



**REGULAR MEETING
RIVERBEND WATER RESOURCES DISTRICT
PUBLIC NOTICE OF BOARD OF DIRECTORS' MEETING
WEDNESDAY, JANUARY 24, 2024
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 24, 2024, 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 20240124-01 accepting the recommendations of the City of Texarkana, Texas and the City of New Boston that Steve Mayo and Lynn Davis, respectively, to serve terms as members of the Board of Directors of Riverbend Water Resources District.



- B. Oaths of office, administered by Judge Bobby Howell, for Directors Steve Mayo and Lynn Davis.

V. CONSENT AGENDA ITEMS

- A. Discussion and possible action regarding approval of the November 15, 2023 Regular Meeting Minutes and the December 4, 2023 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 appointing Lynn Davis as the Vice President of the Board of Directors of Riverbend Water Resources District.

This item is to consider appointing new Board Member, Lynn Davis, to the position of Vice President. Staff recommends approval.

Action Item: Consider motion for approval of RESO 20240124-02 appointing Lynn Davis as the Vice President of the Board of Directors of Riverbend Water Resources District.

B. Discussion and possible action regarding approval of a resolution authorizing an update of authorized signatures for all bank accounts.

This item pertains to authorizing board members to have signature authority on all bank accounts. With the appointment of Lynn Davis to the Board, the authorized account signatures must be updated.

Action Item: Consider motion for approval of RESO 20240124-03 authorizing an update of authorized signatures for all bank accounts.



C. Discussion and possible action regarding approval of a resolution authorizing the Executive Director/CEO to submit a withdrawal of the Request for Exclusion from the 3M settlement agreement for a lawsuit pertaining to polyfluoroalkyl substances (PFAS) in drinking water.

At the November 15th Regular meeting and the December 4th Special Called meeting, the 3M and DuPont PFAS class action settlement agreements were discussed. At the December 4th meeting, the Board decided to submit a Request for Exclusion from the 3M settlement agreement to see if any new information or answers to some of the questions around the settlement agreements were answered in the time between that December meeting and the Final Fairness Hearing for the 3M settlement is held in early February. The Final Fairness Hearing is also the deadline for anyone who wants to withdraw their Request for Exclusion submittals. It was the staff's understanding, based on the last Board discussion, that if no new information was available, the board would like the opportunity to have an agenda item to consider withdrawing the Request for Exclusion on the 3M settlement. Upon the review of the information since our last meeting in December, it is the staff's determination, along with review from our legal counsel, that nothing has been presented that would change the prior Board discussion in this regard. Staff's recommendation is to approve this action to authorize the Executive Director to submit a withdrawal of the Request for Exclusion from the 3M settlement prior to the Final Fairness Hearing.

Action Item: Consider a motion for approval of RESO 20240124-04 authorizing the Executive Director/CEO to submit a withdrawal of the Request for Exclusion from the 3M settlement agreement for a lawsuit pertaining to polyfluoroalkyl substances (PFAS) in drinking water.

D. Discussion and possible action regarding approval of a resolution approving amendments to the second and third quarter Investment Reports for FY 2023.

The presentation of amendments to the second and third quarter investment reports for FY 2023 will be by Tara Houck.

Action Item: Consider motion for approval of RESO 20240124-05 approving amendments to the second and third quarter investment reports for FY 2023.

E. Discussion and possible action regarding approval of a resolution approving the fourth quarter financials for FY 2023.

The presentation of the fourth quarter financials for FY 2023 will be by Tara Houck.



Action Item: Consider motion for approval of RESO 20240124-06 approving the fourth quarter financials for FY 2023.

F. Discussion and possible action regarding approval of a resolution approving the fourth quarter investment report for FY 2023.

The presentation of the fourth quarter investment report for FY 2023 will be by Tara Houck.

Action Item: Consider motion for approval of RESO 20240124-07 approving the fourth quarter investment report for FY 2023.

G. Discussion and possible action regarding approval of a resolution approving the FY 2023 Annual Audit performed by Wilf and Henderson, P.C.

The presentation of the FY 2023 Annual Audit will be by Carolyn Wilder with Wilf and Henderson, P.C.

Action Item: Consider motion for approval of RESO 20240124-08 approving the FY 2023 Annual Audit performed by Wilf and Henderson, P.C.

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 28, 2024 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 24, 2024**

**SPECIAL AGENDA ITEM IV. A.
RWRD RESO 20240124-01
Board of Director Appointments
& Oaths of Office**



RIVERBEND RESOLUTION NO. 20240124-01

**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 Steve Mayo and Fred Milton expired on December 31, 2022; and

WHEREAS, the Member Entities consisting of the City of Texarkana, Texas and the City of New Boston, Texas appointed Mr. Mayo and Mr. Lynn Davis, respectively, to serve terms 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 City of Texarkana, Texas, and the City of New Boston, Texas.

PASSED and APPROVED this 24th day of January 2024

Steve Mayo, President

ATTEST:

Tina Veal Gooch, Secretary



**REGULAR CALLED MEETING
RIVERBEND WATER RESOURCES DISTRICT
WEDNESDAY, JANUARY 24, 2024**

**CONSENT AGENDA ITEM V. A.
November 15, 2023
Regular Meeting Minutes &
December 4, 2023
Special Called Meeting Minutes**

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

November 15, 2023

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, Fred Milton, Vice President of the Board, called the meeting to order at 12:00 p.m.

Directors Present:

Fred Milton, Vice President
Tina Veal Gooch, Secretary
Sonja Hubbard, Treasurer
Van Alexander, Past President

Directors Absent:

Steve Mayo, President

Administration Present:

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

Public Present:

Please see the attached list for additional guests.

II. Invocation & Pledge

Fred Milton 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 25, 2023 Regular Called Meeting Minutes.

A single motion was made by **Van Alexander** 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).

No report. No action taken.

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

No report. No action taken.

VI. Agenda Items for Individual Consideration

A. Discussion regarding the Fourth Quarter FY 2023 Investment Report.

Presentation of the fourth quarter investment report for FY 2023 was made by Tara Houck.

No action taken.

B. Discussion regarding the draft Fourth Quarter FY 2023 Financials.

Presentation of the draft fourth quarter financials of FY 2023 was made by Tara Houck. These draft numbers will be finalized and included in the audit so no action will be required at this time. The audit will be brought before the board for review and approval at the January board meeting.

No action taken.

C. Discussion and possible action regarding a class action lawsuit pertaining to polyfluoroalkyl substances (PFAS) in drinking water.

Kyle Dooley and David Glass, general counsel, provide the information on the class action lawsuit against 3M and DuPont for PFAS contamination in drinking water. The settlement agreement for 3M stands at \$10.5-\$12.5B and the settlement agreement with DuPont stands at \$1.185B. Riverbend falls within one of the two classes affected by these settlements. The discussion centered around any possible action the Board would like to consider as there are opt-out dates approaching. The opt-out date for DuPont is December 4th and for 3M it is December 11th. The board opted to take no action which includes Riverbend as a claimant in the lawsuit against 3M and Dupont.

VII. Riverbend Reports

A. Board Members

No reports.

B. Executive Director/CEO

Kyle Dooley provided the following updates:

Regional Water System Project: Matt Garcia provided that the agency comments for the Environmental Document have been submitted completely to the Texas Water Development Board. They are reviewing this document for compliance. The draft Memorandum of Agreement has been submitted to the USACE (Corps) to initiate the “out-grant process.” The out-grant is what the Corps calls an easement on their property. The memorandum of agreement provides a means to reimburse the Corps for reviewing our out-grant request. Pape has requested a determination from the regulatory arm of the Corps regarding the permitting of the intake structure and pipelines. The Corps regulatory arm has indicated that if the intake structure is above the ordinary highwater elevation (and it is planned to be above that elevation), a special permit will not be required. Similarly, because the pipeline is part of a water transmission utility, it can be covered under a Nationwide Permit, which means there is not a special application nor delay in design and construction. The kick-off meeting with the successful design consultants was held in October. They are exchanging data with them to get started on design. The draft contract documents for the successful Design Consultant have been completed and Pape will assist Riverbend in negotiating these contracts. Value engineering workshops are expected to occur in January 2024. Kyle Dooley added that we have been successful in working with the City of Annona and Oak Grove Water Supply Corporation on principal forgiveness. Two other entities that meet the qualifications for principal forgiveness are the City of Avery and the City of Leary. Mr. Dooley is in the process of submitting applications for them as well. An application for grant funds through the Texas Environmental Infrastructure Program that is funded through the Corps has been submitted. The bill that passed to fund those projects has just over \$9 million available for projects like our regional water facility. Letters of congressional support from Pat Fallon’s and Nathaniel Moran’s offices have been submitted with the application. Any funds awarded to Riverbend would be at a 75/25 split where 75% of the funds would be paid by the federal government and Riverbend would cover the remaining 25%. The next step is, in the spring, Mr. Dooley will discuss adding more funds to those available grant dollars for the 2025, 2026 and even further future budgets with those congressional offices in Washington, D.C..

Industrial Waste Water Plant: Mr. Dooley and Eli Hunt, Director of Operations met with the RRAD Public Works Department to discuss the amendments necessary to our annual contract to guarantee the Army will pay the debt associated with the bonds taken out to pay for the construction of the new industrial plant. A meeting is scheduled for December 13th with the command staff to discuss next steps and a timeline for the project.

Ultimate Rule Curve: No changes on the Environmental and Cultural Resources Studies from the last update. We are still waiting for the final contract and then they will come back to us to ask for any changes in funding there may be. We held our first policy meeting with the Corps to discuss unanswered policy questions. Storage costs, the “donut hole” on the 32,000 acre

feet, will any mitigation cost be the responsibility of the Corps for flood control and not just the responsibility of Riverbend for the water supply. The goal is to create a draft outline of what we think the agreement should look like when we get to that point. The outline will answer, not just the volume of water, but which entity will cover the required costs. The Corps has listed that priority number one is what an appropriate cost-share looks like if mitigation is required and to determine whether mitigation is required, impact questions have to be answered. The questions are: are there impacts; are there impacts that will require mitigation; if there are, then there should be an equitable cost-share between the Corps and Riverbend. This indicates that they recognize that the reservoir fluctuates naturally as a flood control lake. Those fluctuations are not solely attributable to water supply. Fluctuations happen because of flood control also. That discussion needs to be covered before decisions are made on mitigation costs. Our meetings regarding the Environmental Impact Study and the Cultural Resources Study are centered around cost of the studies. The studies will take around 18 months. Then the reports will be submitted. Then we talk about mitigation. We are hoping by starting the conversation on our policy questions it leads to a quick decision on impact and cost-sharing.

No action taken.

VIII. Executive Session

The board stood at ease at 12:57 p.m.

The board reconvened in Executive Session at 1:03 p.m. with quorum pursuant to section 551.071 and 551.074 of the Texas Open Meetings Act.

The board came out of Executive Session at 1:50 p.m.

The board reconvened with quorum at 1:51 p.m.

IX. Next Riverbend Meetings

Riverbend Regular Meeting, Wednesday, January 24, 2024 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 Tina Veal Gooch and seconded by Sonja Hubbard to adjourn the meeting at 1:55 p.m. The motion passed unanimously.

The minutes of the Riverbend Water Resources District Board of Directors meeting, held on November 15, 2023, were read and approved on the 24th day of January 2024.

Attest:

Steve Mayo, President

Kyle Dooley, Executive Director/ CEO

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

December 4, 2023

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

MINUTES

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, Fred Milton, Vice President of the Board, called the meeting to order at 10:00 a.m.

Directors Present:

Fred Milton, Vice President
Sonja Hubbard, Treasurer
Van Alexander, Past President

Directors Absent:

Steve Mayo, President
Tina Veal Gooch, Secretary

Administration Present:

Kyle Dooley, Executive Director/CEO
Becky Melton, HR Manager/Executive Assistant

Public Present:

Please see the attached list for additional guests.

II. Invocation & Pledge

Fred Milton led the invocation and the pledge of allegiance.

III. Public Comments

None.

IV. Agenda Items for Individual Consideration

A. Discussion and possible action regarding approval of a resolution authorizing the Executive Director/CEO to submit a Request for Exclusion from a settlement agreement for a lawsuit pertaining to polyfluoroalkyl substances (PFAS) in drinking water.

Kyle Dooley provided that this item pertains to the PFAS class action lawsuit settlement agreements for 3M and DuPont. The settlement agreement for 3M stands at \$10.5-\$12.5B and the settlement agreement with DuPont stands at \$1.185B. RWRD falls within the class affected by these settlements. The opt-out date for 3M it is December 11th. No action was taken at the November board meeting, leaving RWRD in the DuPont lawsuit. New information on the terms of the 3M settlement require further discussion and possible action by the Board. A Request for Exclusion from the 3M suit must be properly served by the deadline imposed by the Court. That deadline is December 11, 2023. In seeking Preliminary Approval of this Settlement Agreement, the Class Representatives will ask the Court to set that deadline ninety (90) calendar days after the date the Notice is mailed. Any Eligible Claimant that has elected to opt out may withdraw its Request for Exclusion at any time prior to the Final Fairness Hearing (scheduled for February 2, 2024), and thereby accept all terms of this Settlement Agreement, including its Dismissal provisions.

A motion was made by Van Alexander and seconded by Sonja Hubbard approving RESO 20231204-01 authorizing the Executive Director/CEO to submit a Request for Exclusion from a settlement agreement for a lawsuit pertaining to polyfluoroalkyl substances (PFAS) in drinking water.

V. Riverbend Reports

A. Board Members

No reports.

B. Executive Director/CEO

VI. Executive Session

The board stood at ease at 10:12 a.m.

The board reconvened in Executive Session at 10:15 a.m. with quorum pursuant to section 551.074 of the Texas Open Meetings Act.

The board came out of Executive Session at 10:25 a.m.

The board reconvened with quorum at 10:27 a.m.

VII. Next Riverbend Meetings

Riverbend Regular Meeting, Wednesday, January 24, 2024 at 12:00 p.m. at Riverbend Offices, 228 A Texas Avenue, New Boston, Texas 75570.

VIII. Adjournment

With no additional business to be discussed, a motion was made by Tina Veal Gooch and seconded by Sonja Hubbard to adjourn the meeting at 10:28 a.m. The motion passed unanimously.

The minutes of the Riverbend Water Resources District Board of Directors meeting, held on December 4, 2023, were read and approved on the 24th day of January 2024.

Steve Mayo, President

Attest:

Kyle Dooley, Executive Director/ CEO

**REGULAR CALLED MEETING
RIVERBEND WATER RESOURCES DISTRICT
WEDNESDAY, JANUARY 24, 2024**

**AGENDA ITEM VII. A.
RWRD RESO 20240124-02
Appointment of Vice President**



RIVERBEND RESOLUTION NO. 20240124-02

**ELECTING A NEW VICE PRESIDENT TO THE BOARD OF DIRECTORS OF THE
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, Riverbend Water Resources District is required by law to elect officers to its Board of Directors; and

WHEREAS, Riverbend Water Resources District last elected officers of the Board of Director on September 27, 2023 and affirmed that election through RESO 20230927-03; and

WHEREAS, Lynn Davis was appointed to the Board of Directors of Riverbend Water Resources District by the City of New Boston, Texas on December 19, 2023 to replace Fred Milton; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Riverbend Water Resources District hereby elects and affirms Lynn Davis as Vice President to join the 2024 Elected Officers, as follows:

Steve Mayo -President, Lynn Davis -Vice President, Sonja Hubbard -Treasurer, Tina Veal Gooch - Secretary, Van Alexander -Past President

PASSED and APPROVED this 24th day of January 2024

Steve Mayo, Vice President

ATTEST:

Tina Veal Gooch, Secretary



**REGULAR CALLED MEETING
RIVERBEND WATER RESOURCES DISTRICT
WEDNESDAY, JANUARY 24, 2024**

**AGENDA ITEM VII. B.
RWRD RESO 20240124-03
Authorized Bank Signatures**



RIVERBEND RESOLUTION NO. 20240124-03

**AUTHORIZING THE ADDITION OF CERTAIN AUTHORIZED SIGNATORIES TO
THE APPROPRIATE BANK DEPOSITORIES**

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;

WHEREAS, the establishment of certain levels of approval benefit the district in managing its resources and maintaining flexibility for the daily operation of the wet utilities ensures that the appropriate level of oversight in finances is maintained; and

WHEREAS, the establishment and addition of certain authorized signatures by representatives of the district at appropriate bank depositories is an appropriate management tool;

NOW, THEREFORE, BE IT RESOLVED that, the Board of Directors of the Riverbend Water Resources District, effective January 24, 2024, approves this resolution authorizing the following:

- 1) a requirement of one authorized signature for amounts under \$25,000.00 and a requirement of two authorized signatures for anything equal to and over \$25,000.00 for the approval and decision-making of bank depository services;
- 2) a designation of authorized signatories as follows:

Jerry Lynn Davis, Jr.
Steven Mayo
Sonja Hubbard
Tina Veal-Gooch
Van Alexander;
Benjamin Kyle Dooley; and



3) the authorized number of signatures and authorized signatories shall be applicable to the following bank depositories:

State Bank of Dekalb;
Texana Bank;
Bank of Oklahoma;
Texar Federal Credit Union; and
Regions Bank

PASSED and APPROVED this 24th day of January 2024

Steve Mayo, President

ATTEST:

Tina Veal Gooch, Secretary



**REGULAR CALLED MEETING
RIVERBEND WATER RESOURCES DISTRICT
WEDNESDAY, JANUARY 24, 2024**

**AGENDA ITEM VII. C.
RWRD RESO 20240124-04
PFAS Lawsuit**



RIVERBEND RESOLUTION NO. 20240124-04

**AUTHORIZING THE EXECUTIVE DIRECTOR/CEO TO WITHDRAW A
PREVIOUSLY SUBMITTED REQUEST FOR EXCLUSION FROM THE
SETTLEMENT AGREEMENT FOR THE LAWSUIT AGAINST 3M FOR
MAUFACTURING, MARKETING, DISTRIBUTING AND SELLING PRODUCTS
CONTAINING DANGEROUS PFAS SUBSTANCES**

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, In July 2023 a settlement agreement was finalized in a lawsuit against chemical companies, including The 3M Company (3M), for manufacturing, marketing, distributing, and selling products containing dangerous per-and polyfluoroalkyl substances (PFAS) which now pollute natural resources; and

WHEREAS, on December 4, 2023, the Board of Directors authorized the Executive Director/CEO to submit a Request for Exclusion from the lawsuit against the 3M Company via RESO 20231204-01; and

WHEREAS, given the lack of new information acquired since that meeting, there is a need to withdraw that Request for Exclusion from the lawsuit against 3M giving Riverbend the opportunity to be a part of the lawsuit.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors authorizes the Executive Director/CEO to withdraw the previously submitted Request for Exclusion from the lawsuit against 3M.

PASSED and APPROVED this 24th day of January 2024

Steve Mayo, President

ATTEST:

Tina Veal Gooch, Secretary



**REGULAR CALLED MEETING
RIVERBEND WATER RESOURCES DISTRICT
WEDNESDAY, JANUARY 24, 2024**

**AGENDA ITEM VII. D.
RWRD RESO 20240124-05
FY 2023 Amendments to the
Second and Third Quarter
Investment Reports**



RIVERBEND RESOLUTION NO. 20240124-05

**APPROVING THE AMENDED SECOND AND THIRD QUARTER FY 2023
INVESTMENT REPORTS**

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.

WHEREAS, Riverbend Water Resources District has a need to amend the previously approved investment reports for the second and third quarters of 2023.

NOW, THEREFORE, BE IT RESOLVED that the Riverbend Water Resources District accepts and approves the Second and Third Quarter FY 2023 Investment Reports.

