



RIVERBEND RESOLUTION NO. 20220126-04

**APPROVING THE FY 2021 ANNUAL AUDIT
PERFORMED BY WILF & HENDERSON, P.C.**

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 Board of Directors deems it necessary to engage a qualified Certified Public Accounting firm to conduct an annual audit, which provides for increased fiduciary responsibility of Riverbend Water Resources District funds; and

WHEREAS, Wilf & Henderson, P.C. provides the necessary accounting and financial services to fully perform an annual audit; and

WHEREAS, Riverbend Water Resources District staff and Wilf & Henderson, P.C. staff collaborated to conduct the audit and represent the financial statements, management discussion and analysis, and management representations in accordance with applicable laws and regulations.

NOW, THEREFORE, BE IT RESOLVED that the Riverbend Water Resources District approves the FY 2021 Annual Audit performed by Wilf and Henderson, P.C. for distribution.

PASSED and APPROVED this 26th day of January 2022

A handwritten signature in blue ink, appearing to read "Tina Veal Gooch", written over a horizontal line.

Tina Veal Gooch, President

ATTEST:

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

Fred Milton, Secretary



Attached: FY 2021 Annual Audit for Riverbend Water Resources District



**RIVERBEND WATER RESOURCES DISTRICT
NEW BOSTON, TEXAS**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended
September 30, 2021**

Prepared by
Tara Houck, CPA
Chief Financial Officer
228 Texas Avenue, Suite A
New Boston, Texas 75570

RIVERBEND WATER RESOURCES DISTRICT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

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Introductory Section

January 26, 2022

The Board of Directors,
Members of Riverbend
Water Resources District

In accordance with state statutes, the Annual Comprehensive Financial Report (ACFR) of Riverbend Water Resources District for the fiscal year ended September 30, 2021 is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the enterprise funds of Riverbend. All disclosures necessary to enable the reader to gain the maximum understanding of Riverbend's financial activities have been included.

PROFILE OF RIVERBEND

Riverbend Water Resources District was created in 2009 by Senate Bill 1223 of the Texas Legislature. It is a conservation and reclamation district with statutory powers including the authority to acquire any and all storage rights and storage capacity in a reservoir and to acquire the right to take water from that reservoir. The roots of Riverbend can be found in the area's past regional water partnerships focused on utilizing Wright Patman Lake as their primary water supply source. In 1953, and again in 1968, the City of Texarkana, Texas, in cooperation and with the support of its neighboring cities, executed agreements with the U.S. Army Corps of Engineers to use a portion of the flood control pool at Wright Patman to meet their long-term water supply needs. Over time, Texarkana, Texas on behalf of itself and other area users, secured permits which allowed them to impound, divert, and appropriate water in Wright Patman lake for both municipal and industrial use.

In 1966, the Lake Texarkana Water Supply Corporation ("LTWSC") was created for the purpose of financing the acquisition, construction and maintenance of a new water treatment and distribution system to its members. In 1969 in order to support LTWSC's debt issue and facilitate administration of the new water treatment and distribution system, the City of Texarkana, Texas signed water supply contracts with surrounding Texas-side communities, known as the original Member Cities (including Annona, Avery, DeKalb, Hooks, Maud, New Boston, Texarkana, Texas, and Wake Village), collectively known as "Member City Contracts." Today, Riverbend has now grown to include eighteen (18) members that include communities within Bowie, Cass and Red River Counties in northeast Texas. Riverbend membership grew during 2011, after being reconstituted, and again in 2019, Texas Special District Local Law Code Section 9601.005(b) allowed water supply corporations to join Riverbend. Current members include Annona, Atlanta, Avery, Central Bowie County WSC, DeKalb, Hooks, Leary, Maud, Nash, New Boston, Oak Grove Water Supply Corporation, Redwater, Texarkana, Wake Village, TexAmericas Center, as well as Bowie, Cass and Red River Counties.



Riverbend provides water, wastewater, and industrial wastewater for Red River Army Depot and the tenants within the TexAmericas Center footprint for an estimated population of 6,000 people. Riverbend represents, through Interlocal Agreements with our membership, the water supply interest for area communities. Riverbend operates as a retail water supplier. The treated water is purchased from the City of Texarkana, Texas and Texarkana Water Utilities and supplied to customers on our system. Riverbend serves as the local representative for Wright Patman Lake on issues with the U.S. Army Corps of Engineers, Texas Commission on Environmental Quality (TCEQ), the Texas Water Development Board (TWDB) as well as acting as representatives for our membership in the North East Texas Regional Water Planning Group (Region D), a state water planning area, and will be working on the initial statewide flood planning effort over the next few years.

Riverbend is governed by a Board of five directors consisting of two directors appointed by the City of Texarkana; one director appointed by the City of New Boston; one director appointed by TexAmericas Center; and one director appointed by the remaining member entities.

ECONOMIC INFORMATION/OUTLOOK

The largest employer in Riverbend, Red River Army Depot (RRAD), is also the largest customer of Riverbend and represents the majority of the operating revenue for Riverbend. The FY 2022 RRAD budget is approximately 10% higher than the current year and the remaining business, commercial and residential retail water customers located in TexAmericas Center, are expected to remain the same.

MAJOR INITIATIVES/LONG TERM FINANCIAL PLANNING

Riverbend has major on-going initiatives that staff will be focusing on for this fiscal year and into the future. First, Riverbend has secured \$200M of funding, through the Texas Water Development Board's Drinking Water State Revolving Fund, for a new regional water treatment facility. Riverbend executed water supply contracts with the participating member entities to support the debt payback along with the operations and maintenance on the project. This project will utilize a multi-year bond issuance package, to be distributed as listed below.

- FY 2020-2021 \$18M bond issuance
- FY 2021-2022 \$93M bond issuance
- FY 2022-2023 \$14.4M bond issuance
- FY 2023-2024 \$74.6M bond issuance

The first bond issuance in the amount of \$18M was made in November, 2020. In April, 2021 Riverbend entered into an agreement with Pape-Dawson Engineers to provide Professional and Project Management Services. All aspects of the project are under way including planning, design, environmental, permitting, surveying, geotechnical and easement acquisition. At fiscal year-end \$7,298,785 has been spent on the project.

Also, Riverbend and Texarkana, TX have submitted a water rights application to the Texas Commission on Environmental Quality (TCEQ). This water right application has been submitted to hopefully secure enough water for the region for the next fifty years. Currently, the application is both administratively and technically complete and a public notice of the request for water use permit has been posted. TCEQ has received requests for a contested hearing from several entities. We are currently working with those entities to resolve the issues in order for the permit to be issued.

Riverbend is also working with RRAD to secure funding to complete the design and construction of a new industrial wastewater treatment facility. The original 2018 \$13.5M cost estimate for the project has been updated to \$30,273,800 with 40% contingency.

FINANCIAL INFORMATION

Riverbend's accounting system consists of three enterprise funds where all financial activities are recorded. Management of Riverbend are responsible for establishing and maintaining an internal control structure designed to ensure that the assets of Riverbend are protected. Because the cost of a control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free from any material misstatements. Within this framework, management believes that Riverbend's transactions are properly recorded, and the financial report is complete and reliable in all material respects.

Enterprise Operations. Total revenues for all funds for the fiscal year were \$9,955,912 compared to \$5,257,062 for FY2020.

Budget Controls. A budget is prepared annually in accordance with the Texas Water Code Chapter 49, Subchapter G, Sec. 49.199 and, after approval by the Board of Directors, is used in planning and controlling costs. During the year, necessary budget amendments are submitted and approved by the Board prior to implementation.

Debt Administration. Outstanding large debt on September 30, 2021 totaled \$26,595,000 which consisted of Water and Wastewater Revenue Bonds Taxable Series 2016A of \$4,315,000, Water and Wastewater Revenue Bonds Taxable Series 2016B of \$4,280,000, Water and Wastewater System Contract Revenue Bonds Taxable Series 2020A of \$10,800,000, and Water and Wastewater System Contract Revenue Bonds Tax-Exempt Series 2020B of \$7,200,000.

OTHER INFORMATION

As required by the Texas Water Code Chapter 49, Subchapter G, Sec. 49.191, an audit of the Riverbend's fiscal accounts and records must be conducted annually. Accordingly, the Board of Directors appointed the firm of Wilf & Henderson, P.C. to complete the audit of the Riverbend's records.

Wilf & Henderson, P.C. has issued an unmodified opinion of the Riverbend's financial statements for year ended September 30, 2021. The independent auditor's report is located at the front of the financial section of this report. Immediately following the reader will find Management's Discussion and Analysis (MD&A) that provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

AWARD AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Riverbend Water Resources District for its comprehensive annual financial report for the fiscal year ended September 30, 2020. This is the second consecutive year that Riverbend has achieved this prestigious award. In order to be awarded a Certificate

of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of Riverbend Water Resources District and our independent auditors. I would like to express appreciation to the Board of Directors and Executive Director for their unfailing support and for maintaining the highest standards of professionalism in the management of Riverbend Water Resources District finances.

Respectfully submitted,



Tara Houck, CPA
Chief Financial Officer

January 26, 2022

PRINCIPAL OFFICIALS
AS OF SEPTEMBER 30, 2021

BOARD OF DIRECTORS

SONJA YATES HUBBARD
President
City of Texarkana

TINA VEAL-GOOCH
Vice President
TexAmericas Center

MARSHALL WOOD
Secretary
City of Texarkana

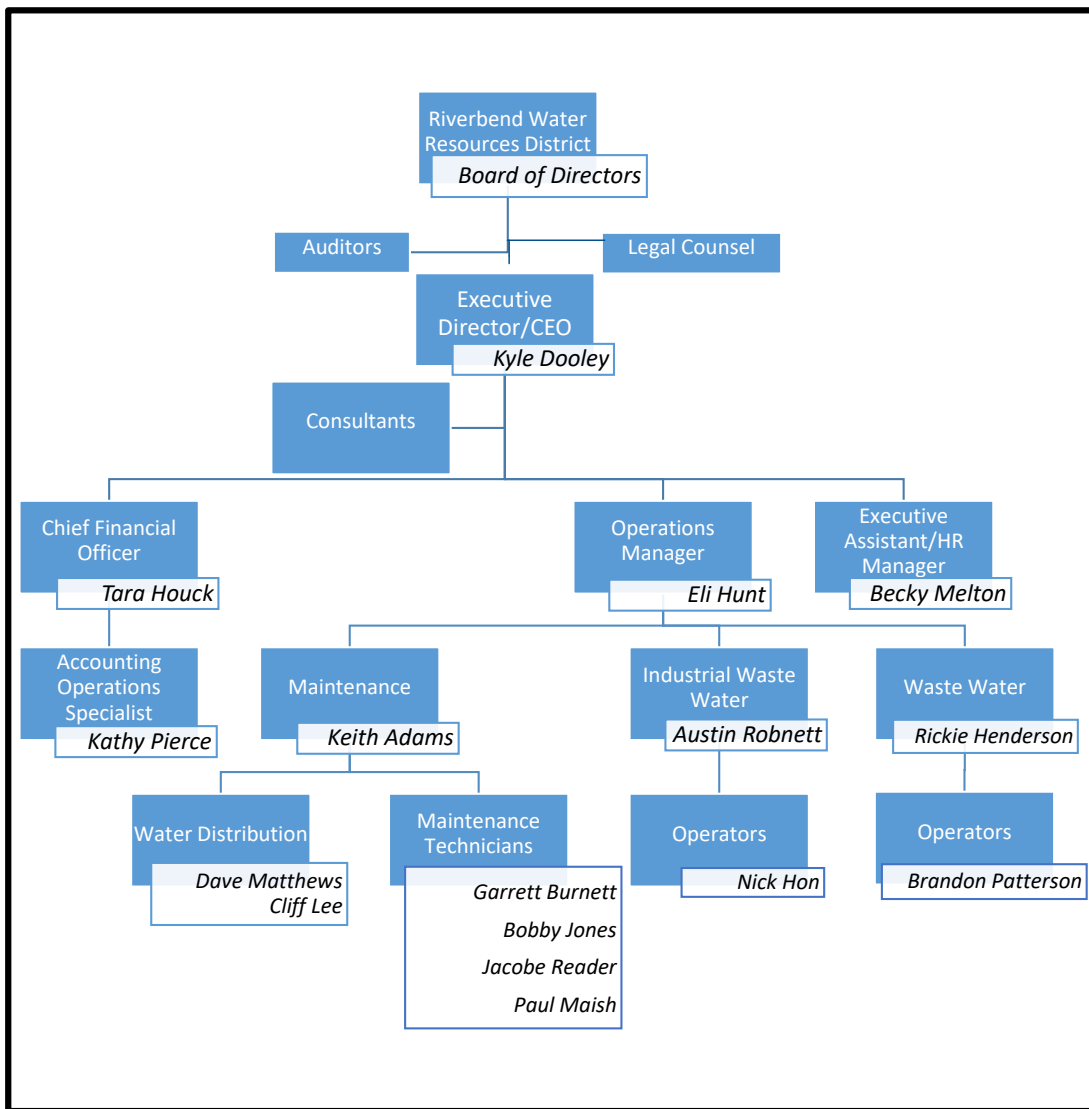
VAN ALEXANDER
Treasurer
Member At-Large

FRED MILTON
Past President
City of New Boston

KYLE DOOLEY, P.E.
Executive Director/Chief Executive Officer

TARA HOUCK, CPA
Chief Financial Officer

Riverbend Water Resources District Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Riverbend Water Resources District
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morill

Executive Director/CEO

ANNUAL FILING AFFIDAVIT

THE STATE OF TEXAS }
COUNTY OF BOWIE }

I, KYLE DOOLEY of the
(Name of Duly Authorized District Representative)

RIVERBEND WATER RESOURCES DISTRICT
(Name of District)

hereby swear, or affirm, that the district named above has reviewed and approved at a meeting of the Board of the Directors of the District on the 26TH day of JANUARY, 2022 its annual audit report for the fiscal year or period ended SEPTEMBER 30, 2021 and that copies of the annual audit report have been filed in the district office, located at 228A TEXAS AVENUE, NEW BOSTON, TX 75570
(Address of District)

The annual filing affidavit and the attached copy of the audit report are being submitted to the Texas Commission on Environmental Quality in satisfaction of the annual filing requirements of Texas Water Code Section 49.194.

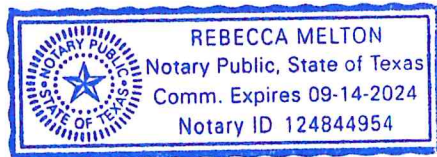
Date: 01/26/2022

By: [Signature]
(Signature of District Representative)

KYLE DOOLEY
EXECUTIVE DIRECTOR/CEO
(Typed Name & Title of above District Representative)

Sworn to and subscribed to before me this 26th day of JANUARY, 2022.

(SEAL)



[Signature]
(Signature of Notary)

My Commission Expires On: 9-14-2024
Notary Public in the State of Texas.

Financial Section



Independent Auditor's Report

Board of Directors
Riverbend Water Resources District
Texarkana, Texas

Members of the Board:

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities, each major enterprise fund of Riverbend Water Resources District (Riverbend) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise Riverbend's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Riverbend Water Resources District as of September 30, 2021, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Riverbend Water Resources District's basic financial statements. The schedule of expenditures of federal awards (supplementary information) is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The schedule of expenditures of federal awards are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Riverbend Water Resources District's basic financial statements. The supplementary information budgetary comparison schedules and the supplementary information schedules required by the Texas Commission on Environmental Quality are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Riverbend Water Resources District's basic financial statements. The introductory section and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 19, 2022, on our consideration of the Riverbend Water Resources District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Riverbend Water Resources District's internal control over financial reporting and compliance.

Wilf & Henderson, P.C.

WILF & HENDERSON, P.C.
Certified Public Accountants
Texarkana, Texas

January 19, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Annual Comprehensive Financial Report (ACFR) for Riverbend Water Resources District (Riverbend) presents a discussion and analysis of Riverbend's financial performance during the fiscal year ended September 30, 2021. Please read it in conjunction with the transmittal letter at the front of this report and Riverbend's basic financial statements following this section.

