



**RIVERBEND RESOLUTION NO. 20170614-01**

**APPROVING THE 1<sup>st</sup> 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 October 2016, November 2016, and December 2016; 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 1<sup>st</sup> Quarter FY 2016-2017 financial statements as compiled by Holliday, Lemons & Cox, PC for distribution.

**PASSED and APPROVED this 14<sup>th</sup> day of June, 2017**

  
\_\_\_\_\_  
Jim Green, President

ATTEST:

  
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Kelly Mitchell, Secretary

Attached: December 2016 Financial Statements for Riverbend Water Resources District (1<sup>st</sup> 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 three months ended December 31, 2016, 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.

*Holliday, Lemons, & Cox, P.C.*

June 8, 2017

# RIVERBEND WATER RESOURCES DISTRICT

**STATEMENT OF NET POSITION  
ENTERPRISE FUNDS  
December 31, 2016**

	<i>Administrative Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
<b>Assets</b>			
Current assets:			
Cash	\$ 134,318	1,760,287	1,894,605
Accounts receivable	44,911	332,364	377,275
Due from other fund	40,082		40,082
Restricted assets:			
Cash restricted for construction - bond proceeds		4,914,658	4,914,658
Cash restricted for bonded debt reserves		815,724	815,724
Cash restricted for planning & acquisition - bond proceeds		919,948	919,948
Prepaid expenses		15,479	15,479
Total current assets	219,311	8,758,460	8,977,771
Noncurrent assets:			
Capital assets (net of accumulated depreciation):			
Computer equipment	953		953
Equipment		70,616	70,616
Utility system		10,397,904	10,397,904
Intangible assets		250,538	250,538
Construction in progress		2,083,512	2,083,512
Total capital assets	953	12,802,570	12,803,523
Total noncurrent assets	953	12,802,570	12,803,523
Total assets	220,264	21,561,030	21,781,294
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	2,277	294,531	296,808
Retainage payable		72,989	72,989
Payroll liabilities		34,471	34,471
Due to other fund		40,082	40,082
Accrued interest payable		97,916	97,916
Accrued compensated absences - current		16,000	16,000
Note payable		900,000	900,000
Revenue bonds payable - current		650,000	650,000
Total current liabilities	2,277	2,105,989	2,108,266
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	2,277	12,857,290	12,859,567
<b>Net position</b>			
Net investment in capital assets	953	1,390,706	1,391,659
Restricted for bond reserves		824,026	824,026
Restricted for construction		4,914,658	4,914,658
Restricted for planning and acquisition		919,948	919,948
Unrestricted	217,034	654,402	871,436
Total net position	\$ 217,987	8,703,740	8,921,727

# RIVERBEND WATER RESOURCES DISTRICT

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## STATEMENT OF REVENUES & EXPENSES ENTERPRISE FUNDS For the Three Months Ended December 31, 2016

	<i>Administrative Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
<b>Operating revenues</b>			
Charges for services	\$ 51,470	714,568	766,038
Supplemental member contributions	27,783		27,783
Other revenue		53	53
Total operating revenues	<u>79,253</u>	<u>714,621</u>	<u>793,874</u>
<b>Operating expenses</b>			
Administration	74,499		74,499
Water		217,632	217,632
Waste water		256,005	256,005
Industrial wastewater		168,649	168,649
Total operating expense	<u>74,499</u>	<u>642,286</u>	<u>716,785</u>
Operating income	4,754	72,335	77,089
Nonoperating revenues (expenses)		196,221	196,221
Income before capital contributions	4,754	268,556	273,310
Capital contributions		97,490	97,490
Change in net position	4,754	366,046	370,800
Net position, beginning of year	211,016	8,337,694	8,548,710
Net position, end of year	<u>\$ 215,770</u>	<u>8,703,740</u>	<u>8,919,510</u>

# RIVERBEND WATER RESOURCES DISTRICT

## SCHEDULE OF DETAILED REVENUES, EXPENSES, & CHANGE IN NET POSITION ENTERPRISE FUNDS For the Three Months Ended December 31, 2016

