



**REGULAR MEETING
RIVERBEND WATER RESOURCES DISTRICT
PUBLIC NOTICE OF BOARD OF DIRECTORS' MEETING
WEDNESDAY, JANUARY 28, 2026
10:00 A.M.
228 TEXAS AVENUE, SUITE A, NEW BOSTON, TX 75570**

*Notice is hereby given pursuant to V.T.C.A., Government Code, Chapter 551, that the Board of Directors of the Riverbend Water Resources District will conduct a meeting; open to the public, on **WEDNESDAY, January 28, 2026, at 10:00 a.m.**, at the Riverbend Water Resources District ("Riverbend") office, in the Conference Room located at 228 Texas Avenue, Suite A, New Boston, TX 75570.*

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

A G E N D A

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

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

- IV. CONSENT AGENDA ITEMS

- A. Discussion and possible action regarding approval of the November 19, 2025 Regular Meeting Minutes.

V. REGIONAL ENTITY REPORTS

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

VI. AGENDA ITEMS FOR INDIVIDUAL CONSIDERATION

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

A. Discussion and possible action regarding approval of a resolution approving the fourth quarter financials for FY 2025.

The presentation of the fourth quarter financials for FY 2025 will be by Tara Houck.

Action Item: Consider motion for approval of RESO 20260128-01 approving the fourth quarter financials for FY 2025.

B. Discussion and possible action regarding approval of a resolution approving the fourth quarter investment report for FY 2025.

The presentation of the fourth quarter investment report for FY 2025 will be by Tara Houck.

Action Item: Consider motion for approval of RESO 20260128-02 approving the fourth quarter investment report for FY 2025.

C. Discussion and possible action regarding approval of a resolution approving the FY 2025 Annual Audit performed by Wilf and Henderson, P.C.

The presentation of the FY 2025 Annual Audit will be by Carolyn Wilder with Wilf and Henderson, P.C.

Action Item: Consider motion for approval of RESO 20260128-03 approving the FY 2025 Annual Audit performed by Wilf and Henderson, P.C.

D. Discussion and possible action regarding approval of a resolution authorizing the Executive Director/CEO to negotiate and execute the purchase/acquisition of land needed for the completion of the Industrial Wastewater Facility.

Riverbend is at a point with the Industrial Wastewater Facility project to start the process of acquiring the needed property for both construction and easements for

the project. This item, if approved, would allow the Executive Director/CEO to negotiate and execute the purchase/acquisition of those needed easements and property for the project. Staff recommends approval.

Action Item: Consider motion for approval of RESO 20260128-04 authorizing the Executive Director/CEO to negotiate and execute the purchase/acquisition of land needed for the completion of the Industrial Wastewater Facility.

VII. REPORTS

A. Board Members

B. Executive Director/CEO

VIII. EXECUTIVE SESSION

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

IX. NEXT REGULAR MEETING

Riverbend Regular Meeting, February 25, 2026 at 12:00 p.m. at Riverbend Offices, 228 A Texas Avenue, New Boston, Texas 75570.

X. ADJOURNMENT

Kyle Dooley

Kyle Dooley, Executive Director/CEO
Riverbend Water Resources District

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

**REGULAR CALLED MEETING
RIVERBEND WATER RESOURCES DISTRICT
WEDNESDAY, JANUARY 28, 2026**

**CONSENT AGENDA ITEM IV. A.
November 19, 2025
Regular Meeting Minutes**

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

November 19, 2025

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

MINUTES

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

Pursuant to a notice posted on the District website, the Chair, Sonja Hubbard, President of the Board, called the meeting to order at 12:01 p.m.

Directors Present:

Sonja Hubbard, President
Van Alexander, Treasurer
Lynn Davis, Past President

Directors Absent:

Tina Veal Gooch, Vice President
Steve Mayo, Secretary

Administration Present:

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

Public Present:

Please see the attached list for additional guests.

II. Invocation & Pledge

Sonja Hubbard led the invocation and the pledge of allegiance.

III. Public Comments

None.

IV. Consent Agenda Items

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

A. Discussion and possible action regarding October 22, 2025 Regular Called Meeting Minutes.

A single motion was made by Van Alexander and seconded by Lynn Davis to approve the Consent Agenda Item as listed above. The motion passed unanimously.

V. Regional Entity Reports

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

David Weidman provided an update. The SRBA board approved their new CRP Contract with Randy Rushin with WMS. The board passed a resolution requiring that the Board approve requests for letters of support. The board took no action on moving their meetings to quarterly so they will continue to have them monthly. Halff and Associates was selected as the consultant on the FIF grant application. Mr. Weidman also stated that he was not chosen to represent SRBA on the Region D board at this time. No action taken.

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

No report.

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

Sonja Hubbard provided an update. She stated that REDI is moving forward with negotiations on the new data center. No action taken.

VI. Agenda Items for Individual Consideration

A. Discussion regarding the draft Fourth Quarter FY 2025 Financials.

Presentation of the draft fourth quarter financials of FY 2025 was made by Tara Houck. These draft numbers will be finalized and included in the audit so no action will be required at this time. The audit will be brought before the board for review and approval at the January board meeting. No action taken.

B. Discussion regarding the draft Fourth Quarter FY 2025 Investment Report.

Presentation of the fourth quarter investment report for FY 2025 was made by Tara Houck. No action taken.

C. Discussion and possible action regarding approval of a resolution authorizing the Executive Director/CEO to execute Lease Agreements with TexAmericas Center (TAC) for the lease of buildings located at 228 Texas Avenue Suite A, 164 Arkansas Avenue, and 167 Arkansas Avenue.

Kyle Dooley provided information on the lease renewal with TAC. We originally entered into a lease agreement in 2016 with automatic renewals through April 30, 2026. With our administrative offices and maintenance facilities slated to be constructed as part of the regional water treatment facilities, we are in need to sign a new agreement until the facilities are

completed. The lease agreements are for a one-year term with 4 additional one-year extensions. This will give us flexibility as we construct the regional water treatment facility. The cost of the rent is held in future credits for water, as the original leases were. These agreements will be reviewed by counsel.

A motion was made by Van Alexander and seconded by Lynn Davis to approve RESO 20251119-01 authorizing the Executive Director/CEO to execute Lease Agreements with TexAmericas Center (TAC) for the lease of buildings located at 228 Texas Avenue Suite A, 164 Arkansas Avenue, and 167 Arkansas Avenue. The motion passed unanimously.

D. Discussion and possible action regarding approval of a resolution granting the Executive Director/CEO additional authority regarding the funding, planning and construction of the Regional Water Facility.

Kyle Dooley provided information regarding an update to Regional Water Facility project authority. In August 2020, the Board approved RESO 20200826-02, which gave the Executive Director/CEO authority to complete all actions needed to secure the necessary services within budget to complete the Regional Water Treatment Facilities. This current resolution would be an update to that 2020 resolution and would clarify three things from the 2020 resolution:

- 1) The ability to consider using a construction manager at risk contract as a possible necessary service option as part of the project.
- 2) Update the budget from the 2020 level of \$200M to the current funding levels approved by the Board in January of 2025 for up to \$65M, and in April of 2025 for up to \$250M, as part of the funding needed through TWDB. These amounts will be in addition to the original \$200M for the regional water treatment facilities project.
- 3) Clarify wording from the original resolution authorizing execution of the contracts for necessary service so long as the cost of those services are within budget.

Mr. Dooley also added that the engagement of a construction manager at risk (CMAR) will provide a more precise schedule and cost certainty. They will analyze the project cost and ensure that all possible savings are discovered. We are at a point in the project that hiring a CMAR will still be beneficial from a schedule and cost perspective.

A motion was made by Van Alexander and seconded by Lynn Davis to approve RESO 20251119-02 granting the Executive Director/CEO additional authority regarding the funding, planning, and construction of the Regional Water Facility. The motion passed unanimously.

VII. Riverbend Reports

A. Board Members

No reports.

B. Executive Director/CEO

Kyle Dooley provided the following updates:

Regional Water System Project: Mike Bennett with Pape Dawson provided the following updates:

Environmental Coordination

- Working with USACE on the mitigation concerns for the Outgrant. Three in-kind projects have been identified by USACE to mitigate the impact of tree losses at the intake site location. The agreement will become a part of the Outgrant (lease) package between RWRD and USACE.
- The Texas Water Development Board has paid the first set of design invoices.
- A progress meeting was held with Garver to discuss design options for the water treatment plant. The plant design is scheduled for 100% drawings in June 2026.
- A design presentation for the potable water transmission main will happen in December.

Land Acquisition

- Several property owners have obtained legal representation from Kyle Davis. Pape Dawson continues to work with his office on the lease acquisition process.
- Exhibits for TexAmericas locating the site of the Water Treatment Plant and Potable Water Transmission are being revised.

USACE Outgrant Process

- The Outgrant package (lease agreement) is under development, with biweekly meetings underway involving USACE real estate specialists and the lake office.
- The final Outgrant package will be submitted upon procurement of property in the flowage easement

Geotechnical Investigations

- Geotechnical reports are in review.
- The Water Treatment Plant Design team has asked for an additional test that could reduce foundation sizes due to poor soil conditions.

Power Coordination

- BCECs subcontractor, Power Engineering, started the design of the substation.
- Exploration on alternative power delivery is in progress. Several meetings were held to determine the feasibility at the raw water pump station.

Kyle Dooley added that the SRF Funding Application is still under review with TWDB. It is on the agenda for approval at their December meeting. We are working with Marti Shew at Hilltop to get Riverbend an indicative credit rating on the open bond market through Moody's. They needed some information and we have a meeting during the first week of December and have a report out to us by mid-December.

Industrial Wastewater Plant: We met with Garver this month on the final design and construction engineering and inspection scope. We're still negotiating the final draft and price. Discussions are moving forward.

Waggoner Creek Project: Mr. Dooley is working with the cities involved to finalize the contract language. We expect to have them finalized by the end of the year so that construction can begin.

Water Supply Contract Agreements: These amendments are regarding the responsibility of maintenance of the facilities beyond the point of delivery. A little more than half of the Member Entities have returned the contract amendment and the others have them on their

agendas for approval either this month or next. Mr. Dooley will send out a reminder to those that have not responded as of yet.

No action taken.

VIII. Executive Session

The board stood at ease at 12:42 p.m.

The board reconvened in Executive Session at 12:47 p.m. with quorum pursuant to section 551.072 and 551.074 of the Texas Open Meetings Act.

The board came out of Executive Session at 1:44 p.m.

The board reconvened with quorum at 1:45 p.m.

IX. Next Riverbend Meetings

Riverbend Regular Meeting, Wednesday, January 28, 2026, at 12:00 p.m. at Riverbend Offices, 228 A Texas Avenue, New Boston, Texas 75570.

X. Adjournment

With no additional business to be discussed, a motion was made by Steve Mayo and seconded by Sonja Hubbard to adjourn the meeting at 1:45 p.m. The motion passed unanimously.

The minutes of the Riverbend Water Resources District Board of Directors meeting, held on November 19, 2025, were read and approved on the _____ day of _____ 2026

Attest:

Sonja Hubbard, President

Kyle Dooley, Executive Director/ CEO

**REGULAR CALLED MEETING
RIVERBEND WATER RESOURCES DISTRICT
WEDNESDAY, JANUARY 28, 2026**

**AGENDA ITEM VI. A.
RWRD RESO 20260128-01
Fourth Quarter FY 2025
Financial Statements**



RIVERBEND RESOLUTION NO. 20260128-01

APPROVING THE FOURTH QUARTER FY 2025 FINANCIAL STATEMENTS

WHEREAS, Riverbend Water Resources District is a conservation and reclamation district created under and essential to accomplish the purposes of Section 59 Article XVI, Texas Constitution, existing pursuant to and having the powers set forth in Chapter 9601 of the Special District Local Laws Code of the State of Texas; and

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

NOW, THEREFORE, BE IT RESOLVED that the Riverbend Water Resources District Board of Directors accepts and approves the Fourth Quarter FY 2025 financials.

PASSED and APPROVED this 28th day of January 2026

Sonja Hubbard, President

ATTEST:

Steve Mayo, Secretary

Attached: Fourth Quarter FY 2025 Financials



RIVERBEND WATER RESOURCES DISTRICT

STATEMENT OF NET POSITION

ENTERPRISE FUNDS

SEPTEMBER 30, 2025

| | <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> |
|---|--|--|-------------------------------------|----------------------|
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | \$ 186,616 | \$ - | \$ 1,148,921 | \$ 1,335,537 |
| Accounts receivable | 15,591 | 740,261 | 1,761,801 | 2,517,653 |
| Interest receivable | - | 321,367 | - | 321,367 |
| Interfund accounts | 24,675 | - | 277,406 | 302,081 |
| Restricted assets: | | | | |
| Cash and cash equivalents restricted for bond debt reserves | - | 5,544,753 | 3,783,913 | 9,328,666 |
| Cash and cash equivalents restricted for construction | - | 99,117,984 | 31,118,442 | 130,236,426 |
| Cash and cash equivalents restricted for operations | - | - | 906,813 | 906,813 |
| Prepaid expenses | - | - | 97,499 | 97,499 |
| Due to North East Texas Regional Water Planning Group | 38,416 | - | - | 38,416 |
| Due from other governments | - | - | 376,573 | 376,573 |
| Inventories | - | - | 78,555 | 78,555 |
| Total current assets | <u>265,298</u> | <u>105,724,365</u> | <u>39,549,923</u> | <u>145,539,586</u> |
| Noncurrent assets: | | | | |
| Cash and cash equivalents - restricted for bond debt reserves | - | 11,654,205 | 6,876,762 | 18,530,967 |
| Capital assets (net of accumulated depreciation): | | | | |
| Land | - | 272,840 | - | 272,840 |
| Equipment | - | - | 507,659 | 507,659 |
| Utility system | - | - | 14,313,325 | 14,313,325 |
| Intangible assets | - | - | 223,726 | 223,726 |
| Construction in progress | - | 42,803,733 | 460,991 | 43,264,724 |
| Right to Use Subscription asset (net of accumulated amortization) | - | - | 22,487 | 22,487 |
| Total capital assets | <u>-</u> | <u>43,076,573</u> | <u>15,528,188</u> | <u>58,604,761</u> |
| Total noncurrent assets | <u>-</u> | <u>54,730,778</u> | <u>22,404,950</u> | <u>77,135,728</u> |
| TOTAL ASSETS | <u>265,298</u> | <u>160,455,143</u> | <u>61,954,873</u> | <u>222,675,314</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred pension outflows | <u>-</u> | <u>-</u> | <u>180,763</u> | <u>180,763</u> |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | <u>-</u> | <u>-</u> | <u>180,763</u> | <u>180,763</u> |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable | 38,187 | 6,855,359 | 187,058 | 7,080,604 |
| Payroll liabilities | - | - | 77,105 | 77,105 |
| Interfund accounts | - | 302,081 | - | 302,081 |
| Accrued interest payable | - | 962,019 | 1,168,252 | 2,130,271 |
| Accrued compensated absences - current portion | - | - | 62,019 | 62,019 |
| Revenue bonds payable - current portion | - | 3,450,000 | 1,270,000 | 4,720,000 |
| Total current liabilities | <u>38,187</u> | <u>11,569,459</u> | <u>2,764,434</u> | <u>14,372,080</u> |
| Long-term liabilities: | | | | |
| Accrued compensated absences - long term | - | - | 111,697 | 111,697 |
| Arbitrage rebate liability | - | 2,321,721 | - | 2,321,721 |
| Net pension liability | - | - | 811,193 | 811,193 |
| Revenue bonds payable - long term | - | 112,425,000 | 38,860,000 | 151,285,000 |
| Total long-term liabilities | <u>-</u> | <u>114,746,721</u> | <u>39,782,890</u> | <u>154,529,611</u> |
| TOTAL LIABILITIES | <u>38,187</u> | <u>126,316,180</u> | <u>42,547,324</u> | <u>168,901,691</u> |
| NET POSITION | | | | |
| Net investment in capital assets | - | 6,984,282 | 7,318,914 | 14,303,196 |
| Restricted for bond reserves | - | 17,298,567 | 10,667,503 | 27,966,070 |
| Restricted for construction | - | 10,158,195 | 20,036 | 10,178,231 |
| Unrestricted | 227,111 | (302,081) | 1,581,859 | 1,506,889 |
| TOTAL NET POSITION | <u>\$ 227,111</u> | <u>\$ 34,138,963</u> | <u>\$ 19,588,312</u> | <u>\$ 53,954,386</u> |

RIVERBEND WATER RESOURCES DISTRICT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION ENTERPRISE FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2025

| | <i>Regional Water System Administration Fund</i> | <i>Regional Water System Facilities Fund</i> | <i>Wet Utilities Fund</i> | Total |
|--|--|--|-------------------------------|----------------------|
| OPERATING REVENUES | | | | |
| Charges for services: | | | | |
| Member fees | \$ 149,935 | \$ - | \$ - | \$ 149,935 |
| Army volumetric charge | - | - | 3,592,297 | 3,592,297 |
| Army water supply charge | - | - | 195,655 | 195,655 |
| Commercial and residential charge | - | - | 136,279 | 136,279 |
| Infrastructure Services | - | - | 248,386 | 248,386 |
| Other revenue | - | - | 23,752 | 23,752 |
| Total operating revenues | <u>149,935</u> | <u>-</u> | <u>4,196,369</u> | <u>4,346,304</u> |
| OPERATING EXPENSES | | | | |
| Accounting and audit | 5,000 | - | 19,750 | 24,750 |
| Analyticals | - | - | 232,716 | 232,716 |
| Community relations | 2,627 | - | - | 2,627 |
| Conferences and seminars | 1,956 | - | - | 1,956 |
| Consulting | 204,257 | - | 6,120 | 210,377 |
| Dues and memberships | 8,539 | - | - | 8,539 |
| Engineering services | 8,587 | - | - | 8,587 |
| Equipment maintenance, repair and fuel | - | - | 42,586 | 42,586 |
| Insurance | - | - | 77,292 | 77,292 |
| Legal and professional fees | 18,231 | - | - | 18,231 |
| Materials | - | - | 174,788 | 174,788 |
| Meetings expense | 6,149 | - | - | 6,149 |
| Military affairs | 16,500 | - | - | 16,500 |
| Permits | - | - | 28,518 | 28,518 |
| Repairs | - | - | 157,178 | 157,178 |
| Salaries, wages, payroll taxes and benefits | 205,385 | - | 927,337 | 1,132,722 |
| SRBA Partnership | 70,000 | - | - | 70,000 |
| Supplies | 2,590 | - | 42,350 | 44,940 |
| Travel and training | 11,608 | - | - | 11,608 |
| Utilities | - | - | 138,955 | 138,955 |
| Waste disposal | - | - | 29,415 | 29,415 |
| Water purchase cost | - | - | 228,403 | 228,403 |
| Web design and maintenance | 2,160 | - | - | 2,160 |
| Infrastructure services | - | - | 262,389 | 262,389 |
| Overhead allocation - water | - | - | 206,712 | 206,712 |
| Overhead allocation - wastewater | - | - | 224,674 | 224,674 |
| Overhead allocation - industrial wastewater | - | - | 226,516 | 226,516 |
| Total operating expenses before depreciation | <u>563,589</u> | <u>-</u> | <u>3,025,699</u> | <u>3,589,288</u> |
| Operating income (loss) before depreciation | <u>(413,654)</u> | <u>-</u> | <u>1,170,670</u> | <u>757,016</u> |
| Amortization | - | - | 21,465 | 21,465 |
| Depreciation | - | - | 894,155 | 894,155 |
| Operating income (loss) | <u>(413,654)</u> | <u>-</u> | <u>255,050</u> | <u>(158,604)</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Facility charges revenue | - | - | 3,767,137 | 3,767,137 |
| Minimum monthly payments | - | 9,045,097 | - | 9,045,097 |
| Interest revenue | 5 | 4,723,478 | 1,116,673 | 5,840,156 |
| DEAAG revenue | - | - | 412,192 | 412,192 |
| Arbitrage rebate | - | (929,966) | - | (929,966) |
| Project admin fees | - | - | 64,447 | 64,447 |
| Gain/(Loss) on disposal of assets | - | - | (2,457) | (2,457) |
| Gain (loss) on investment | - | 12,583 | - | 12,583 |
| Bond issuance costs | - | - | (252,304) | (252,304) |
| Interest expense | - | (2,100,029) | (2,268,115) | (4,368,144) |
| Finance and wire fees | - | (8,586) | - | (8,586) |
| Franchise fees expense | - | - | (117,727) | (117,727) |
| Special projects expense | (25,750) | - | (10,000) | (35,750) |
| Total nonoperating revenues (expenses) | <u>(25,745)</u> | <u>10,742,577</u> | <u>2,709,846</u> | <u>13,426,678</u> |
| Income (loss) before transfers | <u>(439,399)</u> | <u>10,742,577</u> | <u>2,964,896</u> | <u>13,268,074</u> |
| Transfers in (out) | <u>550,000</u> | <u>-</u> | <u>(550,000)</u> | <u>-</u> |
| Changes in net position | <u>110,601</u> | <u>10,742,577</u> | <u>2,414,896</u> | <u>13,268,074</u> |
| Net position, beginning of year, as restated, see Note 18 | <u>116,510</u> | <u>23,396,386</u> | <u>17,173,416</u> | <u>40,686,312</u> |
| Net position, end of 4th quarter | <u>\$ 227,111</u> | <u>\$ 34,138,963</u> | <u>\$ 19,588,312</u> | <u>\$ 53,954,386</u> |

