



**RIVERBEND RESOLUTION NO. 20180425-05**

**APPROVING THE 2<sup>nd</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 January 2018, February 2018, and March 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 2<sup>nd</sup> Quarter FY 2017-2018 financial statements as compiled by Holliday, Lemons & Cox, PC for distribution.

**PASSED and APPROVED this 25<sup>th</sup> day of April, 2018**

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

ATTEST:

  
\_\_\_\_\_  
Sean Rommel, Secretary

Attached: March 2018 Financial Statements for Riverbend Water Resources District (2<sup>nd</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 March 31, 2018 and for the six 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.*

April 19, 2018

2001 MOORES LANE • TEXARKANA, TEXAS 75503 • (903) 823-2727 • FAX (903) 823-2734

WWW.HLCCPAS.COM

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

AICPA'S PRIVATE COMPANIES PRACTICE SECTION

TEXAS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

ARKANSAS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

# RIVERBEND WATER RESOURCES DISTRICT

**STATEMENT OF NET POSITION  
ENTERPRISE FUNDS  
March 31, 2018**

	<i>Administrative Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
<b>Assets</b>			
Current assets:			
Cash	\$ 227,362	1,134,783	1,362,145
Accounts receivable	17,859	687,890	705,749
Due from other fund	4,950		4,950
Restricted assets:			
Cash restricted for construction - bond proceeds		2,792,424	2,792,424
Cash restricted for bonded debt reserves		1,400,163	1,400,163
Cash restricted for planning & acquisition - bond proceeds		313,911	313,911
Total current assets	250,171	6,329,171	6,579,342
Noncurrent assets:			
Capital assets (net of accumulated depreciation):			
Computer equipment	590		590
Equipment		119,402	119,402
Utility system		12,072,888	12,072,888
TAC East System		288,889	288,889
Intangible assets		242,576	242,576
Construction in progress		1,990,412	1,990,412
Total capital assets	590	14,714,167	14,714,757
Total noncurrent assets	590	14,714,167	14,714,757
Total assets	250,761	21,043,338	21,294,099
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	8,112	74,064	82,176
Retainage payable		52,626	52,626
Payroll liabilities		18,641	18,641
Due to other fund		4,950	4,950
Accrued interest payable		204,191	204,191
Accrued compensated absences - current		14,472	14,472
Revenue bonds payable - current		680,000	680,000
Total current liabilities	8,112	1,048,944	1,057,056
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	-	10,077,123	10,077,123
Total liabilities	8,112	11,126,067	11,134,179
<b>Net position</b>			
Net investment in capital assets	590	4,928,906	4,929,496
Restricted for bond reserves		1,400,163	1,400,163
Restricted for construction		2,792,424	2,792,424
Restricted for planning and acquisition		313,911	313,911
Unrestricted	242,059	481,867	723,926
Total net position	\$ 242,649	9,917,271	10,159,920

# RIVERBEND WATER RESOURCES DISTRICT

## STATEMENT OF REVENUES & EXPENSES ENTERPRISE FUNDS For the Six Months Ended March 31, 2018

	<i>Administrative Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
<b>Operating revenues</b>			
Charges for services	\$ 99,245	1,546,823	1,646,068
Other revenue	11,212	1,300	12,512
Total operating revenues	<u>110,457</u>	<u>1,548,123</u>	<u>1,658,580</u>
<b>Operating expenses</b>			
Administrative	144,417		144,417
Member services	6,395		6,395
Water		460,312	460,312
Wastewater		571,009	571,009
Industrial wastewater		426,888	426,888
TAC East		14,305	14,305
Total operating expenses	<u>150,812</u>	<u>1,472,514</u>	<u>1,623,326</u>
Operating income (loss)	(40,355)	75,609	35,254
Nonoperating revenues (expenses)		<u>362,938</u>	<u>362,938</u>
Income (loss) before capital contributions and transfers	(40,355)	438,547	398,192
Capital contributions		<u>81,083</u>	<u>81,083</u>
Change in net position	(40,355)	519,630	479,275
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>\$ 242,649</u>	<u>9,917,271</u>	<u>10,159,920</u>

