



**REGULAR MEETING  
RIVERBEND WATER RESOURCES DISTRICT  
PUBLIC NOTICE OF BOARD OF DIRECTORS' MEETING  
WEDNESDAY, JANUARY 25, 2023  
12:00 P.M.  
228 TEXAS AVENUE, SUITE A, NEW BOSTON, TX 75570**

*Notice is hereby given pursuant to V.T.C.A., Government Code, Chapter 551, that the Board of Directors of the Riverbend Water Resources District will conduct a meeting; open to the public, on **WEDNESDAY, January 25, 2023, at 12:00 p.m.**, at the Riverbend Water Resources District ("Riverbend") office, in the **Conference Room** located at **228 Texas Avenue, Suite A, New Boston, TX 75570.***

*The Board of Directors is authorized by the Texas Open Meetings Act to convene in closed or executive session for certain purposes. These purposes include receiving legal advice from its attorney (Section 551.071); discussing real property matters (Section 551.072); discussing gifts and donations (Section 551.073); discussing personnel matters (Section 551.074); discussing security personnel or devices (Section 551.076); or discussing economic development matters (Section 551.087). If the Board of Directors makes a determination to go into executive session on any item on this agenda, the Presiding Officer will announce that an executive session will be held and will identify the item to be discussed and provision of the Open Meetings Act that authorizes the closed or executive session.*

**A G E N D A**

- I. **CALL TO ORDER & ROLL CALL**
- II. **INVOCATION & PLEDGE**
- III. **PUBLIC COMMENTS**

*The Board of Directors allows individuals to speak to the Board. Prior to the meeting, speakers must sign in on the public comment sheet. The time limit is five (5) minutes per speaker. Subject to the provisions set forth under Section 551.007 of the Government Code.*

- IV. **SPECIAL AGENDA ITEMS FOR INDIVIDUAL CONSIDERATION**

A. Discussion and possible action regarding approval of RESO 20230125-01 accepting the recommendations of the Member Entities At Large, the City of Texarkana, Texas, and TexAmericas Center for Van Alexander, Sonja Hubbard,



and Tina Veal Gooch, respectively, to serve an additional term as members of the Board of Directors of Riverbend Water Resources District.

- B. Oaths of office, administered by Judge Bobby Howell, for Directors Tina Veal Gooch and Van Alexander.

V. CONSENT AGENDA ITEMS

- A. Discussion and possible action regarding approval of the November 16, 2022 Regular Meeting Minutes and the December 7, 2022 Special Called Meeting minutes.

VI. REGIONAL ENTITY REPORTS

- A. Discussion and possible action regarding activities with Sulphur River Basin Authority.
- B. Discussion and possible action regarding activities with TexAmericas Center.
- C. Discussion and possible action regarding activities with REDI.

VII. AGENDA ITEMS FOR INDIVIDUAL CONSIDERATION

The Board of Directors will consider, discuss, and if appropriate, take action on the following item(s):

**A. Discussion and possible action regarding approval of a resolution approving the fourth quarter financials for FY 2022.**

Presentation of the fourth quarter financials for FY 2022 will be by Tara Houck.

**Action Item:** Consider motion for approval of RESO 20230125-02 approving the fourth quarter financials for FY 2022.

**B. Discussion and possible action regarding approval of a resolution approving the fourth quarter investment report for FY 2022.**

Presentation of the fourth quarter investment report for FY 2022 will be by Tara Houck.

**Action Item:** Consider motion for approval of RESO 20230125-03 approving the fourth quarter investment report for FY 2022.





**C. Discussion and possible action regarding approval of a resolution approving the FY 2022 Annual Audit performed by Wilf and Henderson, P.C.**

Presentation of the FY 2022 Annual Audit will be by Carolyn Wilder with Wilf and Henderson, P.C.

**Action Item:** Consider motion for approval of RESO 20230125-04 approving the FY 2022 Annual Audit performed by Wilf and Henderson, P.C.

**D. Discussion and possible action regarding approval of a resolution approving a memorandum of understanding to the agreement with TexAmericas Center for current and future water supply.**

This item pertains to the intake application for the Regional Water System project. As part of the discussion with the Corps and for RWRD to be able to move the intake application forward, separate from the Ultimate Rule Curve (URC) studies, we must stay within the water volumes made available through the Interim Rule Curve (IRC). This is the only path forward for the water treatment plant project now without waiting on the URC to be implemented. Our agreement with TAC to provide raw water centered around an assumption that the URC would be implemented prior to the opening of the plant. The Corps process to implement the URC has proven to be a much lengthier timeframe than anyone anticipated at the time of the agreement. This MOU seeks to define the availability of raw water to TAC both under the IRC and the URC since there is uncertainty as to when the URC will be implemented when compared with the estimated opening date of the new water treatment plant. Staff recommends approval.

**Action Item:** Consider motion for approval of RESO 20230125-05 approving a memorandum of understanding to the agreement with TexAmericas Center for current and future water supply.

**E. Discussion regarding fluoride and drinking water.**

This item pertains to a follow up for Board discussion on the October 2022 presentation made by Dr. Shambarger and Dr. Burks regarding fluoride and drinking water.

**No Action Required.**

**VIII. REPORTS**

**A. Board Members**



B. Executive Director/CEO

IX. EXECUTIVE SESSION

*The Board of Directors is authorized by the Texas Open Meetings Act to convene in closed or executive session for certain purposes. These purposes include receiving legal advice from its attorney (Section 551.071); discussing real property matters (Section 551.072); discussing gifts and donations (Section 551.073); discussing personnel matters (Section 551.074); discussing security personnel or devices (Section 551.076); or discussing economic development matters (Section 551.087). If the Board of Directors makes a determination to go into executive session on any item on this agenda, the Presiding Officer will announce that an executive session will be held and will identify the item to be discussed and provision of the Open Meetings Act that authorizes the closed or executive session.*

X. NEXT REGULAR MEETING

Riverbend Regular Meeting, February 22, 2023 at 12:00 p.m. at Riverbend Offices, 228 A Texas Avenue, New Boston, Texas 75570.

XI. ADJOURNMENT

Kyle Dooley

Kyle Dooley, Executive Director/CEO  
Riverbend Water Resources District

\*Persons with disabilities who plan to attend the RWRD Board of Directors' meeting and who may need auxiliary aids or services are requested to contact the RWRD Administrative Offices at (903) 831-0091, as soon as possible. All reasonable efforts will be taken to make the appropriate arrangements.

**REGULAR CALLED MEETING  
RIVERBEND WATER RESOURCES DISTRICT  
WEDNESDAY, JANUARY 25, 2023**

**SPECIAL AGENDA ITEM IV. A.  
RWRD RESO 20230125-01  
Board of Director Appointments  
& Oaths of Office**



**RIVERBEND RESOLUTION NO. 20230125-01**

**APPOINTMENT OF DIRECTORS TO THE BOARD OF  
RIVERBEND WATER RESOURCES DISTRICT**

**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**, the terms of Van Alexander, Sonja Hubbard, and Tina Veal Gooch terminated on December 31, 2022; and

**WHEREAS**, The At-Large Member Entities consisting of the Cities of Annona, Atlanta, Avery, De Kalb, Hooks, Leary, Maud, Nash, Redwater, and Wake Village; Bowie, Cass, and Red River Counties; Central Bowie WSC, and Oak Grove WSC; the City of Texarkana, Texas as well as TexAmericas Center have approved Mr. Alexander, Mrs. Hubbard, and Mrs. Veal Gooch respectively to serve an additional term on the Board of Directors of Riverbend Water Resources District; and

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Riverbend Water Resources District hereby accepts the recommendations of the Member Entities At Large, The City of Texarkana, Texas, and TexAmericas Center. The elected offices will remain as follows:

Van Alexander, President; Steve Mayo, Vice President; Fred Milton, Treasurer; Sonja Hubbard, Secretary; and Tina Veal-Gooch, Past President.

**PASSED and APPROVED this 25<sup>th</sup> day of January 2023**

\_\_\_\_\_  
Van Alexander, President

ATTEST:

\_\_\_\_\_  
Sonja Hubbard, Secretary



**REGULAR CALLED MEETING  
RIVERBEND WATER RESOURCES DISTRICT  
WEDNESDAY, JANUARY 25, 2023**

**CONSENT AGENDA ITEM V. A.  
November 16, 2022  
Regular Meeting Minutes  
December 7, 2022  
Special Called Meeting Minutes**

**Regular Called Meeting  
Riverbend Water Resources District  
Board Meeting Minutes**

**November 16, 2022**

228 Texas Avenue, Suite A, New Boston, Texas 75570

**M I N U T E S**

**I. Call to Order, Roll Call, and Establishment of Quorum and Certification of Notice**

Pursuant to a notice posted on the District website, the Chair, Van Alexander, President of the Board, called the meeting to order at 12:02 p.m.

**Directors Present:**

Van Alexander, President  
Sonja Hubbard, Secretary  
Fred Milton, Treasurer

**Directors Absent:**

Steve Mayo, Vice President  
Tina Veal Gooch, Past President

**Administration Present:**

Kyle Dooley, Executive Director/CEO  
Eli Hunt, Operations Manager  
Tara Houck, CFO  
Becky Melton, HR Manager/Executive Assistant

**Public Present:**

Please see the attached list for additional guests.

**II. Invocation & Pledge**

Van Alexander led the invocation and the pledge of allegiance.

**III. Public Comments**

None.

**IV. Consent Agenda Items**

Item IV. A. was considered under a Consent Agenda for one single motion of approval.

**A. Discussion and possible action regarding October 26, 2022 Regular Called Meeting Minutes.**

A single motion was made by **Fred Milton** and seconded by **Sonja Hubbard** to approve the Consent Agenda Item as listed above. The motion passed unanimously.

## **V. Regional Entity Reports**

### **A. Discussion and possible action regarding activities with Sulphur River Basin Authority (SRBA).**

No report. No action taken.

### **B. Discussion and possible action regarding activities with TexAmericas Center (TAC).**

Scott Norton, Executive Director/CEO provided that the TAC Board unanimously reappointed Tina Veal Gooch as their representative on the Riverbend Board. The board also approved a new subdivision platting policy and then file those with the county. An architecture firm has been hired to design the new Downtown Center in Hooks, Texas. This will include new office space for TAC employees. Two tenants extended leases last month. They are working on getting everything complete on the spec building. They're hoping to have a sale finalized by December. There are negotiations ongoing with a current tenant to expand into more buildings soon. There is also a plastics recycling company that is interested in coming to the area. Prospect activity is picking back up after a typical slowdown near election time.

### **C. Discussion and possible action regarding activities with Ar-Tex REDI.**

Sonja Hubbard provided that they had their quarterly meeting earlier this week. There are discussions with a company that paints airplanes that is looking to move to the area. One of the auto manufacturer put our site in the top three of their choices for a new plant but unfortunately, they chose a different site. There is another company currently working with the Army Corps of Engineers to be out of the floodplain. The board is looking for a company to safely burn the trees on the Texas side property.

## **VI. Agenda Items for Individual Consideration**

### **A. Discussion and possible action regarding approval of a resolution authorizing the Executive Director/CEO to execute an amendment to the funding contract with the Texas Water Development Board for the 6<sup>th</sup> Cycle of Regional Planning on behalf of North East Texas Regional Water Planning Group.**

Kyle Dooley, provided that this contract change executing Amendment No. 1 to the contract between TWDB and RWRD for the development of the 2026 Regional Water Plan for Region D. This contract was originally executed on July 13, 2021. This will be the first of a few amendments as we go through the planning cycle and TWDB makes funding available. This amendment would take the total committed funds from \$205,691 up to \$606,747. It also amends several exhibits in the contract as they pertain to scope of work, task and expense budgets, and general guidelines for the 2026 Regional Water Plan deliverables. TWDB has



executed this amendment. We are required to seek approval and submit an executed copy to TWDB before the end of the year. Staff recommends approval.

A motion was made by **Sonja Hubbard** and seconded by **Fred Milton** to approve **RESO 20221116-01** authorizing the Executive Director/CEO to execute an amendment to the funding contract with the Texas Water Development Board for the 6th Cycle of Regional Planning on behalf of North East Texas Regional Water Planning Group. The motion passed unanimously.

**B. Discussion and possible action regarding approval of a resolution authorizing the Executive Director/CEO to enter into a service agreement for water and wastewater services with the City of Annona.**

Kyle Dooley provided that, in August, staff brought a service agreement forward for consideration with the City of Maud to provide wastewater services and the hope was that this service agreement could be used in the future as a template for other members who might like RWRD to provide water/wastewater services for them in the future. Since then, staff has been working on finalizing a water/wastewater services agreement with the City of Annona using the service agreement from Maud as the template. We have met with Annona to go over the proposed services to be provided and discuss the possible costs for this agreement. The draft agreement is attached in the packet and with board approval, we would work with Annona to finalize the agreement in the near future. The agreement has an initial five-year term, with renewable options going forward after the initial term. The annual amount of the agreement is for \$38,480 (\$740/week) and the contract provides for a “true-up” every year after the initial year.

A motion was made by **Fred Milton** and seconded by **Sonja Hubbard** to approve **RESO 20221116-02** authorizing the Executive Director/CEO to enter into a service agreement for water and wastewater services with the City of Annona. The motion passed unanimously.

**C. Discussion and possible action regarding approval of a resolution approving changes to the Personnel Policy Manual.**

Kyle Dooley provided that Section 8-13 of the Personnel Policy Manual discusses Conflict of Interest and Business Ethics. In a bullet list in that section, it discusses possible conflict of interests while being employed by RWRD. This agenda item pertains to the board considering updating the wording of one of the bullets to more clearly state allowable service opportunities for RWRD employees.

A motion was made by **Fred Milton** and seconded by **Sonja Hubbard** to approve **RESO 20221116-03** approving RESO 20221116-03 changes to the Personnel Policy Manual. The motion passed unanimously.

**VII. Riverbend Reports**

**A. Board Members**

No reports.

## **B. Executive Director/CEO**

Kyle Dooley provided the following updates:

Regional Water System Project: Pape-Dawson has shared the application letter that they have put together for the intake permitting with the USACE. Comments on what that letter needs to say are being prepared. The meeting to put the final touches on the letter will be tomorrow afternoon. The goal is Corps concurrence and RFQ timelines planned out to get approval from TWDB so that design funds can be released.

TCEQ & Water Rights Application: Lines of communication are still open between the District and those requesting a contested case hearing. Other than that, no new update.

Ultimate Rule Curve and Environmental & Cultural Resources Study: Still working with the USACE. We are moving towards having draft programmatic agreement and environmental documents ready from the Corps. On the most recent call with the USACE that the historic operational curve, which is much higher, is what will be used as a baseline for the elevations that are being studied instead of the Interim Rule Curve. At its highest, the historic operational curve is a better representation of how the lake will function. The USACE will come back to Riverbend with more accurate amounts on the contributed funds agreement based on the necessary studies. Initially the cost estimates were close to \$2.3 million and the new estimates look like they will be closer to \$4.4 million.

Industrial Waste Water Plant: The amortization schedules previously requested by the Army have been sent over to them for review. We are waiting on a meeting date.

Typically, this is our last meeting of the calendar year. We may need to have a quick December meeting to cover a couple of items that don't need any action, but they do need to be discussed. The board decided that December 7<sup>th</sup> at noon will work for them.

No action taken.

## **VIII. Executive Session**

The board stood at ease at 12:28 p.m.

The board reconvened in Executive Session at 12:30 p.m. with quorum pursuant to section 551.071 and 551.072 of the Texas Open Meetings Act.

The board came out of Executive Session at 1:30 p.m.

The board reconvened with quorum at 1:31 p.m.

## **IX. Next Riverbend Meetings**

Riverbend Special Called Meeting, Wednesday, December 7, 2022 at 12:00 p.m. at Riverbend Offices, 228 A Texas Avenue, New Boston, Texas 75570.

Riverbend Regular Meeting, Wednesday, January 25, 2023 at 12:00 p.m. at Riverbend Offices, 228 A Texas Avenue, New Boston, Texas 75570.

## **X. Adjournment**

With no additional business to be discussed, a motion was made by Fred Milton and seconded by Sonja Hubbard to adjourn the meeting at 1:35 p.m. The motion passed unanimously.

**The minutes of the Riverbend Water Resources District Board of Directors meeting, held on November 16, 2022, were read and approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2023.**

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**Van Alexander, President**

**Attest:**

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**Kyle Dooley, Executive Director/ CEO**

**Regular Called Meeting  
Riverbend Water Resources District  
Board Meeting Minutes  
December 7, 2022**

228 Texas Avenue, Suite A, New Boston, Texas 75570

**M I N U T E S**

**I. Call to Order, Roll Call, and Establishment of Quorum and Certification of Notice**

Pursuant to a notice posted on the District website, on December 7, 2021, the Chair, Steve Mayo, Vice President of the Board, called the meeting to order at 12:06 p.m.

**Directors Present:**

Steve Mayo, Vice President  
Fred Milton, Treasurer  
Sonja Hubbard, Secretary  
Tina Veal-Gooch, , Past President

**Directors Absent:**

Van Alexander, President,

**Administration Present:**

Kyle Dooley, Executive Director/CEO  
Tara Houck, Chief Financial Officer  
Eli Hunt, Operations Manager  
Becky Melton, Executive Assistant/HR Manager

**Public Present:**

See attached list.