PASSED and APPROVED this 24th day of January 2024

Steve Mayo, President

ATTEST:

Tina Veal Gooch, Secretary



Attached: Second Quarter FY 2023 Investment Report
Third Quarter FY 2023 Investment Report

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF INVESTMENTS

ENTERPRISE FUNDS

For the Three Months Ended March 31, 2023

| Funds | Identification Number | Maturity Date | Balance 12/31/2022 | Interest Income 03/31/2023 | Transfers In/(Out) Per Policy | Net Deposits/ Withdrawals | Balance 03/31/2023 | Accrued Int Rec 03/31/2023 |
|--|--------------------------|--------------------------|-----------------------|----------------------------------|-------------------------------------|---------------------------------|-----------------------|----------------------------------|
| Administrative Fund | | | | | | | | |
| Operations | 50003704 | Daily checking | \$ 189,243 | \$ - | \$ 1,049 | (96,288) | \$ 94,004 | \$ - |
| Restricted - Region D Planning | 8009740 | Money Market | 16,196 | 12 | (3,048) | 12 | 13,160 | - |
| Operations | 457060 | Daily savings | 3,586 | - | - | - | 3,586 | - |
| Wet Utilities Fund | | | | | | | | |
| Operations | 21695 | Daily checking | 1,154,509 | - | (286,650) | (601,182) | 266,677 | - |
| Restricted bond sinking | 21709 | Daily checking | 1,691,096 | 8,003 | 289,990 | 1 | 1,989,090 | - |
| Restricted bond reserves | 21217 | Daily checking | 607,967 | 2,592 | (1,333) | - | 609,226 | - |
| Restricted construction funds | 21741 | Daily checking | 20,028 | 37 | (30) | - | 20,035 | - |
| Restricted operations | 21733 | Money Market | 901,962 | 3,845 | (1,977) | - | 903,830 | - |
| Regional Water System Facilities Fund | | | | | | | | |
| Restricted - Minimum Monthly Payments | 3011380 | Daily Savings | 708,221 | 27 | (1,194,376) | 1,073,308 | 587,180 | - |
| Restricted - 2020A Construction | 2037890 | Money Market | 987 | 24 | 703,729 | (704,066) | 674 | - |
| Restricted - 2020B Construction | 50022709 | Money Market | 1,170 | 1 | 15,168 | (15,216) | 1,123 | - |
| Restricted - 2020A Revenue | 8009732 | Money Market | 2,689,207 | 2,090 | (2,339,335) | - | 351,962 | - |
| Restricted - 2020B Revenue | 8009716 | Money Market | 2,250,684 | 1,864 | (1,154,492) | - | 1,098,056 | - |
| Restricted - 2020A Interest & Redemption | 8009813 | Money Market | 666,330 | 1,109 | 3,057,161 | - | 3,724,600 | - |
| Restricted - 2020B Interest & Redemption | 8009724 | Money Market | 115,777 | 383 | 1,633,042 | - | 1,749,202 | - |
| Restricted - 2020A Construction Escrow | 82-4416-01-0 | Bot Short-Term Cash Fund | 1,830,260 | 14,833 | (625,286) | 1,210 | 1,221,017 | 4,505 |
| Restricted - 2020B Construction Escrow | 82-4405-01-3 | Bot Short-Term Cash Fund | 2,421,334 | 24,975 | (5,096) | (2,484) | 2,438,729 | 8,961 |
| Restricted - 2022A Construction Escrow | 82-5428-01-4 | Bot Short-Term Cash Fund | 6,382,590 | 58,721 | (87,432) | 1,729,402 | 8,083,281 | 21,509 |
| Restricted - 2022B Construction Escrow | 82-5429-01-2 | Bot Short-Term Cash Fund | 5,334,100 | 58,150 | (1,084) | 1,146,109 | 6,537,275 | 25,958 |
| Restricted - 2022A Construction Escrow | 82-5428-01-4 | U.S. Treasury Notes | 45,980,826 | 376,851 | - | (1,474,554) | 44,883,123 | 234,881 |
| Restricted - 2022B Construction Escrow | 82-5429-01-2 | U.S. Treasury Notes | 30,653,550 | 236,261 | - | (968,396) | 29,921,415 | 136,536 |
| Total - All Funds | | | <u>\$ 103,619,623</u> | <u>\$ 789,779</u> | <u>\$ -</u> | <u>\$ 2,530,805</u> | <u>\$ 104,497,245</u> | <u>\$ 432,350</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

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF INVESTMENTS

ENTERPRISE FUNDS

For the Three Months Ended June 30, 2023

| Funds | Identification Number | Maturity Date | Balance 03/31/2023 | Interest Income 06/30/2023 | Transfers In/(Out) Per Policy | Net Deposits/ Withdrawals | Balance 06/30/2023 | Accrued Int Rec 06/30/2023 |
|--|--------------------------|--------------------------|-----------------------|----------------------------------|-------------------------------------|---------------------------------|-----------------------|----------------------------------|
| Administrative Fund | | | | | | | | |
| Operations | 50003704 | Daily checking | \$ 94,004 | \$ - | \$ 115,000 | (84,070) | \$ 124,934 | \$ - |
| Restricted - Region D Planning | 8009740 | Money Market | 13,160 | 12 | - | 11 | 13,171 | - |
| Operations | 457060 | Daily savings | 3,586 | - | - | 1 | 3,587 | - |
| Wet Utilities Fund | | | | | | | | |
| Operations | 21695 | Daily checking | 266,677 | 2,254 | (825,755) | 2,283,039 | 1,726,215 | - |
| Restricted bond sinking | 21709 | Daily checking | 1,989,090 | 15,063 | 717,229 | (132,600) | 2,588,782 | - |
| Restricted bond reserves | 21217 | Daily checking | 609,226 | 3,791 | (2,592) | - | 610,425 | - |
| Restricted construction funds | 21741 | Daily checking | 20,035 | 50 | (37) | - | 20,048 | - |
| Restricted operations | 21733 | Money Market | 903,830 | 5,624 | (3,845) | - | 905,609 | - |
| Regional Water System Facilities Fund | | | | | | | | |
| Restricted - Minimum Monthly Payments | 3011380 | Daily Savings | 587,180 | 7 | (709,424) | 473,418 | 351,181 | - |
| Restricted - 2020A Construction | 2037890 | Money Market | 674 | 5 | 389,447 | (388,201) | 1,925 | - |
| Restricted - 2020B Construction | 50022709 | Money Market | 1,123 | 4 | 61,647 | (61,730) | 1,044 | - |
| Restricted - 2020A Revenue | 8009732 | Money Market | 351,962 | 680 | 425,654 | 208,074 | 986,370 | - |
| Restricted - 2020B Revenue | 8009716 | Money Market | 1,098,056 | 1,207 | 283,770 | 138,715 | 1,521,748 | - |
| Restricted - 2020A Interest & Redemption | 8009813 | Money Market | 3,724,600 | 2,735 | - | (664,159) | 3,063,176 | - |
| Restricted - 2020B Interest & Redemption | 8009724 | Money Market | 1,749,202 | 1,440 | - | (111,429) | 1,639,213 | - |
| Restricted - 2020A Construction Escrow | 82-4416-01-0 | Bot Short-Term Cash Fund | 1,221,017 | 12,314 | (244,859) | 531 | 989,003 | 3,974 |
| Restricted - 2020B Construction Escrow | 82-4405-01-3 | Bot Short-Term Cash Fund | 2,438,729 | 28,707 | (5,963) | (2,670) | 2,458,803 | 9,734 |
| Restricted - 2022A Construction Escrow | 82-5428-01-4 | Bot Short-Term Cash Fund | 8,083,281 | 104,330 | (144,588) | 2,468,752 | 10,511,775 | 38,132 |
| Restricted - 2022B Construction Escrow | 82-5429-01-2 | Bot Short-Term Cash Fund | 6,537,275 | 83,189 | (55,684) | 1,562,916 | 8,127,696 | 29,978 |
| Restricted - 2022A Construction Escrow | 82-5428-01-4 | U.S. Treasury Notes | 44,883,123 | 280,820 | - | (2,587,056) | 42,576,887 | 223,934 |
| Restricted - 2022B Construction Escrow | 82-5429-01-2 | U.S. Treasury Notes | 29,921,415 | 197,752 | - | (1,734,245) | 28,384,922 | 139,784 |
| Total - All Funds | | | <u>\$ 103,619,623</u> | <u>\$ 739,985</u> | <u>\$ -</u> | <u>\$ 5,690,597</u> | <u>\$ 106,606,514</u> | <u>\$ 445,536</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 24, 2024**

**AGENDA ITEM VII. E.
RWRD RESO 20240124-06
FY 2023 Fourth
Quarter Financials**



RIVERBEND RESOLUTION NO. 20240124-06

APPROVING THE FOURTH QUARTER FY 2023 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 2023 financials.

PASSED and APPROVED this 24th day of January 2024

Steve Mayo, President

ATTEST:

Tina Veal Gooch, Secretary

Attached: Fourth Quarter FY 2023 Financials



RIVERBEND WATER RESOURCES DISTRICT**STATEMENT OF NET POSITION****ENTERPRISE FUNDS****SEPTEMBER 30, 2023**

| | <i>Regional Water System Administration Fund</i> | <i>Regional Water System Facilities Fund</i> | <i>Wet Utilities Fund</i> | <i>Total</i> |
|---|--|--|-------------------------------|----------------------|
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | \$ 175,980 | \$ - | \$ 1,495,240 | \$ 1,671,220 |
| Accounts receivable | 16,747 | 293,207 | 674,238 | 984,192 |
| Interest receivable | - | 719,072 | - | 719,072 |
| Interfund accounts | 25,592 | - | - | 25,592 |
| Restricted assets: | | | | |
| Cash and cash equivalents restricted for bond debt reserves | - | 4,695,274 | 668,853 | 5,364,127 |
| Cash and cash equivalents restricted for construction | - | 39,496,276 | 20,055 | 39,516,331 |
| Investments restricted for construction | - | 68,392,824 | - | 68,392,824 |
| Cash and cash equivalents restricted for operations | - | - | 905,911 | 905,911 |
| Prepaid expenses | - | - | 160,310 | 160,310 |
| Inventories | - | - | 82,645 | 82,645 |
| Total current assets | <u>218,319</u> | <u>113,596,653</u> | <u>4,007,252</u> | <u>117,822,224</u> |
| Noncurrent assets: | | | | |
| Cash and cash equivalents - restricted for bond debt reserves | - | 4,066,775 | 3,075,597 | 7,142,372 |
| Right to Use Subscription asset (net of accumulated amortization) | - | - | 64,441 | 64,441 |
| Capital assets (net of accumulated depreciation): | | | | |
| Equipment | - | - | 484,999 | 484,999 |
| Utility system | - | - | 15,446,742 | 15,446,742 |
| Intangible assets | - | - | 244,627 | 244,627 |
| Construction in progress | - | 16,946,709 | 27,335 | 16,974,044 |
| Total capital assets | <u>-</u> | <u>16,946,709</u> | <u>16,203,703</u> | <u>33,150,412</u> |
| Total noncurrent assets | <u>-</u> | <u>21,013,484</u> | <u>19,343,741</u> | <u>40,357,225</u> |
| TOTAL ASSETS | <u>218,319</u> | <u>134,610,137</u> | <u>23,350,993</u> | <u>158,179,449</u> |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable | 16,448 | 205,480 | 59,518 | 281,446 |
| Payroll liabilities | - | - | 6,403 | 6,403 |
| Interfund accounts | - | 18,701 | 6,891 | 25,592 |
| Due to North East Texas Regional Water Planning Group | 82,818 | - | - | 82,818 |
| Accrued interest payable | - | 767,100 | 122,888 | 889,988 |
| Accrued compensated absences - current portion | - | - | 22,667 | 22,667 |
| Subscription liability - current portion | - | - | 21,465 | 21,465 |
| Revenue bonds payable - current portion | - | 3,150,000 | 410,000 | 3,560,000 |
| Total current liabilities | <u>99,266</u> | <u>4,141,281</u> | <u>649,832</u> | <u>4,890,379</u> |
| Long-term liabilities: | | | | |
| Accrued compensated absences - long term | - | - | 62,622 | 62,622 |
| Subscription liability - long term | - | - | 22,487 | 22,487 |
| Revenue bonds payable - long term | - | 119,295,000 | 6,595,000 | 125,890,000 |
| Total long-term liabilities | <u>-</u> | <u>119,295,000</u> | <u>6,680,109</u> | <u>125,975,109</u> |
| TOTAL LIABILITIES | <u>99,266</u> | <u>123,436,281</u> | <u>7,329,941</u> | <u>130,865,488</u> |
| NET POSITION | | | | |
| Net investment in capital assets | - | 2,185,404 | 10,150,310 | 12,335,714 |
| Restricted for bond reserves | - | 9,005,593 | 3,750,376 | 12,755,969 |
| Restricted for construction | - | 1,560 | 20,055 | 21,615 |
| Unrestricted | 119,053 | (18,701) | 2,100,311 | 2,200,663 |
| TOTAL NET POSITION | <u>\$ 119,053</u> | <u>\$ 11,173,856</u> | <u>\$ 16,021,052</u> | <u>\$ 27,313,961</u> |

RIVERBEND WATER RESOURCES DISTRICT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION ENTERPRISE FUNDS FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2023

| | <i>Regional Water System Administration Fund</i> | <i>Regional Water System Facilities Fund</i> | <i>Wet Utilities Fund</i> | <i>Total</i> |
|--|--|--|-------------------------------|----------------------|
| OPERATING REVENUES | | | | |
| Charges for services: | | | | |
| Member fees | \$ 191,754 | \$ - | \$ - | \$ 191,754 |
| Army volumetric charge | - | - | 3,281,493 | 3,281,493 |
| Army water supply charge | - | - | 239,839 | 239,839 |
| Commercial and residential charge | - | - | 195,483 | 195,483 |
| Infrastructure Services | - | - | 116,516 | 116,516 |
| Other revenue | - | - | 11,487 | 11,487 |
| Total operating revenues | <u>191,754</u> | <u>-</u> | <u>3,844,818</u> | <u>4,036,572</u> |
| OPERATING EXPENSES | | | | |
| Accounting and audit | 4,960 | - | - | 4,960 |
| Analyticals | - | - | 104,911 | 104,911 |
| Community relations | 2,605 | - | - | 2,605 |
| Conferences & seminars | 4,071 | - | - | 4,071 |
| Consulting | 182,111 | - | 8,358 | 190,469 |
| Dues and memberships | 9,041 | - | - | 9,041 |
| Engineering services | 11,100 | - | - | 11,100 |
| Equipment maintenance, repair and fuel | - | - | 44,571 | 44,571 |
| Insurance | - | - | 60,279 | 60,279 |
| Legal and professional fees | 7,529 | - | - | 7,529 |
| Materials | - | - | 194,317 | 194,317 |
| Meetings expense | 5,385 | - | - | 5,385 |
| Permits | - | - | 32,118 | 32,118 |
| Repairs | - | - | 253,287 | 253,287 |
| Salaries, wages, payroll taxes and benefits | 171,335 | - | 916,871 | 1,088,206 |
| Supplies | - | - | 57,124 | 57,124 |
| Travel and training | 9,634 | - | - | 9,634 |
| Utilities | - | - | 183,555 | 183,555 |
| Waste disposal | - | - | 43,749 | 43,749 |
| Water purchase cost | - | - | 245,030 | 245,030 |
| Web design and maintenance | 2,981 | - | - | 2,981 |
| Infrastructure services | - | - | 128,197 | 128,197 |
| Overhead allocation - water | - | - | 172,671 | 172,671 |
| Overhead allocation - wastewater | - | - | 187,674 | 187,674 |
| Overhead allocation - industrial wastewater | - | - | 189,214 | 189,214 |
| Total operating expenses before depreciation | <u>410,752</u> | <u>-</u> | <u>2,821,926</u> | <u>3,232,678</u> |
| Operating income (loss) before depreciation | (218,998) | - | 1,022,892 | 803,894 |
| Depreciation | - | - | 862,430 | 862,430 |
| Amortization | - | - | 23,557 | 23,557 |
| Operating income (loss) | <u>(218,998)</u> | <u>-</u> | <u>136,905</u> | <u>(82,093)</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Facility charges revenue | - | - | 1,459,034 | 1,459,034 |
| Minimum monthly payments | - | 4,483,159 | - | 4,483,159 |
| Interest revenue | - | 2,750,657 | 77,705 | 2,828,362 |
| Project admin fees | - | - | 18,974 | 18,974 |
| Unrealized gain (loss) on investment | - | 738,518 | - | 738,518 |
| Gain/(Loss) on disposal of assets | - | - | 23,105 | 23,105 |
| Bond issuance costs | - | (451,895) | - | (451,895) |
| Interest expense | - | (1,608,065) | (270,851) | (1,878,916) |
| Finance and wire fees | - | (2,578) | - | (2,578) |
| Franchise fees expense | - | - | (111,638) | (111,638) |
| Special projects expense | (13,366) | - | - | (13,366) |
| Total nonoperating revenues (expenses) | <u>(13,366)</u> | <u>5,909,796</u> | <u>1,196,329</u> | <u>7,092,759</u> |
| Income (loss) before transfers | <u>(232,364)</u> | <u>5,909,796</u> | <u>1,333,234</u> | <u>7,010,666</u> |
| Transfers in (out) | <u>230,000</u> | <u>-</u> | <u>(230,000)</u> | <u>-</u> |
| Changes in net position | <u>(2,364)</u> | <u>5,909,796</u> | <u>1,103,234</u> | <u>7,010,666</u> |
| Net position, beginning of year | <u>121,417</u> | <u>5,264,060</u> | <u>14,917,818</u> | <u>20,303,295</u> |
| Net position, end of 4th quarter | <u>\$ 119,053</u> | <u>\$ 11,173,856</u> | <u>\$ 16,021,052</u> | <u>\$ 27,313,961</u> |

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE REGIONAL WATER SYSTEM ADMINISTRATION FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2023

| | <i><u>Budget</u></i> | <i><u>Actual</u></i> | <i><u>Variance with Budget</u></i> | <i><u>% of Budget</u></i> |
|---|----------------------|----------------------|--|-------------------------------|
| OPERATING REVENUES | | | | |
| Charges for services | \$ 192,158 | \$ 191,754 | \$ (404) | 99.79% |
| Total operating revenues | <u>192,158</u> | <u>191,754</u> | <u>(404)</u> | <u>99.79%</u> |
| OPERATING EXPENSES | | | | |
| Advertising | 1,200 | - | 1,200 | 0.00% |
| Accounting & audit | 5,000 | 4,960 | 40 | 99.20% |
| Community relations | 8,000 | 2,605 | 5,395 | 32.56% |
| Conferences & seminars | 4,700 | 4,071 | 629 | 86.62% |
| Consulting | 200,000 | 182,111 | 17,889 | 91.06% |
| Dues & memberships | 9,083 | 9,041 | 42 | 99.54% |
| Engineering services | 20,000 | 11,100 | 8,900 | 55.50% |
| Legal & professional fees | 25,600 | 7,529 | 18,071 | 29.41% |
| Meetings expense | 6,000 | 5,385 | 615 | 89.75% |
| Military affairs | 11,000 | - | 11,000 | 0.00% |
| Office supplies & expense | 4,100 | - | 4,100 | 0.00% |
| Regional planning projects | 60,000 | - | 60,000 | 0.00% |
| Salaries, wages & benefits | 177,763 | 171,335 | 6,428 | 96.38% |
| Travel & training | 18,000 | 9,634 | 8,366 | 53.52% |
| Web design & maintenance | 4,000 | 2,981 | 1,019 | 74.53% |
| Total operating expenses | <u>554,446</u> | <u>410,752</u> | <u>143,694</u> | <u>74.08%</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Interest revenue | 100 | - | (100) | 0.00% |
| Special projects expense | (50,000) | (13,366) | 36,634 | 26.73% |
| Total nonoperating revenues (expenses) | <u>(49,900)</u> | <u>(13,366)</u> | <u>36,534</u> | <u>-26.79%</u> |
| Income (loss) before transfers | (412,188) | (232,364) | (179,824) | 56.37% |
| Transfer in | 230,000 | 230,000 | - | 100.00% |
| Additional transfer in if necessary | 60,771 | - | 60,771 | 0.00% |
| Change in net position | <u>(121,417)</u> | <u>(2,364)</u> | <u>(119,053)</u> | <u>156.37%</u> |
| Net position, beginning of year | <u>121,417</u> | <u>121,417</u> | <u>-</u> | <u>100.00%</u> |
| Net position, end of 4th quarter | <u>\$ -</u> | <u>\$ 119,053</u> | <u>\$ (119,053)</u> | |

