

**HARBOUR WATERWAY SPECIAL DISTRICT**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

HARBOUR WATERWAY SPECIAL DISTRICT

DUVAL COUNTY, FLORIDA

FOR THE YEAR ENDED JUNE 30, 2023

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## **INDEPENDENT AUDITOR'S REPORT**

TO THE BOARD OF DIRECTORS  
HARBOUR WATERWAY SPECIAL DISTRICT

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of Harbour Waterway Special District, (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statement referred to above present fairly, in all material respects, the financial position of governmental activities, the business-type activities and each major fund of the District as of June 30, 2023, and the respective changes in financial position, and, where applicable, 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 audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Governmental Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. 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 the District and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Management is responsible for the preparation and fair presentation of these 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 Harbour Waterway Special District'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 and *Government 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements including omissions, 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 and *Government 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 Harbour Waterway Special District'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 Harbour Waterway Special District'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.

## **Other Matters**

### **Required Supplemental Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consist of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 30, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in consideration of Harbour Waterway Special District's internal control over financial reporting and compliance.

In accordance with the *Rule of the Florida Auditor General*, we have also issued the management letter dated August 30, 2023.

*Howard & Company, CPAs, P.A.*

Jacksonville, Florida  
August 30, 2023

**HARBOUR WATERWAY SPECIAL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023  
(Unaudited)**

Management's discussion and analysis of Harbour Waterway Special District's (the "District") financial performance provides an analysis of the District's financial activities. The analysis provides summary financial information for the District and should be read in conjunction with the District's financial statements.

**Overview of Financial Statements**

The District is engaged in a single governmental program and administers only two funds, the General Fund and the Reed Island Enterprise Fund.

The basic financial statements of the District include a combined governmental fund and a government-wide statement, as well as notes to the financial statements. There is additional supplementary information following these financial statements, which may be of interest to the reader.

The statement of Governmental Fund Balance Sheet/Statement of Net Position is designed to provide the reader with the financial position of the District and is similar to private-sector financial statements. The statements include a Statement of Net Position and a Statement of Activities.

The statement of Governmental Fund Balance Sheet/Statement of Net Position, general fund column shows the District's near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirement.

All of the District's programs are considered to be governmental activities and are all related to the maintenance of the system of canals located in the Harbour, Harbour North, Harbour Cay, and Harbour Island neighborhoods. The District's primary source of funds for these activities is non-ad valorem assessment revenues from the property owners of the aforementioned neighborhoods.

The District has one business-type activity that is intended to recover any or all of these costs through user fees and charges. In February 2018 and again in April 2019, the District acquired a total of 182 acres from Jacksonville Port Authority and the City of Jacksonville on Reed Island as part of a plan to provide a permanent dredge disposal site for the District, other similar special districts, homeowner associations and private residences in Jacksonville. A Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position and a Statement of Cash Flows is presented for this Enterprise Fund, as applicable.

**HARBOUR WATERWAY SPECIAL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023  
(UNAUDITED)**

**Overview of the Financial Statements – (Continued)**

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide financial statements.

**Financial Highlights**

The following are various financial highlights for fiscal year ended June 30, 2023:

In order to maintain the spoil site and surrounding properties, the District purchased a T-66 Bobcat Track Loader for \$69,868. The District plans to purchase additional equipment to maintain the spoil site.

The District's overall net position increased by approximately \$567,205. This was primarily due to tipping fees collected from dredging projects related to the Reed Island spoil site.

Total ending net position was approximately a positive \$1,412,499.

The District had total expenses for the year of about \$209,423 compared to revenues of approximately \$776,628.

The District's acquisition of the Reed Island acreage for use as a spoil site will provide approximately 1.5 million cubic yards of fill space which is estimated to provide dredge material disposal requirements for the next 50 years. The District will reserve 450,000 cubic yards for its own needs and will make the remaining fill space available on a commercial basis.

In an exchange with an unrelated commercial dredge operator, the District allowed the operator to purchase 300,000 cubic yards of the spoil site for deposit of dredge material, plus an estimated additional 210,000 cubic yards in exchange for spoil site development. The operator paid tipping fees totaling \$1,687,500 over a three-year period. In the fiscal year ended June 30, 2019, the District received 50% or \$843,750 as a down payment. In 2022, the operator purchased an additional 200,000 cubic yards of capacity for \$1,500,000, plus an estimated additional 152,000 cubic yards was granted to the operator in exchange for spoil site development. These fees have been reflected as unearned revenue in the accompanying proprietary fund financial statements.

## Financial Highlights – (Continued)

In an agreement with another similar special district, the District is permitting Isle of Palms Special District to use 300,000 cubic yards of spoil site capacity for deposit of dredge material. Isle of Palms will pay tipping fees totaling \$1,187,500. In the fiscal year ended June 30, 2020, the District received 50% or \$593,750 as down payment and will receive the balance in three equal payments over the next three years. The total fees agreed upon has been reflected as unearned revenue in the accompanying propriety fund financial statements.

