



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

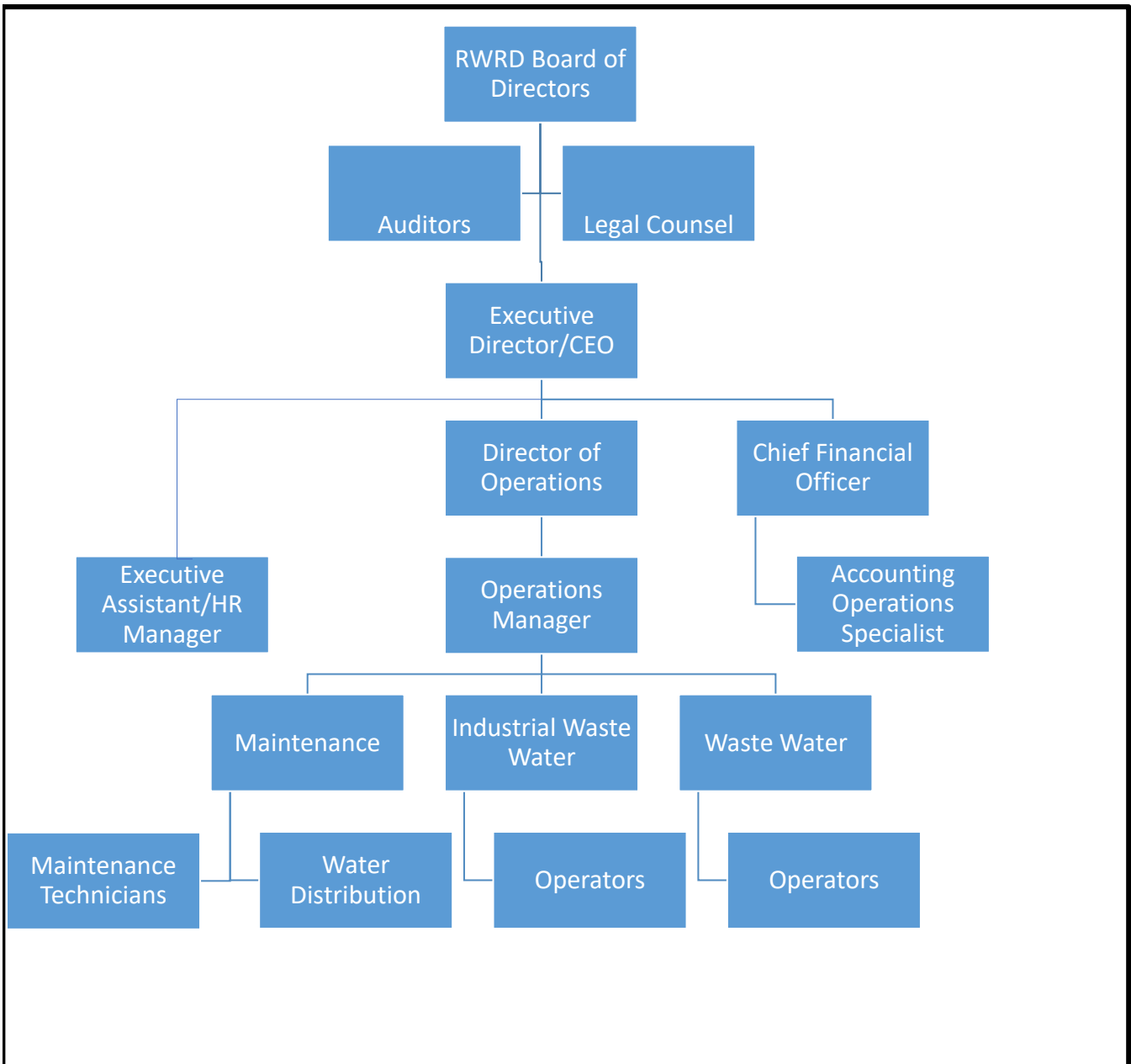
SONJA YATES HUBBARD
Secretary
City of Texarkana

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

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Riverbend Water Resources District
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrell

Executive Director/CEO

THE STATE OF TEXAS }
COUNTY OF BOWIE }

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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	<u>158,179,449</u>	<u>140,662,065</u>	<u>17,517,384</u>
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	<u>130,865,488</u>	<u>120,358,770</u>	<u>10,506,718</u>
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	<u>\$ 27,313,961</u>	<u>\$ 20,303,295</u>	<u>\$ 7,010,666</u>

CHANGES IN NET POSITION

	2023	2022	Total \$ Change
Operating revenue:			
Charges for services	\$ 4,036,572	\$ 3,849,103	\$ 187,469
Total operating revenue	<u>4,036,572</u>	<u>3,849,103</u>	<u>187,469</u>
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	<u>4,118,665</u>	<u>4,096,457</u>	<u>22,208</u>
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	<u>\$ 27,313,961</u>	<u>\$ 20,303,295</u>	<u>\$ 7,010,666</u>

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>Additions</i>	<i>Retirements</i>	<i>Ending</i> <i>Balance</i> <i>September 30,</i> <i>2023</i>	<i>Due Within</i> <i>One Year</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>Principal Due 10/15</i>	<i>Interest Due 10/15, 4/15</i>	<i>Total</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>

2019	2018	2017	2016	2015	2014
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	-	-
1,250,941	1,018,054	530,980	197,181	50,709	163,515
12,264,361	11,277,220	9,762,040	8,630,105	52,003	163,515

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)

Fiscal Year	Facility Charge Revenue	Minimum Monthly Payments	Interest Revenue	Unrealized Gain (Loss) on Investment
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	Net
		(Excluding Depreciation)		Monthly Payments**	Available Funds
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	Personal	Unemployment Rate	
		Income ²	Income	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	Personal	Unemployment Rate	
		Income ²	Income	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.

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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.

Wilf & 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