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE REGIONAL WATER SYSTEM FACILITIES FUND FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2023

| | <i>Budget</i> | <i>Actual</i> | <i>Variance with Budget</i> | <i>% of Budget</i> |
|---|---------------|---------------|---------------------------------|------------------------|
| OPERATING REVENUES | | | | |
| Charges for services | \$ - | \$ - | \$ - | |
| Total operating revenues | - | - | - | |
| OPERATING EXPENSES | | | | |
| Expenses | - | - | - | |
| Total operating expenses | - | - | - | |
| Operating income (loss) | - | - | - | |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Minimum monthly payments | 4,296,050 | 4,483,159 | 187,109 | 104.36% |
| Interest Revenue | 2,161,063 | 2,750,657 | 589,594 | 127.28% |
| Interest Expense | (1,565,230) | (1,608,065) | (42,835) | 102.74% |
| Wire fees | (1,750) | (2,578) | (828) | 147.31% |
| Unrealized Gain/(Loss) on Investments | 478,365 | 738,518 | 260,153 | 154.38% |
| Bond Issuance Costs | (451,895) | (451,895) | - | 100.00% |
| Total nonoperating revenues (expenses) | 4,916,603 | 5,909,796 | 993,193 | 120.20% |
| Change in net position before transfers | 4,916,603 | 5,909,796 | 993,193 | 120.20% |
| Net position, beginning of year | \$ 5,264,060 | 5,264,060 | - | 100.00% |
| Net position, end of 4th quarter | \$ 10,180,663 | \$ 11,173,856 | \$ 993,193 | 109.76% |

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION COMPARISON SCHEDULE WET UTILITIES FUND FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2023

| | <i>Budget</i> | <i>Actual</i> | <i>Variance with Budget</i> | <i>% of Budget</i> |
|---|---------------|---------------|---------------------------------|------------------------|
| OPERATING REVENUES | | | | |
| Charges for services | \$ 3,894,959 | \$ 3,833,331 | \$ (61,628) | 98.42% |
| Other revenue | 5,500 | 11,487 | 5,987 | 208.85% |
| Total operating revenues | 3,900,459 | 3,844,818 | (55,641) | 98.57% |
| OPERATING EXPENSES | | | | |
| Analytical | 149,875 | 104,911 | 44,964 | 70.00% |
| Consulting | 46,800 | 8,358 | 38,442 | 17.86% |
| Equipment maintenance, repair & fuel | 49,770 | 44,571 | 5,199 | 89.55% |
| Equipment rental | 4,965 | - | 4,965 | 0.00% |
| Insurance | 61,197 | 60,279 | 918 | 98.50% |
| Materials | 237,700 | 194,317 | 43,383 | 81.75% |
| Permits | 50,500 | 32,118 | 18,382 | 63.60% |
| Repairs | 295,600 | 253,287 | 42,313 | 85.69% |
| Salaries, wages, payroll taxes & benefits | 1,118,158 | 916,871 | 201,287 | 82.00% |
| Supplies & materials | 64,660 | 57,124 | 7,536 | 88.35% |
| Utilities | 198,000 | 183,555 | 14,445 | 92.70% |
| Waste disposal | 56,000 | 43,749 | 12,251 | 78.12% |
| Water purchase cost | 251,057 | 245,030 | 6,027 | 97.60% |
| Infrastructure services | 102,679 | 128,197 | (25,518) | 124.85% |
| Overhead allocation - water | 196,527 | 172,671 | 23,856 | 87.86% |
| Overhead allocation - wastewater | 213,473 | 187,674 | 25,799 | 87.91% |
| Overhead allocation - industrial wastewater | 215,286 | 189,214 | 26,072 | 87.89% |
| Total operating expenses | 3,312,247 | 2,821,926 | 490,321 | 85.20% |
| Operating income (loss) before depreciation | 588,212 | 1,022,892 | 434,680 | 173.90% |
| Depreciation | 844,500 | 862,430 | (17,930) | 102.12% |
| Amortization | - | 23,557 | (23,557) | |
| Operating income (loss) | (256,288) | 136,905 | 393,193 | 53.42% |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Facility charges revenues | 1,485,761 | 1,459,034 | (26,727) | 98.20% |
| Interest revenue | 84,600 | 77,705 | (6,895) | 91.85% |
| Project Admin Fees | 18,321 | 18,974 | 653 | 103.56% |
| Gain/(Loss) on disposal of assets | 26,000 | 23,105 | (2,895) | 88.87% |
| Interest expense | (267,791) | (270,851) | (3,060) | 101.14% |
| Franchise fees expense | (109,035) | (111,638) | (2,603) | 102.39% |
| Total nonoperating revenues (expenses) | 1,237,856 | 1,196,329 | (41,527) | 96.65% |
| Income (loss) before transfers | 981,568 | 1,333,234 | 351,666 | 135.83% |
| Transfers in (out) | (230,000) | (230,000) | - | 100.00% |
| Change in net position | 751,568 | 1,103,234 | 351,666 | 146.79% |
| Net position, beginning of year | 14,917,818 | 14,917,818 | - | 100.00% |
| Net position, end of 4th quarter | \$ 15,669,386 | \$ 16,021,052 | \$ 351,666 | 102.24% |

RIVERBEND WATER RESOURCES DISTRICT**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
WATER SYSTEM ADMINISTRATION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2023**

| | <i>September 30, 2023</i> | <i>September 30, 2022</i> | <i>\$ Change</i> | <i>% Change</i> |
|---|---------------------------|---------------------------|------------------|-----------------|
| OPERATING REVENUES | | | | |
| Charges for services: | | | | |
| Member fees | \$ 191,754 | \$ 202,945 | \$ (11,191) | -5.51% |
| Total operating revenues | 191,754 | 202,945 | (11,191) | -5.51% |
| OPERATING EXPENSES | | | | |
| Accounting & audit | 4,960 | 4,500 | 460 | 10.22% |
| Community relations | 2,605 | 1,553 | 1,052 | 67.74% |
| Conferences & seminars | 4,071 | 3,811 | 260 | 6.82% |
| Consulting | 182,111 | 184,769 | (2,658) | -1.44% |
| Dues & memberships | 9,041 | 8,372 | 669 | 7.99% |
| Engineering services | 11,100 | 47,045 | (35,945) | -76.41% |
| Legal & professional fees | 7,529 | 14,300 | (6,771) | -47.35% |
| Meetings expense | 5,385 | 4,744 | 641 | 13.51% |
| Military affairs | - | 2,750 | (2,750) | -100.00% |
| Office supplies and expense | - | 766 | (766) | -100.00% |
| Salaries, wages, payroll taxes & benefits | 171,335 | 173,623 | (2,288) | -1.32% |
| Travel & training | 9,634 | 9,159 | 475 | 5.19% |
| Web design & maintenance | 2,981 | 5,570 | (2,589) | -46.48% |
| Total operating expenses | 410,752 | 460,962 | (50,210) | -10.89% |
| Operating income (loss) before depreciation | (218,998) | (258,017) | 39,019 | 15.12% |
| Depreciation | - | - | - | |
| Operating income (loss) | (218,998) | (258,017) | 39,019 | -15.12% |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Interest revenue | - | 133 | (133) | -100.00% |
| Special projects expense | (13,366) | (50,005) | 36,639 | -73.27% |
| Total nonoperating revenues (expenses) | (13,366) | (49,872) | 36,506 | 73.20% |
| Income (loss) before transfers | (232,364) | (307,889) | 75,525 | 24.53% |
| Transfers in (out) | 230,000 | 230,000 | - | |
| Change in net position | (2,364) | (77,889) | 75,525 | 96.96% |
| Net position, beginning of year | 121,417 | 199,306 | (77,889) | -39.08% |
| Net position, end of 4th quarter | \$ 119,053 | \$ 121,417 | \$ (2,364) | -1.95% |

RIVERBEND WATER RESOURCES DISTRICT**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
REGIONAL WATER SYSTEM FACILITIES FUND
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2023**

| | <i>September 30, 2023</i> | <i>September 30, 2022</i> | <i>\$ Change</i> | <i>% Change</i> |
|---|---------------------------|---------------------------|---------------------|-----------------|
| OPERATING REVENUES | | | | |
| Charges for services: | - | - | - | |
| Total operating revenues | - | - | - | |
| OPERATING EXPENSES | | | | |
| Regional Water System capital outlay | - | - | - | |
| Total operating expenses | - | - | - | |
| Operating income (loss) before bond proceeds | - | - | - | |
| Bond Proceeds | - | - | - | |
| Operating income (loss) | - | - | - | - |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Minimum monthly payments | 4,483,159 | 4,488,277 | (5,118) | -0.11% |
| Interest Revenue | 2,750,657 | 652,742 | 2,097,915 | 321.40% |
| Unrealized gain (loss) on investment | 738,518 | (1,298,496) | 2,037,014 | -156.87% |
| Interest Expense | (1,608,065) | (1,027,817) | (580,248) | 56.45% |
| Wire fees | (2,578) | - | (2,578) | |
| Bond Issuance Costs | (451,895) | (2,355,901) | 1,904,006 | -80.82% |
| Total nonoperating revenues (expenses) | 5,909,796 | 458,805 | 5,450,991 | 1188.08% |
| Income (loss) before capital contributions and transfers | 5,909,796 | 458,805 | 5,450,991 | 1188.08% |
| Transfers in (out) | - | 583,961 | (583,961) | -100.00% |
| Net position, beginning of year | 5,264,060 | 4,221,294 | 1,042,766 | 24.70% |
| Net position, end of 4th quarter | <u>\$ 11,173,856</u> | <u>\$ 5,264,060</u> | <u>\$ 5,909,796</u> | <u>112.27%</u> |

RIVERBEND WATER RESOURCES DISTRICT

COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION WET UTILITIES FUND FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2023

| | September 30, 2023 | September 30, 2022 | \$ Change | % Change |
|---|--------------------|--------------------|--------------|----------|
| OPERATING REVENUES | | | | |
| Charges for services: | | | | |
| Army volumetric charge | \$ 3,281,493 | \$ 3,246,554 | \$ 34,939 | 1.08% |
| Army water supply charge | 239,839 | 245,363 | (5,524) | -2.25% |
| Commercial & residential charge | 195,483 | 151,966 | 43,517 | 28.64% |
| Infrastructure services | 116,516 | - | 116,516 | |
| Other revenue | 11,487 | 2,275 | 9,212 | 404.92% |
| Total operating revenues | 3,844,818 | 3,646,158 | 198,660 | 5.45% |
| OPERATING EXPENSES | | | | |
| Analyticals | 104,911 | 100,504 | 4,407 | 4.38% |
| Consulting | 8,358 | 31,002 | (22,644) | -73.04% |
| Equipment maintenance, repair & fuel | 44,571 | 50,233 | (5,662) | -11.27% |
| Equipment rental | - | 2,281 | (2,281) | -100.00% |
| Insurance | 60,279 | 49,277 | 11,002 | 22.33% |
| Materials | 194,317 | 189,183 | 5,134 | 2.71% |
| Permits | 32,118 | 32,399 | (281) | -0.87% |
| Repairs | 253,287 | 207,063 | 46,224 | 22.32% |
| Salaries, wages, payroll taxes & benefits | 916,871 | 925,715 | (8,844) | -0.96% |
| Supplies & materials | 57,124 | 26,712 | 30,412 | 113.85% |
| Utilities | 183,555 | 160,577 | 22,978 | 14.31% |
| Waste disposal | 43,749 | 44,748 | (999) | -2.23% |
| Water purchase cost | 245,030 | 385,321 | (140,291) | -36.41% |
| Infrastructure services | 128,197 | - | 128,197 | |
| Overhead allocation - water | 172,671 | 187,709 | (15,038) | -8.01% |
| Overhead allocation - wastewater | 187,674 | 203,894 | (16,220) | -7.96% |
| Overhead allocation - industrial wastewater | 189,214 | 205,627 | (16,413) | -7.98% |
| Total operating expenses | 2,821,926 | 2,802,245 | 19,681 | 0.70% |
| Operating income (loss) before depreciation | 1,022,892 | 843,913 | 178,979 | 21.21% |
| Depreciation | 862,430 | 833,250 | 29,180 | 3.50% |
| Operating income (loss) | 160,462 | 10,663 | 149,799 | 1404.85% |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Interest income | 136,905 | 10,663 | 126,242 | 1183.93% |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Interest charges | 1,459,034 | 1,443,486 | 15,548 | 1.08% |
| Interest charges revenue | 1,459,005 | 1,420,388 | 38,617 | 2.71% |
| Interest advances | 78,905 | 30,088 | 48,817 | 162.28% |
| Interest advances | (270,874) | (310,683) | 39,809 | -14.74% |
| Gain (Loss) on disposal of assets | (220,865) | (317,620) | 96,755 | -30.46% |
| Gain (Loss) on disposal of assets | 23,105 | (63,000) | 86,105 | -136.68% |
| Bond issuance expense | (111,638) | (109,060) | 2,578 | 2.36% |
| Franchise fees | (196,639) | (109,350) | 87,289 | -80.74% |
| Franchise fees | (196,639) | (109,350) | 87,289 | -80.74% |
| Total nonoperating revenues (expenses) | 1,196,329 | 1,013,211 | 183,118 | 18.07% |
| Income (loss) before transfers | 1,356,791 | 1,023,874 | 332,917 | 32.52% |
| Transfers in (out) | (230,000) | (813,961) | 583,961 | -71.74% |
| Transfers in (out) | (230,000) | (813,961) | 583,961 | -71.74% |
| Change in net position | 1,126,791 | 209,913 | 916,878 | 436.79% |
| Change in net position | 1,103,234 | 209,913 | 893,321 | 425.57% |
| Net position, beginning of year | 14,917,818 | 14,707,905 | 209,913 | 1.43% |
| Net position, beginning of year | 14,917,818 | 14,707,905 | 209,913 | 1.43% |
| Net position, end of 4th quarter | \$ 16,044,609 | \$ 14,917,818 | \$ 1,126,791 | 7.55% |
| Net position, end of 4th quarter | \$ 16,021,052 | \$ 14,917,818 | \$ 1,103,234 | 7.40% |

**REGULAR CALLED MEETING
RIVERBEND WATER RESOURCES DISTRICT
WEDNESDAY, JANUARY 24, 2024**

**AGENDA ITEM VII. F.
RWRD RESO 20240124-07
FY 2023 Fourth Quarter
Investment Report**



RIVERBEND RESOLUTION NO. 20240124-07

APPROVING THE FOURTH QUARTER FY 2023 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 2023 Investment Report.

PASSED and APPROVED this 24th day of January 2024

Steve Mayo, President

ATTEST:

Tina Veal Gooch, Secretary



Attached: Fourth Quarter FY 2023 Investment Report

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF INVESTMENTS

ENTERPRISE FUNDS

For the Three Months Ended September 30, 2023

| Funds | Identification Number | Maturity Date | Balance 06/30/2023 | Interest Income 09/30/2023 | Transfers In/(Out) Per Policy | Net Deposits/ Withdrawals | Balance 09/30/2023 | Accrued Int Rec 09/30/2023 |
|--|-----------------------|--------------------------|-----------------------|----------------------------------|-------------------------------------|---------------------------------|-----------------------|----------------------------------|
| Administrative Fund | | | | | | | | |
| Operations | 50003704 | Daily checking | \$ 124,934 | \$ - | \$ (1,805) | (34,939) | \$ 88,190 | \$ - |
| Restricted - Region D Planning | 8009740 | Money Market | 13,171 | 72 | (51,775) | 121,422 | 82,818 | - |
| Operations | 457060 | Daily savings | 3,587 | 1 | - | 1 | 3,588 | - |
| Wet Utilities Fund | | | | | | | | |
| Operations | 21695 | Daily checking | 1,726,215 | - | (462,605) | 232,291 | 1,495,901 | - |
| Restricted bond sinking | 21709 | Daily checking | 2,588,782 | 19,391 | 525,650 | (1) | 3,133,822 | - |
| Restricted bond reserves | 21217 | Daily checking | 610,425 | 3,994 | (3,791) | - | 610,628 | - |
| Restricted construction funds | 21741 | Daily checking | 20,048 | 57 | (49) | (1) | 20,055 | - |
| Restricted operations | 21733 | Money Market | 905,609 | 5,926 | (5,624) | - | 905,911 | - |
| Regional Water System Facilities Fund | | | | | | | | |
| Restricted - Minimum Monthly Payments | 3011380 | Daily Savings | 351,181 | 12 | (1,181,306) | 1,193,542 | 363,429 | - |
| Restricted - 2020A Construction | 2037890 | Money Market | 1,925 | 1 | 28,139 | (29,510) | 555 | - |
| Restricted - 2020B Construction | 50022709 | Money Market | 1,044 | 2 | 67,187 | (67,227) | 1,006 | - |
| Restricted - 2020A Revenue | 8009732 | Money Market | 986,370 | 1,113 | 320,784 | 20,000 | 1,328,267 | - |
| Restricted - 2020B Revenue | 8009716 | Money Market | 1,521,748 | 1,534 | 472,522 | - | 1,995,804 | - |
| Restricted - 2020A Interest & Redemption | 8009813 | Money Market | 3,063,176 | 2,730 | 388,000 | (20,000) | 3,433,906 | - |
| Restricted - 2020B Interest & Redemption | 8009724 | Money Market | 1,639,213 | 1,431 | - | - | 1,640,644 | - |
| Restricted - 2020A Construction Escrow | 82-4416-01-0 | Bot Short-Term Cash Fund | 989,003 | 12,333 | (28,139) | (88) | 973,109 | 4,062 |
| Restricted - 2020B Construction Escrow | 82-4405-01-3 | Bot Short-Term Cash Fund | 2,458,803 | 31,085 | (2,370) | (606) | 2,486,912 | 10,340 |
| Restricted - 2022A Construction Escrow | 82-5428-01-4 | Bot Short-Term Cash Fund | 10,511,775 | 245,643 | - | 1,844,052 | 12,601,470 | 52,394 |
| Restricted - 2022B Construction Escrow | 82-5429-01-2 | Bot Short-Term Cash Fund | 8,127,696 | 201,774 | (64,818) | 1,205,049 | 9,469,701 | 39,373 |
| Restricted - 2023A Construction Escrow | 82-6356-01-6 | Bot Short-Term Cash Fund | 8,197,157 | 43,133 | - | (43,133) | 8,197,157 | 34,082 |
| Restricted - 2023B Construction Escrow | 82-6357-01-4 | Bot Short-Term Cash Fund | 5,766,367 | 30,343 | - | (30,343) | 5,766,367 | 23,975 |
| Restricted - 2022A Construction Escrow | 82-5428-01-4 | U.S. Treasury Notes | 42,576,887 | 173,832 | - | (1,715,223) | 41,035,496 | 332,910 |
| Restricted - 2022B Construction Escrow | 82-5429-01-2 | U.S. Treasury Notes | 28,384,922 | 101,035 | - | (1,128,628) | 27,357,329 | 221,936 |
| Total - All Funds | | | <u>\$ 106,606,514</u> | <u>\$ 875,442</u> | <u>\$ 0</u> | <u>\$ 4,463,986</u> | <u>\$ 122,992,065</u> | <u>\$ 719,072</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 24, 2024**

**AGENDA ITEM VII. G.
RWRD RESO 20240124-08
FY 2023 Audit Approval**



RIVERBEND RESOLUTION NO. 20240124-08

**APPROVING THE FY 2023 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 2023 Annual Audit performed by Wilf and Henderson, P.C. for distribution.

PASSED and APPROVED this 24th day of January 2024

Steve Mayo, President

ATTEST:

Tina Veal Gooch, Secretary



Attached: FY 2023 Annual Audit for Riverbend Water Resources District

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

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended
September 30, 2023**

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, 2023

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Introductory Section

January 24, 2024

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, 2023 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 2024 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. The third bond issuance in the amount of \$14.4M was made in August, 2023. In April, 2021 Riverbend entered into an agreement with Pape-Dawson Engineers to provide Professional and Project Management Services. At fiscal year-end \$16,946,709 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 \$31.2M.

FINANCIAL INFORMATION

Riverbend's accounting system consists of three enterprise funds where all financial activities are recorded. Management is 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 \$13,587,724 compared to \$10,465,405 for FY2022.

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, 2023 totaled \$129,450,000, which consisted of Water and Wastewater Revenue Bonds Taxable Series 2016A of \$4,100,000, Water and Wastewater Revenue Bonds Taxable Series 2016B of \$2,905,000, Contract Revenue Bond (Regional Water System Project) Taxable Series 2020A of \$10,495,000, and Contract Revenue Bond (Regional Water System Project) Tax-Exempt Series 2020B of \$6,985,000, Contract Revenue Bond (Regional Water System Project) Taxable Series 2022A of \$54,540,000, Contract Revenue Bond (Regional Water System Project) Series 2022B of \$36,025,000 and Contract Revenue Bonds (Regional Water System Project) Taxable Series 2023 of \$14,400,000.