Financial Highlights

- The assets of Riverbend exceeded its liabilities at the close of the most recent fiscal year by \$19,128,505 (net position). Of this amount \$9,343,889 (49%) are invested in capital assets for business-type uses and are not available to generate liquid capital. Net position restricted for specific purposes total \$7,737,376 (40%). The remaining \$2,047,240 (11%) is made up unrestricted funds which may be used to meet Riverbend's ongoing obligations to members and creditors in accordance with Riverbend's fiscal policies.
- In fiscal year 2021, Riverbend's combined net position increased \$4,957,446 to \$19,128,505. The increase can be attributed to an increase in non-operating revenues with the majority of the increase due to debt service member payments received in the Regional Water System Facilities Fund.
- Riverbend's total long-term obligations increased by \$17,239,396 (300%) due to the issuance of bonds in the amount for \$18,000,000 reduced by regularly scheduled debt service payments on existing bonds.
- Riverbend's operating revenue increased by \$264,584 to a total for fiscal year 2021 of \$3,828,706. The Administrative fund's operating revenue increased by \$23,793, primarily due to an increase in monthly member fees charged member cities per annual true-up. The Wet Utilities fund's operating revenue increased by \$240,791, the majority of the increase due to an 8% increase in RRAD volumetric charges.
- Riverbend's combined operating expenses decreased by \$336,163 to a total for fiscal year 2021 of \$3,618,675. The Administrative fund's operating expenses decreased \$77,134 due to decrease in legal and special project expenses related to water supply contracts and the regional water system project in the prior year. The Wet Utilities fund's operating expenses decreased \$301,136 due to a decreases in maintenance expenses. Depreciation expense increased by \$42,107.
- Riverbend's combined nonoperating revenues/expenses increased by \$3,433,154 to a total for fiscal year 2021 of \$4,747,415. As stated above, the majority of this increase is due to debt service member payments received in the new Regional Water System Facilities Fund.
- Riverbend received no capital contributions this fiscal year, a reduction of \$983,153 from prior year.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to Riverbend Water Resources District's basic financial statements. Riverbend's basic financial statements consist of fund financial statements and the notes to the financial statements. The report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

The financial statements – The financial statements are designed to provide readers with a broad overview of Riverbend's finances, in a manner similar to a private-sector business. The Statement of Net Position presents information on all of Riverbend's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Riverbend is improving or deteriorating. The Statement of Revenues, Expenses and Changes in Net Position presents information showing how Riverbend's net position changed during the fiscal year. All changes in net position are

reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Riverbend's activities are functions that are intended to recover all or a significant portion of their costs through user fees and charges and are thus, considered as business-type activities.

Riverbend like other governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Riverbend uses three enterprise funds. The Regional Water System Administration Fund accounts for the revenue from its participating member entities based on the number of gallons of water purchased by the entities as well as supplemental contributions, as necessary, and consulting fees. The Wet Utilities fund, which is the second enterprise fund, is used to account for the water and wastewater operations. The Regional Water System Facilities Fund is an enterprise fund used to collect debt services payments from member entities and receive bond funds to be used for the construction of a regional water system facility. When placed in service, the new regional water system facility will provide wholesale water to the member entities in the three county region.

The basic financial statements of the enterprise funds can be found on pages 9 - 11 of this report.

Notes to the Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the basic financial statements.

The notes to the financial statements can be found on pages 12 – 22 of this report.

Other Information

Riverbend adopts an annual budget for planning, control and evaluation purposes.

The budgetary information may be found on pages 23 - 25 of this report.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information required by the Texas Commission on Environmental Quality.

This required information may be found on pages 26 - 40 of this report.

Statistical Section

Additional statistical information has been prepared to complete the annual comprehensive financial report (ACFR) in accordance with Governmental Financial Standards Board (GASB) guidance. The objective of the statistical section is to provide information on financial trends, revenue capacity, debt capacity, demographic and economic information and operating information.

The statistical information may be found on pages 41 - 68 of this report.

Single Audit Section

Riverbend is required to obtain a Single Audit Report for fiscal year 2021. Riverbend has received a federal award provided by the Environmental Protection Agency and approved by the Texas Water Development Board.

The single audit section may be found on pages 69 – 76 of this report.

Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Riverbend Water Resources District, assets exceeded liabilities by \$19,128,505 as of September 30, 2021. The largest portion of Riverbend's net position are the amounts related to the net investment in capital assets totaling \$9,344,077. Restricted funds in the amount of \$7,737,376 are comprised of \$7,421,327 restricted for bond payments

and \$316,049 restricted for Red River Army Depot construction projects. The unrestricted balance of \$2,047,240 may be used to meet Riverbends ongoing obligations. Riverbend had an increase in net position during the year of \$4,957,446.

NET POSITION

	2021	2020	Total \$ Change
Assets:			
Current assets	\$ 18,411,213	\$ 4,670,344	\$ 13,740,869
Noncurrent assets	5,890,929	1,213,419	4,677,510
Capital Assets	24,248,096	18,025,801	6,222,295
Total assets	48,550,238	23,909,564	24,640,674
Liabilities:			
Current liabilities	3,546,521	1,102,692	2,443,829
Long-term liabilities	25,875,209	8,635,813	17,239,396
Total liabilities	29,421,730	9,738,505	19,683,225
Net position:			
Net investment in capital assets	9,343,889	9,614,188	(270,299)
Restricted for bond reserves	7,421,327	2,714,457	4,706,870
Restricted for construction	316,049	474,906	(158,857)
Unrestricted	2,047,240	1,367,508	679,732
Total net position	\$ 19,128,505	\$ 14,171,059	\$ 4,957,446

CHANGES IN NET POSITION

	2021	2020	Total \$ Change
Operating revenue:			
Charges for services	\$ 3,828,706	\$ 3,559,419	\$ 269,287
Other	-	4,703	(4,703)
Total operating revenue	3,828,706	3,564,122	264,584
Operating expenses:			
Administrative	413,712	490,846	(77,134)
Wet Utilities	2,399,784	2,700,920	(301,136)
Depreciation	805,179	763,072	42,107
Total operating expenses	3,618,675	3,954,838	(336,163)
Operating income	210,031	(390,716)	600,747
Nonoperating revenues/expenses	4,747,415	1,314,261	3,433,154
Capital contributions	-	983,153	(983,153)
Change in net position	4,957,446	1,906,698	3,050,748
Net position, beginning of year	14,171,059	12,264,361	1,906,698
Prior period adjustment	-	-	-
Net position, end of year	\$ 19,128,505	\$ 14,171,059	\$ 4,957,446

Riverbend's total operating revenues increased by \$264,584 in fiscal year 2021 from the 2020 revenue. Charges for services fees for fiscal year 2021 of \$3,828,706 were increased from fiscal year 2020 of \$3,559,419 by \$269,287. Other operating revenues for the fiscal year 2021 decreased by \$4,703. Riverbend's combined operating expenses decreased by \$336,163 for a fiscal year 2021 total of \$3,618,675. The Administrative fund's operating expenses decreased \$77,134 and the Wet Utilities fund operating expenses decreased \$301,136. Depreciation expense increased by \$42,107.

Budgetary Highlights

The fiscal year ended with a Wet Utilities Fund budget surplus of \$622,639 attributable to staff vacancies, water purchase cost credit, infrastructure services expense reimbursement, and favorable expenditure variances. The Regional Water System Administration Fund budget surplus in the amount of \$14,067 is attributable to less expense for legal and engineering services than anticipated and other favorable expense variances. The Regional Water System Facilities Fund budget surplus in the amount of \$190,444 is due to member city water usage exceeding contracted minimum volumes.

Capital Assets

Riverbend's capital assets as of September 30, 2021 amount to \$24,248,096. The capital assets include computer equipment, equipment, utility system, intangible assets, and construction in process. Major capital asset additions during the current fiscal year were two 2021 Ford F150's \$58,359, Lenovo Thinkserver SR650 \$31,561, Kubota tractor with loader and box blade \$31,822, a 25-yard dewatering box \$18,194, Spectrometer \$10,476, 225' 4" water line at Building 341 and construction in progress on the regional water system \$6,670,259, drying bed rehab \$110,165, and elevated water tank \$155,645. Additional information on Riverbend's capital assets can be found in Note 5 on page 16 of this report.

CAPITAL ASSETS, NET OF DEPRECIATION

	2021	2020
Equipment	\$ 415,929	\$ 343,220
Utility system	16,012,858	16,768,340
Intangible assets	265,536	296,537
Construction in progress	7,553,773	617,704
Total capital assets	<u>\$ 24,248,096</u>	<u>\$ 18,025,801</u>

Debt Administration

In the year ended September 30, 2016, Riverbend issued Riverbend Water Resources Riverbend Water and Wastewater Revenue Bonds Taxable Series 2016A for \$4,925,000 and Riverbend Water Resources District Water and Wastewater Revenue Bonds Taxable Series 2016B for \$6,685,000. During the current fiscal year Riverbend issued Riverbend Water Resources District Water and Wastewater System Contract Revenue Bonds Taxable Series 2020A for \$10,800,000 and Riverbend Water Resources District Water and Wastewater System Contract Revenue Bonds Tax-Exempt Series 2020B for \$7,200,000. Payments of principal in the amount of \$740,000 and interest in the amount of \$473,419 were made during the fiscal year. Total bonded debt at September 30, 2021 totaled \$26,595,000. Additional information on the Riverbend's long-term debt can be found in Note 6 on pages 16 -18 of this report.

Economic Factors and Next Year's Budget

The Wet Utilities Fund budget for fiscal year 2021-2022 includes an increase of approximately 10% in the Red River Army Depot (RRAD) revenue. The increase is due to RRAD's increase in percentage of usage of overall water and wastewater volumes and budgeting for planning, design, and construction of a new industrial wastewater treatment plant.

The Regional Water System Facilities Fund budget includes a full year of monthly fees, debt service payments and continued expenditures on the regional water treatment facility. Riverbend anticipates issuing the second of the multi-year bond package in February, 2022 in the amount of \$93M.

The Regional Water System Administration Fund budget includes a full year of member fees as well as planning for expenses for professional services related to future and ongoing water, wastewater and industrial wastewater projects.

Request for Information

This financial report is designed to provide a general overview of Riverbend's finances for all those with an interest in the government's finances. Questions concerning any of the information included in this report or requests for additional information should be addressed to Kyle Dooley, Riverbend's Executive Director/CEO at kyledooley@rwr.org, 228 Texas Ave Suite A, New Boston, Texas 75570 or by telephone at 903-831-0091.

Basic Financial Statements

RIVERBEND WATER RESOURCES DISTRICT**STATEMENT OF NET POSITION****ENTERPRISE FUNDS****SEPTEMBER 30, 2021**

	<i>Regional Water System Administration Fund</i>	<i>Regional Water System Facilities Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 223,165	\$ -	\$ 1,289,074	\$ 1,512,239
Accounts receivable	17,688	274,372	839,752	1,131,812
Interfund accounts	3,009	-	352	3,361
Restricted assets:				
Cash and cash equivalents restricted for bond debt reserves	-	246,611	1,121,686	1,368,297
Cash and cash equivalents restricted for construction	-	13,004,490	312,423	13,316,913
Cash and cash equivalents restricted for operations	-	-	900,745	900,745
Prepaid expenses	-	-	99,130	99,130
Inventories	-	-	78,716	78,716
Total current assets	<u>243,862</u>	<u>13,525,473</u>	<u>4,641,878</u>	<u>18,411,213</u>
Noncurrent assets:				
Cash and cash equivalents - restricted for bond debt reserves	-	4,444,321	1,446,608	5,890,929
Capital assets (net of accumulated depreciation):				
Equipment	-	-	415,929	415,929
Utility system	-	-	16,012,858	16,012,858
Intangible assets	-	-	265,536	265,536
Construction in progress	-	6,670,259	883,514	7,553,773
Total capital assets	<u>-</u>	<u>11,114,580</u>	<u>19,024,445</u>	<u>30,139,025</u>
Total noncurrent assets	<u>-</u>	<u>11,114,580</u>	<u>19,024,445</u>	<u>30,139,025</u>
TOTAL ASSETS	<u>243,862</u>	<u>24,640,053</u>	<u>23,666,323</u>	<u>48,550,238</u>
LIABILITIES				
Current liabilities:				
Accounts payable	3,064	2,302,720	78,767	2,384,551
Payroll liabilities	-	-	44,226	44,226
Interfund accounts	352	3,009	-	3,361
Due to North East Texas Regional Water Planning Group	41,138	-	-	41,138
Accrued interest payable	-	113,030	166,029	279,059
Accrued compensated absences - current portion	-	-	19,186	19,186
Revenue bonds payable - current portion	-	-	775,000	775,000
Total current liabilities	<u>44,554</u>	<u>2,418,759</u>	<u>1,083,208</u>	<u>3,546,521</u>
Long-term liabilities:				
Accrued compensated absences - long term	-	-	55,209	55,209
Revenue bonds payable - long term	-	18,000,000	7,820,000	25,820,000
Total long-term liabilities	<u>-</u>	<u>18,000,000</u>	<u>7,875,209</u>	<u>25,875,209</u>
TOTAL LIABILITIES	<u>44,554</u>	<u>20,418,759</u>	<u>8,958,417</u>	<u>29,421,730</u>
NET POSITION				
Net investment in capital assets	-	(634,606)	9,978,495	9,343,889
Restricted for bond reserves	-	4,852,274	2,569,053	7,421,327
Restricted for construction	-	3,626	312,423	316,049
Unrestricted	199,306	-	1,847,934	2,047,240
TOTAL NET POSITION	<u>\$ 199,306</u>	<u>\$ 4,221,294</u>	<u>\$ 14,707,905</u>	<u>\$ 19,128,505</u>

The notes to the financial statements are an integral part of this statement.

RIVERBEND WATER RESOURCES DISTRICT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

ENTERPRISE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Regional Water System Administration Fund	Regional Water System Facilities Fund	Wet Utilities Fund	Total
OPERATING REVENUES				
Charges for services:				
Member fees	\$ 204,635	\$ -	\$ -	\$ 204,635
Army volumetric charge	-	-	3,141,686	3,141,686
Army water supply charge	-	-	249,672	249,672
Commercial and residential charge	-	-	232,713	232,713
Total operating revenues	204,635	-	3,624,071	3,828,706
OPERATING EXPENSES				
Accounting and audit	4,500	-	-	4,500
Analyticals	-	-	101,755	101,755
Community relations	5,003	-	-	5,003
Conferences & seminars	2,840	-	-	2,840
Consulting	180,596	-	23,941	204,537
Dues and memberships	8,357	-	-	8,357
Engineering services	20,697	-	-	20,697
Equipment maintenance, repair and fuel	-	-	27,889	27,889
Insurance	-	-	46,891	46,891
Legal and professional fees	12,665	-	-	12,665
Materials	-	-	185,047	185,047
Meetings expense	4,279	-	-	4,279
Military affairs	11,000	-	-	11,000
Miscellaneous	309	-	-	309
Office supplies and expense	1,136	-	-	1,136
Permits	-	-	34,279	34,279
Repairs	-	-	177,927	177,927
Salaries, wages, payroll taxes and benefits	154,662	-	890,213	1,044,875
Supplies	-	-	25,365	25,365
Travel and training	5,001	-	-	5,001
Utilities	-	-	145,291	145,291
Waste disposal	-	-	37,158	37,158
Water purchase cost	-	-	180,852	180,852
Web design and maintenance	2,667	-	-	2,667
Overhead allocation - water	-	-	164,434	164,434
Overhead allocation - wastewater	-	-	178,613	178,613
Overhead allocation - industrial wastewater	-	-	180,129	180,129
Total operating expenses before depreciation	413,712	-	2,399,784	2,813,496
Operating income (loss) before depreciation	(209,077)	-	1,224,287	1,015,210
Depreciation	-	-	805,179	805,179
Operating income (loss)	(209,077)	-	419,108	210,031
NONOPERATING REVENUES (EXPENSES)				
Facility charges revenue	-	-	1,502,606	1,502,606
Minimum monthly payments	-	4,570,950	-	4,570,950
Interest revenue	2	23,851	12,650	36,503
Other revenue	-	-	-	-
Project admin fees	-	-	17,147	17,147
Gain (loss) on disposal of asset	-	-	(62,676)	(62,676)
Interest expense	-	(210,304)	(362,717)	(573,021)
Franchise fees expense	-	-	(108,710)	(108,710)
Special projects expense	(6,858)	-	-	(6,858)
Bond issuance costs	-	(628,526)	-	(628,526)
Total nonoperating revenues (expenses)	(6,856)	3,755,971	998,300	4,747,415
Income (loss) before capital contributions and transfers	(215,933)	3,755,971	1,417,408	4,957,446
Capital contributions	-	-	-	-
Transfers in (out)	230,000	-	(230,000)	-
Changes in net position	14,067	3,755,971	1,187,408	4,957,446
Net position, beginning of year	185,239	465,323	13,520,497	14,171,059
Net position, end of year	\$ 199,306	\$ 4,221,294	\$ 14,707,905	\$ 19,128,505

The notes to the financial statements are an integral part of this statement.