## Financial Analysis of the District

The following schedule provides a summary of the assets, liabilities, and net position of the District.

Over time, net position may serve as a useful indicator of a district's financial position. In the case of the District, assets exceed liabilities by \$1,412,698 at the close of the fiscal year. This year of financial activity of the District reflects revenues in excess of expenses, resulting in an increase in net position.

	FYE 2023	FYE 2022	FYE 2021
Current assets	\$ 2,981,385	\$ 3,165,787	\$ 1,580,065
Non-current assets	\$ 915,841	\$ 739,971	\$ 895,427
Capital assets	\$ 459,791	\$ 461,320	\$ 468,328
<b>Total Assets</b>	\$ 4,357,017	\$ 4,367,078	\$ 2,943,820
Current liabilities	\$ 58,996	\$ 65,786	\$ 60,138
Non-current liabilities	\$ 2,885,322	\$ 3,456,048	\$ 3,262,775
<b>Total Liabilities</b>	\$ 2,944,318	\$ 3,521,834	\$ 3,322,913
Net position	\$ 1,412,698	\$ 845,244	\$ (379,093)
<b>Total Net Position</b>	\$ 1,412,698	\$ 845,244	\$ (379,093)
District Revenues			
Operating revenues	\$ 776,628	\$ 1,421,774	\$ 601,059
Non-operating revenues	-	-	-
<b>Total Revenues</b>	\$ 776,628	\$ 1,421,774	\$ 601,059
Expenses			
Depreciation/Amortization expense	\$ 19,384	\$ 18,240	\$ 13,054
Dredging & Spoil Site expenses	\$ 9,092	\$ 40,595	\$ 44,064
Marina	\$ 34,813		
Other operating expenses	\$ 145,884	\$ 138,601	\$ 134,802
<b>Total Expenses</b>	\$ 209,173	\$ 197,436	\$ 191,920

While the statement of net position shows the change in net position, the statement of revenues, expenditures and changes in fund balance provides answers as to the nature and source of these



changes.

**HARBOUR WATERWAY SPECIAL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023  
(UNAUDITED)**

**Budgetary Highlights**

There were no changes between the original and final budgets for the General Fund.

Assessment revenues received in the General Fund were \$4,339 more than the budgeted amount due primarily to returned and uncashed tax rebate checks of assessments to lot owners.

General Fund expenditures were \$1,670,003 lower than budgeted amounts due primarily to the following: Mill Cove seawall repairs originally budgeted for \$950,000 were not undertaken in this fiscal year; dredging project budgeted for \$225,000 was delayed; spoil site development projects were \$65,905 under budget; the first phase of renovating Marina within the District was under budget by \$38,748; equipment purchases to maintain the spoil site were delayed, and purchasing parcels adjacent to HWSD were underbudget by \$355,919. All of these projects are anticipated to begin in fiscal year 2023-24.

Administrative expenditures were approximately \$32,842 higher than budgeted amounts due primarily to higher personnel costs totaling \$13,978 and General liability and Pollution liability insurance totaling \$20,350.

**Economic Factors and Future Activities**

The District's Board of Supervisors are anticipating that the District's financial condition will improve considerably due to the increase in its planned business-type activities in the future. With its land acquisitions, the District will be able to provide dredge disposal services to other similar special districts and waterways in Jacksonville at favorable rates for at least the next 25 years.

**Contacting the District's Financial Management**

The financial report is designed to present users with a general overview of the District's finances and to demonstrate the District's accountability. If you have questions concerning any of the information provided in this report or need additional information, contact the District's Manager, Stanley H. Pipes, Jr., at 11554 Starboard Drive, Jacksonville, FL 32225.

# HARBOUR WATERWAY SPECIAL DISTRICT

## STATEMENT OF NET POSITION

**JUNE 30, 2023**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ -	\$ 2,964,161	\$ 2,964,161
Prepaid insurance	2,436	14,788	17,224
Total current assets	<u>2,436</u>	<u>2,978,949</u>	<u>2,981,385</u>
Capital assets			
Office equipment, net of accumulated depreciation of \$4,447	5,255	-	5,255
Vehicles and equipment, net of accumulated depreciation of \$48,844	-	39,293	39,293
Land - March Parcel No. 160266-0900	8,350	-	8,350
Land - Marina Parcel No. 160266-1150	2,785	-	2,785
Land - Marina Parcel No. 160671-0080	9,091	-	9,091
Land - Reed Island Parcel No. 160258	95,017	-	95,017
Land - Reed Island Parcel No. 160259	300,000	-	300,000
Net capital assets	<u>420,498</u>	<u>39,293</u>	<u>459,791</u>
Other noncurrent assets			
Tax certificates	16,750	-	16,750
Boat slip licenses	24,000	-	24,000
Due from government fund	-	875,091	875,091
Total other noncurrent assets	<u>40,750</u>	<u>875,091</u>	<u>915,841</u>
Total assets	<u>\$ 463,684</u>	<u>\$ 3,893,333</u>	<u>\$ 4,357,017</u>
<b>Liabilities</b>			
Current liabilities			
Accounts payable	\$ 7,000	\$ 1,137	\$ 8,137
Accrued interest payable	1,875	-	1,875
Accrued wages and taxes payable	1,955	1,572	3,527
Current Portion of Revenue Note Payable	45,707	-	45,707
Total current liabilities	<u>56,537</u>	<u>2,709</u>	<u>59,246</u>
Noncurrent liabilities			
Revenue Note Payable - non-current	204,341	-	204,341
Unearned revenue - tipping fees	-	1,805,890	1,805,890
Due to Reed Island Enterprise Fund	875,091	-	875,091
Total noncurrent liabilities	<u>1,079,432</u>	<u>1,805,890</u>	<u>2,885,322</u>
Total liabilities	<u>1,135,969</u>	<u>1,808,599</u>	<u>2,944,568</u>
<b>Net Position</b>			
Net investment in capital assets	420,498	39,293	459,791
Unrestricted	(1,092,783)	2,045,441	952,658
Net position	<u>(672,285)</u>	<u>2,084,734</u>	<u>1,412,449</u>
Total Liabilities and Net Position	<u>\$ 463,684</u>	<u>\$ 3,893,333</u>	<u>\$ 4,357,017</u>

