Equipment				0	0
374	Reuse Distribution Reservoirs				0	0
375	Reuse Transmission/Distribution Sys.				0	0
380	Treatment and Disposal Equipment				0	714,551
381	Plant Sewers				0	0
382	Outfall Sewer Lines				0	0
389	Other Plant Miscellaneous Equipment				0	6,512
390	Office Furniture and Equipment				0	281
391	Transportation Equipment	1,690			1,690	21,137
392	Stores Equipment				0	0
393	Tools, Shop and Garage Equipment	73			73	916
394	Laboratory Equipment				0	0
395	Power Operated Equipment				0	28,258
396	Communication Equipment				0	0
397	Miscellaneous Equipment				0	0
398	Other Tangible Plant				0	0
Total Depreciable Wastewater Plant in Service		\$ 12,386	\$ 0	\$ 0	\$ 12,386	\$ 1,255,447

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

UTILITY NAME: NORTH BEACH UTILITIES, INC

SYSTEM NAME / COUNTY : ST JOHNS

CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ <u>1,479,863</u>
Add credits during year: Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8(a)	\$ <u>8,550</u>
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	<u>0</u>
Total Credits		\$ <u>8,550</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>1,488,413</u>

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

UTILITY NAME: NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2009

SYSTEM NAME / COUNTY : ST JOHNS

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	8	\$ 750	\$ 6,000
Bore	3	850	2,550
			0
			0
			0
			0
			0
			0
			0
Total Credits			\$ 8,550

ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 484,372
Debits during the year:	
Accruals charged to Account 272	\$ 42,575
Other debits (specify):	
Total debits	\$ 42,575
Credits during the year (specify):	
Total credits	\$ 0
Balance end of year	\$ 526,947

S-8(a)

GROUP _____

UTILITY NAME:

NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2009

SYSTEM NAME / COUNTY :

ST JOHNS

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

UTILITY NAME:

NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2009

SYSTEM NAME / COUNTY :

ST JOHNS

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	662	680	\$ 294,823
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues	4	5	41,535
521.6	Other Revenues			
521	Total Flat Rate Revenues	<u>666</u>	<u>685</u>	<u>\$ 336,358</u>
Measured Revenues:				
522.1	Residential Revenues			
522.2	Commercial Revenues	26	25	77,373
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	Total Measured Revenues	<u>26</u>	<u>25</u>	<u>\$ 77,373</u>
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
Total Wastewater Sales		<u><u>692</u></u>	<u><u>710</u></u>	<u><u>\$ 413,731</u></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><u>\$ 0</u></u>

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

UTILITY NAME: NORTH BEACH UTILITIES, INC

YEAR OF REPORT December 31, 2009
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SYSTEM NAME / COUNTY : ST JOHNS

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
	Flat Rate Reuse Revenues:			
540.1	Residential Reuse Revenues	_____	_____	\$ _____
540.2	Commercial Reuse Revenues	_____	_____	_____
540.3	Industrial Reuse Revenues	_____	_____	_____
540.4	Reuse Revenues From Public Authorities	_____	_____	_____
540.5	Other Revenues	_____	_____	_____
540	Total Flat Rate Reuse Revenues	0	0	\$ _____ 0
	Measured Reuse Revenues:			
541.1	Residential Reuse Revenues	_____	_____	_____
541.2	Commercial Reuse Revenues	_____	_____	_____
541.3	Industrial Reuse Revenues	_____	_____	_____
541.4	Reuse Revenues From Public Authorities	_____	_____	_____
541	Total Measured Reuse Revenues	0	0	\$ _____ 0
544	Reuse Revenues From Other Systems			
Total Reclaimed Water Sales				\$ _____ 0
Total Wastewater Operating Revenues				\$ <u>413,731</u>

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

YEAR OF REPORT
December 31, 2009

UTILITY NAME: NORTH BEACH UTILITIES, INC
ST JOHNS

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	11,039						
710	Purchased Sewage Treatment	0						
711	Sludge Removal Expense	109,866					109,866	
715	Purchased Power	22,941					22,941	
716	Fuel for Power Production	503					503	
718	Chemicals	14,000				7,000		7,000
720	Materials and Supplies	5,181		1,727		1,727		1,727
731	Contractual Services-Engineering	1,776						
732	Contractual Services - Accounting	7,043						
733	Contractual Services - Legal	0						
734	Contractual Services - Mgt. Fees	17,280						
735	Contractual Services - Testing	6,924					6,924	
736	Contractual Services - Other	109,681	1,198	1,198	1,199	1,199	82,321	1,199
741	Rental of Building/Real Property	0						
742	Rental of Equipment	149					149	
750	Transportation Expenses	7,041	2,347				2,347	
756	Insurance - Vehicle	378						
757	Insurance - General Liability	5,080						
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	839						
775	Miscellaneous Expenses	10,345	2,587		2,586		2,586	
Total Wastewater Utility Expenses		\$ 330,066	\$ 6,132	\$ 2,925	\$ 6,132	\$ 9,926	\$ 227,637	\$ 9,926

S-10(a)

GROUP

READ ACCOUNTANTS' COMPILATION REPORT

YEAR OF REPORT
December 31, 2009

UTILITY NAME: NORTH BEACH UTILITIES, INC
SYSTEM NAME / COUNTY: ST JOHNS

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		11,039				
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies						
731	Contractual Services-Engineering		1,776				
732	Contractual Services - Accounting		7,043				
733	Contractual Services - Legal						
734	Contractual Services - Mgt. Fees		17,280				
735	Contractual Services - Testing						
736	Contractual Services - Other	1,199	20,168				
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expenses						
756	Insurance - Vehicle		378				
757	Insurance - General Liability		5,080				
758	Insurance - Workman's Comp.						
759	Insurance - Other						
760	Advertising Expense						
766	Regulatory Commission Expenses						
767	- Amortization of Rate Case Expense						
770	Regulatory Commission Exp.-Other	839					
775	Bad Debt Expense						
	Miscellaneous Expenses		2,586				
	Total Wastewater Utility Expenses	\$ 2,038	\$ 65,350	\$ 0	\$ 0	\$ 0	\$ 0

UTILITY NAME:

NORTH BEACH UTILITIES, INC

YEAR OF REPORT
December 31, 2009

SYSTEM NAME / COUNTY :

ST JOHNS

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	680	680
3/4"	Displacement	1.5	1	2
1"	Displacement	2.5	2	5
1 1/2"	Displacement or Turbine	5.0	1	5
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				692

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: NORTH BEACH UTILITIES, INC

SYSTEM NAME / COUNTY : ST JOHNS

WASTEWATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	.230MGD		
Basis of Permit Capacity (1)	Avg Annual Daily Flow		
Manufacturer			
Type (2)	Extended Aeration		
Hydraulic Capacity	317 MGD		
Average Daily Flow	Annual Avg .116 MGD		
Total Gallons of Wastewater Treated	41.0 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: NORTH BEACH UTILITIES, INC

SYSTEM NAME / COUNTY : ST JOHNS

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.