RIVERBEND WATER RESOURCES DISTRICT

**SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
REGIONAL WATER SYSTEM ADMINISTRATION
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

| | <i>Budget</i> | <i>Actual</i> | <i>Variance with Budget</i> | <i>% of Budget</i> |
|---|-------------------|-------------------|---------------------------------|------------------------|
| OPERATING REVENUES | | | | |
| Charges for services | \$ 151,798 | \$ 149,935 | \$ (1,863) | 98.77% |
| Total operating revenues | <u>151,798</u> | <u>149,935</u> | <u>(1,863)</u> | <u>98.77%</u> |
| OPERATING EXPENSES | | | | |
| Advertising | 1,200 | - | 1,200 | 0.00% |
| Accounting & audit | 5,000 | 5,000 | - | 100.00% |
| Community relations | 8,000 | 2,627 | 5,373 | 32.84% |
| Conferences & seminars | 4,700 | 1,956 | 2,744 | 41.62% |
| Consulting | 204,260 | 204,257 | 3 | 100.00% |
| Dues & memberships | 9,083 | 8,539 | 544 | 94.01% |
| Engineering services | 15,740 | 8,587 | 7,153 | 54.56% |
| Legal & professional fees | 27,500 | 18,231 | 9,269 | 66.29% |
| Meetings expense | 6,200 | 6,149 | 51 | 99.18% |
| Military affairs | 16,500 | 16,500 | - | 100.00% |
| Office supplies & expense | 5,920 | 2,590 | 3,330 | 43.75% |
| Regional planning projects | 60,000 | - | 60,000 | 0.00% |
| Salaries, wages & benefits | 216,793 | 205,385 | 11,408 | 94.74% |
| SRBA Partnership | 70,000 | 70,000 | - | 100.00% |
| Travel & training | 18,000 | 11,608 | 6,392 | 64.49% |
| Web design & maintenance | 4,000 | 2,160 | 1,840 | 54.00% |
| Total operating expenses | <u>672,896</u> | <u>563,589</u> | <u>109,307</u> | <u>83.76%</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Interest revenue | 100 | 5 | (95) | 5.00% |
| Special projects expense | (28,950) | (25,750) | 3,200 | 88.95% |
| Total nonoperating revenues (expenses) | <u>(28,850)</u> | <u>(25,745)</u> | <u>3,105</u> | <u>-89.24%</u> |
| Income (loss) before transfers | (549,948) | (439,399) | 110,549 | 79.90% |
| Transfers in (out) | <u>550,000</u> | <u>550,000</u> | <u>-</u> | <u>100.00%</u> |
| Change in net position | 52 | 110,601 | 110,549 | |
| Net position, beginning of year | <u>116,510</u> | <u>116,510</u> | <u>-</u> | <u>100.00%</u> |
| Net position, end of 4th quarter | <u>\$ 116,562</u> | <u>\$ 227,111</u> | <u>\$ 110,549</u> | <u>194.84%</u> |

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE REGIONAL WATER SYSTEM FACILITIES FUND FOR THE YEAR ENDED SEPTEMBER 30, 2025

| | <i>Budget</i> | <i>Actual</i> | <i>Variance with Budget</i> | <i>% of Budget</i> |
|--|----------------------|----------------------|---------------------------------|------------------------|
| OPERATING REVENUES | | | | |
| Charges for services | \$ - | \$ - | \$ - | |
| Total operating revenues | <u>-</u> | <u>-</u> | <u>-</u> | |
| OPERATING EXPENSES | | | | |
| Expenses | <u>-</u> | <u>-</u> | <u>-</u> | |
| Total operating expenses | <u>-</u> | <u>-</u> | <u>-</u> | |
| Operating income (loss) | <u>-</u> | <u>-</u> | <u>-</u> | |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Minimum monthly payments | 9,515,444 | 9,045,097 | (470,347) | 95.06% |
| Interest Revenue | 4,196,001 | 4,723,478 | 527,477 | 112.57% |
| Arbitrage rebate | (947,000) | (929,966) | 17,034 | 98.20% |
| Interest Expense | (2,082,731) | (2,100,029) | (17,298) | 100.83% |
| Finance and wire fees | (11,501) | (8,586) | 2,915 | 74.65% |
| Gain/(Loss) on Investments | 12,583 | 12,583 | - | 100.00% |
| Total nonoperating revenues (expenses) | <u>10,682,796</u> | <u>10,742,577</u> | <u>59,781</u> | <u>100.56%</u> |
| Change in net position before transfers | 10,682,796 | 10,742,577 | 59,781 | 100.56% |
| Net position, beginning of year | \$ 23,396,386 | 23,396,386 | - | 100.00% |
| Net position, end of 4th quarter | <u>\$ 34,079,182</u> | <u>\$ 34,138,963</u> | <u>\$ 59,781</u> | <u>100.18%</u> |

RIVERBEND WATER RESOURCES DISTRICT

BUDGETARY COMPARISON SCHEDULE WET UTILITIES FUND FOR THE YEAR ENDED SEPTEMBER 30, 2025

| | <i>Budget</i> | <i>Actual</i> | <i>Variance with Budget</i> | <i>% of Budget</i> |
|--|---------------|---------------|---------------------------------|------------------------|
| OPERATING REVENUES | | | | |
| Charges for services | \$ 3,926,968 | \$ 3,924,231 | \$ (2,737) | 99.93% |
| Infrastructure services | 248,236 | 248,386 | 150 | 100.06% |
| Other revenue | 29,700 | 23,752 | (5,948) | 79.97% |
| Total operating revenues | 4,204,904 | 4,196,369 | (8,535) | 99.80% |
| OPERATING EXPENSES | | | | |
| Accounting and audit | 24,350 | 19,750 | 4,600 | 81.11% |
| Analytical | 229,400 | 232,716 | (3,316) | 101.45% |
| Consulting | 55,000 | 6,120 | 48,880 | 11.13% |
| Equipment maintenance, repair & fuel | 57,800 | 42,586 | 15,214 | 73.68% |
| Insurance | 77,292 | 77,292 | - | 100.00% |
| Materials | 219,200 | 174,788 | 44,412 | 79.74% |
| Permits | 50,500 | 28,518 | 21,982 | 56.47% |
| Repairs | 314,500 | 157,178 | 157,322 | 49.98% |
| Salaries, wages, payroll taxes & benefits | 1,200,782 | 927,337 | 273,445 | 77.23% |
| Supplies & materials | 77,000 | 42,350 | 34,650 | 55.00% |
| Utilities | 198,000 | 138,955 | 59,045 | 70.18% |
| Waste disposal | 56,000 | 29,415 | 26,585 | 52.53% |
| Water purchase cost | 234,000 | 228,403 | 5,597 | 97.61% |
| Infrastructure services | 248,236 | 262,389 | (14,153) | 105.70% |
| Overhead allocation - water | 207,747 | 206,711 | 1,036 | 99.50% |
| Overhead allocation - wastewater | 225,797 | 224,674 | 1,123 | 99.50% |
| Overhead allocation - industrial wastewater | 227,649 | 226,516 | 1,133 | 99.50% |
| Total operating expenses | 3,703,253 | 3,025,698 | 672,955 | 81.70% |
| Operating income (loss) before depreciation | 501,651 | 1,170,671 | 669,020 | 233.36% |
| Depreciation | 890,772 | 894,155 | (3,383) | 100.38% |
| Amortization | 24,500 | 21,465 | 3,035 | 87.61% |
| Operating income (loss) | (413,621) | 255,051 | 665,637 | 61.66% |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Facility charges revenues | 3,706,332 | 3,767,137 | 60,805 | 101.64% |
| Interest revenue | 1,130,000 | 1,116,673 | (13,327) | 98.82% |
| DEAAG revenue | 35,620 | 412,192 | 376,572 | 1157.19% |
| Project Admin Fees | 55,036 | 64,447 | 9,411 | 117.10% |
| Gain/(Loss) on disposal of assets | - | (2,457) | (2,457) | |
| Bond issuance costs | (252,304) | (252,304) | - | 100.00% |
| Interest expense | (2,270,700) | (2,268,115) | 2,585 | 99.89% |
| Franchise fees expense | (117,800) | (117,727) | 73 | 99.94% |
| Special projects expense | - | (10,000) | (10,000) | |
| Total nonoperating revenues (expenses) | 2,286,184 | 2,709,846 | 423,662 | 118.53% |
| Income (loss) before transfers | 1,872,563 | 2,964,897 | 1,092,334 | 158.33% |
| Transfers in (out) | (550,000) | (550,000) | - | 100.00% |
| Change in net position | 1,322,563 | 2,414,897 | 1,092,334 | 182.59% |
| Net position, beginning of year as restated | 17,173,416 | 17,173,416 | - | 100.00% |
| Net position, end of 4th quarter | \$ 18,495,979 | \$ 19,588,313 | \$ 1,092,334 | 105.91% |

RIVERBEND WATER RESOURCES DISTRICT**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
WATER SYSTEM ADMINISTRATION
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

| | <u>September 30, 2025</u> | <u>September 30, 2024</u> | <u>\$ Change</u> | <u>% Change</u> |
|---|---------------------------|---------------------------|-------------------|-----------------|
| OPERATING REVENUES | | | | |
| Charges for services: | | | | |
| Member fees | \$ 149,935 | \$ 188,663 | \$ (38,728) | -20.53% |
| Total operating revenues | <u>149,935</u> | <u>188,663</u> | <u>(38,728)</u> | <u>-20.53%</u> |
| OPERATING EXPENSES | | | | |
| Accounting & audit | 5,000 | 4,200 | 800 | 19.05% |
| Community relations | 2,627 | 5,001 | (2,374) | -47.47% |
| Conferences & seminars | 1,956 | 4,241 | (2,285) | -53.88% |
| Consulting | 204,257 | 182,411 | 21,846 | 11.98% |
| Dues & memberships | 8,539 | 8,510 | 29 | 0.34% |
| Engineering services | 8,587 | 11,059 | (2,472) | -22.35% |
| Legal & professional fees | 18,231 | 7,949 | 10,282 | 129.35% |
| Meetings expense | 6,149 | 4,790 | 1,359 | 28.37% |
| Military affairs | 16,500 | 11,000 | 5,500 | 50.00% |
| Office supplies and expense | 2,590 | 1,686 | 904 | 53.62% |
| Salaries, wages, payroll taxes & benefits | 205,385 | 194,221 | 11,164 | 5.75% |
| SRBA Partnership | 70,000 | - | 70,000 | |
| Travel & training | 11,608 | 7,926 | 3,682 | 46.45% |
| Web design & maintenance | 2,160 | 853 | 1,307 | 153.22% |
| Total operating expenses | <u>563,589</u> | <u>443,847</u> | <u>119,742</u> | <u>26.98%</u> |
| Operating income (loss) before depreciation | (413,654) | (255,184) | (158,470) | -62.10% |
| Depreciation | - | - | - | |
| Operating income (loss) | <u>(413,654)</u> | <u>(255,184)</u> | <u>(158,470)</u> | <u>62.10%</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Interest revenue | 5 | 4 | 1 | 25.00% |
| Special projects expense | (25,750) | (27,363) | 1,613 | -5.89% |
| Total nonoperating revenues (expenses) | <u>(25,745)</u> | <u>(27,359)</u> | <u>1,614</u> | <u>5.90%</u> |
| Income (loss) before transfers | (439,399) | (282,543) | (156,856) | -55.52% |
| Transfers in (out) | <u>550,000</u> | <u>280,000</u> | <u>270,000</u> | <u>-96.43%</u> |
| Change in net position | 110,601 | (2,543) | 113,144 | 4449.23% |
| Net position, beginning of year | <u>116,510</u> | <u>119,053</u> | <u>(2,543)</u> | <u>-2.14%</u> |
| Net position, end of 4th quarter | <u>\$ 227,111</u> | <u>\$ 116,510</u> | <u>\$ 110,601</u> | <u>94.93%</u> |

RIVERBEND WATER RESOURCES DISTRICT**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
REGIONAL WATER SYSTEM FACILITIES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

| | <u>September 30, 2025</u> | <u>September 30, 2024</u> | <u>\$ Change</u> | <u>% Change</u> |
|---|---------------------------|---------------------------|----------------------|-----------------|
| OPERATING REVENUES | | | | |
| Charges for services: | - | - | - | |
| Total operating revenues | - | - | - | |
| OPERATING EXPENSES | | | | |
| Regional Water System capital outlay | - | - | - | |
| Total operating expenses | - | - | - | |
| Operating income (loss) before bond proceeds | - | - | - | |
| Bond Proceeds | - | - | - | |
| Operating income (loss) | - | - | - | - |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Minimum monthly payments | 9,045,097 | 9,947,613 | (902,516) | -9.98% |
| Interest Revenue | 4,723,478 | 4,487,016 | 236,462 | 5.01% |
| Arbitrage rebate | (929,966) | (1,391,755) | 461,789 | -49.66% |
| Gain (loss) on investment | 12,583 | 1,314,764 | (1,302,181) | -10348.73% |
| Interest Expense | (2,100,029) | (2,126,846) | 26,817 | -1.28% |
| Finance and wire fees | (8,586) | (8,262) | (324) | 3.77% |
| Total nonoperating revenues (expenses) | 10,742,577 | 12,222,530 | (1,941,742) | -15.89% |
| Income (loss) before capital contributions and transfers | 10,742,577 | 12,222,530 | (1,941,742) | -15.89% |
| Transfers in (out) | - | - | - | 0.00% |
| Net position, beginning of year | 23,396,386 | 11,173,856 | 12,222,530 | 109.39% |
| Net position, end of 4th quarter | <u>\$ 34,138,963</u> | <u>\$ 23,396,386</u> | <u>\$ 10,280,788</u> | <u>43.94%</u> |

RIVERBEND WATER RESOURCES DISTRICT

COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION WET UTILITIES FUND FOR THE YEAR ENDED SEPTEMBER 30, 2025

| | <i>September 30, 2025</i> | <i>September 30, 2024</i> | <i>\$ Change</i> | <i>% Change</i> |
|--|---------------------------|---------------------------|---------------------|------------------|
| OPERATING REVENUES | | | | |
| Charges for services: | | | | |
| Army volumetric charge | \$ 3,592,297 | \$ 3,308,172 | \$ 284,125 | 8.59% |
| Army water supply charge | 195,655 | 231,795 | (36,140) | -15.59% |
| Commercial & residential charge | 136,279 | 219,600 | (83,321) | -37.94% |
| Infrastructure services | 248,386 | 132,447 | 115,939 | 87.54% |
| Other revenue | 23,752 | 82,569 | (58,817) | -71.23% |
| Total operating revenues | <u>4,196,369</u> | <u>3,974,583</u> | <u>221,786</u> | <u>5.58%</u> |
| OPERATING EXPENSES | | | | |
| Accounting and audit | 19,750 | 23,000 | (3,250) | -14.13% |
| Analyticals | 232,716 | 142,808 | 89,908 | 62.96% |
| Consulting | 6,120 | 24,690 | (18,570) | -75.21% |
| Equipment maintenance, repair & fuel | 42,586 | 32,692 | 9,894 | 30.26% |
| Insurance | 77,292 | 71,777 | 5,515 | 7.68% |
| Materials | 174,788 | 174,380 | 408 | 0.23% |
| Permits | 28,518 | 48,663 | (20,145) | -41.40% |
| Repairs | 157,178 | 179,449 | (22,271) | -12.41% |
| Salaries, wages, payroll taxes & benefits | 927,337 | 1,060,094 | (132,757) | -12.52% |
| Supplies & materials | 42,350 | 41,488 | 862 | 2.08% |
| Utilities | 138,955 | 180,791 | (41,836) | -23.14% |
| Waste disposal | 29,415 | 31,874 | (2,459) | -7.71% |
| Water purchase cost | 228,403 | 292,507 | (64,104) | -21.92% |
| Infrastructure services | 262,389 | 172,399 | 89,990 | 52.20% |
| Overhead allocation - water | 206,712 | 194,701 | 12,011 | 6.17% |
| Overhead allocation - wastewater | 224,674 | 211,618 | 13,056 | 6.17% |
| Overhead allocation - industrial wastewater | 226,516 | 213,352 | 13,164 | 6.17% |
| Total operating expenses | <u>3,025,699</u> | <u>3,096,283</u> | <u>(70,584)</u> | <u>-2.28%</u> |
| Operating income (loss) before depreciation | 1,170,670 | 878,300 | 292,370 | 33.29% |
| Depreciation | 894,155 | 884,996 | 9,159 | 1.03% |
| Amortization | 21,465 | 20,490 | 975 | 4.76% |
| Operating income (loss) | <u>255,050</u> | <u>(27,186)</u> | <u>282,236</u> | <u>-1038.17%</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Facility charges revenue | 3,767,137 | 1,471,913 | 2,295,224 | 155.93% |
| Interest revenue | 1,116,673 | 157,191 | 959,482 | 610.39% |
| DEAAG revenue | 412,192 | - | 412,192 | |
| Project admin fees | 64,447 | 22,183 | 42,264 | 190.52% |
| Bond issuance costs | (252,304) | - | (252,304) | |
| Interest expense | (2,268,115) | (253,700) | (2,014,415) | 794.01% |
| Gain/(Loss) on disposal of assets | (2,457) | 10,560 | (13,017) | -123.27% |
| Franchise fees expense | (117,727) | (115,025) | (2,702) | 2.35% |
| Special projects expense | (10,000) | - | (10,000) | |
| Total nonoperating revenues (expenses) | <u>2,709,846</u> | <u>1,293,122</u> | <u>1,416,724</u> | <u>109.56%</u> |
| Income (loss) before transfers | 2,964,896 | 1,265,936 | 1,698,960 | 134.21% |
| Transfers in (out) | <u>(550,000)</u> | <u>(280,000)</u> | <u>(270,000)</u> | <u>96.43%</u> |
| Change in net position | 2,414,896 | 985,936 | 1,428,960 | 144.93% |
| Net position, beginning of year as restated, see Note | 17,173,416 | 16,021,052 | 1,152,364 | 7.19% |
| Net position, end of 4th quarter | <u>\$ 19,588,312</u> | <u>\$ 17,006,988</u> | <u>\$ 2,581,324</u> | <u>15.18%</u> |

**REGULAR CALLED MEETING
RIVERBEND WATER RESOURCES DISTRICT
WEDNESDAY, JANUARY 28, 2026**

**AGENDA ITEM VI. B.
RWRD RESO 20260128-02
Fourth Quarter
FY 2025 Investment Report**



RIVERBEND RESOLUTION NO. 20260128-02

APPROVING THE FOURTH QUARTER FY 2025 INVESTMENT REPORT

WHEREAS, Riverbend Water Resources District is a conservation and reclamation district created under and essential to accomplish the purposes of Section 59 Article XVI, Texas Constitution, existing pursuant to and having the powers set forth in Chapter 9601 of the Special District Local Laws Code of the State of Texas; and

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

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

NOW, THEREFORE, BE IT RESOLVED that the Riverbend Water Resources District accepts and approves the Fourth Quarter FY 2025 Investment Report.

PASSED and APPROVED this 28th day of January 2026

Sonja Hubbard, President

ATTEST:

Steve Mayo, Secretary



Attached: Fourth Quarter FY 2025 Investment Report

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF INVESTMENTS

ENTERPRISE FUNDS

For the Three Months Ended September 30, 2025

| <u>Funds</u> | <u>Identification Number</u> | <u>Maturity Date</u> | <u>Balance 06/30/25</u> | <u>Interest Income 09/30/25</u> | <u>Transfers In/(Out) Per Policy</u> | <u>Net Deposits/ Withdrawals</u> | <u>Balance 09/30/25</u> | <u>Accrued Int Rec 09/30/25</u> |
|--|------------------------------|--------------------------|-------------------------|---------------------------------|--------------------------------------|----------------------------------|-------------------------|---------------------------------|
| Administrative Fund | | | | | | | | |
| Operations | 50003704 | Daily checking | \$ 278,355 | \$ - | \$ 318,000 | \$ (415,782) | \$ 180,573 | \$ - |
| Restricted - Region D Planning | 8009740 | Money Market | 318,237 | - | (318,000) | 773 | 1,010 | - |
| Operations | 457060 | Daily savings | 5,031 | 1 | | 2 | 5,033 | - |
| Wet Utilities Fund | | | | | | | | |
| Operations | 21695 | Daily checking | 1,338,548 | - | (1,332,199) | 1,106,764 | 1,113,113 | - |
| Restricted bond sinking | 21709 | Daily checking | 6,122,226 | 55,987 | 1,600,557 | (248,043) | 7,530,727 | - |
| Restricted bond reserves | 21217 | Daily checking | 611,186 | 4,602 | (4,552) | (0) | 611,236 | - |
| Restricted construction funds | 21741 | Daily checking | 20,036 | 38 | (37) | (1) | 20,036 | - |
| Restricted operations | 21733 | Money Market | 906,738 | 6,828 | (9,753) | 3,000 | 906,813 | - |
| Restricted - 2024 bond reserves | 139121279 | Daily checking | 2,518,844 | 18,742 | (235,141) | 216,267 | 2,518,712 | - |
| Restricted - 2024 Construction Escrow | 139121058 | Daily checking | 31,399,522 | 233,165 | (18,874) | (515,407) | 31,098,406 | - |
| Restricted - DEAG Funds | 21725 | Money Market | - | 31 | | 35,619 | 35,650 | - |
| Regional Water System Facilities Fund | | | | | | | | |
| Restricted - Minimum Monthly Payments | 3011380 | Daily Savings | 820,573 | 4,257 | (2,260,229) | 2,249,088 | 813,689 | - |
| Restricted - 2020A Construction | 2037890 | Money Market | 6,167 | 704 | 2,231,438 | (2,231,903) | 6,406 | - |
| Restricted - 2020B Construction | 50022709 | Money Market | 2,425 | 117 | 583,611 | (583,671) | 2,481 | - |
| Restricted - 2020A Revenue | 8009732 | Money Market | 3,859,785 | 36,529 | 1,833,703 | (364,554) | 5,365,463 | - |
| Restricted - 2020B Revenue | 8009716 | Money Market | 4,584,092 | 38,982 | 791,080 | 0 | 5,414,154 | - |
| Restricted - 2020A Interest & Redemption | 8009813 | Money Market | 3,917,008 | 30,190 | - | 0 | 3,947,198 | - |
| Restricted - 2020B Interest & Redemption | 8009724 | Money Market | 1,645,769 | 12,685 | - | (0) | 1,658,454 | - |
| Restricted - 2020A Construction Escrow | 82-4416-01-0 | Bot Short-Term Cash Fund | 118,394 | 1,195 | - | 5 | 119,594 | 387 |
| Restricted - 2020B Construction Escrow | 82-4405-01-3 | Bot Short-Term Cash Fund | 411,882 | 3,870 | (30,988) | 113 | 384,877 | 1,245 |
| Restricted - 2022A Construction Escrow | 82-5428-01-4 | Bot Short-Term Cash Fund | 51,186,669 | 500,204 | (2,595,992) | 9,310 | 49,100,191 | 159,439 |
| Restricted - 2022B Construction Escrow | 82-5429-01-2 | Bot Short-Term Cash Fund | 34,388,381 | 342,851 | (552,624) | 5,530 | 34,184,138 | 110,718 |
| Restricted - 2023A Construction Escrow | 82-6356-01-6 | Bot Short-Term Cash Fund | 8,903,502 | 89,879 | | 256 | 8,993,638 | 29,104 |
| Restricted - 2023B Construction Escrow | 82-6357-01-4 | Bot Short-Term Cash Fund | 6,263,253 | 63,226 | | 180 | 6,326,660 | 20,474 |
| Total - All Funds | | | <u>\$ 159,626,623</u> | <u>\$ 1,444,082</u> | <u>\$ -</u> | <u>\$ (732,453)</u> | <u>\$ 160,338,251</u> | <u>\$ 321,367</u> |

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



Tara Houck, CPA
Chief Financial Officer

**REGULAR CALLED MEETING
RIVERBEND WATER RESOURCES DISTRICT
WEDNESDAY, JANUARY 28, 2026**

**AGENDA ITEM VI. C.
RWRD RESO 20260128-03
FY 2025 Annual Audit**



RIVERBEND RESOLUTION NO. 20260128-03

**APPROVING THE FY 2025 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 2025 Annual Audit performed by Wilf and Henderson, P.C. for distribution.