**II. Invocation & Pledge**

Fred Milton led the invocation and the Pledge of Allegiance.

**III. Agenda Items for Individual Consideration**

A. Discussion regarding draft fourth quarter financials for FY 2022.

Tara Houck, CFO presented the draft fourth quarter financials.

No action taken.

B. Discussion regarding the draft fourth quarter investment report for FY 2022.

Tara Houck, CFO presented the draft fourth quarter investment report.

No action taken.

#### **IV. Riverbend Reports**

A. Board Members

No reports.

B. Executive Director/CEO

No report.

#### **V. Executive Session**

The board stood at ease at 12:29 p.m.

The board reconvened in Executive Session at 12:30 p.m. with quorum pursuant to sections 551.071 and 551.072 of the Texas Open Meetings Act.

The board came out of Executive Session at 12:48 p.m.

The board reconvened with quorum at 12:49 p.m.

#### **VI. Next Riverbend Meetings & Activities:**

Riverbend Regular Meeting, Wednesday, January 25, 2023 at 12:00 p.m. at Riverbend Offices.

#### **VI. Adjournment**

With no additional business to be discussed, a motion was made by **Fred Milton** and seconded by **Sonja Hubbard** to adjourn the meeting at 12:50 p.m.

**The minutes of Riverbend Water Resources District Board of Directors meeting, December 8, 2021 were read and approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2023.**

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**Van Alexander, President**

**Attest:**

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**Kyle Dooley, Executive Director/ CEO**

**REGULAR CALLED MEETING  
RIVERBEND WATER RESOURCES DISTRICT  
WEDNESDAY, JANUARY 25, 2023**

**AGENDA ITEM VII. A.  
RWRD RESO 20230125-02  
FY 2022 Fourth Quarter Financials**



**RIVERBEND RESOLUTION NO. 20230125-02**

**APPROVING THE FOURTH QUARTER FY 2022 FINANCIAL STATEMENTS**

**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 staff prepares and presents quarterly financial statements, which provide for the fiduciary guidance of Riverbend Water Resources funds.

**NOW, THEREFORE, BE IT RESOLVED** that the Riverbend Water Resources District Board of Directors accepts and approves the Fourth Quarter FY 2022 financials.

**PASSED and APPROVED this 25<sup>th</sup> day of January 2023**

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Van Alexander, President

ATTEST:

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Sonja Hubbard, Secretary

Attached: Fourth Quarter FY 2022 Financials





# RIVERBEND WATER RESOURCES DISTRICT

## STATEMENT OF NET POSITION

### ENTERPRISE FUNDS

September 30, 2022

	<i>Regional Water System Administration Fund</i>	<i>Regional Water System Facilities Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
<b>ASSETS</b>				
Current assets:				
Cash	\$ 170,172	\$ -	\$ 1,699,578	\$ 1,869,750
Accounts receivable	18,601	290,201	842,159	1,150,961
Interest receivable		257,961		257,961
Due from other fund	19,539	-	5,089	24,628
Restricted assets:				
Cash restricted for bond debt reserves	-	4,695,273	1,129,680	5,824,953
Cash restricted for construction - bond proceeds	-	17,166,672	20,059	17,186,731
Investments restricted for construction		75,210,994		75,210,994
Cash restricted for operations	-	-	902,696	902,696
Prepaid expenses	-	-	132,181	132,181
Inventory	-	-	83,326	83,326
Total current assets	<u>208,312</u>	<u>97,621,101</u>	<u>4,814,768</u>	<u>102,644,181</u>
Noncurrent assets:				
Cash and cash equivalents - restricted for bond debt reserves	-	4,255,502	1,656,774	5,912,276
Capital assets (net of accumulated depreciation):				
Equipment	-	-	409,911	409,911
Utility system	-	-	15,958,381	15,958,381
Intangible assets	-	-	255,077	255,077
Construction in progress	-	15,454,904	27,335	15,482,239
Total capital assets	<u>-</u>	<u>15,454,904</u>	<u>16,650,704</u>	<u>32,105,608</u>
Total noncurrent assets	<u>-</u>	<u>19,710,406</u>	<u>18,307,478</u>	<u>38,017,884</u>
<b>TOTAL ASSETS</b>	<u>208,312</u>	<u>117,331,507</u>	<u>23,122,246</u>	<u>140,662,065</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	68,803	153,671	113,534	336,008
Payroll liabilities	-	-	51,854	51,854
Due to other fund	5,089	19,539	-	24,628
Due to Region D Planning	13,003	-	-	13,003
Accrued interest payable	-	894,237	137,725	1,031,962
Accrued compensated absences - current	-	-	21,553	21,553
Revenue bonds payable - current	-	2,955,000	815,000	3,770,000
Total current liabilities	<u>86,895</u>	<u>4,022,447</u>	<u>1,139,666</u>	<u>5,249,008</u>
Noncurrent liabilities:				
Accrued compensated absences - long term	-	-	59,762	59,762
Revenue bonds payable - long term	-	108,045,000	7,005,000	115,050,000
Total noncurrent liabilities	<u>-</u>	<u>108,045,000</u>	<u>7,064,762</u>	<u>115,109,762</u>
<b>TOTAL LIABILITIES</b>	<u>86,895</u>	<u>112,067,447</u>	<u>8,204,428</u>	<u>120,358,770</u>
<b>NET POSITION</b>				
Net investment in capital assets	-	(3,342,830)	9,838,585	6,495,755
Restricted for bond reserves	-	8,604,701	2,789,165	11,393,866
Restricted for construction	-	616,917	20,058	636,975
Unrestricted	121,417	(614,728)	2,270,010	1,776,699
<b>TOTAL NET POSITION</b>	<u>\$ 121,417</u>	<u>\$ 5,264,060</u>	<u>\$ 14,917,818</u>	<u>\$ 20,303,295</u>

# RIVERBEND WATER RESOURCES DISTRICT

## STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION ENTERPRISE FUNDS

For the Year Ended September 30, 2022

	<i>Regional Water System Administration Fund</i>	<i>Regional Water System Facilities Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
<b>OPERATING REVENUES</b>				
Charges for services:				
Member fees	\$ 202,945	\$ -	\$ -	\$ 202,945
Army volumetric charge	-	-	3,246,554	3,246,554
Army water supply charge	-	-	245,363	245,363
Commercial & residential charge	-	-	151,966	151,966
Other revenue	-	-	2,275	2,275
Total operating revenues	<u>202,945</u>	<u>\$ -</u>	<u>3,646,158</u>	<u>3,849,103</u>
<b>OPERATING EXPENSES</b>				
Accounting & audit	4,500	-	-	4,500
Analyticals	-	-	100,504	100,504
Community relations	1,553	-	-	1,553
Conferences & seminars	3,811	-	-	3,811
Consulting	184,769	-	31,002	215,771
Dues & memberships	8,372	-	-	8,372
Engineering services	47,045	-	-	47,045
Equipment maintenance, repair & fuel	-	-	50,233	50,233
Equipment rental	-	-	2,281	2,281
Insurance	-	-	49,277	49,277
Legal & professional fees	14,300	-	-	14,300
Materials	-	-	189,183	189,183
Meetings expense	4,744	-	-	4,744
Military affairs	2,750	-	-	2,750
Miscellaneous	766	-	-	766
Permits	-	-	32,399	32,399
Repairs	-	-	207,063	207,063
Salaries, wages, payroll taxes & benefits	173,623	-	925,715	1,099,338
Supplies & materials	-	-	26,712	26,712
Travel & training	9,159	-	-	9,159
Utilities	-	-	160,577	160,577
Waste disposal	-	-	44,748	44,748
Water purchase cost	-	-	385,321	385,321
Web design & maintenance	5,570	-	-	5,570
Miscellaneous	-	-	-	-
Overhead allocation - water	-	-	187,709	187,709
Overhead allocation - wastewater	-	-	203,894	203,894
Overhead allocation - industrial wastewater	-	-	205,626	205,626
Total operating expenses	<u>460,962</u>	<u>-</u>	<u>2,802,245</u>	<u>3,263,207</u>
Operating income (loss) before depreciation	(258,017)	-	843,913	585,896
Depreciation	-	-	833,250	833,250
Operating income (loss)	<u>(258,017)</u>	<u>-</u>	<u>10,663</u>	<u>(247,354)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Facility charges revenue	-	-	1,443,486	1,443,486
Minimum monthly payments	-	4,488,277	-	4,488,277
Interest revenue	133	652,742	20,338	673,213
Project admin fees	-	-	30,083	30,083
Gain (loss) on disposal of asset	-	-	11,326	11,326
Unrealized gain (loss) on investment	-	(1,298,496)	-	(1,298,496)
Interest expense	-	(1,027,817)	(317,672)	(1,345,489)
Bond issuance costs	-	(2,355,901)	(65,000)	(2,420,901)
Franchise fees expense	-	-	(109,350)	(109,350)
Special projects expense	(50,005)	-	-	(50,005)
Total nonoperating revenues (expenses)	<u>(49,872)</u>	<u>458,805</u>	<u>1,013,211</u>	<u>1,422,144</u>
<b>Income (loss) before capital contributions and transfers</b>	<u>(307,889)</u>	<u>458,805</u>	<u>1,023,874</u>	<u>1,174,790</u>
<b>Transfers in (out)</b>	<u>230,000</u>	<u>583,961</u>	<u>(813,961)</u>	<u>-</u>
<b>Changes in net position</b>	<u>(77,889)</u>	<u>1,042,766</u>	<u>209,913</u>	<u>1,174,790</u>
<b>Net position, beginning of year</b>	<u>199,306</u>	<u>4,221,294</u>	<u>14,707,905</u>	<u>19,128,505</u>
<b>Net position, end of year</b>	<u>\$ 121,417</u>	<u>\$ 5,264,060</u>	<u>\$ 14,917,818</u>	<u>\$ 20,303,295</u>

# RIVERBEND WATER RESOURCES DISTRICT

## SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE REGIONAL WATER SYSTEM ADMINISTRATION For the Year Ended September 30, 2022

	<i><u>Budget</u></i>	<i><u>Actual</u></i>	<i><u>Variance with Budget</u></i>	<i><u>% of Budget</u></i>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 205,021	\$ 202,945	\$ (2,076)	98.99%
Total operating revenues	<u>205,021</u>	<u>202,945</u>	<u>(2,076)</u>	<u>98.99%</u>
<b>OPERATING EXPENSES</b>				
Advertising	1,400	-	1,400	0.00%
Accounting & audit	2,500	4,500	(2,000)	180.00%
Community relations	8,000	1,553	6,447	19.41%
Conferences & seminars	4,700	3,811	889	81.09%
Consulting	200,000	184,769	15,231	92.38%
Dues & memberships	8,735	8,372	363	95.84%
Engineering services	80,000	47,045	32,955	58.81%
Legal & professional fees	27,500	14,300	13,200	52.00%
Meetings expense	6,000	4,744	1,256	79.07%
Military affairs	11,000	2,750	8,250	25.00%
Office supplies & expense	2,300	766	1,534	33.30%
Salaries, wages & benefits	183,200	173,623	9,577	94.77%
Subscriptions	650	-	650	0.00%
Travel & training	18,000	9,159	8,841	50.88%
Web design & maintenance	6,000	5,570	430	92.83%
Total operating expenses	<u>559,985</u>	<u>460,962</u>	<u>99,023</u>	<u>82.32%</u>
Operating income (loss)	<u>(354,964)</u>	<u>(258,017)</u>	<u>(96,947)</u>	<u>72.69%</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest Revenue	-	133	133	
Special projects expense	(50,000)	(50,005)	(5)	100.01%
Use of prior year equity	174,964	-	(174,964)	0.00%
Total nonoperating revenues (expenses)	<u>124,964</u>	<u>(49,872)</u>	<u>(174,836)</u>	<u>39.91%</u>
<b>Income (loss) before transfers</b>	<u>(230,000)</u>	<u>(307,889)</u>	<u>(77,889)</u>	<u>133.86%</u>
<b>Transfer in</b>	<u>230,000</u>	<u>230,000</u>	<u>-</u>	<u>100.00%</u>
<b>Change in net position</b>	<u>-</u>	<u>(77,889)</u>	<u>(77,889)</u>	
<b>Net position, beginning of year</b>	<u>199,306</u>	<u>199,306</u>	<u>-</u>	<u>100.00%</u>
<b>Net position, end of year</b>	<u>\$ 199,306</u>	<u>\$ 121,417</u>	<u>(77,889)</u>	<u>60.92%</u>

# RIVERBEND WATER RESOURCES DISTRICT

## SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE REGIONAL WATER SYSTEM FACILITIES FUND For the Year Ended September 30, 2022

	<i>Budget</i>	<i>Actual</i>	<i>Variance with Budget</i>	<i>% of Budget</i>
<b>OPERATING REVENUES</b>				
Charges for services	\$ -	\$ -	\$ -	
Total operating revenues	-	-	-	
<b>OPERATING EXPENSES</b>				
Expenses	-	-	-	
Total operating expenses	-	-	-	
Operating income (loss)	-	-	-	
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Minimum monthly payments	4,296,050	4,488,277	192,227	104.47%
Interest Revenue	763,100	652,742	(110,358)	85.54%
Interest Expense	(1,027,818)	(1,027,817)	1	100.00%
Unrealized Gain/(Loss) on Investments	(538,532)	(1,298,496)	(759,964)	241.12%
Bond Issuance Costs	(2,353,000)	(2,355,901)	(2,901)	100.12%
Total nonoperating revenues (expenses)	1,139,800	458,805	(680,995)	40.25%
<b>Change in net position before transfers</b>	1,139,800	458,805	(680,995)	40.25%
<b>Transfer In</b>	583,961	583,961	-	100.00%
<b>Net position, beginning of year</b>	\$ 4,221,294	4,221,294	-	100.00%
<b>Net position, end of year</b>	\$ 5,945,055	\$ 5,264,060	\$ (680,995)	88.55%

## RIVERBEND WATER RESOURCES DISTRICT

**SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**WET UTILITIES FUND**  
**For the Year Ended September 30, 2022**

	<i>Budget</i>	<i>Actual</i>	<i>Variance with Budget</i>	<i>% of Budget</i>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 3,763,387	\$ 3,643,883	\$ (119,504)	96.82%
Other revenue	-	2,275	2,275	
Total operating revenues	<u>3,763,387</u>	<u>3,646,158</u>	<u>(117,229)</u>	<u>0.00%</u>
<b>OPERATING EXPENSES</b>				
Analytical	145,000	100,504	44,496	69.31%
Capital Replacement	286,350		286,350	0.00%
Consulting	35,000	31,002	3,998	88.58%
Equipment maintenance, repair & fuel	50,897	50,233	664	98.70%
Equipment rental	10,000	2,281	7,719	22.81%
Insurance	51,900	49,277	2,623	94.95%
Materials	233,000	189,183	43,817	81.19%
Permits	55,000	32,399	22,601	58.91%
Repairs	322,561	207,063	115,498	64.19%
Salaries, wages, payroll taxes & benefits	1,077,540	925,715	151,825	85.91%
Supplies & materials	32,098	26,712	5,386	83.22%
Utilities	182,075	160,577	21,498	88.19%
Waste disposal	60,375	44,748	15,627	74.12%
Water purchase cost	389,337	385,321	4,016	98.97%
Overhead allocation - water	201,017	187,709	13,308	93.38%
Overhead allocation - wastewater	218,350	203,894	14,456	93.38%
Overhead allocation - industrial wastewater	220,205	205,626	14,578	93.38%
Total operating expenses	<u>3,570,705</u>	<u>2,802,245</u>	<u>768,460</u>	<u>78.48%</u>
Operating income (loss) before depreciation	192,682	843,913	651,231	437.98%
Depreciation	824,500	833,250	(8,750)	101.06%
Operating income (loss)	<u>(631,818)</u>	<u>10,663</u>	<u>642,481</u>	<u>1.69%</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Facility charges revenues	1,513,088	1,443,486	(69,602)	95.40%
Interest revenue	20,400	20,338	(62)	99.70%
Project Admin Fees	38,750	30,083	(8,667)	77.63%
Gain (loss) on disposal of asset	9,246	11,326	2,080	122.50%
Use of prior year equity	361,142	-	(361,142)	0.00%
Bond issuance costs	(65,000)	(65,000)	-	100.00%
Interest expense	(317,700)	(317,672)	28	99.99%
Franchise fees expense	(114,147)	(109,350)	4,797	95.80%
Total nonoperating revenues (expenses)	<u>1,445,779</u>	<u>1,013,211</u>	<u>(432,568)</u>	<u>70.08%</u>
Income (loss) before capital contributions and transfers	813,961	1,023,874	209,913	125.79%
Transfers in (out)	<u>(813,961)</u>	<u>(813,961)</u>	<u>-</u>	<u>100.00%</u>
<b>Change in net position</b>	<u>-</u>	<u>209,913</u>	<u>209,913</u>	
<b>Net position, beginning of year</b>	<u>14,707,905</u>	<u>14,707,905</u>	<u>-</u>	<u>100.00%</u>
<b>Net position, end of year</b>	<u>\$ 14,707,905</u>	<u>\$ 14,917,818</u>	<u>\$ 209,913</u>	<u>101.43%</u>

**RIVERBEND WATER RESOURCES DISTRICT****COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION****REGIONAL WATER SYSTEM ADMINISTRATION****For the Year Ended September 30, 2022**