See Independent Auditor's Report and Notes to Financial Statements.

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# HARBOUR WATERWAY SPECIAL DISTRICT

## STATEMENT OF ACTIVITIES

**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Operating revenues			
Assessment income	\$ 209,911	\$ -	\$ 209,911
Less: Prior year assessment rebate	(110,750)	-	(110,750)
Boat slip fees	6,000	-	6,000
Other donations	5	-	5
Reed Island tipping fees earned	-	671,462	671,462
	105,166	671,462	776,628
 Operating expenditures			
Personnel costs	64,767	17,843	82,610
Dredging & spoil site maintenance	41,820	2,085	43,905
Interest expense	12,892	-	12,892
Legal service	11,102	4,062	15,164
Auditing expense	7,250	-	7,250
Legal advertising	149	-	149
Insurance	11,644	9,254	20,898
Office supplies	761	-	761
Depreciation expense	1,841	17,543	19,384
Other administrative	4,737	1,673	6,410
	156,963	52,460	209,423
 Change in net position	(51,797)	619,002	567,205
 Net position, beginning of year	(620,488)	1,465,732	845,244
 Net position, end of year	\$ (672,285)	\$ 2,084,734	\$ 1,412,449

See Independent Auditor's Report and Notes to Financial Statements.

## HARBOUR WATERWAY SPECIAL DISTRICT

### GOVERNMENTAL FUND BALANCE SHEET/STATEMENT OF NET POSITION

JUNE 30, 2023

	General Fund	Adjustments	Statement of Net Position
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ -	\$ -	\$ -
Prepaid insurance	2,436	-	2,436
Total current assets	2,436	-	2,436
Capital assets			
Office equipment, net of accumulated depreciation of \$4,447	5,255	-	5,255
Land - March Parcel No. 160266-0900	8,350	-	8,350
Land - Marina Parcel No. 160266-1150	2,785	-	2,785
Land - Marina Parcel No. 160671-0080	9,091	-	9,091
Land - Reed Island Parcel No. 160258	95,017	-	95,017
Land - Reed Island Parcel No. 160259	300,000	-	300,000
Net capital assets	420,498	-	420,498
Other noncurrent assets			
Tax certificates	16,750	-	16,750
Boat slip licenses	24,000	-	24,000
Total other noncurrent assets	40,750	-	40,750
Total assets	\$ 463,684	\$ -	\$ 463,684
<b>Liabilities</b>			
Current liabilities			
Accounts payable	\$ 7,000	\$ -	\$ 7,000
Accrued interest payable	1,875	-	1,875
Accrued wages and taxes payable	1,955	-	1,955
Current Portion of Revenue Note Payable	45,707	-	45,707
Total current liabilities	56,537	-	56,537
Noncurrent liabilities			
Revenue Note Payable - non-current	204,341	-	204,341
Unearned revenue - tipping fees	-	-	-
Due to Reed Island Enterprise Fund	875,091	-	875,091
Total noncurrent liabilities	1,079,432	-	1,079,432
Total liabilities	1,135,969	-	1,135,969
<b>Fund Balance</b>			
Unassigned	(672,285)	672,285	-
Total liabilities and fund balance	\$ 463,684		
<b>Net Position</b>			
Net investment in capital assets		420,498	
Unrestricted		(1,092,783)	(672,285)
Net position		(672,285)	(672,285)
Total Liabilities and Net Position		\$ -	\$ 463,684

See Independent Auditor's Report and Notes to Financial Statements.  
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**HARBOUR WATERWAY SPECIAL DISTRICT**