	<i>Administrative Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
<b>Operating revenues</b>			
Charges for services:			
Member fees	\$ 51,470		51,470
Army volumetric charge		607,659	607,659
Army water supply charge		71,342	71,342
Commercial & residential charge		35,567	35,567
Supplemental member contributions	27,783		27,783
Other revenue		53	53
Total operating revenues	<u>79,253</u>	<u>714,621</u>	<u>793,874</u>
<b>Operating expenses</b>			
Accounting & audit	563		563
Community relations	2,700		2,700
Consulting	42,000	-	42,000
Dues & memberships	600		600
Legal & professional fees	1,360		1,360
Meetings	727		727
Office supplies	708		708
Subscriptions	276		276
Travel	518		518
Web design & maintenance	2,400		2,400
Salaries & benefits	22,579	165,077	187,656
Analyticals		25,685	25,685
Repairs		33,527	33,527
Other maintenance		89	89
Equipment maint, repair & fuel		3,491	3,491
Materials		28,154	28,154
Supplies		6,074	6,074
Permits		34,057	34,057
Utilities		24,911	24,911
Water purchase cost		70,863	70,863
Waste disposal		5,659	5,659
Overhead allocation		125,653	125,653
Total operating expenses before depreciation	<u>74,431</u>	<u>523,240</u>	<u>597,671</u>
Operating income before depreciation	4,822	191,381	196,203
Depreciation	68	119,046	119,114
Operating income	<u>4,754</u>	<u>72,335</u>	<u>77,089</u>
<b>Nonoperating revenues (expenses)</b>			
Facility charges revenue		285,920	285,920
Salary reimbursement revenue		22,579	22,579
Interest revenue		12,312	12,312
Other revenue		33,397	33,397
Interest expense		(134,492)	(134,492)
Franchise fees expense		(21,278)	(21,278)
Supplemental fee expense		(2,217)	(2,217)
Total nonoperating revenues (expenses)	<u>-</u>	<u>196,221</u>	<u>196,221</u>
Income before capital contributions	4,754	268,556	273,310
Capital contributions		97,490	97,490
Change in net position	4,754	366,046	370,800
Net position, beginning of year	211,016	8,337,694	8,548,710
Net position, end of year	<u>\$ 215,770</u>	<u>8,703,740</u>	<u>8,919,510</u>

# RIVERBEND WATER RESOURCES DISTRICT

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## SCHEDULE OF OPERATING REVENUES & EXPENSES

### ADMINISTRATIVE FUND

For the Three Months Ended December 31, 2016

	<u>Actual</u>	<u>Annual Budget</u>	<u>Percentage of Budget</u>
<b>Operating revenues</b>			
Charges for services	\$51,470	120,000	43%
Supplemental member contributions	27,783	190,000	15%
Supplemental contributions - Riverbend (RRAD)	2,217	9,600	23%
Total operating revenues	<u>81,470</u>	<u>319,600</u>	25%
<b>Operating expenses</b>			
Accounting & audit	563	15,500	4%
Community relations	2,700	5,000	54%
Conferences & seminars		5,000	0%
Consulting	42,000	175,000	24%
Dues & memberships	600	1,835	33%
Engineering services		9,000	0%
Legal & professional fees	1,360	7,500	18%
Meetings	727	2,400	30%
Office supplies	708	2,700	26%
Subscriptions	276	1,200	23%
Travel	518	6,000	9%
Utilities		2,400	0%
Web design & maintenance	2,400	5,000	48%
Salaries & benefits	22,579	80,726	28%
Total operating expenses before depreciation	<u>74,431</u>	<u>238,535</u>	31%
Depreciation	68		
Total operating expenses	<u>74,499</u>	<u>238,535</u>	31%
Operating income	<u>\$ 6,971</u>	<u>81,065</u>	9%

# RIVERBEND WATER RESOURCES DISTRICT

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## SCHEDULE OF OPERATING REVENUES & EXPENSES

### WET UTILITIES FUND - WATER

For the Three Months Ended December 31, 2016

	<u>Actual</u>	<u>Annual Budget</u>	<u>Percentage of Budget</u>
<b>Operating revenues</b>			
Charges for services:			
Army volumetric charge	\$148,251	593,189	25%
Army water supply charge	71,342	189,076	38%
Commercial & residential charge	13,466	38,684	35%
Other revenue	53		
Total operating revenues	<u>233,112</u>	<u>820,949</u>	28%
 <b>Operating expenses</b>			
Salaries & benefits	58,672	239,567	24%
Analyticals	574	15,000	4%
Repairs	8,286	100,000	8%
Other maintenance	89	5,000	2%
Equipment maintenance, repair & fuel	1,338	10,000	13%
Equipment rental		10,000	0%
Materials		10,500	0%
Supplies	961	10,000	10%
Permits	12,767	6,000	213%
Utilities	2,577	15,000	17%
Water purchase cost	70,863	198,426	36%
Consulting		15,000	0%
Overhead allocation	37,696	140,343	27%
Total operating expenses before depreciation	<u>193,823</u>	<u>774,836</u>	25%
Depreciation	23,809		
Total operating expenses	<u>217,632</u>	<u>774,836</u>	28%
 Operating income	 <u>\$ 15,480</u>	 <u>46,113</u>	 34%