	<u>September 30, 2022</u>	<u>September 30, 2021</u>	<u>\$ Change</u>	<u>% Change</u>
<b>OPERATING REVENUES</b>				
Charges for services:				
Member fees	\$ 202,945	\$ 204,635	\$ (1,690)	-0.83%
Total operating revenues	<u>202,945</u>	<u>204,635</u>	<u>(1,690)</u>	<u>-0.83%</u>
<b>OPERATING EXPENSES</b>				
Accounting & audit	4,500	4,500	-	0.00%
Community relations	1,553	5,003	(3,450)	-68.96%
Conferences & seminars	3,811	2,840	971	34.19%
Consulting	184,769	180,596	4,173	2.31%
Dues & memberships	8,372	8,357	15	0.18%
Engineering services	47,045	20,697	26,348	127.30%
Legal & professional fees	14,300	12,665	1,635	12.91%
Meetings expense	4,744	4,279	465	10.87%
Military affairs	2,750	11,000	(8,250)	-75.00%
Office supplies and expense	766	1,136	(370)	-32.57%
Salaries, wages, payroll taxes & benefits	173,623	154,662	18,961	12.26%
Travel & training	9,159	5,001	4,158	83.14%
Web design & maintenance	5,570	2,667	2,903	108.85%
Miscellaneous	-	309	(309)	-100.00%
Total operating expenses	<u>460,962</u>	<u>413,712</u>	<u>47,250</u>	<u>11.42%</u>
Operating income (loss) before depreciation	(258,017)	(209,077)	(48,940)	-23.41%
Depreciation	-	-	-	
Operating income (loss)	<u>(258,017)</u>	<u>(209,077)</u>	<u>(48,940)</u>	<u>23.41%</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest revenue	133	2	131	
Special projects expense	(50,005)	(6,858)	(43,147)	-629.15%
Total nonoperating revenues (expenses)	<u>(49,872)</u>	<u>(6,856)</u>	<u>(43,016)</u>	<u>-627.42%</u>
<b>Income (loss) before transfers</b>	<u>(307,889)</u>	<u>(215,933)</u>	<u>(91,956)</u>	<u>-42.59%</u>
<b>Transfers in (out)</b>	<u>230,000</u>	<u>230,000</u>	<u>-</u>	<u>0.00%</u>
<b>Change in net position</b>	<u>(77,889)</u>	<u>14,067</u>	<u>(91,956)</u>	<u>653.70%</u>
<b>Net position, beginning of year</b>	<u>199,306</u>	<u>185,239</u>	<u>14,067</u>	<u>7.59%</u>
<b>Net position, end of year</b>	<u>\$ 121,417</u>	<u>\$ 199,306</u>	<u>\$ (77,889)</u>	<u>-39.08%</u>

**RIVERBEND WATER RESOURCES DISTRICT****COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION  
REGIONAL WATER SYSTEM FACILITIES FUND  
For the Year Ended September 30, 2022**

	<i>September 30, 2022</i>	<i>September 30, 2021</i>	<i>\$ Change</i>	<i>% Change</i>
<b>OPERATING REVENUES</b>				
Charges for services:	-	-	-	
Total operating revenues	-	-	-	
<b>OPERATING EXPENSES</b>				
Expenses	-	-	-	
Total operating expenses	-	-	-	
Operating income (loss)	-	-	-	
<b>NONOPERATING REVENUES (EXPENSES)</b>			-	
Minimum monthly payments	4,488,277	4,570,950	(82,673)	-1.81%
Interest Revenue	652,742	23,851	628,891	2636.75%
Unrealized gain (loss) on investment	(1,298,496)	-	(1,298,496)	
Interest Expense	(1,027,817)	(210,304)	(817,513)	388.73%
Bond Issuance Costs	(2,355,901)	(628,526)	(1,727,375)	274.83%
Total nonoperating revenues (expenses)	458,805	3,755,971	(3,297,166)	-87.78%
<b>Income (loss) before capital contributions and transfers</b>	458,805	3,755,971	(3,297,166)	-87.78%
<b>Transfers in (out)</b>	583,961	-	583,961	
<b>Net position, beginning of year</b>	4,221,294	465,323	3,755,971	807.18%
<b>Net position, end of year</b>	<u>\$ 5,264,060</u>	<u>\$ 4,221,294</u>	<u>\$ 1,042,766</u>	<u>24.70%</u>



**RIVERBEND WATER RESOURCES DISTRICT****COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION****WET UTILITIES FUND****For the Year Ended September 30, 2022**

	<u>September 30, 2022</u>	<u>September 30, 2021</u>	<u>\$ Change</u>	<u>% Change</u>
<b>OPERATING REVENUES</b>				
Charges for services:				
Army volumetric charge	\$ 3,246,554	\$ 3,141,686	\$ 104,868	3.34%
Army water supply charge	245,363	249,672	(4,309)	-1.73%
Commercial & residential charge	151,966	232,311	(80,345)	-34.59%
Other revenue	2,275	402	1,873	465.92%
Total operating revenues	<u>3,646,158</u>	<u>3,624,071</u>	<u>22,087</u>	<u>0.61%</u>
<b>OPERATING EXPENSES</b>			-	
Analyticals	100,504	101,755	(1,251)	-1.23%
Consulting	31,002	23,941	7,061	29.49%
Equipment maintenance, repair & fuel	50,233	39,325	10,908	27.74%
Equipment rental	2,281	(1,079)	3,360	311.40%
Insurance	49,277	46,891	2,386	5.09%
Materials	189,183	185,047	4,136	2.24%
Permits	32,399	34,279	(1,880)	-5.48%
Repairs	207,063	170,150	36,913	21.69%
Salaries, wages, payroll taxes & benefits	925,715	896,376	29,339	3.27%
Supplies & materials	26,712	25,365	1,347	5.31%
Utilities	160,577	145,291	15,286	10.52%
Waste disposal	44,748	37,158	7,590	20.43%
Water purchase cost	385,321	272,185	113,136	41.57%
Overhead allocation - water	187,709	163,286	24,423	14.96%
Overhead allocation - wastewater	203,894	177,365	26,529	14.96%
Overhead allocation - industrial wastewater	205,626	178,872	26,754	14.96%
Total operating expenses	<u>2,802,245</u>	<u>2,496,208</u>	<u>306,037</u>	<u>12.26%</u>
Operating income (loss) before depreciation	843,913	1,127,863	(283,950)	-25.18%
Depreciation	833,250	805,179	28,071	3.49%
Operating income (loss)	<u>10,663</u>	<u>322,684</u>	<u>(312,021)</u>	<u>-96.70%</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			-	
Facility charges revenue	1,443,486	1,502,606	(59,120)	-3.93%
Interest revenue	20,338	12,650	7,688	60.77%
Project admin fees	30,083	17,147	12,936	-75.44%
Gain (loss) on disposal of asset	11,326	(62,676)	74,002	-118.07%
Interest expense	(317,672)	(362,717)	45,045	12.42%
Bond issuance costs	(65,000)	-	(65,000)	
Franchise fees expense	(109,350)	(108,710)	(640)	-0.59%
Total nonoperating revenues (expenses)	<u>1,013,211</u>	<u>998,300</u>	<u>14,911</u>	<u>1.49%</u>
<b>Income (loss) before transfers</b>	<u>1,023,874</u>	<u>1,320,984</u>	<u>(297,110)</u>	<u>-22.49%</u>
<b>Transfers in (out)</b>	<u>(813,961)</u>	<u>(230,000)</u>	<u>(583,961)</u>	<u>-253.90%</u>
<b>Change in net position</b>	<u>209,913</u>	<u>1,090,984</u>	<u>(881,071)</u>	<u>-80.76%</u>
<b>Net position, beginning of year</b>	<u>14,707,905</u>	<u>13,520,497</u>	<u>1,187,408</u>	<u>8.78%</u>
<b>Net position, end of year</b>	<u>\$ 14,917,818</u>	<u>\$ 14,611,481</u>	<u>\$ 306,337</u>	<u>2.10%</u>

**REGULAR CALLED MEETING  
RIVERBEND WATER RESOURCES DISTRICT  
WEDNESDAY, JANUARY 25, 2023**

**AGENDA ITEM VII. B.  
RWRD RESO 20230125-03  
FY 2022 Fourth Quarter  
Investment Report**



**RIVERBEND RESOLUTION NO. 20230125-03**

**APPROVING THE FOURTH QUARTER FY 2022 INVESTMENT REPORT**

**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 has adopted an Investment Policy as required by law to manage the funds of Riverbend Water Resources District; and

**WHEREAS**, the Investment Policy Reporting Section XIII requires that the Investment Officer prepare and sign a quarterly investment report that includes activity on all interest-bearing accounts held by Riverbend Water Resources District.

**NOW, THEREFORE, BE IT RESOLVED** that the Riverbend Water Resources District accepts and approves the Fourth Quarter FY 2022 Investment Report.

**PASSED and APPROVED this 25<sup>th</sup> day of January 2023**

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Van Alexander, President

ATTEST:

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Sonja Hubbard, Secretary



Attached: Fourth Quarter FY 2022 Investment Report

# RIVERBEND WATER RESOURCES DISTRICT

## SCHEDULE OF INVESTMENTS

### ENTERPRISE FUNDS

For the Three Months Ended September 30, 2022

Funds	Identification Number	Maturity Date	Balance 06/30/2022	Interest Income 09/30/2022	Transfers In/(Out) Per Policy	Net Deposits/ Withdrawals	Balance 09/30/2022	Accrued Int Rec 09/30/2022
Administrative Fund								
Operations	50003704	Daily checking	\$ 211,132	\$ -	\$ (3,200)	(74,347)	\$ 133,585	\$ -
Restricted - Region D Planning	8009740	Money Market	36,530	32	-	-	36,562	-
Operations	457060	Daily savings	25	-	-	-	25	-
Wet Utilities Fund								
Operations	21695	Daily checking	1,501,095	-	(380,827)	578,126	1,698,394	-
Restricted bond sinking	21709	Daily checking	1,888,354	3,107	380,827	(94,295)	2,177,993	-
Restricted bond reserves	21217	Daily checking	607,542	919	-	-	608,461	-
Restricted construction funds	21741	Daily checking	20,028	30	-	1	20,059	-
Restricted operations	21733	Money Market	901,332	1,364	-	-	902,696	-
Regional Water System Facilities Fund								
Restricted - Minimum Monthly Payments	3011380	Daily Savings	450,712	16	(1,078,871)	1,197,117	568,974	-
Restricted - 2020A Construction	2037890	Money Market	167	27	1,287,886	(1,287,072)	1,008	-
Restricted - 2020B Construction	50022709	Money Market	240	1	65,972	(65,032)	1,181	-
Restricted - 2020A Revenue	8009732	Money Market	3,951,572	3,237	(2,018,258)	(2,018,258)	1,936,551	-
Restricted - 2020B Revenue	8009716	Money Market	2,698,734	2,482	(952,521)	1,065,556	1,748,514	-
Restricted - 2020A Interest & Redemption	8009813	Money Market	392,534	934	2,665,580	3,618,102	3,059,049	-
Restricted - 2020B Interest & Redemption	8009724	Money Market	253,089	529	1,384,070	(1,281,510)	1,637,688	-
Restricted - 2020A Construction Escrow	82-4416-01-0	Bot Short-Term Cash Fund	2,027,908	6,180	(210,369)	(1,594,439)	1,823,719	3,188
Restricted - 2020B Construction Escrow	82-4405-01-3	Bot Short-Term Cash Fund	2,463,687	7,823	(64,971)	(6,806)	2,406,539	4,128
Restricted - 2022A Construction Escrow	82-5428-01-4	Bot Short-Term Cash Fund	6,096,766	19,107	(1,075,318)	2,131,859	7,172,414	9,883
Restricted - 2022B Construction Escrow	82-5429-01-2	Bot Short-Term Cash Fund	4,325,992	14,629	-	1,421,189	5,761,810	8,115
Restricted - 2022A Construction Escrow	82-5428-01-4	U.S. Treasury Notes	47,610,803	268,072	-	(2,751,284)	45,127,591	139,588
Restricted - 2022B Construction Escrow	82-5429-01-2	U.S. Treasury Notes	31,738,885	129,728	-	(1,785,211)	30,083,403	93,059
Total - All Funds			<u>\$ 107,177,127</u>	<u>\$ 452,765</u>	<u>\$ -</u>	<u>\$ 3,590,191</u>	<u>\$ 106,906,216</u>	<u>\$ 257,961</u>

The investment schedule of Riverbend Water Resources District is in compliance with the Public Funds Investment Act and the District's Investment Policy.

Tara Houck, CPA  
Chief Financial Officer

**REGULAR CALLED MEETING  
RIVERBEND WATER RESOURCES DISTRICT  
WEDNESDAY, JANUARY 25, 2023**

**AGENDA ITEM VII. C.  
RWRD RESO 20230125-04  
FY 2022 Annual Audit**



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

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
For the Fiscal Year Ended  
September 30, 2022**

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, 2022**

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## Introductory Section

January 25, 2023

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, 2022 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 administrative agent for the North East Texas Regional Water Planning Group (Region D), a state water planning region, 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 2023 RRAD budget is approximately the same as the current year with changes in facility charges off-setting changes in the percentage of services. 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. The second bond issuance in the amount of \$93M was made in February, 2022. 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 \$15,454,904 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 \$10,465,405 compared to \$9,955,912 for FY2021.

**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, 2022 totaled \$18,820,00 which consisted of Water and Wastewater Revenue Bonds Taxable Series 2016A of \$4,210,000, Water and Wastewater Revenue Bonds Taxable Series 2016B of \$3,610,000, Contract Revenue Bond (Regional Water System Project) Taxable Series 2020A of \$10,800,000, and Contract Revenue Bond (Regional Water System Project) Tax-Exempt Series 2020B of \$7,200,000, Contract Revenue Bond (Regional Water System Project) Taxable Series 2022A of \$55,800,000 and Contract Revenue Bond (Regional Water System Project) Series 2022B of \$37,200,000.

## **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, 2022. 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, 2021. This is the third 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 25, 2023

**PRINCIPAL OFFICIALS  
AS OF SEPTEMBER 30, 2022**

**BOARD OF DIRECTORS**

---

**TINA VEAL-GOOCH**

President

TexAmericas Center

**VAN ALEXANDER**

Vice President

Member At-Large

**STEVE MAYO**

Treasurer

City of Texarkana

**FRED MILTON**

Secretary

City of New Boston

**SONJA YATES HUBBARD**

Past President

City of Texarkana

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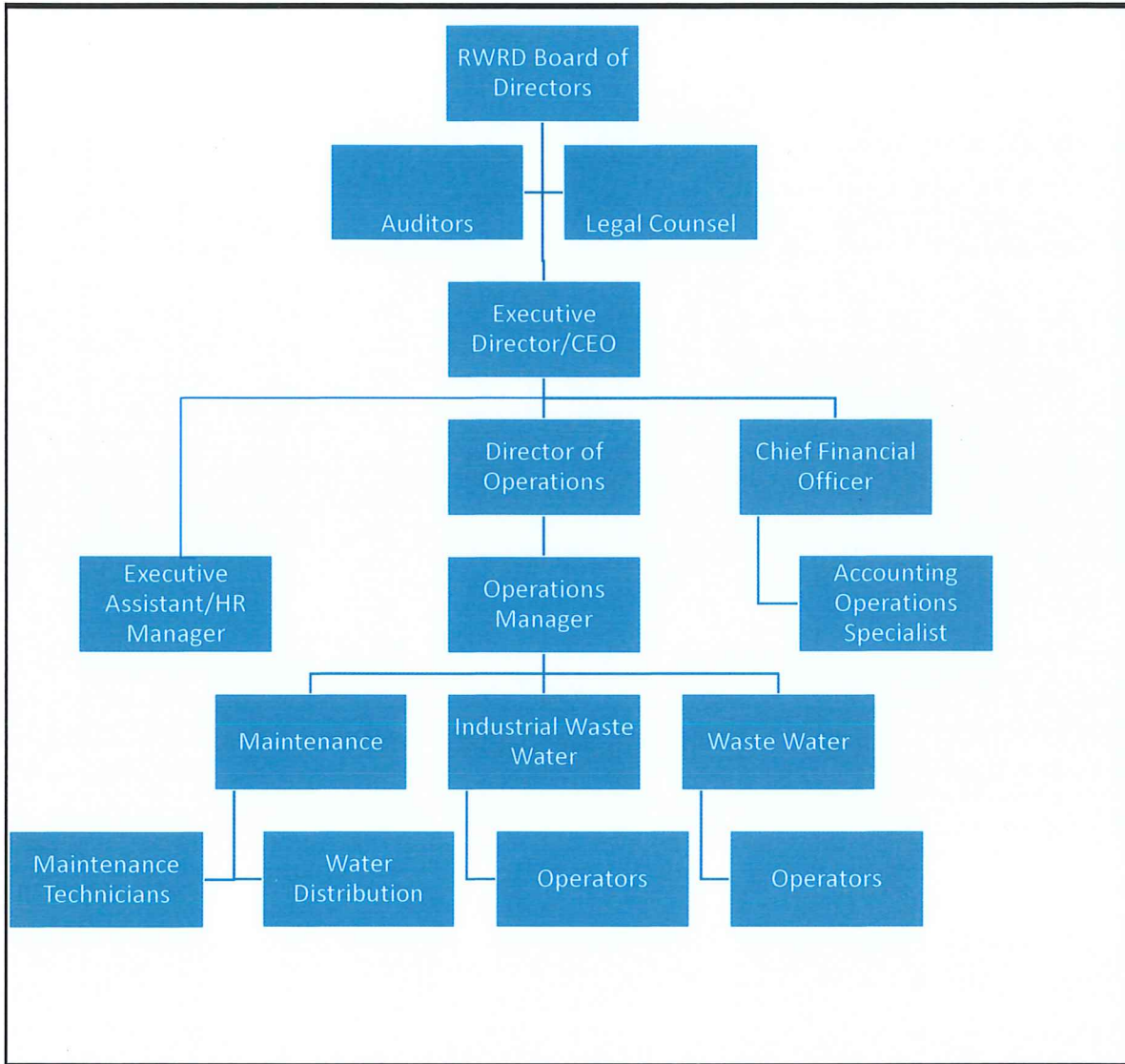
**KYLE DOOLEY, P.E.**

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, 2021

*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 25<sup>TH</sup> day of JANUARY, 2023  
its annual audit report for the fiscal year or period ended SEPTEMBER 30, 2022  
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: 01/25/2023

By: \_\_\_\_\_  
(Signature of District Representative)

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

Sworn to and subscribed to before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(SEAL)

(Signature of Notary)

My Commission Expires On: \_\_\_\_\_  
Notary Public in the State of Texas.