**GOVERNMENTAL FUND BALANCE SHEET/STATEMENT OF ACTIVITIES**

**JUNE 30, 2023**

	<b>General Fund</b>	<b>Adjustments</b>	<b>Statement of Activities</b>
Operating revenues			
Assessment income	\$ 209,911	\$ -	\$ 209,911
Less: Prior year assessment rebate	(110,750)	-	(110,750)
Boat slip fees	6,000	-	6,000
Other donations	5	-	5
Reed Island tipping fees earned	-	-	-
	<u>105,166</u>	<u>-</u>	<u>105,166</u>
 Operating expenditures			
Personnel costs	64,767	-	64,767
Dredging & spoil site maintenance	41,820	-	41,820
Interest expense	12,892	-	12,892
Legal service	11,102	-	11,102
Auditing expense	7,250	-	7,250
Legal advertising	149	-	149
Insurance	11,644	-	11,644
Office supplies	761	-	761
Depreciation expense	1,841	-	1,841
Other administrative	4,737	-	4,737
	<u>156,963</u>	<u>0</u>	<u>156,963</u>
 Change in net position	(51,797)	0	(51,797)
 Fund balance/Net position, beginning of year	<u>(620,488)</u>	<u>-</u>	<u>(620,488)</u>
 Fund balance/Net position, end of year	<u>\$ (672,285)</u>	<u>\$ -</u>	<u>\$ (672,285)</u>

See Independent Auditor's Report and Notes to Financial Statements.

**HARBOUR WATERWAY SPECIAL DISTRICT**  
**PROPRIETARY FUND – REED ISLAND ENTERPRISE FUND**  
**STATEMENT OF NET POSITION**

**JUNE 30, 2023**

	<b>Business-Type Activities</b>	<b>Adjustments</b>	<b>Statement of Net Position</b>
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ 2,964,161	\$ -	\$ 2,964,161
Prepaid insurance	14,788	-	14,788
Total current assets	2,978,949	-	2,978,949
Capital assets			
Vehicles and equipment, net of accumulated depreciation of \$48,844	39,293	-	39,293
Net capital assets	39,293	-	39,293
Other noncurrent assets			
Due from government fund	875,091	-	875,091
Total other noncurrent assets	875,091	-	875,091
Total assets	\$ 3,893,333	\$ -	\$ 3,893,333
<b>Liabilities</b>			
Current liabilities			
Accounts payable	\$ 1,137	\$ -	\$ 1,137
Accrued wages and taxes payable	1,572	-	1,572
Total current liabilities	2,709	-	2,709
Noncurrent liabilities			
Unearned revenue - tipping fees	1,805,890	-	1,805,890
Total noncurrent liabilities	1,805,890	-	1,805,890
Total liabilities	1,808,599	-	1,808,599
<b>Fund Balance</b>			
Unassigned	2,084,734	(2,084,734)	-
Total liabilities and fund balance	\$ 3,893,333		
<b>Net Position</b>			
Net investment in capital assets		39,293	39,293
Unrestricted		2,045,441	2,045,441
Net position		2,084,734	2,084,734
Total Liabilities and Net Position		\$ -	\$ 3,893,333

See Independent Auditor's Report and Notes to Financial Statements.  
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**HARBOUR WATERWAY SPECIAL DISTRICT**

**STATEMENT OF PROPRIETARY FUND REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE/STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Reed Island Enterprise Fund</b>	<b>Adjustments</b>	<b>Total</b>
	<u>Fund</u>	<u>Adjustments</u>	<u>Total</u>
Operating revenues			
Reed Island tipping fees earned	\$ 671,462	-	\$ 671,462
Total operating revenues	<u>671,462</u>	<u>-</u>	<u>671,462</u>
Operating expenditures			
Personnel costs	17,843	-	17,843
Dredging & spoil site maintenance	2,085	-	2,085
Legal service	4,062	-	4,062
Insurance	9,254	-	9,254
Depreciation expense	17,543	-	17,543
Other administrative	1,673	-	1,673
Total operating expenditures	<u>52,460</u>	<u>-</u>	<u>52,460</u>
Change in net position	619,002	-	619,002
Fund balance/Net position, beginning of year	<u>1,465,732</u>	<u>-</u>	<u>1,465,732</u>
Fund balance/Net position, end of year	<u>\$ 2,084,734</u>	<u>\$ -</u>	<u>\$ 2,084,734</u>

See Independent Auditor's Report and Notes to Financial Statements.

**HARBOUR WATERWAY SPECIAL DISTRICT**  
**PROPRIETARY FUND – REED ISLAND ENTERPRISE FUND**  
**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED JUNE 30, 2023**

CASH FLOWS FROM BUSINESS-TYPE ACTIVITIES

Receipts from customers	\$	197,915
Net advances to government fund		(146,444)
Payments to suppliers		(31,051)
Payments to employees		(20,947)
Net cash flows from business-type activities		(527)
Cash and cash equivalents, beginning of year		2,964,688
Cash and cash equivalents, end of year	\$	2,964,161

RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES

Excess of revenues over expenses	\$	619,002
Adjustments to reconcile decrease in net assets to net cash used in operating activities:		
Depreciation		17,543
Change in financial position accounts:		
Accounts receivable - tipping fees		197,916
Due from government fund		(146,444)
Prepaid insurance		(13,621)
Accounts payable		(356)
Accrued wages and taxes payable		(3,104)
Unearned revenue - tipping fees		(671,463)
Net cash used in business-type activities	\$	(527)



HARBOUR WATERWAY SPECIAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

The District is a dependent special district, created in 2010 by the City Council under ordinance number 2010-725-E of the City of Jacksonville, Duval County, Florida pursuant to Section 189.4041 of the Florida Statutes; adopting a charter for the Harbour Waterway Special District for the limited purpose of maintaining the system of canals located in the Harbour, Harbour North, Harbour Cay, and Harbour Island neighborhoods. It operates under the direction of a Board of Supervisors elected by the registered voters within the District.

