



RIVERBEND RESOLUTION NO. 20181128-02

**APPROVING THE 4th QUARTER FY 2017-2018 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 July 2018, August 2018, and September 2018; 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 4th Quarter FY 2017-2018 financial statements as compiled by Holliday, Lemons & Cox, PC for distribution.

PASSED and APPROVED this 30th day of January 2019

A handwritten signature in blue ink, appearing to read "Fred Milton", is written over a horizontal line.

Fred Milton, President

ATTEST

A handwritten signature in black ink, appearing to read "Sonja Hubbard", is written over a horizontal line.
Sonja Hubbard, Vice President

Attached: September 2018 Financial Statements for Riverbend Water Resources District (4th Quarter FY 2017-2018)



HOLLIDAY, LEMONS & COX, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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

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 September 30, 2018 and for the year then ended, 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 9 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.

November 15, 2018

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RIVERBEND WATER RESOURCES DISTRICT

STATEMENT OF NET POSITION
ENTERPRISE FUNDS
September 30, 2018

	<i>Administrative Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
Assets			
Current assets:			
Cash	\$ 472,234	1,507,405	1,979,639
Accounts receivable	18,260	362,469	380,729
Due from other fund	611		611
Restricted assets:			
Cash restricted for construction - bond proceeds		1,808,858	1,808,858
Cash restricted for bonded debt reserves		1,833,058	1,833,058
Cash restricted for planning & acquisition - bond proceeds		12,310	12,310
Total current assets	491,105	5,524,100	6,015,205
Noncurrent assets:			
Capital assets (net of accumulated depreciation):			
Computer equipment	477		477
Equipment		109,002	109,002
Utility system		11,814,915	11,814,915
TAC East System		894,143	894,143
Intangible assets		239,391	239,391
Construction in progress		3,220,016	3,220,016
Total capital assets	477	16,277,467	16,277,944
Total noncurrent assets	477	16,277,467	16,277,944
Total assets	491,582	21,801,567	22,293,149
Liabilities			
Current liabilities:			
Accounts payable	22,060	158,656	180,716
Retainage payable		97,672	97,672
Payroll liabilities		18,910	18,910
Due to other fund		611	611
Accrued interest payable		204,191	204,191
Accrued compensated absences - current		15,651	15,651
Revenue bonds payable - current		680,000	680,000
Total current liabilities	22,060	1,175,691	1,197,751
Non current liabilities:			
Accrued compensated absences - long term		40,338	40,338
Revenue bonds payable - long term		10,045,000	10,045,000
Total non current liabilities	-	10,085,338	10,085,338
Total liabilities	22,060	11,261,029	11,283,089
Net position			
Net investment in capital assets	477	6,441,237	6,441,714
Restricted for bond reserves		1,833,058	1,833,058
Restricted for construction		1,808,858	1,808,858
Restricted for planning and acquisition		12,310	12,310
Unrestricted	469,045	445,075	914,120
Total net position	\$ 469,522	10,540,538	11,010,060

RIVERBEND WATER RESOURCES DISTRICT

STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET POSITION ENTERPRISE FUNDS

For the Year Ended September 30, 2018

	<i>Administrative Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
Operating revenues			
Charges for services	\$ 197,728	3,152,129	3,349,857
Other revenue	20,476	8,774	29,250
Total operating revenues	<u>218,204</u>	<u>3,160,903</u>	<u>3,379,107</u>
Operating expenses			
Administrative	324,754		324,754
Member services	12,220		12,220
Water		942,257	942,257
Wastewater		1,212,656	1,212,656
Industrial wastewater		911,131	911,131
TAC East		44,595	44,595
Total operating expenses	<u>336,974</u>	<u>3,110,639</u>	<u>3,447,613</u>
Operating income (loss)	(118,770)	50,264	(68,506)
Nonoperating revenues (expenses)	<u>(124,712)</u>	<u>729,098</u>	<u>604,386</u>
Income (loss) before capital contributions and transfers	(243,482)	779,362	535,880
Capital contributions		793,535	793,535
Transfers in (out)	430,000	(430,000)	-
Change in net position	186,518	1,142,897	1,329,415
Net position, beginning of year	<u>283,004</u>	<u>9,397,641</u>	<u>9,680,645</u>
Net position, end of year	<u>\$ 469,522</u>	<u>10,540,538</u>	<u>11,010,060</u>

