

**BEECHWOOD WATER SUPPLY  
CORPORATION  
HEMPHILL, TEXAS  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEARS ENDING  
DECEMBER 31, 2023 AND 2022**

## TABLE OF CONTENTS

	<b><u>PAGE</u></b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	1-2
<b>BASIC FINANCIAL STATEMENTS</b>	
Statement of Financial Position	3
Statement of Activities	4-5
Statement of Functional Expenses	6-7
Statement of Cash Flows	8
Notes to the Financial Statements	9-13
<b>SUPPLEMENTAL INFORMATION</b>	
Services and Rates	14
Expenditures	15
Comparative Schedule of Revenues and Expenditures	16
Schedule of Board Members, Key Personnel, and Consultants	17



MITCHELL T. FONTENOTE CPA, INC.

*Certified Public Accountants*

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors and Management of  
Beechwood Water Supply Corporation

### **Opinion**

We have audited the accompanying financial statements of Beechwood Water Supply Corporation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Beechwood Water Supply Corporation as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Beechwood Water Supply Corporation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Beechwood Water Supply Corporation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Beechwood Water Supply Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Beechwood Water Supply Corporation 's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

#### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Mitchell T. Fontenote CPA, Inc.*

Port Neches, Texas  
July 22, 2024

**BASIC FINANCIAL STATEMENTS**

**BEECHWOOD WATER SUPPLY CORPORATION****STATEMENT OF FINANCIAL POSITION****DECEMBER 31, 2023 AND 2022**

<b>ASSETS</b>	<b>2023</b>	<b>2022</b>
Current Assets:		
Cash and Certificates of Deposit	\$ 297,407	\$ 339,355
Accounts Receivable	33,998	34,916
Prepaid Insurance	10,876	11,096
Total Current Assets	<u>342,281</u>	<u>385,367</u>
Restricted Assets:		
Cash Restricted for Loan Reserve	189,263	183,003
Total Restricted Assets	<u>189,263</u>	<u>183,003</u>
Capital Assets:		
Non-Depreciable Capital Assets:		
Land	33,000	33,000
Depreciable Capital Assets:		
General and Administrative Property and Equipment	103,390	97,490
Water Plant and Distribution System	1,829,234	1,829,234
Sewer Plant and System	185,425	185,425
SEP Project	36,114	36,114
South Sabine Project	67,590	67,590
Accumulated Depreciation	(1,198,428)	(1,101,730)
Net Capital Assets	<u>1,056,325</u>	<u>1,147,123</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 1,587,869</u></b>	<b><u>\$ 1,715,493</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities:		
Accounts Payable	\$ 5,432	\$ 9,717
Payroll Liabilities	3,629	2,641
Current Portion - Notes Payable	45,000	45,000
Total Current Assets	<u>54,061</u>	<u>57,358</u>
Long-Term Liabilities:		
Notes Payable - Texas Water Development Board	670,000	715,000
Total Current Portion of Long-Term Liabilities	<u>670,000</u>	<u>715,000</u>
<b>TOTAL LIABILITIES</b>	<b>724,061</b>	<b>772,358</b>
Net Assets:		
Without Donor Restrictions	776,141	855,468
With Donor Restrictions	87,667	87,667
TOTAL NET ASSETS	<u>863,808</u>	<u>943,135</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 1,587,869</u></b>	<b><u>\$ 1,715,493</u></b>

The accompanying notes are an integral part of this financial statement.