The District uses the criteria established in GASB Statement No. 14 to define the reporting entity and identify component units. Component units are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the District's financial statements to be misleading or incomplete. There are no entities to consider for inclusion as a component unit within the District's reporting entity. The District did not participate in any joint ventures during the 2022-2023 fiscal year.

**Basic Financial Statements**

The District is engaged in a single governmental program and administers two funds, the General Fund and the Reed Island Fund. The Statement of Net Position reports the District's financial position as of the end of the fiscal year for the General Fund. The District has taken the option of presenting combined fund financial statements and government-wide statements using a columnar format that reconciles fund financial data to government-wide data in a separate column.

The Statements of Governmental Fund Balance Sheet and Net Position reports the District's financial position as of the end of the fiscal year for both the General Fund and the governmental activities.

The Statement of Revenues, Expenditures and Change in Fund Balances and the Statement of Activities reports changes in the financial position of the General Fund and the governmental activities, and the degree to which functional activities are offset by program revenues for the governmental activities.

HARBOUR WATERWAY SPECIAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** – (Continued)

**Measurement, Basis of Accounting and Financial Statement Presentation**

The financial statement of the District are prepared in accordance with generally accepted accounting principles (GAAP). The District's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The District's governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. Expenditures are recorded when the related fund liability is incurred.

Business-type activities and the proprietary fund financial statements are presented on the accrual basis of accounting. Fees and charges and other exchange revenues are recognized when earned and expenses are recognized when incurred.

**Net Position**

Net position represent the difference between assets and liabilities reported for the governmental activities. Net position is reported as restricted when there are externally imposed restrictions or restrictions imposed by enabling legislation. Unrestricted net position are net position that do not meet the definition of the classification previously described. As of June 30, 2023, the District had no restricted net position.

**Cash and Cash Equivalents**

All of the cash deposits of the District are placed with qualified public depositories and are insured by federal depository insurance.

**Fund Types and Major Funds**

**Governmental Funds**

General-Fund - The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

HARBOUR WATERWAY SPECIAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** – (Continued)

**Fund Types and Major Funds** – (Continued)

Proprietary Funds

Enterprise Fund – Enterprise funds are required to be used to account for operations for which a fee is charged to external users for goods or services. The activities reported in this fund are reported as business-type activities in the government-wide financial statements. The Reed Island Enterprise Fund is 182 acres with a 44-acre spoil site that is part of a plan to provide a permanent dredge disposal site for the District, other special districts, homeowner associations, and private residences in Jacksonville.

**Budgets and Budgetary Accounting**

The District prepares a budget for its General Fund-Statement of Revenues and Expenditures on a consistent basis, which does not differ materially from generally accepted accounting principles. The budget and amendments, if any, are approved by the District.

**Use of Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could differ from those estimates.

**Risk Management**

The District is exposed to various risks of loss including general liability, property, and officials' liability. To manage its risks, the District has commercial insurance and participates in the Florida Mutual Insurance Trust administered by the Florida League of Cities. The District pays an annual premium to the Trust for its coverage. The premiums are designed to fund the liability risks assumed by the Trust and are based on certain actual exposures of each member.

HARBOUR WATERWAY SPECIAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** – (Continued)

**Non-Ad Valorem Assessments and Collection**

Florida Statutes requires that special districts provide for the collection and enforcement of non-ad valorem assessments, expressing the specific intent to use the uniform method of levy, collection and enforcement. The District has entered into an interlocal agreement with the Duval County Property Appraiser and the Duval County Tax Collector to administer the collection and enforcement of the non-ad valorem assessments.

**Allowance for Doubtful Accounts**

As explained in the paragraph above, delinquent taxes and special assessments are subject to collection by the Tax Collector's office through the sale of tax certificates on real property and the issuance of warrants for seizure and sale of tangible personal property. Consequently, an allowance for uncollectible accounts is not maintained because the District believes all amounts will ultimately be collected by the Duval County Tax Collector.

2. **CONCENTRATION OF CREDIT RISK**

At June 30, 2023, a total of \$2,981,385 in cash is on deposit at one local financial institution which exceeds the federally issued maximum limits. The District has not experienced, nor does it anticipate, any losses with respect to such accounts.

