



**RIVERBEND RESOLUTION NO. 20180829-01**

**APPROVING THE 3<sup>rd</sup> 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 April 2018, May 2018, and June 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 3<sup>rd</sup> Quarter FY 2017-2018 financial statements as compiled by Holliday, Lemons & Cox, PC for distribution.

**PASSED and APPROVED this 29<sup>th</sup> day of August, 2018**

  
\_\_\_\_\_  
Marshall Wood, President

ATTEST:  
  
\_\_\_\_\_  
Sean Rommel, Secretary

Attached: June 2018 Financial Statements for Riverbend Water Resources District (3<sup>rd</sup> 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 June 30, 2018 and for the nine months 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.*

August 15, 2018

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# RIVERBEND WATER RESOURCES DISTRICT

## STATEMENT OF NET POSITION ENTERPRISE FUNDS June 30, 2018

	<i>Administrative Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
<b>Assets</b>			
Current assets:			
Cash	\$ 187,846	1,620,543	1,808,389
Accounts receivable	30,995	402,394	433,389
Due from other fund	1,653		1,653
Restricted assets:			
Cash restricted for construction - bond proceeds		2,414,796	2,414,796
Cash restricted for bonded debt reserves		1,492,674	1,492,674
Cash restricted for planning & acquisition - bond proceeds		246,247	246,247
Total current assets	<u>220,494</u>	<u>6,176,654</u>	<u>6,397,148</u>
Noncurrent assets:			
Capital assets (net of accumulated depreciation):			
Computer equipment	545		545
Equipment		114,201	114,201
Utility system		11,943,901	11,943,901
TAC East System		902,852	902,852
Intangible assets		240,983	240,983
Construction in progress		2,405,034	2,405,034
Total capital assets	<u>545</u>	<u>15,606,971</u>	<u>15,607,516</u>
Total noncurrent assets	<u>545</u>	<u>15,606,971</u>	<u>15,607,516</u>
Total assets	<u>221,039</u>	<u>21,783,625</u>	<u>22,004,664</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	22,293	46,219	68,512
Retainage payable		68,609	68,609
Payroll liabilities		39,085	39,085
Due to other fund		1,653	1,653
Accrued interest payable		92,814	92,814
Accrued compensated absences - current		14,472	14,472
Revenue bonds payable - current		680,000	680,000
Total current liabilities	<u>22,293</u>	<u>942,852</u>	<u>965,145</u>
Non current liabilities:			
Accrued compensated absences - long term		32,123	32,123
Revenue bonds payable - long term		10,045,000	10,045,000
Total non current liabilities	<u>-</u>	<u>10,077,123</u>	<u>10,077,123</u>
Total liabilities	<u>22,293</u>	<u>11,019,975</u>	<u>11,042,268</u>
<b>Net position</b>			
Net investment in capital assets	545	5,793,362	5,793,907
Restricted for bond reserves		1,492,674	1,492,674
Restricted for construction		2,414,796	2,414,796
Restricted for planning and acquisition		246,247	246,247
Unrestricted	198,201	816,571	1,014,772
Total net position	<u>\$ 198,746</u>	<u>10,763,650</u>	<u>10,962,396</u>

# RIVERBEND WATER RESOURCES DISTRICT

## STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET POSITION ENTERPRISE FUNDS For the Nine Months Ended June 30, 2018

	<i>Administrative Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
<b>Operating revenues</b>			
Charges for services	\$ 148,311	2,341,145	2,489,456
Other revenue	14,539	1,300	15,839
Total operating revenues	<u>162,850</u>	<u>2,342,445</u>	<u>2,505,295</u>
<b>Operating expenses</b>			
Administrative	219,294		219,294
Member services	8,854		8,854
Water		710,438	710,438
Wastewater		861,164	861,164
Industrial wastewater		642,483	642,483
TAC East		24,946	24,946
Total operating expenses	<u>228,148</u>	<u>2,239,031</u>	<u>2,467,179</u>
Operating income (loss)	(65,298)	103,414	38,116
Nonoperating revenues (expenses)	<u>(56,674)</u>	<u>554,290</u>	<u>497,616</u>
Income (loss) before capital contributions and transfers	(121,972)	657,704	535,732
Capital contributions		746,019	746,019
Transfers in (out)	<u>37,714</u>	<u>(37,714)</u>	<u>-</u>
Change in net position	(84,258)	1,366,009	1,281,751
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>\$ 198,746</u>	<u>10,763,650</u>	<u>10,962,396</u>