RIVERBEND WATER RESOURCES DISTRICT

STATEMENT OF CASH FLOWS

ENTERPRISE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Regional Water System Administration Fund	Regional Water System Facilities Fund	Wet Utilities Fund	Total
Cash flows from operating activities:				
Cash received from customers	\$ 204,793	\$ -	\$ 3,197,590	\$ 3,402,383
Cash paid to suppliers	(215,945)	-	(1,586,502)	(1,802,447)
Cash paid to employees	(154,662)	-	(865,387)	(1,020,049)
Net cash provided (used) by operating activities	(165,814)	-	745,701	579,887
Cash flows from noncapital financing activities:				
Net increase (decrease) in interfund receivable/liability accounts	(1,617)	3,009	(1,392)	-
Other nonoperating expenses paid	(6,857)	(628,526)	(171,386)	(806,769)
Operating transfer in (out)	230,000	-	(230,000)	-
Net cash provided (used) by noncapital financing activities	221,526	(625,517)	(402,778)	(806,769)
Cash flows from capital and related financing activities:				
Receipt of facility charges revenues	-	4,663,500	1,502,606	6,166,106
Acquisition and construction of capital assets	-	(4,367,539)	(357,214)	(4,724,753)
Interest expense paid	-	(97,274)	(376,145)	(473,419)
Receipt of project admin fees	-	-	17,147	17,147
Proceeds on bonds issued	-	18,000,000	-	18,000,000
Bonded debt principal reduction	-	-	(740,000)	(740,000)
Net cash provided (used) by capital and related financing activities	-	18,198,687	46,394	18,245,081
Cash flows from investing activities:				
Interest revenue received	2	23,851	12,650	36,503
Net cash provided (used) by investing activities	2	23,851	12,650	36,503
Net increase(decrease) in cash and cash equivalents	55,714	17,597,021	401,967	18,054,702
Cash and cash equivalents, beginning of year	167,451	98,401	4,668,569	4,934,421
Cash and cash equivalents, end of year	223,165	17,695,422	5,070,536	22,989,123
Cash and cash equivalents consists of:				
Cash and cash equivalents - Unrestricted	223,165	-	1,289,074	1,512,239
Cash and cash equivalents restricted for bonded debt purposes	-	4,690,932	2,568,294	7,259,226
Cash and cash equivalents restricted for construction	-	13,004,490	312,423	13,316,913
Cash and cash equivalents restricted for operations	-	-	900,745	900,745
Total cash and cash equivalents	223,165	17,695,422	5,070,536	22,989,123
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ (209,077)	\$ -	\$ 419,108	\$ 210,031
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	-	-	805,179	805,179
(Increase) decrease in current assets:				
Accounts receivable	158	-	(426,481)	(426,323)
Inventory	-	-	(1,837)	(1,837)
Prepaid expenses	-	-	(25,746)	(25,746)
Increase (decrease) in current liabilities:				
Accounts payable	43,105	-	(49,348)	(6,243)
Payroll liabilities	-	-	10,249	10,249
Accrued compensated absences	-	-	14,577	14,577
Total adjustments	43,263	-	326,593	369,856
Net cash provided (used) by operating activities	\$ (165,814)	\$ -	\$ 745,701	\$ 579,887
Noncash Capital, Financing and Investing Activities				
Capital contributions	\$ -	\$ -	\$ -	\$ -

The notes to the financial statements are an integral part of this statement.

RIVERBEND WATER RESOURCES DISTRICT

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization and Operations of the Reporting Entity

The Riverbend Water Resources District (Riverbend) is a political subdivision of the State of Texas created with the passage of Texas Senate Bill 1223 in 2009, pursuant to the authority granted by Section 59, Article XVI of the Texas Constitution. This provision authorizes the legislature to create agencies to develop and conserve the natural resources of the State of Texas. In establishing Riverbend, legislature delegated to it all the power enumerated under Article 49 of the Texas Water Code along with the express authority to contract with other states and political subdivisions of other states of the United States in the performance of Riverbend's lawful duties.

In 2011 the Texas Legislature re-organized composition of the Riverbend Board of Directors and appointed a temporary conservator with the passage of HB 3847. The temporary conservator served as Riverbend's administrator until July 4, 2012. The current Board of Directors were appointed January 2012, drew lots to determine staggered terms, with three of the directors serving three-year terms and two of the directors serving four-year terms. The Riverbend Board consists of two directors appointed by the City of Texarkana, Texas, one director appointed by the City of New Boston, one director appointed by TexAmericas, and one director appointed by multiple general law communities within the region.

Riverbend currently serves eighteen (18) organizations including the cities of Annona, Atlanta, Avery, Central Bowie County Water Supply Corporation, DeKalb, Hooks, Leary, Maud, Nash, New Boston, Oak Grove Water Supply Corporation, Redwater, Texarkana, Texas, Wake Village and TexAmericas Center, Bowie, Cass, and Red River Counties. The organizations served by Riverbend desire to procure certain services from Riverbend and participate in the funding of the development of Riverbend projects in exchange for a specified fee and dollar-for-dollar credits towards participation in future water purchases should Riverbend develop such capability, and Riverbend is willing to provide such services and agree to such credits. Organizations served by Riverbend agree to pay or dedicate to Riverbend a fee of \$0.045 per 1,000 gallons of potable water processed through Lake Texarkana Water Supply Corporation facilities that each organization purchases from the City of Texarkana, Texas.

On May 1, 2016 Riverbend acquired and began operating the water, wastewater and industrial wastewater systems formerly owned and operated by TexAmericas Center. Riverbend provides water, domestic wastewater and industrial wastewater services to the Red River Army Depot, the TexAmericas Industrial Park as well as various commercial and residential customers.

In September, 2020 Riverbend began billing the participating members monthly fees as set forth in Water Supply Contracts completed and executed in 2020. The Water Supply Contracts set a fee of \$1.20 per 1,000 gallons of potable water processed through Lake Texarkana Water Supply Corporation facilities that each organization purchases from the City of Texarkana, Texas. The members are charged the greater of their actual usage for the month or the minimum monthly payment set in their water supply contract.

B. Measurement Focus and Basis of Accounting

For financial reporting purposes, Riverbend reports its operations on an enterprise fund basis. Enterprise funds (a proprietary fund type) are accounted for on a flow of economic resources measurement focus. This measurement focus provides that all assets and liabilities associated with operations are included on the Statement of Net Position.

The accrual basis of accounting is utilized by Riverbend for financial reporting. Under the accrual basis of accounting, income is recorded when earned and expenses are recorded at the time liabilities are incurred. The Statement of Revenue, Expenses, and Changes of Net Position present increases (income) and decreases (expenses) in Riverbend net position.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

Riverbend distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with ongoing operations. Operating revenues include charges for services, member contributions for acting as the designee, local sponsor, and agent for the member organizations regarding certain matters and supervising performance of agreements between the member organizations and the City of Texarkana, Texas as well as consulting revenue. Operating expenses include all necessary costs related to the performance and administration of Riverbend's ongoing activities. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Riverbend reports the following three major Enterprise Funds:

The Regional Water System Administration Fund accounts for the member contributions and expenses related to the activities as the agent for the member organizations regarding certain matters and supervising performance of agreements between the member organizations and the City of Texarkana, Texas.

The Wet Utilities Fund accounts for the operations of the wet utilities systems and facilities providing water, wastewater, and industrial wastewater to its customers.

The Regional Water System Facilities Fund accounts for member entity payments, according to their Water Supply Contracts, for the repayment of the multi-year debt issuance to build a new regional water system. The fund will also account for the bond funds received and capital expenditures for construction of the facility.

When both restricted and unrestricted resources are available for use, it is Riverbend's policy to use restricted resources first then unrestricted resources as they are needed.

C. Assets, Liabilities, and Net Position

1. Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand and cash on deposit, as well as highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

2. Investments

Investments are recorded at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

3. Receivables and payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the year is referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

Accounts receivable are considered fully collectible; accordingly, no allowance for doubtful accounts is required. In the event an account in whole or in part becomes uncollectible in the future, such amount will be charged to operations when that determination is made.

4. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

5. Restricted Assets

Some of Riverbend's assets have certain constraints that have been placed on how they can be used. By definition, restricted assets are cash and cash equivalents or other assets whose use in whole or in part is restricted for specific purposes bound by virtue of contractual agreements, legal requirements or enabling legislation. Certain proceeds of revenue bonds, as well as resources set aside for their repayment, are classified as restricted assets on the statement of net position because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

6. Inventories

Inventories are stated at the lower of cost (determined by using the weighted average cost or first-in first-out) or market.

7. Capital Assets

Capital assets are stated at costs. Assets are recorded as property, plant, and equipment when valued at \$10,000 or more and have an estimated useful life in excess of one year. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives is not capitalized.

Capital assets of Riverbend are depreciated using the straight-line method over the following estimated useful lives:

Computer equipment	5 years
Equipment	5-10 years
Utility system	20-60 years
Intangible assets	20-60 years

8. Compensated Absences

Riverbend's policy is to permit the employee to accumulate earned vacation leave. Accumulated vacation time is accrued at year-end to account for Riverbend's obligation to the employee for the amount owed. The employee earns 15 days of vacation each year, or 120 hours. A maximum of 200 unused vacation hours can be carried forward from year to year. A maximum of 200 hours will be paid out upon termination for employees that have been employed for 6 months and worked 1,040 hours. The employee also earns 12 days of sick time each year, or 96 hours. Unused sick time can be carried forward from year to year but is not payable upon termination. The maximum allowable accumulation of sick leave is 600 hours. No accrual for sick time is reported.

9. Long-term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses.

10. Contributions of Capital (Non-Monetary Transactions)

Contributions of capital in proprietary fund financial statements arise from outside contributions of resources restricted to capital acquisition and construction. Riverbend did not receive capital contributions during 2021.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

11. Net Position

Unrestricted net position is the net amount of the assets and liabilities that are not included in the determination of the net investment in capital assets or restricted net position. Sometimes Riverbend may fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is Riverbend’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

12. Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make some estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported changes in net position during the reporting period. Actual results could differ from those estimates.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

While water district budgets are not “legally adopted” within the meaning of GASB 34, they are adopted according to Texas Law. Riverbend adopts an annual budget for planning, control, and evaluation purposes. Budgetary control and evaluation are affected by comparisons of actual revenues and expenses with planned revenues and expenses.

NOTE 3 – DEPOSITS AND INVESTMENTS

Riverbend adopted an investment policy in accordance with the Public Funds Investment Act which governs all deposits and investments of Riverbend.

Custodial Credit Risk - Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, Riverbend’s deposits may not be returned to it. Riverbend’s demand deposit accounts, and time and saving deposit accounts with financial institutions are each insured by the FDIC up to a maximum of \$250,000. Riverbend requires collateralized securities for the excess over FDIC coverage. The deposits were fully insured by FDIC or additional coverage of pledged securities.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of Riverbend’s investment in a single financial institution. Concentrations of credit risk over 5% are as follow at September 30, 2021:

<u><i>Type</i></u>	<u><i>Financial Institution</i></u>	<u><i>Fair Value</i></u>
Cash and cash equivalents	BOK Financial	\$ 13,003,309
Cash and cash equivalents	State Bank of DeKalb	5,070,336
Cash and cash equivalents	Texana Bank	4,915,251

Investments – The BOK Financial funds are held in their Short Term Cash Fund I, a short-term cash investment fund designed specifically for BOKF clients. The cash is deposited into a demand deposit account at the BOK Financial Corporation (BOKF) affiliate bank. As is required by state law and federal regulations, public fund deposits and accounts where affiliate banks act in a trustee or a managed agency capacity, will be collateralized 110 percent of the cash market value in excess of FDIC Coverage. The collateral consists of U.S. Treasury and U.S. Agency securities. The fair value of the funds invested at BOKF at September 30, 2021 was \$13,003,309. The investment maturity was less than 1 year, fair value hierarchy level 1.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

NOTE 4 – ACCOUNTS RECEIVABLE

Riverbend's accounts receivable as of September 30, 2021 was \$1,131,812. Riverbend considers all accounts receivable to be fully collectible; therefore, no allowance for doubtful accounts is recorded. In the event an account in whole or in part becomes uncollectible in the future, such amount will be charged to operations when that determination is made.

NOTE 5 – CAPITAL ASSETS

Riverbend had several construction projects in process during the year ended September 30, 2021. The Regional Planning Master Study, Water Rate Study, Regional Water System Project, Elevated Water Storage Tank Project, Drying Bed Rehab and the Industrial Feasibility Study had accumulated \$7,553,773 of construction in progress cost at September 30, 2021. Major capital asset additions during the current fiscal year were two 2021 Ford F150's \$58,359, Lenovo Thinkserver SR650 \$31,561, Kubota tractor with loader and box blade \$31,822, a 25-yard dewatering box \$18,194, Spectrometer \$10,476, and 225' 4" water line at Building 341. Total depreciation expense of \$805,179 was included in operating expenses.

Capital asset activity for the year ended September 30, 2021 was as follows:

	<i>Balance</i> <i>October 1,</i> <i>2020</i>	<i>Additions</i>	<i>Reclassifications/ Retirements</i>	<i>Balance</i> <i>September 30,</i> <i>2021</i>
Capital assets, not being depreciated				
Construction in progress	\$ 617,704	\$ 6,936,069	\$ -	\$ 7,553,773
Capital assets, being depreciated				
Computer equipment	1,362	-	-	1,362
Equipment	483,119	150,387	5,056	628,450
Utility systems	19,321,446	12,612	67,327	19,266,731
Intangible assets	324,784	-	23,092	301,692
Total capital assets, being depreciated	20,130,711	162,999	95,475	20,198,235
Less accumulated depreciation for:				
Computer equipment	(1,362)		-	(1,362)
Equipment	(139,899)	(76,170)	(3,551)	(212,518)
Utility systems	(2,553,106)	(718,261)	(17,492)	(3,253,875)
Intangible assets	(28,247)	(10,748)	(2,838)	(36,157)
Total accumulated depreciation	(2,722,614)	(805,179)	(23,881)	(3,503,912)
Total capital assets, being depreciated	17,408,097	(642,180)	71,594	16,694,323
Total capital assets, net	\$ 18,025,801	\$ 6,293,889	\$ 71,594	\$ 24,248,096

NOTE 6 – LONG-TERM DEBT OBLIGATIONS

Riverbend has pledged future water, wastewater and industrial wastewater customer revenues, net of specific operating expenses to repay \$11,610,000 in water and wastewater system revenue bonds issued in 2016 and has entered into water supply contracts with participating members committing to repay \$18,000,000 in water and wastewater revenue bonds issued in 2020. Proceeds from the 2016 bonds provided financing for the water and wastewater facility acquisition and improvements. The 2016 bonds are payable solely from customer net revenues. The Series 2016 A

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

bonds are callable in whole or in part inversely on any date at par. The Series 2016 B bonds are callable in whole or in part inversely at any date at par. The 2020 bonds are payable from member and customer net revenues. The Series 2020 A bonds are callable in whole or in part inversely beginning October 15, 2030 at par plus accrued interest. The Series 2020 B bonds are callable in whole or in part inversely beginning October 15, 2030 at par plus accrued interest. The total principal and interest remaining to be paid on the bonds is \$35,949,083. Riverbend made \$740,000 of principal payment and \$473,419 of interest payments during the fiscal year ended September 30, 2021. Riverbend incurred \$573,021 of interest expense during the year ended September 30, 2021.