# RIVERBEND WATER RESOURCES DISTRICT

## SCHEDULE OF DETAILED REVENUES, EXPENSES, & CHANGE IN NET POSITION ENTERPRISE FUNDS

For the Six Months Ended March 31, 2018

	<i>Administrative Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
<b>Operating revenues</b>			
Charges for services:			
Member fees	\$ 99,245		99,245
Army volumetric charge		1,295,387	1,295,387
Army water supply charge		156,033	156,033
Commercial & residential charge		95,403	95,403
Other revenue	11,212	1,300	12,512
Total operating revenues	110,457	1,548,123	1,658,580
<b>Operating expenses</b>			
Community relations	2,639		2,639
Conferences & seminars	2,020		2,020
Consulting	81,192	6,000	87,192
Dues & memberships	651		651
Legal & professional fees	2,587		2,587
Meetings	1,199		1,199
Office supplies	992		992
Subscriptions	276		276
Travel	4,754	584	5,338
Web design & maintenance	1,300		1,300
Salaries & benefits	44,293	379,569	423,862
Analyticals	445	43,068	43,513
Repairs		122,478	122,478
Insurance		11,091	11,091
Other maintenance		182	182
Equipment maintenance, repair & fuel		15,433	15,433
Materials		105,749	105,749
Supplies	2,328	11,907	14,235
Permits		23,968	23,968
Utilities	1,007	64,952	65,959
Water purchase cost		161,429	161,429
Waste disposal		11,833	11,833
Overhead allocation		240,283	240,283
Total operating expenses before depreciation	150,653	1,198,526	1,349,179
Operating income (loss) before depreciation	(40,196)	349,597	309,401
Depreciation	159	273,988	274,147
Operating income (loss)	(40,355)	75,609	35,254
<b>Nonoperating revenues (expenses)</b>			
Facility charges revenue		574,039	574,039
Administrative fund salary revenue		40,671	40,671
Interest revenue		17,781	17,781
Interest expense		(223,775)	(223,775)
Franchise fees expense		(45,778)	(45,778)
Total nonoperating revenues (expenses)	-	362,938	362,938
Income (loss) before capital contributions	(40,355)	438,547	398,192
Capital contributions		81,083	81,083
Change in net position	(40,355)	519,630	479,275
Net position, beginning of year	283,004	9,397,641	9,680,645
Net position, end of year	\$ 242,649	9,917,271	10,159,920

# RIVERBEND WATER RESOURCES DISTRICT

## SCHEDULE OF OPERATING REVENUES & EXPENSES ADMINISTRATIVE FUND For the Six Months Ended March 31, 2018

	<i>Actual</i>		<i>Annual Budget</i>	<i>Percentage of Budget</i>	
	<i>Administration</i>	<i>Member Services</i>			<i>Total</i>
<b>Operating revenues</b>					
Charges for services	\$ 99,245		99,245	190,000	52%
Member services revenue		11,212	11,212		
Total operating revenues	<u>99,245</u>	<u>11,212</u>	<u>110,457</u>	<u>190,000</u>	52%
<b>Operating expenses</b>					
Advertising			-	1,400	0%
Accounting & audit	4,970		4,970	10,000	50%
Bank service fees			-	300	0%
Community relations	2,639		2,639	5,000	53%
Conferences & seminars	2,020		2,020	4,000	51%
Consulting	81,192		81,192	200,000	41%
Dues & memberships	651		651	2,235	29%
Engineering services	-		-	45,000	0%
Legal & professional fees	2,587		2,587	7,500	34%
Meetings	1,199		1,199	3,900	31%
Office supplies	992		992	1,800	55%
Subscriptions	276		276	900	31%
Travel	4,754		4,754	10,000	48%
Utilities	1,007		1,007	2,400	42%
Web design & maintenance	1,300		1,300	4,000	33%
Salaries & benefits	40,671	3,622	44,293	81,534	50%
Analytics and sampling		445	445		
Supplies		2,328	2,328		
Total operating expenses before depreciation	<u>144,258</u>	<u>6,395</u>	<u>150,653</u>	<u>379,969</u>	38%
Depreciation	<u>159</u>		<u>159</u>		
Total operating expenses	<u>144,417</u>	<u>6,395</u>	<u>150,812</u>	<u>379,969</u>	38%
Change in net position	(45,172)	4,817	(40,355)	(189,969)	24%
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>\$ 237,832</u>	<u>4,817</u>	<u>242,649</u>	<u>93,035</u>	

# RIVERBEND WATER RESOURCES DISTRICT

## SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - WATER For the Six Months Ended March 31, 2018

	<i>Actual</i>	<i>Annual Budget</i>	<i>Percentage of Budget</i>
<b>Operating revenues</b>			
Charges for services:			
Army volumetric charge	\$ 313,691	627,381	50%
Army water supply charge	156,033	310,253	50%
Commercial & residential charge	41,174	33,766	122%
Other revenue	1,300		
Total operating revenues	<u>512,198</u>	<u>971,400</u>	53%
<b>Operating expenses</b>			
Salaries & benefits	126,814	265,495	48%
Analyticals	1,342	10,000	13%
Repairs	30,173	95,000	32%
Insurance	3,697	13,000	28%
Other maintenance	182	5,000	4%
Equipment maintenance, repair & fuel	5,687	15,000	38%
Equipment rental		5,000	0%
Materials		6,500	0%
Supplies	1,060	10,000	11%
Permits	5,596	15,000	37%
Utilities	7,399	15,000	49%
Water purchase cost	149,160	321,426	46%
Consulting	2,000	20,000	10%
Travel	319		
Overhead allocation	72,085	156,391	46%
Total operating expenses before depreciation	<u>405,514</u>	<u>952,812</u>	43%
Depreciation	54,798		
Total operating expenses	<u>460,312</u>	<u>952,812</u>	48%
Operating income	<u>\$ 51,886</u>	<u>18,588</u>	279%