# RIVERBEND WATER RESOURCES DISTRICT

## SCHEDULE OF DETAILED REVENUES, EXPENSES, & CHANGE IN NET POSITION ENTERPRISE FUNDS For the Nine Months Ended June 30, 2018

	<i>Administrative Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
<b>Operating revenues</b>			
Charges for services:			
Member fees	\$ 148,311		148,311
Army volumetric charge		1,943,081	1,943,081
Army water supply charge		198,719	198,719
Commercial & residential charge		199,345	199,345
Other revenue	14,539	1,300	15,839
Total operating revenues	<u>162,850</u>	<u>2,342,445</u>	<u>2,505,295</u>
<b>Operating expenses</b>			
Accounting & audit	9,102		9,102
Community relations	3,826		3,826
Conferences & seminars	1,830		1,830
Consulting	115,775	38,874	154,649
Dues & memberships	1,654		1,654
Engineering services	9,476		9,476
Legal & professional fees	2,745		2,745
Meetings	2,200		2,200
Office supplies	1,191		1,191
Subscriptions	276		276
Travel	5,488	584	6,072
Web design & maintenance	2,168		2,168
Salaries & benefits	68,433	585,557	653,990
Analyticals		60,480	60,480
Repairs		182,249	182,249
Insurance		13,847	13,847
Other maintenance		264	264
Equipment maintenance, repair & fuel		23,165	23,165
Equipment rental		-	-
Materials		158,030	158,030
Supplies		19,872	19,872
Permits		23,968	23,968
Utilities	1,007	95,074	96,081
Water purchase cost		239,048	239,048
Waste disposal		19,292	19,292
Hooks wastewater services	445		445
Maud services	2,328		2,328
Overhead allocation		345,262	345,262
Total operating expenses before depreciation	<u>227,944</u>	<u>1,805,566</u>	<u>2,033,510</u>
Operating income (loss) before depreciation	(65,094)	536,879	471,785
Depreciation	204	433,465	433,669
Operating income (loss)	<u>(65,298)</u>	<u>103,414</u>	<u>38,116</u>
<b>Nonoperating revenues (expenses)</b>			
Facility charges revenue		861,058	861,058
Administrative fund salary revenue		62,782	62,782
Interest revenue		25,784	25,784
Interest expense		(334,569)	(334,569)
Franchise fees expense		(60,765)	(60,765)
Special projects expense	(56,674)		(56,674)
Total nonoperating revenues (expenses)	<u>(56,674)</u>	<u>554,290</u>	<u>497,616</u>
Income (loss) before capital contributions	(121,972)	657,704	535,732
Capital contributions		746,019	746,019
Transfers in (out)	37,714	(37,714)	-
Change in net position	(84,258)	1,366,009	1,281,751
Net position, beginning of year	283,004	9,397,641	9,680,645
Net position, end of year	<u>\$ 198,746</u>	<u>10,763,650</u>	<u>10,962,396</u>