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF DETAILED REVENUES, EXPENSES, & CHANGE IN NET POSITION ENTERPRISE FUNDS For the Year Ended September 30, 2018

	<u>Administrative Fund</u>	<u>Wet Utilities Fund</u>	<u>Total</u>
Operating revenues			
Charges for services:			
Member fees	\$ 197,728		197,728
Army volumetric charge		2,590,774	2,590,774
Army water supply charge		248,866	248,866
Commercial & residential charge		312,489	312,489
Other revenue	20,476	8,774	29,250
Total operating revenues	<u>218,204</u>	<u>3,160,903</u>	<u>3,379,107</u>
Operating expenses			
Advertising	1,330		1,330
Accounting & audit	14,277		14,277
Bank service charges	65		65
Community relations	5,040		5,040
Conferences & seminars	3,595		3,595
Consulting	154,913	58,600	213,513
Dues & memberships	2,089		2,089
Engineering services	41,014		41,014
Legal & professional fees	4,725		4,725
Meetings	4,621		4,621
Office supplies	1,225		1,225
Subscriptions	430		430
Travel	6,666	11	6,677
Web design & maintenance	2,335		2,335
Salaries & benefits	90,546	774,977	865,523
Analyticals		82,511	82,511
Repairs		303,522	303,522
Insurance		21,185	21,185
Other maintenance		371	371
Equipment maintenance, repair & fuel		33,339	33,339
Equipment rental		100	100
Materials		212,358	212,358
Supplies		26,772	26,772
Permits		24,268	24,268
Utilities	1,007	125,597	126,604
Water purchase cost		357,728	357,728
Waste disposal		55,388	55,388
Hooks wastewater services	495		495
Maud services	2,329		2,329
Overhead allocation		455,958	455,958
Total operating expenses before depreciation	<u>336,702</u>	<u>2,532,685</u>	<u>2,869,387</u>
Operating income (loss) before depreciation	(118,498)	628,218	509,720
Depreciation	272	577,954	578,226
Operating income (loss)	<u>(118,770)</u>	<u>50,264</u>	<u>(68,506)</u>
Nonoperating revenues (expenses)			
Facility charges revenue		1,148,078	1,148,078
Administrative fund salary revenue		81,580	81,580
Intergovernmental revenue	50,000		50,000
Interest revenue		37,349	37,349
Interest expense		(445,946)	(445,946)
Franchise fees expense		(91,963)	(91,963)
Special projects expense	(174,712)		(174,712)
Total nonoperating revenues (expenses)	<u>(124,712)</u>	<u>729,098</u>	<u>604,386</u>
Income (loss) before capital contributions	(243,482)	779,362	535,880
Capital contributions		793,535	793,535
Transfers in (out)	430,000	(430,000)	-
Change in net position	186,518	1,142,897	1,329,415
Net position, beginning of year	283,004	9,397,641	9,680,645
Net position, end of year	<u>\$ 469,522</u>	<u>10,540,538</u>	<u>11,010,060</u>

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF OPERATING REVENUES, EXPENSES & CHANGES IN NET POSITION ADMINISTRATIVE FUND