**BEECHWOOD WATER SUPPLY CORPORATION****STATEMENT OF ACTIVITIES****FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<b>2023</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenues:</b>			
Water Fees	\$ 262,984	\$ -	\$ 262,984
Sewer Fees	63,607	-	63,607
Connection Fees	1,370	-	1,370
Late Fees	7,400	-	7,400
Adjustments	978	-	978
Assessment Fees	113,140	-	113,140
Interest Income	59	-	59
Insurance Proceeds	5,273	-	5,273
Total Revenues	<u>454,811</u>	<u>-</u>	<u>454,811</u>
<b>Expenses:</b>			
Program Services	384,775	-	384,775
Supporting Services	149,363	-	149,363
Total Expenses	<u>534,138</u>	<u>-</u>	<u>534,138</u>
CHANGE IN NET ASSETS			
FROM OPERATING ACTIVITIES	(79,327)	-	(79,327)
NET ASSETS AT BEGINNING OF YEAR	<u>855,468</u>	<u>87,667</u>	<u>943,135</u>
NET ASSETS AT END OF YEAR	<u>\$ 776,141</u>	<u>\$ 87,667</u>	<u>\$ 863,808</u>

The accompanying notes are an integral part of this financial statement.

**BEECHWOOD WATER SUPPLY CORPORATION**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<b>2022</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenues:</b>			
Water Fees	\$ 365,396	\$ -	\$ 365,396
Sewer Fees	64,793	-	64,793
Grant Income	20,000	-	20,000
Miscellaneous Income	413	-	413
Interest Income	315	-	315
Insurance Proceeds	7,015	-	7,015
Total Revenues	<u>457,932</u>	<u>-</u>	<u>457,932</u>
<b>Expenses:</b>			
Program Services	301,914	-	301,914
Supporting Services	133,918	-	133,918
Total Expenses	<u>435,832</u>	<u>-</u>	<u>435,832</u>
CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES	22,100	-	22,100
NET ASSETS AT BEGINNING OF YEAR	<u>833,368</u>	<u>87,667</u>	<u>921,035</u>
NET ASSETS AT END OF YEAR	<u>\$ 855,468</u>	<u>\$ 87,667</u>	<u>\$ 943,135</u>

The accompanying notes are an integral part of this financial statement.

**BEECHWOOD WATER SUPPLY CORPORATION**  
**STATEMENT OF FUNCTIONAL EXPENSE**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<b>2023</b>			<b>Total</b>
	<b>Program Activities</b>	<b>Supporting Activities</b>		
	<b>Program Services</b>	<b>Management &amp; General</b>	<b>Fundraising</b>	
<b>SALARY &amp; RELATED EXPENSES</b>				
Salaries and Wages	\$ 114,036	\$ -	\$ -	\$ 114,036
Payroll Taxes	8,817	-	-	8,817
Total Salary and Related Expenses	<u>122,853</u>	<u>-</u>	<u>-</u>	<u>122,853</u>
<b>OTHER EXPENSES</b>				
Accounting	29,000	-	-	29,000
Bank Charges	759	-	-	759
Chemicals	1,113	-	-	1,113
Contract Labor	26,322	-	-	26,322
Dues & Subscriptions	301	-	-	301
Fuel	3,758	-	-	3,758
Insurance Expense	-	13,396	-	13,396
Lab Fees	4,210	-	-	4,210
License & Permits	7,397	-	-	7,397
Maintenance and Repairs	89,907	-	-	89,907
Miscellaneous	-	18,731	-	18,731
Office Supplies	9,557	-	-	9,557
Postage	3,748	-	-	3,748
Raw Water Purchases	78,969	-	-	78,969
Rent & Lease Expense	-	1,054	-	1,054
Supplies	1,035	-	-	1,035
Training	-	1,720	-	1,720
Utilities and Phone	-	17,764	-	17,764
Vehicle Expense	5,846	-	-	5,846
Total Other Expenses	<u>261,922</u>	<u>52,665</u>	<u>-</u>	<u>314,587</u>
Total Before Depreciation	384,775	52,665	-	437,440
Allocation of Depreciation	-	96,698	-	96,698
<b>TOTAL OF FUNCTIONAL EXPENSES</b>	<u>\$ 384,775</u>	<u>\$ 149,363</u>	<u>\$ -</u>	<u>\$ 534,138</u>

The accompanying notes are an integral part of this financial statement.