---

## Financial Section





**UNMODIFIED OPINION ON BASIC FINANCIAL STATEMENTS  
ACCOMPANIED BY REQUIRED SUPPLEMENTARY INFORMATION AND OTHER  
SUPPLEMENTARY INFORMATION INCLUDING THE SUPPLEMENTARY SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS**

Independent Auditors' Report

Board of Directors  
Riverbend Water Resources District  
Texarkana, Texas  
Members of the Board:

**Opinions**

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, 2022, and the related notes to the financial statements, which collectively comprise the Riverbend's basic financial statements as listed in the table of contents.

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, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Riverbend and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate, that raise a substantial doubt about the Riverbend's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control to the audit 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 Riverbend's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Riverbend's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **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.



## Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Riverbend's basic financial statements. The budgetary comparison schedules and 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. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) 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 budgetary comparison schedules, the reports required by the Texas Commission on Environmental Quality, and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate 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 budgetary comparison schedules, the reports required by the Texas Commission on Environmental Quality, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2023, on our consideration of the Riverbend'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 solely 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 the effectiveness of Riverbend's 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's internal control over financial reporting and compliance.

*Wilf & Henderson, P.C.*

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

January 23, 2023



## 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, 2022. 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 \$20,303,295 (net position). Of this amount \$6,495,755 (32%) are invested in capital assets for business-type uses and are not available to generate liquid capital. Net position restricted for specific purposes total \$11,416,113 (56%). The remaining \$2,391,427 (12%) 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 2022, Riverbend's combined net position increased \$1,174,790 to \$20,303,295. The increase can be attributed to non-operating revenues with the majority of the increase due to interest revenue in the amount of \$673,213.
- Riverbend's total long-term obligations increased by \$89,234,553 (345%) due to the issuance of bonds in the amount for \$93,000,000 reduced by regularly scheduled debt service payments on existing bonds.
- Riverbend's combined operating expenses increased by \$477,782 to a total for fiscal year 2022 of \$4,096,457. The Administrative fund's operating expenses increased \$47,250 due to an increase in engineering expense and personnel expense. The Wet Utilities fund's operating expenses increased \$402,461 due to an increase in water cost and maintenance expenses. Depreciation expense increased by \$28,071.
- Riverbend's combined nonoperating revenues/expenses decreased by \$3,325,271 to a total for fiscal year 2022 of \$1,422,144. The decrease is due to bond issuance costs on the \$93M additional debt issued on the regional water system project and the related interest expense.

### 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 - 42 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 43 - 70 of this report.

#### **Single Audit Section**

Riverbend is required to obtain a Single Audit Report for fiscal year 2022. 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 71 – 78 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 \$20,303,295 as of September 30, 2022. The largest portion of Riverbend's net position are the restricted funds in the amount of \$11,416,113 comprised of \$11,393,866 restricted for bond payments and \$22,247 restricted for construction projects. Amounts related to the net investment in capital assets total \$6,495,755. The unrestricted balance of \$2,391,427 may be used to meet Riverbend's ongoing obligations. Riverbend had an increase in net position during the year of \$1,174,790.



NET POSITION			
	2022	2021	Total \$ Change
Assets:			
Current assets	\$ 102,644,181	\$ 18,411,213	\$ 84,232,968
Noncurrent assets	5,912,276	5,890,929	21,347
Capital Assets	32,105,608	24,248,096	7,857,512
Total assets	140,662,065	48,550,238	92,111,827
Liabilities:			
Current liabilities	5,249,008	3,546,521	1,702,487
Long-term liabilities	115,109,762	25,875,209	89,234,553
Total liabilities	120,358,770	29,421,730	90,937,040
Net position:			
Net investment in capital assets	6,495,755	9,343,889	(2,848,134)
Restricted for bond reserves	11,393,866	7,421,327	3,972,539
Restricted for construction	22,247	316,049	(293,802)
Unrestricted	2,391,427	2,047,240	344,187
Total net position	\$ 20,303,295	\$ 19,128,505	\$ 1,174,790

CHANGES IN NET POSITION			
	2022	2021	Total \$ Change
Operating revenue:			
Charges for services	\$ 3,849,103	\$ 3,828,706	\$ 20,397
Total operating revenue	3,849,103	3,828,706	20,397
Operating expenses:			
Administrative	460,962	413,712	47,250
Wet Utilities	2,802,245	2,399,784	402,461
Depreciation	833,250	805,179	28,071
Total operating expenses	4,096,457	3,618,675	477,782
Operating income	(247,354)	210,031	(457,385)
Nonoperating revenues/expenses	1,422,144	4,747,415	(3,325,271)
Change in net position	1,174,790	4,957,446	(3,782,656)
Net position, beginning of year	19,128,505	14,171,059	4,957,446
Net position, end of year	\$ 20,303,295	\$ 19,128,505	\$ 1,174,790

Riverbend's total operating revenues increased by \$20,397 in fiscal year 2022 from the 2021 revenue, the increase in charges for services fees for fiscal year 2022 of \$3,849,103 over fiscal year 2021 of \$3,828,706. Riverbend's combined operating expenses increased by \$477,782 for a fiscal year 2022 total of \$4,096,457. The Administrative fund's operating expenses increased \$47,250 and the Wet Utilities fund operating expenses increased \$402,461. Depreciation expense increased by \$28,071.

## Budgetary Highlights

The fiscal year ended with a Wet Utilities Fund budget surplus of \$284,705 is attributable to infrastructure services expense reimbursement and favorable expenditure variances. The Regional Water System Administration Fund ended the fiscal year with a budget surplus of \$97,075 due to lower than expected engineering services and other favorable expense variances. The Regional Water System Facilities Fund budget deficit in the amount of (\$680,995) is due to underestimating the amount of unrealized loss on investments.

## Capital Assets

Riverbend's capital assets as of September 30, 2022 amount to \$32,105,608. 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 2022 Ford F150's \$74,414, a Bad Boy Zero Turn Mower \$10,121, completion of the Elevated Water Tank Project \$454,169 and the Drying Bed Rehab \$224,688. The Regional Water System Project and the Industrial Feasibility Study had accumulated construction in progress costs totaling \$15,482,239. Construction in progress costs totaling \$583,961 were transferred from the Wet Utilities fund to the Regional Water Facilities Fund. Additional information on Riverbend's capital assets can be found in Note 5 on page 16-17 of this report.

### CAPITAL ASSETS, NET OF DEPRECIATION

	2022	2021
Equipment	\$ 409,911	\$ 415,929
Utility system	15,958,381	16,012,858
Intangible assets	255,077	265,536
Construction in progress	15,482,239	7,553,773
Total capital assets	<u>\$ 32,105,608</u>	<u>\$ 24,248,096</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. In the year ended September 30, 2021 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. During the current fiscal year Riverbend issued Riverbend Water Resources District Water and Wastewater System Contract Revenue Bonds Taxable Series 2022A for \$55,800,000 and Riverbend Water Resources District Water and Wastewater System Contract Revenue Bonds Tax-Exempt Series 2022B for \$37,200,000. Payments of principal in the amount of \$775,000 and interest in the amount of \$607,675 were made during the fiscal year. Total bonded debt at September 30, 2022 totaled \$118,820,000. Additional information on the Riverbend's long-term debt can be found in Note 6 on pages 17-19 of this report.

## Economic Factors and Next Year's Budget

The Wet Utilities Fund budget for fiscal year 2022-2023 anticipates increases in water costs and materials 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 third of the multi-year bond package in June, 2023 in the amount of \$14.4M.

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](mailto:kyledooley@rwr.org), 228 Texas Ave Suite A, New Boston, Texas 75570 or by telephone at 903-831-0091.

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## Basic Financial Statements



**RIVERBEND WATER RESOURCES DISTRICT****STATEMENT OF NET POSITION****ENTERPRISE FUNDS****SEPTEMBER 30, 2022**

	<i>Regional Water System Administration Fund</i>	<i>Regional Water System Facilities Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 170,172	\$ -	\$ 1,699,578	\$ 1,869,750
Accounts receivable	18,601	290,201	842,159	1,150,961
Interest receivable		257,961		257,961
Interfund accounts	19,539	-	5,089	24,628
Restricted assets:				
Cash and cash equivalents restricted for bond debt reserves	-	4,695,273	1,129,680	5,824,953
Cash and cash equivalents restricted for construction	-	17,166,672	20,059	17,186,731
Investments restricted for construction	-	75,210,994		75,210,994
Cash and cash equivalents restricted for operations	-	-	902,696	902,696
Prepaid expenses	-	-	132,181	132,181
Inventories	-	-	83,326	83,326
Total current assets	<u>208,312</u>	<u>97,621,101</u>	<u>4,814,768</u>	<u>102,644,181</u>
Noncurrent assets:				
Cash and cash equivalents - restricted for bond debt reserves	-	4,255,502	1,656,774	5,912,276
Capital assets (net of accumulated depreciation):				
Equipment	-	-	409,911	409,911
Utility system	-	-	15,958,381	15,958,381
Intangible assets	-	-	255,077	255,077
Construction in progress	-	15,454,904	27,335	15,482,239
Total capital assets	<u>-</u>	<u>15,454,904</u>	<u>16,650,704</u>	<u>32,105,608</u>
Total noncurrent assets	<u>-</u>	<u>19,710,406</u>	<u>18,307,478</u>	<u>38,017,884</u>
<b>TOTAL ASSETS</b>	<u>208,312</u>	<u>117,331,507</u>	<u>23,122,246</u>	<u>140,662,065</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	68,803	153,671	113,534	336,008
Payroll liabilities	-	-	51,854	51,854
Interfund accounts	5,089	19,539	-	24,628
Due to North East Texas Regional Water Planning Group	13,003	-	-	13,003
Accrued interest payable	-	894,237	137,725	1,031,962
Accrued compensated absences - current portion	-	-	21,553	21,553
Revenue bonds payable - current portion	-	2,955,000	815,000	3,770,000
Total current liabilities	<u>86,895</u>	<u>4,022,447</u>	<u>1,139,666</u>	<u>5,249,008</u>
Long-term liabilities:				
Accrued compensated absences - long term	-	-	59,762	59,762
Revenue bonds payable - long term	-	108,045,000	7,005,000	115,050,000
Total long-term liabilities	<u>-</u>	<u>108,045,000</u>	<u>7,064,762</u>	<u>115,109,762</u>
<b>TOTAL LIABILITIES</b>	<u>86,895</u>	<u>112,067,447</u>	<u>8,204,428</u>	<u>120,358,770</u>
<b>NET POSITION</b>				
Net investment in capital assets	-	(3,342,830)	9,838,585	6,495,755
Restricted for bond reserves	-	8,604,701	2,789,165	11,393,866
Restricted for construction	-	2,189	20,058	22,247
Unrestricted	121,417	-	2,270,010	2,391,427
<b>TOTAL NET POSITION</b>	<u>\$ 121,417</u>	<u>\$ 5,264,060</u>	<u>\$ 14,917,818</u>	<u>\$ 20,303,295</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, 2022

	Regional Water System Administration Fund	Regional Water System Facilities Fund	Wet Utilities Fund	Total
<b>OPERATING REVENUES</b>				
Charges for services:				
Member fees	\$ 202,945	\$ -	\$ -	\$ 202,945
Army volumetric charge	-	-	3,246,554	3,246,554
Army water supply charge	-	-	245,363	245,363
Commercial and residential charge	-	-	151,966	151,966
Other revenue	-	-	2,275	2,275
Total operating revenues	202,945	-	3,646,158	3,849,103
<b>OPERATING EXPENSES</b>				
Accounting and audit	4,500	-	-	4,500
Analyticals	-	-	100,504	100,504
Community relations	1,553	-	-	1,553
Conferences & seminars	3,811	-	-	3,811
Consulting	184,769	-	31,002	215,771
Dues and memberships	8,372	-	-	8,372
Engineering services	47,045	-	-	47,045
Equipment maintenance, repair and fuel	-	-	50,233	50,233
Equipment rental	-	-	2,281	2,281
Insurance	-	-	49,277	49,277
Legal and professional fees	14,300	-	-	14,300
Materials	-	-	189,183	189,183
Meetings expense	4,744	-	-	4,744
Military affairs	2,750	-	-	2,750
Miscellaneous	766	-	-	766
Permits	-	-	32,399	32,399
Repairs	-	-	207,063	207,063
Salaries, wages, payroll taxes and benefits	173,623	-	925,715	1,099,338
Supplies	-	-	26,712	26,712
Travel and training	9,159	-	-	9,159
Utilities	-	-	160,577	160,577
Waste disposal	-	-	44,748	44,748
Water purchase cost	-	-	385,321	385,321
Web design and maintenance	5,570	-	-	5,570
Overhead allocation - water	-	-	187,710	187,710
Overhead allocation - wastewater	-	-	203,894	203,894
Overhead allocation - industrial wastewater	-	-	205,626	205,626
Total operating expenses before depreciation	460,962	-	2,802,245	3,263,207
Operating income (loss) before depreciation	(258,017)	-	843,913	585,896
Depreciation	-	-	833,250	833,250
Operating income (loss)	(258,017)	-	10,663	(247,354)
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Facility charges revenue	-	-	1,443,486	1,443,486
Minimum monthly payments	-	4,488,277	-	4,488,277
Interest revenue	133	652,742	20,338	673,213
Project admin fees	-	-	30,083	30,083
Gain (loss) on disposal of asset	-	-	11,326	11,326
Unrealized gain (loss) on investment	-	(1,298,496)	-	(1,298,496)
Interest expense	-	(1,027,817)	(317,672)	(1,345,489)
Franchise fees expense	-	-	(109,350)	(109,350)
Special projects expense	(50,005)	-	-	(50,005)
Bond issuance costs	-	(2,355,901)	(65,000)	(2,420,901)
Total nonoperating revenues (expenses)	(49,872)	458,805	1,013,211	1,422,144
Income (loss) before capital contributions and transfers	(307,889)	458,805	1,023,874	1,174,790
Capital contributions	-	-	-	-
Transfers in (out)	230,000	583,961	(813,961)	-
Changes in net position	(77,889)	1,042,766	209,913	1,174,790
Net position, beginning of year	199,306	4,221,294	14,707,905	19,128,505
Net position, end of year	\$ 121,417	\$ 5,264,060	\$ 14,917,818	\$ 20,303,295