# RIVERBEND WATER RESOURCES DISTRICT

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## SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - WASTEWATER For the Three Months Ended December 31, 2016

	<i>Actual</i>	<i>Annual Budget</i>	<i>Percentage of Budget</i>
<b>Operating revenues</b>			
Charges for services:			
Army volumetric charge	\$ 245,632	944,810	26%
Commercial & residential charge	22,101	173,671	13%
Total operating revenues	<u>267,733</u>	<u>1,118,481</u>	24%
 <b>Operating expenses</b>			
Salaries & benefits	55,576	340,806	16%
Analyticals	15,596	95,000	16%
Repairs	23,072	135,000	17%
Other maintenance		5,000	0%
Equipment maintenance, repair & fuel	1,471	17,000	9%
Equipment rental		4,000	0%
Materials	3,177	56,500	6%
Supplies	3,312	25,200	13%
Permits	12,909	20,000	65%
Utilities	14,193	120,000	12%
Waste disposal	5,010	15,000	33%
Consulting		15,000	0%
Overhead allocation	50,261	187,124	27%
Total operating expenses before depreciation	<u>184,577</u>	<u>1,035,630</u>	18%
Depreciation	71,428		
Total operating expenses	<u>256,005</u>	<u>1,035,630</u>	25%
 Operating income	 <u>\$ 11,728</u>	 <u>82,851</u>	 14%



# RIVERBEND WATER RESOURCES DISTRICT

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## SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - INDUSTRIAL WASTEWATER For the Three Months Ended December 31, 2016

	<i>Actual</i>	<i>Annual Budget</i>	<i>Percentage of Budget</i>
<b>Operating revenues</b>			
Charges for services:			
Army volumetric charge	\$ 213,776	855,104	25%
Total operating revenues	213,776	855,104	25%
 <b>Operating expenses</b>			
Salaries & benefits	50,829	291,420	17%
Analyticals	9,515	50,000	19%
Repairs	2,169	100,000	2%
Other maintenance		2,000	0%
Equipment maintenance, repair & fuel	682	11,000	6%
Equipment rental		2,000	0%
Materials	24,977	80,000	31%
Supplies	1,801	9,000	20%
Permits	8,381	20,000	42%
Utilities	8,141	30,000	27%
Waste disposal	649	41,000	2%
Consulting		15,000	0%
Overhead allocation	37,696	140,343	27%
Total operating expenses before depreciation	144,840	791,763	18%
Depreciation	23,809		
Total operating expenses	168,649	791,763	21%
 Operating income	\$ 45,127	63,341	71%

# RIVERBEND WATER RESOURCES DISTRICT

## SCHEDULE OF OPERATING REVENUES & EXPENSES

### WET UTILITIES FUND - OVERHEAD

For the Three Months Ended December 31, 2016

	<u>Actual</u>	<u>Annual Budget</u>	<u>Percentage of Budget</u>
<b>Operating revenue</b>			
Total operating revenue	\$ -	-	
<b>Operating expenses</b>			
Salaries & benefits	96,740	308,610	31%
Travel	1,587	5,600	28%
Meetings	124	5,000	2%
Insurance	7,740	46,000	17%
Accounting & audit	6,673	30,000	22%
Legal & professional fees	1,560	30,000	5%
Computer, reproduction & maintenance	4,007	10,000	40%
Office supplies	1,500	5,000	30%
Postage	180	2,600	7%
Utilities	3,582	16,000	22%
Building maintenance	1,650	6,000	28%
Licenses & fees	222	2,000	11%
Advertising		1,000	0%
Miscellaneous	88	-	
Total operating expenses	<u>125,653</u>	<u>467,810</u>	27%
Operating income (loss)	<u>(125,653)</u>	<u>(467,810)</u>	27%
<b>Nonoperating revenues (expenses)</b>			
Facility charges revenue	285,920	1,230,131	23%
Salary reimbursement revenue	22,579	-	
Interest revenue	12,312	20,000	62%
Other revenue	33,397	-	
Interest expense	(134,492)	(438,636)	31%
Franchise fees expense	(21,278)	(78,000)	27%
Supplemental fee expense	(2,217)	(8,880)	25%
Total nonoperating revenues (expenses)	<u>196,221</u>	<u>724,615</u>	27%
Income before capital contributions	70,568	256,805	27%
Capital contributions	<u>97,490</u>	-	
Change in net position	<u>\$ 168,058</u>	<u>256,805</u>	65%
<b>Allocation of overhead operating expenses</b>			
Water - 30%	37,696	140,343	
Wastewater - 40%	50,261	187,124	
Industrial Wastewater - 30%	37,696	140,343	
Total overhead allocated	<u>\$ 125,653</u>	<u>467,810</u>	