**BEECHWOOD WATER SUPPLY CORPORATION**  
**STATEMENT OF FUNCTIONAL EXPENSE**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<b>2022</b>			<b>Total</b>
	Program Activities	Supporting Activities		
	Program Services	Management & General	Fundraising	
<b>SALARY &amp; RELATED EXPENSES</b>				
Salaries and Wages	\$ 100,089	\$ -	\$ -	\$ 100,089
Payroll Taxes	8,170	-	-	8,170
Total Salary and Related Expenses	<u>108,259</u>	<u>-</u>	<u>-</u>	<u>108,259</u>
<b>OTHER EXPENSES</b>				
Accounting	21,000	-	-	21,000
Bank Charges	548	-	-	548
Chemicals	437	-	-	437
Contract Labor	31,805	-	-	31,805
Fuel	3,608	-	-	3,608
Insurance Expense	-	10,693	-	10,693
Lab Fees	3,865	-	-	3,865
License & Permits	8,686	-	-	8,686
Maintenance and Repairs	38,336	-	-	38,336
Miscellaneous	-	7,563	-	7,563
Office Supplies	4,880	-	-	4,880
Postage	3,867	-	-	3,867
Raw Water Purchases	76,499	-	-	76,499
Rent & Lease Expense	-	980	-	980
Training	-	795	-	795
Utilities and Phone	-	17,719	-	17,719
Vehicle Expense	124	-	-	124
Total Other Expenses	<u>193,655</u>	<u>37,750</u>	<u>-</u>	<u>231,405</u>
Total Before Depreciation	301,914	37,750	-	339,664
Allocation of Depreciation	-	96,168	-	96,168
<b>TOTAL OF FUNCTIONAL EXPENSES</b>	<u>\$ 301,914</u>	<u>\$ 133,918</u>	<u>\$ -</u>	<u>\$ 435,832</u>

The accompanying notes are an integral part of this financial statement.

**BEECHWOOD WATER SUPPLY CORPORATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from Water and Sewer Fees	\$ 450,617	\$ 436,492
Cash received from Grants	-	20,000
Cash Received from Miscellaneous Income	5,332	7,743
Cash paid for Program Services	(291,374)	(197,940)
Cash paid for Supporting Services	(149,363)	(133,918)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>15,212</u>	<u>132,377</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Construction in Progress	-	-
Purchase of assets	(5,900)	(13,176)
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<u>(5,900)</u>	<u>(13,176)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issuance of Debt - First Financial Bank and Trust East Texas		
Retirement of Debt - Kubota Tractor		
Retirement of Debt - TWDB	(45,000)	(45,000)
Retirement of Debt - Notes Payable		
<b>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>	<u>(45,000)</u>	<u>(45,000)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	(35,688)	74,201
<b>CASH AT BEGINNING OF YEAR</b>	<u>522,358</u>	<u>448,157</u>
<b>CASH AT END OF YEAR</b>	<u>\$ 486,670</u>	<u>\$ 522,358</u>

**Reconciliation of Net Income to Net Cash Provided by Operating Activities**

Increase (Decrease) in Net Assets	\$ (79,327)	\$ 22,100
Adjustments to reconcile changes in net assets to net cash used by Operating Activities:		
Depreciation	96,698	96,168
(Increase) Decrease in Operating Assets:		
Accounts Receivable	918	9,940
Prepaid Insurance	220	(3,637)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(4,285)	8,602
Payroll Liabilities	988	(796)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>\$ 15,212</u>	<u>\$ 132,377</u>

**Supplemental Disclosure:**

Interest Paid during Year	<u>\$ -</u>	<u>\$ -</u>
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The accompanying notes are an integral part of this financial statement.

**BEECHWOOD WATER SUPPLY CORPORATION**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Nature of Operations:* The Corporation is a not-for-profit organization which supplies water to all of its members. The Corporation is owned entirely by its members.