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, 2023. 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, 2022. This is the fourth 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 24, 2024

PRINCIPAL OFFICIALS
AS OF SEPTEMBER 30, 2023
BOARD OF DIRECTORS

VAN ALEXANDER
President
Member At-Large

STEVE MAYO
Vice President
City of Texarkana

FRED MILTON
Treasurer
City of New Boston

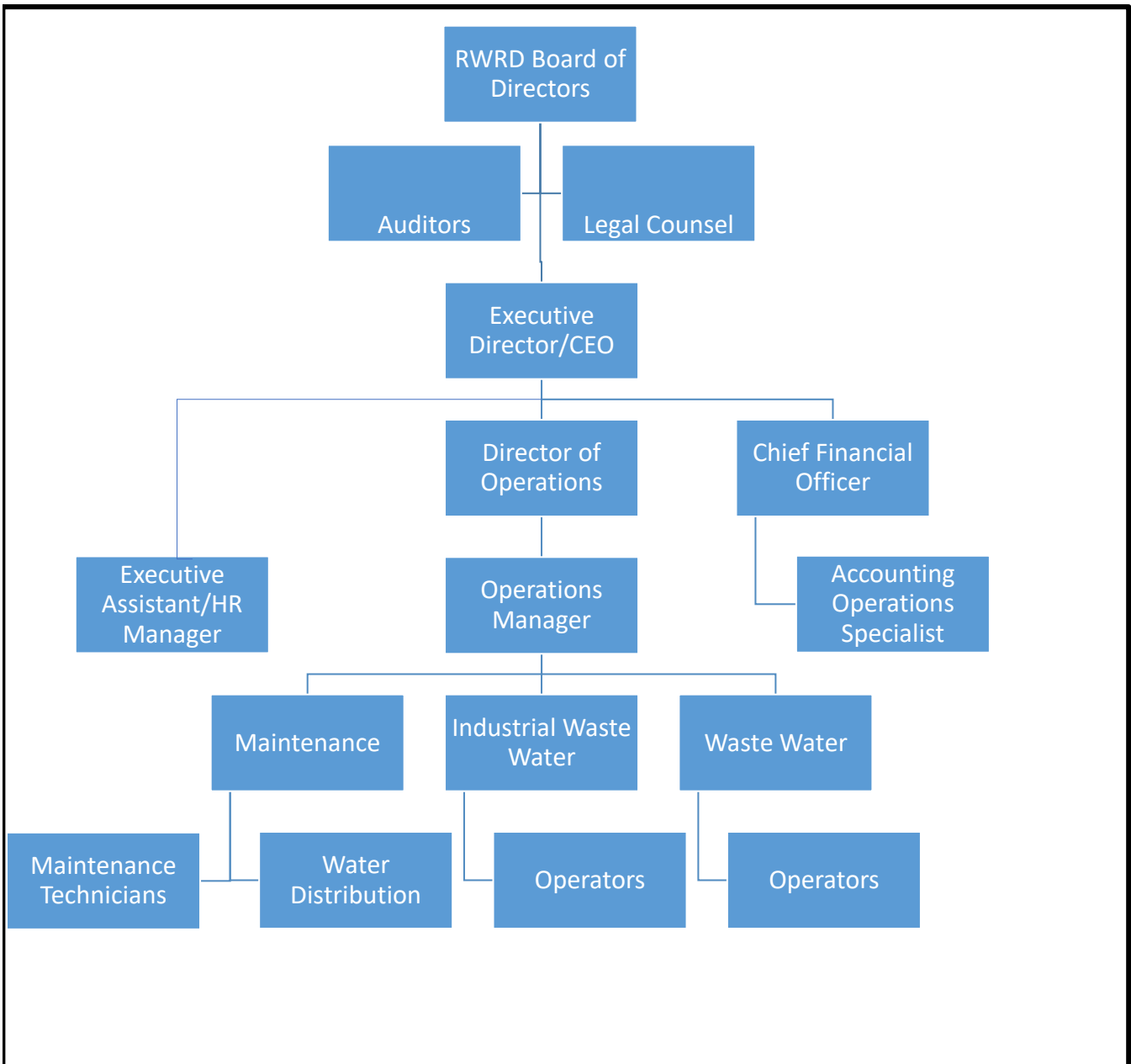
SONJA YATES HUBBARD
Secretary
City of Texarkana

TINA VEAL-GOOCH
Past President
TexAmericas Center

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

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Reporting

Presented to

**Riverbend Water Resources District
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrell

Executive Director/CEO

THE STATE OF TEXAS }
COUNTY OF BOWIE }

viii

Financial Section



WILF & HENDERSON, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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

**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:

Report on the Audit of the Financial Statements

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, 2023, 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, 2023, 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.

Responsibility of Management 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 on pages 4-8 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 24, 2024, 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.
Certified Public Accountants
Texarkana, Texas

January 24, 2024

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, 2023. 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 \$27,313,961 (net position). Of this amount \$12,335,714 (45%) are invested in capital assets for business-type uses and are not available to generate liquid capital. Net position restricted for specific purposes total \$12,777,584 (47%). The remaining \$2,200,663 (8%) is 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 2023, Riverbend's combined net position increased \$7,010,666 to \$27,313,961. The majority of the gain can be attributed to increased nonoperating revenues (expenses) of \$5,670,615. The majority of the combined difference is increased interest revenue of \$2,155,149, increased unrealized gain (loss) on investment of \$2,037,014 and decreased bond issuance costs of \$1,969,006.
- Riverbend's total long-term obligations increased by \$10,865,347 (9.44%) due to the issuance of bonds in the amount for \$14,400,000 reduced by regularly scheduled debt service payments on existing bonds.
- Riverbend's combined operating expenses increased by \$22,208 to a total for fiscal year 2023 of \$4,118,665. The Administrative fund's operating expenses decreased \$50,210 due to a decrease in engineering expense, legal expense and other miscellaneous expenses. The Wet Utilities fund's operating expenses increased \$43,238 due to an increase in repairs and utilities expenses. Depreciation expense increased by \$29,180. Amortization expenses increased by \$23,557.
- Riverbend's combined nonoperating revenues/expenses increased by \$5,670,615 to a total for fiscal year 2023 of \$7,092,759. The increase is due to interest revenue of \$2,155,149, increased unrealized gain (loss) on investment of \$2,037,014 and decreased bond issuance costs of \$1,969,006 which is included in the combined net position.

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 – 23 of this report.

Other Information

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

The budgetary information may be found on pages 24 - 26 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 27 - 45 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 46 - 75 of this report.

Single Audit Section

Riverbend is required to obtain a Single Audit Report for fiscal year 2023. 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 76 – 83 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 \$27,313,961 as of September 30, 2023. The largest portion of Riverbend's net position are the restricted funds in the amount of \$12,777,584 comprised of \$12,755,969 restricted for bond payments and \$21,615 restricted for construction projects. Amounts related to the net investment in capital assets total \$12,335,714. The unrestricted balance of \$2,200,663 may be used to meet Riverbend's ongoing obligations. Riverbend had an increase in net position during the year of \$7,010,666.

NET POSITION

| | 2023 | 2022 | Total \$ Change |
|----------------------------------|----------------|----------------|--------------------|
| Assets: | | | |
| Current assets | \$ 117,822,224 | \$ 102,644,181 | \$ 15,178,043 |
| Noncurrent assets | 7,206,813 | 5,912,276 | 1,294,537 |
| Capital Assets | 33,150,412 | 32,105,608 | 1,044,804 |
| Total assets | 158,179,449 | 140,662,065 | 17,517,384 |
| Liabilities: | | | |
| Current liabilities | 4,890,379 | 5,249,008 | (358,629) |
| Long-term liabilities | 125,975,109 | 115,109,762 | 10,865,347 |
| Total liabilities | 130,865,488 | 120,358,770 | 10,506,718 |
| Net position: | | | |
| Net investment in capital assets | 12,335,714 | 6,495,755 | 5,839,959 |
| Restricted for bond reserves | 12,755,969 | 11,393,866 | 1,362,103 |
| Restricted for construction | 21,615 | 22,247 | (632) |
| Unrestricted | 2,200,663 | 2,391,427 | (190,764) |
| Total net position | \$ 27,313,961 | \$ 20,303,295 | \$ 7,010,666 |

CHANGES IN NET POSITION

| | 2023 | 2022 | Total \$ Change |
|---------------------------------|---------------|---------------|--------------------|
| Operating revenue: | | | |
| Charges for services | \$ 4,036,572 | \$ 3,849,103 | \$ 187,469 |
| Total operating revenue | 4,036,572 | 3,849,103 | 187,469 |
| Operating expenses: | | | |
| Administrative | 410,752 | 460,962 | (50,210) |
| Wet Utilities | 2,821,926 | 2,802,245 | 19,681 |
| Depreciation | 862,430 | 833,250 | 29,180 |
| Amortization | 23,557 | - | 23,557 |
| Total operating expenses | 4,118,665 | 4,096,457 | 22,208 |
| Operating income | (82,093) | (247,354) | 165,261 |
| Nonoperating revenues/expenses | 7,092,759 | 1,422,144 | 5,670,615 |
| Change in net position | 7,010,666 | 1,174,790 | 5,835,876 |
| Net position, beginning of year | 20,303,295 | 19,128,505 | 1,174,790 |
| Net position, end of year | \$ 27,313,961 | \$ 20,303,295 | \$ 7,010,666 |

Riverbend's total operating revenues increased by \$187,469 in fiscal year 2023 from the 2022 revenue, the increase in charges for services fees for fiscal year 2023 of \$4,036,572 over fiscal year 2022 of \$3,849,103. Riverbend's

combined operating expenses increased by \$22,208 for a fiscal year 2023 total of \$4,118,665. The Administrative fund's operating expenses decreased \$50,210 and the Wet Utilities fund operating expenses increased \$43,238. Depreciation expense increased by \$29,180.

Budgetary Highlights

The fiscal year ended with a Wet Utilities Fund budget surplus of \$351,666 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 \$119,053 due to lower than expected project expenses and other favorable expense variances. The Regional Water System Facilities Fund budget surplus in the amount of \$993,193 is due to underestimating the amount of nonoperating revenues.

Capital Assets

Riverbend's capital assets as of September 30, 2023 amount increased to \$33,150,412. 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 three 2023 Ford F150's \$124,145, a Bobcat Compact Track Loader \$78,611, a walk-behind concrete saw \$11,121 and the Drying Bed Rehab \$228,056. The Regional Water System Project and the Industrial Feasibility Study had accumulated construction in progress costs totaling \$16,974,044. 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

| | 2023 | 2022 |
|--------------------------|----------------------|----------------------|
| Equipment | \$ 484,999 | \$ 409,911 |
| Utility system | 15,446,742 | 15,958,381 |
| Intangible assets | 244,627 | 255,077 |
| Construction in progress | 16,974,044 | 15,482,239 |
| Total capital assets | <u>\$ 33,150,412</u> | <u>\$ 32,107,630</u> |

Right to Use Subscription Asset

Riverbend's subscription asset as of September 30, 2023 increased to \$64,441. Riverbend entered into a Subscription-Based Information Technology Arrangements during the year ended September 30, 2023 in the amount of \$87,998. The subscription asset was amortized during the year.

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. In the year ended September 30, 2022 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. During the current fiscal year Riverbend issued Riverbend Water Resources District Contract Revenue Bond Taxable Series 2023 for \$14,400,000. Payments of principal in the amount of \$3,770,000 and interest in the amount of \$2,017,998 were made during the fiscal year. Total bonded debt at September 30, 2023 totaled \$129,450,000. 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 2023-2024 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. The Minimum Monthly Rate will increase from \$1.20 to \$2.40 per 1,000 gallons beginning October 1, 2023 in order to meet increasing debt service requirements. Riverbend anticipates issuing the fourth of the multi-year bond packages in August, 2024 in the amount of \$74.6M.

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

Request for Information

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

Basic Financial Statements

RIVERBEND WATER RESOURCES DISTRICT

STATEMENT OF NET POSITION

ENTERPRISE FUNDS

SEPTEMBER 30, 2023

| | Regional Water System Administration Fund | Regional Water System Facilities Fund | Wet Utilities Fund | Total |
|---|--|--|-----------------------|----------------------|
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | \$ 175,980 | \$ - | \$ 1,495,240 | \$ 1,671,220 |
| Accounts receivable | 16,747 | 293,207 | 674,238 | 984,192 |
| Interest receivable | - | 719,072 | - | 719,072 |
| Interfund accounts | 25,592 | - | - | 25,592 |
| Restricted assets: | | | | |
| Cash and cash equivalents restricted for bond debt reserves | - | 4,695,274 | 668,853 | 5,364,127 |
| Cash and cash equivalents restricted for construction | - | 39,496,276 | 20,055 | 39,516,331 |
| Investments restricted for construction | - | 68,392,824 | - | 68,392,824 |
| Cash and cash equivalents restricted for operations | - | - | 905,911 | 905,911 |
| Prepaid expenses | - | - | 160,310 | 160,310 |
| Inventories | - | - | 82,645 | 82,645 |
| Total current assets | 218,319 | 113,596,653 | 4,007,252 | 117,822,224 |
| Noncurrent assets: | | | | |
| Cash and cash equivalents - restricted for bond debt reserves | - | 4,066,775 | 3,075,597 | 7,142,372 |
| Right to Use Subscription asset (net of accumulated amortization) | - | - | 64,441 | 64,441 |
| Capital assets (net of accumulated depreciation): | | | | |
| Equipment | - | - | 484,999 | 484,999 |
| Utility system | - | - | 15,446,742 | 15,446,742 |
| Intangible assets | - | - | 244,627 | 244,627 |
| Construction in progress | - | 16,946,709 | 27,335 | 16,974,044 |
| Total capital assets | - | 16,946,709 | 16,203,703 | 33,150,412 |
| Total noncurrent assets | - | 21,013,484 | 19,343,741 | 40,357,225 |
| TOTAL ASSETS | 218,319 | 134,610,137 | 23,350,993 | 158,179,449 |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable | 16,448 | 205,480 | 59,518 | 281,446 |
| Payroll liabilities | - | - | 6,403 | 6,403 |
| Interfund accounts | - | 18,701 | 6,891 | 25,592 |
| Due to North East Texas Regional Water Planning Group | 82,818 | - | - | 82,818 |
| Accrued interest payable | - | 767,100 | 122,888 | 889,988 |
| Accrued compensated absences - current portion | - | - | 22,667 | 22,667 |
| Subscription liability - current portion | - | - | 21,465 | 21,465 |
| Revenue bonds payable - current portion | - | 3,150,000 | 410,000 | 3,560,000 |
| Total current liabilities | 99,266 | 4,141,281 | 649,832 | 4,890,379 |
| Long-term liabilities: | | | | |
| Accrued compensated absences - long term | - | - | 62,622 | 62,622 |
| Subscription liability - long term | - | - | 22,487 | 22,487 |
| Revenue bonds payable - long term | - | 119,295,000 | 6,595,000 | 125,890,000 |
| Total long-term liabilities | - | 119,295,000 | 6,680,109 | 125,975,109 |
| TOTAL LIABILITIES | 99,266 | 123,436,281 | 7,329,941 | 130,865,488 |
| NET POSITION | | | | |
| Net investment in capital assets | - | 2,185,404 | 10,150,310 | 12,335,714 |
| Restricted for bond reserves | - | 9,005,593 | 3,750,376 | 12,755,969 |
| Restricted for construction | - | 1,560 | 20,055 | 21,615 |
| Unrestricted | 119,053 | (18,701) | 2,100,311 | 2,200,663 |
| TOTAL NET POSITION | \$ 119,053 | \$ 11,173,856 | \$ 16,021,052 | \$ 27,313,961 |

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, 2023

| | Regional Water System Administration Fund | Regional Water System Facilities Fund | Wet Utilities Fund | Total |
|--|--|--|-----------------------|---------------|
| OPERATING REVENUES | | | | |
| Charges for services: | | | | |
| Member fees | \$ 191,754 | \$ - | \$ - | \$ 191,754 |
| Army volumetric charge | - | - | 3,281,493 | 3,281,493 |
| Army water supply charge | - | - | 239,839 | 239,839 |
| Commercial and residential charge | - | - | 195,483 | 195,483 |
| Infrastructure services | - | - | 116,516 | 116,516 |
| Other revenue | - | - | 11,487 | 11,487 |
| Total operating revenues | 191,754 | - | 3,844,818 | 4,036,572 |
| OPERATING EXPENSES | | | | |
| Accounting and audit | 4,960 | - | - | 4,960 |
| Analytics | - | - | 104,911 | 104,911 |
| Community relations | 2,605 | - | - | 2,605 |
| Conferences & seminars | 4,071 | - | - | 4,071 |
| Consulting | 182,111 | - | 8,358 | 190,469 |
| Dues and memberships | 9,041 | - | - | 9,041 |
| Engineering services | 11,100 | - | - | 11,100 |
| Equipment maintenance, repair and fuel | - | - | 44,571 | 44,571 |
| Insurance | - | - | 60,279 | 60,279 |
| Legal and professional fees | 7,529 | - | - | 7,529 |
| Materials | - | - | 194,317 | 194,317 |
| Meetings expense | 5,385 | - | - | 5,385 |
| Permits | - | - | 32,118 | 32,118 |
| Repairs | - | - | 253,287 | 253,287 |
| Salaries, wages, payroll taxes and benefits | 171,335 | - | 916,871 | 1,088,206 |
| Supplies | - | - | 57,124 | 57,124 |
| Travel and training | 9,634 | - | - | 9,634 |
| Utilities | - | - | 183,555 | 183,555 |
| Waste disposal | - | - | 43,749 | 43,749 |
| Water purchase cost | - | - | 245,030 | 245,030 |
| Web design and maintenance | 2,981 | - | - | 2,981 |
| Infrastructure services | - | - | 128,197 | 128,197 |
| Overhead allocation - water | - | - | 172,671 | 172,671 |
| Overhead allocation - wastewater | - | - | 187,674 | 187,674 |
| Overhead allocation - industrial wastewater | - | - | 189,214 | 189,214 |
| Total operating expenses before depreciation | 410,752 | - | 2,821,926 | 3,232,678 |
| Operating income (loss) before depreciation | (218,998) | - | 1,022,892 | 803,894 |
| Depreciation | - | - | 862,430 | 862,430 |
| Amortization | - | - | 23,557 | 23,557 |
| Operating income (loss) | (218,998) | - | 136,905 | (82,093) |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Facility charges revenue | - | - | 1,459,034 | 1,459,034 |
| Minimum monthly payments | - | 4,483,159 | - | 4,483,159 |
| Interest revenue | - | 2,750,657 | 77,705 | 2,828,362 |
| Project admin fees | - | - | 18,974 | 18,974 |
| Gain (loss) on disposal of asset | - | - | 23,105 | 23,105 |
| Unrealized gain (loss) on investment | - | 738,518 | - | 738,518 |
| Interest expense | - | (1,608,065) | (270,851) | (1,878,916) |
| Finance and wire fees | - | (2,578) | - | (2,578) |
| Franchise fees expense | - | - | (111,638) | (111,638) |
| Special projects expense | (13,366) | - | - | (13,366) |
| Bond issuance costs | - | (451,895) | - | (451,895) |
| Total nonoperating revenues (expenses) | (13,366) | 5,909,796 | 1,196,329 | 7,092,759 |
| Income (loss) before capital contributions and transfers | (232,364) | 5,909,796 | 1,333,234 | 7,010,666 |
| Capital contributions | - | - | - | - |
| Transfers in (out) | 230,000 | - | (230,000) | - |
| Changes in net position | (2,364) | 5,909,796 | 1,103,234 | 7,010,666 |
| Net position, beginning of year | 121,417 | 5,264,060 | 14,917,818 | 20,303,295 |
| Net position, end of year | \$ 119,053 | \$ 11,173,856 | \$ 16,021,052 | \$ 27,313,961 |