# RIVERBEND WATER RESOURCES DISTRICT

## SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - WASTEWATER For the Six Months Ended March 31, 2018

	<u>Actual</u>	<u>Annual Budget</u>	<u>Percentage of Budget</u>
<b>Operating revenues</b>			
Charges for services:			
Army volumetric charge	\$ 497,613	995,227	50%
Commercial & residential charge	52,063	136,305	38%
Other revenue	-	12,180	
Total operating revenues	<u>549,676</u>	<u>1,143,712</u>	48%
<b>Operating expenses</b>			
Salaries & benefits	122,157	363,468	34%
Analyticals	22,797	95,000	24%
Repairs	57,177	130,000	44%
Insurance	3,697	13,000	28%
Other maintenance		5,000	0%
Equipment maintenance, repair & fuel	6,271	17,000	37%
Equipment rental		4,000	0%
Materials	36,786	56,500	65%
Supplies	4,931	25,200	20%
Permits	9,856	20,000	49%
Utilities	36,013	100,000	36%
Waste disposal	8,663	30,000	29%
Consulting	2,000	20,000	10%
Travel	156		
Overhead allocation	96,113	208,522	46%
Total operating expenses before depreciation	<u>406,617</u>	<u>1,087,690</u>	37%
Depreciation	164,392		
Total operating expenses	<u>571,009</u>	<u>1,087,690</u>	52%
Operating income (loss)	<u>\$ (21,333)</u>	<u>56,022</u>	-38%



# RIVERBEND WATER RESOURCES DISTRICT

## SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - INDUSTRIAL WASTEWATER For the Six Months Ended March 31, 2018

	<i>Actual</i>	<i>Annual Budget</i>	<i>Percentage of Budget</i>
<b>Operating revenues</b>			
Charges for services:			
Army volumetric charge	\$ 484,083	968,166	50%
Total operating revenues	<u>484,083</u>	<u>968,166</u>	50%
<b>Operating expenses</b>			
Salaries & benefits	130,598	310,104	42%
Analyticals	18,929	45,000	42%
Repairs	35,128	95,000	37%
Insurance	3,697	13,000	28%
Other maintenance		2,000	0%
Equipment maintenance, repair & fuel	3,475	11,000	32%
Equipment rental		2,000	0%
Materials	68,963	80,000	86%
Supplies	5,916	14,000	42%
Permits	8,516	20,000	43%
Utilities	19,504	46,000	42%
Waste disposal	3,170	30,000	11%
Consulting	2,000	20,000	10%
Building Pretreatment		82,500	0%
Travel	109		
Overhead allocation	72,085	156,391	46%
Total operating expenses before depreciation	<u>372,090</u>	<u>926,995</u>	40%
Depreciation	54,798		
Total operating expenses	<u>426,888</u>	<u>926,995</u>	46%
Operating income	<u>\$ 57,195</u>	<u>41,171</u>	139%

# RIVERBEND WATER RESOURCES DISTRICT

---

## SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - TAC EAST For the Six Months Ended March 31, 2018

	<u>Actual</u>	<u>Annual Budget</u>	<u>Percentage of Budget</u>
<b>Operating revenues</b>			
Commercial & residential charge	\$ 2,166	22,739	10%
Total operating revenues	<u>2,166</u>	<u>22,739</u>	
<b>Operating expenses</b>			
Utilities	2,036	15,000	14%
Water purchase cost	12,269	11,862	103%
Total operating expenses	<u>14,305</u>	<u>26,862</u>	53%
Operating income (loss)	<u>(12,139)</u>	<u>(4,123)</u>	294%

# RIVERBEND WATER RESOURCES DISTRICT

## SCHEDULE OF OPERATING REVENUES & EXPENSES WET UTILITIES FUND - OVERHEAD For the Six Months Ended March 31, 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	189,603	401,104	47%
Travel	2,665	5,600	48%
Meetings	794	3,000	26%
Insurance	200	1,000	20%
Accounting & audit	23,046	36,000	64%
Legal	4,500	30,000	15%
Computer, reproduction & maintenance	6,896	12,000	57%
Office supplies	3,000	6,000	50%
Postage	441	2,600	17%
Utilities	5,260	13,000	40%
Building maintenance	2,432	7,000	35%
Licenses & fees	-	2,000	0%
Advertising	1,206	2,000	60%
Miscellaneous	240		
Total operating expenses	<u>240,283</u>	<u>521,304</u>	46%
Operating income (loss)	<u>(240,283)</u>	<u>(521,304)</u>	46%
 <b>Allocation of overhead operating expenses</b>			
Water - 30%	72,085	156,391	
Wastewater - 40%	96,113	208,522	
Industrial Wastewater - 30%	72,085	156,391	
Total overhead allocated	<u>\$ 240,283</u>	<u>521,304</u>	