PASSED and APPROVED this 28th day of January 2026

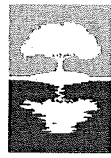
Sonja Hubbard, President

ATTEST:

Steve Mayo, Secretary



Attached: FY 2025 Annual Audit for Riverbend Water Resources District



Riverbend

Water Resources District

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

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended
September 30, 2025**

DRAFT

Draft Copy For Discussion Only

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, 2025

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Introductory Section

DRAFT



January 28, 2026

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, 2025 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.

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 2026 RRAD budget increased approximately 3.64% over the prior year. 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 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 2025-2026 \$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. The fourth bond issuance has been granted an extension to close until August 2026 due to unanticipated delays in the project's environmental permitting process. In April 2021 Riverbend entered into an agreement with Pape-Dawson Engineers to provide Professional and Project Management Services. At fiscal year-end \$42,803,733 has been spent on the project.

Additional funding is required for the new regional water treatment facility. Riverbend is currently awaiting approval on a Drinking Water State Revolving Funds application in the amount of \$59M of which \$49M will be a bond issuance and \$10M will be a grant. Riverbend will also be resubmitting a State Water Implementation Fund for Texas (SWIFT) application for \$248M.

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 has begun the process to begin design and construction of a new industrial wastewater treatment facility to replace the current facility located at Red River Army Depot. The proposed facility is planned to be available to both Red River Army Depot and industrial users located within TexAmericas Center. On November 14, 2024, Riverbend closed on a bond issuance through Simmons Bank. The revenue bonds, Riverbend Water Resources District Contract Water & Wastewater System Revenue Bonds, Taxable Series 2024, in the amount of \$33,965,000 are payable over 20 years. At fiscal year-end \$418,448 has been spent on the project.

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 \$23,487,916 compared to \$21,574,490 for FY2024.

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, 2025 totaled \$156,005,000, which consisted of Water and Wastewater Revenue Bonds Taxable Series 2016A of \$3,870,000, Water and Wastewater Revenue Bonds Taxable Series 2016B of \$2,295,000, Contract Revenue Bond (Regional Water System Project) Taxable Series 2020A of \$9,885,000, and Contract Revenue Bond (Regional Water System Project) Tax-Exempt Series 2020B of \$6,555,000, Contract Revenue Bond (Regional Water System Project) Taxable Series 2022A of \$51,670,000, Contract Revenue Bond (Regional Water System Project) Series 2022B of \$33,625,000, Contract Revenue Bonds (Regional Water System Project) Taxable Series 2023 of \$14,140,000, and Water and Wastewater System Revenue Bonds, Taxable Series 2024 of \$33,965,000.

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, 2025. 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, 2024. This is the sixth 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 28, 2026

**PRINCIPAL OFFICIALS
AS OF SEPTEMBER 30, 2025
BOARD OF DIRECTORS**

LYNN DAVIS
President
City of New Boston

SONJA YATES HUBBARD
Vice President
City of Texarkana

TINA VEAL-GOOCH
Treasurer
TexAmericas Center

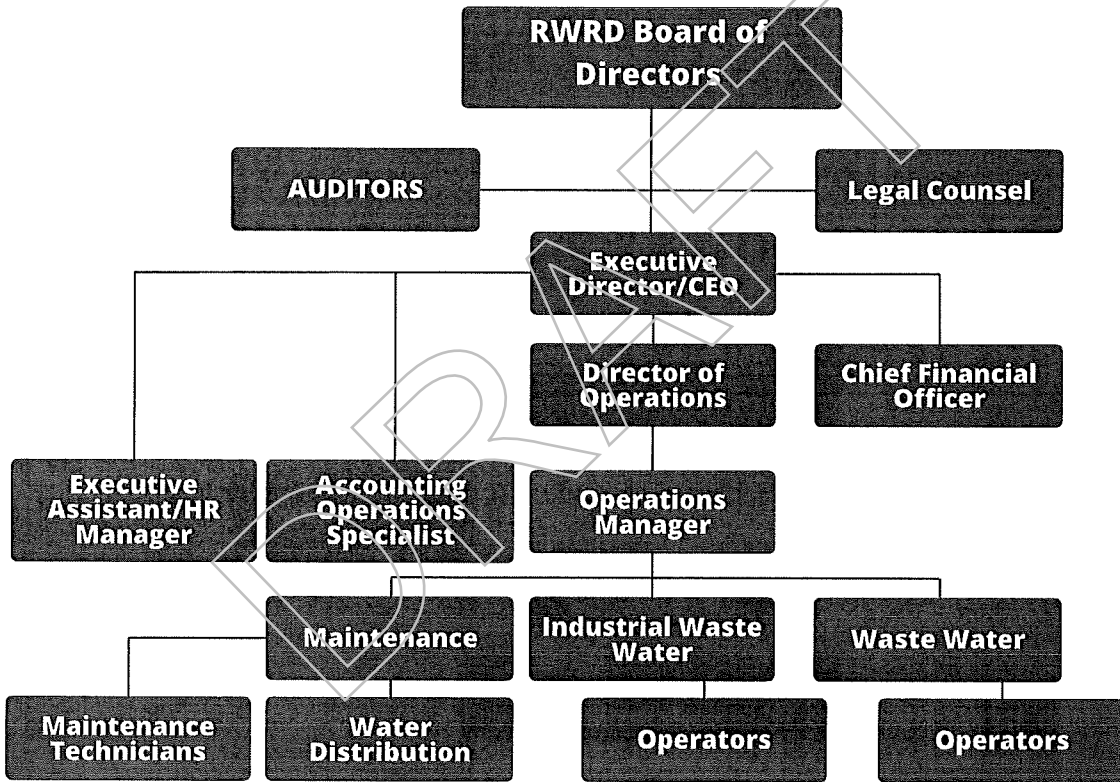
VAN ALEXANDER
Secretary
Member At-Large

STEVE MAYO
Past President
City of Texarkana

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

TARA HOUCK, CPA
Chief Financial Officer

RWRD 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, 2024

Christopher P. Morill

Executive Director/CEO

ANNUAL FILING AFFIDAVIT

THE STATE OF TEXAS }
COUNTY OF BOWIE }

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

RIVERBEND WATER RESOURCES DISTRICT
(Name of District)
hereby swear, or affirm, that the district named above has reviewed and approved at a meeting of the Board of the Directors of the District on the 28th day of JANUARY, 2026 its annual audit report for the fiscal year or period ended SEPTEMBER 30, 2025 and that copies of the annual audit report have been filed in the district office, located at 228A TEXAS AVENUE, NEW BOSTON, TX 75570
(Address of District)

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

Date: 01/28/2026 By: _____
(Signature of District Representative)

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

Sworn to and subscribed to before me this _____ day of _____, _____.

(SEAL)

(Signature of Notary)

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

DRAFT

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Riverbend Water Resources District
Texarkana, Texas

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities and each major fund of Riverbend Water Resources District (Riverbend), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise 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 and each major fund of Riverbend Water Resources District as of September 30, 2025, 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 Opinion

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 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.

Emphasis of Matter – Change in Accounting Principle

As discussed in Note 18 to the financial statements, Riverbend's funds' beginning fund balance as of October 1, 2024 was restated to reflect the Entity's initial participation in the Texas County and District Retirement System (TCDRS) and the related purchase of prior service credit for its employees. This transaction resulted in the recognition of a net pension liability in accordance with **GASB Statement No. 68, *Accounting and Financial Reporting for Pensions***.

Our opinion is not modified with respect to this matter.

Emphasis of Matter – Restatement of Fund Balance

As discussed in Note 18 to the financial statements, Riverbend's funds' beginning fund balance as of October 1, 2024 was restated to correct an error in the prior-year financial statements related to unrecorded income.

Our opinion is not modified with respect to this matter.

Responsibilities 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, and the for 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 substantial doubt about 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 opinion. 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 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 Riverbend's ability to continue as a going concern for as 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 and budgetary comparison information on pages 4 - 8 and 30 - 31 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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, 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*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 Month xx, 2026, on our consideration of 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 Riverbend's internal control over financial reporting and compliance.

Draft Copy For Discussion Only

Wilf & Henderson, P.C.
Certified Public Accountants
Texarkana, Texas
Month xx, 2026

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, 2025. 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 \$53,954,386 (net position). Of this amount \$14,303,196 (26.5%) are invested in capital assets for business-type uses and are not available to generate liquid capital. Net position restricted for specific purposes total \$38,143,301 (70.7%). The remaining \$1,506,889 (2.8%) 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 2025, Riverbend's combined net position increased \$13,268,074 to \$53,954,386. The increase in net position can be attributed to nonoperating revenues net of expenses in the amount of \$13,426,678, a less than 1% decrease from fiscal year 2024 overall. Minimum monthly payments revenue of \$9,045,097 decreased 9% from the prior year due to decrease in water volume used by the member cities in FY2025. Interest revenue of \$5,840,156 was 2% lower than the combined interest revenue and investment income in the prior year. Arbitrage rebate expense in the amount of \$929,966 decreased \$384,798 from the prior year. The decreased earnings on bond funds being held while completing permitting requirements is due to utilizing \$18,448,253 of the escrow funds. Facility charges revenue increased \$1,322,539 from prior year as restated (Note 18) due to an increase in facility charges in contract with Red River Army Depot for the Industrial Waste Water Treatment Plant.
- Riverbend's total long-term obligations increased by \$31,038,430 largely due to issuing the Series 2024 Contract Revenue Bonds in the amount of \$33,965,000 for the Industrial Wastewater Treatment Plant. Existing bond debt decreased in the amount of \$850,000 due to regularly scheduled debt service payments. Arbitrage rebate liability increased by \$929,966 to a total of \$2,130,271. Accrued compensated absences in the amount of \$173,716 increased 107% from prior year due to new requirement to include sick leave in the accrual calculation. Net pension liability in the amount of \$811,193 is now being reported due to Riverbend's beginning participation in the Texas County and District Retirement System (TCDRS) beginning October 1, 2024 (Note 8).
- Riverbend's combined operating expenses increased by \$59,291 to a total for fiscal year 2025 of \$4,504,908. The Administrative fund's operating expenses increased by \$119,742 due to the SRBA partnership contribution in the amount of \$70,000, and increase in military affairs contribution, payroll expenses and various professional services including consulting, engineering and legal. The Wet Utilities fund's operating expenses decreased \$70,584. Increases in analyticals and overhead were offset by decreases in water purchase cost and benefits. Deferred outflows were recorded in the amount of \$180,763 reduced pension expense in the current year (Note 8). Depreciation and amortization expense increased by \$10,134.

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 – 29 of this report.

Other Information

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

The budgetary information may be found on pages 30 - 32 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 35 - 37 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 55 - 84 of this report.

Single Audit Section

Riverbend is required to obtain a Single Audit Report for fiscal year 2025. 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 85 - 92 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 \$53,954,386 as of September 30, 2025. The largest portion of Riverbend's net position are restricted funds in the amount of \$38,144,301 comprised of \$27,966,070 restricted for bond payments and \$10,178,231 restricted for construction projects. Amounts related to the net investment in capital assets total \$14,303,196. The unrestricted balance of \$1,506,889 may be used to meet Riverbend's ongoing obligations. Riverbend had an increase in net position during the year of \$13,268,074.

| | NET POSITION | | |
|---|----------------------|----------------------|----------------------------|
| | 2025 | 2024 | Total \$ Change |
| Assets: | | | |
| Current assets | \$ 145,539,586 | \$ 119,764,558 | \$ 25,775,228 |
| Noncurrent assets | 18,530,967 | 12,482,773 | 6,048,194 |
| Capital Assets | 58,604,761 | 40,271,532 | 18,333,229 |
| Total assets | 222,675,314 | 172,518,663 | 50,156,651 |
| Deferred Outflows of Resources | | | |
| Deferred pension outflows | 180,763 | - | 180,763 |
| Total Deferred Outflows of Resources | 180,763 | - | 180,763 |
| Liabilities: | | | |
| Current liabilities | 14,372,080 | 8,507,598 | 5,864,482 |
| Long-term liabilities | 154,529,611 | 124,297,439 | 30,232,172 |
| Total liabilities | 168,901,691 | 132,805,037 | 36,096,654 |
| Net position: | | | |
| Net investment in capital assets | 14,303,196 | 21,099,100 | (6,795,904) |
| Restricted for bond reserves | 27,966,070 | 17,463,462 | 10,502,608 |
| Restricted for construction | 10,178,231 | 21,652 | 10,156,579 |
| Unrestricted | 1,506,889 | 2,102,098 | (595,209) |
| Total net position | \$ 53,954,386 | \$ 40,686,312 | \$ 13,268,074 |

CHANGES IN NET POSITION

| | 2025 | 2024 | Total \$ Change |
|---------------------------------|----------------------|----------------------|----------------------|
| Operating revenue: | | | |
| Charges for services | \$ 4,346,304 | \$ 4,163,246 | \$ 183,058 |
| Total operating revenue | <u>4,346,304</u> | <u>4,163,246</u> | <u>183,058</u> |
| Operating expenses: | | | |
| Administrative | 563,589 | 443,847 | 119,742 |
| Wet Utilities | 3,025,699 | 3,902,541 | (876,842) |
| Depreciation and amortization | 915,620 | 905,486 | 10,134 |
| Total operating expenses | <u>4,504,908</u> | <u>5,251,874</u> | <u>(746,966)</u> |
| Operating income | (158,604) | (1,088,628) | 930,024 |
| Nonoperating revenue/expenses: | | | |
| Facility charge revenue | 3,767,137 | 2,444,599 | 1,322,538 |
| Minimum monthly payments | 9,045,097 | 9,947,613 | (902,516) |
| Interest Revenue | 5,840,156 | 4,644,211 | 1,195,945 |
| Gain/Loss on Investment | 12,583 | 1,314,764 | (1,302,181) |
| Other nonoperating revenue | 476,639 | 32,743 | 443,896 |
| Interest Expense | (4,368,144) | (2,380,546) | (1,987,598) |
| Arbitrage rebate | (929,966) | (1,391,755) | 461,789 |
| Other nonoperating expenses | (416,824) | (150,650) | (266,174) |
| Nonoperating revenues/expenses | <u>13,425,678</u> | <u>14,460,979</u> | <u>(1,034,301)</u> |
| Change in net position | 13,268,074 | 13,372,351 | (104,277) |
| Net position, beginning of year | <u>40,686,312</u> | <u>27,313,961</u> | <u>13,372,351</u> |
| Net position, end of year | <u>\$ 53,954,386</u> | <u>\$ 40,686,312</u> | <u>\$ 13,268,074</u> |

Riverbend's total operating revenues increased by \$183,058 in fiscal year 2025 from the 2024 revenue, the increase in charges for services fees for fiscal year 2025 of \$4,346,304 over fiscal year 2024 of \$4,163,246. Riverbend's combined operating expenses decreased by 746,968 for fiscal year 2025 total of \$4,504,908. The Administrative fund's operating expenses increased \$119,742 and the Wet Utilities fund operating expenses decreased \$876,843. Depreciation and amortization expense increased by \$10,134.

Budgetary Highlights

The fiscal year ended with a Wet Utilities Fund budget surplus of \$1,092,333 attributable to favorable expenditure variances and grant revenue. The Regional Water System Administration Fund ended the fiscal year with a budget surplus of \$110,549 because of favorable expenditure variances. The Regional Water System Facilities Fund budget surplus in the amount of \$56,866 due to higher than expected interest revenue offset by lower than expected minimum monthly payments.

Capital Assets

Riverbend's capital assets as of September 30, 2025 amount to \$58,604,761. The capital assets include a right to use subscription asset, land, equipment, utility system, intangible assets, and construction in process. Major capital asset additions during the current fiscal included land-111.666 acres \$272,840, drying bed #6 \$115,153, decanter arm \$10,626, Hayes lift station generator \$118,500, a 2025 Ford F150 \$45,722, water tower fencing \$20,619, Runnels lift

station fencing \$14,720, Hayes lift station fencing \$26,220 and a 40HP submersible pump \$17,871. The Regional Water System Project, the Industrial Feasibility Study and the Drying Bed Rehab had accumulated construction in progress costs totaling \$43,264,724. 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

| | <u>2025</u> | <u>2024</u> |
|---------------------------------|----------------------|----------------------|
| Right to Use Subscription asset | \$ 22,487 | \$ 43,952 |
| Land | 272,840 | - |
| Equipment | 507,659 | 556,905 |
| Utility system | 14,313,325 | 14,770,545 |
| Intangible assets | 223,726 | 234,177 |
| Construction in progress | 43,264,724 | 24,665,953 |
| Total capital assets | <u>\$ 58,604,761</u> | <u>\$ 40,271,532</u> |

Debt Administration

In the year ended September 30, 2016, Riverbend issued Riverbend Water Resources Riverbend Water and Wastewater Revenue Bonds Taxable Series 2016A for \$4,925,000 and Riverbend Water Resources District Water and Wastewater Revenue Bonds Taxable Series 2016B for \$6,685,000. In the year ended September 30, 2021 Riverbend issued Riverbend Water Resources District Water and Wastewater System Contract Revenue Bonds Taxable Series 2020A for \$10,800,000 and Riverbend Water Resources District Water and Wastewater System Contract Revenue Bonds Tax-Exempt Series 2020B for \$7,200,000. 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. In the year ended September 30, 2024, Riverbend issued Riverbend Water Resources District Contract Revenue Bond Taxable Series 2023 for \$14,400,000. In the current fiscal year, Riverbend issued Riverbend Water Resources District Contract Revenue Bond Taxable Series 2024 for \$33,965,000. Payments of principal in the amount of \$3,850,000 and interest in the amount of \$2,357,841 were made during the fiscal year. Total bonded debt at September 30, 2025 totaled \$156,005,000. Additional information on Riverbend’s long-term debt can be found in Note 7 on pages 17-19 of this report.

Economic Factors and Next Year’s Budget

The Wet Utilities Fund budget for fiscal year 2024-2025 anticipates increases in analytical 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 remain at \$3.60 per 1,000 gallons.