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, 2023

| | Regional Water System Administration Fund | Regional Water System Facilities Fund | Wet Utilities Fund | Total |
|---|--|--|-----------------------|-------------------|
| Cash flows from operating activities: | | | | |
| Cash received from customers | \$ 193,608 | \$ - | \$ 4,012,739 | \$ 4,206,347 |
| Cash paid to suppliers | (221,958) | - | (1,986,519) | (2,208,477) |
| Cash paid to employees | (171,335) | - | (958,348) | (1,129,683) |
| Net cash provided (used) by operating activities | (199,685) | - | 1,067,872 | 868,187 |
| Cash flows from noncapital financing activities: | | | | |
| Net increase (decrease) in interfund receivable/liability accounts | (11,141) | (838) | 11,979 | - |
| Transfer in (out) | 230,000 | - | (230,000) | - |
| Net cash provided (used) by noncapital financing activities | 218,859 | (838) | (218,021) | - |
| Cash flows from capital and related financing activities: | | | | |
| Receipt of facility charges revenues | - | 4,480,153 | 1,459,034 | 5,939,187 |
| Acquisition and construction of capital assets | - | (1,439,996) | (442,178) | (1,882,174) |
| Proceeds from sale of assets | - | - | 49,856 | 49,856 |
| Payments on subscription liability | - | - | (44,047) | (44,047) |
| Cash disbursed for special projects | (13,366) | - | - | (13,366) |
| Franchise fees paid | - | - | (111,638) | (111,638) |
| Interest expense paid | - | (1,735,202) | (285,688) | (2,020,890) |
| Receipt of project admin fees | - | - | 18,974 | 18,974 |
| Finance and wire fees | - | (2,578) | - | (2,578) |
| Proceeds on bonds issued | - | 13,948,105 | - | 13,948,105 |
| Bonded debt principal reduction | - | (2,955,000) | (815,000) | (3,770,000) |
| Net cash provided (used) by capital and related financing activities | (13,366) | 12,295,482 | (170,687) | 12,111,429 |
| Cash flows from investing activities: | | | | |
| Proceeds from maturities | - | 23,099,418 | - | 23,099,418 |
| Purchase of investments | - | (15,542,730) | - | (15,542,730) |
| Interest revenue received | - | 2,289,546 | 77,705 | 2,367,251 |
| Net cash provided (used) by investing activities | - | 9,846,234 | 77,705 | 9,923,939 |
| Net increase(decrease) in cash and cash equivalents | 5,808 | 22,140,878 | 756,869 | 22,903,555 |
| Cash and cash equivalents, beginning of year | 170,172 | 26,117,447 | 5,408,787 | 31,696,406 |
| Cash and cash equivalents, end of year | 175,980 | 48,258,325 | 6,165,656 | 54,599,961 |
| Cash and cash equivalents consists of: | | | | |
| Cash and cash equivalents - Unrestricted | 175,980 | - | 1,495,240 | 1,671,220 |
| Cash and cash equivalents restricted for bonded debt purposes | - | 8,762,049 | 3,744,450 | 12,506,499 |
| Cash and cash equivalents restricted for construction | - | 39,496,276 | 20,055 | 39,516,331 |
| Cash and cash equivalents restricted for operations | - | - | 905,911 | 905,911 |
| Total cash and cash equivalents | 175,980 | 48,258,325 | 6,165,656 | 54,599,961 |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities | | | | |
| Operating income (loss) | \$ (218,998) | \$ - | \$ 136,905 | \$ (82,093) |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities: | | | | |
| Depreciation expense | - | - | 862,430 | 862,430 |
| Amortization expense | - | - | 23,557 | 23,557 |
| (Increase) decrease in current assets: | | | | |
| Accounts receivable | 1,854 | - | 167,921 | 169,775 |
| Inventory | - | - | 681 | 681 |
| Prepaid expenses | - | - | (28,129) | (28,129) |
| Increase (decrease) in current liabilities: | | | | |
| Accounts payable | 17,459 | - | (54,016) | (36,557) |
| Payroll liabilities | - | - | (45,451) | (45,451) |
| Accrued compensated absences | - | - | 3,974 | 3,974 |
| Total adjustments | 19,313 | - | 930,967 | 926,723 |
| Net cash provided (used) by operating activities | \$ (199,685) | \$ - | \$ 1,067,872 | \$ 844,630 |
| Noncash Capital, Financing and Investing Activities | | | | |
| Bond Issuance Costs | \$ - | \$ 451,895 | \$ - | \$ 451,895 |

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, 2023

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 an initial 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. On October 1, 2023, Riverbend raised the monthly rate to \$2.40 to maintain bond reserves sufficient to pay increasing annual debt service requirements.

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. New Accounting Pronouncement

GASB Statement 96, Subscription-Based Information Technology Arrangements, issued May 2020 was adopted for the year ending June 30, 2023. The scope of this statement addresses accounting and financial reporting for SBITAs by governments. A SBITA is defined as a contract that conveys control of the right to use another party's information technology software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction. This Statement provides an exception for short-term SBITAs. Short-term SBITAs have a maximum possible term under the SBITA contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Subscription payments for short-term SBITAs should be recognized as outflows of resources.

The adoption of GASB Statement 96 resulted in the recognition of a subscription asset, net of prepaid subscription payments, of \$87,998 and subscription liabilities of \$87,998 as of November 16, 2022. The subscription asset contract was signed in the current year. The adoption of GASB Statement 96 did not have a material impact on the Company's results of operations, cash flows or debt covenants. As of September 30, 2023, the subscription liability was \$43,952.

D. 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.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

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.

5. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers in and out are netted and presented as a single "Transfers" line on Riverbend's statement of activities.

6. 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.

7. Inventories

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

8. 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 |

9. 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

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

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.

10. 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.

11. 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 2023.

12. Net Position

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

13. 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.

14. Leases

GASB Statement 87, Leases, issued June 2017 was adopted for the year ending September 30, 2022. The scope of this statement addresses accounting and financial reporting for leases by governments. Riverbend did not participate in any such leases; there are no such amounts recorded in the financial statements.

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

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

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, 2023:

| <u>Type</u> | <u>Financial Institution</u> | <u>Fair Value</u> |
|---------------------------|------------------------------|-------------------|
| Cash and cash equivalents | BOK Financial | \$ 39,494,716 |
| Cash and cash equivalents | State Bank of DeKalb | 6,166,317 |
| Cash and cash equivalents | Texana Bank | 8,938,207 |

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, 2023 was \$107,887,541 consisting of \$39,494,716 in their Short Term Cash Fund I and \$68,392,825 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.

The following is a summary of the fair value of the investments of Riverbend as of September 30, 2023:

| Investment Type | Fair Value | Investment Maturities (in Years) | | | |
|---------------------|---------------|----------------------------------|------------|------|--------------|
| | | Less Than 1 | 1-5 | 6-10 | More Than 10 |
| U.S. Treasury Notes | \$ 68,392,825 | 57,210,242 | 11,182,583 | - | - |
| Totals | \$ 68,392,825 | 57,210,242 | 11,182,583 | - | - |

At September 30, 2023, all of Riverbend's investments are classified as Level 1.

NOTE 4 – ACCOUNTS RECEIVABLE

Riverbend's accounts receivable as of September 30, 2023 was \$984,192. 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, 2023. The Regional Water System Project and Regional Water System Planning in Progress transfers had accumulated \$16,974,044 of construction in progress cost at September 30, 2023. Drying Bed Rehab was completed during the fiscal year at a cost of \$228,056. Major capital asset additions during the current fiscal year were three 2023 Ford F150's \$124,145, a Bobcat Compact Track Loader \$78,611 and a Husqvarna Walk Behind Concrete Saw \$11,121. Total depreciation expense of \$862,430 was included in operating expenses.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

Capital asset activity for the year ended September 30, 2023 was as follows:

| | Balance September 30, 2022 | Additions | Reclassifications/ Retirements | Balance September 30, 2023 |
|---|----------------------------------|--------------|-----------------------------------|----------------------------------|
| Capital assets, not being depreciated | | | | |
| Construction in progress | \$ 15,482,239 | \$ 1,491,805 | \$ - | \$ 16,974,044 |
| Capital assets, being depreciated | | | | |
| Computer equipment | 1,362 | | | 1,362 |
| Equipment | 705,913 | 214,122 | 44,167 | 875,868 |
| Utility systems | 19,945,588 | 228,036 | | 20,173,624 |
| Intangible assets | 301,692 | | | 301,692 |
| Total capital assets, being depreciated | 20,954,555 | 442,158 | 44,167 | 21,352,546 |
| Less accumulated depreciation for: | | | | |
| Computer equipment | (1,362) | | | (1,362) |
| Equipment | (296,001) | (112,304) | (17,436) | (390,869) |
| Utility systems | (3,987,207) | (739,674) | | (4,726,881) |
| Intangible assets | (46,616) | (10,450) | | (57,066) |
| Total accumulated depreciation | (4,331,186) | (862,428) | (17,436) | (5,176,178) |
| Total capital assets, being depreciated | 16,623,369 | (420,270) | 26,731 | 16,176,368 |
| Total capital assets, net | \$ 32,105,608 | \$ 1,071,535 | \$ 26,731 | \$ 33,150,412 |

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, another \$93,000,000 in contract revenue bonds in 2022 and another \$14,400,000 in contract revenue bonds in 2023. 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 Series 2023 bonds are callable whole or in part inversely beginning October 15, 2033 at par plus accrued interest. The total principal and interest remaining to be paid on the bonds is \$172,010,714. Riverbend made \$3,770,000 of principal payment and \$2,017,998 of interest payments during the fiscal year ended September 30, 2023. Riverbend incurred \$1,878,916 of interest expense during the year ended September 30, 2023.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

Long-term debt at September 30, 2023 is comprised of the following:

| | <i>Rate of Interest</i> | <i>Original Issue</i> | <i>Outstanding September 30, 2023</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 | \$ 4,100,000 |
| 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 | 2,905,000 |
| 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 | 10,495,000 |
| 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 | 6,985,000 |
| 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 | 54,540,000 |
| 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 | 36,025,000 |
| Riverbend Water Resources District | | | |
| Contract Revenue Bond (Regional Water System Project) | | | |
| Taxable Series 2023 -- Due serially in varying amounts from October 2024 through October 2053 | 3.59-4.32% | 14,400,000 | 14,400,000 |
| Total bonded indebtedness | | <u>\$ 137,010,000</u> | <u>129,450,000</u> |
| Less current maturities | | | <u>(3,560,000)</u> |
| Total long-term debt | | | <u>\$ 125,890,000</u> |

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

Annual requirements to amortize Riverbend's revenue bonds outstanding at September 30, 2023 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> |
| 2024 | 3,560,000 | 2,210,346 | 5,770,346 |
| 2025 | 3,850,000 | 2,385,799 | 6,235,799 |
| 2026 | 3,895,000 | 2,417,841 | 6,312,841 |
| 2027 | 3,895,000 | 2,435,228 | 6,330,228 |
| 2028 | 3,975,000 | 2,358,496 | 6,333,496 |
| 2029-2033 | 20,225,000 | 10,433,972 | 30,658,972 |
| 2034-2038 | 20,470,000 | 8,587,478 | 29,057,478 |
| 2039-2043 | 22,550,000 | 6,497,942 | 29,047,942 |
| 2044-2048 | 24,515,000 | 3,959,110 | 28,474,110 |
| 2049-2053 | 21,695,000 | 1,257,119 | 22,952,119 |
| 2054 | 820,000 | 17,406 | 837,406 |
| | <u>\$ 129,450,000</u> | <u>\$ 42,560,715</u> | <u>\$ 172,010,715</u> |

The following is a summary of the changes in long-term obligations for the year ended September 30, 2023.

| | <i>Beginning</i> <i>Balance</i> <i>October 1,</i> <i>2022</i> | | | <i>Ending</i> <i>Balance</i> <i>September 30,</i> <i>2023</i> | <i>Due Within</i> <i>One Year</i> |
|------------------------------|--|----------------------|-----------------------|--|--------------------------------------|
| | | <i>Additions</i> | <i>Retirements</i> | | |
| Revenue bonds | \$ 118,820,000 | \$ 14,400,000 | \$ (3,770,000) | \$ 129,450,000 | \$ 3,560,000 |
| Subscription liability | - | 87,998 | (44,046) | 43,952 | 21,465 |
| Accrued compensated absences | 81,314 | 66,367 | (62,392) | 85,289 | 22,667 |
| Total | <u>\$ 118,901,314</u> | <u>\$ 14,554,365</u> | <u>\$ (3,876,438)</u> | <u>\$ 129,579,241</u> | <u>\$ 3,604,132</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, 2023 totaled \$126,913 and \$95,052, respectively.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

At the September 30, 2023 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 | 0 |
| Active employees | 16 |
| Total | <u>16</u> |

NOTE 8 – RISK MANAGEMENT

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

NOTE 9 – INTERFUND BALANCES AND TRANSFERS

During the fiscal year ended September 30, 2023, a receivable of \$25,592 was recorded by the Regional Water System Administration Fund with offsetting payables recorded by the Wet Utilities Fund of \$6,891 and the Regional Water System Facilities Fund of \$18,701 to reclassify expenses between funds. These interfund balances will be repaid currently. During the fiscal year ended September 30, 2023, the Wet Utilities Fund transferred \$230,000 to the Regional Water System Administration Fund. Transfers totaling \$230,000 will be used for professional service expenses related to future and ongoing water, wastewater and industrial wastewater projects.

NOTE 10 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

Riverbend has entered into a subscription-based information technology arrangement (SBITA) involving financial software. The SBITA liability is the present value of these payments using Riverbend's incremental borrowing rate. The liability is amortized providing the principal and interest components of the payments over the SBITA term. The SBITA asset is measured as the SBITA liability plus any capitalized expenditures/expenses incurred in the initial implementation stage. The SBITA asset is depreciated (amortized) using a straight-line depreciation method over the term of the SBITA arrangement. Total amount of the subscription assets and accumulated amortization:

| Term in Months | Total Asset Amount | Total Accumulated Amortization |
|-------------------|-----------------------|--------------------------------------|
| 48 | 87,998 | 23,557 |

The SBITA liability and associated principal and interest requirements:

| Interest Rate | Beginning Liability | Term in Months | Ending Balance |
|------------------|------------------------|----------------------|-------------------|
| 4.76% | 87,998 | 48 | 43,952 |

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

The future subscription payments under the SBITA are as follows:

| | Subscriptions | | |
|-------|---------------|----------|-----------|
| | Principal | Interest | Total |
| 2024 | \$ 21,465 | \$ 2,092 | \$ 23,557 |
| 2025 | 22,487 | 1,070 | 23,557 |
| Total | \$ 43,952 | \$ 3,162 | \$ 47,114 |

NOTE 11 – 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 12 – WATER SUPPLY AND WASTEWATER TREATMENT CONTRACT WITH RED RIVER ARMY DEPOT

Volumetric Charges and Operating Revenues

Volumetric charges for the water, wastewater and industrial wastewater systems are equal to the annual budgeted amount for operations and maintenance plus an 8% margin/fee multiplied by the Army's actual percentage of overall usage from the prior fiscal year. Volumetric water supply charges are the water supply cost multiplied by the actual RRAD usage each month. During the year ending September 30, 2022 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, 2023, 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. The new industrial wastewater plant is estimated to cost \$31.2M. 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.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

NOTE 13 – MAJOR CUSTOMERS

Riverbend's Wet Utilities Fund has one major customer, Red River Army Depot (RRAD). At September 30, 2023, RRAD owed Riverbend \$596,012, 88.84% of the billed receivables. Riverbend billed RRAD \$4,904,323, 92.67% of the charges for services and facility charges for the year ended September 30, 2023.

Riverbend's Regional Water System Facilities Fund has two customers contributing more than 10% of the fund's \$4,483,159 member revenue. Riverbend billed the City of Texarkana \$2,813,790 (63%) and the City of New Boston \$465,869 (10%) for the year ended September 30, 2023. The City of Texarkana owed Riverbend \$237,949, 81% of total receivables at September 30, 2023.

Riverbend's Regional Water System Administration Fund has one major customer, the City of Texarkana. At September 30, 2023, the City of Texarkana owed Riverbend \$9,192, 54.88% of the billed receivables. Riverbend billed the City of Texarkana \$110,304, 57.52% of the member fee charges for the year ended September 30, 2023.

NOTE 14 – 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 167, 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, 2023 was \$38,077. The cumulative TAC rental water credits are included in the schedule in Note 15.

NOTE 15 – 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, 2023, Riverbend paid franchise fees of \$111,638.

NOTE 16 – 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.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

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

| Member Organization | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | Prior Years | Total |
|----------------------------------|------------|------------|------------|------------|------------|------------|----------------|--------------|
| City of Annona | \$ 383 | \$ 480 | \$ 315 | \$ 374 | \$ 407 | \$ 350 | \$ 2,740 | \$ 5,049 |
| City of Atlanta | 15,896 | 14,268 | 15,125 | 14,988 | 15,165 | 15,622 | 98,457 | 189,521 |
| City of Avery | 821 | 787 | 821 | 782 | 904 | 1,054 | 7,302 | 12,471 |
| Central Bowie Co. WSC | 10,751 | 10,502 | 10,512 | 9,414 | - | - | - | 41,179 |
| City of DeKalb | 3,212 | 3,811 | 3,481 | 3,192 | 3,482 | 3,218 | 25,706 | 46,102 |
| City of Hooks | 7,881 | 7,644 | 7,530 | 7,274 | 7,253 | 7,238 | 48,912 | 93,732 |
| City of Leary | 1,135 | 973 | 985 | 975 | 945 | 807 | 5,924 | 11,744 |
| City of Maud | 1,701 | 2,188 | 2,235 | 2,059 | 2,163 | 1,881 | 15,880 | 28,107 |
| City of Nash | 4,360 | 4,529 | 4,323 | 4,249 | 4,319 | 4,450 | 27,845 | 54,075 |
| City of New Boston | 13,711 | 15,502 | 15,635 | 15,350 | 17,756 | 17,944 | 120,399 | 216,297 |
| Oak Grove WSC | 933 | 1,253 | 1,082 | 96 | - | - | - | 3,364 |
| City of Redwater | 5,419 | 5,407 | 5,771 | 5,661 | 5,449 | 6,224 | 32,321 | 66,252 |
| City of Texarkana, TX | 110,304 | 118,214 | 117,451 | 97,893 | 122,404 | 120,039 | 855,065 | 1,541,370 |
| City of Wake Village | 6,809 | 6,700 | 7,472 | 7,024 | 7,470 | 7,297 | 56,900 | 99,672 |
| TexAmericas Center | - | - | - | - | - | - | 60,298 | 60,298 |
| TexAmericas Center Rental Credit | 38,077 | 36,968 | 35,891 | 34,845 | 33,830 | 32,845 | 62,849 | 275,305 |
| Wet Utilities Fund | 8,438 | 10,687 | 11,897 | 11,511 | 9,891 | 11,960 | 27,629 | 92,013 |
| Total | \$ 229,831 | \$ 239,913 | \$ 240,526 | \$ 215,687 | \$ 231,438 | \$ 230,929 | \$ 1,448,227 | \$ 2,836,551 |

NOTE 17 – 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. On August 5, 2020, Texas Water Development Board approved funding of \$199,700,000 for the facility. As of September 30, 2023, Riverbend has spent \$16,946,709 on the project.

Riverbend is also working with RRAD to build a new industrial wastewater treatment facility. Updated estimates anticipate the cost to be \$31.2M. The new industrial wastewater treatment facility will be built on public property and accessible to industrial users in addition to RRAD. Riverbend anticipates having a finalized contract with RRAD in early 2024.

NOTE 18 – SUBSEQUENT EVENTS

In preparing these financial statements, management of Riverbend has evaluated events and transactions for potential recognition or disclose through January 24, 2024, the date the financial statements were available to be issued.

Supplementary Information
Budgetary Comparison Schedules

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE REGIONAL WATER SYSTEM ADMINISTRATION FUND FOR THE YEAR ENDED SEPTEMBER 30, 2023

| | <i>Original Budget</i> | <i>Final Budget</i> | <i>Actual</i> | <i>Variance with Final Budget + or (-)</i> |
|--|----------------------------|-------------------------|-------------------|--|
| OPERATING REVENUES | | | | |
| Charges for services | \$ 192,158 | \$ 192,158 | \$ 191,754 | \$ (404) |
| Total operating revenues | <u>192,158</u> | <u>192,158</u> | <u>191,754</u> | <u>(404)</u> |
| OPERATING EXPENSES | | | | |
| Accounting and audit | 4,500 | 5,000 | 4,960 | 40 |
| Community relations | 8,000 | 8,000 | 2,605 | 5,395 |
| Conferences and seminars | 4,700 | 4,700 | 4,071 | 629 |
| Consulting | 200,000 | 200,000 | 182,111 | 17,889 |
| Dues and memberships | 7,883 | 9,083 | 9,041 | 42 |
| Engineering services | 20,000 | 20,000 | 11,100 | 8,900 |
| Legal and professional fees | 27,500 | 25,600 | 7,529 | 18,071 |
| Meetings expense | 6,000 | 6,000 | 5,385 | 615 |
| Military affairs | 11,000 | 11,000 | - | 11,000 |
| Miscellaneous | 1,800 | 1,200 | - | 1,200 |
| Office supplies and expense | 3,300 | 4,100 | - | 4,100 |
| Regional planning projects | 60,000 | 60,000 | - | 60,000 |
| Salaries, wages, payroll taxes and benefits | 177,763 | 177,763 | 171,335 | 6,428 |
| Travel and training | 18,000 | 18,000 | 9,634 | 8,366 |
| Web design and maintenance | 4,000 | 4,000 | 2,981 | 1,019 |
| Total operating expenses | <u>554,446</u> | <u>554,446</u> | <u>410,752</u> | <u>143,694</u> |
| Operating Income (loss) before special projects expense and transfers | <u>(362,288)</u> | <u>(362,288)</u> | <u>(218,998)</u> | <u>143,290</u> |
| Non-operating revenues (expenses) | | | | |
| Interest revenue | 100 | 100 | - | (100) |
| Special projects expense | <u>(50,000)</u> | <u>(50,000)</u> | <u>(13,366)</u> | <u>36,634</u> |
| Changes in net position before transfers | <u>(412,188)</u> | <u>(412,188)</u> | <u>(232,364)</u> | <u>179,824</u> |
| Transfer in | 230,000 | 230,000 | 230,000 | - |
| Additional transfer in if necessary | <u>60,771</u> | <u>60,771</u> | <u>-</u> | <u>(60,771)</u> |
| Changes in net position | <u>(121,417)</u> | <u>(121,417)</u> | <u>(2,364)</u> | <u>119,053</u> |
| Net position, beginning of year | <u>121,417</u> | <u>121,417</u> | <u>121,417</u> | <u>-</u> |
| Net position, end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 119,053</u> | <u>\$ 119,053</u> |

Note: GAAP serves as the basis of budget.