Long-term debt at September 30, 2021 is comprised of the following:

	<i><u>Rate of Interest</u></i>	<i><u>Original Issue</u></i>	<i><u>Outstanding September 30, 2021</u></i>
Riverbend Water Resources District			
Water and Wastewater System Revenue Bonds			
Taxable Series 2016A -- Due serially in varying amounts from October 2017 through October 2045	0.8-4.56%	\$ 4,925,000	\$ 4,315,000
Riverbend Water Resources District			
Water and Wastewater System Revenue Bonds			
Taxable Series 2016B -- Due serially in varying amounts from October 2017 through October 2030	4.24%	6,685,000	4,280,000
Riverbend Water Resources District			
Water and Wastewater System Contract Revenue Bonds			
Bonds Taxable Series 2020A -- Due serially in varying amounts from April 2021 through October 2051	0.0-2.25%	10,800,000	10,800,000
Riverbend Water Resources District			
Water and Wastewater System Contract Revenue Bonds			
Tax-Exempt Series 2020B -- Due serially in varying amounts from April 2021 through October 2051	0.0-1.57%	<u>7,200,000</u>	<u>7,200,000</u>
Total bonded indebtedness		<u>\$ 29,610,000</u>	26,595,000
Less current maturities			<u>(775,000)</u>
Total long-term debt			<u>\$ 25,820,000</u>

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

Annual requirements to amortize Riverbend's revenue bonds outstanding at September 30, 2021 including interest payments are as follows:

<i>Requirements</i>	<i>Water and Wastewater System Revenue Bonds</i>		
<i>Year Ending</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
<i>September 30</i>			
2022	775,000	593,296	1,368,296
2023	1,335,000	561,290	1,896,290
2024	930,000	536,898	1,466,898
2025	950,000	520,449	1,470,449
2026	965,000	579,226	1,544,226
2027-2031	5,270,000	2,611,894	7,881,894
2032-2036	3,565,000	1,682,920	5,247,920
2037-2041	3,970,000	1,271,854	5,241,854
2042-2046	4,500,000	733,363	5,233,363
2047-2051	3,575,000	255,329	3,830,329
2052	760,000	7,564	767,564
	<u>\$ 26,595,000</u>	<u>\$ 9,354,083</u>	<u>\$ 35,949,083</u>

The following is a summary of the changes in long-term obligations for the year ended September 30, 2021.

	<i>Beginning</i>			<i>Ending</i>	
	<i>Balance</i>			<i>Balance</i>	
	<i>October 1,</i>	<i>Additions</i>	<i>Retirements</i>	<i>September 30,</i>	<i>Due Within</i>
	<i>2020</i>			<i>2021</i>	<i>One Year</i>
Revenue bonds	\$ 9,335,000	\$ 18,000,000	\$ (740,000)	\$ 26,595,000	\$ 775,000
Accrued compensated absences	59,818	60,814	(46,237)	74,395	19,186
Total	<u>\$ 9,394,818</u>	<u>\$ 18,060,814</u>	<u>\$ (786,237)</u>	<u>\$ 26,669,395</u>	<u>\$ 794,186</u>

NOTE 7 – RETIREMENT PLAN

Riverbend sponsors a defined contribution plan, Riverbend Water Resources District 457 Plan, for those employees that elect to participate. The plan is a Government Plan as defined in Internal Revenue Code Section 457(b) and is administered through InWest Retirement Solutions. All employees of Riverbend are eligible to elect participation in the plan. Employees may contribute, by salary reduction, a percentage as specified in the Internal Revenue Code. Employee contributions are immediately vested. Riverbend matches the employee contributions on a discretionary basis. Eligible employees may only participate in the matching program after the first 6 months of service. The current policy matches up to 12.5% of employee contributions based on the following rates: 2 for 1 up to the first 4% of contributions; 1 for 1 of 5-7% of contributions; 0.5 to 1 of 8-10% of contributions. Employer and employee contributions to the plan for the year ended September 30, 2021 totaled \$122,432 and \$90,745, respectively.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

At the September 30, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	0
Inactive employees entitled to but not yet receiving benefits	3
Active employees	<u>16</u>
Total	<u>19</u>

NOTE 8 – RISK MANAGEMENT

Riverbend is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and other claims of various natures. Riverbend participates in the Texas Water Conservation Association Risk Management Fund (Fund) to ensure the appropriate insurance has been acquired for the fund year in relation to Riverbend operations and assets in the event of a loss. Riverbend has workers compensation coverage, general liability, errors and omissions liability, and automobile insurance through the Fund. Riverbend maintains coverage of \$1,000,000 per claim and \$9,000,000 additional per claim and annual aggregate in excess of \$1,000,000 for general liability, errors and omissions, and automobile insurance coverage. Riverbend has a deductible of \$1,000 under the policies. There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

NOTE 9 – INTERFUND BALANCES AND TRANSFERS

During the fiscal year ended September 30, 2021, a payable of \$352 was recorded by the Regional Water System Administration Fund to the Wet Utilities Fund with an offsetting receivable recorded by the Wet Utilities Fund to reclassify expenses between funds. A payable of \$3,009 was recorded by the Regional Water System Facilities Fund to the Regional Water System Administration Fund with an offsetting receivable recorded by the Regional Water System Administration Fund to reclassify expenses between funds. These interfund balances will be repaid currently. During the fiscal year ended September 30, 2021, the Wet Utilities Fund transferred \$230,000 to the Regional Water System Administration Fund. Transfers totaling \$230,000 will be used for professional service expenses related to future and ongoing water, wastewater and industrial wastewater projects.

NOTE 10 – ACQUISITION OF WET UTILITIES OPERATIONS

On May 26, 2015 Riverbend and TexAmericas Center entered into an Agreement for Purchase and Sale of Assets and Assignment and Assumption of Contract Rights, providing for the sale of the water, wastewater and industrial wastewater systems that were owned and operated by TexAmericas Center. On April 25, 2016 the Riverbend Water Resources District Board of Directors issued Resolution No. 20160425-02 to close the sale of the water, wastewater, and industrial wastewater systems from TexAmericas Center. The closing date of the transfer was April 28, 2016 and the effective date of the transfer of the wet utility systems, its operations and its employees was May 1, 2016. Riverbend paid \$10,000 for the purchase of the wet utility operations from TexAmericas Center.

The water, wastewater and industrial wastewater operations were acquired as a transfer of operations from TexAmericas Center totaling \$8,318,334. Riverbend received capital assets with a net book value of \$11,026,495 from TexAmericas Center as part of the transfer of the wet utility operations.

Riverbend issued \$4,925,000 Revenue Bonds Taxable Series 2016A and \$6,685,000 Revenue Bonds Taxable Series 2016B which were utilized in part to redeem the TexAmericas Center bonds. As part of the agreement, TexAmericas Center funded a promissory note for \$900,000.

TexAmericas Center retained seven-twelfths (7/12) of the profits from the operation of the wet utility system budgeted by TexAmericas Center for FY 2015-2016. The remainder of the profits, or \$347,520, was transferred to Riverbend in September 2016 and reported as part of the transfer of operations.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

NOTE 11 – WATER SUPPLY AND WASTEWATER TREATMENT CONTRACT WITH RED RIVER ARMY DEPOT

Volumetric Charges and Operating Revenues

Volumetric charges for the water, wastewater and industrial wastewater systems are equal to the annual budgeted amount for operations and maintenance plus an 8% margin/fee multiplied by the Army's actual percentage of overall usage from the prior fiscal year. Volumetric water supply charges are the water supply cost multiplied by the actual RRAD usage each month. During the year ending September 30, 2020 the Army's percentage of usage of the water system was 98.40%, wastewater system was 81.59%, and the industrial wastewater system was 100%. These percentages, applied to the budget for the year ended September 30, 2021, set annually with the Army, produce operating revenue for the system.

Facility Charges

Facility Charges 1 and 2 pay bonded indebtedness currently outstanding for capital improvements previously made in the water, wastewater, and industrial wastewater systems. Facility Charge 3 is for improvements to the industrial wastewater system currently in the design and planning stage. RRAD has requested the construction of a new industrial wastewater plant with an estimated cost of \$20-30M (40% contingency). The net proceeds from all Facility Charges collected are separated in restricted accounts on the statement of net position by Riverbend and managed consistent with generally accepted municipal investment practices.

NOTE 12 – MAJOR CUSTOMERS

Riverbend's Wet Utilities Fund has one major customer, Red River Army Depot (RRAD). At September 30, 2021, RRAD owed Riverbend \$812,185, 96.71% of the billed receivables. Riverbend billed RRAD \$4,797,201, 92.47% of the charges for services and facility charges for the year ended September 30, 2021.

Riverbend's Regional Water System Facilities Fund has two customers contributing more than 10% of the fund's \$4,570,950 member revenue. Riverbend billed the City of Texarkana \$2,937,384 (64%) and the City of New Boston \$457,502 (10%) for the year ended September 30, 2021. At September 30, 2021 the City of Texarkana owed Riverbend \$278,332.

Riverbend's Regional Water System Administration Fund has one major customer, the City of Texarkana. At September 30, 2021, the City of Texarkana owed Riverbend \$9,788, 55.33% of the billed receivables. Riverbend billed the City of Texarkana \$117,451, 57.39% of the member fee charges for the year ended September 30, 2021.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

NOTE 13 – LEASE AGREEMENT WITH TEXAMERICAS CENTER

Riverbend has three contracts with TexAmericas Center to rent office space for \$1 for the term of the contract. The buildings rented are building 164 with 4,300 square feet, building 167 with 2,400 square feet and the west wing of building 228A with 3,562 square feet. The initial term began May 1, 2016 and terminates April 1, 2017 with options to extend the term for nine additional one-year periods. Riverbend will pay additional rent equal to the rental square feet times an initial rent of \$2.50 per square foot for building 164, \$1 per square foot for building 164, and \$5 per square foot for building 228A for the first year. The additional rent is earned upon the first day of each term and extended term of the lease and is payable by Riverbend in future credits for water or wastewater services redeemable by TAC or its assignees from Riverbend from the current Wet utility systems, any future additional or expansions and from any future new water treatment plant facilities by Riverbend. In order to redeem any accrued water or wastewater credits, TAC will give Riverbend notice for credits to be redeemed in the following budget year. TAC is not permitted to redeem more than twenty percent of the then-current balance of TAC's accrued water and wastewater credits arising from the additional rent during any ninety-day period. The requests are subject to Riverbend's budgetary ability to meet the request. The amount of future credits accrued by TexAmericas Center for the current year ending September 30, 2021 was \$35,891. The cumulative TAC rental water credits are included in the schedule in Note 15.

NOTE 14 – FRANCHISE FEES

A franchise fee of three percent (3%) of the gross revenues generated from the operation of any utility system owned by Riverbend which is located on any real property owned by TexAmericas Center is due to TexAmericas Center on a monthly basis. The amount of the franchise fee to be paid is based on the amount of billed charges for the preceding month. During the fiscal year ended September 30, 2021, Riverbend paid franchise fees of \$108,710.

NOTE 15 – CONTINGENCIES

Litigation

In the ordinary course of operations, Riverbend is subject to claims from outside parties. After consultation with legal counsel, Riverbend believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

Pandemic

Greg Abbott, Governor of Texas, issued a disaster proclamation on March 13, 2020, certifying under Section 418.014 of the Texas Government Code that the novel coronavirus (COVID-19) poses an imminent threat of disaster for all counties in the State of Texas; and in each subsequent month effective through today, he has issued proclamations renewing the disaster declaration for all Texas counties. Other states also have been declared disaster areas as a result of the COVID-19 pandemic. The pandemic will most probably have a profound effect on governmental and private entities. The extent of the effect cannot at this time be estimated or quantified.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

Water fees and credits

An item of operating revenue for Riverbend represents fees paid by member organization for future water credits should Riverbend develop a project with the capability of providing potable water. Each one dollar in advances may be exchanged for one dollar in credits that Riverbend will accept for the purchase of water.

The amount of advances paid by each member organization for Riverbend fees, supplemental contributions and rental credits by year is as follows:

<i>Member Organization</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>	<i>2017</i>	<i>2016</i>	<i>Prior Years</i>	<i>Total</i>
City of Annona	\$ 315	\$ 374	\$ 407	\$ 350	\$ 689	\$ 734	\$ 1,317	\$ 3,871
City of Atlanta	15,125	14,988	15,165	15,622	21,997	30,583	45,877	144,232
City of Avery	821	782	904	1,054	1,292	2,287	3,723	10,042
Central Bowie Co. WSC	10,512	9,414	-	-	-	-	-	9,414
City of DeKalb	3,481	3,192	3,482	3,218	5,385	7,650	12,671	35,598
City of Hooks	7,530	7,274	7,253	7,238	12,645	13,956	22,311	70,677
City of Leary	985	975	945	807	1,238	1,747	2,939	8,651
City of Maud	2,235	2,059	2,163	1,881	3,160	4,946	7,774	21,983
City of Nash	4,323	4,249	4,319	4,450	6,656	9,242	11,947	40,863
City of New Boston	15,635	15,350	17,756	17,944	26,369	35,367	58,663	171,449
Oak Grove WSC	1,082	96	-	-	-	-	-	96
City of Redwater	5,771	5,661	5,449	6,224	8,818	10,387	13,116	49,655
City of Texarkana, TX	117,451	97,893	122,404	120,039	196,878	276,759	381,428	1,195,401
City of Wake Village	7,472	7,024	7,470	7,297	12,726	17,012	27,162	78,691
TexAmericas Center	-	-	-	-	-	20,444	39,854	60,298
TexAmericas Center Rental Credit	35,891	34,845	33,830	32,845	31,889	30,960	-	164,369
Wet Utilities Fund	11,897	11,511	9,891	11,960	24,260	3,369	-	60,991
Total	<u>\$ 240,526</u>	<u>\$ 215,687</u>	<u>\$ 231,438</u>	<u>\$ 230,929</u>	<u>\$ 354,002</u>	<u>\$ 465,443</u>	<u>\$ 628,782</u>	<u>\$ 2,126,281</u>

NOTE 16 – CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

Riverbend has begun planning and designing for the construction of a new regional water treatment facility. Participating member water supply contracts support the payment of the \$200M multi-year bond issuance package. Riverbend and the City of Texarkana, Texas have submitted a water rights application to the Texas Commission on Environmental Quality (TCEQ) seeking to secure the future water needs of the region.

The Elevated Water Tank and Drying Bed Rehab projects were completed in December, 2021 with additional costs of \$292,116 and \$109,623 respectively. Riverbend is also working with RRAD to build a new industrial wastewater treatment facility. Updated cost estimates anticipate the cost to be \$30,273,800 with a 40% contingency. A revised site location could result in a cost savings of \$5M.

NOTE 17 – SUBSEQUENT EVENTS

In preparing these financial statements, management of Riverbend has evaluated events and transactions for potential recognition or disclose through January 19, 2022, the date the financial statements were available to be issued.

Supplementary Information
Budgetary Comparison Schedules

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE REGIONAL WATER SYSTEM ADMINISTRATION FUND FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget</i>
OPERATING REVENUES				
Charges for services	\$ 203,928	\$ 203,928	\$ 204,635	\$ 707
Total operating revenues	203,928	203,928	204,635	707
OPERATING EXPENSES				
Accounting and audit	4,500	4,500	4,500	-
Community relations	8,000	8,000	5,003	(2,997)
Conferences and seminars	4,700	4,700	2,840	(1,860)
Consulting	200,000	200,000	180,596	(19,404)
Dues and memberships	7,735	8,735	8,357	(378)
Engineering services	150,000	130,000	20,697	(109,303)
Legal and professional fees	27,500	27,500	12,665	(14,835)
Meetings expense	6,000	6,000	4,279	(1,721)
Military affairs	11,000	11,000	11,000	-
Miscellaneous	1,400	1,400	-	(1,400)
Office supplies and expense	3,300	2,300	1,136	(1,164)
Salaries, wages, payroll taxes and benefits	157,922	157,922	154,662	(3,260)
Subscriptions	400	400	309	(91)
Travel and training	18,000	18,000	5,001	(12,999)
Web design and maintenance	4,000	4,000	2,667	(1,333)
Total operating expenses before depreciation	604,457	584,457	413,712	(170,745)
Depreciation	-	-	-	-
Total operating expenses	604,457	584,457	413,712	(170,745)
Operating Income (loss) before special projects expense and transfers	(400,529)	(380,529)	(209,077)	171,452
Non-operating revenues (expenses)				
Interest revenue	-	-	2	2
Special projects expense	(100,000)	(50,000)	(6,858)	43,142
Use of prior year equity	200,529	200,529	-	(200,529)
Transfer in	300,000	230,000	230,000	-
Changes in net position	-	-	14,067	14,067
Net position, beginning of year	185,239	185,239	185,239	-
Net position, end of year	\$ 185,239	\$ 185,239	\$ 199,306	\$ 14,067

Note: GAAP serves as the basis of budgeting.

