



RIVERBEND RESOLUTION NO. 20170809-01

**APPROVING THE 3rd QUARTER FY 2016-2017 FINANCIAL STATEMENTS
PERFORMED BY HOLLIDAY, LEMONS & COX, PC**

WHEREAS, Riverbend Water Resources District is a conservation and reclamation district created under and essential to accomplish the purposes of Section 59 Article XVI, Texas Constitution, existing pursuant to and having the powers set forth in Chapter 9601 of the Special District Local Laws Code of the State of Texas; and

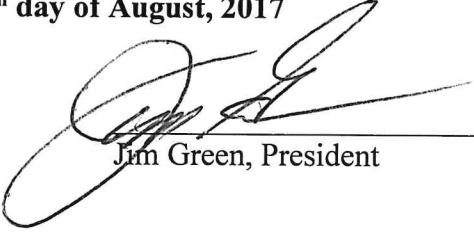
WHEREAS, Riverbend Water Resources District monitors its financials on a monthly basis and prepares quarterly financial statements; and

WHEREAS, Riverbend Water Resources District has prepared financials for the months of April 2017, May 2017, and June 2017; and

WHEREAS, Holliday, Lemons & Cox, PC has completed a compilation of the quarterly financials and presents the financials for approval; and

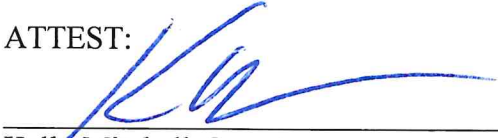
NOW, THEREFORE, BE IT RESOLVED that the Riverbend Water Resources District accepts and approves the 3rd Quarter FY 2016-2017 financial statements as compiled by Holliday, Lemons & Cox, PC for distribution.

PASSED and APPROVED this 9th day of August, 2017



Jim Green, President

ATTEST:



Kelly Mitchell, Secretary

Attached: June 2017 Financial Statements for Riverbend Water Resources District (3rd Quarter FY 2016-2017)



HOLLIDAY, LEMONS & COX, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

The Board of Directors
Riverbend Water Resources District
New Boston, TX

Management is responsible for the accompanying financial statements of the business-type activities and the related budgetary information of Riverbend Water Resources District as of and for the nine months ended June 30, 2017, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about Riverbend Water Resources District's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

The supplementary information contained in the schedules on pages 3 through 8 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

Holliday, Lemons & Cox, P.C.

July 28, 2017

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RIVERBEND WATER RESOURCES DISTRICT

**STATEMENT OF NET POSITION
ENTERPRISE FUNDS
June 30, 2017**

	<i>Administrative Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
Assets			
Current assets:			
Cash	\$ 189,202	978,953	1,168,155
Accounts receivable	30,076	332,365	362,441
Due from other fund	7,208		7,208
Restricted assets:			
Cash restricted for construction - bond proceeds		4,156,373	4,156,373
Cash restricted for bonded debt reserves		1,340,894	1,340,894
Cash restricted for planning & acquisition - bond proceeds		920,706	920,706
Total current assets	226,486	7,729,291	7,955,777
Noncurrent assets:			
Capital assets (net of accumulated depreciation):			
Computer equipment	817		817
Equipment		65,041	65,041
Utility system		10,168,573	10,168,573
Intangible assets		247,354	247,354
Construction in progress		2,847,465	2,847,465
Total capital assets	817	13,328,433	13,329,250
Total noncurrent assets	817	13,328,433	13,329,250
Total assets	227,303	21,057,724	21,285,027
Liabilities			
Current liabilities:			
Accounts payable	2,800	269,788	272,588
Retainage payable		96,028	96,028
Payroll liabilities		39,863	39,863
Due to other fund		7,208	7,208
Accrued interest payable		97,916	97,916
Accrued compensated absences - current		16,000	16,000
Revenue bonds payable - current		650,000	650,000
Total current liabilities	2,800	1,176,803	1,179,603
Non current liabilities:			
Accrued compensated absences - long term		26,301	26,301
Revenue bonds payable - long term		10,725,000	10,725,000
Total non current liabilities	-	10,751,301	10,751,301
Total liabilities	2,800	11,928,104	11,930,904
Net position			
Net investment in capital assets	817	2,912,956	2,913,773
Restricted for bond reserves		1,340,894	1,340,894
Restricted for construction		4,156,373	4,156,373
Restricted for planning and acquisition		920,706	920,706
Unrestricted (deficit)	223,686	(201,309)	22,377
Total net position	\$ 224,503	9,129,620	9,354,123