Note: If necessary, additional transfers would be made from the Wet Utilities Fund.

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE

WET UTILITIES FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2023

| | <i>Original Budget</i> | <i>Final Budget</i> | <i>Actual</i> | <i>Variance with Final Budget + or (-)</i> |
|--|----------------------------|-------------------------|----------------------|--|
| OPERATING REVENUES | | | | |
| Charges for services | \$ 3,994,975 | \$ 3,900,459 | \$ 3,844,818 | \$ (55,641) |
| Total operating revenues | <u>3,994,975</u> | <u>3,900,459</u> | <u>3,844,818</u> | <u>(55,641)</u> |
| OPERATING EXPENSES | | | | |
| Analytical | 150,000 | 149,875 | 104,911 | 44,964 |
| Capital replacement | 415,100 | - | - | - |
| Consulting | 60,000 | 46,800 | 8,358 | 38,442 |
| Equipment maintenance, repair and fuel | 52,000 | 49,770 | 44,571 | 5,199 |
| Equipment rental | 11,000 | 4,965 | - | 4,965 |
| Insurance | 54,247 | 61,197 | 60,279 | 918 |
| Materials | 235,200 | 237,700 | 194,317 | 43,383 |
| Permits | 55,000 | 50,500 | 32,118 | 18,382 |
| Repairs | 319,000 | 295,600 | 253,287 | 42,313 |
| Salaries, wages, payroll taxes and benefits | 1,133,127 | 1,118,158 | 916,871 | 201,287 |
| Supplies | 52,600 | 64,660 | 57,124 | 7,536 |
| Utilities | 188,000 | 198,000 | 183,555 | 14,445 |
| Waste disposal | 70,000 | 56,000 | 43,749 | 12,251 |
| Water purchase cost | 378,057 | 251,057 | 245,030 | 6,027 |
| Infrastructure services | 102,679 | 102,679 | 128,197 | (25,518) |
| Overhead allocation - water | 196,606 | 196,527 | 172,671 | 23,856 |
| Overhead allocation - wastewater | 213,558 | 213,473 | 187,674 | 25,799 |
| Overhead allocation - industrial wastewater | 215,371 | 215,286 | 189,214 | 26,072 |
| Total operating expenses before depreciation | <u>3,901,545</u> | <u>3,312,247</u> | <u>2,821,926</u> | <u>490,321</u> |
| Operating income (loss) before depreciation | 93,430 | 588,212 | 1,022,892 | 434,680 |
| Depreciation | 799,500 | 844,500 | 862,430 | (17,930) |
| Amortization | - | - | 23,557 | (23,557) |
| Operating income (loss) | <u>(706,070)</u> | <u>(256,288)</u> | <u>136,905</u> | <u>393,193</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Facility charges revenues | 1,504,031 | 1,485,761 | 1,459,034 | (26,727) |
| Interest revenue | 14,000 | 84,600 | 77,705 | (6,895) |
| Project admin fees | 41,921 | 18,321 | 18,974 | 653 |
| Gain (loss) on disposal of asset | - | 26,000 | 23,105 | (2,895) |
| Interest expense | (445,885) | (267,791) | (270,851) | (3,060) |
| Franchise fees expense | (109,035) | (109,035) | (111,638) | (2,603) |
| Total nonoperating revenues (expenses) | <u>1,005,032</u> | <u>1,237,856</u> | <u>1,196,329</u> | <u>(41,527)</u> |
| Income (loss) before capital contributions and transfers | 298,962 | 981,568 | 1,333,234 | 351,666 |
| Transfers in (out) | <u>(230,000)</u> | <u>(230,000)</u> | <u>(230,000)</u> | <u>-</u> |
| Changes in net position | 68,962 | 751,568 | 1,103,234 | 351,666 |
| Net position, beginning of year | <u>14,917,818</u> | <u>14,917,818</u> | <u>14,917,818</u> | <u>-</u> |
| Net position, end of year | <u>\$ 14,986,780</u> | <u>\$ 15,669,386</u> | <u>\$ 16,021,052</u> | <u>\$ 351,666</u> |

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, 2023

| | <i>Original Budget</i> | <i>Final Budget</i> | <i>Actual</i> | <i>Variance with Final Budget + or (-)</i> |
|---|----------------------------|-------------------------|----------------------|--|
| OPERATING REVENUES | | | | |
| Charges for services | \$ - | \$ - | \$ - | \$ - |
| Total operating revenues | - | - | - | - |
| OPERATING EXPENSES | | | | |
| Expenses | - | - | - | - |
| Total operating expenses | - | - | - | - |
| Operating income (loss) | - | - | - | - |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Minimum monthly payments | 4,296,050 | 4,296,050 | 4,483,159 | 187,109 |
| Interest income | 2,161,063 | 2,161,063 | 2,750,657 | 589,594 |
| Bond interest expense | (1,565,230) | (1,565,230) | (1,608,065) | (42,835) |
| Wire fees | (1,750) | (1,750) | (2,578) | (828) |
| Unrealized gain/(loss) on investments | 478,365 | 478,365 | 738,518 | 260,153 |
| Bond issuance costs | (451,895) | (451,895) | (451,895) | - |
| Total nonoperating revenues (expenses) | 4,916,603 | 4,916,603 | 5,909,796 | 993,193 |
| Change in net position | 4,916,603 | 4,916,603 | 5,909,796 | 993,193 |
| Net position, beginning of year | 5,264,060 | 5,264,060 | 5,264,060 | - |
| Net position, end of year | <u>\$ 10,180,663</u> | <u>\$ 10,180,663</u> | <u>\$ 11,173,856</u> | <u>\$ 993,193</u> |

Note: GAAP serves as the basis of budgeting.

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, 2023

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

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

2. Retail Service Providers

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

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

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

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

Residential Water: \$62.50 Wastewater: \$97.50

b. Water and Wastewater Retail Connections:

| Meter Size | Total Connections | Active Connections | ESFC Factor | Active ESFCs |
|------------------|----------------------|-----------------------|----------------|-----------------|
| Unmetered | 0 | 0 | x 1.0 | |
| ≤ 3/4" | 20 | 14 | x 1.0 | |
| 1" | 33 | 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, 2023**

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

| | | |
|------------------------------|-------------|---|
| Gallon pumped into system: | 218,015,544 | Water Accountability Ratio: (Gallons billed/Gallon pumped) |
| Gallons billed to customers: | 208,253,344 | <u>96%</u> |

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, 2023**

WATER/SEWER RATES SCHEDULE

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

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION

SCHEDULE OF ENTERPRISE FUND EXPENSES

FOR THE YEAR ENDED SEPTEMBER ENDED SEPTEMBER 30, 2023

| | <i>Regional Water System</i> <i>Administration Fund</i> | <i>Regional Water System</i> <i>Facilities Fund</i> | <i>Wet Utilities</i> <i>Fund</i> | <i>Total</i> |
|---|--|--|-------------------------------------|---------------------|
| Personnel Expenses (including benefits)* | \$ 171,335 | \$ - | \$ 1,431,598 | \$ 1,602,933 |
| Professional Fees: | | | | |
| Auditing and financial consulting | 4,960 | - | 20,900 | 25,860 |
| Legal | 7,529 | - | - | 7,529 |
| Engineering services | 11,100 | - | - | 11,100 |
| Consulting | 182,111 | - | 8,358 | 190,469 |
| Purchased Services for Resale: | | | | |
| Water purchase cost | - | - | 245,030 | 245,030 |
| Utilities | - | - | 183,555 | 183,555 |
| Repairs and Maintenance: | | | | |
| Analytical | - | - | 116,611 | 116,611 |
| Repairs and maintenance - equipment | - | - | 44,810 | 44,810 |
| Repairs and maintenance - utility system | - | - | 253,287 | 253,287 |
| Supplies and materials | - | - | 297,658 | 297,658 |
| Insurance | - | - | 60,279 | 60,279 |
| Waste disposal | - | - | 43,749 | 43,749 |
| Administrative Expenses: | | | | |
| Office supplies and expenses | - | - | 6,968 | 6,968 |
| Utilities | - | - | 17,188 | 17,188 |
| Insurance | - | - | 200 | 200 |
| Other administrative expenses | 33,717 | - | 91,735 | 125,452 |
| Other Expenses: | | | | |
| Depreciation | - | - | 862,430 | 862,430 |
| Amortization | - | - | 23,557 | 23,557 |
| Franchise fees | - | - | 111,638 | 111,638 |
| Special projects expense | 13,366 | - | - | 13,366 |
| Finance and wire fees | - | 2,578 | - | 2,578 |
| Bond issuance costs | - | 451,895 | - | 451,895 |
| Interest expense | - | 1,608,065 | 270,851 | 1,878,916 |
| TOTAL EXPENSES | \$ 424,118 | \$ 2,062,538 | \$ 4,090,402 | \$ 6,577,058 |

* 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, 2023

| <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 | \$ 88,190 | \$ - |
| Restricted - Region D Planning | 8009740 | Money Market | 82,818 | \$ - |
| Operations | 457060 | Daily savings | 3,588 | - |
| Wet Utilities Fund | | | | |
| Operations | 21695 | Daily checking | 1,495,901 | - |
| Restricted bond sinking | 21709 | Daily checking | 3,133,822 | - |
| Restricted bond reserves | 21217 | Daily checking | 610,628 | - |
| Restricted construction funds | 21741 | Daily checking | 20,055 | - |
| Restricted operations | 21733 | Money Market | 905,911 | - |
| Regional Water System Facilities Fund | | | | |
| Restricted - Minimum Monthly Payments | 3011380 | Daily Savings | 363,429 | - |
| Restricted - 2020A Construction | 2037890 | Money Market | 555 | - |
| Restricted - 2020B Construction | | Money Market | 1,006 | - |
| Restricted - 2020A Revenue | 8009732 | Money Market | 1,328,267 | - |
| Restricted - 2020B Revenue | 8009716 | Money Market | 1,995,804 | - |
| Restricted - 2020A Interest & Redemption | 8009813 | Money Market | 3,433,906 | - |
| Restricted - 2020B Interest & Redemption | 8009724 | Money Market | 1,640,644 | - |
| Restricted - 2020A Construction Escrow | 82-4416-01-0 | Bot Short-Term Cash Fund | 973,109 | 4,062 |
| Restricted - 2020B Construction Escrow | 82-4405-01-3 | Bot Short-Term Cash Fund | 2,486,912 | 10,340 |
| Restricted - 2022A Construction Escrow | 82-5428-01-4 | Bot Short-Term Cash Fund | 12,601,470 | 52,394 |
| Restricted - 2022B Construction Escrow | 82-5429-01-2 | Bot Short-Term Cash Fund | 9,469,701 | 39,373 |
| Restricted - 2023A Construction Escrow | 82-6356-01-6 | Bot Short-Term Cash Fund | 8,197,157 | 34,082 |
| Restricted - 2023B Construction Escrow | 82-6357-01-4 | Bot Short-Term Cash Fund | 5,766,367 | 23,975 |
| Restricted - 2022A Construction Escrow | 82-5428-01-4 | US Treasury Notes | 41,035,496 | 332,910 |
| Restricted - 2022B Construction Escrow | 82-5429-01-2 | US Treasury Notes | 27,357,329 | 221,936 |
| Total - All Funds | | | <u>\$ 122,992,065</u> | <u>\$ 719,072</u> |

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION

SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS

SERIES 2016A - BY YEARS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

| <i>Due During Fiscal Year Ending</i> | <i>Series 2016A</i> | | |
|--|--------------------------------|-------------------------------------|---------------------|
| | <i>Principal Due 10/15</i> | <i>Interest Due 10/15, 4/15</i> | <i>Total</i> |
| 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>\$ 4,100,000</u> | <u>\$ 2,436,884</u> | <u>\$ 6,536,884</u> |

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION

SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS

SERIES 2016B - BY YEARS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

| <i>Due During Fiscal Year Ending</i> | <i>Series 2016B</i> | | <i>Total</i> |
|--|--------------------------------|-------------------------------------|---------------------|
| | <i>Principal Due 10/15</i> | <i>Interest Due 10/15, 4/15</i> | |
| 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>\$ 2,905,000</u> | <u>\$ 1,038,758</u> | <u>\$ 3,943,758</u> |

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION

SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS

SERIES 2020A - BY YEARS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

| <i>Due During Fiscal Year Ending</i> | <i>Series 2020A</i> | | |
|--|--------------------------------|-------------------------------------|----------------------|
| | <i>Principal Due 10/15</i> | <i>Interest Due 10/15, 4/15</i> | <i>Total</i> |
| 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 | 5,284 | 475,284 |
| | <u>\$ 10,495,000</u> | <u>\$ 3,287,915</u> | <u>\$ 13,782,915</u> |

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION

SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS

SERIES 2020B - BY YEARS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

| <i>Due During Fiscal Year Ending</i> | <i>Series 2020B</i> | | <i>Total</i> |
|--|--------------------------------|-------------------------------------|---------------------|
| | <i>Principal Due 10/15</i> | <i>Interest Due 10/15, 4/15</i> | |
| 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 | 2,271 | 292,271 |
| | <u>\$ 6,985,000</u> | <u>\$ 1,435,939</u> | <u>\$ 8,420,939</u> |

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION

SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS

SERIES 2022A - BY YEARS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

| <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> |
| 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 | 31,487 | 2,581,487 |
| | <u>\$ 54,540,000</u> | <u>\$ 20,318,391</u> | <u>\$ 74,858,391</u> |

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION

SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS

SERIES 2022B - BY YEARS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

| <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> |
| 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 | 5,019 | 1,345,019 |
| | <u>\$ 36,025,000</u> | <u>\$ 2,981,220</u> | <u>\$ 39,006,220</u> |

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS
SERIES 2023 - BY YEARS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

| <i>Due During Fiscal Year Ending</i> | <i>Series 2023</i> | | <i>Total</i> |
|--|--------------------------------|-------------------------------------|----------------------|
| | <i>Principal Due 10/15</i> | <i>Interest Due 10/15, 4/15</i> | |
| 2024 | \$ - | \$ 374,784 | \$ 374,784 |
| 2025 | 260,000 | 578,463 | 838,463 |
| 2026 | 270,000 | 567,541 | 837,541 |
| 2027 | 280,000 | 557,098 | 837,098 |
| 2028 | 290,000 | 546,580 | 836,580 |
| 2029 | 300,000 | 535,816 | 835,816 |
| 2030 | 310,000 | 524,773 | 834,773 |
| 2031 | 325,000 | 513,185 | 838,185 |
| 2032 | 335,000 | 501,106 | 836,106 |
| 2033 | 345,000 | 488,697 | 833,697 |
| 2034 | 360,000 | 475,739 | 835,739 |
| 2035 | 375,000 | 461,862 | 836,862 |
| 2036 | 390,000 | 447,174 | 837,174 |
| 2037 | 405,000 | 431,789 | 836,789 |
| 2038 | 420,000 | 415,680 | 835,680 |
| 2039 | 435,000 | 398,856 | 833,856 |
| 2040 | 455,000 | 380,869 | 835,869 |
| 2041 | 475,000 | 361,617 | 836,617 |
| 2042 | 495,000 | 341,490 | 836,490 |
| 2043 | 515,000 | 320,507 | 835,507 |
| 2044 | 540,000 | 298,536 | 838,536 |
| 2045 | 560,000 | 275,572 | 835,572 |
| 2046 | 585,000 | 251,613 | 836,613 |
| 2047 | 610,000 | 226,578 | 836,578 |
| 2048 | 635,000 | 200,463 | 835,463 |
| 2049 | 665,000 | 173,130 | 838,130 |
| 2050 | 690,000 | 144,607 | 834,607 |
| 2051 | 720,000 | 114,891 | 834,891 |
| 2052 | 750,000 | 83,836 | 833,836 |
| 2053 | 785,000 | 51,371 | 836,371 |
| 2054 | 820,000 | 17,384 | 837,384 |
| | <u>\$ 14,400,000</u> | <u>\$ 11,061,607</u> | <u>\$ 25,461,607</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, 2023

| <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> | |
| 2024 | \$ 3,560,000 | \$ 2,210,346 | \$ 5,770,346 |
| 2025 | 3,850,000 | 2,385,799 | 6,235,799 |
| 2026 | 3,895,000 | 2,417,841 | 6,312,841 |
| 2027 | 3,895,000 | 2,435,228 | 6,330,228 |
| 2028 | 3,975,000 | 2,358,496 | 6,333,496 |
| 2029 | 4,065,000 | 2,272,968 | 6,337,968 |
| 2030 | 4,165,000 | 2,177,570 | 6,342,570 |
| 2031 | 4,280,000 | 2,070,871 | 6,350,871 |
| 2032 | 3,830,000 | 1,986,040 | 5,816,040 |
| 2033 | 3,885,000 | 1,926,523 | 5,811,523 |
| 2034 | 3,950,000 | 1,862,549 | 5,812,549 |
| 2035 | 4,020,000 | 1,794,049 | 5,814,049 |
| 2036 | 4,090,000 | 1,721,341 | 5,811,341 |
| 2037 | 4,165,000 | 1,644,731 | 5,809,731 |
| 2038 | 4,245,000 | 1,564,808 | 5,809,808 |
| 2039 | 4,325,000 | 1,481,769 | 5,806,769 |
| 2040 | 4,415,000 | 1,394,858 | 5,809,858 |
| 2041 | 4,510,000 | 1,303,645 | 5,813,645 |
| 2042 | 4,600,000 | 1,208,342 | 5,808,342 |
| 2043 | 4,700,000 | 1,109,328 | 5,809,328 |
| 2044 | 4,805,000 | 1,006,672 | 5,811,672 |
| 2045 | 4,910,000 | 900,281 | 5,810,281 |
| 2046 | 5,015,000 | 790,218 | 5,805,218 |
| 2047 | 4,840,000 | 683,028 | 5,523,028 |
| 2048 | 4,945,000 | 578,911 | 5,523,911 |
| 2049 | 5,060,000 | 471,377 | 5,531,377 |
| 2050 | 5,165,000 | 360,439 | 5,525,439 |
| 2051 | 5,285,000 | 246,014 | 5,531,014 |
| 2052 | 5,400,000 | 127,896 | 5,527,896 |
| 2053 | 785,000 | 51,371 | 836,371 |
| 2054 | 820,000 | 17,406 | 837,406 |
| | <u>\$ 129,450,000</u> | <u>\$ 42,560,715</u> | <u>\$ 172,010,715</u> |