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

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RIVERBEND WATER RESOURCES DISTRICT

STATEMENT OF NET POSITION

ENTERPRISE FUNDS

SEPTEMBER 30, 2025

| | <i>Regional Water System Administration Fund</i> | <i>Regional Water System Facilities Fund</i> | <i>Wet Utilities Fund</i> | <i>Total</i> |
|---|--|--|-------------------------------|----------------------|
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | \$ 186,616 | \$ - | \$ 1,148,921 | \$ 1,335,537 |
| Accounts receivable | 15,591 | 740,261 | 1,761,801 | 2,517,653 |
| Interest receivable | - | 321,367 | - | 321,367 |
| Interfund accounts | 24,675 | - | 277,406 | 302,081 |
| Restricted assets: | | | | |
| Cash and cash equivalents restricted for bond debt reserves | - | 5,544,753 | 3,783,913 | 9,328,666 |
| Cash and cash equivalents restricted for construction | - | 99,117,984 | 31,118,442 | 130,236,426 |
| Cash and cash equivalents restricted for operations | - | - | 906,813 | 906,813 |
| Prepaid expenses | - | - | 97,499 | 97,499 |
| Due from North East Texas Regional Water Planning Group | 38,416 | - | - | 38,416 |
| Due from other governments | - | - | 376,573 | 376,573 |
| Inventories | - | - | 78,555 | 78,555 |
| Total current assets | <u>265,298</u> | <u>105,724,365</u> | <u>39,549,923</u> | <u>145,539,586</u> |
| Noncurrent assets: | | | | |
| Cash and cash equivalents - restricted for bond debt reserves | - | 11,654,205 | 6,876,762 | 18,530,967 |
| Capital assets (net of accumulated depreciation): | | | | |
| Land | - | 272,840 | - | 272,840 |
| Equipment | - | - | 507,659 | 507,659 |
| Utility system | - | - | 14,313,325 | 14,313,325 |
| Intangible assets | - | - | 223,726 | 223,726 |
| Construction in progress | - | 42,803,733 | 460,991 | 43,264,724 |
| Right to Use Subscription asset (net of accumulated amortization) | - | - | 22,487 | 22,487 |
| Total capital assets | <u>-</u> | <u>43,076,573</u> | <u>15,528,188</u> | <u>58,604,761</u> |
| Total noncurrent assets | <u>-</u> | <u>54,730,778</u> | <u>22,404,950</u> | <u>77,135,728</u> |
| TOTAL ASSETS | <u>265,298</u> | <u>160,455,143</u> | <u>61,954,873</u> | <u>222,675,314</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred pension outflows | - | - | 180,763 | 180,763 |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | <u>-</u> | <u>-</u> | <u>180,763</u> | <u>180,763</u> |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable | 38,187 | 6,855,359 | 187,058 | 7,080,604 |
| Payroll liabilities | - | - | 77,105 | 77,105 |
| Interfund accounts | - | 302,081 | - | 302,081 |
| Accrued interest payable | - | 962,019 | 1,168,252 | 2,130,271 |
| Accrued compensated absences - current portion | - | - | 62,019 | 62,019 |
| Revenue bonds payable - current portion | - | 3,450,000 | 1,270,000 | 4,720,000 |
| Total current liabilities | <u>38,187</u> | <u>11,569,459</u> | <u>2,764,434</u> | <u>14,372,080</u> |
| Long-term liabilities: | | | | |
| Accrued compensated absences - long term | - | - | 111,697 | 111,697 |
| Arbitrage rebate liability | - | 2,321,721 | - | 2,321,721 |
| Net pension liability | - | - | 811,193 | 811,193 |
| Revenue bonds payable - long term | - | 112,425,000 | 38,860,000 | 151,285,000 |
| Total long-term liabilities | <u>-</u> | <u>114,746,721</u> | <u>39,782,890</u> | <u>154,529,611</u> |
| TOTAL LIABILITIES | <u>38,187</u> | <u>126,316,180</u> | <u>42,547,324</u> | <u>168,901,691</u> |
| NET POSITION | | | | |
| Net investment in capital assets | - | 6,984,282 | 7,318,914 | 14,303,196 |
| Restricted for bond reserves | - | 17,298,567 | 10,667,503 | 27,966,070 |
| Restricted for construction | - | 10,158,195 | 20,036 | 10,178,231 |
| Unrestricted | 227,111 | (302,081) | 1,581,859 | 1,506,889 |
| TOTAL NET POSITION | <u>\$ 227,111</u> | <u>\$ 34,138,963</u> | <u>\$ 19,588,312</u> | <u>\$ 53,954,386</u> |

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

RIVERBEND WATER RESOURCES DISTRICT

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

| | <i>Regional Water System Administration Fund</i> | <i>Regional Water System Facilities Fund</i> | <i>Wet Utilities Fund</i> | <i>Total</i> |
|---|--|--|-------------------------------|----------------------|
| OPERATING REVENUES | | | | |
| Charges for services: | | | | |
| Member fees | \$ 149,935 | \$ - | \$ - | \$ 149,935 |
| Army volumetric charge | - | - | 3,592,297 | 3,592,297 |
| Army water supply charge | - | - | 195,655 | 195,655 |
| Commercial and residential charge | - | - | 136,279 | 136,279 |
| Infrastructure services | - | - | 248,386 | 248,386 |
| Other revenue | - | - | 23,752 | 23,752 |
| Total operating revenues | <u>149,935</u> | <u>-</u> | <u>4,196,369</u> | <u>4,346,304</u> |
| OPERATING EXPENSES | | | | |
| Accounting and audit | 5,000 | - | 19,750 | 24,750 |
| Analyticals | - | - | 232,716 | 232,716 |
| Community relations | 2,627 | - | - | 2,627 |
| Conferences and seminars | 1,956 | - | - | 1,956 |
| Consulting | 204,257 | - | 6,120 | 210,377 |
| Dues and memberships | 8,539 | - | - | 8,539 |
| Engineering services | 8,587 | - | - | 8,587 |
| Equipment maintenance, repair and fuel | - | - | 42,586 | 42,586 |
| Insurance | - | - | 77,292 | 77,292 |
| Legal and professional fees | 18,231 | - | - | 18,231 |
| Materials | - | - | 174,788 | 174,788 |
| Meetings expense | 6,149 | - | - | 6,149 |
| Military affairs | 16,500 | - | - | 16,500 |
| Permits | - | - | 28,518 | 28,518 |
| Repairs | - | - | 157,178 | 157,178 |
| Salaries, wages, payroll taxes and benefits | 205,385 | - | 927,337 | 1,132,722 |
| SRBA partnership | 70,000 | - | - | 70,000 |
| Supplies | 2,590 | - | 42,350 | 44,940 |
| Travel and training | 11,608 | - | - | 11,608 |
| Utilities | - | - | 138,955 | 138,955 |
| Waste disposal | - | - | 29,415 | 29,415 |
| Water purchase cost | - | - | 228,403 | 228,403 |
| Web design and maintenance | 2,160 | - | - | 2,160 |
| Infrastructure services | - | - | 262,389 | 262,389 |
| Overhead allocation - water | - | - | 206,712 | 206,712 |
| Overhead allocation - wastewater | - | - | 224,674 | 224,674 |
| Overhead allocation - industrial wastewater | - | - | 226,516 | 226,516 |
| Total operating expenses before depreciation | <u>563,589</u> | <u>-</u> | <u>3,025,699</u> | <u>3,589,288</u> |
| Operating income (loss) before depreciation | <u>(413,654)</u> | <u>-</u> | <u>1,170,670</u> | <u>757,016</u> |
| Depreciation | - | - | 894,155 | 894,155 |
| Amortization | - | - | 21,465 | 21,465 |
| Operating income (loss) | <u>(413,654)</u> | <u>-</u> | <u>255,050</u> | <u>(158,604)</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Facility charges revenue | - | - | 3,767,137 | 3,767,137 |
| Minimum monthly payments | - | 9,045,097 | - | 9,045,097 |
| Interest revenue | 5 | 4,723,478 | 1,116,673 | 5,840,156 |
| DEAAG revenue | - | - | 412,192 | 412,192 |
| Arbitrage rebate | - | (929,966) | - | (929,966) |
| Project admin fees | - | - | 64,447 | 64,447 |
| Gain (loss) on disposal of asset | - | - | (2,457) | (2,457) |
| Gain (loss) on investment | - | 12,583 | - | 12,583 |
| Bond issuance costs | - | - | (252,304) | (252,304) |
| Interest expense | - | (2,100,029) | (2,268,115) | (4,368,144) |
| Finance and wire fees | - | (8,586) | - | (8,586) |
| Franchise fees expense | - | - | (117,727) | (117,727) |
| Special projects expense | (25,750) | - | (10,000) | (35,750) |
| Total nonoperating revenues (expenses) | <u>(25,745)</u> | <u>10,742,577</u> | <u>2,709,846</u> | <u>13,426,678</u> |
| Income (loss) before capital contributions and transfers | <u>(439,399)</u> | <u>10,742,577</u> | <u>2,964,896</u> | <u>13,268,074</u> |
| Transfers in (out) | <u>550,000</u> | <u>-</u> | <u>(550,000)</u> | <u>-</u> |
| Changes in net position | <u>110,601</u> | <u>10,742,577</u> | <u>2,414,896</u> | <u>13,268,074</u> |
| Net position, beginning of year, as restated, see Note 18 | <u>116,510</u> | <u>23,396,386</u> | <u>17,173,416</u> | <u>40,686,312</u> |
| Net position, end of year | <u>\$ 227,111</u> | <u>\$ 34,138,963</u> | <u>\$ 19,588,312</u> | <u>\$ 53,954,386</u> |

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, 2025

| | <i>Regional Water System Administration Fund</i> | <i>Regional Water System Facilities Fund</i> | <i>Wet Utilities Fund</i> | <i>Total</i> |
|---|--|--|-------------------------------|---------------------------|
| Cash flows from operating activities: | | | | |
| Cash received from customers | \$ 145,628 | \$ - | \$ 3,925,278 | \$ 4,070,906 |
| Cash paid to suppliers | (367,161) | - | (1,963,149) | (2,330,310) |
| Cash paid to or for the benefit of the employees | (205,385) | - | (1,002,237) | (1,207,622) |
| Net cash provided (used) by operating activities | <u>(426,918)</u> | <u>-</u> | <u>959,892</u> | <u>532,974</u> |
| Cash flows from noncapital financing activities: | | | | |
| Net increase (decrease) in interfund receivable/liability accounts | (20,837) | 273,260 | (252,423) | - |
| Transfer in (out) | 550,000 | - | (550,000) | - |
| Net cash provided (used) by noncapital financing activities | <u>529,163</u> | <u>273,260</u> | <u>(802,423)</u> | <u>-</u> |
| Cash flows from capital and related financing activities: | | | | |
| Receipt of facility charges revenues | - | 8,916,728 | 3,767,137 | 12,683,865 |
| Receipt of grant revenue | - | - | 35,619 | 35,619 |
| Acquisition and construction of capital assets | - | (14,599,133) | (800,357) | (15,399,490) |
| Proceeds from sale of assets | - | - | - | - |
| Payments on subscription liability | - | - | (22,487) | (22,487) |
| Cash disbursed for special projects | (25,750) | - | - | (25,750) |
| Franchise fees paid | - | - | (117,727) | (117,727) |
| Interest expense paid | - | (2,111,899) | (1,215,633) | (3,327,532) |
| Receipt of project admin fees | - | - | 64,447 | 64,447 |
| Finance and wire fees | - | (8,586) | - | (8,586) |
| Proceeds on bonds issued | - | - | 33,700,000 | 33,700,000 |
| Bonded debt principal reduction | - | (3,420,000) | (430,000) | (3,850,000) |
| Net cash provided (used) by capital and related financing activities | <u>(25,750)</u> | <u>(11,222,890)</u> | <u>34,980,999</u> | <u>23,732,359</u> |
| Cash flows from investing activities: | | | | |
| Proceeds from maturities | - | 11,400,000 | - | 11,400,000 |
| Interest revenue received | 5 | 4,921,726 | 1,116,673 | 6,038,404 |
| Net cash provided (used) by investing activities | <u>5</u> | <u>16,321,726</u> | <u>1,116,673</u> | <u>17,438,404</u> |
| Net increase(decrease) in cash and cash equivalents | 76,500 | 5,372,096 | 36,255,141 | 41,703,737 |
| Cash and cash equivalents, beginning of year | 110,116 | 110,944,846 | 7,579,710 | 118,634,672 |
| Cash and cash equivalents, end of year | <u>186,616</u> | <u>116,316,942</u> | <u>43,834,851</u> | <u>160,338,409</u> |
| Cash and cash equivalents consists of: | | | | |
| Cash and cash equivalents - Unrestricted | 186,616 | - | 1,148,921 | 1,335,537 |
| Cash and cash equivalents restricted for bonded debt purposes | - | 17,198,958 | 10,660,675 | 27,859,633 |
| Cash and cash equivalents restricted for construction | - | 99,117,984 | 31,118,442 | 130,236,426 |
| Cash and cash equivalents restricted for operations | - | - | 906,813 | 906,813 |
| Total cash and cash equivalents | <u>186,616</u> | <u>116,316,942</u> | <u>43,834,851</u> | <u>160,338,409</u> |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities | | | | |
| Operating income (loss) | \$ (413,654) | \$ - | \$ 255,050 | \$ (158,604) |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities: | | | | |
| Depreciation expense | - | - | 894,155 | 894,155 |
| Amortization expense | - | - | 21,465 | 21,465 |
| (Increase) decrease in current assets: | | | | |
| Accounts receivable | (4,307) | - | (271,091) | (275,398) |
| Inventory | - | - | 11,195 | 11,195 |
| Prepaid expenses | - | - | 65,503 | 65,503 |
| Increase (decrease) in current liabilities: | | | | |
| Accounts payable | (8,957) | - | 58,515 | 49,558 |
| Payroll liabilities | - | - | 11,178 | 11,178 |
| Accrued compensated absences | - | - | 89,750 | 89,750 |
| Net pension liability and deferred outflow | - | - | (175,828) | - |
| Total adjustments | <u>(13,264)</u> | <u>-</u> | <u>704,842</u> | <u>867,406</u> |
| Net cash provided (used) by operating activities | <u>\$ (426,918)</u> | <u>\$ -</u> | <u>\$ 959,892</u> | <u>\$ 708,802</u> |

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, 2025

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. On October 1, 2025, Riverbend raised the monthly rate to \$3.60 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.
For the Year Ended September 30, 2025*

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

Riverbend reports the following three major Enterprise Funds:

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

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

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

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

C. Assets, Liabilities, and Net Position

1. Cash and Cash Equivalents

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

2. Investments

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

3. Receivables and Payables

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

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

4. Prepaid Items

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

RIVERBEND WATER RESOURCES DISTRICT

*Notes to Financial Statements continued.
For the Year Ended September 30, 2025*

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 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.

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 2025.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

For the Year Ended September 30, 2025

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.

15. Subscription-Based Information Technology Arrangements

GASB Statement 96, Subscription-Based Information Technology Arrangements, issued May 2020 was adopted for year ending September 30, 2023. The scope of this statement addresses accounting and financial reporting for SBITAs by governments. Riverbend did not participate in any such SBITAs; there are no such amounts recorded in the financial statements.

16. New Accounting Pronouncement – Compensated Absences

During the year ended September 30, 2025, the District implemented GASB Statement No. 101, *Compensated Absences*. The Statement establishes recognition and measurement guidance on employee leave benefits. GASB 101 was applied retroactively; however, beginning balances were not restated due to the immaterial impact on prior periods. The cumulative effect of adoption is reflected in the current period.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

NOTE 3 – DEPOSITS AND INVESTMENTS

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

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

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

For the Year Ended September 30, 2025

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 follows at September 30, 2025:

| <u>Type</u> | <u>Financial Institution</u> | <u>Fair Value</u> |
|---------------------------|------------------------------|-------------------|
| Cash and cash equivalents | BOK Financial | \$ 99,109,097 |
| Cash and cash equivalents | Simmons Bank | 33,617,118 |
| Cash and cash equivalents | Texana Bank | 17,436,451 |
| Cash and cash equivalents | State Bank of DeKalb | 10,256,900 |

NOTE 4 – ACCOUNTS RECEIVABLE

Riverbend’s accounts receivable as of September 30, 2025 was \$2,517,653. 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, 2025. The Regional Water System Project and Regional Water System Planning in Progress transfers had accumulated \$43,264,724 of construction in progress cost at September 30, 2025. Major capital asset additions during the current fiscal year were a truck for \$45,178, a generator for \$118,500, a drying bed for \$115,183, fencing for \$61,559, and two pumps for \$28,106. Total depreciation expense of \$894,155 was included in operating expenses.

Capital asset activity for the year ended September 30, 2025 was as follows:

| | <u>Balance</u> <u>September 30,</u> <u>2024</u> | <u>Additions</u> | <u>Reclassifications/ Retirements</u> | <u>Balance</u> <u>September 30,</u> <u>2025</u> |
|---|---|------------------|---|---|
| Capital assets, not being depreciated | | | | |
| Land | \$ - | \$ 272,840 | \$ - | \$ 272,840 |
| Construction in progress | 24,665,953 | 18,598,771 | - | 43,264,724 |
| Total capital assets, not being depreciated | 24,665,953 | 18,871,611 | - | 43,537,564 |
| Capital assets, being depreciated and amortized | | | | |
| Computer equipment | 1,362 | - | - | 1,362 |
| Equipment | 1,064,002 | 84,454 | 13,840 | 1,134,616 |
| Utility systems | 20,242,859 | 295,242 | - | 20,538,101 |
| Intangible assets | 301,692 | - | - | 301,692 |
| Right to Use Subscription Asset | 87,998 | - | - | 87,998 |
| Total capital assets, being depreciated and amortized | 21,697,913 | 379,696 | 13,840 | 22,063,769 |
| Less accumulated depreciation and amortization for: | | | | |
| Computer equipment | (1,362) | - | - | (1,362) |
| Equipment | (507,097) | (131,242) | (11,382) | (626,957) |
| Utility systems | (5,472,314) | (752,462) | - | (6,224,776) |
| Intangible assets | (67,515) | (10,451) | - | (77,966) |
| Right to Use Subscription Asset | (44,046) | (21,465) | - | (65,511) |
| Total accumulated depreciation and amortization | (6,092,334) | (894,155) | (11,382) | (6,996,572) |
| Total capital assets, being depreciated and amortized | 15,605,579 | (514,459) | 2,458 | 15,067,197 |
| Total capital assets, net | \$ 40,271,532 | \$ 18,084,312 | \$ 2,458 | \$ 58,604,761 |

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.
For the Year Ended September 30, 2025

NOTE 6 – COMPENSATED ABSENCES

The compensated absences liability is reported in the Statement of Net Position as a current liability for the amount expected to be paid within one year and a long-term liability for the remaining balance. As of September 30, 2025, the compensated absences liability consisted of the current portion in the amount of \$62,019, and the long-term portion in the amount of \$111,697, for a total compensated absences liability of \$173,716.

NOTE 7 – 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 Series 2024 bonds are callable in part October 15, 2029 at 101 and at par October 15, 2035. The total principal and interest remaining to be paid on the bonds is \$227,073,119. Riverbend made \$3,850,000 of principal payments and \$2,357,841 of interest payments during the fiscal year ended September 30, 2025. Riverbend incurred \$4,368,144 of interest expense during the year ended September 30, 2025.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.
For the Year Ended September 30, 2025

Long-term debt at September 30, 2025 is comprised of the following:

| | <u>Rate of Interest</u> | <u>Original Issue</u> | <u>Outstanding September 30, 2025</u> |
|--|-----------------------------|---------------------------|---|
| 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 | \$ 3,870,000 |
| 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 | 2,295,000 |
| 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 | 9,885,000 |
| 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 | 6,555,000 |
| 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 | 51,670,000 |
| 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 | 33,625,000 |
| 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 | 14,140,000 |
| Riverbend Water Resources District | | | |
| Contract Revenue Bond (Industrial Wastewater Treatment Plant) | | | |
| Taxable Series 2024 -- Due serially in varying amounts from October 2025 through October 2044 | 6.80-10.00% | 33,965,000 | 33,965,000 |
| Total bonded indebtedness | | <u>\$ 170,975,000</u> | 156,005,000 |
| Less current maturities | | | (4,720,000) |
| Total long-term debt | | | <u>\$ 151,285,000</u> |

RIVERBEND WATER RESOURCES DISTRICT

*Notes to Financial Statements continued.
For the Year Ended September 30, 2025*

Arbitrage Rebate Liability

This liability represents excess investment earnings on unspent bond proceeds over the bond yield, in accordance with the Internal Revenue Code 1986 as amended. Riverbend had an arbitrage liability at September 30, 2025 of \$2,321,721 recorded in the Facility Fund.

Annual requirements to amortize Riverbend's revenue bonds outstanding at September 30, 2025 including interest payments are as follows:

| <i>Requirements</i> | <i>Revenue Bonds</i> | | |
|---------------------|-----------------------|----------------------|-----------------------|
| <i>Year Ending</i> | <i>Principal</i> | <i>Interest</i> | <i>Total</i> |
| <u>September 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2026 | \$ 4,720,000 | \$ 4,626,717 | \$ 9,346,717 |
| 2027 | 4,780,000 | 4,526,768 | 9,306,768 |
| 2028 | 4,920,000 | 4,418,336 | 9,338,336 |
| 2029 | 5,075,000 | 4,301,033 | 9,376,033 |
| 2030 | 5,250,000 | 4,173,890 | 9,423,890 |
| 2031-2035 | 26,635,000 | 18,704,962 | 45,339,962 |
| 2036-2040 | 30,615,000 | 17,332,007 | 47,947,007 |
| 2041-2045 | 36,695,000 | 9,657,768 | 46,352,768 |
| 2046-2050 | 25,025,000 | 2,883,974 | 27,908,974 |
| 2051-2054 | 12,290,000 | 442,665 | 12,732,665 |
| | <u>\$ 156,005,000</u> | <u>\$ 71,068,119</u> | <u>\$ 227,073,119</u> |

The following is a summary of the changes in long-term obligations for the year ended September 30, 2025.

| | <i>Beginning Balance October 1, 2024</i> | <i>Additions</i> | <i>Retirements</i> | <i>Ending Balance September 30, 2025</i> | <i>Due Within One Year</i> |
|------------------------------|--|----------------------|-----------------------|--|--------------------------------|
| Revenue bonds | \$ 125,890,000 | \$ 33,965,000 | \$ (3,850,000) | \$ 156,005,000 | \$ 4,720,000 |
| Subscription liability | 22,487 | - | (22,487) | - | - |
| Accrued compensated absences | 83,966 | 89,750 | - | 173,716 | 62,019 |
| Arbitrage rebate liability | 1,391,755 | 929,966 | - | 2,321,721 | - |
| Net pension liability | - | 811,193 | - | 811,193 | - |
| Total | <u>\$ 127,388,208</u> | <u>\$ 34,984,716</u> | <u>\$ (3,872,487)</u> | <u>\$ 158,500,437</u> | <u>\$ 4,782,019</u> |

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

For the Year Ended September 30, 2025

NOTE 8 – PENSION PLAN

Plan Description

The District participates as one of 677 Texas counties and districts in the defined benefit pension plan administered by the Texas County and District Retirement System (TCDRS). TCDRS is a system created in 1967 by the Texas Legislature and is administered in accordance with the Texas Government Code, Title 8, Subtitle F, the TCDRS Act, as an agent multiple-employer retirement system for Texas county and district employees. The TCDRS Act places the general administration of TCDRS with a nine-member Board of Trustees. Although the Governor, in coordination with Senate approval, appoints the TCDRS Board members, TCDRS does not receive State funding. The TCDRS Act further intended that the defined benefit pension plan be construed and administered in a manner that the retirement system will be considered qualified under Section 401(a) of the Internal Revenue Code. TCDRS issues an annual comprehensive financial report (ACFR) on a calendar year basis, which may be obtained by writing to the TCDRS Board of Trustees, P.O. Box 2034, Austin, Texas 78768-2034.

All eligible employees of the Organization are required to be enrolled in the plan.

Benefits Provided and Contributions

TCDRS provides retirement, disability, and death benefits to plan members and their beneficiaries. Plan provisions, applicable to District employees, are adopted by the Board within the options available in the TCDRS Act.

District employees deposit 7% of their paychecks into their TCDRS account. The employee's savings grow by law, at a rate of 7%, compounded annually. At retirement, the employee's account balance is combined with District matching (\$2 for every dollar in the employee's account) and converted into a lifetime monthly benefit.

Employees receive a month of service time for each month that they make a deposit into their account. The amount of service an employee needs to earn a future benefit is called the vesting requirement. When an employee is vested, he or she has the right to the aforementioned monthly benefit at age 60 or older. Employees may retire before age 60 if they meet one of the following requirements:

- *“Rule of” eligibility* – Under these rules, a vested employee can retire if their age plus years of service time add up to at least 75
- *30-year retirement at any age* – This lets employees retire when they have at least 30 years of service time.