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, 2022

	Regional Water System Administration Fund	Regional Water System Facilities Fund	Wet Utilities Fund	Total
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 202,032	\$ -	\$ 3,643,751	\$ 3,845,783
Cash paid to suppliers	(249,735)	-	(1,879,424)	(2,129,159)
Cash paid to employees	(173,623)	-	(911,167)	(1,084,790)
Net cash provided (used) by operating activities	(221,326)	-	853,160	631,834
<b>Cash flows from noncapital financing activities:</b>				
Net increase (decrease) in interfund receivable/liability accounts	(11,795)	16,531	(4,736)	-
Transfer in (out)	230,000	-	(230,000)	-
Net cash provided (used) by noncapital financing activities	218,205	16,531	(234,736)	-
<b>Cash flows from capital and related financing activities:</b>				
Receipt of facility charges revenues	-	4,472,448	1,443,486	5,915,934
Acquisition and construction of capital assets	-	(10,349,735)	(491,174)	(10,840,909)
Proceeds from sale of assets	-	-	12,420	12,420
Cash disbursed for special projects	(50,005)	-	-	(50,005)
Interest rate substitution costs	-	-	(65,000)	(65,000)
Franchise fees paid	-	-	(109,350)	(109,350)
Interest expense paid	-	(246,610)	(345,976)	(592,586)
Receipt of project admin fees	-	-	30,083	30,083
Proceeds on bonds issued	-	90,644,099	-	90,644,099
Bonded debt principal reduction	-	-	(775,000)	(775,000)
Net cash provided (used) by capital and related financing activities	(50,005)	84,520,202	(300,511)	84,169,686
<b>Cash flows from investing activities:</b>	-	-	-	-
Proceeds from maturities	-	7,937,722	-	7,937,722
Purchase of investments	-	(84,772,348)	-	(84,772,348)
Interest revenue received	133	719,918	20,338	740,389
Net cash provided (used) by investing activities	133	(76,114,708)	20,338	(76,094,237)
<b>Net increase(decrease) in cash and cash equivalents</b>	<b>(52,993)</b>	<b>8,422,025</b>	<b>338,251</b>	<b>8,707,283</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>223,165</b>	<b>17,695,422</b>	<b>5,070,536</b>	<b>22,989,123</b>
<b>Cash and cash equivalents, end of year</b>	<b>170,172</b>	<b>26,117,447</b>	<b>5,408,787</b>	<b>31,696,406</b>
<b>Cash and cash equivalents consists of:</b>				
Cash and cash equivalents - Unrestricted	170,172	-	1,699,578	1,869,750
Cash and cash equivalents restricted for bonded debt purposes	-	8,950,775	2,786,454	11,737,229
Cash and cash equivalents restricted for construction	-	17,166,672	20,059	17,186,731
Cash and cash equivalents restricted for operations	-	-	902,696	902,696
<b>Total cash and cash equivalents</b>	<b>170,172</b>	<b>26,117,447</b>	<b>5,408,787</b>	<b>31,696,406</b>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>				
Operating income (loss)	\$ (258,017)	\$ -	\$ 10,663	\$ (247,354)
<b>Adjustments to reconcile operating income to net cash provided (used) by operating activities:</b>				
Depreciation expense	-	-	833,250	833,250
(Increase) decrease in current assets:				
Accounts receivable	(913)	-	(2,407)	(3,320)
Inventory	-	-	(4,610)	(4,610)
Prepaid expenses	-	-	(33,051)	(33,051)
Increase (decrease) in current liabilities:				
Accounts payable	37,604	-	34,767	72,371
Payroll liabilities	-	-	7,628	7,628
Accrued compensated absences	-	-	6,920	6,920
Total adjustments	36,691	-	842,497	879,188
Net cash provided (used) by operating activities	\$ (221,326)	\$ -	\$ 853,160	\$ 631,834
<b>Noncash Capital, Financing and Investing Activities</b>				
Bond Issuance Costs	\$ -	\$ 2,355,901	\$ -	\$ 2,355,901

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, 2022**

### **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 2022.

### **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



# **RIVERBEND WATER RESOURCES DISTRICT**

## ***Notes to Financial Statements continued.***

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, 2022:

<u><i>Type</i></u>	<u><i>Financial Institution</i></u>	<u><i>Fair Value</i></u>
Cash and cash equivalents	BOK Financial	\$17,164,482
Cash and cash equivalents	State Bank of DeKalb	5,407,603
Cash and cash equivalents	Texana Bank	9,123,112

*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 and in US Treasury Notes. 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, 2022 was \$92,375,476 consisting of \$17,164,482 in their Short Term Cash Fund I and \$75,210,994 in US Treasury Notes.

Riverbend categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are unobservable inputs. Fair value is defined as the quoted market value on the last trading day of the period.

## **RIVERBEND WATER RESOURCES DISTRICT**

### ***Notes to Financial Statements continued.***

The following is a summary of the fair value of the investments of Riverbend as of September 30, 2022:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Notes	\$ 75,210,994	27,300,521	47,910,473	-	-
Totals	\$ 75,210,994	27,300,521	47,910,473	-	-

At September 30, 2022, all of Riverbend's investments are classified as Level 1.

#### **NOTE 4 – ACCOUNTS RECEIVABLE**

Riverbend's accounts receivable as of September 30, 2022 was \$1,150,961. 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, 2022. The Regional Water System Project and the Industrial Feasibility Study had accumulated \$15,482,239 of construction in progress cost at September 30, 2022. Construction in progress costs totaling \$583,961 were transferred from the Wet Utilities Fund to the Regional Water System Facilities Fund. Projects completed during the fiscal year were the Elevated Water Tank Project \$454,169 and the Drying Bed Rehab \$224,688. Major capital asset additions during the current fiscal year were two 2022 Ford F150's \$74,414 and a Bad Boy Zero Turn Mower \$10,121. Total depreciation expense of \$833,250 was included in operating expenses.



# RIVERBEND WATER RESOURCES DISTRICT

## Notes to Financial Statements continued.

Capital asset activity for the year ended September 30, 2022 was as follows:

	<i>Balance</i> <i>October 1,</i> <i>2021</i>	<i>Additions</i>	<i>Reclassifications/ Retirements</i>	<i>Balance</i> <i>September 30,</i> <i>2022</i>
Capital assets, not being depreciated				
Construction in progress	\$ 7,553,773	\$ 8,492,800	\$ (564,334)	\$ 15,482,239
Capital assets, being depreciated				
Computer equipment	1,362			1,362
Equipment	628,450	84,535	7,072	705,913
Utility systems	19,266,731	678,857		19,945,588
Intangible assets	301,692			301,692
Total capital assets, being depreciated	20,198,235	763,392	7,072	20,954,555
Less accumulated depreciation for:				
Computer equipment	(1,362)			(1,362)
Equipment	(212,518)	(89,459)	(5,976)	(296,001)
Utility systems	(3,253,875)	(733,332)		(3,987,207)
Intangible assets	(36,157)	(10,459)		(46,616)
Total accumulated depreciation	(3,503,912)	(833,250)	(5,976)	(4,331,186)
Total capital assets, being depreciated	16,694,323	(69,858)	1,096	16,623,369
Total capital assets, net	\$ 24,248,096	\$ 8,422,942	\$ (563,238)	\$ 32,105,608

## 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 contract revenue bonds issued in 2020 and another \$93,000,000 in contract revenue bonds in 2022. 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 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 2016B Bond had an interest rate substitution June 1, 2022 reducing the interest rate to 3.10% from 4.24%. 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 2022 bonds are payable from member and customer net revenues. The Series 2022 A bonds are callable in whole or in part inversely beginning April 15, 2032 at par plus accrued interest. The Series 2022 B bonds are callable in whole or in part inversely beginning April 15, 2032 at par plus accrued interest. The total principal and interest remaining to be paid on the bonds is \$118,820,000. Riverbend made \$775,000 of principal payment and \$607,675 of interest payments during the fiscal year ended September 30, 2022. Riverbend incurred \$1,345,489 of interest expense during the year ended September 30, 2022.

## **RIVERBEND WATER RESOURCES DISTRICT**

### ***Notes to Financial Statements continued.***

Long-term debt at September 30, 2022 is comprised of the following:

	<i><u>Rate of Interest</u></i>	<i><u>Original Issue</u></i>	<i><u>Outstanding September 30, 2022</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	\$ 4,210,000
Riverbend Water Resources District			
Water and Wastewater System Revenue Bonds			
Taxable Series 2016B -- Due serially in varying amounts from October 2022 through October 2030	3.10%	6,685,000	3,610,000
Riverbend Water Resources District			
Contract Revenue Bond (Regional Water System Project)			
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			
Contract Revenue Bond (Regional Water System Project)			
Series 2020B -- Due serially in varying amounts from April 2021 through October 2051	0.0-1.57%	7,200,000	7,200,000
Riverbend Water Resources District			
Contract Revenue Bond (Regional Water System Project)			
Taxable Series 2022A -- Due serially in varying amounts from October 2022 through October 2051	0.1-2.47%	55,800,000	55,800,000
Riverbend Water Resources District			
Contract Revenue Bond (Regional Water System Project)			
Series 2022B -- Due serially in varying amounts from October 2022 through October 2051	0.0-0.75%	37,200,000	37,200,000
Total bonded indebtedness		<u>\$ 122,610,000</u>	<u>118,820,000</u>
Less current maturities			<u>(3,770,000)</u>
Total long-term debt			<u>\$ 115,050,000</u>

# RIVERBEND WATER RESOURCES DISTRICT

## Notes to Financial Statements continued.

Annual requirements to amortize Riverbend's revenue bonds outstanding at September 30, 2022 including interest payments are as follows:

<i>Requirements</i> <i>Year Ending</i> <i>September 30</i>	<i>Revenue Bonds</i>		
	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2023	3,770,000	2,049,882	5,819,882
2024	3,560,000	1,835,562	5,395,562
2025	3,590,000	1,807,336	5,397,336
2026	3,625,000	1,850,300	5,475,300
2027	3,615,000	1,878,130	5,493,130
2028-2032	18,755,000	8,244,485	26,999,485
2033-2037	18,235,000	6,643,931	24,878,931
2038-2042	19,815,000	5,054,911	24,869,911
2043-2047	21,460,000	3,116,721	24,576,721
2048-2052	22,395,000	1,067,732	23,462,732
	<u>\$ 118,820,000</u>	<u>\$ 33,548,990</u>	<u>\$ 152,368,990</u>

The following is a summary of the changes in long-term obligations for the year ended September 30, 2022.

	<i>Beginning</i> <i>Balance</i> <i>October 1,</i> <i>2021</i>	<i>Additions</i>	<i>Retirements</i>	<i>Ending</i> <i>Balance</i> <i>September 30,</i> <i>2022</i>	<i>Due Within</i> <i>One Year</i>
Revenue bonds	\$ 26,595,000	\$ 93,000,000	\$ (775,000)	\$ 118,820,000	\$ 3,770,000
Accrued compensated absences	74,395	66,241	(59,322)	81,314	21,553
Total	<u>\$ 26,669,395</u>	<u>\$ 93,066,241</u>	<u>\$ (834,322)</u>	<u>\$ 118,901,314</u>	<u>\$ 3,791,553</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 and employer 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, 2022 totaled \$126,913 and \$95,052, respectively.

At the September 30, 2022 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	2
Active employees	16
Total	<u>18</u>



# **RIVERBEND WATER RESOURCES DISTRICT**

## ***Notes to Financial Statements continued.***

### **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, 2022, a payable of \$5,089 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 \$19,539 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, 2022, 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. Construction in progress costs totaling \$583,961 were transferred from the Wet Utilities Fund to the Regional Water System Facilities Fund.

### **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.

### **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



# **RIVERBEND WATER RESOURCES DISTRICT**

## ***Notes to Financial Statements continued.***

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, 2021 the Army's percentage of usage of the water system was 98.17%, wastewater system was 81.96%, and the industrial wastewater system was 100%. These percentages, applied to the budget for the year ended September 30, 2022, 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, 2022, RRAD owed Riverbend \$809,291, 96.10% of the billed receivables. Riverbend billed RRAD \$4,884,662, 95.97% of the charges for services and facility charges for the year ended September 30, 2022.

Riverbend's Regional Water System Facilities Fund has two customers contributing more than 10% of the fund's \$4,488,277 member revenue. Riverbend billed the City of Texarkana \$2,844,171 (63%) and the City of New Boston \$452,491 (10%) for the year ended September 30, 2022. The City of Texarkana owed Riverbend \$226,647, 78% of total receivables at September 30, 2022.

Riverbend's Regional Water System Administration Fund has one major customer, the City of Texarkana. At September 30, 2022, the City of Texarkana owed Riverbend \$9,851, 52.96% of the billed receivables. Riverbend billed the City of Texarkana \$118,214, 58.25% of the member fee charges for the year ended September 30, 2022.

### **NOTE 13 – RENTAL 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, 2022 was \$36,968. 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, 2022, Riverbend paid franchise fees of \$109,350.

# RIVERBEND WATER RESOURCES DISTRICT

## Notes to Financial Statements continued.

### 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.

#### 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:

Member Organization	2022	2021	2020	2019	2018	2017	Prior Years	Total
City of Annona	\$ 480	\$ 315	\$ 374	\$ 407	\$ 350	\$ 689	\$ 2,051	\$ 4,666
City of Atlanta	14,268	15,125	14,988	15,165	15,622	21,997	76,460	173,625
City of Avery	787	821	782	904	1,054	1,292	6,010	11,650
Central Bowie Co. WSC	10,502	10,512	9,414	-	-	-	-	30,428
City of DeKalb	3,811	3,481	3,192	3,482	3,218	5,385	20,321	42,890
City of Hooks	7,644	7,530	7,274	7,253	7,238	12,645	36,267	85,851
City of Leary	973	985	975	945	807	1,238	4,686	10,609
City of Maud	2,188	2,235	2,059	2,163	1,881	3,160	12,720	26,406
City of Nash	4,529	4,323	4,249	4,319	4,450	6,656	21,189	49,715
City of New Boston	15,502	15,635	15,350	17,756	17,944	26,369	94,030	202,586
Oak Grove WSC	1,253	1,082	96	-	-	-	-	2,431
City of Redwater	5,407	5,771	5,661	5,449	6,224	8,818	23,503	60,833
City of Texarkana, TX	118,214	117,451	97,893	122,404	120,039	196,878	658,187	1,431,066
City of Wake Village	6,700	7,472	7,024	7,470	7,297	12,726	44,174	92,863
TexAmericas Center	-	-	-	-	-	-	60,298	60,298
TexAmericas Center Rental Credit	36,968	35,891	34,845	33,830	32,845	31,889	30,960	237,228
Wet Utilities Fund	10,687	11,897	11,511	9,891	11,960	24,260	3,369	83,575
Total	\$ 239,913	\$ 240,526	\$ 215,687	\$ 231,438	\$ 230,929	\$ 354,002	\$ 1,094,225	\$ 2,606,720

### 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.

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 disclosure through January 23, 2023, the date the financial statements were available to be issued.

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**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, 2022

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget + or (-)</i>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 203,928	\$ 205,021	\$ 202,945	\$ (2,076)
Total operating revenues	<u>203,928</u>	<u>205,021</u>	<u>202,945</u>	<u>(2,076)</u>
<b>OPERATING EXPENSES</b>				
Accounting and audit	4,500	2,500	4,500	(2,000)
Community relations	8,000	8,000	1,553	6,447
Conferences and seminars	4,700	4,700	3,811	889
Consulting	200,000	200,000	184,769	15,231
Dues and memberships	7,883	8,735	8,372	363
Engineering services	130,000	80,000	47,045	32,955
Legal and professional fees	27,500	27,500	14,300	13,200
Meetings expense	6,000	6,000	4,744	1,256
Military affairs	11,000	11,000	2,750	8,250
Miscellaneous	1,400	1,400	120	1,280
Office supplies and expense	3,300	2,300	-	2,300
Salaries, wages, payroll taxes and benefits	163,447	183,200	173,623	9,577
Subscriptions	400	650	646	4
Travel and training	18,000	18,000	9,159	8,841
Web design and maintenance	4,000	6,000	5,570	430
Total operating expenses before depreciation	<u>590,130</u>	<u>559,985</u>	<u>460,962</u>	<u>99,023</u>
Depreciation	-	-	-	-
Total operating expenses	<u>590,130</u>	<u>559,985</u>	<u>460,962</u>	<u>99,023</u>
Operating Income (loss) before special projects expense and transfers	<u>(386,202)</u>	<u>(354,964)</u>	<u>(258,017)</u>	<u>96,947</u>
<b>Non-operating revenues (expenses)</b>				
Interest revenue	-	-	133	133
Special projects expense	(50,000)	(50,000)	(50,005)	(5)
Transfer in	<u>230,000</u>	<u>230,000</u>	<u>230,000</u>	<u>-</u>
<b>Changes in net position</b>	<u>(206,202)</u>	<u>(174,964)</u>	<u>(77,889)</u>	<u>97,075</u>
<b>Net position, beginning of year</b>	<u>199,306</u>	<u>199,306</u>	<u>199,306</u>	<u>-</u>
<b>Net position, end of year</b>	<u>\$ (6,896)</u>	<u>\$ 24,342</u>	<u>\$ 121,417</u>	<u>\$ 97,075</u>

Note: GAAP serves as the basis of budget.

# RIVERBEND WATER RESOURCES DISTRICT

## SUPPLEMENTARY INFORMATION

### BUDGETARY COMPARISON SCHEDULE

#### WET UTILITIES FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget + or (-)</i>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 3,763,387	\$ 3,763,387	\$ 3,646,158	\$ (117,229)
Total operating revenues	3,763,387	3,763,387	3,646,158	(117,229)
<b>OPERATING EXPENSES</b>				
Analytical	150,000	145,000	100,504	44,496
Consulting	60,000	35,000	31,002	3,998
Equipment maintenance, repair and fuel	43,000	50,897	50,233	664
Equipment rental	11,000	10,000	2,281	7,719
Insurance	48,299	51,900	49,277	2,623
Materials	233,000	233,000	189,183	43,817
Permits	55,000	55,000	32,399	22,601
Repairs	319,000	322,561	207,063	115,498
Salaries, wages, payroll taxes and benefits	1,109,984	1,077,540	925,715	151,825
Supplies	51,700	32,098	26,712	5,386
Utilities	188,000	182,075	160,577	21,498
Waste disposal	70,000	60,375	44,748	15,627
Water purchase cost	307,663	389,337	385,321	4,016
Overhead allocation - water	201,017	201,017	187,710	13,307
Overhead allocation - wastewater	218,350	218,350	203,894	14,456
Overhead allocation - industrial wastewater	220,206	220,205	205,626	14,579
Total operating expenses before depreciation	3,286,219	3,284,355	2,802,245	482,110
Operating income (loss) before depreciation	477,168	479,032	843,913	364,881
Depreciation	799,500	824,500	833,250	(8,750)
Operating income (loss)	(322,332)	(345,468)	10,663	356,131
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Facility charges revenues	1,489,957	1,513,088	1,443,486	(69,602)
Interest revenue	14,000	20,400	20,338	(62)
Other revenue	34,600	38,750	30,083	(8,667)
Gain (loss) on disposal of asset	-	9,246	11,326	2,080
Interest expense	(512,157)	(317,700)	(317,672)	28
Bond issuance costs	-	(65,000)	(65,000)	-
Franchise fees expense	(114,147)	(114,147)	(109,350)	4,797
Total nonoperating revenues (expenses)	912,253	1,084,637	1,013,211	(71,426)
Income (loss) before capital contributions and transfers	589,921	739,169	1,023,874	284,705
Transfers in (out)	(230,000)	(813,961)	(813,961)	-
Changes in net position	359,921	(74,792)	209,913	284,705
Net position, beginning of year	14,707,905	14,707,905	14,707,905	-
Net position, end of year	\$ 15,067,826	\$ 14,633,113	\$ 14,917,818	\$ 284,705

Note: GAAP serves as the basis of budget.

