



**RIVERBEND RESOLUTION NO. 20170614-02**

**APPROVING THE 2<sup>nd</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

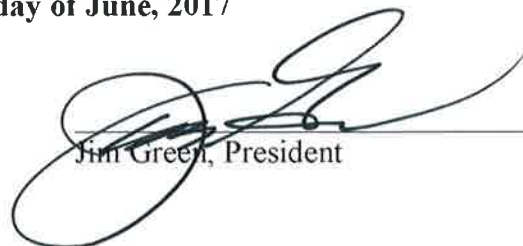
**WHEREAS**, Riverbend Water Resources District monitors its financials on a monthly basis and prepares quarterly financial statements; and

**WHEREAS**, Riverbend Water Resources District has prepared financials for the months of January 2017, February 2017, and March 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 2<sup>nd</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:

  
\_\_\_\_\_  
Kelly Mitchell, Secretary

Attached: March 2017 Financial Statements for Riverbend Water Resources District (2<sup>nd</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 six months ended March 31, 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.

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

June 8, 2017

# RIVERBEND WATER RESOURCES DISTRICT

## STATEMENT OF NET POSITION ENTERPRISE FUNDS March 31, 2017

	<i>Administrative Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
<b>Assets</b>			
Current assets:			
Cash	\$ 100,177	1,780,621	1,880,798
Accounts receivable	28,670	326,344	355,014
Due from other fund	41,460		41,460
Restricted assets:			
Cash restricted for construction - bond proceeds		4,599,797	4,599,797
Cash restricted for bonded debt reserves		1,235,972	1,235,972
Cash restricted for planning & acquisition - bond proceeds		920,931	920,931
Prepaid expenses		7,740	7,740
Total current assets	170,307	8,871,405	9,041,712
Noncurrent assets:			
Capital assets (net of accumulated depreciation):			
Computer equipment	885		885
Equipment		67,828	67,828
Utility system		10,283,238	10,283,238
Intangible assets		248,945	248,945
Construction in progress		2,405,642	2,405,642
Total capital assets	885	13,005,653	13,006,538
Total noncurrent assets	885	13,005,653	13,006,538
Total assets	171,192	21,877,058	22,048,250
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	5,159	235,202	240,361
Retainage payable		87,720	87,720
Payroll liabilities		17,267	17,267
Due to other fund		41,460	41,460
Accrued interest payable		215,416	215,416
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	5,159	2,163,065	2,168,224
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	5,159	12,914,366	12,919,525
<b>Net position</b>			
Net investment in capital assets	885	1,641,266	1,642,151
Restricted for bond reserves		1,251,396	1,251,396
Restricted for construction		4,599,797	4,599,797
Restricted for planning and acquisition		920,931	920,931
Unrestricted	165,148	549,302	714,450
Total net position	\$ 166,033	8,962,692	9,128,725

# RIVERBEND WATER RESOURCES DISTRICT

## STATEMENT OF REVENUES & EXPENSES ENTERPRISE FUNDS

For the Six Months Ended March 31, 2017

	<i>Administrative Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
<b>Operating revenues</b>			
Charges for services	\$ 100,790	1,410,711	1,511,501
Supplemental member contributions	55,565		55,565
Other revenue		81	81
Total operating revenues	<u>156,355</u>	<u>1,410,792</u>	<u>1,567,147</u>
<b>Operating expenses</b>			
Administrative	205,773		205,773
Water		422,704	422,704
Wastewater		512,773	512,773
Industrial wastewater		342,382	342,382
Total operating expense	<u>205,773</u>	<u>1,277,859</u>	<u>1,483,632</u>
Operating income (loss)	(49,418)	132,933	83,515
Nonoperating revenues (expenses)		<u>370,262</u>	<u>370,262</u>
Income before capital contributions	(49,418)	503,195	453,777
Capital contributions		<u>121,803</u>	<u>121,803</u>
Change in net position	(49,418)	624,998	575,580
Net position, beginning of year	<u>211,016</u>	<u>8,337,694</u>	<u>8,548,710</u>
Net position, end of year	<u>\$ 161,598</u>	<u>8,962,692</u>	<u>9,124,290</u>

# RIVERBEND WATER RESOURCES DISTRICT

## SCHEDULE OF DETAILED REVENUES, EXPENSES, & CHANGE IN NET POSITION ENTERPRISE FUNDS For the Six Months Ended March 31, 2017