The Corporation is an exempt corporation under Section 501(c)(12) of the Internal Revenue Code and, therefore, is generally exempt from federal income taxes. The Corporation has not been classified as a private foundation. As a 501(c)(12) exempt organization, the Corporation must use its income solely to cover losses and expenses, with any excess being returned to members or to cover future losses and expenses. To obtain services, members must pay membership fees of \$100 each, which are refundable and transferable. Revenues consist of water and sewer sales and related charges to members. Billings for water and sewer are based on actual usage.

**A. Property Taxes**

The Corporation has filed an extension with the Sabine County Tax Assessor and is exempt from local and state property taxes and accordingly, no provision for property taxes is included in the financial statements.

**B. Basis of Accounting**

The financial statements have been prepared on the accrual basis where revenue is recognized when earned and expenses are recorded when incurred. Water and sewer revenues are included as income when billed to the customers.

Under the provisions of the Guide, net assets and revenues and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Corporation and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Corporation. The Corporation's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

**C. Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Corporation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

**D. Accounts Receivable**

Accounts receivable includes amounts due from members for actual water and sewer usage and related charges.

**BEECHWOOD WATER SUPPLY CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**E. Allowance for Uncollectible Accounts**

The Corporation does not currently have an allowance for bad debts due to the policy that members forfeit their membership fee upon nonpayment of a bill. Membership rights are not reinstated until all amounts due are paid. Bad debts in excess of the membership certificate are evaluated monthly by the Board.

**F. Property and Equipment**

Property and equipment are recorded at cost and are depreciated, using the straight-line method of depreciation over the estimated useful lives of the assets. The cost of the maintenance, repairs and replacement of minor items of property is charged to maintenance expense. Asset lives are 5 to 30 years.

**G. Restrictions on Net Assets**

Cash accounts required by the Texas Water Development Board are temporarily restricted for Texas Water Development Board debt service.

**H. Membership Fees**

Membership fees of \$200 for water and \$100 for sewer at December 31, 2023 are included in unrestricted net assets.

**I. Estimates**

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlements, actual results may differ from estimated amounts.

**BEECHWOOD WATER SUPPLY CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****DECEMBER 31, 2023****NOTE 2 – CASH**

Cash and cash equivalents balances in the bank at December 31, 2023 consisted of the following separate accounts. The General Operating, Water Capital Improvements, Sewer Capital Improvements, New Membership Reserve, and Certificates of Deposits are designed by the Board of Directors for various purposes. The Texas Water Development Board reserve accrual account and the Texas Water Development Department loan reserve accounts are required by the loan covenants and can only be used for payment of debt issued by the Texas Water Development Board.

Unrestricted Accounts:	
General Operating	\$ 289,650
Certificate of Deposit	7,757
Temporarily Restricted Accounts:	
TWDB Trust Reserve Accrual	18,042
TWDB Permanent Reserve	47,569
Membership Account	123,652
Total Cash	<u>\$ 486,670</u>

Bank balances at December 31, 2023 were \$495,273. These balances were insured by the Federal Deposit Corporation up to \$250,000.

**NOTE 3 – CAPITAL ASSETS**

A summary of changes in the Corporation's property, plant and equipment for the fiscal year:

	Balance at 12/31/2022	Additions	Retirements	Balance at 12/31/2023
Assets Not Subject to Depreciation:				
Land	\$ 33,000	\$ -	\$ -	\$ 33,000
Total Assets Not Subject to Depreciation	33,000	-	-	33,000
Assets Being Depreciated:				
General and Administrative Property	97,490	5,900	-	103,390
Water Plant and Distribution System	1,829,234	-	-	1,829,234
Sewer Plant and System	185,425	-	-	185,425
SEP Project	36,114	-	-	36,114
South Sabine Project	67,590	-	-	67,590
Total Assets Being Depreciated	<u>2,215,853</u>	<u>5,900</u>	<u>-</u>	<u>2,221,753</u>
Total Capital Assets	<u>2,248,853</u>	<u>5,900</u>	<u>-</u>	<u>2,254,753</u>
Less Accumulated Depreciation	<u>(1,101,730)</u>	<u>(96,698)</u>	<u>-</u>	<u>(1,198,428)</u>
Net Capital Assets	<u>\$ 1,147,123</u>	<u>\$ (90,798)</u>	<u>\$ -</u>	<u>\$ 1,056,325</u>