# RIVERBEND WATER RESOURCES DISTRICT

## SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE REGIONAL WATER SYSTEM FACILITIES FUND FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance with Final Budget + or (-)</i>
<b>OPERATING REVENUES</b>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Total operating revenues	-	-	-	-
<b>OPERATING EXPENSES</b>				
Expenses	-	-	-	-
Total operating expenses	-	-	-	-
Operating income (loss)	-	-	-	-
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Minimum monthly payments	4,296,050	4,296,050	4,488,277	192,227
Interest income	85,000	763,100	652,742	(110,358)
Bond interest expense	(743,455)	(1,027,818)	(1,027,817)	1
Unrealized gain/(loss) on investments	-	(538,532)	(1,298,496)	(759,964)
Bond issuance costs	(2,380,000)	(2,353,000)	(2,355,901)	(2,901)
Total nonoperating revenues (expenses)	1,257,595	1,139,800	458,805	(680,995)
Change in net position before transfers	1,257,595	1,139,800	458,805	(680,995)
Transfer in	-	583,961	583,961	-
Net position, beginning of year	4,221,294	4,221,294	4,221,294	-
Net position, end of year	<u>\$ 5,478,889</u>	<u>\$ 5,945,055</u>	<u>\$ 5,264,060</u>	<u>\$ (680,995)</u>

Note: GAAP serves as the basis of budgeting.

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**Supplementary Information**  
**Required by Texas Commission on Environmental Quality**



# RIVERBEND WATER RESOURCES DISTRICT

## SUPPLEMENTARY INFORMATION SCHEDULE OF SERVICES AND RATES FOR THE YEAR ENDED SEPTEMBER 30, 2022

### 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      |
- ☒ Participates in joint ventures, regional system, and/or wastewater service  
(other than emergency interconnect)
- ☐ 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	30	x 2.5	_____
1 1/2"	7	7	x 5.0	_____
2"	15	13	x 8.0	_____
3"	14	7	x 15.0	_____
4"	4	3	x 25.0	_____
6"	3	2	x 50.0	_____
8"	3	3	x 80.0	_____
12"	2	1	x 115.0	_____
Total Water	99	76	_____	_____
Total Wastewater	72	60	x 1.0	_____

**SUPPLEMENTARY INFORMATION  
SCHEDULE OF SERVICES AND RATES (CONTINUED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

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

Gallon pumped into system:	264,513,346	Water Accountability Ratio: (Gallons billed/Gallon pumped)
Gallons billed to customers:	257,512,146	_____97%_____

**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? \_\_\_\_\_

**SUPPLEMENTARY INFORMATION  
SCHEDULE OF SERVICES AND RATES (CONTINUED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**WATER/SEWER RATE 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, 2022

	<i>Regional Water System</i>	<i>Regional Water System</i>	<i>Wet Utilities</i>	
	<i>Administration Fund</i>	<i>Facilities Fund</i>	<i>Fund</i>	<i>Total</i>
<b>Personnel Expenses (including benefits)*</b>	\$ 173,623	\$ -	\$ 1,350,170	\$ 1,523,793
<b>Professional Fees:</b>				
Auditing and financial consulting	4,500	-	19,675	24,175
Legal	14,300	-	2,642	16,942
Engineering services	47,045	-	-	47,045
Consulting	184,769	-	31,002	215,771
<b>Purchased Services for Resale:</b>				
Water purchase cost	-	-	385,321	385,321
<b>Utilities</b>	-	-	160,577	160,577
<b>Repairs and Maintenance:</b>				
Analytical	-	-	100,504	100,504
Repairs and maintenance - equipment	-	-	52,514	52,514
Repairs and maintenance - utility system	-	-	239,462	239,462
Supplies and materials	-	-	215,895	215,895
Insurance	-	-	49,277	49,277
Waste disposal	-	-	44,748	44,748
<b>Administrative Expenses:</b>				
Office supplies and expenses	6,336	-	5,677	12,013
Utilities	-	-	200	200
Insurance	-	-	16,743	16,743
Other administrative expenses	30,389	-	127,838	158,227
<b>Other Expenses:</b>				
Depreciation	-	-	833,250	833,250
Franchise fees	-	-	109,350	109,350
Special projects expense	50,005	-	-	50,005
Unrealized gain/(loss) on investments	-	1,298,496	-	1,298,496
Bond issuance costs	-	2,355,901	65,000	2,420,901
Interest expense	-	1,027,817	317,672	1,345,489
<b>TOTAL EXPENSES</b>	<b>\$ 510,967</b>	<b>\$ 4,682,214</b>	<b>\$ 4,127,517</b>	<b>\$ 9,320,698</b>

\* 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, 2022

<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	\$ 133,585	\$ -
Restricted - Region D Planning	8009740	Money Market	36,562	\$ -
Operations	457060	Daily savings	25	-
Wet Utilities Fund				
Operations	21695	Daily checking	1,698,394	-
Restricted bond sinking	21709	Daily checking	2,177,993	-
Restricted bond reserves	21217	Daily checking	608,461	-
Restricted construction funds	21741	Daily checking	20,059	-
Restricted operations	21733	Money Market	902,696	-
Regional Water System Facilities Fund				
Restricted - Minimum Monthly Payments	3011380	Daily Savings	568,974	-
Restricted - 2020A Construction	2037890	Money Market	1,008	-
Restricted - 2020B Construction		Money Market	1,181	-
Restricted - 2020A Revenue	8009732	Money Market	1,936,551	-
Restricted - 2020B Revenue	8009716	Money Market	1,748,514	-
Restricted - 2020A Interest & Redemption	8009813	Money Market	3,059,049	-
Restricted - 2020B Interest & Redemption	8009724	Money Market	1,637,688	-
Restricted - 2020A Construction Escrow	82-4416-01-0	Bot Short-Term Cash Fund	1,823,719	3,188
Restricted - 2020B Construction Escrow	82-4405-01-3	Bot Short-Term Cash Fund	2,406,539	4,128
Restricted - 2022A Construction Escrow	82-5428-01-4	Bot Short-Term Cash Fund	7,172,414	9,883
Restricted - 2022B Construction Escrow	82-5429-01-2	Bot Short-Term Cash Fund	5,761,810	8,115
Restricted - 2022A Construction Escrow	82-5428-01-4	US Treasury Notes	45,127,591	139,588
Restricted - 2022B Construction Escrow	82-5429-01-2	US Treasury Notes	30,083,403	93,059
Total - All Funds			<u>\$ 106,906,216</u>	<u>\$ 257,961</u>



# RIVERBEND WATER RESOURCES DISTRICT

## SUPPLEMENTARY INFORMATION

### SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS

#### SERIES 2016A - BY YEARS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

<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	-	-	-
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>\$ 4,210,000</u>	<u>\$ 2,613,446</u>	<u>\$ 6,823,446</u>

## RIVERBEND WATER RESOURCES DISTRICT

### SUPPLEMENTARY INFORMATION

### SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS

### SERIES 2016B - BY YEARS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

<i>Due During Fiscal Year Ending</i>	<i>Series 2016B</i>		
	<i>Principal Due 10/15</i>	<i>Interest Due 10/15, 4/15</i>	<i>Total</i>
2016	\$ -	\$ -	\$ -
2017	-	-	-
2018	-	-	-
2019	-	-	-
2020	-	-	-
2021	-	-	-
2022	-	-	-
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>\$ 3,610,000</u>	<u>\$ 1,176,876</u>	<u>\$ 4,786,876</u>

# RIVERBEND WATER RESOURCES DISTRICT

## SUPPLEMENTARY INFORMATION

### SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS

#### SERIES 2020A - BY YEARS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

<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	-	-	-
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>\$ 3,459,773</u>	<u>\$ 14,259,773</u>

# RIVERBEND WATER RESOURCES DISTRICT

## SUPPLEMENTARY INFORMATION

### SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS

#### SERIES 2020B - BY YEARS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

<i>Due During Fiscal Year Ending</i>	<i>Series 2020B</i>		
	<i>Principal Due 10/15</i>	<i>Interest Due 10/15, 4/15</i>	<i>Total</i>
2021	\$ -	\$ -	\$ -
2022	-	-	-
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>\$ 1,510,692</u>	<u>\$ 8,710,692</u>



# RIVERBEND WATER RESOURCES DISTRICT

## SUPPLEMENTARY INFORMATION

### SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS

#### SERIES 2022A - BY YEARS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

<i>Due During Fiscal Year Ending</i>	<i>Series 2022A</i>		
	<i>Principal Due 10/15</i>	<i>Interest Due 10/15, 4/15</i>	<i>Total</i>
2022	\$ -	\$ -	\$ -
2023	1,260,000	1,320,303	2,580,303
2024	1,430,000	1,151,257	2,581,257
2025	1,440,000	1,139,481	2,579,481
2026	1,460,000	1,123,668	2,583,668
2027	1,475,000	1,105,023	2,580,023
2028	1,500,000	1,083,519	2,583,519
2029	1,520,000	1,060,339	2,580,339
2030	1,545,000	1,035,504	2,580,504
2031	1,575,000	1,008,510	2,583,510
2032	1,600,000	979,451	2,579,451
2033	1,635,000	947,818	2,582,818
2034	1,670,000	913,519	2,583,519
2035	1,705,000	876,978	2,581,978
2036	1,745,000	838,417	2,583,417
2037	1,785,000	798,084	2,583,084
2038	1,825,000	756,752	2,581,752
2039	1,865,000	714,499	2,579,499
2040	1,910,000	670,991	2,580,991
2041	1,955,000	626,057	2,581,057
2042	2,000,000	579,484	2,579,484
2043	2,050,000	531,389	2,581,389
2044	2,100,000	481,899	2,581,899
2045	2,150,000	431,004	2,581,004
2046	2,200,000	378,694	2,578,694
2047	2,255,000	324,898	2,579,898
2048	2,310,000	269,546	2,579,546
2049	2,370,000	212,566	2,582,566
2050	2,425,000	153,945	2,578,945
2051	2,490,000	93,612	2,583,612
2052	2,550,000	31,493	2,581,493
	<u>\$ 55,800,000</u>	<u>\$ 21,638,694</u>	<u>\$ 77,438,694</u>



# RIVERBEND WATER RESOURCES DISTRICT

## SUPPLEMENTARY INFORMATION

### SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS

#### SERIES 2022B - BY YEARS

#### FOR THE YEAR ENDED SEPTEMBER 30, 2022

<i>Due During Fiscal Year Ending</i>	<i>Series 2022B</i>		
	<i>Principal Due 10/15</i>	<i>Interest Due 10/15, 4/15</i>	<i>Total</i>
2022	\$ -	\$ -	\$ -
2023	1,175,000	168,289	1,343,289
2024	1,200,000	147,407	1,347,407
2025	1,200,000	147,407	1,347,407
2026	1,200,000	147,407	1,347,407
2027	1,195,000	147,407	1,342,407
2028	1,195,000	147,407	1,342,407
2029	1,200,000	147,227	1,347,227
2030	1,200,000	146,327	1,346,327
2031	1,200,000	144,527	1,344,527
2032	1,205,000	142,061	1,347,061
2033	1,205,000	139,109	1,344,109
2034	1,210,000	135,788	1,345,788
2035	1,215,000	132,028	1,347,028
2036	1,215,000	127,837	1,342,837
2037	1,220,000	123,271	1,343,271
2038	1,225,000	118,319	1,343,319
2039	1,230,000	112,979	1,342,979
2040	1,240,000	107,236	1,347,236
2041	1,245,000	100,960	1,345,960
2042	1,250,000	94,036	1,344,036
2043	1,260,000	86,568	1,346,568
2044	1,265,000	78,677	1,343,677
2045	1,275,000	70,358	1,345,358
2046	1,285,000	61,653	1,346,653
2047	1,290,000	52,705	1,342,705
2048	1,300,000	43,575	1,343,575
2049	1,310,000	34,244	1,344,244
2050	1,320,000	24,710	1,344,710
2051	1,330,000	14,971	1,344,971
2052	1,340,000	5,025	1,345,025
	<u>\$ 37,200,000</u>	<u>\$ 3,149,509</u>	<u>\$ 40,349,509</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, 2022

<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	-	-	-
2023	3,770,000	2,049,882	5,819,882
2024	3,560,000	1,835,562	5,395,562
2025	3,590,000	1,807,336	5,397,336
2026	3,625,000	1,850,300	5,475,300
2027	3,615,000	1,878,130	5,493,130
2028	3,685,000	1,811,916	5,496,916
2029	3,765,000	1,737,152	5,502,152
2030	3,855,000	1,652,797	5,507,797
2031	3,955,000	1,557,686	5,512,686
2032	3,495,000	1,484,934	4,979,934
2033	3,540,000	1,437,826	4,977,826
2034	3,590,000	1,386,810	4,976,810
2035	3,645,000	1,332,187	4,977,187
2036	3,700,000	1,274,167	4,974,167
2037	3,760,000	1,212,942	4,972,942
2038	3,825,000	1,149,128	4,974,128
2039	3,890,000	1,082,913	4,972,913
2040	3,960,000	1,013,989	4,973,989
2041	4,035,000	942,028	4,977,028
2042	4,105,000	866,852	4,971,852
2043	4,185,000	788,821	4,973,821
2044	4,265,000	708,136	4,973,136
2045	4,350,000	624,709	4,974,709
2046	4,430,000	538,605	4,968,605
2047	4,230,000	456,450	4,686,450
2048	4,310,000	378,448	4,688,448
2049	4,395,000	298,247	4,693,247
2050	4,475,000	215,832	4,690,832
2051	4,565,000	131,123	4,696,123
2052	4,650,000	44,082	4,694,082
	<u>\$ 118,820,000</u>	<u>\$ 33,548,989</u>	<u>\$ 152,368,989</u>

# RIVERBEND WATER RESOURCES DISTRICT

## SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN LONG-TERM BONDED DEBT FOR THE YEAR ENDED SEPTEMBER 30, 2022

Bond Issues							
	Series 2016A	Series 2016B	Series 2020A	Series 2020B	Series 2022A	Series 2022B	Total
Interest rate	0.8-4.56%	4.24%	0.0-2.25%	0.0-1.57%	0.1-2.47%	0.0-0.75%	
Dates interest payable	4/15; 10/15	4/15; 10/15	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	10/15/2051	10/15/2051	
Beginning bonds outstanding	\$ 4,315,000	\$ 4,280,000	\$ 10,800,000	\$ 7,200,000	\$ -	\$ -	\$ 26,595,000
Bonds sold during the fiscal year	-	-			55,800,000	37,200,000	93,000,000
Bonds retires during the fiscal year	(105,000)	(670,000)	-	-	-	-	(775,000)
Ending Bonds Outstanding	<u>\$4,210,000</u>	<u>\$3,610,000</u>	<u>\$10,800,000</u>	<u>\$7,200,000</u>	<u>\$55,800,000</u>	<u>\$37,200,000</u>	<u>\$ 118,820,000</u>
Interest paid during the fiscal year	\$179,418	\$181,472	\$171,858	\$74,927	\$0	\$0	\$607,675
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					
Series 2022A	BOK Financial	Tulsa, OK					
Series 2022B	BOK Financial	Tulsa, OK					
Bond authority:	<u>Revenue Bonds</u>						
Amount authorized	\$122,610,000						
Amount issued	\$122,610,000						
Remaining to be issued	-						
Debt Service restricted cash balances as of September 30, 2022:			\$11,737,229				
Cash restricted for construction as of September 30, 2022:			\$22,248				
Unspent bond funds for planning & acquisition as of September 30, 2021:			\$92,375,476				
Average annual debt service payment (principal and interest) for remaining term of all debt:			\$5,078,966				