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN LONG-TERM BONDED DEBT FOR THE YEAR ENDED SEPTEMBER 30, 2023

| | <i>Bond Issues</i> | | | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | <i>Series 2016A</i> | <i>Series 2016B</i> | <i>Series 2020A</i> | <i>Series 2020B</i> |
| Interest rate | 0.8-4.56% | 4.24% | 0.0-2.25% | 0.0-1.57% |
| Dates interest payable | 4/15; 10/15 | 4/15; 10/15 | 4/15; 10/15 | 4/15; 10/15 |
| Maturity dates | 10/15/2045 | 10/15/2030 | 10/15/2051 | 10/15/2051 |
| Beginning bonds outstanding | \$ 4,210,000 | \$ 3,610,000 | \$ 10,800,000 | \$ 7,200,000 |
| Bonds sold during the fiscal year | - | - | - | - |
| Bonds retires during the fiscal year | (110,000) | (705,000) | (305,000) | (215,000) |
| Ending Bonds Outstanding | <u>\$4,100,000</u> | <u>\$2,905,000</u> | <u>\$10,495,000</u> | <u>\$6,985,000</u> |
| Interest paid during the fiscal year | \$176,562 | \$106,059 | \$171,858 | \$74,927 |
| 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 | | |
| Series 2023 | BOK Financial | Tulsa, OK | | |
| Bond authority: | <u>Revenue Bonds</u> | | | |
| Amount authorized | \$137,010,000 | | | |
| Amount issued | \$137,010,000 | | | |
| Remaining to be issued | - | | | |
| Debt Service restricted cash balances as of September 30, 2023: | | | | \$12,506,499 |
| Cash restricted for construction as of September 30, 2023: | | | | \$21,616 |
| Unspent bond funds for planning & acquisition as of September 30, 2023: | | | | \$107,887,540 |
| Average annual debt service payment (principal and interest) for remaining term of all debt: | | | | \$5,548,733 |

| <i>Series</i> <i>2022A</i> | <i>Series</i> <i>2022B</i> | <i>Series</i> <i>2023</i> | <i>Total</i> |
|-------------------------------|-------------------------------|------------------------------|-----------------------|
| 0.1-2.47% | 0.0-0.75% | 3.59-4.32% | |
| 4/15; 10/15 | 4/15; 10/15 | 4/15; 10/15 | |
| 10/15/2051 | 10/15/2051 | 10/15/2053 | |
| \$ 55,800,000 | \$ 37,200,000 | \$ - | \$ 118,820,000 |
| - | - | 14,400,000 | \$ 14,400,000 |
| (1,260,000) | (1,175,000) | - | (3,770,000) |
| <u>\$54,540,000</u> | <u>\$36,025,000</u> | <u>\$14,400,000</u> | <u>\$ 129,450,000</u> |
| \$1,320,303 | \$168,289 | \$0 | \$2,017,998 |

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION

COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES - FIVE YEARS ENDED

Last Five Years

| | Amounts | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| | (Audited) 2023 | (Audited) 2022 | (Audited) 2021 | (Audited) 2020 | (Audited) 2019 |
| OPERATING REVENUES | | | | | |
| Charges for services | \$ 4,025,085 | \$ 3,849,103 | \$ 3,828,706 | \$ 3,559,419 | \$ 3,509,452 |
| Other revenues | 11,487 | - | - | 4,703 | 79,369 |
| Total operating revenues | \$ 4,036,572 | \$ 3,849,103 | \$ 3,828,706 | \$ 3,564,122 | \$ 3,588,821 |
| OPERATING EXPENSES | | | | | |
| Accounting & audit | 26,210 | 24,175 | 21,975 | 21,435 | 25,042 |
| Analyticals | 116,611 | 100,504 | 101,755 | 109,811 | 91,156 |
| Community relations | 2,605 | 1,553 | 5,003 | 2,285 | 5,936 |
| Conferences & seminars | 4,071 | 3,811 | 2,840 | 2,783 | 5,724 |
| Consulting | 190,469 | 215,771 | 204,537 | 248,426 | 212,129 |
| Dues and memberships | 9,041 | 8,372 | 8,357 | 7,615 | 7,694 |
| Engineering services | 11,100 | 47,045 | 20,697 | 55,977 | 78,924 |
| Insurance | 60,479 | 49,477 | 47,091 | 29,643 | 15,239 |
| Legal and professional fees | 7,529 | 16,942 | 12,665 | 51,200 | 41,414 |
| Meetings | 9,873 | 4,744 | 5,385 | 3,991 | 5,570 |
| Miscellaneous | - | 766 | 4,606 | (348) | 8,692 |
| Office supplies & expense | 6,968 | 12,013 | 12,136 | 5,608 | 2,854 |
| Office administrative expenses | 54,779 | 124,252 | 58,471 | 36,329 | 41,949 |
| Permits | 32,118 | 32,399 | 34,279 | 33,335 | 32,048 |
| Repairs & maintenance - equipment | 44,810 | 52,514 | 28,968 | 51,442 | 29,454 |
| Repairs & maintenance | 253,287 | 207,063 | 185,927 | 208,520 | 218,527 |
| Salaries, wages, payroll taxes & benefits | 1,602,933 | 1,523,793 | 1,459,349 | 1,611,504 | 1,474,270 |
| Supplies & materials | 297,658 | 215,895 | 210,412 | 247,328 | 285,627 |
| Travel & training | 9,634 | 9,159 | 5,031 | 5,518 | 18,018 |
| Utilities | 200,743 | 177,320 | 163,335 | 164,986 | 156,731 |
| Waste disposal | 43,749 | 44,748 | 37,158 | 50,363 | 45,034 |
| Water purchase cost | 245,030 | 385,321 | 180,852 | 241,757 | 318,684 |
| Web design and maintenance | 2,981 | 5,570 | 2,667 | 2,258 | 3,655 |
| Depreciation | 862,430 | 833,250 | 805,179 | 763,072 | 684,859 |
| Amortization | 23,557 | - | - | - | - |
| Total operating expense | 4,118,665 | 4,096,457 | 3,618,675 | 3,954,838 | 3,809,230 |
| Operating income (loss) | (82,093) | (247,354) | 210,031 | (390,716) | (220,409) |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| Facility charges | 1,459,034 | 1,443,486 | 1,502,606 | 1,192,433 | 1,320,980 |
| Minimum monthly payments | 4,483,159 | 4,488,277 | 4,570,950 | 465,323 | - |
| Interest income | 2,828,362 | 673,213 | 36,503 | 31,413 | 51,417 |
| Project admin fees | 18,974 | 30,083 | 17,147 | 161,532 | 229,103 |
| Gain (loss) on disposal of asset | 23,105 | 11,326 | (62,676) | - | - |
| Unrealized gain/(loss) on investments | 738,518 | (1,298,496) | - | - | - |
| Interest expense | (1,878,916) | (1,345,489) | (573,021) | (392,130) | (419,763) |
| Finance and wire fees | (2,578) | - | - | - | - |
| Franchise fees expense | (111,638) | (109,350) | (108,710) | (101,350) | (99,059) |
| Special projects expense | (13,366) | (50,005) | (6,858) | (42,960) | (268,455) |
| Bond issuance costs | (451,895) | (2,420,901) | (628,526) | - | - |
| Total nonoperating revenues (expenses) | 7,092,759 | 1,422,144 | 4,747,415 | 1,314,261 | 814,223 |
| Income (loss) before capital contributions | 7,010,666 | 1,174,790 | 4,957,446 | 923,545 | 593,814 |
| Capital contributions | - | - | - | 983,153 | 393,327 |
| Change in net position | \$ 7,010,666 | \$ 1,174,790 | \$ 4,957,446 | \$ 1,906,698 | \$ 987,141 |

| Percent of Fund Total Revenues | | | | |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|
| (Audited) 2023 | (Audited) 2022 | (Audited) 2021 | (Audited) 2020 | (Audited) 2019 |
| 99.7% | 100.0% | 100.0% | 99.9% | 97.8% |
| 0.28 | - | - | 0.13 | 2.21 |
| 100 | 100 | 100 | 100 | 100 |
| 0.6 | 0.6 | 0.6 | 0.6 | 0.7 |
| 2.9 | 2.5 | 2.6 | 2.9 | 2.6 |
| 0.1 | 0.0 | 0.1 | 0.1 | 0.2 |
| 0.1 | 0.1 | 0.1 | 0.1 | 0.2 |
| 4.7 | 5.3 | 5.3 | 6.5 | 6.0 |
| 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| 0.3 | 1.2 | 0.5 | 1.5 | 2.2 |
| 1.5 | 1.2 | 1.2 | 0.8 | 0.4 |
| 0.2 | 0.4 | 0.3 | 1.3 | 1.2 |
| 0.2 | 0.1 | 0.1 | 0.1 | 0.2 |
| - | 0.0 | 0.1 | (0.0) | 0.2 |
| 0.2 | 0.3 | 0.3 | 0.1 | 0.1 |
| 1.4 | 3.1 | 1.5 | 0.9 | 1.2 |
| 0.8 | 0.8 | 0.9 | 0.9 | 0.9 |
| 1.1 | 1.3 | 0.8 | 1.3 | 0.8 |
| 6.3 | 5.1 | 4.8 | 5.4 | 6.1 |
| 39.7 | 37.7 | 37.9 | 42.1 | 41.4 |
| 7.4 | 5.3 | 5.5 | 6.5 | 8.0 |
| 0.2 | 0.2 | 0.1 | 0.1 | 0.5 |
| 5.0 | 4.4 | 4.2 | 4.3 | 4.4 |
| 1.1 | 1.1 | 1.0 | 1.3 | 1.3 |
| 6.1 | 9.5 | 4.7 | 6.3 | 8.9 |
| 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| 21.4 | 20.6 | 20.9 | 19.9 | 19.2 |
| 0.6 | - | - | - | - |
| 102.0 | 101.5 | 94.0 | 103.3 | 106.9 |
| (2.0) | (6.4) | 5.5 | (11.0) | (6.1) |
| 36.1 | 35.8 | 39.0 | 31.1 | 37.1 |
| 111.1 | 111.2 | 118.8 | 12.2 | - |
| 70.1 | 16.7 | 0.9 | 0.8 | 1.4 |
| 0.5 | 0.7 | 0.4 | 4.2 | 6.4 |
| 0.6 | 0.3 | (1.6) | - | - |
| 18.3 | (32.2) | - | - | - |
| (46.5) | (33.3) | (14.9) | (10.2) | (11.8) |
| (0.1) | - | - | - | - |
| (2.8) | (2.7) | (2.8) | (2.6) | (2.8) |
| (0.3) | (1.2) | (0.2) | (1.1) | (7.5) |
| (11.2) | (60.0) | (16.3) | - | - |
| 175.7 | 35.2 | 123.3 | 34.3 | 22.8 |
| 173.7 | 29.1 | 128.8 | 24.1 | 16.7 |
| - | - | - | 25.7 | 11.0 |
| 173.7% | 29.1% | 128.8% | 49.8% | 27.7% |

**SUPPLEMENTARY INFORMATION
LIST OF BOARD MEMBERS, KEY PERSONNEL, AND CONSULTANTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

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): 2/2/2023

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 09/30/2023) | Expense Reimbursements (FYE 9/30/2023) | Title at Year End |
|--------------------------------------|---|--|--|----------------------|
| Names: | | | | |
| Board Members: | | | | |
| Van Alexander | (Appointed) 01/2023-12/2026 | - | - | President |
| Steve Mayo | (Appointed) 05/2022-12/2023 | - | - | Vice President |
| Fred Milton | (Appointed) 01/2020-12/2023 | - | 2,119.35 ** | Treasurer |
| Sonja Yates Hubbard | (Appointed) 01/2023-12/2026 | - | - | Secretary |
| Tina Veal-Gooch | (Appointed) 01/2013-12/2026 | - | - | Past President |
| Key Administrative Personnel: | | | | |
| Kyle Dooley | 4/29/2019 | 230,741.33 *** | 837.63 ** | Executive Director |
| Consultants: | | | | |
| Cross Oak Group | 3/1/2013 | 60,000.00 | | Consultant |
| ETTL Engineers & Consultant | 9/28/2022 | 2,285.52 | | Engineer |
| Fancher Legal, PLLC | 10/15/2020 | 644.00 | | Attorney |
| Hance Scarborough, LLP | 8/1/2015 | 120,000.00 | 2,110.63 ** | Consultant |
| Hilltop Securities | 10/15/2020 | 82,892.00 | | Financial Advisor |
| McCall Parkhurst & Horton | 10/8/2020 | 86,250.00 | | Bond Counsel |
| MTG | 9/28/2022 | 10,619.80 | | Engineer |
| Ross Molina Oliveros, P.C. | 5/27/2021 | 840.00 | | Attorney |
| Susan Roth Consulting, LLC | 5/22/2019 | 11,100.00 | | Consultant |
| The Glass Firm, PLLC | 5/7/2021 | 6,885.00 | | Attorney |
| Tidewater Professional Service | 8/14/2023 | 1,625.00 | | Engineer |
| Wilf & Henderson, P.C. | 10/19/2018 | 25,400.00 | | 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 09/30/2023) | Expense Reimbursements (FYE 9/30/2023) | Title at Year End |
|------------------------------|---|--|--|----------------------|
| Pape-Dawson Engineers, Inc. | 4/7/2021 | \$ 1,185,315.68 | \$ 289,890.50 **** | Engineer |
| CDM Smith, Inc. | | 215,751.16 | | |
| Energy Access Solutions, LLC | | 31,680.00 | | |
| Matrix Design Group, Inc. | | 12,440.00 | | |
| Plus Six Engineering, LLC | | 3,492.77 | | |
| Three Box Strategic Comm | | 25,701.57 | | |
| WEST Consultants, Inc. | | 825.00 | | |

* 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.

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 6 - These schedules contain information to help the reader assess Riverbend's most significant revenue sources.

Debt Capacity – Schedule 7 through 8 - 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 9 through 11 - 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 12 through 14 - 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>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| Primary Government | | | | |
| Net investment in capital assets | 12,335,714 | 6,495,755 | 9,343,889 | 9,614,188 |
| Restricted | 12,777,584 | 12,030,841 | 7,737,376 | 3,189,363 |
| Unrestricted | <u>2,200,663</u> | <u>1,776,699</u> | <u>2,047,240</u> | <u>1,367,508</u> |
| Total primary government net position | <u><u>27,313,961</u></u> | <u><u>20,303,295</u></u> | <u><u>19,128,505</u></u> | <u><u>14,171,059</u></u> |

| <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--------------------------|--------------------------|-------------------------|-------------------------|----------------------|-----------------------|
| 8,410,684 | 6,604,940 | 2,936,607 | 340,840 | 1,294 | - |
| 2,602,736 | 3,654,226 | 6,294,453 | 8,092,084 | - | - |
| <u>1,250,941</u> | <u>1,018,054</u> | <u>530,980</u> | <u>197,181</u> | <u>50,709</u> | <u>163,515</u> |
| <u><u>12,264,361</u></u> | <u><u>11,277,220</u></u> | <u><u>9,762,040</u></u> | <u><u>8,630,105</u></u> | <u><u>52,003</u></u> | <u><u>163,515</u></u> |

Riverbend Water Resources District

Changes in Net Position

Last Ten Fiscal Years

Schedule 2

(Accrual Basis of Accounting)

(Unaudited)

| Fiscal Year | Operating Revenues | Operating Expenses | Operating Income/ (Loss) | Total Nonoperating Revenues/ (Expenses) |
|--------------------|-------------------------------|-------------------------------|---|--|
| 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 |
| 2023 | 4,036,572 | 4,118,665 | (82,093) | 7,092,759 |

| Income/(Loss) | Extraordinary | |
|----------------------|----------------------|-----------------|
| Before | Items/ | Change |
| Capital | Capital | In Net |
| Contributions | Contributions | Position |
| (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 |
| 7,010,666 | - | 7,010,666 |

Riverbend Water Resources District

Operating Revenues by Source

Last Ten Fiscal Years

Schedule 3

(Accrual Basis of Accounting)

(Unaudited)

| Fiscal Year | Member City Fees | Water Sales | Wastewater Treatment | Industrial Wastewater Treatment |
|--------------------|-----------------------------|------------------------|---------------------------------|--|
| 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 |
| 2023 | 191,754 | 1,369,029 | 1,095,751 | 1,252,035 |

2014-2015 - Riverbend did not begin utility operations until 2016

| Infrastructure Services | Other | Total |
|-------------------------|---------|-----------|
| - | 25,000 | 230,430 |
| - | 15,000 | 202,773 |
| - | 251,305 | 1,589,773 |
| - | 33,397 | 3,156,366 |
| - | 29,250 | 3,307,424 |
| - | 79,369 | 3,509,452 |
| - | 4,703 | 3,559,419 |
| - | 402 | 3,828,304 |
| - | - | 3,849,103 |
| 116,516 | 11,487 | 4,036,572 |

Riverbend Water Resources District

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> |
|--------------------|-----------------------|--|---------------------|---|
| 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 |
| 2023 | 410,752 | 2,845,483 | 862,430 | 4,118,665 |

2014-2015 - Riverbend did not begin utility operations until 2016

Riverbend Water Resources District

Nonoperating Revenues (Expenses)

Last Ten Fiscal Years

Schedule 5

(Accrual Basis of Accounting)

(Unaudited)

| <u>Fiscal Year</u> | <u>Facility Charge Revenue</u> | <u>Minimum Monthly Payments</u> | <u>Interest Revenue</u> | <u>Unrealized Gain (Loss) on Investment</u> |
|--------------------|------------------------------------|-------------------------------------|-----------------------------|---|
| 2014 | - | - | 397 | - |
| 2015 | - | - | 3 | - |
| 2016 | 467,438 | - | 16,717 | - |
| 2017 | 1,143,681 | - | 42,018 | - |
| 2018 | 1,148,078 | - | 37,349 | - |
| 2019 | 1,320,980 | - | 51,417 | - |
| 2020 | 1,192,433 | 465,323 | 31,413 | - |
| 2021 | 1,502,606 | 4,570,950 | 36,503 | - |
| 2022 | 1,443,486 | 4,488,277 | 673,213 | (1,298,496) |
| 2023 | 1,459,034 | 4,483,159 | 2,828,362 | 738,518 |

2014-2015 - Riverbend did not begin utility operations until 2016

| Interest Expense | Franchise Fees Expense | Bond Issuance Costs | Other | Total Nonoperating Revenue (Expenses) |
|-------------------------|-----------------------------------|--------------------------------|--------------|--|
| - | - | - | - | 397 |
| - | - | - | - | 3 |
| (182,882) | - | (302,263.00) | - | (990) |
| (486,992) | (84,424) | - | 24,527 | 638,810 |
| (445,946) | (91,963) | - | (43,132) | 604,386 |
| (419,763) | (99,059) | - | (39,352) | 814,223 |
| (392,130) | (101,350) | - | 118,572 | 1,314,261 |
| (573,021) | (108,710) | (628,526) | (52,387) | 4,747,415 |
| (1,345,489) | (109,350) | (2,420,901) | (8,596) | 1,422,144 |
| (1,878,916) | (111,638) | (451,895) | 26,135 | 7,092,759 |

Riverbend Water Resources District

Five Largest Customers - Wet Utilities Fund

Current Year and Previous Five Years

Schedule 6

(Unaudited)

| CUSTOMER | FISCAL YEAR 2018 | | | FISCAL YEAR 2019 | | |
|------------------------------|------------------|----------------|------|------------------|----------------|------|
| | AMOUNT | PERCENTAGE | RANK | AMOUNT | PERCENTAGE | RANK |
| Red River Army Depot | 3,987,717 | 92.89% | 1 | 4,135,295 | 87.90% | 1 |
| REG New Boston | 128,649 | 3.00% | 2 | 142,711 | 3.03% | 3 |
| Day & Zimmermann | 51,912 | 1.21% | 3 | 322,955 | 6.86% | 2 |
| City of Maud | | | | | | |
| Oak Grove Apartments | 12,580 | 0.29% | 5 | 17,827 | 0.38% | 4 |
| IsoNova Technologies | | | | | | |
| Harrison Walker & Harper LP | 16,544 | 0.39% | 4 | | | |
| Expal USA, Inc. | | | | 20,713 | 0.44% | 5 |
| SUBTOTAL | | | | | | |
| (5 LARGEST) | <u>4,197,402</u> | <u>97.78%</u> | | <u>4,639,501</u> | <u>98.61%</u> | |
| Balance from other customers | 95,408 | 2.22% | | 65,280 | 1.39% | |
| | <u>4,292,810</u> | <u>100.00%</u> | | <u>4,704,781</u> | <u>100.00%</u> | |

| CUSTOMER | FISCAL YEAR 2021 | | | FISCAL YEAR 2022 | | |
|------------------------------|------------------|---------------|------|------------------|----------------|------|
| | AMOUNT | PERCENTAGE | RANK | AMOUNT | PERCENTAGE | RANK |
| Red River Army Depot | 4,797,201 | 92.47% | 1 | 4,884,663 | 94.01% | 1 |
| City of Maud | 44,314 | 0.85% | 3 | 104,324 | 2.01% | 3 |
| Day & Zimmermann | 226,406 | 4.36% | 2 | 109,626 | 2.11% | 2 |
| Rowe Casa | | | | | | |
| Oak Grove Apartments | 15,711 | 0.30% | 5 | 17,522 | 0.34% | 5 |
| Expal USA, Inc. | 19,451 | 0.37% | 4 | 27,131 | 0.52% | 4 |
| SUBTOTAL | | | | | | |
| (5 LARGEST) | <u>5,103,083</u> | <u>98.35%</u> | | <u>5,143,266</u> | <u>98.99%</u> | |
| Balance from other customers | 84,507 | 1.63% | | 52,636 | 1.01% | |
| | <u>5,187,590</u> | <u>99.98%</u> | | <u>5,195,903</u> | <u>100.00%</u> | |