Retirees elect to receive their lifetime benefit by choosing from one of seven actuarially equivalent payment options.

At the December 31, 2024, valuation and measurement date, the following is a breakdown of District pension plan members:

| | |
|---|-----------|
| Annuitants currently receiving benefits | 1 |
| Inactive employees entitled to benefits | 0 |
| Depositing members | 16 |
| | <u>17</u> |

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

For the Year Ended September 30, 2025

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2024, using the following actuarial assumptions:

TCDRS system-wide economic assumptions

| | |
|------------------------------|-------|
| Real rate of return | 5.00% |
| Inflation | 2.50% |
| Long-term investment return* | 7.50% |

**net of investment expenses*

Assuming interest will be credited at these nominal annual rates to the various funds, the actuary has then assumed the following:

- An annual rate of 7.5% for calculating the actuarial accrued liability and normal cost contributions rate for the retirement plan of the District.
- An annual rate of 7% required under the TCDRS Act for: (1) accumulating current service credit and multiple matching credit after the valuation date; (2) accumulating prior service credit after the valuation date; (3) determining the amount of the monthly benefit at future dates of retirement or disability; and (4) calculating the actuarial accrued liability of the system-wide Current Service Annuity Reserve Fund.

The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3% (made up of 2.5% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.7% per year for a career employee.

Rate of Return

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater, LLC. The numbers shown are based on January 2025 information for a 10-year time horizon.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

For the Year Ended September 30, 2025

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years and is set based on a long-term time horizon. The TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting. The assumption for the long-term expected return is reviewed annually for continued compliance with the relevant actuarial standards of practice. Milliman relies on the expertise of Cliffwater in this assessment.

| Asset Class | Benchmark | Target Allocation | Geometric Real Rate of Return |
|------------------------------------|--|-------------------|-------------------------------|
| U.S. Equities | Dow Jones U.S. Total Stock Market Index | 13.00% | 5.35% |
| Global Equities | MSCI World (net) Index | 4.00% | 5.15% |
| Int'l Equities - Developed Markets | MSCI World Ex USA (net) Index | 6.00% | 4.75% |
| Int'l Equities - Emerging Markets | MSCI Emerging Markets (net) Index | 0.00% | 4.75% |
| Investment-Grade Bonds | Bloomberg U.S. Aggregate Bond Index | 3.00% | 2.55% |
| Strategic Credit | FTSE High-Yield Cash-Pay Index | 9.00% | 3.70% |
| Direct Lending | Morningstar LSTA US Leveraged Loan TR USD Index | 16.00% | 6.85% |
| Distressed Debt | Cambridge Associates Distressed Securities Index | 4.00% | 6.80% |
| REIT Equities | 67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index | 2.00% | 3.95% |
| Master Limited partnerships | Alerian MLP Index | 2.00% | 4.95% |
| Commodities | Bloomberg Commodities Index | 2.00% | 1.00% |
| Private Real Estate Partnerships | Cambridge Associates Real Estate Index | 6.00% | 5.75% |
| Private Equity | Cambridge Associates Global Private Equity & Venture Capital index | 25.00% | 8.15% |
| Hedge Funds | HFR Inc. Fund of Funds Composite Index | 6.00% | 3.60% |
| Cash Equivalents | 90-Day U.S. Treasury | 2.00% | 1.10% |

Discount Rate

Due to the projected fiduciary net position being projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and net pension liability of the District is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB 68 purposes. Therefore, the actuary has used a discount rate of 7.6%. This rate reflects the long-term assumed rate of return on assets for funding purposes of 7.5%, net of all expenses, increased by 0.1% to be gross of administrative expenses.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

For the Year Ended September 30, 2025

Net Pension Liability/(Asset)

The District's net pension liability for the fiscal years ended September 30, 2025, was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of those respective dates. The components of the net pension liability of the District at December 31, 2024:

| | December 31, 2024 |
|--|------------------------------|
| Total pension liability | \$ 903,780 |
| Fiduciary net position | 92,587 |
| Net pension liability (asset) | \$ 811,193 |
| Fiduciary net position as a % of total pension liability | 10.24% |

Sensitivity Analysis

The following presents the net pension liability of the District, calculated using the discount rate of 7.6%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.6%) or 1 percentage point higher (8.6%) than the current rate:

| | 1% Decrease 6.6% | Current Rate 7.6% | 1% Increase 8.6% |
|-------------------------------|-----------------------------|------------------------------|-----------------------------|
| Total pension liability | \$ 1,096,990 | \$ 903,780 | \$ 753,697 |
| Fiduciary net position | 92,587 | 92,587 | 92,587 |
| Net pension liability (asset) | \$ 1,004,403 | \$ 811,193 | \$ 661,110 |

Changes in Net Pension Liability/(Asset)

| | Total Pension Liability (a) | Fiduciary Net Position (b) | Net Pension Liability (Asset) (a) - (b) |
|--|-----------------------------------|----------------------------------|---|
| Balances as of December 31, 2023 | - | - | - |
| Changes for the year: | | | |
| Service cost | 837,230 | | 837,230 |
| Interest on total pension liability | 63,630 | | 63,630 |
| Effect of plan changes | - | | - |
| Effect of economic/demographic gains or losses | 2,920 | | 2,920 |
| Effect of assumptions changes or inputs | - | | - |
| Refund of contributions | - | - | - |
| Benefit payments | - | - | - |
| Administrative expenses | | (50) | 50 |
| Member contributions | | 23,929 | (23,929) |
| Net investment income | | 1,824 | (1,824) |
| Employer contributions | | 62,147 | (62,147) |
| Other | - | 4,737 | (4,737) |
| | 903,780 | 92,587 | 811,193 |
| Balances as of December 31, 2024 | 903,780 | 92,587 | 811,193 |

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.
For the Year Ended September 30, 2025

Pension Expense/(Income)

For the fiscal years ended September 30, 2025, the District recognized pension expense of \$62,147.

Deferred Outflows/Inflows Related to Pensions

At September 30, 2025, the Organization reported, in the aggregate, deferred outflows related to pensions in the amounts of \$180,763. The following schedule presents the items contained in deferred outflows related to pensions:

| | Deferred Outflows of Resources |
|--|---|
| Differences between expected and actual experience | \$ 2,628 |
| Changes of assumptions | - |
| Net difference between projected and actual earnings | 1,250 |
| Contributions made subsequent to measurement date | 176,885 |
| | \$ 180,763 |

Contributions made subsequent to the measurement date in the amounts of \$176,885, will be recognized as a reduction of the net pension liability for the fiscal years ended September 30, 2025.

At September 30, 2025, the Organization reported, in the aggregate, deferred inflows related to pensions in the amounts of \$0. The following schedule presents the items contained in deferred inflows related to pensions:

| | Deferred Inflows of Resources |
|--|--|
| Differences between expected and actual experience | \$ - |
| Changes of assumptions | - |
| Net difference between projected and actual earnings | - |
| | \$ - |

The other amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

| <u>For the fiscal year(s) ending September 30,:</u> | | <u>Recognition of DOoR/DIoR</u> |
|---|----|-------------------------------------|
| 2025 | \$ | 604 |
| 2026 | | 604 |
| 2027 | | 604 |
| 2028 | | 606 |
| 2029 | | 292 |
| Thereafter | | 1,168 |
| | | \$ 3,878 |

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

For the Year Ended September 30, 2025

NOTE 9 – 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 10 – INTERFUND BALANCES AND TRANSFERS

During the fiscal year ended September 30, 2025, a receivable of \$24,675 was recorded by the Regional Water System Administration Fund and a receivable by the Wet Utilities Fund of \$277,406 with offsetting payables recorded by the Regional Water System Facilities Fund of \$302,081 to reclassify expenses between funds. These interfund balances will be repaid currently. During the fiscal year ended September 30, 2025, the Wet Utilities Fund transferred \$550,000 to the Regional Water System Administration Fund. Transfers totaling \$550,000 will be used for professional service expenses related to future and ongoing water, wastewater and industrial wastewater projects.

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.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

For the Year Ended September 30, 2025

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, 2024, the Army's percentage of usage of the water system was 97.55%, wastewater system was 76.63%, and the industrial wastewater system was 100%. These percentages, applied to the budget for the year ended September 30, 2025, 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.

NOTE 13 – MAJOR CUSTOMERS

Riverbend's Wet Utilities Fund has one major customer, Red River Army Depot (RRAD). At September 30, 2025, RRAD owed Riverbend \$624,398, 84.35% of the billed receivables. Riverbend billed RRAD \$7,503,837, 94.51% of the charges for services and facility charges for the year ended September 30, 2025.

Riverbend's Regional Water System Facilities Fund has two customers contributing more than 10% of the fund's \$9,045,097 member revenue. Riverbend billed the City of Texarkana \$5,711,985 (63.15%) and the City of New Boston \$937,697 (10.36%) for the year ended September 30, 2025. The City of Texarkana owed Riverbend \$578,442, 78.14% of total receivables at September 30, 2025.

Riverbend's Regional Water System Administration Fund has one major customer, the City of Texarkana. At September 30, 2025, the City of Texarkana owed Riverbend \$7,025, 45.06% of the billed receivables. Riverbend billed the City of Texarkana \$70,812, 47.23% of the member fee charges for the year ended September 30, 2025.

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 164, and \$5 per square foot for building 228A for the first year. The additional rent is earned upon the first day of each term and extended term of the lease and is payable by Riverbend in future credits for water or wastewater services redeemable by TAC or its assignees from Riverbend from the current Wet utility systems, any future additional or expansions and from any future new water treatment plant facilities by Riverbend. In order to redeem any accrued water or wastewater credits, TAC will give Riverbend notice for credits to be redeemed in the following budget year. TAC is not permitted to redeem more than twenty percent of the then-current balance of TAC's accrued water and wastewater credits arising from the additional rent during any ninety-day period. The requests are subject to Riverbend's budgetary ability to meet the request. The amount of future credits accrued by TexAmericas Center for the current year ending September 30, 2025 was \$40,396. The cumulative TAC rental water credits are included in the schedule in Note 16.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

For the Year Ended September 30, 2025

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, 2025, Riverbend paid franchise fees of \$117,727.

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.

| <i>Member Organization</i> | <i>2025</i> | <i>2024</i> | <i>2023</i> | <i>2022</i> | <i>2021</i> | <i>2020</i> | <i>Prior Years</i> | <i>Total</i> |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------------|---------------------|
| City of Annona | \$ 968 | \$ 649 | \$ 383 | \$ 480 | \$ 315 | \$ 374 | \$ 3,497 | \$ 6,666 |
| City of Atlanta | 13,362 | 16,571 | 15,896 | 14,268 | 15,125 | 14,988 | 129,244 | 219,454 |
| City of Avery | 1,009 | 789 | 821 | 787 | 821 | 782 | 9,260 | 14,269 |
| Central Bowie Co. WSC | 10,331 | 10,594 | 10,751 | 10,502 | 10,512 | 9,414 | - | 62,104 |
| City of DeKalb | 3,320 | 3,224 | 3,212 | 3,811 | 3,481 | 3,192 | 32,406 | 52,646 |
| City of Hooks | 7,277 | 7,627 | 7,881 | 7,644 | 7,530 | 7,274 | 63,403 | 108,636 |
| City of Leary | 1,145 | 1,177 | 1,135 | 973 | 985 | 975 | 7,676 | 14,066 |
| City of Maud | 2,315 | 2,012 | 1,701 | 2,188 | 2,235 | 2,059 | 19,924 | 32,434 |
| City of Nash | 4,394 | 4,236 | 4,360 | 4,529 | 4,323 | 4,249 | 36,614 | 62,705 |
| City of New Boston | 13,248 | 13,967 | 13,711 | 15,502 | 15,635 | 15,350 | 156,099 | 243,512 |
| Oak Grove WSC | 1,182 | 1,094 | 933 | 1,253 | 1,082 | 96 | - | 5,640 |
| City of Redwater | 5,761 | 5,358 | 5,419 | 5,407 | 5,771 | 5,661 | 43,994 | 77,371 |
| City of Texarkana, TX | 70,812 | 106,556 | 110,304 | 118,214 | 117,451 | 97,893 | 1,097,508 | 1,718,738 |
| City of Wake Village | 7,051 | 6,820 | 6,809 | 6,700 | 7,472 | 7,024 | 71,667 | 113,543 |
| TexAmericas Center | - | - | - | - | - | - | 60,298 | 60,298 |
| TexAmericas Center Rental Credit | 40,396 | 39,220 | 38,077 | 36,968 | 35,891 | 34,845 | 129,524 | 354,921 |
| Wet Utilities Fund | 7,761 | 7,989 | 8,438 | 10,687 | 11,897 | 11,511 | 49,480 | 107,763 |
| Total | <u>\$ 190,332</u> | <u>\$ 227,883</u> | <u>\$ 229,831</u> | <u>\$ 239,913</u> | <u>\$ 240,526</u> | <u>\$ 215,687</u> | <u>\$ 1,910,594</u> | <u>\$ 3,254,766</u> |

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

For the Year Ended September 30, 2025

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. Riverbend has issued three of the four bond installments. The fourth installment of \$74.6M will be issued in August of 2026. Due to the rising costs of construction, the facility is now estimated to cost \$497 million. Riverbend is in the process of securing financing on the additional cost. As of September 30, 2025, Riverbend has spent \$42,803,733 on the project.

On November 14, 2024, Riverbend closed on a bond issuance through the Simmons Bank for the construction of a new industrial wastewater treatment facility. The revenue bonds are payable over 20 years and are Riverbend Water Resources District Contract Water & Wastewater System Revenue Bonds, Taxable Series 2024 in the amount of \$33,965,000. In addition, Riverbend received a reimbursement grant from Defense Economic Adjustment Assistance Grant (DEAAG) for up to \$5,000,000 to assist in the plant. These funds must be spent by February 2027. As of September 30, 2025, Riverbend has spent \$418,448 on this project.

NOTE 18 – RESTATEMENT

During the year ended September 30, 2025, it was discovered that the contract with Red River Army Depot included an increase in billings that took effect in May 2024. Riverbend did not increase the billing amount until October 2024. The result is additional revenue that will be billed to RRAD for the year ended September 30, 2024.

During the fiscal year ended September 30, 2025, the Entity began participation in the Texas County and District Retirement System (TCDRS), an agent multiple-employer defined benefit pension plan. Upon initial enrollment, the Entity elected to purchase prior service credit for certain eligible employees under provisions of the TCDRS plan.

The election to purchase prior service credit resulted in the recognition of a significant net pension liability attributable to employee service rendered in periods prior to the Entity's participation in TCDRS. In accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions, the Entity is required to recognize the cumulative pension obligation related to prior service as of the beginning of the fiscal year in which participation commenced.

Accordingly, the Entity has restated its beginning net position to reflect the net pension liability associated with the prior service credit purchase. The restatement represents the initial recognition of a long-term pension obligation arising from employee service in prior periods and does not represent pension expense incurred during the current fiscal year.

The net pension liability related to the prior service credit purchase will be amortized and funded through future employer contribution rates, as determined by the TCDRS actuary. Additional information regarding the Entity's pension plan participation is presented in Note 8 – Pension Plan.

| | Wet Utilities | |
|--|----------------------|--------------------|
| | Fund | Total Funds |
| Net Position September 30, 2024 | \$ 17,006,988 | \$ 40,519,884 |
| Adjustments: | | |
| Revenue | 972,686 | 972,686 |
| Pension liability | (806,258) | (806,258) |
| Restated Net Position September 30, 2024 | \$ 17,173,416 | \$ 40,686,312 |

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

For the Year Ended September 30, 2025

NOTE 19 – SUBSEQUENT EVENTS

In preparing these financial statements, management of Riverbend has evaluated events and transactions for potential recognition or disclose through Month xx, 2026, the date the financial statements were available to be issued.

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Required Supplementary Information

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RIVERBEND WATER RESOURCES DISTRICT

**SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
REGIONAL WATER SYSTEM ADMINISTRATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

| | <i>Original Budget</i> | <i>Final Budget</i> | <i>Actual</i> | <i>Variance with Final Budget + or (-)</i> |
|---|----------------------------|-------------------------|-------------------|--|
| OPERATING REVENUES | | | | |
| Charges for services | \$ 217,798 | \$ 151,798 | \$ 149,935 | \$ (1,863) |
| Total operating revenues | <u>217,798</u> | <u>151,798</u> | <u>149,935</u> | <u>(1,863)</u> |
| OPERATING EXPENSES | | | | |
| Advertising | 1,200 | 1,200 | - | 1,200 |
| Accounting and audit | 5,000 | 5,000 | 5,000 | - |
| Community relations | 8,000 | 8,000 | 2,627 | 5,373 |
| Conferences and seminars | 4,700 | 4,700 | 1,956 | 2,744 |
| Consulting | 200,000 | 204,260 | 204,257 | 3 |
| Dues and memberships | 9,083 | 9,083 | 8,539 | 544 |
| Engineering services | 20,000 | 15,740 | 8,587 | 7,153 |
| Legal and professional fees | 27,500 | 27,500 | 18,231 | 9,269 |
| Meetings expense | 6,000 | 6,200 | 6,149 | 51 |
| Military affairs | 11,000 | 16,500 | 16,500 | - |
| SRBA partnership | 70,000 | 70,000 | 70,000 | - |
| Office supplies and expense | 4,200 | 5,920 | 2,590 | 3,330 |
| Regional planning projects | 60,000 | 60,000 | - | 60,000 |
| Salaries, wages, payroll taxes and benefits | 196,193 | 216,793 | 205,385 | 11,408 |
| Travel and training | 18,000 | 18,000 | 11,608 | 6,392 |
| Web design and maintenance | 4,000 | 4,000 | 2,160 | 1,840 |
| Total operating expenses | <u>644,876</u> | <u>672,896</u> | <u>563,589</u> | <u>109,307</u> |
| Nonoperating revenues (expenses) | | | | |
| Interest revenue | 100 | 100 | 5 | (95) |
| Special projects expense | (50,000) | (28,950) | (25,750) | 3,200 |
| Total nonoperating revenues (expenses) | <u>(49,900)</u> | <u>(28,850)</u> | <u>(25,745)</u> | <u>3,105</u> |
| Income (loss) before transfers | <u>(476,978)</u> | <u>(549,948)</u> | <u>(439,399)</u> | <u>110,549</u> |
| Transfer in | 350,000 | 550,000 | 550,000 | - |
| Additional transfer in if necessary | 10,468 | - | - | - |
| Changes in net position | <u>(116,510)</u> | <u>52</u> | <u>110,601</u> | <u>110,549</u> |
| Net position, beginning of year | <u>116,510</u> | <u>116,510</u> | <u>116,510</u> | <u>-</u> |
| Net position, end of year | <u>\$ -</u> | <u>\$ 116,562</u> | <u>\$ 227,111</u> | <u>\$ 110,549</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, 2025

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget + or (-)</u> |
|--|----------------------------|-------------------------|----------------------|--|
| OPERATING REVENUES | | | | |
| Charges for services | \$ 4,206,012 | \$ 4,185,904 | \$ 4,172,617 | \$ (13,287) |
| Other revenue | 16,000 | 19,000 | 23,752 | 4,752 |
| Total operating revenues | <u>4,222,012</u> | <u>4,204,904</u> | <u>4,196,369</u> | <u>(8,535)</u> |
| OPERATING EXPENSES | | | | |
| Accounting and audit | 24,350 | 24,350 | 19,750 | 4,600 |
| Analytical | 230,000 | 229,400 | 232,716 | (3,316) |
| Capital replacement | 464,000 | - | - | - |
| Consulting | 60,000 | 55,000 | 6,120 | 48,880 |
| Equipment maintenance, repair and fuel | 76,000 | 57,800 | 42,586 | 15,214 |
| Equipment rental | - | - | - | - |
| Insurance | 70,239 | 77,292 | 77,292 | - |
| Materials | 253,200 | 219,200 | 174,788 | 44,412 |
| Miscellaneous | - | - | - | - |
| Permits | 50,500 | 50,500 | 28,518 | 21,982 |
| Repairs | 280,500 | 314,500 | 157,178 | 157,322 |
| Salaries, wages, payroll taxes and benefits | 1,229,282 | 1,200,782 | 927,337 | 273,445 |
| Supplies | 80,100 | 77,000 | 42,350 | 34,650 |
| Utilities | 198,000 | 198,000 | 138,955 | 59,045 |
| Waste disposal | 56,000 | 56,000 | 29,415 | 26,585 |
| Water purchase cost | 234,000 | 234,000 | 228,403 | 5,597 |
| Infrastructure services | 248,236 | 248,236 | 262,389 | (14,153) |
| Overhead allocation - water | 207,747 | 207,747 | 206,712 | 1,035 |
| Overhead allocation - wastewater | 225,797 | 225,797 | 224,674 | 1,123 |
| Overhead allocation - industrial wastewater | 227,649 | 227,649 | 226,516 | 1,133 |
| Total operating expenses before depreciation | <u>4,215,600</u> | <u>3,703,253</u> | <u>3,025,699</u> | <u>677,554</u> |
| Operating income (loss) before depreciation | <u>6,412</u> | <u>501,651</u> | <u>1,170,670</u> | <u>669,019</u> |
| Depreciation | 883,371 | 890,772 | 894,155 | (3,383) |
| Amortization | - | 24,500 | 21,465 | 3,035 |
| Operating income (loss) | <u>(876,959)</u> | <u>(413,621)</u> | <u>255,050</u> | <u>668,671</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Facility charges revenues | 3,760,332 | 3,706,332 | 3,767,137 | 60,805 |
| Interest revenue | 152,000 | 1,130,000 | 1,116,673 | (13,327) |
| DEAAG revenue | - | 35,620 | 412,192 | 376,572 |
| Project admin fees | 20,330 | 55,036 | 64,447 | 9,411 |
| Gain (loss) on disposal of asset | - | - | (2,457) | (2,457) |
| Bond issuance costs | - | (252,304) | (252,304) | - |
| Interest expense | (2,732,348) | (2,270,700) | (2,268,115) | 2,585 |
| Franchise fees expense | (113,658) | (117,800) | (117,727) | 73 |
| Special projects expense | - | - | (10,000) | (10,000) |
| Total nonoperating revenues (expenses) | <u>1,086,656</u> | <u>2,286,184</u> | <u>2,709,846</u> | <u>423,662</u> |
| Income (loss) before capital contributions and transfers | <u>209,697</u> | <u>1,872,563</u> | <u>2,964,896</u> | <u>1,092,333</u> |
| Transfers in (out) | <u>(350,000)</u> | <u>(550,000)</u> | <u>(550,000)</u> | <u>-</u> |
| Changes in net position | (140,303) | 1,322,563 | 2,414,896 | 1,092,333 |
| Net position, beginning of year as restated | <u>17,173,416</u> | <u>17,173,416</u> | <u>17,173,416</u> | <u>-</u> |
| Net position, end of year | <u>\$ 17,033,113</u> | <u>\$ 18,495,979</u> | <u>\$ 19,588,312</u> | <u>\$ 1,092,333</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, 2025**

| | <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 | 8,615,444 | 9,515,444 | 9,045,097 | (470,347) |
| Interest income | 4,000,001 | 4,196,001 | 4,723,478 | 527,477 |
| Arbitrage Rebate | | (947,000) | (929,966) | 17,034 |
| Bond Issuance Costs | | | - | - |
| Bond interest expense | (2,082,731) | (2,082,732) | (2,100,029) | (17,297) |
| Finance and wire fees | (8,501) | (11,501) | (8,586) | 2,915 |
| Gain (loss) on investment | 50,000 | 12,583 | 12,583 | - |
| Total nonoperating revenues (expenses) | 10,574,213 | 10,682,795 | 10,742,577 | 59,782 |
| Change in net position | 10,574,213 | 10,682,795 | 10,742,577 | 59,782 |
| Net position, beginning of year | 23,396,386 | 23,396,386 | 23,396,386 | - |
| Net position, end of year | <u>\$ 33,970,599</u> | <u>\$ 34,079,181</u> | <u>\$ 34,138,963</u> | <u>\$ 59,782</u> |

Note: GAAP serves as the basis of budgeting.