Depreciation expense for the year ended December 31, 2023 was \$96,698.

**BEECHWOOD WATER SUPPLY CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****DECEMBER 31, 2023****NOTE 4 – NOTES PAYABLE****Texas Water Development Board**

In 2008, the Corporation received an interest free loan of \$1,369,000 from the Texas Water Development Board. The loan matures on July 1, 2038. Future loan payment requirements are as follows:

<b>TWDB Loan</b>		
Year Ended 12/31	Principal	Balance
2024	45,000	670,000
2025	45,000	625,000
2026	45,000	580,000
2027	45,000	535,000
2028	45,000	490,000
2029-2033	240,000	250,000
2034-2038	250,000	-
	<u>\$ 715,000</u>	<u>\$ -</u>

**NOTE 5 – LOAN COVENANT COMPLIANCE**

The Corporation is required by loan covenants of the Texas Water Development Board to maintain two accounts. The trust reserve accrual account should receive 1/12 of the upcoming annual loan payments per month. The permanent reserve account should receive monthly installments equal to 1/60<sup>th</sup> of the total annual principal payment, or \$750 per month, until the annual principal payment amount is reached. The Corporation is in compliance with these requirements.

	Balance at 12/31/2023	
	Actual	Required
TWDB Trust Reserve Accrual	\$ 18,042	\$ 18,042
TWDB Permanent Reserve	47,569	47,569
	<u>\$ 65,611</u>	<u>\$ 65,611</u>

The accounts are covered by FDIC insurance as required and Corporation has a required water conservation plan in place at December 31, 2023.

**NOTE 6 – STATEMENT OF FUNCTIONAL EXPENSES**

Functional expenses are allocated between program and support services by direct expenditure.

**NOTE 7 – ADVERTISING EXPENSE**

The costs of advertising is expensed the first time advertising takes place. During the years ended December 31, 2023 and 2022, the total advertising cost was \$0 and \$0.

**NOTE 8 – FUNDRAISING EXPENSE**

Total fundraising expense for the years ended December 31, 2023 and 2022, was \$0 and \$0.

**BEECHWOOD WATER SUPPLY CORPORATION**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

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**NOTE 9 – LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, are comprised of cash and cash equivalents of \$486,670. The Corporation has net asset with donor restriction of \$87,667 as of December 31, 2023.

**NOTE 10 – LITIGATION**

There are no litigations or claims pending at this time.

**NOTE 11 – SUBSEQUENT EVENTS**

Subsequent events have been evaluated through July 22, 2024, the date at which the financial statements were available to issue, that no events exist that require disclosure.

**SUPPLEMENTAL INFORMATION**



**BEECHWOOD WATER SUPPLY CORPORATION****EXPENDITURES****DECEMBER 31, 2023**

Personnel Expenditures (including benefits)*	\$	122,853
Professional Fees:		
Accounting		29,000
Contracted Services		26,322
Depreciation		96,698
Utilities		17,764
Repairs and Maintenance		89,907
Administrative Expenditures		
Office Expenses		9,557
Insurance		13,396
Other Administrative Expense		5,862
Plant Operations		78,969
Other Expenditures		<u>43,810</u>
TOTAL EXPENDITURES	\$	<u>534,138</u>