	<i>Administrative Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
<b>Operating revenues</b>			
Charges for services:			
Member fees	\$ 100,790		100,790
Army volumetric charge		1,215,319	1,215,319
Army water supply charge		132,787	132,787
Commercial & residential charge		62,605	62,605
Supplemental member contributions	55,565		55,565
Other revenue		81	81
Total operating revenues	<u>156,355</u>	<u>1,410,792</u>	<u>1,567,147</u>
<b>Operating expenses</b>			
Accounting & audit	2,063		2,063
Community relations	2,699		2,699
Conferences & seminars	1,225		1,225
Consulting	134,274	-	134,274
Dues & memberships	600		600
Engineering services	8,193		8,193
Legal & professional fees	3,700		3,700
Meetings	1,643		1,643
Office supplies	755		755
Subscriptions	276		276
Travel	5,371		5,371
Web design & maintenance	3,681		3,681
Salaries & benefits	41,157	323,083	364,240
Analyticals		49,625	49,625
Repairs		60,119	60,119
Other maintenance		151	151
Equipment maintenance, repair & fuel		10,292	10,292
Materials		69,865	69,865
Supplies		18,431	18,431
Permits		34,057	34,057
Utilities		61,170	61,170
Water purchase cost		140,341	140,341
Waste disposal		16,092	16,092
Overhead allocation		256,541	256,541
Total operating expenses before depreciation	<u>205,637</u>	<u>1,039,767</u>	<u>1,245,404</u>
Operating income (loss) before depreciation	(49,282)	371,025	321,743
Depreciation	136	238,092	238,228
Operating income	<u>(49,418)</u>	<u>132,933</u>	<u>83,515</u>
<b>Nonoperating revenues (expenses)</b>			
Facility charges revenue		571,840	571,840
Administrative fund salary revenue		41,157	41,157
Interest revenue		22,482	22,482
Other revenue		33,397	33,397
Interest expense		(251,992)	(251,992)
Franchise fees expense		(42,187)	(42,187)
Administrative fund supplemental fee expense		(4,435)	(4,435)
Total nonoperating revenues (expenses)	<u>-</u>	<u>370,262</u>	<u>370,262</u>
Income before capital contributions	(49,418)	503,195	453,777
Capital contributions		121,803	121,803
Change in net position	(49,418)	624,998	575,580
Net position, beginning of year	211,016	8,337,694	8,548,710
Net position, end of year	<u>\$ 161,598</u>	<u>8,962,692</u>	<u>9,124,290</u>

# RIVERBEND WATER RESOURCES DISTRICT

---

## SCHEDULE OF OPERATING REVENUES & EXPENSES

### ADMINISTRATIVE FUND

For the Six Months Ended March 31, 2017

	<u>Actual</u>	<u>Annual Budget</u>	<u>Percentage of Budget</u>
<b>Operating revenues</b>			
Charges for services	\$ 100,790	120,000	84%
Supplemental member contributions	55,565	190,000	29%
Supplemental contributions - Riverbend (RRAD)	4,435	9,600	46%
Total operating revenues	<u>160,790</u>	<u>319,600</u>	50%
<b>Operating expenses</b>			
Accounting & audit	2,063	15,500	13%
Community relations	2,699	5,000	54%
Conferences & seminars	1,225	5,000	25%
Consulting	134,274	175,000	77%
Dues & memberships	600	1,835	33%
Engineering services	8,193	59,000	14%
Legal & professional fees	3,700	7,500	49%
Meetings	1,643	2,400	68%
Office supplies	755	2,700	28%
Subscriptions	276	1,200	23%
Travel	5,371	6,000	90%
Utilities		2,400	0%
Web design & maintenance	3,681	5,000	74%
Salaries & benefits	41,157	80,726	51%
Total operating expenses before depreciation	<u>205,637</u>	<u>369,261</u>	56%
Depreciation	136		
Total operating expenses	<u>205,773</u>	<u>369,261</u>	56%
Operating income (loss)	<u>\$ (44,983)</u>	<u>(49,661)</u>	91%

# RIVERBEND WATER RESOURCES DISTRICT

---

## SCHEDULE OF OPERATING REVENUES & EXPENSES

### WET UTILITIES FUND - WATER

For the Six Months Ended March 31, 2017

	<i>Actual</i>	<i>Annual Budget</i>	<i>Percentage of Budget</i>
<b>Operating revenues</b>			
Charges for services:			
Army volumetric charge	\$ 296,502	593,189	50%
Army water supply charge	132,787	189,076	70%
Commercial & residential charge	22,421	38,684	58%
Other revenue	81		
Total operating revenues	451,791	820,949	55%
 <b>Operating expenses</b>			
Salaries & benefits	111,085	239,567	46%
Analyticals	1,178	15,000	8%
Repairs	15,282	100,000	15%
Other maintenance	151	5,000	3%
Equipment maintenance, repair & fuel	5,594	10,000	56%
Equipment rental		10,000	0%
Materials	815	10,500	8%
Supplies	4,635	10,000	46%
Permits	12,767	6,000	213%
Utilities	6,276	15,000	42%
Water purchase cost	140,341	198,426	71%
Consulting		15,000	0%
Overhead allocation	76,962	140,343	55%
Total operating expenses before depreciation	375,086	774,836	48%
Depreciation	47,618		
Total operating expenses	422,704	774,836	55%
 Operating income	\$ 29,087	46,113	63%