In addition to insurance provided by the Federal Deposit Insurance Corporation, deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, Florida Security for Public Deposit Act, the State Treasurer requires all Florida qualified depositories to deposit with the Treasurer or another banking institution eligible collateral. In the event of a failure of qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

HARBOUR WATERWAY SPECIAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023

**3. REVENUE NOTE PAYABLE**

Revenue Note payable at June 30, 2023 is as follows:

Series 2018

\$450,000 Harbour Waterway Special District, Duval County, Florida Taxable Special Assessment Revenue Note, Series 2018 was issued to pay the cost of the purchase of land to Payments remaining are to be made as follows:

	Interest	Principal	Total
May 1, 2024	11,252	45,707	56,959
May 1, 2025	9,195	47,764	56,959
May 1, 2026	7,046	49,913	56,959
May 1, 2027	4,800	52,159	56,959
May 1, 2028	2,453	54,505	56,958
Total	\$ 34,746	\$ 250,048	\$ 284,794

The note is secured by the non-ad valorem assessments of the District.

**4. CAPITAL ASSET - LAND**

In February 2018 the District purchased a 138-acre parcel of land from Jacksonville Port Authority known as Reed Island. In May 2019, the District completed its purchase of a 44-acre parcel of land on Reed Island from the City of Jacksonville. These parcels were acquired at a cost of \$395,017 and are stated in the accompanying balance sheet at historical cost. This property is used as a dredge spoil site by the District. The District allows others who are similarly situated, such as homeowners' associations and special districts, to use the property as a dredge spoil site on commercially reasonable terms as the District may establish.

**5. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through August 30, 2023, which is the date the financial statements were available to be issued. In the opinion of management, no events occurred subsequent to June 30, 2023, through August 30, 2023, that require adjustment to the accompanying financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

**HARBOUR WATERWAY SPECIAL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCE AND ACTUAL – GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
<b>Revenues</b>				
Net assessments	\$ 108,338	\$ 81,025	\$ 99,161	\$ 18,136
Boat slip fees	-	-	6,000	6,000
Spoil revenue	197,917	197,917	671,462	473,545
Other income	-	-	5	5
<b>Total Revenues</b>	<u>306,255</u>	<u>278,942</u>	<u>776,628</u>	<u>497,686</u>
<b>Expenditures</b>				
<b>Administrative</b>				
Personnel costs	67,800	67,800	82,610	14,810
Legal services	25,800	25,800	15,164	(10,636)
Annual audit	6,750	6,750	7,250	500
Legal advertising	600	600	149	(451)
Office supplies and postage	1,200	1,200	761	(439)
Insurance	15,000	15,000	20,898	5,898
Depreciation expense	-	-	19,384	19,384
Other administrative expenditures	2,205	2,205	6,410	4,205
<b>Total Administrative Expenditures</b>	<u>119,355</u>	<u>119,355</u>	<u>152,626</u>	<u>33,271</u>
<b>Canal Maintenance and Dredging Operations</b>				
COJ Park & Recreation	10,800	10,800	1,848	(8,952)
Dredging contractor	225,000	225,000	-	(225,000)
Repair bulkhead	950,000	950,000	-	(950,000)
Marine surveyor	10,000	10,000	-	(10,000)
Spoil site development expenses	75,000	75,000	32,462	(42,538)
Navigational Aids & Markers	5,000	5,000	500	(4,500)
Engineering fees	25,000	25,000	9,095	(15,905)
<b>Total Canal Maintenance and Dredging Operations</b>	<u>1,300,800</u>	<u>1,300,800</u>	<u>43,905</u>	<u>(1,256,895)</u>
<b>Debt Service</b>				
Interest expense & loan fees	13,220	13,220	12,892	(328)
<b>Total Debt Service</b>	<u>13,220</u>	<u>13,220</u>	<u>12,892</u>	<u>(328)</u>
<b>Total Expenditures</b>	<u>1,433,375</u>	<u>1,433,375</u>	<u>209,423</u>	<u>(1,223,952)</u>
<b>Excess Revenues (Expenditures)</b>	\$ (1,127,120)	\$ (1,154,433)	\$ 567,205	\$ 1,721,638
<b>Fund Balance - beginning of year</b>	<u>845,244</u>	<u>845,244</u>	<u>845,244</u>	<u>-</u>
<b>Fund Balance - end of year</b>	<u>\$ (281,876)</u>	<u>\$ (309,189)</u>	<u>\$ 1,412,449</u>	<u>\$ 1,721,638</u>

The budget is prepared by the Treasurer and approved by the Board of Supervisors. The final budgeted revenues and expenditures reflect all amendments approved by the Board of Supervisors. The budget is prepared on the accrual basis of accounting, which is consistent with generally accepted accounting principles.

**ADDITIONAL  
ELEMENTS  
REQUIRED BY  
GOVERNMENT  
*AUDITING STANDARDS***



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Supervisors  
Harbour Waterway Special District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Harbour Waterway Special District, which comprise the statement of net position as of June 30, 2023, and the related statements of revenues, expenses and changes in net position for the fiscal year then ended, and the related notes to the financial statements, and have issued my report thereon dated August 30, 2023.