**RIVERBEND WATER RESOURCES DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

| | <u>Year Ended December 31,</u> <u>2024</u> |
|--|---|
| Total Pension Liability | |
| Service cost | 837,230 |
| Interest on total pension liability | 63,630 |
| Effect of plan changes | - |
| Effect of assumption changes or inputs | - |
| Effect of economic/demographic (gains) or losses | 2,920 |
| Benefit payments/refunds of contributions | <u>-</u> |
| Net change in total pension liability | 903,780 |
| Total pension liability, beginning | <u>-</u> |
| Total pension liability, ending (a) | <u>903,780</u> |
| Fiduciary Net Position | |
| Employer contributions | 62,147 |
| Member contributions | 23,929 |
| Investment income net of investment expenses | 1,824 |
| Benefit payments/refunds of contributions | - |
| Administrative expenses | (50) |
| Other | <u>4,737</u> |
| Net change in fiduciary net position | 92,587 |
| Fiduciary net position, beginning | <u>-</u> |
| Fiduciary net position, ending (b) | <u>92,587</u> |
| Net pension liability/(asset), ending = (a) - (b) | <u>\$ 811,193</u> |
| Fiduciary net position as a % of total pension liability | 10.24% |
| Pensionable covered payroll | \$ 341,842 |
| Net pension liability as a % of covered payroll | 237.30% |

NOTES TO SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

- (I) *Presentation* - As required by GASB 68, this schedule will be built prospectively as the information becomes available until 10 years of information is presented.
- (II) *Benefit changes* - There were no changes in benefits during the year.
- (III) *Changes in assumptions* - There were no changes of assumptions this year.

**RIVERBEND WATER RESOURCES DISTRICT
SCHEDULE OF CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

| Year Ending December 31, | Actuarially Determined Contribution | Actual Employer Contribution | Contribution Deficiency (Excess) | Pensionable Covered Payroll | Actual Contribution as a % of Covered Payroll |
|-----------------------------|---|------------------------------------|--|-----------------------------------|---|
| 2024 | \$ 61,247 | \$ 62,147 | - | \$ 341,842 | 18.2% |

NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS

(I) *Valuation Date* - Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which contributions are reported.

(II) *Methods and Assumptions Used to Determine Contribution Rates* -

| | |
|--|--|
| Actuarial Cost Method | Entry Age (level percentage of pay) |
| Amortization Method | Level percentage of payroll, closed |
| Remaining Amortization Period | 20.0 years (based on contribution rate calculated in 12/31/2024 valuation) |
| Asset Valuation Method | 5-year smoothed market |
| Inflation | 2.50% |
| Salary Increases | Varies by age and service. 4.7% average over career including inflation. |
| Investment Rate of Return | 7.5%, net of investment expenses, including inflation |
| Retirement Age | Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age. The average age at service retirement for recent retirees is 61. |
| Mortality | 135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010. |
| Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions* | 2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected. 2022: New investment return and inflation assumptions were reflected. |
| Changes in Plan Provisions Reflected in the Schedule of Employer Contributions* | 2015 - 2023: Not applicable, prior to TCDRS participation 2024: No changes in plan provisions. |

*Only changes that affect the benefit amount and that are effective 2015 and later are shown in the Notes to Schedule.

(I) *Presentation* - As required by GASB 68, this schedule will be built prospectively as the information becomes available until 10 years of information is presented.

Supplementary Information
Required by Texas Commission on Environmental Quality

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RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION SCHEDULE OF SERVICES AND RATES FOR THE YEAR ENDED SEPTEMBER 30, 2025

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

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

2. Retail Service Providers

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

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

District employs winter averaging for wastewater usage? Yes No

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

Residential Water: \$62.50 Wastewater: \$97.50

b. Water and Wastewater Retail Connections:

| Meter Size | Total Connections | Active Connections | ESFC Factor | Active ESFCs |
|------------------|----------------------|-----------------------|----------------|-----------------|
| Unmetered | 0 | 0 | x 1.0 | |
| ≤ 3/4" | 13 | 13 | x 1.0 | |
| 1" | 32 | 26 | x 2.5 | |
| 1 1/2" | 9 | 9 | x 5.0 | |
| 2" | 23 | 19 | x 8.0 | |
| 3" | 4 | 4 | x 15.0 | |
| 4" | 2 | 2 | x 25.0 | |
| 6" | 2 | 1 | x 50.0 | |
| 8" | 3 | 3 | x 80.0 | |
| 12" | 1 | 1 | x 115.0 | |
| Total Water | 89 | 78 | x 1.0 | |
| Total Wastewater | 65 | 60 | x 1.0 | |

**SUPPLEMENTARY INFORMATION
SCHEDULE OF SERVICES AND RATES (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

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

| | | |
|------------------------------|-------------|---|
| Gallon pumped into system: | 203,466,376 | Water Accountability Ratio: (Gallons billed/Gallon pumped) |
| Gallons billed to customers: | 187,031,726 | _____92%_____ |

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, 2025**

WATER/SEWER RATE SCHEDULE

| | <i>Commercial sewer only</i> | <i>Commercial water/sewer</i> | <i>Private water/sewer</i> | <i>Private 1" sprinkler</i> | <i>Commercial hydrant / sprinkler</i> |
|--------------------------------|--------------------------------------|-----------------------------------|--------------------------------|---------------------------------|---|
| Standard water rate (\$/1,000) | \$ - | \$ 6.50 | \$ 3.50 | \$ 3.50 | \$ - |
| Standard sewer rate (\$/1,000) | 7.00 | 7.00 | 7.00 | - | - |
| Facility charge | | | | | |
| Water | - | 3.25 | 2.75 | 2.50 | - |
| Sewer | 3.25 | 3.25 | 2.75 | - | - |
| Total charge (\$/1,000) | 10.25 | 20.00 | 16.00 | 6.00 | 9.75 |
| Fixed minimum charge | 20.00 | 35.00 | 20.00 | 10.00 | 15.00 |
| Water rate | | 10.00 | 7.00 | 7.00 | 10.00 |
| Sewer rate | 15.00 | 15.00 | 10.00 | - | - |
| Facility charge water | | 5.00 | 1.50 | 3.00 | 5.00 |
| Facility charge wastewater | 5.00 | 5.00 | 1.50 | - | - |
| Backflow Device | | | | | |
| Annual Calibration | 75.00 | - | - | - | - |
| Customer Service Inspection | | | | | |
| New Connections | 85.00 | | | | |
| Backflow Preventer | | | | | |
| Monthly Rental | | | | | 250.00 |

RIVERBEND WATER RESOURCES DISTRICT

**SUPPLEMENTARY INFORMATION
SCHEDULE OF ENTERPRISE FUND EXPENSES
FOR THE YEAR ENDED SEPTEMBER ENDED SEPTEMBER 30, 2025**

| | <i>Regional Water System</i> <u>Administration Fund</u> | <i>Regional Water System</i> <u>Facilities Fund</u> | <i>Wet Utilities</i> <u>Fund</u> | <u>Total</u> |
|---|--|--|-------------------------------------|----------------------|
| Personnel Expenses (including benefits)* | \$ 205,385 | \$ - | \$ 1,639,322 | \$ 1,844,707 |
| Professional Fees: | | | | |
| Auditing and financial consulting | 5,000 | - | 21,748 | 26,748 |
| Legal | 18,231 | - | 460 | 18,691 |
| Engineering services | 8,587 | - | - | 8,587 |
| Consulting | 204,257 | - | 6,120 | 210,377 |
| Purchased Services for Resale: | | | | |
| Water purchase cost | - | - | 228,403 | 228,403 |
| Utilities | - | - | 138,955 | 138,955 |
| Repairs and Maintenance: | | | | |
| Analytical | - | - | 239,443 | 239,443 |
| Repairs and maintenance - equipment | - | - | 45,282 | 45,282 |
| Repairs and maintenance - utility system | - | - | 157,178 | 157,178 |
| Supplies and materials | - | - | 316,311 | 316,311 |
| Insurance | - | - | - | - |
| Waste disposal | - | - | 29,415 | 29,415 |
| Administrative Expenses: | | | | |
| Office supplies and expenses | 2,160 | - | - | 2,160 |
| Utilities | - | - | 18,490 | 18,490 |
| Insurance | - | - | 77,492 | 77,492 |
| Other administrative expenses | 119,969 | - | 107,080 | 227,049 |
| Other Expenses: | | | | |
| Depreciation | - | - | 894,155 | 894,155 |
| Amortization | - | - | 21,465 | 21,465 |
| Franchise fees | - | - | 117,727 | 117,727 |
| Special projects expense | 25,750 | - | 10,000 | 35,750 |
| Loss on disposal of asset | - | - | 2,457 | 2,457 |
| Wire fees | - | 8,586 | - | 8,586 |
| Arbitrage fee | - | 929,966 | - | 929,966 |
| Bond issuance costs | - | - | 252,304 | 252,304 |
| Interest expense | - | 2,100,029 | 2,268,115 | 4,368,144 |
| TOTAL EXPENSES | <u>\$ 589,339</u> | <u>\$ 3,038,581</u> | <u>\$ 6,591,922</u> | <u>\$ 10,219,842</u> |

* Number of persons employed by Riverbend: 17 Full-Time 0 Part-Time

RIVERBEND WATER RESOURCES DISTRICT

**SUPPLEMENTARY INFORMATION
SCHEDULE OF TEMPORARY INVESTMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

| <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 | 180,573 | \$ - |
| Restricted - Region D Planning | 8009740 | Money Market | 5,033 | \$ - |
| Operations | 457060 | Daily savings | 1,010 | - |
| Wet Utilities Fund | | | | |
| Operations | 21695 | Daily checking | 1,113,202 | - |
| DEAAG Funds | 21725 | Daily checking | 35,649.80 | - |
| Restricted bond sinking | 21709 | Daily checking | 7,530,727 | - |
| Restricted bond reserves | 21217 | Daily checking | 611,236 | - |
| Restricted construction funds | 21741 | Daily checking | 20,036 | - |
| Restricted operations | 21733 | Money Market | 906,813 | - |
| Restricted construction funds | 1058 | Money Market | 31,098,406 | - |
| Restricted bond reserves | 1279 | Money Market | 2,518,712 | - |
| Regional Water System Facilities Fund | | | | |
| Restricted - Minimum Monthly Payments | 3011380 | Daily Savings | 813,689 | - |
| Restricted - 2020A Construction | 2037890 | Money Market | 6,406 | - |
| Restricted - 2020B Construction | | Money Market | 2,481 | - |
| Restricted - 2020A Revenue | 8009732 | Money Market | 5,365,463 | - |
| Restricted - 2020B Revenue | 8009716 | Money Market | 5,414,154 | - |
| Restricted - 2020A Interest & Redemption | 8009813 | Money Market | 3,947,198 | - |
| Restricted - 2020B Interest & Redemption | 8009724 | Money Market | 1,658,454 | - |
| Restricted - 2020A Construction Escrow | 82-4416-01-0 | Bot Short-Term Cash Fund | 119,594 | 387 |
| Restricted - 2020B Construction Escrow | 82-4405-01-3 | Bot Short-Term Cash Fund | 384,877 | 1,245 |
| Restricted - 2022A Construction Escrow | 82-5428-01-4 | Bot Short-Term Cash Fund | 49,100,191 | 159,439 |
| Restricted - 2022B Construction Escrow | 82-5429-01-2 | Bot Short-Term Cash Fund | 34,184,138 | 110,718 |
| Restricted - 2023A Construction Escrow | 82-6356-01-6 | Bot Short-Term Cash Fund | 8,993,638 | 29,104 |
| Restricted - 2023B Construction Escrow | 82-6357-01-4 | Bot Short-Term Cash Fund | 6,326,660 | 20,474 |
| Total - All Funds | | | \$ 160,338,341 | \$ 321,367 |

RIVERBEND WATER RESOURCES DISTRICT

**SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS
SERIES 2016A - BY YEARS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

| <i>Due During Fiscal Year Ending</i> | <i>Series 2016A</i> | | <i>Total</i> |
|--|--------------------------------|-------------------------------------|---------------------|
| | <i>Principal Due 10/15</i> | <i>Interest Due 10/15, 4/15</i> | |
| 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>\$ 3,870,000</u> | <u>\$ 2,093,600</u> | <u>\$ 5,963,600</u> |

RIVERBEND WATER RESOURCES DISTRICT

**SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS
 SERIES 2016B - BY YEARS
 FOR THE YEAR ENDED SEPTEMBER 30, 2025**

| <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> | |
| 2026 | 325,000 | 66,108 | 391,108 |
| 2027 | 300,000 | 56,420 | 356,420 |
| 2028 | 340,000 | 46,500 | 386,500 |
| 2029 | 390,000 | 35,185 | 425,185 |
| 2030 | 440,000 | 22,320 | 462,320 |
| 2031 | 500,000 | 7,750 | 507,750 |
| | <u>\$ 2,295,000</u> | <u>\$ 234,283</u> | <u>\$ 2,529,283</u> |

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RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS
SERIES 2020A - BY YEARS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

| <i>Due During Fiscal Year Ending</i> | <i>Series 2020A</i> | | <i>Total</i> |
|--|--------------------------------|-------------------------------------|----------------------|
| | <i>Principal Due 10/15</i> | <i>Interest Due 10/15, 4/15</i> | |
| 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>\$ 9,885,000</u> | <u>\$ 2,944,261</u> | <u>\$ 12,829,261</u> |

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS
SERIES 2020B - BY YEARS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

| <i>Due During Fiscal Year Ending</i> | <i>Series 2020B</i> | | <i>Total</i> |
|--|--------------------------------|-------------------------------------|---------------------|
| | <i>Principal Due 10/15</i> | <i>Interest Due 10/15, 4/15</i> | |
| 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 |
| | \$ 6,555,000 | \$ 1,286,434 | \$ 7,841,434 |

RIVERBEND WATER RESOURCES DISTRICT

**SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS
SERIES 2022A - BY YEARS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

| <i>Due During Fiscal Year Ending</i> | <i>Series 2022A</i> | | <i>Total</i> |
|--|--------------------------------|-------------------------------------|----------------------|
| | <i>Principal Due 10/15</i> | <i>Interest Due 10/15, 4/15</i> | |
| 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>\$ 51,670,000</u> | <u>\$ 18,027,654</u> | <u>\$ 69,697,654</u> |

RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS
SERIES 2022B - BY YEARS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

| <i>Due During Fiscal Year Ending</i> | <i>Series 2022B</i> | | <i>Total</i> |
|--|--------------------------------|-------------------------------------|----------------------|
| | <i>Principal Due 10/15</i> | <i>Interest Due 10/15, 4/15</i> | |
| 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>\$ 33,625,000</u> | <u>\$ 2,686,407</u> | <u>\$ 36,311,407</u> |

RIVERBEND WATER RESOURCES DISTRICT

**SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS
SERIES 2023 - BY YEARS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

| <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> | |
| 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>\$ 14,140,000</u> | <u>\$ 10,108,360</u> | <u>\$ 24,248,360</u> |

RIVERBEND WATER RESOURCES DISTRICT

**SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT SERVICE REQUIREMENTS
SERIES 2024 - BY YEARS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

| <i>Due During Fiscal Year Ending</i> | <i>Series 2024</i> | | <i>Total</i> |
|--|--------------------------------|-------------------------------------|----------------------|
| | <i>Principal Due 10/15</i> | <i>Interest Due 10/15, 4/15</i> | |
| 2026 | 825,000 | 2,309,620 | 3,134,620 |
| 2027 | 885,000 | 2,253,520 | 3,138,520 |
| 2028 | 945,000 | 2,193,340 | 3,138,340 |
| 2029 | 1,010,000 | 2,129,080 | 3,139,080 |
| 2030 | 1,085,000 | 2,060,400 | 3,145,400 |
| 2031 | 1,160,000 | 1,986,620 | 3,146,620 |
| 2032 | 1,240,000 | 1,907,740 | 3,147,740 |
| 2033 | 1,330,000 | 1,823,420 | 3,153,420 |
| 2034 | 1,420,000 | 1,732,980 | 3,152,980 |
| 2035 | 1,520,000 | 1,636,420 | 3,156,420 |
| 2036 | 1,630,000 | 2,254,500 | 3,884,500 |
| 2037 | 1,745,000 | 2,091,500 | 3,836,500 |
| 2038 | 1,865,000 | 1,917,000 | 3,782,000 |
| 2039 | 1,995,000 | 1,730,500 | 3,725,500 |
| 2040 | 2,140,000 | 1,531,000 | 3,671,000 |
| 2041 | 2,290,000 | 1,317,000 | 3,607,000 |
| 2042 | 2,450,000 | 1,088,000 | 3,538,000 |
| 2043 | 2,620,000 | 843,000 | 3,463,000 |
| 2044 | 2,805,000 | 581,000 | 3,386,000 |
| 2045 | 3,005,000 | 300,500 | 3,305,500 |
| | <u>\$ 33,965,000</u> | <u>\$ 33,687,140</u> | <u>\$ 67,652,140</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, 2025

| <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> | |
| 2026 | 4,720,000 | 4,626,717 | 9,346,717 |
| 2027 | 4,780,000 | 4,526,768 | 9,306,768 |
| 2028 | 4,920,000 | 4,418,336 | 9,338,336 |
| 2029 | 5,075,000 | 4,301,033 | 9,376,033 |
| 2030 | 5,250,000 | 4,173,890 | 9,423,890 |
| 2031 | 5,440,000 | 4,035,241 | 9,475,241 |
| 2032 | 5,070,000 | 3,893,780 | 8,963,780 |
| 2033 | 5,215,000 | 3,749,943 | 8,964,943 |
| 2034 | 5,370,000 | 3,595,529 | 8,965,529 |
| 2035 | 5,540,000 | 3,430,469 | 8,970,469 |
| 2036 | 5,720,000 | 3,975,841 | 9,695,841 |
| 2037 | 5,910,000 | 3,736,231 | 9,646,231 |
| 2038 | 6,110,000 | 3,481,808 | 9,591,808 |
| 2039 | 6,320,000 | 3,212,269 | 9,532,269 |
| 2040 | 6,555,000 | 2,925,858 | 9,480,858 |
| 2041 | 6,800,000 | 2,620,645 | 9,420,645 |
| 2042 | 7,050,000 | 2,296,342 | 9,346,342 |
| 2043 | 7,320,000 | 1,952,328 | 9,272,328 |
| 2044 | 7,610,000 | 1,587,672 | 9,197,672 |
| 2045 | 7,915,000 | 1,200,781 | 9,115,781 |
| 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 | 17,384 | 837,384 |
| | <u>\$ 156,005,000</u> | <u>\$ 71,068,119</u> | <u>\$ 227,073,119</u> |

RIVERBEND WATER RESOURCES DISTRICT

**SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN LONG-TERM BONDED DEBT
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

| | <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 | \$ 3,985,000 | \$ 2,610,000 | \$ 10,190,000 | \$ 6,770,000 |
| Bonds sold during the fiscal year | - | - | | |
| Bonds retired during the fiscal year | (115,000) | (315,000) | (305,000) | (215,000) |
| Ending Bonds Outstanding | <u>\$ 3,870,000</u> | <u>\$2,295,000</u> | <u>\$9,885,000</u> | <u>\$6,555,000</u> |
| Interest paid during the fiscal year | \$ 169,914 | \$ 76,028 | \$ 171,797 | \$ 74,753 |
| 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 | | |
| Series 2024 | Simmons Bank | Pine Bluff, AR | | |
| Bond authority: | <u>Revenue Bonds</u> | | | |
| Amount authorized | \$170,975,000 | | | |
| Amount issued | \$170,975,000 | | | |
| Remaining to be issued | - | | | |
| Debt Service restricted cash balances as of September 30, 2025: | | | \$ 27,866,461 | |
| Cash restricted for construction as of September 30, 2025: | | | \$ 12,239,952 | |
| Unspent bond funds for planning & acquisition as of September 30, 2025: | | | \$ 117,996,474 | |
| Average annual debt service payment (principal and interest) for remaining term of all debt: | | | \$ 7,830,108 | |

| <i>Bond Issues</i> | | | | |
|--|--|---|--|-----------------------|
| <i>Series</i> <i>2022A</i> | <i>Series</i> <i>2022B</i> | <i>Series</i> <i>2023</i> | <i>Series</i> <i>2024</i> | <i>Total</i> |
| 0.1-2.47% 4/15; 10/15 10/15/2051 | 0.0-0.75% 4/15; 10/15 10/15/2051 | 3.59-4.32% 4/15; 10/15 10/15/2053 | 6.80-10.00% 4/15; 10/15 10/15/2044 | |
| \$ 53,110,000 | \$ 34,825,000 | \$ 14,400,000 | \$ - | \$ 125,890,000 |
| - | - | - | 33,965,000 | 33,965,000 |
| (1,440,000) | (1,200,000) | (260,000) | - | (3,850,000) |
| <u>\$51,670,000</u> | <u>\$33,625,000</u> | <u>\$14,140,000</u> | <u>\$33,965,000</u> | <u>\$ 156,005,000</u> |
| \$ 1,139,481 | \$ 147,407 | \$ 578,463 | \$ - | \$2,357,843 |