# RIVERBEND WATER RESOURCES DISTRICT

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

For the Nine Months Ended June 30, 2018

	<i>Actual</i>		<i>Annual Budget</i>	<i>Percentage of Budget</i>
	<i>Administration</i>	<i>Member Services</i>		
<b>Operating revenues</b>				
Charges for services	\$ 148,311		148,311	78%
Member services revenue		14,539	14,539	79%
Total operating revenues	<u>148,311</u>	<u>14,539</u>	<u>162,850</u>	<u>78%</u>
<b>Operating expenses</b>				
Advertising			-	0%
Accounting & audit	9,102		9,102	96%
Bank service fees			-	0%
Community relations	3,826		3,826	77%
Conferences & seminars	1,830		1,830	46%
Consulting	115,775		115,775	61%
Dues & memberships	1,654		1,654	60%
Engineering services	9,113	363	9,476	47%
Legal & professional fees	2,745		2,745	37%
Meetings	2,200		2,200	56%
Office supplies	1,124	67	1,191	66%
Subscriptions	276		276	31%
Travel	5,488		5,488	61%
Utilities	1,007		1,007	42%
Web design & maintenance	2,168		2,168	54%
Salaries & benefits	62,782	5,651	68,433	73%
Hooks wastewater services		445	445	16%
Maud services		2,328	2,328	179%
Total operating expenses before depreciation	<u>219,090</u>	<u>8,854</u>	<u>227,944</u>	<u>63%</u>
Depreciation	204		204	
Total operating expenses	<u>219,294</u>	<u>8,854</u>	<u>228,148</u>	<u>63%</u>
Operating income	<u>(70,983)</u>	<u>5,685</u>	<u>(65,298)</u>	<u>(152,131)</u>
Nonoperating revenues (expenses):				
Special projects - water availability model	(56,674)		(56,674)	24%
Special projects - Hooks feasibility study			-	0%
Total nonoperating revenues (expenses)	<u>(56,674)</u>	<u>-</u>	<u>(56,674)</u>	<u>(256,000)</u>
Income before transfers	(127,657)	5,685	(121,972)	(408,131)
Transfers in	<u>37,714</u>		<u>37,714</u>	
Change in net position	(89,943)	5,685	(84,258)	(408,131)
Net position, beginning of year	<u>283,004</u>	<u>-</u>	<u>283,004</u>	<u>283,004</u>
Net position, end of year	<u>\$ 193,061</u>	<u>5,685</u>	<u>198,746</u>	<u>(125,127)</u>

# RIVERBEND WATER RESOURCES DISTRICT

## SCHEDULE OF OPERATING REVENUES & EXPENSES

### WET UTILITIES FUND - WATER

For the Nine Months Ended June 30, 2018

	<i>Actual</i>	<i>Annual Budget</i>	<i>Percentage of Budget</i>
<b>Operating revenues</b>			
Charges for services:			
Army volumetric charge	\$ 470,536	627,381	75%
Army water supply charge	198,719	310,253	64%
Commercial & residential charge	98,708	33,766	292%
Other revenue	1,300		
Total operating revenues	<u>769,263</u>	<u>971,400</u>	79%
<b>Operating expenses</b>			
Salaries & benefits	196,325	265,495	74%
Analyticals	1,949	10,000	19%
Repairs	54,786	95,000	58%
Insurance	4,615	13,000	36%
Other maintenance	264	5,000	5%
Equipment maintenance, repair & fuel	9,949	15,000	66%
Equipment rental		5,000	0%
Materials		6,500	0%
Supplies	2,050	10,000	21%
Permits	5,596	15,000	37%
Utilities	10,115	15,000	67%
Water purchase cost	221,240	321,426	69%
Consulting	12,958	20,000	65%
Travel	319		
Overhead allocation	103,579	156,391	66%
Total operating expenses before depreciation	<u>623,745</u>	<u>952,812</u>	65%
Depreciation	86,693		
Total operating expenses	<u>710,438</u>	<u>952,812</u>	75%
Operating income	<u>\$ 58,825</u>	<u>18,588</u>	316%

# RIVERBEND WATER RESOURCES DISTRICT

## SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - WASTEWATER For the Nine Months Ended June 30, 2018

	<i>Actual</i>	<i>Annual Budget</i>	<i>Percentage of Budget</i>
<b>Operating revenues</b>			
Charges for services:			
Army volumetric charge	\$ 746,420	995,227	75%
Commercial & residential charge	94,148	136,305	69%
Other revenue	-	12,180	
Total operating revenues	<u>840,568</u>	<u>1,143,712</u>	73%
<b>Operating expenses</b>			
Salaries & benefits	186,788	363,468	51%
Analyticals	32,800	95,000	35%
Repairs	85,634	130,000	66%
Insurance	4,616	13,000	36%
Other maintenance		5,000	0%
Equipment maintenance, repair & fuel	8,256	17,000	49%
Equipment rental		4,000	0%
Materials	49,727	56,500	88%
Supplies	8,539	25,200	34%
Permits	9,856	20,000	49%
Utilities	49,918	100,000	50%
Waste disposal	13,733	30,000	46%
Consulting	12,958	20,000	65%
Travel	156		
Overhead allocation	138,104	208,522	66%
Total operating expenses before depreciation	<u>601,085</u>	<u>1,087,690</u>	55%
Depreciation	260,079		
Total operating expenses	<u>861,164</u>	<u>1,087,690</u>	79%
 Operating income (loss)	 <u>\$ (20,596)</u>	 <u>56,022</u>	 -37%