For the Year Ended September 30, 2018

	<i>Actual</i>			<i>Annual Budget</i>	<i>Percentage of Budget</i>
	<i>Administration</i>	<i>Member Services</i>	<i>Total</i>		
Operating revenues					
Charges for services	\$ 197,728		197,728	190,000	104%
Member services revenue		20,476	20,476	18,338	112%
Total operating revenues	<u>197,728</u>	<u>20,476</u>	<u>218,204</u>	<u>208,338</u>	105%
Operating expenses					
Advertising	1,330	-	1,330	1,400	95%
Accounting & audit	14,277	-	14,277	9,500	150%
Bank service fees	65	-	65	300	22%
Community relations	5,040	-	5,040	5,000	101%
Conferences & seminars	3,595	-	3,595	4,000	90%
Consulting	154,913	-	154,913	190,000	82%
Dues & memberships	2,089	-	2,089	2,735	76%
Engineering services	40,651	363	41,014	20,000	205%
Legal & professional fees	4,725	-	4,725	7,500	63%
Meetings	4,621	-	4,621	3,900	118%
Office supplies	1,158	67	1,225	1,800	68%
Subscriptions	430	-	430	900	48%
Travel	6,666	-	6,666	9,000	74%
Utilities	1,007	-	1,007	2,400	42%
Web design & maintenance	2,335	-	2,335	4,000	58%
Salaries & benefits	81,580	8,966	90,546	92,534	98%
Hooks wastewater services		495	495	2,700	18%
Maud services		2,329	2,329	2,800	83%
Total operating expenses before depreciation	<u>324,482</u>	<u>12,220</u>	<u>336,702</u>	<u>360,469</u>	93%
Depreciation	272		272		
Total operating expenses	<u>324,754</u>	<u>12,220</u>	<u>336,974</u>	<u>360,469</u>	93%
Operating income	<u>(127,026)</u>	<u>8,256</u>	<u>(118,770)</u>	<u>(152,131)</u>	
Nonoperating revenues (expenses):					
Intergovernmental revenue	50,000		50,000		
Special projects - water availability model	(108,308)		(108,308)	(236,000)	46%
Special projects - Hooks feasibility study		(9,301)	(9,301)	(20,000)	47%
Special projects - Volumetric/Sedimentation study	(57,103)		(57,103)		
Total nonoperating revenues (expenses)	<u>(115,411)</u>	<u>(9,301)</u>	<u>(124,712)</u>	<u>(256,000)</u>	
Income before transfers	(242,437)	(1,045)	(243,482)	(408,131)	
Transfers in	430,000		430,000		
Change in net position	187,563	(1,045)	186,518	(408,131)	
Net position, beginning of year	283,004	-	283,004	283,004	
Net position, end of year	<u>\$ 470,567</u>	<u>(1,045)</u>	<u>469,522</u>	<u>(125,127)</u>	

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - WATER For the Year Ended September 30, 2018

	<i>Actual</i>	<i>Annual Budget</i>	<i>Percentage of Budget</i>
Operating revenues			
Charges for services:			
Army volumetric charge	\$ 627,381	634,065	99%
Army water supply charge	248,866	310,253	80%
Commercial & residential charge	155,106	34,007	456%
Other revenue	1,300	-	
Total operating revenues	<u>1,032,653</u>	<u>978,325</u>	106%
Operating expenses			
Salaries & benefits	264,352	302,694	87%
Analyticals	2,575	10,000	26%
Repairs	63,254	65,000	97%
Insurance	7,061	13,000	54%
Other maintenance	371	5,000	7%
Equipment maintenance, repair & fuel	13,452	15,000	90%
Equipment rental	-	5,000	0%
Materials	-	6,500	0%
Supplies	5,287	10,000	53%
Permits	5,581	15,000	37%
Utilities	13,130	15,000	88%
Water purchase cost	295,282	321,426	92%
Consulting	19,534	20,000	98%
Overhead allocation	136,787	156,480	87%
Total operating expenses before depreciation	<u>826,666</u>	<u>960,100</u>	86%
Depreciation	115,591		
Total operating expenses	<u>942,257</u>	<u>960,100</u>	98%
Operating income	<u>\$ 90,396</u>	<u>18,225</u>	496%

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - WASTEWATER For the Year Ended September 30, 2018