RIVERBEND WATER RESOURCES DISTRICT

STATEMENT OF REVENUES & EXPENSES ENTERPRISE FUNDS For the Nine Months Ended June 30, 2017

	<i>Administrative Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
Operating revenues			
Charges for services	\$ 150,323	2,106,376	2,256,699
Supplemental member contributions	83,347		83,347
Supplemental contributions - Riverbend (RRAD)	6,652		6,652
Other revenue		81	81
Total operating revenues	<u>240,322</u>	<u>2,106,457</u>	<u>2,346,779</u>
Operating expenses			
Administrative	326,835		326,835
Water		621,564	621,564
Wastewater		799,766	799,766
Industrial wastewater		511,134	511,134
Total operating expense	<u>326,835</u>	<u>1,932,464</u>	<u>2,259,299</u>
Operating income (loss)	(86,513)	173,993	87,480
Nonoperating revenues (expenses)		580,381	580,381
Income before capital contributions and transfers	(86,513)	754,374	667,861
Capital contributions		137,552	137,552
Transfer in (out)	100,000	(100,000)	
Change in net position	13,487	791,926	805,413
Net position, beginning of year	211,016	8,337,694	8,548,710
Net position, end of year	<u>\$ 224,503</u>	<u>9,129,620</u>	<u>9,354,123</u>

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF DETAILED REVENUES, EXPENSES, & CHANGE IN NET POSITION ENTERPRISE FUNDS For the Nine Months Ended June 30, 2017

	<i>Administrative Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
Operating revenues			
Charges for services:			
Member fees	\$ 150,323		150,323
Army volumetric charge		1,822,979	1,822,979
Army water supply charge		190,805	190,805
Commercial & residential charge		92,592	92,592
Supplemental member contributions	83,347		83,347
Supplemental contributions - Riverbend (RRAD)	6,652		6,652
Other revenue		81	81
Total operating revenues	<u>240,322</u>	<u>2,106,457</u>	<u>2,346,779</u>
Operating expenses			
Accounting & audit	2,063		2,063
Community relations	3,672		3,672
Conferences & seminars	1,420		1,420
Consulting	145,324	7,200	152,524
Dues & memberships	1,568		1,568
Engineering services	58,193		58,193
Legal & professional fees	5,420		5,420
Meetings	2,271		2,271
Office supplies	914		914
Subscriptions	276		276
Travel	5,371		5,371
Web design & maintenance	4,556		4,556
Salaries & benefits	95,583	493,011	588,594
Analyticals		75,390	75,390
Repairs		88,353	88,353
Insurance		1,269	
Other maintenance		230	230
Equipment maintenance, repair & fuel		21,036	21,036
Materials		103,677	103,677
Supplies		28,803	28,803
Permits		35,271	35,271
Utilities		86,496	86,496
Water purchase cost		209,639	209,639
Waste disposal		29,615	29,615
Overhead allocation		395,336	395,336
Total operating expenses before depreciation	<u>326,631</u>	<u>1,575,326</u>	<u>1,901,957</u>
Operating income (loss) before depreciation	(86,309)	531,131	444,822
Depreciation	204	357,138	357,342
Operating income	<u>(86,513)</u>	<u>173,993</u>	<u>87,480</u>
Nonoperating revenues (expenses)			
Facility charges revenue		857,761	857,761
Administrative fund salary revenue		95,583	95,583
Interest revenue		32,098	32,098
Other revenue		33,397	33,397
Interest expense		(369,492)	(369,492)
Franchise fees expense		(62,314)	(62,314)
Administrative fund supplemental fee expense		(6,652)	(6,652)
Total nonoperating revenues (expenses)	<u>-</u>	<u>580,381</u>	<u>580,381</u>
Income before capital contributions and transfers	(86,513)	754,374	667,861
Capital contributions		137,552	137,552
Transfer in (out)	100,000	(100,000)	-
Change in net position	13,487	791,926	805,413
Net position, beginning of year	211,016	8,337,694	8,548,710
Net position, end of year	<u>\$ 224,503</u>	<u>9,129,620</u>	<u>9,354,123</u>