RIVERBEND WATER RESOURCES DISTRICT**SUPPLEMENTARY INFORMATION****BUDGETARY COMPARISON SCHEDULE****WET UTILITIES FUND****FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget</i>
OPERATING REVENUES				
Charges for services	\$ 3,617,400	\$ 3,673,640	\$ 3,624,071	\$ (49,569)
Total operating revenues	<u>3,617,400</u>	<u>3,673,640</u>	<u>3,624,071</u>	<u>(49,569)</u>
OPERATING EXPENSES				
Analytical	150,000	150,000	101,755	48,245
Capital Replacement	414,000	-	-	-
Consulting	60,000	60,000	23,941	36,059
Equipment maintenance, repair and fuel	53,356	47,756	27,889	19,867
Insurance	45,263	46,891	46,891	-
Materials	233,000	233,000	185,047	47,953
Miscellaneous	12,000	-	-	-
Permits	55,000	55,000	34,279	20,721
Repairs	207,000	206,000	177,927	28,073
Salaries, wages, payroll taxes and benefits	1,077,111	1,015,082	890,213	124,869
Supplies	51,700	52,150	25,365	26,785
Utilities	188,000	188,000	145,291	42,709
Waste disposal	70,000	70,000	37,158	32,842
Water purchase cost	307,663	307,663	180,852	126,811
Overhead allocation - water	214,012	199,955	164,434	35,521
Overhead allocation - wastewater	232,464	217,196	178,613	38,583
Overhead allocation - industrial wastewater	234,439	219,042	180,129	38,913
Total operating expenses before depreciation	<u>3,605,008</u>	<u>3,067,735</u>	<u>2,399,784</u>	<u>667,951</u>
Operating income (loss) before depreciation	12,392	605,905	1,224,287	618,382
Depreciation	799,500	799,500	805,179	(5,679)
Operating income (loss)	<u>(787,108)</u>	<u>(193,595)</u>	<u>419,108</u>	<u>612,703</u>
NONOPERATING REVENUES (EXPENSES)				
Facility charges revenues	1,485,628	1,513,088	1,502,606	(10,482)
Interest revenue	52,000	14,000	12,650	(1,350)
Other revenue	235,651	46,229	17,147	(29,082)
Gain (loss) on disposal of asset	-	(71,000)	(62,676)	8,324
Interest expense	(585,182)	(405,449)	(362,717)	42,732
Franchise fees expense	(108,504)	(108,504)	(108,710)	(206)
Total nonoperating revenues (expenses)	<u>1,079,593</u>	<u>988,364</u>	<u>998,300</u>	<u>9,936</u>
Income (loss) before capital contributions and transfers	292,485	794,769	1,417,408	622,639
Transfers in (out)	<u>(300,000)</u>	<u>(230,000)</u>	<u>(230,000)</u>	<u>-</u>
Changes in net position	<u>(7,515)</u>	<u>564,769</u>	<u>1,187,408</u>	<u>622,639</u>
Net position, beginning of year	<u>13,520,497</u>	<u>13,520,497</u>	<u>13,520,497</u>	<u>-</u>
Net position, end of year	<u>\$ 13,512,982</u>	<u>\$ 14,085,266</u>	<u>\$ 14,707,905</u>	<u>\$ 622,639</u>

Note: GAAP serves as the basis of budgeting.

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE REGIONAL WATER SYSTEM FACILITIES FUND FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget</i>
OPERATING REVENUES				
Charges for services	\$ -	\$ -	\$ -	\$ -
Total operating revenues	-	-	-	-
OPERATING EXPENSES				
Expenses	-	-	-	-
Total operating expenses	-	-	-	-
Operating income (loss)	-	-	-	-
NONOPERATING REVENUES (EXPENSES)				
Minimum monthly payments	4,389,715	4,389,715	4,570,950	181,235
Interest income	-	21,000	23,851	2,851
Bond interest expense	(24,705)	(210,304)	(210,304)	-
Bond issuance costs	(650,000)	(634,884)	(628,526)	6,358
Total nonoperating revenues (expenses)	3,715,010	3,565,527	3,755,971	190,444
Change in net position	3,715,010	3,565,527	3,755,971	190,444
Net position, beginning of year	\$ 465,323	\$ 465,323	465,323	-
Net position, end of year	\$ 4,180,333	\$ 4,030,850	\$ 4,221,294	\$ 190,444

Supplementary Information
Required by Texas Commission on Environmental Quality

**SUPPLEMENTARY INFORMATION
SCHEDULE OF SERVICES AND RATES
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

1. Services Provided by the District during the Fiscal Year:

- | | | |
|---|---|-------------------------------------|
| <input checked="" type="checkbox"/> Retail Water | <input type="checkbox"/> Wholesale Water | <input type="checkbox"/> Drainage |
| <input checked="" type="checkbox"/> Retail/Wastewater | <input type="checkbox"/> Wholesale Wastewater | <input type="checkbox"/> Irrigation |
| <input type="checkbox"/> Parks/Recreation | <input checked="" type="checkbox"/> Fire Protection | <input type="checkbox"/> Security |
| <input type="checkbox"/> Solid Waste/Garbage | <input type="checkbox"/> Flood Control | <input type="checkbox"/> Roads |
| <input checked="" type="checkbox"/> Participates in joint ventures, regional system, and/or wastewater service
(other than emergency interconnect) | | |
| <input type="checkbox"/> Other (specify): _____ | | |

2. Retail Service Providers

a. Retail Rates for a 5/8" meter (or equivalent):

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1,000 Gallons Over Minimum Use	Usage Levels
WATER:	\$_____	___SEE___	_____	\$_____.____	___ to ___
WASTEWATER:	\$_____	ATTACHED	_____	\$_____.____	___ to ___
SURCHARGE:	\$_____	SCHEDULE	_____	\$_____.____	___ to ___

District employs winter averaging for wastewater usage? Yes ☐ No ☒

Total charges per 10,000 gallons usage: Commercial Water: \$97.50 Wastewater: \$102.50
Residential Water: \$62.50 Wastewater: \$97.50

b. Water and Wastewater Retail Connections:

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFCs
Unmetered	0	0	x 1.0	_____
≤ 3/4"	20	14	x 1.0	_____
1"	33	27	x 2.5	_____
1 1/2"	7	5	x 5.0	_____
2"	15	12	x 8.0	_____
3"	14	9	x 15.0	_____
4"	4	4	x 25.0	_____
6"	3	3	x 50.0	_____
8"	3	3	x 80.0	_____
12"	2	1	x 115.0	_____
Total Water	99	76	_____	_____
Total Wastewater	72	58	x 1.0	_____

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION SCHEDULE OF SERVICES AND RATES (CONTINUED) FOR THE YEAR ENDED SEPTEMBER 30, 2021

3. Total Water Consumption during the Fiscal Year (rounded to the nearest thousand):

Gallon pumped into system:	297,454,830	Water Accountability Ratio: (Gallons billed/Gallon pumped)
Gallons billed to customers:	297,454,830	_____ 100% _____

4. Location of District:

County(ies) in which District is located: Bowie, Cass, Red River

Is the District entirely within one county? Yes ☐ No ☒

Is the District located within a city? Entirely ☐ Partly ☐ Not at all ☒

City(ies) in which the District is located? _____

Is the District located within a city's extra territorial jurisdiction (ETJ)?
Entirely ☐ Partly ☒ Not at all ☐

ETJs in which the District is located: See above

Are board members appointed by an office outside the district: Yes ☐ No ☒

If Yes, by whom? _____

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION SCHEDULE OF SERVICES AND RATES (CONTINUED) FOR THE YEAR ENDED SEPTEMBER 30, 2021

WATER/SEWER RATES SCHEDULE

	<i>Commercial sewer only</i>	<i>Commercial water/sewer</i>	<i>Private water/sewer</i>	<i>Private 1" sprinkler</i>	<i>Commercial hydrant / sprinkler</i>
Standard water rate (\$/1,000)	\$ -	\$ 6.50	\$ 3.50	\$ 3.50	\$ -
Standard sewer rate (\$/1,000)	7.00	7.00	7.00	-	-
Facility charge					
Water	-	3.25	2.75	2.50	-
Sewer	3.25	3.25	2.75	-	-
Total charge (\$/1,000)	10.25	20.00	16.00	6.00	9.75
Fixed minimum charge	20.00	35.00	20.00	10.00	15.00
Water rate		10.00	7.00	7.00	10.00
Sewer rate	15.00	15.00	10.00	-	-
Facility charge water		5.00	1.50	3.00	5.00
Facility charge wastewater	5.00	5.00	1.50	-	-
Backflow Device					
Annual Calibration	75.00	-	-	-	-
Customer Service Inspection					
New Connections	85.00				

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION SCHEDULE OF ENTERPRISE FUND EXPENSES FOR THE YEAR ENDED SEPTEMBER ENDED SEPTEMBER 30, 2021

	<i>Regional Water System Administration Fund</i>	<i>Regional Water System Facilities Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
Personnel Expenses (including benefits)*	\$ 154,662	\$ -	\$ 1,304,687	\$ 1,459,349
Professional Fees:				
Auditing and financial consulting	4,500	-	17,475	21,975
Legal	12,665	-	-	12,665
Engineering services	20,697	-	-	20,697
Consulting	180,596	-	23,941	204,537
Purchased Services for Resale:				
Water purchase cost	-	-	180,852	180,852
Utilities	-	-	145,291	145,291
Repairs and Maintenance:				
Analytical	-	-	101,755	101,755
Repairs and maintenance - equipment	-	-	28,968	28,968
Repairs and maintenance - utility system	-	-	177,927	177,927
Supplies and materials	-	-	210,412	210,412
Insurance	-	-	46,891	46,891
Waste disposal	-	-	37,158	37,158
Administrative Expenses:				
Office supplies and expenses	1,136	-	5,774	6,910
Utilities	-	-	18,044	18,044
Insurance	-	-	200	200
Other administrative expenses	39,456	-	100,409	139,865
Other Expenses:				
Depreciation	-	-	805,179	805,179
Franchise fees	-	-	108,710	108,710
Gain (loss) on disposal of asset	-	-	62,676	62,676
Special projects expense	6,858	-	-	6,858
Bond issuance costs	-	628,526	-	628,526
Interest expense	-	210,304	362,717	573,021
TOTAL EXPENSES	\$ 420,570	\$ 838,830	\$ 3,739,066	\$ 4,998,466

* Number of persons employed by the District: 16 Full-Time 0 Part-Time

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION SCHEDULE OF TEMPORARY INVESTMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2021

<i>Funds</i>	<i>Identification Number</i>	<i>Maturity Date</i>	<i>Balance at End of Year</i>	<i>Accrued Int Rec End of Year</i>
Administrative Fund				
Operations	50003704	Daily checking	\$ 182,012	\$ -
Restricted - Region D Planning	8009740	Money Market	41,128	\$ -
Operations	457060	Daily savings	25	-
Wet Utilities Fund				
Operations	21695	Daily checking	1,288,874	-
Restricted bond sinking	21709	Daily checking	1,961,148	-
Restricted bond reserves	21217	Daily checking	607,146	-
Restricted construction funds	21741	Daily checking	312,423	-
Restricted operations	21733	Money Market	900,745	-
Regional Water System Facilities Fund				
Restricted - Minimum Monthly Payments	3011380	Daily Savings	455,024	-
Restricted - 2020A Construction	2037890	Money Market	1,181	-
Restricted - 2020A Revenue	8009732	Money Market	2,359,308	-
Restricted - 2020B Revenue	8009716	Money Market	1,628,721	-
Restricted - 2020A Interest & Redemption	8009813	Money Market	172,742	-
Restricted - 2020B Interest & Redemption	8009724	Money Market	75,137	-
Restricted - 2020A Construction Escrow	82-4416-01-0	Bot Short-Term Cash Fund	6,068,794	
Restricted - 2020B Construction Escrow	82-4405-01-3	Bot Short-Term Cash Fund	6,934,515	
Total - All Funds			<u>\$ 22,988,923</u>	<u>\$ -</u>

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION

SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS

SERIES 2016A - BY YEARS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

<i>Due During Fiscal Year Ending</i>	<i>Series 2016A</i>		<i>Total</i>
	<i>Principal Due 10/15</i>	<i>Interest Due 10/15, 4/15</i>	
2016	\$ -	\$ -	\$ -
2017	-	-	-
2018	-	-	-
2019	-	-	-
2020	-	-	-
2021	-	-	-
2022	105,000	179,418	284,418
2023	110,000	176,562	286,562
2024	115,000	173,370	288,370
2025	115,000	169,914	284,914
2026	120,000	166,235	286,235
2027	125,000	162,215	287,215
2028	130,000	157,743	287,743
2029	130,000	152,848	282,848
2030	140,000	147,597	287,597
2031	145,000	142,053	287,053
2032	150,000	135,926	285,926
2033	155,000	129,200	284,200
2034	160,000	122,255	282,255
2035	170,000	114,978	284,978
2036	175,000	107,370	282,370
2037	185,000	99,294	284,294
2038	195,000	90,630	285,630
2039	200,000	81,624	281,624
2040	210,000	72,276	282,276
2041	220,000	62,472	282,472
2042	230,000	52,212	282,212
2043	240,000	41,496	281,496
2044	250,000	30,324	280,324
2045	265,000	18,582	283,582
2046	275,000	6,270	281,270
	<u>\$ 4,315,000</u>	<u>\$ 2,792,864</u>	<u>\$ 7,107,864</u>

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION

SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS

SERIES 2016B - BY YEARS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

<i>Due During Fiscal Year Ending</i>	<i>Series 2016B</i>		<i>Total</i>
	<i>Principal Due 10/15</i>	<i>Interest Due 10/15, 4/15</i>	
2016	\$ -	\$ -	\$ -
2017	-	-	-
2018	-	-	-
2019	-	-	-
2020	-	-	-
2021	-	-	-
2022	670,000	167,268	837,268
2023	705,000	138,118	843,118
2024	295,000	116,918	411,918
2025	315,000	103,986	418,986
2026	325,000	166,854	491,854
2027	300,000	218,400	518,400
2028	340,000	180,000	520,000
2029	390,000	136,200	526,200
2030	440,000	86,400	526,400
2031	500,000	30,000	530,000
	<u>\$ 4,280,000</u>	<u>\$ 1,344,144</u>	<u>\$ 5,624,144</u>

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION

SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS

SERIES 2020A - BY YEARS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

<i>Due During Fiscal Year Ending</i>	<i>Series 2020A</i>		<i>Total</i>
	<i>Principal Due 10/15</i>	<i>Interest Due 10/15, 4/15</i>	
2021	\$ -	\$ -	\$ -
2022	-	171,858	171,858
2023	305,000	171,858	476,858
2024	305,000	171,858	476,858
2025	305,000	171,797	476,797
2026	305,000	171,385	476,385
2027	305,000	170,409	475,409
2028	305,000	168,914	473,914
2029	310,000	166,883	476,883
2030	310,000	164,294	474,294
2031	315,000	161,230	476,230
2032	320,000	157,736	477,736
2033	320,000	153,832	473,832
2034	325,000	149,542	474,542
2035	330,000	144,857	474,857
2036	335,000	139,735	474,735
2037	340,000	134,165	474,165
2038	345,000	128,101	473,101
2039	355,000	121,430	476,430
2040	360,000	114,190	474,190
2041	370,000	106,468	476,468
2042	375,000	98,441	473,441
2043	385,000	90,213	475,213
2044	395,000	81,731	476,731
2045	400,000	73,045	473,045
2046	410,000	64,155	474,155
2047	420,000	55,004	475,004
2048	430,000	45,590	475,590
2049	440,000	35,911	475,911
2050	450,000	25,965	475,965
2051	460,000	15,750	475,750
2052	470,000	5,288	475,288
	<u>\$ 10,800,000</u>	<u>\$ 3,631,630</u>	<u>\$ 14,431,630</u>