**Internal Control over Financial Reporting**

In planning and performing my audit of the financial statements, we considered Harbour Waterway Special District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Harbour Waterway Special District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Harbour Waterway Special District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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## **Internal Control over Financial Reporting – (Continued)**

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Harbour Waterway Special District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Howard & Company, CPAs, P.A.*

**ADDITIONAL ELEMENTS REQUIRED BY  
AUDITOR GENERAL**

**INDEPENDENT AUDITOR'S  
MANAGEMENT LETTER**

August 30, 2023

Board of Supervisors  
Harbour Waterway Special District Jacksonville, Florida

We have audited the basic financial statements of the Harbour Waterway Special District as of and for the year ended June 30, 2023, and have issued my report thereon dated August 30, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in that report, which is dated August 30, 2023, should be considered in conjunction with this Management Letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditor's report.

**CURRENT YEAR COMMENTS**

**Investment of Public Funds**

Rules of the Auditor General require my audit to include a review of the Harbour Waterway Special District's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with my audit, we determined that the Harbour Waterway Special District complied with Section 218.415, Florida Statutes.

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## **CURRENT YEAR COMMENTS** – (Continued)

### **Current Year Recommendations**

Rules of the Auditor General require that we address in the Management Letter any recommendations to improve financial management. In connection with our audit, we did not have any recommendations that are required to be reported in this letter.

### **Violations of Contracts and Grant Provisions or Abuse**

Rules of the Auditor General require that we address violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.

### **Matters Inconsequential to the Financial Statements**

Rules of the Auditor General provides that the auditor may, based upon professional judgment, report the following matters that have an inconsequential effect on the financial statements, considering both quantitative and qualitative factors: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse; and (2) deficiencies in internal control that are not significant deficiencies. In connection with my audit for the fiscal year ended June 30, 2023, we did not have any such findings.

### **Oversight Unit and Component Units**

Rules of the Auditor General require that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this Management Letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 1 to the financial statements.

### **Consideration of Financial Emergency Criteria**

Rules of the Auditor General require a statement be included as to whether or not the local government entity has met one or more of the conditions described in Section 218.503, Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the Harbour Waterway Special District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

### **Annual Financial Report**

Rules of the Auditor General require that we determine whether the annual financial report for Harbour Waterway Special District for the fiscal year ended June 30, 2023, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended June 30, 2023. In connection with our audit, we determined that these two reports were in substantial agreement.

**CURRENT YEAR COMMENTS** – (Continued)

**Financial Condition Assessment Procedures**

Rules of the Auditor General require that we apply financial condition assessment procedures. In connection with our audit, we applied financial condition assessment procedures. It is management's responsibility to monitor the Harbour Waterway Special District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by management. The results of our procedures did not disclose any matters that are required to be reported.

**Information of a Dependent Special District as Provided in Section 218.39(a), Florida Statutes**

- (1) the total number of district employees compensated in the last pay period of the fiscal year; HWSD had one part-time employee during the last pay period of FY 2022-2023.
- (2) the total number of independent contractors compensated in the last month of the fiscal year; There were five (5) independent contractors.
- (3) all compensation paid or accrued to employees; Total compensation paid to employees for FY 2021-22 was \$76,700.
- (4) all compensation paid/accrued to independent contractors for FY 2022-23 was \$31,4834.
- (5) each construction project with cost of at least \$65,000 approved by the District and scheduled to begin after October 1 of the reporting year and total expenditures of such project; There were no construction projects in FY 2021-22 over \$65,000.
- (6) a budget variance report based on the budget adopted under Section 189.016(4), Florida Statutes, and the amended budget under Section 189.016(6), Florida Statutes.

Attached is the budget variance report. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information on the next page is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, I do not express an opinion or provide any assurance on it.

This information is intended solely for the use of the Board of Supervisors of the Harbour Waterway Special District and the Florida Auditor General and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*John W. Howard, CPA*