# RIVERBEND WATER RESOURCES DISTRICT

## SUPPLEMENTARY INFORMATION

### COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES - FIVE YEARS ENDED

Last Five Years

	Amounts				
	(Audited) 2022	(Audited) 2021	(Audited) 2020	(Audited) 2019	(Audited) 2018 Restated
<b>OPERATING REVENUES</b>					
Charges for services	\$ 3,849,103	\$ 3,828,706	\$ 3,559,419	\$ 3,509,452	\$ 3,349,857
Supplemental member contributions	-	-	-	-	-
Other revenues	-	-	4,703	79,369	29,250
Total operating revenues	\$ 3,849,103	\$ 3,828,706	\$ 3,564,122	\$ 3,588,821	3,379,107
<b>OPERATING EXPENSES</b>					
Accounting & audit	24,175	21,975	21,435	25,042	37,557
Analyticals	100,504	101,755	109,811	91,156	82,511
Community relations	1,553	5,003	2,285	5,936	5,040
Conferences & seminars	3,811	2,840	2,783	5,724	3,595
Consulting	215,771	204,537	248,426	212,129	163,913
Dues and memberships	8,372	8,357	7,615	7,694	2,089
Engineering services	47,045	20,697	55,977	78,924	18,475
Insurance	49,477	47,091	29,643	15,239	24,268
Legal and professional fees	16,942	12,665	51,200	41,414	12,580
Meetings	4,744	5,385	3,991	5,570	4,621
Miscellaneous	766	4,606	(348)	8,692	5,120
Office supplies & expense	12,013	12,136	5,608	2,854	50,628
Office administrative expenses	124,252	58,471	36,329	41,949	22,270
Permits	32,399	34,279	33,335	32,048	24,268
Repairs & maintenance - equipment	52,514	28,968	51,442	29,454	33,339
Repairs & maintenance	207,063	185,927	208,520	218,527	207,187
Salaries, wages, payroll taxes & benefits	1,523,793	1,459,349	1,611,504	1,474,270	1,242,362
Supplies & materials	215,895	210,412	247,328	285,627	212,358
Travel & training	9,159	5,031	5,518	18,018	6,677
Utilities	177,320	163,335	164,986	156,731	126,604
Waste disposal	44,748	37,158	50,363	45,034	55,388
Water purchase cost	385,321	180,852	241,757	318,684	357,728
Web design and maintenance	5,570	2,667	2,258	3,655	2,335
Depreciation	833,250	805,179	763,072	684,859	585,935
Total operating expense	4,096,457	3,618,675	3,954,838	3,809,230	3,286,848
Operating income (loss)	(247,354)	210,031	(390,716)	(220,409)	92,259
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Facility charges	1,443,486	1,502,606	1,192,433	1,320,980	1,148,078
Minimum monthly payments	4,488,277	4,570,950	465,323	-	-
Interest income	673,213	36,503	31,413	51,417	37,349
Other income	30,083	17,147	161,532	229,103	131,580
Gain (loss) on disposal of asset	11,326	(62,676)	-	-	-
Unrealized gain/(loss) on investments	(1,298,496)	-	-	-	-
Interest expense	(1,345,489)	(573,021)	(392,130)	(419,763)	(445,946)
Franchise fees expense	(109,350)	(108,710)	(101,350)	(99,059)	(91,963)
Special projects expense	(50,005)	(6,858)	(42,960)	(268,455)	(174,712)
Bond issuance costs	(2,420,901)	(628,526)	-	-	-
Total nonoperating revenues (expenses)	1,422,144	4,747,415	1,314,261	814,223	604,386
Income (loss) before capital contributions	1,174,790	4,957,446	923,545	593,814	696,645
Capital contributions	-	-	983,153	393,327	818,535
Change in net position	\$ 1,174,790	\$ 4,957,446	\$ 1,906,698	\$ 987,141	\$ 1,515,180



Percent of Fund Total Revenues				
(Audited) 2022	(Audited) 2021	(Audited) 2020	(Audited) 2019	(Audited) 2018 Restated
100.00%	100.00%	99.9%	97.8%	99.1%
-	-	-	-	-
-	-	0.1	2.2	0.9
100.0	100.0	100.0	100.0	100.0
0.6	0.6	0.6	0.7	1.1
2.6	2.7	3.1	2.5	2.4
0.0	0.1	0.1	0.2	0.1
0.1	0.1	0.1	0.2	0.1
5.6	5.3	7.0	5.9	4.9
0.2	0.2	0.2	0.2	0.1
1.2	0.5	1.6	2.2	0.5
1.3	1.2	0.8	0.4	0.7
0.4	0.3	1.4	1.2	0.4
0.1	0.1	0.1	0.2	0.1
0.0	0.1	(0.0)	0.2	0.2
0.3	0.3	0.2	0.1	1.5
3.2	1.5	1.0	1.2	0.7
0.8	0.9	0.9	0.9	0.7
1.4	0.8	1.4	0.8	1.0
5.4	4.9	5.9	6.1	6.1
39.6	38.1	45.2	41.1	36.8
5.6	5.5	6.9	8.0	6.3
0.2	0.1	0.2	0.5	0.2
4.6	4.3	4.6	4.4	3.7
1.2	1.0	1.4	1.3	1.6
10.0	4.7	6.8	8.9	10.6
0.1	0.1	0.1	0.1	0.1
21.6	21.0	21.4	19.1	17.3
106.4	94.5	111.0	106.1	97.3
(6.4)	5.5	(11.0)	(6.1)	2.7
37.5	39.2	33.5	36.8	34.0
116.6	119.4	13.1	-	-
17.5	1.0	0.9	1.4	1.1
0.8	0.4	4.5	6.4	3.9
0.3	(1.6)	-	-	-
(33.7)	-	-	-	-
(35.0)	(15.0)	(11.0)	(11.7)	(13.2)
(2.8)	(2.8)	(2.8)	(2.8)	(2.7)
(1.3)	(0.2)	(1.2)	(7.5)	(5.2)
(62.9)	(16.4)	-	-	-
36.9	124.0	36.9	22.7	17.9
30.5	129.5	25.9	16.5	21.6
-	-	27.6	11.0	25.4
30.5%	129.5%	53.5%	27.5%	44.8%

**SUPPLEMENTARY INFORMATION  
LIST OF BOARD MEMBERS, KEY PERSONNEL, AND CONSULTANTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

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): 1/27/2022

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 09/30/2022)	Expense Reimbursements (FYE 9/30/2022)	Title at Year End
<u>Names:</u>				
<b>Board Members:</b>				
Tina Veal-Gooch	(Appointed) 01/2019-12/2022	\$ -	\$ - **	President
Van Alexander	(Appointed) 04/2019-12/2022	-	-	Vice President
Steve Mayo	(Appointed) 05/2022-12/2023	-	- **	Treasurer
Fred Milton	(Appointed) 01/2020-12/2023	-	809.00 **	Secretary
Sonja Yates Hubbard	(Appointed) 01/2019-12/2022	-	- **	Past President
<b>Key Administrative Personnel:</b>				
Kyle Dooley	4/29/2019	223,968.00 ***	1,198.00 **	Executive Director
<b>Consultants:</b>				
Cross Oak Group	3/1/2013	60,000.00		Consultant
Fancher Legal, PLLC	10/15/2020	10,171.00		Attorney
Hance Scarborough, LLP <sup>(1)</sup>	8/1/2015	120,000.00	4,253.00 **	Consultant
Hilltop Securities	10/15/2020	20,000.00		Financial Advisor
KSA Engineering, Inc.	11/12/2020	4,000.00		Engineer
McCall Parkhurst & Horton	10/8/2020	288,500.00		Bond Counsel
Municipal H2O	3/9/2021	17,800.00		Consultant
Ross Molina Oliveros, P.C.	5/27/2021	15,528.00		Attorney
Susan Roth Consulting, LLC	5/22/2019	1,295.00		Consultant
The Glass Firm, PLLC	5/7/2021	4,487.00		Attorney
Wilf & Henderson, P.C.	10/19/2018	24,175.00		Auditor

# 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 09/30/2022)	Expense Reimbursements (FYE 9/30/2022)	Title at Year End
Pape-Dawson Engineers, Inc.	4/7/2021	\$ 4,061,837.00	\$ 4,126,031.00 ****	Engineer
CDM Smith, Inc.		2,503,483.00		
Cox/McLain Environmental Consulting		31,162.00		
Dallas Aerial Surveys, Inc.		46,000.00		
Energy Access Solutions		190,189.00		
ETTL Engineers & Consultants, Inc.		670,261.00		
KSA		193,086.00		
Plus Six Engineering, LLC		39,513.00		
The Rios Group, Inc.		15,095.00		
Stokes & Associates, Inc.		322,559.00		
Three Box Strategic Comm		18,867.00		
WEST Consultants, Inc.		4,588.00		

\* 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.

\*\*\*\* Includes sub-contractor payments listed below.

(1) Formerly known as Meyers & Associates, LLC

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## 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)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Primary Government					
Net investment in capital assets	6,495,755	9,343,889	9,614,188	8,410,684	6,604,940
Restricted	12,030,841	7,737,376	3,189,363	2,602,736	3,654,226
Unrestricted	<u>1,776,699</u>	<u>2,047,240</u>	<u>1,367,508</u>	<u>1,250,941</u>	<u>1,018,054</u>
Total primary government net position	<u>20,303,295</u>	<u>19,128,505</u>	<u>14,171,059</u>	<u>12,264,361</u>	<u>11,277,220</u>

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<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
2,936,607	340,840	1,294	-	-
6,294,453	8,092,084	-	-	-
<u>530,980</u>	<u>197,181</u>	<u>50,709</u>	<u>163,515</u>	<u>319,854</u>
<u>9,762,040</u>	<u>8,630,105</u>	<u>52,003</u>	<u>163,515</u>	<u>319,854</u>

## Riverbend Water Resources District

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### Changes in Net Position

### Last Ten Fiscal Years

### Schedule 2

### (Accrual Basis of Accounting)

### (Unaudited)

<b>Fiscal Year</b>	<b>Operating Revenues</b>	<b>Operating Expenses</b>	<b>Operating Income/ (Loss)</b>	<b>Total Nonoperating Revenues/ (Expenses)</b>
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
2022	3,849,103	4,096,457	(247,354)	1,422,144



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<b>Income/(Loss) Before Capital Contributions</b>	<b>Extraordinary Items/ Capital Contributions</b>	<b>Change In Net Position</b>
(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
1,174,790	-	1,174,790

## Riverbend Water Resources District

### Operating Revenues by Source

#### Last Ten Fiscal Years

#### Schedule 3

(Accrual Basis of Accounting)

(Unaudited)

<b>Fiscal Year</b>	<b>Member City Fees</b>	<b>Water Sales</b>	<b>Wastewater Treatment</b>	<b>Industrial Wastewater Treatment</b>
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
2022	202,945	1,267,631	1,180,028	1,198,499

2013-2015 - Riverbend did not begin utility operations until 2016

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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
-	3,849,103

## Riverbend Water Resources District

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### Operating Expenses

Last Ten Fiscal Years

Schedule 4

(Accrual Basis of Accounting)

(Unaudited)

<u>Fiscal Year</u>	<u>Administrative</u>	<u>Operation and Maintenance</u>	<u>Depreciation</u>	<u>Total Operating Expenses</u>
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
2022	460,962	2,802,245	833,250	4,096,457

2013-2015 - Riverbend did not begin utility operations until 2016



# RIVERBEND WATER RESOURCES DISTRICT

## FIVE LARGEST CUSTOMERS

Current Year and Previous Five Years

Schedule 5

(Unaudited)

CUSTOMER	FISCAL YEAR 2017 WATER REVENUE			FISCAL YEAR 2018 WATER REVENUE		
	AMOUNT	PERCENTAGE	RANK	AMOUNT	PERCENTAGE	RANK
Red River Army Depot	3,850,706	96.33%	1	3,987,717	92.89%	1
REG New Boston	62,609	1.57%	2	128,649	3.00%	2
Day & Zimmermann	29,068	0.73%	3	51,912	1.21%	3
Oak Grove Apartments	12,350	0.31%	4	12,580	0.29%	5
TAZKID						
Excel Utility Construction Inc	6,176	0.15%	5			
Harrison Walker & Harper LP				16,544	0.39%	4
Expal USA, Inc.						
SUBTOTAL						
(5 LARGEST)	<u>3,960,909</u>	<u>99.09%</u>		<u>4,197,402</u>	<u>97.78%</u>	
Balance from other customers	<u>36,558</u>	<u>0.91%</u>		<u>95,408</u>	<u>2.22%</u>	
	<u><u>3,997,467</u></u>	<u><u>100.00%</u></u>		<u><u>4,292,810</u></u>	<u><u>100.00%</u></u>	

CUSTOMER	FISCAL YEAR 2020 WATER REVENUE			FISCAL YEAR 2021 WATER REVENUE		
	AMOUNT	PERCENTAGE	RANK	AMOUNT	PERCENTAGE	RANK
Red River Army Depot	4,214,777	91.58%	1	4,797,201	92.47%	1
Day & Zimmermann	273,212	5.94%	2	226,406	4.36%	2
REG New Boston						
Oak Grove Apartments	16,561	0.36%	4	15,711	0.30%	5
Expal USA, Inc.				19,451	0.37%	4
City of Maud	22,069	0.48%	3	44,314	0.85%	3
IsoNova Technologies	11,254	0.24%	5			
SUBTOTAL						
(5 LARGEST)	<u>4,537,873</u>	<u>98.60%</u>		<u>5,103,083</u>	<u>98.37%</u>	
Balance from other customers	<u>64,289</u>	<u>1.40%</u>		<u>84,507</u>	<u>1.63%</u>	
	<u><u>4,602,162</u></u>	<u><u>100.00%</u></u>		<u><u>5,187,590</u></u>	<u><u>100.00%</u></u>	

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

FISCAL YEAR 2019

WATER REVENUE

AMOUNT	PERCENTAGE	RANK
4,135,295	87.90%	1
142,711	3.03%	3
322,955	6.86%	2
17,827	0.38%	4

20,713	0.44%	5
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<u>4,639,501</u>	<u>98.61%</u>
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<u>65,280</u>	<u>1.39%</u>
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<u><u>4,704,781</u></u>	<u><u>100.00%</u></u>
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FISCAL YEAR 2022

WATER REVENUE

AMOUNT	PERCENTAGE	RANK
4,884,663	94.01%	1
109,626	2.11%	2
17,522	0.34%	5
27,131	0.52%	4
104,324	2.01%	3

<u>5,143,265</u>	<u>98.99%</u>
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<u>52,637</u>	<u>1.01%</u>
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<u><u>5,195,902</u></u>	<u><u>100.00%</u></u>
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**Riverbend Water Resources District****Ratio of Outstanding Debt by Type****Last Seven Fiscal Years****Schedule 6****(Unaudited)**

<b>Fiscal Year</b>	<b>Revenue Bonds</b>	<b>Personal Income</b>	<b>Percentage of Personal Income</b>	<b>Population</b>	<b>Debt per Capita</b>
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
2022	118,820,000	1,645,108,665	7.22%	63,080	1,884

*N/A-Not Available*

## Riverbend Water Resources District

### Pledged Revenue Coverage

Last Six 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
2022	3,849,103	3,263,207	1,443,486	4,488,277	6,517,659

\* Wet Fund Revenue and Expenses

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

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**Debt Service**

<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Coverage Ratio</b>
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
775,000	607,675	1,382,675	4.71



## Riverbend Water Resources District

### Demographic and Economic Statistics

#### Last Ten Fiscal Years

#### Schedule 8

(Unaudited)

#### Annona, TX - Red River County

Fiscal Year	Population <sup>1</sup>	Per Capita Income <sup>1</sup>	Personal Income	Unemployment Rate City <sup>2</sup>	Unemployment Rate State <sup>3</sup>
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%
2022	145	16,125	2,338,125	7.3%	4.0%

#### Atlanta, TX - Cass County

Fiscal Year	Population <sup>1</sup>	Per Capita Income <sup>1</sup>	Personal Income	Unemployment Rate City <sup>2</sup>	Unemployment Rate State <sup>3</sup>
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%
2022	5,361	26,194	140,426,034	9.4%	4.0%

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

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

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

3-[https://ycharts.com/indicators/texas\\_unemployment\\_rate](https://ycharts.com/indicators/texas_unemployment_rate)

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 <sup>1</sup>	Per Capita	Personal	Unemployment Rate	
		Income <sup>2</sup>	Income	City <sup>2</sup>	State <sup>3</sup>
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%
2022	403	24,260	9,776,780	7.6%	4.0%

#### DeKalb, TX - Bowie County

Fiscal Year	Population <sup>1</sup>	Per Capita	Personal	Unemployment Rate	
		Income <sup>2</sup>	Income	City <sup>2</sup>	State <sup>3</sup>
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	6.6%	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%
2022	1,476	26,932	39,751,632	7.3%	4.0%

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

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

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

3-[https://ycharts.com/indicators/texas\\_unemployment\\_rate](https://ycharts.com/indicators/texas_unemployment_rate)

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 Year	Population <sup>1</sup>	Per Capita Income <sup>2</sup>	Personal Income	Unemployment Rate	
				City <sup>2</sup>	State <sup>3</sup>
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%
2022	2,443	22,987	56,157,241	7.3%	4.0%

#### Leary, TX - Bowie County

Fiscal Year	Population <sup>1</sup>	Per Capita Income <sup>2</sup>	Personal Income	Unemployment Rate	
				City <sup>2</sup>	State <sup>3</sup>
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%
2022	623	18,975	11,821,425	7.3%	4.0%

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

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

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

3-[https://ycharts.com/indicators/texas\\_unemployment\\_rate](https://ycharts.com/indicators/texas_unemployment_rate)

## Riverbend Water Resources District

### Demographic and Economic Statistics

#### Last Ten Fiscal Years

#### Schedule 8 (Continued)

(Unaudited)

#### Maud, TX - Bowie County

Fiscal Year	Population <sup>1</sup>	Per Capita Income <sup>2</sup>	Personal Income	Unemployment Rate	
				City <sup>2</sup>	State <sup>3</sup>
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%
2022	953	22,864	21,789,392	7.3%	4.0%