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION

SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS

SERIES 2020B - BY YEARS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

<i>Due During Fiscal Year Ending</i>	<i>Series 2020B</i>		<i>Total</i>
	<i>Principal Due 10/15</i>	<i>Interest Due 10/15, 4/15</i>	
2021	\$ -	\$ -	\$ -
2022	-	74,753	74,753
2023	215,000	74,753	289,753
2024	215,000	74,753	289,753
2025	215,000	74,753	289,753
2026	215,000	74,753	289,753
2027	215,000	74,677	289,677
2028	215,000	74,333	289,333
2029	215,000	73,656	288,656
2030	220,000	72,676	292,676
2031	220,000	71,367	291,367
2032	220,000	69,761	289,761
2033	225,000	67,868	292,868
2034	225,000	65,708	290,708
2035	225,000	63,345	288,345
2036	230,000	60,808	290,808
2037	230,000	58,129	288,129
2038	235,000	55,327	290,327
2039	240,000	52,381	292,381
2040	240,000	49,297	289,297
2041	245,000	46,071	291,071
2042	250,000	42,680	292,680
2043	250,000	39,155	289,155
2044	255,000	35,506	290,506
2045	260,000	31,721	291,721
2046	260,000	27,834	287,834
2047	265,000	23,843	288,843
2048	270,000	19,737	289,737
2049	275,000	15,527	290,527
2050	280,000	11,212	291,212
2051	285,000	6,790	291,790
2052	290,000	2,277	292,277
	<u>\$ 7,200,000</u>	<u>\$ 1,585,445</u>	<u>\$ 8,785,445</u>

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION

SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS

ALL BONDED DEBT SERIES - BY YEARS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

<i>Due During Fiscal Year Ending</i>	<i>Combined</i>		<i>Total</i>
	<i>Principal Due 10/15</i>	<i>Interest Due 10/15, 4/15</i>	
2016	\$ -	\$ -	\$ -
2017	-	-	-
2018	-	-	-
2019	-	-	-
2020	-	-	-
2021	-	-	-
2022	775,000	593,296	1,368,296
2023	1,335,000	561,290	1,896,290
2024	930,000	536,898	1,466,898
2025	950,000	520,449	1,470,449
2026	965,000	579,226	1,544,226
2027	945,000	625,701	1,570,701
2028	990,000	580,991	1,570,991
2029	1,045,000	529,587	1,574,587
2030	1,110,000	470,967	1,580,967
2031	1,180,000	404,650	1,584,650
2032	690,000	363,423	1,053,423
2033	700,000	350,900	1,050,900
2034	710,000	337,504	1,047,504
2035	725,000	323,180	1,048,180
2036	740,000	307,913	1,047,913
2037	755,000	291,588	1,046,588
2038	775,000	274,058	1,049,058
2039	795,000	255,435	1,050,435
2040	810,000	235,763	1,045,763
2041	835,000	215,011	1,050,011
2042	855,000	193,333	1,048,333
2043	875,000	170,864	1,045,864
2044	900,000	147,561	1,047,561
2045	925,000	123,348	1,048,348
2046	945,000	98,259	1,043,259
2047	685,000	78,847	763,847
2048	700,000	65,327	765,327
2049	715,000	51,438	766,438
2050	730,000	37,177	767,177
2051	745,000	22,540	767,540
2052	760,000	7,564	767,564
	<u>\$ 26,595,000</u>	<u>\$ 9,354,083</u>	<u>\$ 35,949,083</u>

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN LONG-TERM BONDED DEBT FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<i>Bond Issues</i>				<i>Total</i>
	<i>Series 2016A</i>	<i>Series 2016B</i>	<i>Series 2020A</i>	<i>Series 2020B</i>	
Interest rate	0.8-4.56%	4.24%	0.0-2.25%	0.0-1.57%	
Dates interest payable	4/15; 10/15	4/15; 10/15	4/15; 10/15	4/15; 10/15	
Maturity dates	10/15/2045	10/15/2030	10/15/2051	10/15/2051	
Beginning bonds outstanding	\$ 4,420,000	\$ 4,915,000	\$ -	\$ -	\$ 9,335,000
Bonds sold during the fiscal year	-	-	10,800,000	7,200,000	18,000,000
Bonds retires during the fiscal year	(105,000)	(635,000)	-	-	(740,000)
Ending Bonds Outstanding	<u>\$4,315,000</u>	<u>\$4,280,000</u>	<u>\$10,800,000</u>	<u>\$7,200,000</u>	<u>\$26,595,000</u>
Interest paid during the fiscal year	\$181,959	\$194,186	\$67,788	\$29,486	\$473,419
Paying agent's name and city					
Series 2016A	BOK Financial	Tulsa, OK			
Series 2016B	Regions Bank	Birmingham, AL			
Series 2020A	BOK Financial	Tulsa, OK			
Series 2020B	BOK Financial	Tulsa, OK			
Bond authority:	<u>Revenue Bonds</u>				
Amount authorized	\$29,610,000				
Amount issued	\$29,610,000				
Remaining to be issued	-				
Debt Service restricted cash balances as of September 30, 2021:					\$7,259,226
Cash restricted for construction as of September 30, 2021:					\$313,604
Unspent bond funds for planning & acquisition as of September 30, 2021:					\$13,003,309
Average annual debt service payment (principal and interest) for remaining term of all debt:					\$1,159,648

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION

COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES - FIVE YEARS ENDED

Last Five Years

	Amounts				
	(Audited) 2021	(Audited) 2020	(Audited) 2019	(Audited) 2018 Restated	(Audited) 2017
OPERATING REVENUES					
Charges for services	\$ 3,828,706	\$ 3,559,419	\$ 3,509,452	\$ 3,349,857	\$ 3,052,742
Supplemental member contributions	-	-	-	-	120,000
Other revenues	-	4,703	79,369	29,250	53,024
Total operating revenues	\$ 3,828,706	\$ 3,564,122	\$ 3,588,821	3,379,107	3,225,766
OPERATING EXPENSES					
Accounting & audit	21,975	21,435	25,042	37,557	36,963
Analyticals	101,755	109,811	91,156	82,511	101,904
Community relations	5,003	2,285	5,936	5,040	4,268
Conferences & seminars	2,840	2,783	5,724	3,595	2,291
Consulting	204,537	248,426	212,129	163,913	196,228
Dues and memberships	8,357	7,615	7,694	2,089	1,818
Engineering services	20,697	55,977	78,924	18,475	58,193
Insurance	47,091	29,643	15,239	24,268	27,298
Legal and professional fees	12,665	51,200	41,414	12,580	25,478
Meetings	5,385	3,991	5,570	4,621	3,636
Miscellaneous	4,606	(348)	8,692	5,120	1,791
Office supplies & expense	12,136	5,608	2,854	50,628	12,959
Office administrative expenses	58,471	36,329	41,949	22,270	-
Permits	34,279	33,335	32,048	24,268	36,680
Repairs & maintenance - equipment	28,968	51,442	29,454	33,339	15,308
Repairs & maintenance	185,927	208,520	218,527	207,187	175,738
Salaries, wages, payroll taxes & benefits	1,459,349	1,611,504	1,474,270	1,242,362	1,062,691
Supplies & materials	210,412	247,328	285,627	212,358	179,122
Travel & training	5,031	5,518	18,018	6,677	13,373
Utilities	163,335	164,986	156,731	126,604	122,260
Waste disposal	37,158	50,363	45,034	55,388	36,545
Water purchase cost	180,852	241,757	318,684	357,728	280,382
Web design and maintenance	2,667	2,258	3,655	2,335	4,621
Depreciation	805,179	763,072	684,859	585,935	490,799
Total operating expense	3,618,675	3,954,838	3,809,230	3,286,848	2,890,346
Operating income (loss)	210,031	(390,716)	(220,409)	92,259	335,420
NONOPERATING REVENUES (EXPENSES)					
Facility charges	1,502,606	1,192,433	1,320,980	1,148,078	1,143,681
Minimum monthly payments	4,570,950	465,323	-	-	-
Interest income	36,503	31,413	51,417	37,349	42,018
Other income	17,147	161,532	229,103	131,580	33,397
Gain (loss) on disposal of asset	(62,676)	-	-	-	-
Interest expense	(573,021)	(392,130)	(419,763)	(445,946)	(486,992)
Franchise fees expense	(108,710)	(101,350)	(99,059)	(91,963)	(84,424)
Special projects expense	(6,858)	(42,960)	(268,455)	(174,712)	(8,870)
Bond issuance costs	(628,526)	-	-	-	-
Total nonoperating revenues (expenses)	4,747,415	1,314,261	814,223	604,386	638,810
Income (loss) before capital contributions	4,957,446	923,545	593,814	696,645	974,230
Capital contributions	-	983,153	393,327	818,535	157,705
Change in net position	\$ 4,957,446	\$ 1,906,698	\$ 987,141	\$ 1,515,180	\$ 1,131,935

Percent of Fund Total Revenues				
(Audited) 2021	(Audited) 2020	(Audited) 2019	(Audited) 2018 Restated	(Audited) 2017
100.00%	99.9%	97.8%	99.1%	94.6%
-	-	-	-	3.8
-	0.1	2.2	0.9	1.6
100.0	100.0	100.0	100.0	100.0
0.6	0.6	0.7	1.1	1.1
2.7	3.1	2.5	2.4	3.2
0.1	0.1	0.2	0.1	0.1
0.1	0.1	0.2	0.1	0.1
5.3	7.0	5.9	4.9	6.1
0.2	0.2	0.2	0.1	0.1
0.5	1.6	2.2	0.5	1.8
1.2	0.8	0.4	0.7	0.8
0.3	1.4	1.2	0.4	0.8
0.1	0.1	0.2	0.1	0.1
0.1	(0.0)	0.2	0.2	0.1
0.3	0.2	0.1	1.5	0.4
1.5	1.0	1.2	0.7	-
0.9	0.9	0.9	0.7	1.1
0.8	1.4	0.8	1.0	0.5
4.9	5.9	6.1	6.1	5.4
38.1	45.2	41.1	36.8	32.9
5.5	6.9	8.0	6.3	5.6
0.1	0.2	0.5	0.2	0.4
4.3	4.6	4.4	3.7	3.8
1.0	1.4	1.3	1.6	1.1
4.7	6.8	8.9	10.6	8.7
0.1	0.1	0.1	0.1	0.1
21.0	21.4	19.1	17.3	15.2
94.5	111.0	106.1	97.3	89.6
5.5	(11.0)	(6.1)	2.7	10.4
39.2	33.5	36.8	34.0	35.5
119.4	13.1	-	-	-
1.0	0.9	1.4	1.1	1.3
0.4	4.5	6.4	3.9	1.0
(1.6)	-	-	-	-
(15.0)	(11.0)	(11.7)	(13.2)	(15.1)
(2.8)	(2.8)	(2.8)	(2.7)	(2.6)
(0.2)	(1.2)	(7.5)	(5.2)	(0.3)
(16.4)	-	-	-	-
124.0	36.9	22.7	17.9	19.8
129.5	25.9	16.5	21.6	30.2
-	27.6	11.0	25.4	4.9
129.5%	53.5%	27.5%	44.8%	35.1%

SUPPLEMENTARY INFORMATION
LIST OF BOARD MEMBERS, KEY PERSONNEL, AND CONSULTANTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Complete district mailing address: 228 Texas Ave, Ste A, New Boston, Texas 75570

District business telephone number: (903) 831-0091

Submission date of the most recent district registration form (TWC Sections 36.054 and 49.054): 1/22/2020

Limit on fees of office that a director may receive during a fiscal year: \$0

	Term of Office (Elected or Appointed) or Date Hired	Fees of Office Paid* (FYE 09/30/2021)	Expense Reimbursements (FYE 9/30/2021)	Title at Year End
<u>Names:</u>				
Board Members:				
Sonja Yates Hubbard	(Appointed) 01/2019-12/2022	\$0	\$700 **	President
Tina Veal-Gooch	(Appointed) 01/2019-12/2022	\$0	\$0	Vice President
Marshall Wood	(Appointed) 01/2019-12/2022	\$0	\$0 **	Secretary
Van Alexander	(Appointed) 04/2019-12/2022	\$0	\$0 **	Treasurer
Fred Milton	(Appointed) 01/2019-12/2022	\$0	\$693 **	Past President
Key Administrative Personnel:				
Kyle Dooley	4/29/2019	\$213,361 ***	\$0 **	Executive Director
Consultants:				
CobbFendley	8/20/2020	\$110,837		Engineer
Cross Oak Group	3/1/2013	\$60,000		Consultant
Fancher Legal, PLLC	10/15/2020	\$49,202		Attorney
Garver	9/28/2021	\$5,370		Engineer
Hance Scarborough, LLP ⁽¹⁾	8/1/2015	\$80,596		Consultant
Hayter Engineering, Inc.	12/10/2019	\$271		Engineer
Hilltop Securities	10/15/2020	\$142,992		Financial Advisor
KSA Engineering, Inc.	11/12/2020	\$24,346		Engineer
LJA Engineering, Inc.	6/28/2019	\$2,233		Engineer
McCall Parkhurst & Horton	10/8/2020	\$138,484		Bond Counsel
Meyers & Associates, LLC	8/1/2015	\$40,000		Consultant
Municipal H2O	3/9/2021	\$18,300		Consultant
NewGen Strategies & Solution	5/17/2017	\$27,333		Consultant

RIVERBEND WATER RESOURCES DISTRICT

LIST OF BOARD MEMBERS, KEY PERSONNEL, AND CONSULTANTS (Continued)

	Term of Office (Elected or Appointed) or Date Hired	Fees of Office Paid* (FYE 09/30/2021)	Expense Reimbursements (FYE 9/30/2021)	Title at Year End
Pape-Dawson Engineers, Inc.	4/7/2021	1,458,218	663,121	Engineer
CDM Smith, Inc.		312,736	1,170	
Cox/McLain Environmental Consulting		3,876		
ETTL Engineers & Consultants, Inc.		9,213		
KSA		1,542		
Plus Six Engineering, LLC		3,230		
The Rios Group, Inc.		1,425		
Stokes & Associates, Inc.		323,250		
WEST Consultants, Inc.		1,729		
Ross Molina Oliveros, P.C.	5/27/2021	2,820		Attorney
Smith Weber, LLP	2/1/2014	3,672		Attorney
Susan Roth Consulting, LLC	5/22/2019	23,125		Consultant
The Glass Firm, PLLC	5/7/2021	1,733		Attorney
Wilf & Henderson, P.C.	10/19/2018	21,975		Auditor

* Fees of office are amounts actually paid to a director during the District's fiscal year.

**Travel and mileage reimbursements.

*** Includes monthly car and cell phone allowances.

(1) Formerly known as Meyers & Associates, LLC

Statistical Section

Statistical Section

This part of Riverbend's comprehensive annual financial report represents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about Riverbend's overall financial health. Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Financial Trends – Schedule 1 through Schedule 2 - These schedules contain trend information to help the reader understand how Riverbend's financial performance and well-being have changed over time.

Revenue Capacity – Schedule 3 through Schedule 5 - These schedules contain information to help the reader assess Riverbend's most significant revenue sources.

Debt Capacity – Schedule 6 through 7 - The schedules present information to help the reader assess the affordability of Riverbend's current levels of outstanding debt and Riverbend's ability to issue additional debt in the future.

Demographic and Economic Information – Schedule 8 through 10 - These schedules offer demographic and economic indicators to help the reader understand the environment within which Riverbend's financial activities take place.

Operating Information – Schedule 11 through 13 - These schedules contain service and infrastructure data to help the reader understand how the information in Riverbend's financial report relates to the services Riverbend provides and the activities it performs.