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF OPERATING REVENUES & EXPENSES ADMINISTRATIVE FUND

For the Nine Months Ended June 30, 2017

	<i>Actual</i>	<i>Annual Budget</i>	<i>Percentage of Budget</i>
Operating revenues			
Charges for services	\$ 150,323	190,000	79%
Supplemental member contributions	83,347	120,000	69%
Supplemental contributions - Riverbend (RRAD)	6,652	9,600	69%
Total operating revenues	<u>240,322</u>	<u>319,600</u>	75%
Operating expenses			
Accounting & audit	2,063	15,500	13%
Community relations	3,672	5,000	73%
Conferences & seminars	1,420	5,000	28%
Consulting	145,324	275,000	53%
Dues & memberships	1,568	1,835	85%
Engineering services	58,193	59,000	99%
Legal & professional fees	5,420	7,500	72%
Meetings	2,271	2,400	95%
Office supplies	914	2,700	34%
Subscriptions	276	1,200	23%
Travel	5,371	6,000	90%
Utilities		2,400	0%
Web design & maintenance	4,556	5,000	91%
Salaries & benefits	62,670	80,726	78%
Salary reimbursement - prior year	32,913		
Total operating expenses before depreciation	<u>326,631</u>	<u>469,261</u>	70%
Depreciation	204		
Total operating expenses	<u>326,835</u>	<u>469,261</u>	70%
Income before transfers	(86,513)	(149,661)	58%
Transfer in (out)	100,000	100,000	
Use of prior year equity		50,000	
Change in net position	<u>\$ 13,487</u>	<u>339</u>	3978%

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - WATER For the Nine Months Ended June 30, 2017

	<i>Actual</i>	<i>Annual Budget</i>	<i>Percentage of Budget</i>
Operating revenues			
Charges for services:			
Army volumetric charge	\$ 444,754	593,189	75%
Army water supply charge	190,805	189,076	101%
Commercial & residential charge	42,563	38,684	110%
Other revenue	81		
Total operating revenues	<u>678,203</u>	<u>820,949</u>	83%
Operating expenses			
Salaries & benefits	161,942	239,567	68%
Analyticals	1,746	15,000	12%
Repairs	16,897	100,000	17%
Insurance	423		
Other maintenance	230	5,000	5%
Equipment maintenance, repair & fuel	9,791	10,000	98%
Equipment rental		10,000	0%
Materials	815	10,500	8%
Supplies	8,606	10,000	86%
Permits	12,767	6,000	213%
Utilities	8,679	15,000	58%
Water purchase cost	209,639	198,426	106%
Consulting		15,000	0%
Overhead allocation	118,601	164,561	72%
Total operating expenses before depreciation	<u>550,136</u>	<u>799,054</u>	69%
Depreciation	71,428		
Total operating expenses	<u>621,564</u>	<u>799,054</u>	78%
Operating income	<u>\$ 56,639</u>	<u>21,895</u>	259%

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - WASTEWATER For the Nine Months Ended June 30, 2017