# RIVERBEND WATER RESOURCES DISTRICT

---

## SCHEDULE OF OPERATING REVENUES & EXPENSES

### WET UTILITIES FUND - WASTEWATER

For the Six Months Ended March 31, 2017

	<i>Actual</i>	<i>Annual Budget</i>	<i>Percentage of Budget</i>
<b>Operating revenues</b>			
Charges for services:			
Army volumetric charge	\$ 491,265	944,810	52%
Commercial & residential charge	40,184	173,671	23%
Total operating revenues	531,449	1,118,481	48%
 <b>Operating expenses</b>			
Salaries & benefits	112,667	340,806	33%
Analyticals	29,418	95,000	31%
Repairs	36,189	135,000	27%
Other maintenance		5,000	0%
Equipment maintenance, repair & fuel	3,429	17,000	20%
Equipment rental		4,000	0%
Materials	18,615	56,500	33%
Supplies	6,853	25,200	27%
Permits	12,909	20,000	65%
Utilities	35,973	120,000	30%
Waste disposal	11,247	15,000	75%
Consulting		15,000	0%
Overhead allocation	102,617	187,124	55%
Total operating expenses before depreciation	369,917	1,035,630	36%
Depreciation	142,856		
Total operating expenses	512,773	1,035,630	50%
 Operating income	\$ 18,676	82,851	23%



# RIVERBEND WATER RESOURCES DISTRICT

## SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - INDUSTRIAL WASTEWATER For the Six Months Ended March 31, 2017

	<u>Actual</u>	<u>Annual Budget</u>	<u>Percentage of Budget</u>
<b>Operating revenues</b>			
Charges for services:			
Army volumetric charge	\$ 427,552	855,104	50%
Total operating revenues	<u>427,552</u>	<u>855,104</u>	50%
<b>Operating expenses</b>			
Salaries & benefits	99,331	291,420	34%
Analyticals	19,029	50,000	38%
Repairs	8,648	100,000	9%
Other maintenance		2,000	0%
Equipment maintenance, repair & fuel	1,269	11,000	12%
Equipment rental		2,000	0%
Materials	50,435	80,000	63%
Supplies	6,943	9,000	77%
Permits	8,381	20,000	42%
Utilities	18,921	30,000	63%
Waste disposal	4,845	41,000	12%
Consulting		15,000	0%
Overhead allocation	76,962	140,343	55%
Total operating expenses before depreciation	<u>294,764</u>	<u>791,763</u>	37%
Depreciation	47,618		
Total operating expenses	<u>342,382</u>	<u>791,763</u>	43%
Operating income	<u>\$ 85,170</u>	<u>63,341</u>	134%

# RIVERBEND WATER RESOURCES DISTRICT

## SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - OVERHEAD For the Six Months Ended March 31, 2017

	<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	190,994	308,610	62%
Travel	3,686	5,600	66%
Meetings	238	5,000	5%
Insurance	15,679	46,000	34%
Accounting	14,998	30,000	50%
Legal	9,647	30,000	32%
Computer, reproduction & maintenance	6,394	10,000	64%
Office supplies	2,972	5,000	59%
Postage	504	2,600	19%
Utilities	6,292	16,000	39%
Building maintenance	3,655	6,000	61%
Licenses & fees	333	2,000	17%
Advertising	903	1,000	90%
Miscellaneous	246		
Total operating expenses	<u>256,541</u>	<u>467,810</u>	55%
Operating income (loss)	<u>(256,541)</u>	<u>(467,810)</u>	55%
<b>Nonoperating revenues (expenses)</b>			
Facility charges revenue	571,840	1,230,131	46%
Salary reimbursement revenue	41,157	-	
Interest revenue	22,482	20,000	112%
Other revenue	33,397		
Interest expense	(251,992)	(438,636)	57%
Franchise fees expense	(42,187)	(78,000)	54%
Supplemental fee expense	(4,435)	(8,880)	50%
Total nonoperating revenues (expenses)	<u>370,262</u>	<u>724,615</u>	51%
Income before capital contributions	113,721	256,805	44%
Capital contributions	<u>121,803</u>	-	
Change in net position	<u>\$ 235,524</u>	<u>256,805</u>	92%
<b>Allocation of overhead operating expenses</b>			
Water - 30%	76,962	140,343	
Wastewater - 40%	102,617	187,124	
Industrial Wastewater - 30%	76,962	140,343	
Total overhead allocated	<u>\$ 256,541</u>	<u>467,810</u>	