#### Nash, TX - Bowie County

Fiscal Year	Population <sup>1</sup>	Per Capita Income <sup>2</sup>	Personal Income	Unemployment Rate	
				City <sup>2</sup>	State <sup>3</sup>
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%
2022	4,069	17,050	69,376,450	7.3%	4.0%

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

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

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

3-[https://ycharts.com/indicators/texas\\_unemployment\\_rate](https://ycharts.com/indicators/texas_unemployment_rate)

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 <sup>1</sup>	Per Capita Income <sup>2</sup>	Personal Income	Unemployment Rate	
				City <sup>2</sup>	State <sup>3</sup>
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%
2022	4,631	21,311	98,691,241	7.3%	4.0%

#### Redwater, TX - Bowie County

Fiscal Year	Population <sup>1</sup>	Per Capita Income <sup>2</sup>	Personal Income	Unemployment Rate	
				City <sup>2</sup>	State <sup>3</sup>
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%
2022	813	22,266	18,102,258	7.3%	4.0%

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

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

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

3-[https://ycharts.com/indicators/texas\\_unemployment\\_rate](https://ycharts.com/indicators/texas_unemployment_rate)

N/A-Not Available



## Riverbend Water Resources District

### Demographic and Economic Statistics

#### Last Ten Fiscal Years

#### Schedule 8 (Continued)

(Unaudited)

#### Texarkana, TX - Bowie County

Fiscal Year	Population <sup>1</sup>	Per Capita Income <sup>2</sup>	Personal Income	Unemployment Rate	
				City <sup>2</sup>	State <sup>3</sup>
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%
2022	36,256	28,733	1,041,743,648	8.0%	4.0%

#### Wake Village, TX - Bowie County

Fiscal Year	Population <sup>1</sup>	Per Capita Income <sup>2</sup>	Personal Income	Unemployment Rate	
				City <sup>2</sup>	State <sup>3</sup>
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%
2022	5,907	22,877	135,134,439	7.3%	4.0%

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

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

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

3-[https://ycharts.com/indicators/texas\\_unemployment\\_rate](https://ycharts.com/indicators/texas_unemployment_rate)

N/A-Not Available

## Riverbend Water Resources District

### Demographic and Economic Statistics

#### Last Ten Fiscal Years

#### Schedule 8 (Continued)

(Unaudited)

#### Total All Members

<b>Fiscal Year</b>	<b>Population</b>	<b>Per Capita Income</b>	<b>Personal Income</b>
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
2022	63,080	26,080	1,645,108,665

## Riverbend Water Resources District

### Percentage of Member Counties in RWRD

#### Last Ten Fiscal Years

#### Schedule 9

(Unaudited)

Member City	Population				
	2013	2014	2015	2016	2017
Central Bowie Water Supply Corporation <sup>1</sup>	-	-	-	-	-
DeKalb, TX	1,659	1,658	1,651	1,639	1,628
Hooks, TX	2,764	2,755	2,750	2,749	2,747
Leary, TX	486	486	488	491	492
Maud, TX	1,065	1,065	1,071	1,069	1,067
Nash, TX	3,100	3,158	3,159	3,348	3,415
New Boston, TX	4,763	4,723	4,689	4,684	4,688
Oak Grove Water Supply Corporation <sup>1</sup>	-	-	-	-	-
Redwater, TX	1,068	1,069	1,081	1,087	1,093
Texarkana, TX	37,209	37,126	37,182	37,402	37,350
Wake Village, TX	5,467	5,454	5,449	5,434	5,432
	57,581	57,494	57,520	57,903	57,912
<b>Bowie County <sup>2</sup></b>	93,487	93,502	93,494	93,994	93,977
<b>Percentage of Bowie County in RWRD</b>	61.59%	61.49%	61.52%	61.60%	61.62%
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Atlanta, TX</b>	5,578	5,543	5,539	5,525	5,484
<b>Cass County <sup>2</sup></b>	30,236	30,121	30,141	30,073	29,980
<b>Percentage of Cass County in RWRD</b>	18.45%	18.40%	18.38%	18.37%	18.29%
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Annona, TX</b>	305	303	298	293	295
<b>Avery, TX</b>	461	460	456	451	450
	766	763	754	744	745
<b>Red River County <sup>2</sup></b>	12,496	12,452	12,355	12,190	12,203
<b>Percentage of Red River County in RWRD</b>	6.13%	6.13%	6.10%	6.10%	6.11%

N/A-Not Available

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

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

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<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
-	-	8,748	8,748	8,748
1,622	1,611	1,600	1,687	1,687
2,746	2,744	2,742	2,749	2,749
496	497	498	692	692
1,068	1,066	1,064	1,040	1,040
3,681	3,748	3,815	3,156	3,156
4,678	4,682	4,686	4,720	4,720
-	-	831	909	909
1,098	1,104	1,110	1,268	1,268
37,295	37,243	37,191	37,389	37,389
5,425	5,423	5,421	5,481	5,481
58,109	58,118	67,706	67,839	67,839

94,324	93,245	92,893	92,581	N/A
61.61%	62.33%	72.89%	73.28%	N/A

<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
5,515	5,474	5,433	5,433	5,433

30,119	30,026	28,454	28,560	N/A
18.31%	18.23%	19.09%	19.02%	N/A

<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
291	293	295	295	295
450	450	450	450	450
741	743	745	745	745

12,175	12,023	11,587	11,555	N/A
6.09%	6.18%	6.43%	6.45%	N/A

## Riverbend Water Resources District

### Principal Employers

Current Year and Nine Years Ago

Schedule 10

(Unaudited)

Employer	2022			2013		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Red River Army Depot & Tenants	3,085	1	5.96%	4,700	1	9.23%
CHRISTUS St. Michael Health System	2,450	2	4.74%	1,900	2	3.73%
Texarkana, TX Independent School District	1,200	3	2.32%	795	5	1.56%
Graphic Packaging (formerly International Paper)	840	4	1.62%	925	3	1.82%
Walmart Department Stores	655	5	1.27%	650	6	1.28%
Wadley Regional Medical	620	6	1.20%	850	4	1.67%
DLA Distribution	490	7	0.95%			
	<u>9,340</u>		<u>18.05%</u>	<u>9,820</u>		<u>19.29%</u>

Source:

Texarkana Chamber of Commerce, Texas Workforce Commission LMI

Notes:

(1) Employment for Bowie, Cass and Red River Counties for 2022 is 51,731

(2) Employment for Bowie, Cass and Red River Counties for 2013 is 50,914

(3) DLA was not included in principal employer data from 2013



## **RIVERBEND WATER RESOURCES DISTRICT**

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### **Operating Indicators by Function**

#### **Last Ten Years**

#### **Schedule 11**

#### **(Unaudited)**

<b>Water</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Avg. Gallons of Water Consumed (MGD)	-	-	-	0.726
Number of Water Meters	-	-	-	82
<b>Wastewater</b>				
Average Gallons of Domestic Wastewater Treated (MGD)	-	-	-	0.499
<b>Industrial Wastewater</b>				
Average Gallons of Industrial Wastewater Treated (MGD)	-	-	-	0.192

2013-2015 - Riverbend did not begin utility operations until 2016

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2017	2018	2019	2020	2021	2022
0.958 78	0.711 78	0.737 80	0.810 97	0.763 99	0.725 99
0.456	0.514	0.536	0.589	0.490	0.370
0.184	0.172	0.198	0.210	0.174	0.178

## RIVERBEND WATER RESOURCES DISTRICT

### Operating Indicators by Function

Full Time Employees as of September 30

Last Ten Fiscal Years

Schedule 12

(Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Administration	1	1	1	4	4	4	4	4	4	4
Water	-	-	-	5	5	5	6	4	4	7
Wastewater	-	-	-	2	4	4	3	4	4	3
Industrial Wastewater	-	-	-	3	1	2	3	4	4	2
Totals	1	1	1	14	14	15	16	16	16	16

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

2013-2015 - Riverbend did not begin utility operations until 2016

## RIVERBEND WATER RESOURCES DISTRICT

### Capital Asset Statistics by Function

#### Last Ten Years

#### Schedule 13

#### (Unaudited)

Water	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
<b>Wastewater</b>				
1.5 MG SBR Plant	-	-	-	1
Miles of Wastewater Line	-	-	-	35
Manholes	-	-	-	477
Lift Stations	-	-	-	32
Air Relief Valves	-	-	-	30
Wastewater Meters	-	-	-	65
<b>Industrial Wastewater</b>				
750,000 Gallon Industrial Wastewater Plant	-	-	-	1
Miles of Industrial Wastewater Line	-	-	-	5

2013-2015 - Riverbend did not begin utility operations until 2016

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2017	2018	2019	2020	2021	2022
1	1	1	1	1	1
0	0	2	2	2	2
83	135	135	137	137	139
313	375	375	368	373	376
78	78	80	97	99	99
921	1151	1151	1141	1150	1222

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

1	1	1	1	1	1
5	5	5	5	5	5



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## Single Audit Section



**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, 2022, 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 23, 2023.

**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 were not 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*.



### **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 23, 2023**





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

Independent Auditor's Report

Board of Directors  
Riverbend Water Resources Riverbend  
Texarkana, Texas

Members of the Board:

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Riverbend Water Resources Riverbend'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 the Riverbend's major federal programs for the year ended September 30, 2022. Riverbend's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Riverbend Water Resources Riverbend 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, 2022.

***Basis for Opinion on Each Major Federal Program***

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Riverbend and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Riverbend's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Riverbend's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Riverbend's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as



fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Riverbend's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Riverbend's compliance with the compliance requirements referred to above and performing such other procedures as considered necessary in the circumstances.
- Obtain an understanding of the Riverbend's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Riverbend's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

#### ***Report on 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.

*Wulf & Henderson, P.C.*

**WULF & HENDERSON, P.C.**  
Certified Public Accountants  
Texarkana, Texas

January 23, 2023



## **RIVERBEND WATER RESOURCES DISTRICT**

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### **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED SEPTEMBER 30, 2022**

<b><u>Federal Grantor/Program Title</u></b>	<b><u>Federal AL Number</u></b>	<b><u>Federal Program Expenditures</u></b>
<b><u>Environmental Protection Agency</u></b>		
<b><u>Passed Through - Texas Water Development Board</u></b>		
Capitalization Grants for Drinking Water State Revolving Funds	66.468	\$ <u>10,536,970</u>
Total Passed Through - Texas Water Development Board		<u>10,536,970</u>
 Total Environmental Protection Agency		 <u>10,536,970</u>
 Total Expenditures of Federal Awards		 \$ <u><u>10,536,970</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, 2022**

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, 2022 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)

\$55,800,000 Contract Revenue Bonds, Taxable Series 2022A (Regional Water System Project)

\$37,200,000 Contract Revenue Bonds, Taxable Series 2022B (Regional Water System Project)

# **RIVERBEND WATER RESOURCES DISTRICT**

## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED SEPTEMBER 30, 2022**

### **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**

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### **SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED SEPTEMBER 30, 2022**

*No prior year findings or responses*





**RIVERBEND RESOLUTION NO. 20230125-04**

**APPROVING THE FY 2022 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 2022 Annual Audit performed by Wilf and Henderson, P.C. for distribution.

**PASSED and APPROVED this 25<sup>th</sup> day of January 2023**

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Van Alexander, President

ATTEST:

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Sonja Hubbard, Secretary



Attached: FY 2022 Annual Audit for Riverbend Water Resources District

**REGULAR CALLED MEETING  
RIVERBEND WATER RESOURCES DISTRICT  
WEDNESDAY, JANUARY 25, 2023**

**AGENDA ITEM VII. D.  
RWRD RESO 20230125-05  
Memo of Understanding -  
TAC Raw Water Contract**



**RIVERBEND RESOLUTION NO. 20230125-05**

**AUTHORIZING THE APPROVAL OF A MEMORANDUM OF UNDERSTANDING  
TO THE AGREEMENT WITH TEXAMERICAS CENTER FOR  
CURRENT AND FUTURE WATER SUPPLY**

**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**, TexAmericas Center is a political subdivision of the State of Texas with the powers and authorities specified in Chapter 3503 of the Special District Local Laws Code of the State of Texas; and

**WHEREAS**, TexAmericas Center and Riverbend entered into an Agreement for Purchase and Sale of Assets on May 26, 2015 detailing the transfer of the wet utilities; and

**WHEREAS**, the Agreement was amended on October 24, 2017 setting forth a time frame for the future delivery of industrial raw water to meet the needs of TexAmericas Center and/or future TexAmericas tenants/grantees and assigns.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Riverbend Water Resources District hereby authorizes the Executive Director/CEO to execute a memorandum of understanding to the Purchase and Sale of Assets Agreement with TexAmericas Center dated May 26, 2015 and further amended on October 24, 2017.

**PASSED and APPROVED this 25<sup>th</sup> day of January 2023**

\_\_\_\_\_  
Van Alexander, President

ATTEST:

\_\_\_\_\_  
Sonja Hubbard, Secretary



Attached: MOU to the Agreement for Purchase and Sale of Assets and Assignment  
and Assumption of Contract Rights

# **MEMORANDUM OF UNDERSTANDING**

## **Riverbend Water Resources District and the TexAmericas Center**

### **Article I. Background and Purpose**

Riverbend Water Resources District (“Riverbend”) is a political subdivision of the state created to perform works and projects in the service area as defined by creating documents that benefit all lands and other property, included but not limited to, within the boundaries of Riverbend. The accomplishment of the purposes stated for the creation of Riverbend is for the benefit of its customers, members, the people of Texas, the improvement of their property and industries through the goal of fostering and encouraging economic development in the region.

TexAmericas Center, (“TAC”) is a governmental agency and political subdivision of the state of Texas, existing pursuant to and having the power set forth in Chapter 3503 of the Special District Local Laws Code of the State of Texas.

### **Article II. Scope**

On or about May 26, 2015, Riverbend and TAC entered into an Agreement for Purchase and Sale of Assets and Assignment and Assumption of Contract Rights, hereinafter (“Agreement.”) Thereafter, on or about January 24, 2018, the Parties entered into a First Supplement and Amendment to the Agreement for Purchase and Sale of Assets and Assignment and Assumption of Contract Rights, hereinafter (“Amendment.”)

In the Amendment, a “Timeframe for delivery of raw water capability” was set forth. [See Amendment at XXIII (23.12).] Additionally, said section sets forth expectations as to Riverbend’s delivery of raw, non-potable water to the TAC footprint following its design and construction of the facilities and infrastructure set forth in the Agreement and Amendment.

This Memorandum of Understanding, (“MOU”), outlines the agreements, responsibilities and expectations of the Parties hereto, as to the aforementioned section of the Amendment.

### **Article III. Agreements/Responsibilities/Expectations**

Regarding the obligations imposed under the second full paragraph of XXIII (23.12) of the Amendment, the Parties agree any such obligations and expectations imposed on Riverbend prior to the implementation of the Ultimate Rule Curve (URC) are not feasible and incapable of being fully performed. Therefore, the Parties agree the responsibilities and



expectations imposed on Riverbend under said section should be revised to the following extent, but not otherwise, to wit:

The Parties agree that Riverbend shall design and construct facilities and infrastructure as set forth in the Amendment sufficient to deliver to the TAC footprint and any tenants thereon between ten million (10,000,000) and twenty-six million (26,000,000) gallons per day of raw, non-potable water upon commencement of operations at its facilities and infrastructure. While Riverbend is operating under the Interim Rule Curve (IRC) prior to the implementation of the URC, it will exercise reasonable efforts to devote the balance of the water available to TAC after satisfying regional water needs and the water requirements under its agreement with Graphic Packaging International (GPI). The balance of the raw water available to provide to TAC under the IRC should range from ten million (10,000,000) and twenty-six million (26,000,000) gallons per day.

Upon completion of its facilities and infrastructure and upon implementation of the URC, Riverbend will deliver to the TAC footprint and any tenants thereon at least thirty million (30,000,000) gallons per day of raw, non-potable water. Further, following implementation of the URC Riverbend will reserve capacity in its facilities and infrastructure and/or in the first system expansion thereafter to deliver an additional sixty million (60,000,000) gallons per day of raw, non-potable water to the TAC footprint and any tenants thereon.

This MOU permits, but does not obligate, the Parties to enter into any further agreements, contracts, or other obligations relative to the subject matter set forth herein. Nothing in this MOU shall be interpreted or construed as limiting or restricting in any way the rights or privileges of the Parties relative to the subject matter herein. All existing and future understandings between the Parties will be in writing and signed by their lawful representatives.

#### **Article IV. Implementation/Modification**

Implementation of this MOU shall be through the mutual consent and approval of official representatives of both Parties as identified below to enter into and adopt this Memorandum of Understanding. Modifications of this agreement shall be upon mutual written consent of both Parties and may be made at any time.

Effective date: This MOU shall take effect upon the date of the last signature.

Termination: The termination of this MOU shall not affect the validity or duration of activities or agreements under this MOU that are initiated prior to such termination pursuant to separate written agreements.

The Authorized Representatives to enter into this MOU are identified by Riverbend Water Resources District and TexAmericas Center Policies as outlined below in accordance with statutes that govern the operation of each Party.

**Article V. Approval**

Riverbend Water Resources District

TexAmericas Center

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_