	<i>Actual</i>	<i>Annual Budget</i>	<i>Percentage of Budget</i>
Operating revenues			
Charges for services:			
Army volumetric charge	\$ 995,227	956,194	104%
Commercial & residential charge	114,950	130,959	88%
Other revenue	7,474	-	
Total operating revenues	<u>1,117,651</u>	<u>1,087,153</u>	103%
Operating expenses			
Salaries & benefits	243,181	306,330	79%
Analyticals	43,778	80,000	55%
Repairs	157,007	129,000	122%
Insurance	7,062	13,000	54%
Other maintenance	-	5,000	0%
Equipment maintenance, repair & fuel	13,959	17,000	82%
Equipment rental	100	4,000	3%
Materials	59,692	56,500	106%
Supplies	12,011	25,200	48%
Permits	10,071	20,000	50%
Utilities	63,558	100,000	64%
Waste disposal	23,120	30,000	77%
Water purchase cost	30,418	31,000	98%
Consulting	19,533	20,000	98%
Travel	11		
Overhead allocation	182,383	208,640	87%
Total operating expenses before depreciation	<u>865,884</u>	<u>1,045,670</u>	83%
Depreciation	346,772		
Total operating expenses	<u>1,212,656</u>	<u>1,045,670</u>	116%
Operating income (loss)	<u>\$ (95,005)</u>	<u>41,483</u>	-229%

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - INDUSTRIAL WASTEWATER For the Year Ended September 30, 2018

	<u>Actual</u>	<u>Annual Budget</u>	<u>Percentage of Budget</u>
Operating revenues			
Charges for services:			
Army volumetric charge	\$ 968,166	1,005,620	96%
Total operating revenues	<u>968,166</u>	<u>1,005,620</u>	96%
Operating expenses			
Salaries & benefits	266,065	330,043	81%
Analyticals	36,158	45,000	80%
Repairs	82,165	139,500	59%
Insurance	7,062	13,000	54%
Other maintenance	-	2,000	0%
Equipment maintenance, repair & fuel	5,928	11,000	54%
Equipment rental	-	2,000	0%
Materials	152,666	144,400	106%
Supplies	9,474	14,000	68%
Permits	8,616	8,600	100%
Utilities	38,817	46,000	84%
Waste disposal	32,268	30,000	108%
Consulting	19,533	20,000	98%
Overhead allocation	136,788	156,480	87%
Total operating expenses before depreciation	<u>795,540</u>	<u>962,023</u>	83%
Depreciation	115,591		
Total operating expenses	<u>911,131</u>	<u>962,023</u>	95%
Operating income	<u>\$ 57,035</u>	<u>43,597</u>	131%

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - TAC EAST For the Year Ended September 30, 2018

	<u>Actual</u>	<u>Annual Budget</u>	<u>Percentage of Budget</u>
Operating revenues			
Charges for services:			
Commercial & residential charge	\$ 42,433	40,000	106%
Total operating revenues	<u>42,433</u>	<u>40,000</u>	
Operating expenses			
Salaries & benefits	1,379		
Repairs	1,096		
Utilities	10,092	15,000	67%
Water purchase cost	32,028	35,000	92%
Total operating expenses	<u>44,595</u>	<u>50,000</u>	89%
Operating income (loss)	<u>(2,162)</u>	<u>(10,000)</u>	22%

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - OVERHEAD For the Year Ended September 30, 2018

	<u>Actual</u>	<u>Annual Budget</u>	<u>Percentage of Budget</u>
Operating revenues			
Total operating revenues	\$ -	-	
Operating expenses			
Salaries & benefits	376,839	401,400	94%
Travel	2,665	5,600	48%
Meetings	1,758	3,000	59%
Insurance	200	1,000	20%
Accounting & audit	23,280	36,000	65%
Legal	7,855	30,000	26%
Computer, reproduction & maintenance	15,874	12,000	132%
Office supplies	5,632	6,000	94%
Postage	1,125	2,600	43%
Utilities	11,941	13,000	92%
Building maintenance	6,514	7,000	93%
Licenses & fees	-	2,000	0%
Advertising	1,989	2,000	99%
Miscellaneous	286		
Total operating expenses	<u>455,958</u>	<u>521,600</u>	87%
Operating income (loss)	<u>(455,958)</u>	<u>(521,600)</u>	87%
 Allocation of overhead operating expenses			
Water - 30%	136,787	156,480	
Wastewater - 40%	182,383	208,640	
Industrial Wastewater - 30%	136,788	156,480	
Total overhead allocated	<u>\$ 455,958</u>	<u>521,600</u>	