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RIVERBEND WATER RESOURCES DISTRICT

SUPPLEMENTARY INFORMATION COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES - FIVE YEARS ENDED

Last Five Years

| | Amounts | | | | |
|--|----------------------|----------------------|---------------------|---------------------|---------------------|
| | (Audited) 2025 | (Audited) 2024 | (Audited) 2023 | (Audited) 2022 | (Audited) 2021 |
| OPERATING REVENUES | | | | | |
| Charges for services | \$ 4,322,552 | \$ 4,087,502 | \$ 4,025,085 | \$ 3,849,103 | \$ 3,828,706 |
| Other revenues | 23,752 | 75,744 | 11,487 | - | - |
| Total operating revenues | <u>4,346,304</u> | <u>4,163,246</u> | <u>4,036,572</u> | <u>3,849,103</u> | <u>3,828,706</u> |
| OPERATING EXPENSES | | | | | |
| Accounting & audit | 26,748 | 27,375 | 26,210 | 24,175 | 21,975 |
| Analyticals | 239,443 | 157,597 | 116,611 | 100,504 | 101,755 |
| Community relations | 17,678 | 5,001 | 2,605 | 1,553 | 5,003 |
| Conferences & seminars | 1,956 | 4,241 | 4,071 | 3,811 | 2,840 |
| Consulting | 210,377 | 207,101 | 190,469 | 215,771 | 204,537 |
| Dues and memberships | 8,539 | 8,510 | 9,041 | 8,372 | 8,357 |
| Engineering services | 8,587 | 11,059 | 11,100 | 47,045 | 20,697 |
| Insurance | 77,492 | 71,977 | 60,479 | 49,477 | 47,091 |
| Legal and professional fees | 18,691 | 8,219 | 7,529 | 16,942 | 12,665 |
| Meetings | 10,509 | 10,557 | 9,273 | 4,744 | 5,385 |
| Military affairs | 16,500 | 11,000 | - | - | - |
| Miscellaneous | - | - | - | 766 | 4,606 |
| Office supplies & expense | 5,261 | 5,496 | 6,968 | 12,013 | 12,136 |
| Office administrative expenses | 50,284 | 71,136 | 54,779 | 124,252 | 58,471 |
| Permits | 28,518 | 48,663 | 32,118 | 32,399 | 34,279 |
| Repairs & maintenance - equipment | 45,282 | 42,473 | 44,810 | 52,514 | 28,968 |
| Repairs & maintenance | 157,178 | 179,449 | 253,287 | 207,063 | 185,927 |
| Salaries, wages, payroll taxes & benefits | 1,844,707 | 1,851,315 | 1,602,933 | 1,523,793 | 1,459,349 |
| SRBA partnership | 70,000 | - | - | - | - |
| Supplies & materials | 316,311 | 280,261 | 297,658 | 215,895 | 210,412 |
| Travel & training | 7,804 | 14,250 | 9,634 | 9,159 | 5,031 |
| Utilities | 157,445 | 199,216 | 200,743 | 177,320 | 163,335 |
| Waste disposal | 29,415 | 31,874 | 43,749 | 44,748 | 37,158 |
| Water purchase cost | 228,403 | 292,507 | 245,030 | 385,321 | 180,852 |
| Web design and maintenance | 2,160 | 853 | 2,981 | 5,570 | 2,667 |
| Depreciation | 894,155 | 884,996 | 862,430 | 833,250 | 805,179 |
| Amortization | 21,465 | 20,490 | 23,557 | - | - |
| Total operating expense | <u>4,504,908</u> | <u>4,445,616</u> | <u>4,118,665</u> | <u>4,096,457</u> | <u>3,618,675</u> |
| Operating income (loss) | <u>(158,604)</u> | <u>(282,370)</u> | <u>(82,093)</u> | <u>(247,354)</u> | <u>210,031</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| Facility charges | 3,767,137 | 1,471,913 | 1,459,034 | 1,443,486 | 1,502,606 |
| Minimum monthly payments | 9,045,097 | 9,947,613 | 4,483,159 | 4,488,277 | 4,570,950 |
| Interest income | 5,840,156 | 4,644,211 | 2,828,362 | 673,213 | 36,503 |
| DEAAG revenue | 412,192 | - | - | - | - |
| Arbitrage | (929,966) | (1,391,755) | - | - | - |
| Project admin fees | 64,447 | 22,183 | 18,974 | 30,083 | 17,147 |
| Gain (loss) on disposal of asset | (2,457) | 10,560 | 23,105 | 11,326 | (62,676) |
| Gain (loss) on investment | 12,583 | 1,314,764 | 738,518 | (1,298,496) | - |
| Interest expense | (4,368,144) | (2,380,546) | (1,878,916) | (1,345,489) | (573,021) |
| Wire fees | (8,586) | (8,262) | (2,578) | - | - |
| Franchise fees expense | (117,727) | (115,025) | (111,638) | (109,350) | (108,710) |
| Special projects expense | (35,750) | (27,363) | (13,366) | (50,005) | (6,858) |
| Bond issuance costs | (252,304) | - | (451,895) | (2,420,901) | (628,526) |
| Total nonoperating revenues (expenses) | <u>13,426,678</u> | <u>13,488,293</u> | <u>7,092,759</u> | <u>1,422,144</u> | <u>4,747,415</u> |
| Income (loss) before capital contributions | 13,268,074 | 13,205,923 | 7,010,666 | 1,174,790 | 4,957,446 |
| Capital contributions | - | - | - | - | - |
| Acquisition of wet utilities facility | - | - | - | - | - |
| Change in net position | <u>\$ 13,268,074</u> | <u>\$ 13,205,923</u> | <u>\$ 7,010,666</u> | <u>\$ 1,174,790</u> | <u>\$ 4,957,446</u> |

| Percent of Fund Total Revenues | | | | |
|---------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| (Audited) 2025 | (Audited) 2024 | (Audited) 2023 | (Audited) 2022 | (Audited) 2021 |
| 99.5% | 98.2% | 99.7% | 100.0% | 100.0% |
| 0.5 | 1.8 | 0.3 | - | - |
| <u>100.0</u> | <u>100.0</u> | <u>100.0</u> | <u>100.0</u> | <u>100.0</u> |
| 0.6 | 0.7 | 0.6 | 0.6 | 0.6 |
| 5.5 | 3.8 | 2.9 | 2.6 | 2.7 |
| 0.4 | 0.1 | 0.1 | 0.0 | 0.1 |
| 0.0 | 0.1 | 0.1 | 0.1 | 0.1 |
| 4.8 | 5.0 | 4.7 | 5.6 | 5.3 |
| 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| 0.2 | 0.3 | 0.3 | 1.2 | 0.5 |
| 1.8 | 1.7 | 1.5 | 1.3 | 1.2 |
| 0.4 | 0.2 | 0.2 | 0.4 | 0.3 |
| 0.2 | 0.3 | 0.2 | 0.1 | 0.1 |
| 0.4 | 0.3 | - | - | - |
| - | - | - | 0.0 | 0.1 |
| 0.1 | 0.1 | 0.2 | 0.3 | 0.3 |
| 1.2 | 1.7 | 1.4 | 3.2 | 1.5 |
| 0.7 | 1.2 | 0.8 | 0.8 | 0.9 |
| 1.0 | 1.0 | 1.1 | 1.4 | 0.8 |
| 3.6 | 4.3 | 6.3 | 5.4 | 4.9 |
| 42.4 | 44.5 | 39.7 | 39.6 | 38.1 |
| 1.6 | - | - | - | - |
| 7.3 | 6.7 | 7.4 | 5.6 | 5.5 |
| 0.4 | 0.3 | 0.2 | 0.2 | 0.1 |
| 3.6 | 4.8 | 5.0 | 4.6 | 4.3 |
| 0.7 | 0.8 | 1.1 | 1.2 | 1.0 |
| 5.3 | 7.0 | 6.1 | 10.0 | 4.7 |
| 0.0 | 0.0 | 0.1 | 0.1 | 0.1 |
| 20.6 | 21.3 | 21.4 | 21.6 | 21.0 |
| 0.5 | 0.5 | 0.6 | - | - |
| <u>103.6</u> | <u>106.8</u> | <u>102.0</u> | <u>106.4</u> | <u>94.5</u> |
| <u>(3.6)</u> | <u>(6.8)</u> | <u>(2.0)</u> | <u>(6.4)</u> | <u>5.5</u> |
| 86.7 | 35.4 | 36.1 | 37.5 | 39.2 |
| 208.1 | 238.9 | 111.1 | 116.6 | 119.4 |
| 134.4 | 111.6 | 70.1 | 17.5 | 1.0 |
| 9.5 | - | - | - | - |
| (21.4) | (33.4) | - | - | - |
| 1.5 | 0.5 | 0.5 | 0.8 | 0.4 |
| (0.1) | 0.3 | 0.6 | 0.3 | (1.6) |
| 0.3 | 31.6 | 18.3 | (33.7) | - |
| (100.5) | (57.2) | (46.5) | (35.0) | (15.0) |
| (0.2) | (0.2) | (0.1) | - | - |
| (2.7) | (2.8) | (2.8) | (2.8) | (2.8) |
| (0.8) | (0.7) | (0.3) | (1.3) | (0.2) |
| (5.8) | - | (11.2) | (62.9) | (16.4) |
| <u>308.9</u> | <u>324.0</u> | <u>175.7</u> | <u>36.9</u> | <u>124.0</u> |
| 305.3 | 317.2 | 173.7 | 30.5 | 129.5 |
| - | - | - | - | - |
| - | - | - | - | - |
| <u>305.3%</u> | <u>317.2%</u> | <u>173.7%</u> | <u>30.5%</u> | <u>129.5%</u> |

**SUPPLEMENTARY INFORMATION
LIST OF BOARD MEMBERS, KEY PERSONNEL, AND CONSULTANTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

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): 2/3/2025
 Limit on fees of office that a director may receive during a fiscal year: \$0

| <u>Names:</u> | <u>Term of Office (Elected or Appointed) or Date Hired</u> | <u>Fees of Office Paid* (FYE 09/30/2025)</u> | <u>Expense Reimbursements (FYE 9/30/2025)</u> | <u>Title at Year End</u> |
|--------------------------------------|--|--|---|------------------------------|
| Board Members: | | | | |
| Steve Mayo | (Appointed) 01/2024-12/2027 | - | - | Past President |
| Lynn Davis | (Appointed) 01/2024-12/2027 | - | - | President |
| Sonja Yates Hubbard | (Appointed) 01/2023-12/2026 | - | - | Vice President |
| Tina Veal-Gooch | (Appointed) 01/2023-12/2026 | - | - | Treasurer |
| Van Alexander | (Appointed) 01/2023-12/2026 | - | - | Secretary |
| Key Administrative Personnel: | | | | |
| Kyle Dooley | 4/29/2019 | 249,969.38 *** | 3,835.65 ** | Executive Director |
| Consultants: | | | | |
| Black & Veatch Corporation | 1/26/2024 | 6,832,772.17 | | Engineer |
| Cross Oak Group | 3/1/2013 | 80,000.00 | | Consultant |
| Fancher Legal, PLLC | 10/15/2020 | 15,036.00 | | Attorney |
| Garver | 1/26/2024 | 6,487,065.20 | | Engineer |
| Hance Scarborough, LLP | 8/1/2015 | 120,000.00 | 4,257.02 ** | Consultant |
| Hilltop Securities | 10/15/2020 | 4,880.00 | | Financial Advisor |
| Lockwood Andrews & Newman I | 1/23/2024 | 312,305.28 | | Engineer |
| MTG | 9/28/2022 | 17,629.47 | | Engineer |
| Ross Molina Oliveros, P.C. | 5/27/2021 | 2,646.00 | | Attorney |
| The Glass Firm, PLLC | 5/7/2021 | 3,195.00 | | Attorney |
| Tidewater Professional Services, I | 8/14/2023 | 22,750.00 | | Engineer |
| Wilf & Henderson, P.C. | 10/19/2018 | 28,250.00 | | 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 09/30/2025) | Expense Reimbursements (FYE 9/30/2025) | Title at Year End |
|----------------------------------|---|--|--|----------------------|
| Pape-Dawson Engineers, Inc. | 4/7/2021 | \$ 3,653,847.04 | \$ 1,237,293.57 **** | Engineer |
| KSA Engineers, Inc. | | 169,762.41 | | |
| Chauvin Carraway | | 7,400.00 | | |
| Sunland Group | | 41,682.91 | | |
| ETTL | | 749,767.97 | | |
| Three Box Strategic Comm | | 28,366.10 | | |
| WEST Consultants, Inc. | | 27,859.50 | | |
| Schnabel | | 85,002.64 | | |
| Leofwin | | 5,660.72 | | |
| Energy Access Solutions | | 48,554.25 | | |
| DAS | | 7,320.00 | | |
| Kingwood Forestry Services, Inc. | | 9,400.00 | | |
| Allen, Williford & Seale, Inc. | | 53,587.40 | | |

* 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.

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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>2025</u> | <u>2024</u> | <u>2023</u> | <u>2022</u> |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|
| Primary Government | | | | |
| Net investment in capital assets | 14,303,196 | 21,099,100 | 12,335,714 | 6,495,755 |
| Restricted | 38,144,301 | 17,485,114 | 12,777,584 | 12,030,841 |
| Unrestricted | 1,506,889 | 1,935,670 | 2,200,663 | 1,776,699 |
| | <u>53,954,386</u> | <u>40,519,884</u> | <u>27,313,961</u> | <u>20,303,295</u> |

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| <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> |
|-------------------|-------------------|-------------------|-------------------|------------------|------------------|
| 9,343,889 | 9,614,188 | 8,410,684 | 6,604,940 | 2,936,607 | 340,840 |
| 7,737,376 | 3,189,363 | 2,602,736 | 3,654,226 | 6,294,453 | 8,092,084 |
| 2,047,240 | 1,367,508 | 1,250,941 | 1,018,054 | 530,980 | 197,181 |
| <u>19,128,505</u> | <u>14,171,059</u> | <u>12,264,361</u> | <u>11,277,220</u> | <u>9,762,040</u> | <u>8,630,105</u> |

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Riverbend Water Resources District

Changes in Net Position

Last Ten Fiscal Years

Schedule 2

(Accrual Basis of Accounting)

(Unaudited)

| <u>Fiscal Year</u> | <u>Operating Revenues</u> | <u>Operating Expenses</u> | <u>Operating Income/ (Loss)</u> | <u>Total Nonoperating Revenues/ (Expenses)</u> |
|--------------------|---------------------------|---------------------------|-------------------------------------|--|
| 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 |
| 2024 | 4,163,246 | 4,445,616 | (282,370) | 13,488,293 |
| 2025 | 4,346,304 | 4,504,908 | (158,604) | 13,426,678 |

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| Income/(Loss) Before Capital Contributions | Extraordinary Items/ Capital Contributions | Change In Net Position |
|---|---|---------------------------------------|
| (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 |
| 13,205,923 | - | 13,205,923 |
| 13,268,074 | - | 13,268,074 |

DRAFT

Riverbend Water Resources District

Operating Revenues by Source

Last Ten Fiscal Years

Schedule 3

(Accrual Basis of Accounting)

(Unaudited)

| <u>Fiscal Year</u> | <u>Member City Fees</u> | <u>Water Sales</u> | <u>Wastewater Treatment</u> | <u>Industrial Wastewater Treatment</u> |
|--------------------|-----------------------------|------------------------|---------------------------------|--|
| 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 |
| 2024 | 188,663 | 1,350,934 | 1,159,858 | 1,254,775 |
| 2025 | 149,935 | 1,344,933 | 1,159,859 | 1,254,775 |

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| Infrastructure Services | Other | Total |
|------------------------------------|--------------|--------------|
| - | 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 |
| 133,272 | 75,744 | 4,163,246 |
| 248,386 | 188,416 | 4,346,304 |

DRAFT

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> |
|--------------------|-----------------------|--|---------------------|---|
| 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 |
| 2024 | 443,847 | 3,096,283 | 905,486 | 4,445,616 |
| 2025 | 563,589 | 3,589,288 | 915,620 | 5,068,497 |

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Riverbend Water Resources District

Nonoperating Revenues (Expenses)

Last Ten Fiscal Years

Schedule 5

(Accrual Basis of Accounting)

(Unaudited)

| <u>Fiscal Year</u> | <u>Facility Charge Revenue</u> | <u>Minimum Monthly Payments</u> | <u>Interest Revenue</u> | <u>DEAAG Revenue</u> | <u>Arbitrage</u> |
|--------------------|--------------------------------|---------------------------------|-------------------------|----------------------|------------------|
| 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 | - | - |
| 2023 | 1,459,034 | 4,483,159 | 2,828,362 | - | - |
| 2024 | 1,471,913 | 9,947,613 | 4,644,211 | - | (1,391,755.00) |
| 2025 | 3,767,137 | 9,045,097 | 5,840,156 | 412,192 | (929,966) |

| Gain (Loss) on Investment | Interest Expense | Franchise Fees Expense | Bond Issuance Costs | Other | Total Nonoperating Revenue (Expenses) |
|--|-----------------------------|-----------------------------------|------------------------------------|--------------|--|
| - | (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 |
| (1,298,496) | (1,345,489) | (109,350) | (2,420,901) | (8,596) | 1,422,144 |
| 738,518 | (1,878,916) | (111,638) | (451,895) | 26,135 | 7,092,759 |
| 1,314,764 | (2,380,546) | (115,025) | - | (2,882) | 13,488,293 |
| 12,583 | (4,368,144) | (117,727) | (252,304) | 17,654 | 13,426,678 |

Riverbend Water Resources District

Five Largest Customers - Wet Utilities Fund

Current Year and Previous Five Years

Schedule 6

(Unaudited)

| CUSTOMER | FISCAL YEAR 2020 | | | FISCAL YEAR 2021 | | |
|---------------------------------|------------------|----------------|------|------------------|---------------|------|
| | AMOUNT | PERCENTAGE | RANK | AMOUNT | PERCENTAGE | RANK |
| Red River Army Depot | 4,214,777 | 91.58% | 1 | 4,797,201 | 92.47% | 1 |
| Day & Zimmermann | 273,212 | 5.94% | 2 | 226,406 | 4.36% | 2 |
| City of Maud | 22,069 | 0.48% | 3 | 44,314 | 0.85% | 3 |
| Oak Grove Apartments | 16,561 | 0.36% | 4 | 15,711 | 0.30% | 5 |
| IsoNova Technologies | 11,254 | 0.24% | 5 | | | |
| Expal USA, Inc. | | | | 19,451 | 0.37% | 4 |
| SUBTOTAL (5 LARGEST) | <u>4,537,873</u> | <u>98.60%</u> | | <u>5,103,083</u> | <u>98.35%</u> | |
| Balance from other customers | 64,289 | 1.40% | | 84,507 | 1.63% | |
| | <u>4,602,162</u> | <u>100.00%</u> | | <u>5,187,590</u> | <u>99.98%</u> | |

| CUSTOMER | FISCAL YEAR 2023 | | | FISCAL YEAR 2024 | | |
|---------------------------------|------------------|----------------|------|------------------|----------------|------|
| | AMOUNT | PERCENTAGE | RANK | AMOUNT | PERCENTAGE | RANK |
| Red River Army Depot | 6,088,568 | 92.87% | 1 | 6,267,595 | 91.34% | 1 |
| City of Maud | 171,308 | 2.61% | 2 | 234,455 | 3.42% | 2 |
| Day & Zimmermann | 161,122 | 2.46% | 3 | 180,168 | 2.63% | 3 |
| Rowe Casa | 23,146 | 0.35% | 4 | 24,703 | 0.36% | 4 |
| Oak Grove Apartments | 18,075 | 0.28% | 5 | | | |
| Expal USA, Inc. | | | | 23,529 | 0.34% | 5 |
| IsoNova Technologies | | | | | | |
| SUBTOTAL (5 LARGEST) | <u>6,462,219</u> | <u>98.57%</u> | | <u>6,730,450</u> | <u>98.08%</u> | |
| Balance from other customers | 93,708 | 1.43% | | 131,643 | 1.92% | |
| | <u>6,555,927</u> | <u>100.00%</u> | | <u>6,862,093</u> | <u>100.00%</u> | |

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

| FISCAL YEAR 2022 | | |
|------------------|------------|------|
| AMOUNT | PERCENTAGE | RANK |
| 4,884,663 | 94.01% | 1 |
| 109,626 | 2.11% | 2 |
| 104,324 | 2.01% | 3 |
| 17,522 | 0.34% | 5 |
| 27,131 | 0.52% | 4 |
| <hr/> | | |
| 5,143,266 | 98.99% | |
| <hr/> | | |
| 52,636 | 1.01% | |
| 5,195,903 | 100.00% | |

| FISCAL YEAR 2025 | | |
|------------------|------------|------|
| AMOUNT | PERCENTAGE | RANK |
| 7,503,837 | 94.04% | 1 |
| 266,896 | 3.34% | 2 |
| 72,214 | 0.90% | 3 |
| 24,033 | 0.30% | 4 |
| 18,253 | 0.23% | 5 |
| <hr/> | | |
| 7,885,233 | 98.82% | |
| <hr/> | | |
| 94,312 | 1.18% | |
| 7,979,545 | 100.00% | |

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Riverbend Water Resources District