John W. Howard, CPA

**HARBOUR WATERWAY SPECIAL DISTRICT  
FISCAL YEAR 2022-23 BUDGET - CASH FLOW BASIS**

**BUDGET VARIANCE ANALYSIS - GOVERNMENTAL & ENTERPRISE FUNDS**

30-Jun-23

DESCRIPTION	ACTUAL FY 2022/23	BUDGET FY 2022/23	VARIANCE Positive / (Negative)	
			DOLLAR	PERCE %
<b>FUND BALANCES AT BEGINNING OF YEAR</b>				
- (Carry Forward Surplus)	\$ 2,965,438	\$ 2,785,720	\$ 179,718	6.5%
<b>OPERATING REVENUES</b>				
Net Assessments	\$ 212,689	\$ 213,338	(\$ 649)	-0.3%
- Tax Rebate - 50% refund on non-Ad Valorem Assessment	(\$ 108,750)	(\$ 105,000)	(\$ 3,750)	3.6%
Spoil Site Disposal Fees	\$ 197,917	\$ 197,917	\$ 0	0.0%
Misc Income - Refund of Legal Fees; refund of taxes	\$ 373	\$ -	\$ 373	100.0 %
<b>Total Revenue</b>	<b>\$ 308,229</b>	<b>\$ 306,255</b>	<b>\$ 1,974</b>	<b>0.6%</b>
<b>Total Revenue plus Beginning Surplus Funds</b>	<b>\$ 3,273,667</b>	<b>\$ 3,091,975</b>	<b>\$ 181,692</b>	<b>5.9%</b>
<b>EXPENDITURES</b>				
<b>Professional Services</b>				
Personnel Services includes temp labor	\$ 64,978	\$ 51,000	\$ 13,978	27.4%
Federal Taxes; FICA; Unemployment Insurance	\$ 23,936	\$ 16,800	\$ 7,136	42.5%
Legal Services	\$ 13,182	\$ 24,000	(\$ 10,818)	-45.1%
Administrative Services	\$ 2,250	\$ 1,800	\$ 450	25.0%
Accounting & Audit Services	\$ 8,470	\$ 6,750	\$ 1,720	25.5%
<b>Administrative</b>				
Office Supplies & Postage	\$ 84	\$ 1,200	(\$ 1,116)	-93.0%
Rental - Meeting Room	\$ 300	\$ -	\$ 300	100.0%
Communication Services - Web Hosting	\$ 255	\$ 255	\$ 0	0.0%
Legal & Promotional Advertising	\$ 208	\$ 600	(\$ 392)	-65.3%
Other Administrative Expenses	\$ 2,243	\$ 1,200	\$ 1,043	86.9%
<b>Other Expenses</b>				
Insurance - General Liability & Pollution	\$ 35,350	\$ 15,000	\$ 20,350	135.7%
Publications and Memberships	\$ 925	\$ 750	\$ 175	23.3%
Property Taxes - Parcel 160259	\$ 14	\$ -	\$ 14	100.0%
Interest Expense on Revenue Notes	\$ 13,220	\$ 13,220	\$ 0	0.0%
Revenue Note Principal Payments	\$ 43,738	\$ 43,738	\$ 0	0.0%
<b>Total Professional, Administrative &amp; Other</b>	<b>\$ 209,155</b>	<b>\$ 176,313</b>	<b>\$ 32,842</b>	<b>18.6%</b>
<b>Canal Maintenance &amp; Dredging Operations</b>				
Dredging / Marine Contractor	\$ -	\$ 225,000	(\$ 225,000)	-100.0%
Repair Bulkhead - COJ/JEA & Mill Cove Channel	\$ -	\$ 950,000	(\$ 950,000)	-100.0%
Marine Surveyor	\$ -	\$ 10,000	(\$ 10,000)	-100.0%
Spoil Site Development Expenses	\$ 9,095	\$ 75,000	(\$ 65,905)	-87.9%
Navigational Aids & Markers	\$ 500	\$ 5,000	(\$ 4,500)	100.0%
Marine Engineering Consultant	\$ -	\$ 25,000	(\$ 25,000)	-100.0%
COJ Park & Recreation Development	\$ 1,848	\$ 10,800	(\$ 8,952)	-82.9%
<b>Total Canal Maintenance &amp; Dredging Operations</b>	<b>\$ 11,443</b>	<b>\$ 1,300,800</b>	<b>(\$ 1,289,357)</b>	<b>-99.1%</b>
<b>Capital Expenditures</b>				
Purchase equipment as required	\$ 6,179	\$ 25,000	(\$ 18,821)	-75.3%
Purchase and Renovate Marina within the District	\$ 35,252	\$ 74,000	(\$ 38,748)	-52.4%
Purchase parcels adjacent to HWSD	\$ 44,081	\$ 400,000	(\$ 355,919)	-89.0%
<b>TOTAL EXPENDITURES</b>	<b>\$ 306,110</b>	<b>\$ 1,976,113</b>	<b>(\$ 1,670,003)</b>	<b>-84.5%</b>
<b>FUND BALANCES AT END OF YEAR</b>				
- Excess Revenue / (Expenditures)	\$ 2,967,557	\$ 1,115,862	\$ 1,851,695	165.9%

NOTES:

	2022/2023 Actual	2022/2023 Budget
1 Adjacent Ad-Valorem Residential Parcels		
Parcels adjacent to Waterw av	\$ 220,778	\$ 216,000
Easements	\$ 5,000	\$ 5,000
Other Parcels	\$ 2,500	\$ 5,000
Marina	\$ -	\$ 4,000
<b>TOTAL GROSS ASSESSMENTS</b>	<b>\$ 228,278</b>	<b>\$ 230,000</b>
Less Early Payment Discount (ava 3.88%)	(\$ 7,976)	(\$ 8,924)
Less PA and TC Discount (3.5%)	(\$ 7,613)	(\$ 7,738)
Less Provision for Parcels in Default	\$ -	\$ -
<b>TOTAL NET NON AD-VALOREM ASSESSMENTS</b>	<b>\$ 212,689</b>	<b>\$ 213,338</b>

2 Series 2018 Note is \$450,000 at 4.50% on a ten year term