Riverbend Water Resources District**Net Position****Last Ten Fiscal Years****Schedule 1****(Accrual Basis of Accounting)****(Unaudited)**

	2021	2020	2019	2018	2017
Primary Government					
Net investment in capital assets	9,343,889	9,614,188	8,410,684	6,604,940	2,936,607
Restricted	7,737,376	3,189,363	2,602,736	3,654,226	6,294,453
Unrestricted	2,047,240	1,367,508	1,250,941	1,018,054	530,980
Total primary government net position	<u>19,128,505</u>	<u>14,171,059</u>	<u>12,264,361</u>	<u>11,277,220</u>	<u>9,762,040</u>

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
340,840	1,294	-	-	-
8,092,084	-	-	-	-
<u>197,181</u>	<u>50,709</u>	<u>163,515</u>	<u>319,854</u>	<u>430,326</u>
<u>8,630,105</u>	<u>52,003</u>	<u>163,515</u>	<u>319,854</u>	<u>430,326</u>

Riverbend Water Resources District

Changes in Net Position

Last Ten Fiscal Years

Schedule 2

(Accrual Basis of Accounting)

(Unaudited)

Fiscal Year	Operating Revenues	Operating Expenses	Operating Income/ (Loss)	Total Nonoperating Revenues/ (Expenses)
2012	-	201,132	(201,132)	-
2013	65,000	175,834	(110,834)	362
2014	230,430	387,166	(156,736)	397
2015	217,773	329,288	(111,515)	3
2016	1,571,668	1,304,463	267,205	(34,467)
2017	3,225,766	2,890,346	335,420	638,810
2018	3,379,107	3,286,848	92,259	604,386
2019	3,588,821	3,809,230	(220,409)	814,223
2020	3,564,122	3,954,838	(390,716)	1,314,261
2021	3,828,706	3,618,675	210,031	4,747,415

Income/(Loss) Before Capital Contributions	Extraordinary Items/ Capital Contributions	Change In Net Position
(201,132)	-	(201,132)
(110,472)	-	(110,472)
(156,339)	-	(156,339)
(111,512)	-	(111,512)
232,738	8,345,364	8,578,102
974,230	157,705	1,131,935
696,645	818,535	1,515,180
593,814	393,327	987,141
923,545	983,153	1,906,698
4,957,446	-	4,957,446

Riverbend Water Resources District

Operating Revenues by Source

Last Ten Fiscal Years

Schedule 3

(Accrual Basis of Accounting)

(Unaudited)

Fiscal Year	Member City Fees	Water Sales	Wastewater Treatment	Industrial Wastewater Treatment
2012	-	-	-	-
2013	-	-	-	-
2014	230,430	-	-	-
2015	202,773	-	-	-
2016	465,443	360,846	421,053	342,431
2017	354,002	924,099	1,023,161	855,104
2018	197,728	1,031,353	1,110,177	968,166
2019	197,608	1,005,286	1,274,830	1,031,728
2020	180,842	1,094,339	1,187,955	1,096,283
2021	204,635	1,205,520	1,268,263	1,149,886

Other	Total
-	-
65,000	65,000
25,000	255,430
15,000	217,773
251,305	1,841,078
33,397	3,189,763
29,250	3,336,674
79,369	3,588,821
4,703	3,564,122
402	3,828,706

Riverbend Water Resources District

Operating Expenses

Last Ten Fiscal Years

Schedule 4

(Accrual Basis of Accounting)

(Unaudited)

Fiscal Year	Administrative	Operation and Maintenance	Depreciation	Total Operating Expenses
2012	16,253	-	-	16,253
2013	175,834	-	-	175,834
2014	387,166	-	-	387,166
2015	329,220	-	68	329,288
2016	287,886	817,895	198,682	1,304,463
2017	366,940	2,032,607	490,799	2,890,346
2018	314,163	2,386,750	585,935	3,286,848
2019	555,376	2,568,995	684,859	3,809,230
2020	490,846	2,700,920	763,072	3,954,838
2021	413,712	2,399,784	805,179	3,618,675

RIVERBEND WATER RESOURCES DISTRICT

FIVE LARGEST CUSTOMERS

Current Year and Five Years Ago

Schedule 5

(Unaudited)

CUSTOMER	FISCAL YEAR 2016 WATER REVENUE			FISCAL YEAR 2017 WATER REVENUE		
	AMOUNT	PERCENTAGE	RANK	AMOUNT	PERCENTAGE	RANK
Red River Army Depot	1,522,523	95.65%	1	3,850,706	96.33%	1
REG New Boston	42,195	2.65%	2	62,609	1.57%	2
Day & Zimmermann	9,503	0.60%	3	29,068	0.73%	3
Oak Grove Apartments	4,471	0.28%	4	12,350	0.31%	4
TAZKID	2,091	0.13%	5			
Excel Utility Construction Inc				6,176	0.15%	5
Harrison Walker & Harper LP						
SUBTOTAL						
(5 LARGEST)	<u>1,580,783</u>	<u>99.31%</u>		<u>3,960,909</u>	<u>99.09%</u>	
Balance from other customers	10,984	0.69%		36,558	0.91%	
	<u>1,591,767</u>	<u>100.00%</u>		<u>3,997,467</u>	<u>100.00%</u>	

CUSTOMER	FISCAL YEAR 2019 WATER REVENUE			FISCAL YEAR 2020 WATER REVENUE		
	AMOUNT	PERCENTAGE	RANK	AMOUNT	PERCENTAGE	RANK
Red River Army Depot	4,135,295	87.90%	1	4,214,777	91.58%	1
Day & Zimmermann	322,955	6.86%	2	273,212	5.94%	2
REG New Boston	142,711	3.03%	3			
Oak Grove Apartments	17,827	0.38%	4	16,561	0.36%	4
Expal USA, Inc.	20,713	0.44%	5			
City of Maud				22,069	0.48%	3
IsoNova Technologies				11,254	0.24%	5
SUBTOTAL						
(5 LARGEST)	<u>4,639,501</u>	<u>98.61%</u>		<u>4,537,873</u>	<u>98.60%</u>	
Balance from other customers	65,280	1.39%		64,289	1.40%	
	<u>4,704,781</u>	<u>100.00%</u>		<u>4,602,162</u>	<u>100.00%</u>	

Note: Receipts from customers may include expense reimbursement and project admin fees

FISCAL YEAR 2018		
WATER REVENUE		
AMOUNT	PERCENTAGE	RANK
3,987,717	92.89%	1
128,649	3.00%	2
51,912	1.21%	3
12,580	0.29%	5
16,544	0.39%	4
<u>4,197,402</u>	<u>97.78%</u>	
<u>95,408</u>	<u>2.22%</u>	
<u>4,292,810</u>	<u>100.00%</u>	

FISCAL YEAR 2021		
WATER REVENUE		
AMOUNT	PERCENTAGE	RANK
4,797,201	92.47%	1
226,406	4.36%	2
15,711	0.30%	5
19,451	0.37%	4
44,314	0.85%	3
<u>5,103,083</u>	<u>98.37%</u>	
<u>84,507</u>	<u>1.63%</u>	
<u>5,187,590</u>	<u>100.00%</u>	

Riverbend Water Resources District

Ratio of Outstanding Debt by Type

Last Six Fiscal Years

Schedule 6

(Unaudited)

Fiscal Year	Revenue Bonds	Personal Income	Percentage of Personal Income	Population	Debt per Capita
2016	11,610,000	1,506,238,302	0.77%	64,172	181
2017	11,375,000	1,533,407,018	0.74%	64,141	177
2018	10,725,000	1,590,795,022	0.67%	64,365	167
2019	10,045,000	1,727,772,490	0.58%	64,335	156
2020	9,335,000	N/A	N/A	N/A	N/A
2021	26,595,000	N/A	N/A	N/A	N/A

N/A-Not Available

Riverbend Water Resources District

Pledged Revenue Coverage

Last Five Fiscal Years

Schedule 7

(Unaudited)

Fiscal Year	Operating Revenues *	Less: Operating Expenses *	Facility Charges *	Minimum Monthly Payments**	Net Available Funds
		(Excluding Depreciation)			
2017	2,853,652	2,032,607	1,143,681		1,964,726
2018	3,160,903	2,386,750	1,148,078		1,922,231
2019	3,318,372	2,568,992	1,320,980		2,070,360
2020	3,383,280	2,700,920	1,192,433	465,323	2,340,116
2021	3,624,071	2,813,496	1,502,606	4,570,950	6,884,131

* *Wet Fund Revenue and Expenses*

** *Facility Fund Minimum Monthly Payments per Water Supply Contracts*

Debt Service			Coverage Ratio
Principal	Interest	Total	
235,000	219,458	454,458	4.32
650,000	457,171	1,107,171	1.74
680,000	431,750	1,111,750	1.86
710,000	404,879	1,114,879	2.10
740,000	473,419	1,213,419	5.67

Riverbend Water Resources District

Demographic and Economic Statistics

Last Ten Fiscal Years

Schedule 8 (Continued)

(Unaudited)

Annona, TX - Red River County

Fiscal Year	Population ¹	Per Capita Income ²	Personal Income	Unemployment Rate City ²	Unemployment Rate State ³
2010	315	12,135	3,822,525	3.0%	8.1%
2011	310	13,865	4,298,150	2.2%	7.8%
2012	311	13,225	4,112,975	7.0%	6.7%
2013	305	12,968	3,955,240	9.3%	6.3%
2014	303	14,537	4,404,711	10.7%	5.1%
2015	298	12,201	3,635,898	15.1%	4.4%
2016	293	12,738	3,732,234	9.7%	4.3%
2017	295	12,378	3,651,510	17.1%	4.3%
2018	291	13,844	4,028,604	15.7%	3.9%
2019	293	16,170	4,737,810	N/A	3.4%
2020	295	N/A	-	N/A	6.9%
2021	317	N/A	-	N/A	5.4%

Atlanta, TX - Cass County

Fiscal Year	Population ¹	Per Capita Income ²	Personal Income	Unemployment Rate City ²	Unemployment Rate State ³
2010	5,655	19,129	108,174,495	8.1%	8.1%
2011	5,622	17,988	101,128,536	7.6%	7.8%
2012	5,563	17,692	98,420,596	14.5%	6.7%
2013	5,578	19,568	109,150,304	16.6%	6.3%
2014	5,543	19,747	109,457,621	14.6%	5.1%
2015	5,539	20,318	112,541,402	10.2%	4.4%
2016	5,525	22,287	123,135,675	9.3%	4.3%
2017	5,484	22,821	125,150,364	3.7%	4.3%
2018	5,515	22,217	122,526,755	8.1%	3.9%
2019	5,474	25,779	141,114,246	N/A	3.4%
2020	5,433	N/A	-	N/A	6.9%
2021	5,432	N/A	-	N/A	5.4%

1-<http://worldpopulationreview.com/us-cities>

2-<https://factfinder.census.gov>

2019 - <https://www.city-data.com>

3-<https://www.statista.com/statistics/190726/unemployment-rate-in-texas-since-1992/>

N/A-Not Available

Riverbend Water Resources District

Demographic and Economic Statistics

Last Ten Fiscal Years

Schedule 8 (Continued)

(Unaudited)

Avery, TX - Red River County

Fiscal Year	Population ¹	Per Capita Income ²	Personal Income	Unemployment Rate City ²	State ³
2012	470	14,658	6,889,260	2.2%	6.7%
2013	461	15,645	7,212,345	0.0%	6.3%
2014	460	16,920	7,783,200	0.0%	5.1%
2015	456	17,026	7,763,856	0.0%	4.4%
2016	451	17,777	8,017,427	7.5%	4.3%
2017	450	19,281	8,676,450	8.0%	4.3%
2018	450	17,580	7,911,000	7.1%	3.9%
2019	450	23,516	10,582,200	N/A	3.4%
2020	450	N/A	N/A	N/A	6.9%
2021	415	N/A	N/A	N/A	5.4%

DeKalb, TX - Bowie County

Fiscal Year	Population ¹	Per Capita Income ²	Personal Income	Unemployment Rate City ²	State ³
2012	1,657	17,404	28,838,428	14.7%	6.7%
2013	1,659	16,764	27,811,476	12.8%	6.3%
2014	1,658	21,362	35,418,196	9.8%	5.1%
2015	1,651	21,560	35,595,560	7.4%	4.4%
2016	1,639	26,101	42,779,539	8.0%	4.3%
2017	1,628	26,769	43,579,932	3.9%	4.3%
2018	1,622	26,798	43,466,356	7	3.9%
2019	1,611	25,465	41,024,115	N/A	3.4%
2020	1,600	N/A	N/A	N/A	6.9%
2021	1,687	N/A	N/A	N/A	5.4%

1-<http://worldpopulationreview.com/us-cities>

2-<https://factfinder.census.gov>

2019 <https://censusreporter.org> and <https://city-data.com>

3-<https://www.statista.com/statistics/190726/unemployment-rate-in-texas-since-1992/>

N/A-Not Available

Riverbend Water Resources District

Demographic and Economic Statistics

Last Ten Fiscal Years

Schedule 8 (Continued)

(Unaudited)

Hooks, TX - Bowie County

Fiscal		Per Capita	Personal	Unemployment Rate	
Year	Population ¹	Income ²	Income	City ²	State ³
2012	2,742	17,859	48,969,378	2.0%	6.7%
2013	2,764	18,021	49,810,044	2.5%	6.3%
2014	2,755	17,159	47,273,045	5.0%	5.1%
2015	2,750	15,238	41,904,500	6.0%	4.4%
2016	2,749	15,440	42,444,560	6.0%	4.3%
2017	2,747	18,381	50,492,607	4.7%	4.3%
2018	2,746	19,669	54,011,074	6.6%	3.9%
2019	2,744	21,541	59,108,504	N/A	3.4%
2020	2,742	N/A	N/A	N/A	6.9%
2021	2,749	N/A	N/A	N/A	5.4%

Leary, TX - Bowie County

Fiscal		Per Capita	Personal	Unemployment Rate	
Year	Population ¹	Income ²	Income	City ²	State ³
2012	483	20,666	9,981,678	4.4%	6.7%
2013	486	23,372	11,358,792	5.1%	6.3%
2014	486	24,333	11,825,838	5.8%	5.1%
2015	488	23,812	11,620,256	8.5%	4.4%
2016	491	23,731	11,651,921	6.9%	4.3%
2017	492	22,339	10,990,788	6.8%	4.3%
2018	496	20,701	10,267,696	5.8%	3.9%
2019	497	22,620	11,242,140	N/A	3.4%
2020	498	N/A	N/A	N/A	6.9%
2021	692	N/A	N/A	N/A	5.4%

1-<http://worldpopulationreview.com/us-cities>

2-<https://factfinder.census.gov>

3-<https://www.statista.com/statistics/190726/unemployment-rate-in-texas-since-1992/>

N/A-Not Available

Riverbend Water Resources District

Demographic and Economic Statistics

Last Ten Fiscal Years

Schedule 8 (Continued)

(Unaudited)

Maud, TX - Bowie County

Fiscal Year	Population ¹	Per Capita Income ²	Personal Income	Unemployment Rate	
				City ²	State ³
2012	1,060	18,863	19,994,780	7.4%	6.7%
2013	1,065	19,045	20,282,925	7.2%	6.3%
2014	1,065	15,745	16,768,425	10.2%	5.1%
2015	1,071	16,965	18,169,515	9.0%	4.4%
2016	1,069	17,132	18,314,108	5.2%	4.3%
2017	1,067	19,638	20,953,746	6.6%	4.3%
2018	1,068	22,246	23,758,728	6.3%	3.9%
2019	1,066	21,717	23,150,322	N/A	3.4%
2020	1,064	N/A	-	N/A	6.9%
2021	1,040	N/A	-	N/A	5.4%

Nash, TX - Bowie County

Fiscal Year	Population ¹	Per Capita Income ²	Personal Income	Unemployment Rate	
				City ²	State ³
2012	3,054	26,317	80,372,118	6.9%	6.7%
2013	3,100	23,578	73,091,800	9.8%	6.3%
2014	3,158	23,414	73,941,412	8.5%	5.1%
2015	3,159	23,942	75,632,778	8.7%	4.4%
2016	3,348	26,031	87,151,788	6.6%	4.3%
2017	3,415	15,982	54,578,530	3.4%	4.3%
2018	3,681	17,499	64,413,819	N/A	3.9%
2019	3,748	18,584	69,652,832	N/A	3.4%
2020	3,815	N/A	-	N/A	6.9%
2021	3,156	N/A	-	N/A	5.4%