# RIVERBEND WATER RESOURCES DISTRICT

## SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - INDUSTRIAL WASTEWATER For the Nine Months Ended June 30, 2018

	<i>Actual</i>	<i>Annual Budget</i>	<i>Percentage of Budget</i>
<b>Operating revenues</b>			
Charges for services:			
Army volumetric charge	\$ 726,125	968,166	75%
Total operating revenues	<u>726,125</u>	<u>968,166</u>	75%
<b>Operating expenses</b>			
Salaries & benefits	201,836	310,104	65%
Analyticals	25,731	45,000	57%
Repairs	41,325	95,000	44%
Insurance	4,616	13,000	36%
Other maintenance		2,000	0%
Equipment maintenance, repair & fuel	4,960	11,000	45%
Equipment rental		2,000	0%
Materials	108,303	80,000	135%
Supplies	9,283	14,000	66%
Permits	8,516	20,000	43%
Utilities	29,015	46,000	63%
Waste disposal	5,559	30,000	19%
Consulting	12,958	20,000	65%
Building Pretreatment		82,500	0%
Travel	109		
Overhead allocation	103,579	156,391	66%
Total operating expenses before depreciation	<u>555,790</u>	<u>926,995</u>	60%
Depreciation	86,693		
Total operating expenses	<u>642,483</u>	<u>926,995</u>	69%
Operating income	<u>\$ 83,642</u>	<u>41,171</u>	203%

# RIVERBEND WATER RESOURCES DISTRICT

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## SCHEDULE OF OPERATING REVENUES & EXPENSES

### WET UTILITIES FUND - TAC EAST

For the Nine Months Ended June 30, 2018

	<u>Actual</u>	<u>Annual Budget</u>	<u>Percentage of Budget</u>
<b>Operating revenues</b>			
Commercial & residential charge	\$ 6,489	40,000	16%
Total operating revenues	<u>6,489</u>	<u>40,000</u>	
<b>Operating expenses</b>			
Labor	608		
Repairs	504		
Utilities	6,026	15,000	40%
Water purchase cost	17,808	35,000	51%
Total operating expenses	<u>24,946</u>	<u>50,000</u>	50%
Operating income (loss)	<u>(18,457)</u>	<u>(10,000)</u>	185%

# RIVERBEND WATER RESOURCES DISTRICT

## SCHEDULE OF OPERATING REVENUES & EXPENSES

### WET UTILITIES FUND - OVERHEAD

For the Nine Months Ended June 30, 2018

	<u>Actual</u>	<u>Annual Budget</u>	<u>Percentage of Budget</u>
<b>Operating revenues</b>			
Total operating revenues	\$ -	-	
<b>Operating expenses</b>			
Salaries & benefits	281,396	401,104	70%
Travel	2,665	5,600	48%
Meetings	948	3,000	32%
Insurance	200	1,000	20%
Accounting & audit	23,270	36,000	65%
Legal	6,593	30,000	22%
Computer, reproduction & maintenance	11,000	12,000	92%
Office supplies	3,944	6,000	66%
Postage	835	2,600	32%
Utilities	8,585	13,000	66%
Building maintenance	3,717	7,000	53%
Licenses & fees	-	2,000	0%
Advertising	1,737	2,000	87%
Miscellaneous	372		
Total operating expenses	<u>345,262</u>	<u>521,304</u>	66%
Operating income (loss)	<u>(345,262)</u>	<u>(521,304)</u>	66%
 <b>Allocation of overhead operating expenses</b>			
Water - 30%	103,579	156,391	
Wastewater - 40%	138,104	208,522	
Industrial Wastewater - 30%	103,579	156,391	
Total overhead allocated	<u>\$ 345,262</u>	<u>521,304</u>	