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

| FISCAL YEAR 2020 | | |
|------------------|------------|------|
| AMOUNT | PERCENTAGE | RANK |
| 4,214,777 | 91.58% | 1 |
| 273,212 | 5.94% | 2 |
| 22,069 | 0.48% | 3 |
| 16,561 | 0.36% | 4 |
| 11,254 | 0.24% | 5 |

| | |
|------------------|----------------|
| <u>4,537,873</u> | <u>98.60%</u> |
| <u>64,289</u> | <u>1.40%</u> |
| <u>4,602,162</u> | <u>100.00%</u> |

| FISCAL YEAR 2023 | | |
|------------------|------------|------|
| AMOUNT | PERCENTAGE | RANK |
| 4,904,323 | 92.67% | 1 |
| 171,308 | 3.24% | 2 |
| 161,122 | 3.04% | 3 |
| 23,146 | 0.44% | 4 |
| 18,075 | 0.34% | 5 |

| | |
|------------------|----------------|
| <u>5,277,974</u> | <u>99.73%</u> |
| <u>14,391</u> | <u>0.27%</u> |
| <u>5,292,365</u> | <u>100.00%</u> |

Riverbend Water Resources District

Ratio of Outstanding Debt by Type

Last Seven Fiscal Years

Schedule 7

(Unaudited)

| Fiscal Year | Revenue Bonds | Personal Income | Percentage of Personal Income | Population | Debt per Capita |
|--------------------|--------------------------|----------------------------|--|-------------------|----------------------------|
| 2016 | 11,610,000 | 1,506,238,302 | 0.77% | 64,172 | 181 |
| 2017 | 11,375,000 | 1,533,407,018 | 0.74% | 64,141 | 177 |
| 2018 | 10,725,000 | 1,590,795,022 | 0.67% | 64,365 | 167 |
| 2019 | 10,045,000 | 1,727,772,490 | 0.58% | 64,335 | 156 |
| 2020 | 9,335,000 | N/A | N/A | N/A | N/A |
| 2021 | 26,595,000 | N/A | N/A | N/A | N/A |
| 2022 | 118,820,000 | 1,645,108,665 | 7.22% | 63,080 | 1,884 |
| 2023 | 129,450,000 | N/A | N/A | 65,385 | 1,980 |

N/A-Not Available

Riverbend Water Resources District

Pledged Revenue Coverage

Last Six Fiscal Years

Schedule 8

(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 |
| 2023 | 4,036,572 | 3,256,235 | 1,459,034 | 4,483,159 | 6,722,530 |

* Wet Fund Revenue and Expenses

** Facility Fund Minimum Monthly Payments per Water Supply Contracts

Debt Service

| Principal | Interest | Total | Coverage Ratio |
|------------------|-----------------|--------------|---------------------------|
| 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 |
| 3,770,000 | 2,049,882 | 5,819,882 | 1.16 |

Riverbend Water Resources District

Demographic and Economic Statistics

Last Ten Fiscal Years

Schedule 9

(Unaudited)

Annona, TX - Red River County

| Fiscal Year | Population ¹ | Per Capita Income ¹ | Personal Income | Unemployment Rate City ² | State 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% |
| 2023 | 186 | N/A | N/A | 15.2% | 4.10% |

Atlanta, TX - Cass County

| Fiscal Year | Population ¹ | Per Capita Income ¹ | Personal Income | Unemployment Rate City ² | State 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% |
| 2023 | 5,512 | N/A | N/A | 650.0% | 4.10% |

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

N/A-Not Available

Riverbend Water Resources District

Demographic and Economic Statistics

Last Ten Fiscal Years

Schedule 9 (Continued)

(Unaudited)

Avery, TX - Red River County

| Fiscal Year | Population ¹ | Per Capita Income ² | Personal Income | Unemployment Rate | |
|-------------|-------------------------|--------------------------------|-----------------|-------------------|--------------------|
| | | | | City ² | State 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% |
| 2023 | 426 | N/A | N/A | 0.6% | 4.1% |

DeKalb, TX - Bowie County

| Fiscal Year | Population ¹ | Per Capita Income ² | Personal Income | Unemployment Rate | |
|-------------|-------------------------|--------------------------------|-----------------|-------------------|--------------------|
| | | | | City ² | State 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% |
| 2023 | 1481 | N/A | N/A | 9.30% | 4.10% |

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

N/A-Not Available

Riverbend Water Resources District

Demographic and Economic Statistics

Last Ten Fiscal Years

Schedule 9 (Continued)

(Unaudited)

Hooks, TX - Bowie County

| Fiscal Year | Population ¹ | Per Capita Income ² | Personal Income | Unemployment Rate | |
|-------------|-------------------------|--------------------------------|-----------------|-------------------|--------------------|
| | | | | City ² | State 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% |
| 2023 | 2,502 | N/A | N/A | 7.0% | 4.1% |

Leary, TX - Bowie County

| Fiscal Year | Population ¹ | Per Capita Income ² | Personal Income | Unemployment Rate | |
|-------------|-------------------------|--------------------------------|-----------------|-------------------|--------------------|
| | | | | City ² | State 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% |
| 2023 | 445 | N/A | N/A | 2.7% | 4.1% |

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

Riverbend Water Resources District

Demographic and Economic Statistics

Last Ten Fiscal Years

Schedule 9 (Continued)

(Unaudited)

Maud, TX - Bowie County

| Fiscal Year | Population ¹ | Per Capita Income ² | Personal Income | Unemployment Rate | |
|----------------|-------------------------|-----------------------------------|--------------------|-------------------|--------------------|
| | | | | City ² | State 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% |
| 2023 | 957 | N/A | N/A | 2.9% | 4.1% |

Nash, TX - Bowie County

| Fiscal Year | Population ¹ | Per Capita Income ² | Personal Income | Unemployment Rate | |
|----------------|-------------------------|-----------------------------------|--------------------|-------------------|--------------------|
| | | | | City ² | State 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% |
| 2023 | 3,879 | N/A | N/A | 1.3% | 4.1% |

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

N/A-Not Available

Riverbend Water Resources District

Demographic and Economic Statistics

Last Ten Fiscal Years

Schedule 9 (Continued)

(Unaudited)

New Boston, TX - Bowie County

| Fiscal Year | Population ¹ | Per Capita Income ² | Personal Income | Unemployment Rate | |
|-------------|-------------------------|--------------------------------|-----------------|-------------------|--------------------|
| | | | | City ² | State 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% |
| 2023 | 4,513 | N/A | N/A | 9.4% | 4.1% |

Redwater, TX - Bowie County

| Fiscal Year | Population ¹ | Per Capita Income ² | Personal Income | Unemployment Rate | |
|-------------|-------------------------|--------------------------------|-----------------|-------------------|--------------------|
| | | | | City ² | State 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% |
| 2023 | 851 | N/A | N/A | 1.2% | 4.1% |

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

N/A-Not Available

Riverbend Water Resources District

Demographic and Economic Statistics

Last Ten Fiscal Years

Schedule 9 (Continued)

(Unaudited)

Texarkana, TX - Bowie County

| Fiscal Year | Population ¹ | Per Capita Income ² | Personal Income | Unemployment Rate City ² | State 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% |
| 2023 | 35,544 | N/A | N/A | 5.5% | 4.1% |

Wake Village, TX - Bowie County

| Fiscal Year | Population ¹ | Per Capita Income ² | Personal Income | Unemployment Rate City ² | State 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 | N/A | 6.9% |
| 2021 | 5,481 | N/A | N/A | N/A | 5.4% |
| 2022 | 5,907 | 22,877 | 135,134,439 | 7.3% | 4.0% |
| 2023 | 5,790 | N/A | N/A | 1.2% | 4.1% |

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

N/A-Not Available

Riverbend Water Resources District

Demographic and Economic Statistics

Last Ten Fiscal Years

Schedule 9 (Continued)

(Unaudited)

Total All Members

| Fiscal Year | Population | Per Capita Income | Personal Income |
|------------------------|-------------------|------------------------------|----------------------------|
| 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 |
| 2023 | 60,605 | N/A | N/A |

Riverbend Water Resources District

Percentage of Member Counties in RWRD

Last Ten Fiscal Years

Schedule 10

(Unaudited)

| Member City | Population | | | | |
|---|-------------|-------------|-------------|-------------|-------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 |
| Central Bowie Water Supply Corporation ¹ | - | - | - | - | - |
| DeKalb, TX | 1,658 | 1,651 | 1,639 | 1,628 | 1,622 |
| Hooks, TX | 2,755 | 2,750 | 2,749 | 2,747 | 2,746 |
| Leary, TX | 486 | 488 | 491 | 492 | 496 |
| Maud, TX | 1,065 | 1,071 | 1,069 | 1,067 | 1,068 |
| Nash, TX | 3,158 | 3,159 | 3,348 | 3,415 | 3,681 |
| New Boston, TX | 4,723 | 4,689 | 4,684 | 4,688 | 4,678 |
| Oak Grove Water Supply Corporation ¹ | - | - | - | - | - |
| Redwater, TX | 1,069 | 1,081 | 1,087 | 1,093 | 1,098 |
| Texarkana, TX | 37,126 | 37,182 | 37,402 | 37,350 | 37,295 |
| Wake Village, TX | 5,454 | 5,449 | 5,434 | 5,432 | 5,425 |
| | 57,494 | 57,520 | 57,903 | 57,912 | 58,109 |
| Bowie County ² | 93,502 | 93,494 | 93,994 | 93,977 | 94,324 |
| Percentage of Bowie County in RWRD | 61.49% | 61.52% | 61.60% | 61.62% | 61.61% |
| | 2014 | 2015 | 2016 | 2017 | 2018 |
| Atlanta, TX | 5,543 | 5,539 | 5,525 | 5,484 | 5,515 |
| Cass County ² | 30,121 | 30,141 | 30,073 | 29,980 | 30,119 |
| Percentage of Cass County in RWRD | 18.40% | 18.38% | 18.37% | 18.29% | 18.31% |
| | 2014 | 2015 | 2016 | 2017 | 2018 |
| Annona, TX | 303 | 298 | 293 | 295 | 291 |
| Avery, TX | 460 | 456 | 451 | 450 | 450 |
| | 763 | 754 | 744 | 745 | 741 |
| Red River County ² | 12,452 | 12,355 | 12,190 | 12,203 | 12,175 |
| Percentage of Red River County in RWRD | 6.13% | 6.10% | 6.10% | 6.11% | 6.09% |

N/A-Not Available

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

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

| 2019 | 2020 | 2021 | 2022 | 2023 |
|-------------|-------------|-------------|-------------|-------------|
| - | 8,748 | 8,748 | 8,748 | 8,964 |
| 1,611 | 1,600 | 1,687 | 1,687 | 1,481 |
| 2,744 | 2,742 | 2,749 | 2,749 | 2,502 |
| 497 | 498 | 692 | 692 | 445 |
| 1,066 | 1,064 | 1,040 | 1,040 | 957 |
| 3,748 | 3,815 | 3,156 | 3,156 | 3,879 |
| 4,682 | 4,686 | 4,720 | 4,720 | 4,513 |
| - | 831 | 909 | 909 | 909 |
| 1,104 | 1,110 | 1,268 | 1,268 | 851 |
| 37,243 | 37,191 | 37,389 | 37,389 | 35,544 |
| 5,423 | 5,421 | 5,481 | 5,481 | 5,790 |
| 58,118 | 67,706 | 67,839 | 67,839 | 65,835 |

| | | | | |
|--------|--------|--------|-----|-----|
| 93,245 | 92,893 | 92,581 | N/A | N/A |
| 62.33% | 72.89% | 73.28% | N/A | N/A |

| 2019 | 2020 | 2021 | 2022 | 2023 |
|-------------|-------------|-------------|-------------|-------------|
| 5,474 | 5,433 | 5,433 | 5,433 | 5,512 |

| | | | | |
|--------|--------|--------|-----|-----|
| 30,026 | 28,454 | 28,560 | N/A | N/A |
| 18.23% | 19.09% | 19.02% | N/A | N/A |

| 2019 | 2020 | 2021 | 2022 | 2023 |
|-------------|-------------|-------------|-------------|-------------|
| 293 | 295 | 295 | 295 | 186 |
| 450 | 450 | 450 | 450 | 426 |
| 743 | 745 | 745 | 745 | 612 |

| | | | | |
|--------|--------|--------|-----|-----|
| 12,023 | 11,587 | 11,555 | N/A | N/A |
| 6.18% | 6.43% | 6.45% | N/A | N/A |

Riverbend Water Resources District

Principal Employers

Current Year and Nine Years Ago

Schedule 11

(Unaudited)

| Employer | 2023 | | | 2014 | | |
|--|--------------|------|--------------------------------------|---------------|------|--------------------------------------|
| | Employees | Rank | Percentage of Total Employment | Employees | Rank | Percentage of Total Employment |
| Red River Army Depot & Tenants | 2,103 | 1 | 4.01% | 5,300 | 1 | 10.56% |
| CHRISTUS St. Michael Health System | 1,880 | 2 | 3.59% | 1,900 | 2 | 3.79% |
| Texarkana, TX Independent School District | 902 | 3 | 1.72% | 795 | 5 | 1.58% |
| Graphic Packaging (formerly International Paper) | 796 | 4 | 1.52% | 900 | 3 | 1.79% |
| Walmart Department Stores | 696 | 5 | 1.33% | 650 | 6 | 1.30% |
| Wadley Regional Medical | 704 | 6 | 1.34% | 850 | 4 | 1.69% |
| DLA Distribution | 550 | 7 | 1.05% | | | |
| | <u>7,631</u> | | <u>14.56%</u> | <u>10,395</u> | | <u>20.72%</u> |

Source:

Texarkana Chamber of Commerce, Texas Workforce Commission LMI

Notes:

- (1) Employment for Bowie, Cass and Red River Counties for 2023 is 52,403
- (2) Employment for Bowie, Cass and Red River Counties for 2014 is 50,172
- (3) DLA was not included in principal employer data from 2014

Riverbend Water Resources District

Operating Indicators by Function

Last Ten Years

Schedule 12

(Unaudited)

| Water | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|------|------|-------|-------|-------|
| Avg. Gallons of Water Consumed (MGD) | - | - | 0.726 | 0.958 | 0.711 |
| Number of Water Meters | - | - | 82 | 78 | 78 |
| Wastewater | | | | | |
| Average Gallons of Domestic Wastewater Treated (MGD) | - | - | 0.499 | 0.456 | 0.514 |
| Industrial Wastewater | | | | | |
| Average Gallons of Industrial Wastewater Treated (MGD) | - | - | 0.192 | 0.184 | 0.172 |

2014-2015 - Riverbend did not begin utility operations until 2016

| 2019 | 2020 | 2021 | 2022 | 2023 |
|-------|-------|-------|-------|-------|
| 0.737 | 0.810 | 0.763 | 0.725 | 0.611 |
| 80 | 97 | 99 | 99 | 99 |

0.536 0.589 0.490 0.370 0.409

0.198 0.210 0.174 0.178 0.201

Riverbend Water Resources District

Operating Indicators by Function

Full Time Employees as of September 30

Last Ten Fiscal Years

Schedule 13

(Unaudited)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|-----------------------|------|------|------|------|------|------|------|------|------|------|
| Administration | 1 | 1 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Water | - | - | 5 | 5 | 5 | 6 | 4 | 4 | 7 | 7 |
| Wastewater | - | - | 2 | 4 | 4 | 3 | 4 | 4 | 3 | 3 |
| Industrial Wastewater | - | - | 3 | 1 | 2 | 3 | 4 | 4 | 2 | 2 |
| Totals | 1 | 1 | 14 | 14 | 15 | 16 | 16 | 16 | 16 | 16 |

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

2014-2015 - Riverbend did not begin utility operations until 2016

Riverbend Water Resources District

Capital Asset Statistics by Function

Last Ten Years

Schedule 14

(Unaudited)

| Water | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|------|------|------|------|------|------|
| 500,000 Gallon Elevated Storage Tank | - | - | 1 | 1 | 1 | 1 |
| 500,000 Gallon Ground Water Storage Tank | - | - | 0 | 0 | 0 | 2 |
| Miles of Water Line | - | - | 83 | 83 | 83 | 135 |
| Fire Hydrants | - | - | 313 | 313 | 313 | 375 |
| Water Meters | - | - | 82 | 78 | 78 | 80 |
| Water Valves | - | - | 883 | 921 | 921 | 1151 |
| Wastewater | | | | | | |
| 1.5 MG SBR Plant | - | - | 1 | 1 | 1 | 1 |
| Miles of Wastewater Line | - | - | 35 | 35 | 35 | 35 |
| Manholes | - | - | 477 | 477 | 477 | 477 |
| Lift Stations | - | - | 32 | 32 | 32 | 32 |
| Air Relief Valves | - | - | 30 | 30 | 30 | 30 |
| Wastewater Meters | - | - | 65 | 65 | 65 | 72 |
| Industrial Wastewater | | | | | | |
| 750,000 Gallon Industrial Wastewater Plant | - | - | 1 | 1 | 1 | 1 |
| Miles of Industrial Wastewater Line | - | - | 5 | 5 | 5 | 5 |

2014-2015 - Riverbend did not begin utility operations until 2016

| 2020 | 2021 | 2022 | 2023 |
|------|------|------|------|
| 1 | 1 | 1 | 1 |
| 2 | 2 | 2 | 2 |
| 135 | 137 | 139 | 141 |
| 368 | 373 | 376 | 432 |
| 97 | 99 | 99 | 99 |
| 1141 | 1150 | 1222 | 1243 |

| | | | |
|-----|-----|-----|-----|
| 1 | 1 | 1 | 1 |
| 38 | 38 | 38 | 38 |
| 513 | 513 | 513 | 607 |
| 34 | 34 | 35 | 36 |
| 30 | 30 | 30 | 36 |
| 72 | 72 | 72 | 72 |

| | | | |
|---|---|---|---|
| 1 | 1 | 1 | 1 |
| 5 | 5 | 5 | 5 |

Single Audit Section



WILF & HENDERSON, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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

INDEPENDENT AUDITOR'S 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*

Board of Directors
Riverbend Water Resources District
228 Texas Ave, Suite A
New Boston, TX 75570

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, 2023, 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 24, 2024.

Report on 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) as a basis for designing 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.

Report on 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 financial statements. 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 24, 2024



WILF & HENDERSON, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Riverbend Water Resources District
228 Texas Ave, Suite A
New Boston, TX 75570

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Riverbend Water Resources District's (Riverbend) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Riverbend's major federal programs for the year ended September 30, 2023. 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 District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2023.

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 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 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 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 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 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 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly no such opinion is expressed.

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.

WLF & Henderson, P.C.

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

January 24, 2024

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED SEPTEMBER 30, 2023

| <u>Federal Grantor/Program Title</u> | <u>Federal AL Number</u> | <u>Federal Program Expenditures</u> |
|--|----------------------------------|---|
| <u>Environmental Protection Agency</u> | | |
| <u>Passed Through - Texas Water Development Board</u> | | |
| Capitalization Grants for Drinking Water State Revolving Funds | 66.468 | \$ <u>1,942,860</u> |
| Total Passed Through - Texas Water Development Board | | <u>1,942,860</u> |
| Total Environmental Protection Agency | | <u>1,942,860</u> |
| Total Expenditures of Federal Awards | | \$ <u><u>1,942,860</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, 2023

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 elect to 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, 2023 as follows

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

\$7,200,000 Contract Revenue Bonds, Tax-exempt 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, Tax-exempt Series 2022B (Regional Water System Project)

\$14,400,000 Contract Revenue Bonds, Taxable Series 2023 (Regional Water System Project)

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED SEPTEMBER 30, 2023

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 determined to be a low-risk auditee.

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

No findings required to be reported

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

No findings required to be reported

RIVERBEND WATER RESOURCES DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED SEPTEMBER 30, 2023

No prior year findings or responses