1-<http://worldpopulationreview.com/us-cities>

2-<https://factfinder.census.gov>

2019 - <https://www.city-data.com>

3-<https://www.statista.com/statistics/190726/unemployment-rate-in-texas-since-1992/>

N/A-Not Available

Riverbend Water Resources District

Demographic and Economic Statistics

Last Ten Fiscal Years

Schedule 8 (Continued)

(Unaudited)

New Boston, TX - Bowie County

Fiscal Year	Population ¹	Per Capita Income ²	Personal Income	Unemployment Rate City ²	Unemployment Rate State ³
2012	4,759	17,669	84,086,771	10.8%	6.7%
2013	4,763	18,230	86,829,490	11.4%	6.3%
2014	4,723	17,659	83,403,457	11.6%	5.1%
2015	4,689	17,493	82,024,677	9.0%	4.4%
2016	4,684	17,853	83,623,452	7.1%	4.3%
2017	4,688	19,614	91,950,432	9.7%	4.3%
2018	4,678	22,411	104,838,658	9.2%	3.9%
2019	4,682	23,828	111,562,696	N/A	3.4%
2020	4,686	N/A	-	N/A	6.9%
2021	4,720	N/A	-	N/A	5.4%

Redwater, TX - Bowie County

Fiscal Year	Population ¹	Per Capita Income ²	Personal Income	Unemployment Rate City ²	Unemployment Rate State ³
2010	1,057	19,391	20,496,287	8.5%	8.1%
2011	1,056	20,077	21,201,312	4.7%	7.8%
2012	1,056	21,241	22,430,496	5.7%	6.7%
2013	1,068	19,593	20,925,324	8.7%	6.3%
2014	1,069	21,410	22,887,290	5.2%	5.1%
2015	1,081	20,570	22,236,170	6.2%	4.4%
2016	1,087	20,586	22,376,982	5.9%	4.3%
2017	1,093	20,181	22,057,833	7.4%	4.3%
2018	1,098	23,959	26,306,982	3.9%	3.9%
2019	1,104	22,181	24,487,824	N/A	3.4%
2020	1,110	N/A	-	N/A	6.9%
2021	1,268	N/A	-	N/A	5.4%

1-2012-2020 <http://worldpopulationreview.com/us-cities>

2021 <https://www.areavibes.com>

2-<https://factfinder.census.gov>

2019 <https://www.city-data.com>

3-<https://www.statista.com/statistics/190726/unemployment-rate-in-texas-since-1992/>

N/A-Not Available

Riverbend Water Resources District

Demographic and Economic Statistics

Last Ten Fiscal Years

Scheduled 8 (Continued)

(Unaudited)

Texarkana, TX - Bowie County

Fiscal		Per Capita	Personal	Unemployment Rate	
Year	Population ¹	Income ²	Income	City ²	State ³
2012	37,057	22,892	848,308,844	12.8%	6.7%
2013	37,209	23,569	876,978,921	11.8%	6.3%
2014	37,126	23,973	890,021,598	10.3%	5.1%
2015	37,182	23,505	873,962,910	10.4%	4.4%
2016	37,402	25,238	943,951,676	9.6%	4.3%
2017	37,350	26,019	971,809,650	8.9%	4.3%
2018	37,295	26,730	996,895,350	9.0%	3.9%
2019	37,243	28,872	1,075,279,896	N/A	3.4%
2020	37,191	N/A	-	N/A	6.9%
2021	37,389	N/A	-	N/A	5.4%

Wake Village, TX - Bowie County

Fiscal		Per Capita	Personal	Unemployment Rate	
Year	Population ¹	Income ²	Income	City ²	State ³
2012	5,454	25,948	141,520,392	5.1%	6.7%
2013	5,467	26,149	142,956,583	4.3%	6.3%
2014	5,454	24,683	134,621,082	5.0%	5.1%
2015	5,449	21,884	119,245,916	5.5%	4.4%
2016	5,434	21,910	119,058,940	7.2%	4.3%
2017	5,432	23,843	129,515,176	5.3%	4.3%
2018	5,425	24,400	132,370,000	3.9%	3.9%
2019	5,423	28,735	155,829,905	N/A	3.4%
2020	5,421	N/A	-	N/A	6.9%
2021	5,481	N/A	-	N/A	5.4%

1-<http://worldpopulationreview.com/us-cities>

2-<https://factfinder.census.gov>

2019 <https://www.city-data.com>

3-<https://www.statista.com/statistics/190726/unemployment-rate-in-texas-since-1992/>

N/A-Not Available

Riverbend Water Resources District

Demographic and Economic Statistics

Last Ten Fiscal Years

Schedule 8 (Continued)

(Unaudited)

Total All Members

Fiscal Year	Population	Per Capita Income	Personal Income
2012	63,666	21,894	1,393,925,716
2013	63,925	22,376	1,430,363,244
2014	63,800	22,536	1,437,805,875
2015	63,813	22,007	1,404,333,438
2016	64,172	23,472	1,506,238,302
2017	64,141	23,907	1,533,407,018
2018	64,365	24,715	1,590,795,022
2019	64,335	26,856	1,727,772,490
2020	64,305	N/A	N/A
2021	64,346	N/A	N/A

Riverbend Water Resources District

Percentage of Member Counties in RWRD

Last Ten Fiscal Years

Schedule 9

(Unaudited)

Member City	Population				
	2012	2013	2014	2015	2016
Central Bowie Water Supply Corporation ¹	-	-	-	-	-
DeKalb, TX	1,657	1,659	1,658	1,651	1,639
Hooks, TX	2,742	2,764	2,755	2,750	2,749
Leary, TX	483	486	486	488	491
Maud, TX	1,060	1,065	1,065	1,071	1,069
Nash, TX	3,054	3,100	3,158	3,159	3,348
New Boston, TX	4,759	4,763	4,723	4,689	4,684
Oak Grove Water Supply Corporation ¹	-	-	-	-	-
Redwater, TX	1,056	1,068	1,069	1,081	1,087
Texarkana, TX	37,057	37,209	37,126	37,182	37,402
Wake Village, TX	5,454	5,467	5,454	5,449	5,434
	57,322	57,581	57,494	57,520	57,903
Bowie County ²	93,129	93,487	93,502	93,494	93,994
Percentage of Bowie County in RWRD	61.55%	61.59%	61.49%	61.52%	61.60%
	2012	2013	2014	2015	2016
Atlanta, TX	5,563	5,578	5,543	5,539	5,525
Cass County ²	30,029	30,236	30,121	30,141	30,073
Percentage of Cass County in RWRD	18.53%	18.45%	18.40%	18.38%	18.37%
	2012	2013	2014	2015	2016
Annona, TX	311	305	303	298	293
Avery, TX	470	461	460	456	451
	781	766	763	754	744
Red River County ²	12,729	12,496	12,452	12,355	12,190
Percentage of Red River County in RWRD	6.14%	6.13%	6.13%	6.10%	6.10%

N/A-Not Available

1-<https://tceq.texas.gov>

2-<https://txcip.org/tac/census/morecountyinfo.php>

2017	2018	2019	2020	2021
-	-	-	8,748	8,748
1,628	1,622	1,611	1,600	1,687
2,747	2,746	2,744	2,742	2,749
492	496	497	498	692
1,067	1,068	1,066	1,064	1,040
3,415	3,681	3,748	3,815	3,156
4,688	4,678	4,682	4,686	4,720
-	-	-	831	909
1,093	1,098	1,104	1,110	1,268
37,350	37,295	37,243	37,191	37,389
5,432	5,425	5,423	5,421	5,481
57,912	58,109	58,118	67,706	67,839
93,977	94,324	93,245	92,893	N/A
61.62%	61.61%	62.33%	72.89%	N/A
2017	2018	2019	2020	2021
5,484	5,515	5,474	5,433	5,433
29,980	30,119	30,026	28,454	N/A
18.29%	18.31%	18.23%	19.09%	N/A
2017	2018	2019	2020	2021
295	291	293	295	295
450	450	450	450	450
745	741	743	745	745
12,203	12,175	12,023	11,587	N/A
6.11%	6.09%	6.18%	6.43%	N/A

Riverbend Water Resources District

Principal Employers

Current Year and Nine Years Ago

Schedule 10

(Unaudited)

Employer	2021			2012		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Red River Army Depot & Tenants	3,887	1	7.82%	6,000	1	11.43%
CHRISTUS St. Michael Health System	2,450	2	4.93%	1,900	2	3.62%
Texarkana, TX Independent School District	1,200	3	2.41%	795	5	1.51%
Graphic Packaging (formerly International Paper)	840	4	1.69%	925	3	1.76%
Walmart Department Stores	655	5	1.32%	660	6	1.26%
DLA Distribution	623	6	1.25%			
Wadley Regional Medical	620	7	1.25%	850	4	1.62%
	<u>10,275</u>		<u>20.66%</u>	<u>11,130</u>		<u>21.20%</u>

Source:

Texarkana Chamber of Commerce, Texas Workforce Commission LMI

Notes:

(1) Employment for Bowie, Cass and Red River Counties for 2021 is 51,897

(2) Employment for Bowie, Cass and Red River Counties for 2012 is 52,556

RIVERBEND WATER RESOURCES DISTRICT

Operating Indicators by Function

Last Ten Years

Schedule 11

(Unaudited)

Water

	2012	2013	2014	2015	2016
Avg. Gallons of Water Consumed (MGD)	-	-	-	-	0.726
Number of Water Meters	-	-	-	-	82

Wastewater

Average Gallons of Domestic Wastewater Treated (MGD)	-	-	-	-	0.499
--	---	---	---	---	-------

Industrial Wastewater

Average Gallons of Industrial Wastewater Treated (MGD)	-	-	-	-	0.192
--	---	---	---	---	-------

2017	2018	2019	2020	2021
0.958	0.711	0.737	0.810	0.763
78	78	80	97	99
0.456	0.514	0.536	0.589	0.490
0.184	0.172	0.198	0.210	0.174

RIVERBEND WATER RESOURCES DISTRICT

Operating Indicators by Function

Full Time Employees as of September 30

Last Ten Fiscal Years

Schedule 12

(Unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Administration	1	1	1	1	4	4	4	4	4	4
Water	-	-	-	-	5	5	5	6	4	4
Wastewater	-	-	-	-	2	4	4	3	4	4
Industrial Wastewater	-	-	-	-	3	1	2	3	4	4
Totals	1	1	1	1	14	14	15	16	16	16

Note: Some personnel perform more than one function
and the manpower is split accordingly

RIVERBEND WATER RESOURCES DISTRICT

Capital Asset Statistics by Function

Last Ten Years

Schedule 13

(Unaudited)

Water	2012	2013	2014	2015	2016
500,000 Gallon Elevated Storage Tank	-	-	-	-	1
500,000 Gallon Ground Water Storage Tank	-	-	-	-	0
Miles of Water Line	-	-	-	-	83
Fire Hydrants	-	-	-	-	313
Water Meters	-	-	-	-	82
Water Valves	-	-	-	-	883
Wastewater					
1.5 MG SBR Plant	-	-	-	-	1
Miles of Wastewater Line	-	-	-	-	35
Manholes	-	-	-	-	477
Lift Stations	-	-	-	-	32
Air Relief Valves	-	-	-	-	30
Wastewater Meters	-	-	-	-	65
Industrial Wastewater					
750,000 Gallon Industrial Wastewater Plant	-	-	-	-	1
Miles of Industrial Wastewater Line	-	-	-	-	5

2017	2018	2019	2020	2021
1	1	1	1	1
0	0	2	2	2
83	135	135	137	137
313	375	375	368	373
78	78	80	97	99
921	1151	1151	1141	1150

1	1	1	1	1
35	35	35	38	38
477	477	477	513	513
32	32	32	34	34
30	30	30	30	30
65	72	79	72	72

1	1	1	1	1
5	5	5	5	5

Single Audit Section



WILF & HENDERSON, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Member of American Institute of Certified Public Accountants
Member of Private Company Practice Section
Member of AICPA Governmental Audit Quality Center

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENTAL AUDITING STANDARDS***

Independent Auditor's Report

Board of Directors
Riverbend Water Resources District
Texarkana, TX

Members of the Board:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Riverbend Water Resources District (Riverbend), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Riverbend's basic financial statements, and have issued our report thereon dated January 19, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Riverbend Water Resources District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Riverbend's internal control. Accordingly, we do not express an opinion on the effectiveness of Riverbend's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Riverbend's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

1810 Galleria Oaks • Texarkana, Texas 75503 • 903.793.5646 • Fax 903.792.7630 • www.wilhen.com

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wilf & Henderson, P.C.

WILF & HENDERSON, P.C.
Certified Public Accountants
Texarkana, Texas

January 19, 2022



WILF & HENDERSON, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

Independent Auditor's Report

Board of Directors
Riverbend Water Resources District
Texarkana, Texas

Members of the Board:

Report on Compliance for Each Major Federal Program

We have audited Riverbend Water Resources District's (Riverbend) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Riverbend's major federal programs for the year ended September 30, 2021. Riverbend's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Riverbend Water Resources District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Riverbend Water Resources District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Riverbend Water Resources District's compliance.

Opinion on Each Major Federal Program

In our opinion, Riverbend Water Resources District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

Report on Internal Control Over Compliance

Management of Riverbend Water Resources District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This purpose of this report in internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Wilf & Henderson, P.C.

WILF & HENDERSON, P.C.
Certified Public Accountants
Texarkana, Texas

January 19, 2022

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED SEPTEMBER 30, 2021

<u>Federal Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>Federal Program Expenditures</u>
<u>Environmental Protection Agency</u>		
<u>Passed Through - Texas Water Development Board</u>		
Capitalization Grants for Drinking Water State Revolving Funds	66.468	<u>7,300,356</u>
Total Passed Through - Texas Water Development Board		<u>7,300,356</u>
 Total Environmental Protection Agency		 <u>7,300,356</u>
 Total Expenditures of Federal Awards		 <u><u>7,300,356</u></u>

The accompanying notes are an integral part of this schedule.

RIVERBEND WATER RESOURCES DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED SEPTEMBER 30, 2021

1. The schedule of expenditures for federal awards is prepared on the same basis of accounting and uses the same significant accounting policies as the financial statements. These policies are described in the notes to the financial statements.

2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Proprietary Fund types are accounted for using full accrual basis of accounting.

3. Riverbend did not use the 10% de minimum indirect cost rate.

4. Riverbend has loan programs under the Drinking Water State Revolving Funds AL 66.468 outstanding at September 30, 2021 as follows

\$10,800,000 Contract Revenue Bonds, Taxable Series 2020A (Regional Water System Project)

\$7,200,000 Contract Revenue Bonds, Taxable Series 2020B (Regional Water System Project)

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED SEPTEMBER 30, 2021

I. Summary of the Auditor's Results:

- a. The auditor's report expresses an unmodified opinion on whether the financial statements of the Riverbend Water Resources District were prepared in accordance with GAAP.
- b. No significant deficiencies or material weaknesses related to the audit of the financial statements are reported on the internal control over financial reporting and on compliance and other matters required by the GAO's *Government Auditing Standards*.
- c. No instances of noncompliance material to the financial statements of Riverbend Water Resources District were disclosed during the audit.
- d. No significant deficiencies or material weaknesses relating to the audit of the major federal award program reported in the report on internal control over compliance required by Uniform Guidance.
- e. The type of report the auditor issued on compliance for major programs was an unmodified opinion.
- f. No audit findings relative to the major federal award programs were disclosed by the audit that were required to be reported under 2 CFR 200.516(a).
- g. The program tested as major program was:
 - AL 66.468 Capitalization Grants for Drinking Water State Revolving Funds
- h. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- i. Riverbend Water Resources District was not determined to be a low-risk auditee.

II. Findings Relating to the Financial Statements Which are Required to Be Reported in Accordance with *Generally Accepted Government Auditing Standards*

No findings required to be reported

III. Findings and Questioned Costs for Federal Awards Including Audit Findings as Described in I.f Above.

No findings required to be reported

RIVERBEND WATER RESOURCES DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED SEPTEMBER 30, 2021

No prior year findings or responses