Ratio of Outstanding Debt by Type

Last Ten Fiscal Years

Schedule 7

(Unaudited)

| <u>Fiscal Year</u> | <u>Revenue Bonds</u> | <u>Subscription Liability</u> | <u>Personal Income</u> | <u>Percentage of Personal Income</u> | <u>Population</u> | <u>Debt per Capita</u> |
|--------------------|----------------------|-------------------------------|------------------------|--------------------------------------|-------------------|------------------------|
| 2016 | 11,610,000 | | 1,506,238,302 | 0.77% | 64,172 | 181 |
| 2017 | 11,375,000 | | 1,533,190,428 | 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% | 64,295 | 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 | 43,952 | N/A | N/A | 65,385 | 1,980 |
| 2024 | 125,890,000 | 22,487 | N/A | N/A | 67,102 | 1,876 |
| 2025 | 156,005,000 | - | | | | |

N/A-Not Available

DRAFT

Riverbend Water Resources District

Pledged Revenue Coverage

Last Eight Fiscal Years

Schedule 8

(Unaudited)

| Fiscal Year | Operating Revenues * | Less: | Facility Charges * | Minimum Monthly Payments** | Net Available Funds |
|-------------|----------------------|--|--------------------|----------------------------|---------------------|
| | | Operating Expenses * (Excluding Depreciation) | | | |
| 2017 | 2,853,652 | 2,032,607 | 1,143,681 | | 1,964,726 |
| 2018 | 3,160,903 | 2,386,750 | 1,148,078 | | 1,922,231 |
| 2019 | 3,318,372 | 2,568,992 | 1,320,980 | | 2,070,360 |
| 2020 | 3,383,280 | 2,700,920 | 1,192,433 | 465,323 | 2,340,116 |
| 2021 | 3,624,071 | 2,813,496 | 1,502,606 | 4,570,950 | 6,884,131 |
| 2022 | 3,849,103 | 3,263,207 | 1,443,486 | 4,488,277 | 6,517,659 |
| 2023 | 4,036,572 | 3,256,235 | 1,459,034 | 4,483,159 | 6,722,530 |
| 2024 | 3,974,583 | 3,096,283 | 2,444,599 | 9,947,613 | 13,270,512 |
| 2025 | 4,196,369 | 3,589,287 | 3,767,137 | 9,045,097 | 13,419,316 |

* 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 |
| 3,560,000 | 2,210,346 | 5,770,346 | 2.30 |
| 3,850,000 | 2,357,841 | 6,207,841 | 2.16 |

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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 | Unemployment Rate State ³ |
|-------------|-------------------------|--------------------------------|-----------------|-------------------------------------|--------------------------------------|
| 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 | N/A | 6.9% |
| 2021 | 317 | N/A | 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% |
| 2024 | 185 | N/A | N/A | 4.6% | 4.10% |
| 2025 | 185 | 15,000 | 2,775,000 | 3.5% | 4.10% |

Atlanta, TX - Cass County

| Fiscal Year | Population ¹ | Per Capita Income ¹ | Personal Income | Unemployment Rate City ² | Unemployment Rate State ³ |
|-------------|-------------------------|--------------------------------|-----------------|-------------------------------------|--------------------------------------|
| 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 | N/A | 6.9% |
| 2021 | 5,432 | N/A | 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 | 6.5% | 4.10% |
| 2024 | 5,418 | N/A | N/A | 4.9% | 4.10% |
| 2025 | 5,448 | 31,000 | 168,888,000 | 5.3% | 4.10% |

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

2-Texas Workforce Commission LMI - used county total

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

3-https://ycharts.com/indicators/texas_unemployment_rate

N/A-Not Available

Riverbend Water Resources District

Demographic and Economic Statistics

Last Ten Fiscal Years

Schedule 9 (Continued)

(Unaudited)

Avery, TX - Red River County

| Fiscal Year | Population ¹ | Per Capita Income ² | Personal Income | Unemployment Rate | |
|----------------|-------------------------|-----------------------------------|--------------------|-------------------|--------------------|
| | | | | City ² | State ³ |
| 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% |
| 2024 | 438 | N/A | N/A | 4.6% | 4.1% |
| 2025 | 447 | 27,430 | 12,261,210 | 4.7% | 4.1% |

DeKalb, TX - Bowie County

| Fiscal Year | Population ¹ | Per Capita Income ² | Personal Income | Unemployment Rate | |
|----------------|-------------------------|-----------------------------------|--------------------|-------------------|--------------------|
| | | | | City ² | State ³ |
| 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 | 1,481 | N/A | N/A | 9.2% | 4.0% |
| 2024 | 1511 | N/A | N/A | 4.30% | 4.10% |
| 2025 | 1426 | 23,140 | 32,997,640 | 4.20% | 4.10% |

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

2-Texas Workforce Commission LMI - used county total

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 |
| 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% |
| 2024 | 2,518 | N/A | N/A | 4.3% | 4.1% |
| 2025 | 2,474 | 26,377 | N/A | 4.2% | 4.1% |

Leary, TX - Bowie County

| Fiscal Year | Population ¹ | Per Capita Income ² | Personal Income | Unemployment Rate | |
|----------------|-------------------------|-----------------------------------|--------------------|-------------------|--------------------|
| | | | | City ² | State ³ |
| 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% |
| 2024 | 451 | N/A | N/A | 4.3% | 4.1% |
| 2025 | 456 | 29,383 | N/A | 4.2% | 4.1% |

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

2-Texas Workforce Commission LMI - used county total

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 |
| 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 | N/A | 6.9% |
| 2021 | 1,040 | N/A | 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% |
| 2024 | 1437 | N/A | N/A | 4.3% | 4.1% |
| 2025 | 1064 | 28,089 | N/A | 4.2% | 4.1% |

Nash, TX - Bowie County

| Fiscal Year | Population ¹ | Per Capita Income ² | Personal Income | Unemployment Rate | |
|----------------|-------------------------|-----------------------------------|--------------------|-------------------|--------------------|
| | | | | City ² | State ³ |
| 2016 | 3,348 | 26,031 | 87,151,788 | 6.6% | 4.3% |
| 2017 | 3,415 | 15,932 | 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 | N/A | 6.9% |
| 2021 | 3,156 | N/A | 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% |
| 2024 | 3,464 | NA | N/A | 4.3% | 4.1% |
| 2025 | 4,208 | 31,820 | N/A | 4.2% | 4.1% |

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

2-Texas Workforce Commission LMI - used county total

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 |
| 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 | N/A | 6.9% |
| 2021 | 4,720 | N/A | 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% |
| 2024 | 7,059 | N/A | N/A | 4.3% | 4.1% |
| 2025 | 4,546 | 38,347 | NA | 4.2% | 4.1% |

Redwater, TX - Bowie County

| Fiscal Year | Population ¹ | Per Capita Income ² | Personal Income | Unemployment Rate | |
|----------------|-------------------------|-----------------------------------|--------------------|-------------------|--------------------|
| | | | | City ² | State ³ |
| 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 | N/A | 6.9% |
| 2021 | 1,268 | N/A | 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% |
| 2024 | 1,356 | N/A | N/A | 4.3% | 4.1% |
| 2025 | 1,060 | 22,625 | N/A | 4.2% | 4.1% |

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

2-Texas Workforce Commission LMI - used county total

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 |
| 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 | N/A | 6.9% |
| 2021 | 37,389 | N/A | 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% |
| 2024 | 37,280 | N/A | N/A | 4.3% | 4.1% |
| 2025 | 37,225 | 29,910 | N/A | 4.3% | 4.1% |

Wake Village, TX - Bowie County

| Fiscal Year | Population ¹ | Per Capita Income ² | Personal Income | Unemployment Rate | |
|----------------|-------------------------|-----------------------------------|--------------------|-------------------|--------------------|
| | | | | City ² | State ³ |
| 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% |
| 2024 | 5,985 | N/A | N/A | 4.3% | 4.1% |
| 2025 | 5,471 | 31,425 | N/A | 4.4% | 4.1% |

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

2-Texas Workforce Commission LMI - used county total

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

| <u>Fiscal Year</u> | <u>Population</u> | <u>Per Capita Income</u> | <u>Personal Income</u> |
|--------------------|-------------------|--------------------------|------------------------|
| 2016 | 64,131 | 23,643 | 1,516,218,204 |
| 2017 | 64,171 | 23,892 | 1,533,190,428 |
| 2018 | 64,325 | 25,166 | 1,618,834,793 |
| 2019 | 64,295 | N/A | N/A |
| 2020 | 64,492 | N/A | N/A |
| 2021 | 63,716 | N/A | N/A |
| 2022 | 63,176 | N/A | N/A |
| 2023 | 62,025 | N/A | N/A |
| 2024 | 67,102 | N/A | N/A |

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Riverbend Water Resources District

Percentage of Member Counties in RWRD

Last Ten Fiscal Years

Schedule 10

(Unaudited)

| Member City | Population | | | | |
|---|---------------|---------------|---------------|---------------|---------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 |
| Central Bowie Water Supply Corporation ¹ | - | - | - | - | 8,748 |
| DeKalb, TX | 1,639 | 1,628 | 1,622 | 1,611 | 1,600 |
| Hooks, TX | 2,749 | 2,747 | 2,746 | 2,744 | 2,742 |
| Leary, TX | 491 | 492 | 496 | 497 | 498 |
| Maud, TX | 1,069 | 1,067 | 1,068 | 1,066 | 1,064 |
| Nash, TX | 3,348 | 3,415 | 3,681 | 3,748 | 3,815 |
| New Boston, TX | 4,684 | 4,688 | 4,678 | 4,682 | 4,686 |
| Oak Grove Water Supply Corporation ¹ | - | - | - | - | 831 |
| Redwater, TX | 1,087 | 1,093 | 1,098 | 1,104 | 1,110 |
| Texarkana, TX | 37,402 | 37,350 | 37,295 | 37,243 | 37,191 |
| Wake Village, TX | 5,434 | 5,432 | 5,425 | 5,423 | 5,421 |
| | <u>57,903</u> | <u>57,912</u> | <u>58,109</u> | <u>58,118</u> | <u>67,706</u> |
| Bowie County ² | 93,994 | 93,977 | 94,324 | 93,245 | 92,893 |
| Percentage of Bowie County in RWRD | 61.60% | 61.62% | 61.61% | 62.33% | 72.89% |
| | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> |
| Atlanta, TX | 5,525 | 5,484 | 5,515 | 5,474 | 5,433 |
| Cass County ² | 30,073 | 29,980 | 30,119 | 30,026 | 28,454 |
| Percentage of Cass County in RWRD | 18.37% | 18.29% | 18.31% | 18.23% | 19.09% |
| | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> |
| Annona, TX | 293 | 295 | 291 | 293 | 295 |
| Avery, TX | 451 | 450 | 450 | 450 | 450 |
| | <u>744</u> | <u>745</u> | <u>741</u> | <u>743</u> | <u>745</u> |
| Red River County ² | 12,190 | 12,203 | 12,175 | 12,023 | 11,587 |
| Percentage of Red River County in RWRD | 6.10% | 6.11% | 6.09% | 6.18% | 6.43% |

N/A-Not Available

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

2-<https://worldpopulationreview.com>

| <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> |
|---------------|---------------|---------------|---------------|---------------|
| 8,748 | 8,748 | 8,964 | 9,027 | 9,027 |
| 1,687 | 1,687 | 1,481 | 1,511 | 1,426 |
| 2,749 | 2,749 | 2,502 | 2,518 | 2,474 |
| 692 | 692 | 445 | 451 | 456 |
| 1,040 | 1,040 | 957 | 1,437 | 1,064 |
| 3,156 | 3,156 | 3,879 | 3,464 | 4,208 |
| 4,720 | 4,720 | 4,513 | 4,059 | 4,546 |
| 909 | 909 | 909 | 909 | 909 |
| 1,268 | 1,268 | 851 | 1,356 | 1,060 |
| 37,389 | 37,389 | 35,544 | 37,280 | 37,225 |
| 5,481 | 5,481 | 5,790 | 5,945 | 5,471 |
| <u>67,839</u> | <u>67,839</u> | <u>65,835</u> | <u>67,957</u> | <u>67,866</u> |

| | | | | |
|--------|-----|-----|--------|--------|
| 92,581 | N/A | N/A | 91,662 | 91,662 |
| 73.28% | N/A | N/A | 74.14% | 74.04% |

| <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> |
|-------------|-------------|-------------|-------------|-------------|
| 5,433 | 5,433 | 5,512 | 5,418 | 5,448 |

| | | | | |
|--------|-----|-----|--------|--------|
| 28,560 | N/A | N/A | 28,780 | 28,780 |
| 19.02% | N/A | N/A | 18.83% | 18.93% |

| <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> |
|-------------|-------------|-------------|-------------|-------------|
| 295 | 295 | 186 | 185 | 185 |
| 450 | 450 | 426 | 438 | 447 |
| <u>745</u> | <u>745</u> | <u>612</u> | <u>623</u> | <u>632</u> |

| | | | | |
|--------|-----|-----|--------|--------|
| 11,555 | N/A | N/A | 11,751 | 11,751 |
| 6.45% | N/A | N/A | 5.30% | 5.38% |

Riverbend Water Resources District

Principal Employers

Current Year and Nine Years Ago

Schedule 11

(Unaudited)

| Employer | 2025 | | | 2016 | | |
|--|--------------|------|--------------------------------|---------------|---|--------------------------------|
| | Employees | Rank | Percentage of Total Employment | Employees | | Percentage of Total Employment |
| CHRISTUS St. Michael Health System | 2,200 | 1 | 4.13% | 2,700 | 2 | 5.13% |
| Red River Army Depot & Tenants | 2,103 | 2 | 3.95% | 4,800 | 1 | 9.12% |
| Texarkana, TX Independent School District | 1,350 | 3 | 2.54% | 800 | 5 | 1.52% |
| Graphic Packaging (formerly International Paper) | 814 | 4 | 1.53% | 825 | 3 | 1.57% |
| Wadley Regional Medical | 622 | 5 | 1.17% | 800 | 4 | 1.52% |
| Ledwell | 611 | 6 | 1.15% | | | |
| Walmart Department Stores | | | | 650 | 6 | 1.23% |
| | <u>5,500</u> | | <u>14.47%</u> | <u>10,575</u> | | <u>20.09%</u> |

Source:

Texarkana Chamber of Commerce, Texas Workforce Commission LMI

Notes:

(1) Employment for Bowie, Cass and Red River Counties for 2025 is 53,205

(2) Employment for Bowie, Cass and Red River Counties for 2016 is 52,648

Riverbend Water Resources District

Operating Indicators by Function

Last Ten Years

Schedule 12

(Unaudited)

Water

| | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Avg. Gallons of Water Consumed (MGD) | 0.726 | 0.958 | 0.711 | 0.737 | 0.810 |
| Number of Water Meters | 82 | 78 | 78 | 80 | 97 |

Wastewater

| | | | | | |
|--|-------|-------|-------|-------|-------|
| Average Gallons of Domestic Wastewater Treated (MGD) | 0.499 | 0.456 | 0.514 | 0.536 | 0.589 |
|--|-------|-------|-------|-------|-------|

Industrial Wastewater

| | | | | | |
|--|-------|-------|-------|-------|-------|
| Average Gallons of Industrial Wastewater Treated (MGD) | 0.192 | 0.184 | 0.172 | 0.198 | 0.210 |
|--|-------|-------|-------|-------|-------|

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| <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> |
|-------------|-------------|-------------|-------------|-------------|
|-------------|-------------|-------------|-------------|-------------|

| | | | | |
|-------|-------|-------|--------|--------|
| 0.763 | 0.725 | 0.611 | 0.0571 | 0.0512 |
| 99 | 99 | 99 | 99 | 89 |

| | | | | |
|-------|-------|-------|-------|-------|
| 0.490 | 0.370 | 0.409 | 0.431 | 0.415 |
|-------|-------|-------|-------|-------|

| | | | | |
|-------|-------|-------|-------|-------|
| 0.174 | 0.178 | 0.201 | 0.198 | 0.179 |
|-------|-------|-------|-------|-------|

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Riverbend Water Resources District

Operating Indicators by Function

Full Time Employees as of September 30

Last Ten Fiscal Years

Schedule 13

(Unaudited)

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-----------------------|------|------|------|------|------|------|------|------|------|------|
| Administration | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Water | 5 | 5 | 5 | 6 | 4 | 4 | 7 | 7 | 7 | 7 |
| Wastewater | 2 | 4 | 4 | 3 | 4 | 4 | 3 | 3 | 5 | 5 |
| Industrial Wastewater | 3 | 1 | 2 | 3 | 4 | 4 | 2 | 2 | 1 | 1 |
| Totals | 14 | 14 | 15 | 16 | 16 | 16 | 16 | 16 | 17 | 17 |

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

Riverbend Water Resources District

Capital Asset Statistics by Function

Last Ten Years

Schedule 14

(Unaudited)

| Water | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|-------------|-------------|-------------|-------------|-------------|
| 500,000 Gallon Elevated Storage Tank | 1 | 1 | 1 | 1 | 1 |
| 500,000 Gallon Ground Water Storage Tank | 0 | 0 | 0 | 2 | 2 |
| Miles of Water Line | 83 | 83 | 83 | 115 | 115 |
| Fire Hydrants | 313 | 313 | 313 | 375 | 368 |
| Water Meters | 82 | 78 | 78 | 80 | 97 |
| Water Valves | 883 | 921 | 921 | 1151 | 1141 |
| Wastewater | | | | | |
| 1.5 MG SBR Plant | 1 | 1 | 1 | 1 | 1 |
| Miles of Wastewater Line | 35 | 35 | 35 | 35 | 38 |
| Manholes | 477 | 477 | 477 | 477 | 513 |
| Lift Stations | 32 | 32 | 32 | 32 | 34 |
| Air Relief Valves | 30 | 30 | 30 | 30 | 30 |
| Wastewater Meters | 65 | 65 | 65 | 72 | 72 |
| Industrial Wastewater | | | | | |
| 750,000 Gallon Industrial Wastewater Plant | 1 | 1 | 1 | 1 | 1 |
| Miles of Industrial Wastewater Line | 5 | 5 | 5 | 5 | 5 |

| 2021 | 2022 | 2023 | 2024 | 2025 |
|------|------|------|------|------|
|------|------|------|------|------|

| | | | | |
|------|------|------|------|------|
| 1 | 1 | 1 | 1 | 1 |
| 2 | 2 | 2 | 2 | 2 |
| 115 | 117 | 117 | 117 | 117 |
| 373 | 376 | 432 | 433 | 433 |
| 99 | 99 | 99 | 99 | 89 |
| 1150 | 1222 | 1243 | 1260 | 1259 |

| | | | | |
|-----|-----|-----|-----|------|
| 1 | 1 | 1 | 1 | 1 |
| 38 | 38 | 38 | 38 | 48.7 |
| 513 | 513 | 607 | 607 | 611 |
| 34 | 35 | 36 | 36 | 36 |
| 30 | 30 | 36 | 36 | 36 |
| 72 | 72 | 72 | 72 | 65 |

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

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**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, 2025, 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 xx, 2026.

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 or significant deficiencies may exist that 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.

Draft Copy For Discussion Only

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

January xx, 2026

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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, 2025. 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, 2025.

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.

Draft Copy For Discussion Only

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

January xx, 2026

RIVERBEND WATER RESOURCES DISTRICT

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

| <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>18,175,413</u> |
| Total Passed Through - Texas Water Development Board | | <u>18,175,413</u> |
| Total Environmental Protection Agency | | <u>18,175,413</u> |
| Total Expenditures of Federal Awards | | \$ <u><u>18,175,413</u></u> |

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RIVERBEND WATER RESOURCES DISTRICT

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

- 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.
- 3 Riverbend did not elect to use the 10% de minimis indirect cost rate.
- 4 Riverbend has loan programs under the Drinking Water State Revolving Funds AL 66.468 outstanding at September 30, 2025 as follows

Regional Water System Project:

| | |
|---|------------|
| Contract Revenue Bonds, Taxable Series 2020A | 9,885,000 |
| Contract Revenue Bonds, Tax-exempt Series 2020B | 6,555,000 |
| Contract Revenue Bonds, Taxable Series 2022A | 51,670,000 |
| Contract Revenue Bonds, Tax-exempt Series 2022B | 33,625,000 |
| Contract Revenue Bonds, Taxable Series 2023 | 14,140,000 |

The accompanying notes are an integral part of this schedule.

RIVERBEND WATER RESOURCES DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED SEPTEMBER 30, 2025

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 auditor's report expressed an unmodified opinion on compliance for major programs.
- 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 major program tested 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 \$1,000,000.
- 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, 2025**

No prior year findings or responses.

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**REGULAR CALLED MEETING
RIVERBEND WATER RESOURCES DISTRICT
WEDNESDAY, JANUARY 28, 2026**

**AGENDA ITEM VI. D.
RWRD RESO 20260128-04
Property Acquisition**



RIVERBEND RESOLUTION NO. 20260128-04

AUTHORIZING THE EXECUTIVE DIRECTOR/CEO TO NEGOTIATE AND EXECUTE THE PURCHASE/ACQUISITION OF LAND NEEDED FOR THE COMPLETION OF THE INDUSTRIAL WASTEWATER FACILITY.

WHEREAS, Riverbend Water Resources District (“Riverbend”), created in 2009, is a conservation and reclamation district created under and essential to accomplish the purpose of Section 59, Article XVI, Texas Constitution, as set forth in Title 6, Special District Local Laws Code, Subtitle L, Municipal Water Districts, Chapter 9601, and is comprised of member entities (collectively referred to as “the Member Entities”); and

WHEREAS, the feasibility study, completed by AECOM in 2018, determined that construction of a new industrial wastewater plant is the most cost-effective plan for Riverbend and for its customers; and

WHEREAS, the Executive Director/CEO timely furnished all documents necessary for funding for the design and construction of a new industrial wastewater facility; and

WHEREAS, Riverbend will have a need to negotiate the purchase of land related to the construction of new industrial wastewater facility.

NOW, THEREFORE, BE IT RESOLVED that the Riverbend Water Resources District authorizes the Executive Director/CEO to negotiate and execute the purchase/acquisition of land needed for the completion of the Industrial Wastewater Facility.

PASSED and APPROVED this 28th day of January 2026

Sonja Hubbard, President

ATTEST:

Steve Mayo, Secretary