\*Number of persons employed by the Corporation: 3 Full-Time

**BEECHWOOD WATER SUPPLY CORPORATION**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES**  
**FOR THE FIVE YEARS ENDED DECEMBER 31, 2023**

						PERCENTAGE OF REVENUES				
	2023	2022	2021	2020	2019	2023	2022	2021	2020	2019
<b>REVENUES</b>										
Service Revenues	\$ 449,479	\$ 430,189	\$ 432,177	\$ 429,004	\$ 444,374	98.8%	93.9%	98.1%	90.6%	90.3%
Grant Income	-	20,000	-	41,663	46,004	0.0%	4.4%	0.0%	8.8%	9.3%
Other Income	5,332	7,743	8,506	2,700	1,811	1.2%	1.7%	1.9%	0.6%	0.4%
<b>TOTAL REVENUES</b>	<b>\$ 454,811</b>	<b>\$ 457,932</b>	<b>\$ 440,683</b>	<b>\$ 473,367</b>	<b>\$ 492,189</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>EXPENDITURES</b>										
Personnel expenses	\$ 122,853	\$ 108,259	\$ 113,634	\$ 102,834	\$ 112,162	27.0%	23.6%	25.8%	21.7%	22.8%
Operations/Maintenance	160,039	95,219	80,872	112,901	71,990	35.2%	20.8%	18.4%	23.9%	14.6%
Office Supplies and Expenses	33,183	27,994	28,792	30,528	7,525	7.3%	6.1%	6.5%	6.4%	1.5%
Professional Fees	29,000	21,000	10,400	10,400	11,150	6.4%	4.6%	2.4%	2.2%	2.3%
Water Purchases	78,969	76,499	58,817	63,481	59,255	17.4%	16.7%	13.3%	13.4%	12.0%
Insurance Expense	13,396	10,693	10,141	9,793	10,958	2.9%	2.3%	2.3%	2.1%	2.2%
Depreciation Expense	96,698	96,168	96,374	94,856	91,975	21.3%	21.0%	21.9%	20.0%	18.7%
<b>TOTAL EXPENDITURES</b>	<b>\$ 534,138</b>	<b>\$ 435,832</b>	<b>\$ 399,030</b>	<b>\$ 424,793</b>	<b>\$ 365,015</b>	<b>117.4%</b>	<b>95.2%</b>	<b>90.5%</b>	<b>89.7%</b>	<b>74.2%</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>\$ (79,327)</b>	<b>\$ 22,100</b>	<b>\$ 41,653</b>	<b>\$ 48,574</b>	<b>\$ 127,174</b>	<b>-17.4%</b>	<b>4.8%</b>	<b>9.5%</b>	<b>10.3%</b>	<b>25.8%</b>

**BEECHWOOD WATER SUPPLY CORPORATION**  
**BOARD MEMBER, KEY PERSONNEL, AND CONSULTANTS**  
**DECEMBER 31, 2023**

Complete District Mailing Address: 5137 Fairdale Road, Hemphill, Texas 75948  
 District Business Telephone Number: (409) 579-3926

<u>Names</u>	<u>Term of Office (Elected or Appointed) or Date Hired</u>	<u>Fees or Expense Reimbursements FYE 12/31/2023</u>	<u>Title at Year End</u>
<b><u>BOARD MEMBERS:</u></b>			
Chad Prewitt 460 Lakewood Drive Hemphill, TX 75948	Elected 12/21 - 12/24	\$0	President
Kipp Finley 310 Blueberry Street Bridge City, TX 77611	Elected 6/22 - 6/25	\$0	Vice President
<b><u>KEY ADMINISTRATIVE PERSONNEL:</u></b>			
Billy Manley 2560 Waterford Way Vidor, TX 77662	Hired 9/19	\$6,356	Manager
<b><u>CONSULTANTS</u></b>			
Schaumberg & Polk 8865 College Street Beaumont, TX 77707	Grant Projects	\$0	Engineers