	<i>Actual</i>	<i>Annual Budget</i>	<i>Percentage of Budget</i>
Operating revenues			
Charges for services:			
Army volumetric charge	\$ 736,897	944,810	78%
Commercial & residential charge	50,029	173,671	29%
Total operating revenues	<u>786,926</u>	<u>1,118,481</u>	70%
Operating expenses			
Salaries & benefits	175,433	340,806	51%
Analyticals	45,100	95,000	47%
Repairs	59,546	135,000	44%
Insurance	423		
Other maintenance		5,000	0%
Equipment maintenance, repair & fuel	6,790	17,000	40%
Equipment rental		4,000	0%
Materials	42,435	56,500	75%
Supplies	12,021	25,200	48%
Permits	14,123	20,000	71%
Utilities	50,937	120,000	42%
Waste disposal	16,942	15,000	113%
Consulting	3,600	15,000	24%
Overhead allocation	158,134	219,414	72%
Total operating expenses before depreciation	<u>585,484</u>	<u>1,067,920</u>	55%
Depreciation	214,282		
Total operating expenses	<u>799,766</u>	<u>1,067,920</u>	75%
Operating income (loss)	<u>\$ (12,840)</u>	<u>50,561</u>	-25%

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - INDUSTRIAL WASTEWATER For the Nine Months Ended June 30, 2017

	<u>Actual</u>	<u>Annual Budget</u>	<u>Percentage of Budget</u>
Operating revenues			
Charges for services:			
Army volumetric charge	\$ 641,328	855,104	75%
Total operating revenues	<u>641,328</u>	<u>855,104</u>	75%
Operating expenses			
Salaries & benefits	155,636	291,420	53%
Analyticals	28,544	50,000	57%
Repairs	11,910	100,000	12%
Insurance	423		
Other maintenance		2,000	0%
Equipment maintenance, repair & fuel	4,455	11,000	41%
Equipment rental		2,000	0%
Materials	60,427	80,000	76%
Supplies	8,176	9,000	91%
Permits	8,381	20,000	42%
Utilities	26,880	30,000	90%
Waste disposal	12,673	41,000	31%
Consulting	3,600	15,000	24%
Overhead allocation	118,601	164,561	72%
Total operating expenses before depreciation	<u>439,706</u>	<u>815,981</u>	54%
Depreciation	71,428		
Total operating expenses	<u>511,134</u>	<u>815,981</u>	63%
Operating income	<u>\$ 130,194</u>	<u>39,123</u>	333%

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF OPERATING REVENUES & EXPENSES

WET UTILITIES FUND - OVERHEAD

For the Nine Months Ended June 30, 2017

	<i>Actual</i>	<i>Annual Budget</i>	<i>Percentage of Budget</i>
Operating revenues			
Total operating revenues	\$ -	-	
Operating expenses			
Salaries & benefits	292,082	389,336	75%
Travel	4,328	5,600	77%
Meetings	377	5,000	8%
Insurance	23,419	46,000	51%
Accounting	25,668	30,000	86%
Legal	14,598	30,000	49%
Computer, reproduction & maintenance	9,805	10,000	98%
Office supplies	4,744	5,000	95%
Postage	1,102	2,600	42%
Utilities	9,315	16,000	58%
Building maintenance	5,519	6,000	92%
Licenses & fees	894	2,000	45%
Advertising	3,525	1,000	353%
Miscellaneous	(40)		
Total operating expenses	<u>395,336</u>	<u>548,536</u>	72%
Operating income (loss)	<u>(395,336)</u>	<u>(548,536)</u>	72%
Nonoperating revenues (expenses)			
Facility charges revenue	857,761	1,230,131	70%
Salary reimbursement revenue	95,583		
Interest revenue	32,098	20,000	160%
Other revenue	33,397		
Interest expense	(369,492)	(438,636)	84%
Franchise fees expense	(62,314)	(78,000)	80%
Supplemental fee expense	(6,652)	(8,880)	75%
Total nonoperating revenues (expenses)	<u>580,381</u>	<u>724,615</u>	80%
Income before capital contributions and transfers	185,045	176,079	105%
Capital contributions	137,552	-	
Transfer in (out)	<u>(100,000)</u>	<u>(100,000)</u>	
Change in net position	<u>\$ 222,597</u>	<u>76,079</u>	293%
Allocation of overhead operating expenses			
Water - 30%	118,601	164,561	
Wastewater - 40%	158,134	219,414	
Industrial Wastewater - 30%	118,601	164,561	
Total overhead allocated	<u>\$ 395,336</u>	<u>548,536</u>	