



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

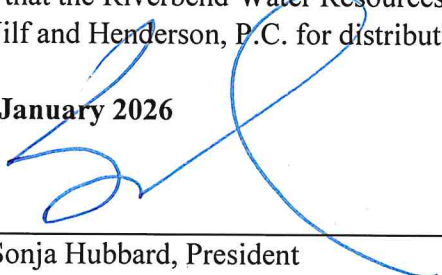
WHEREAS, Riverbend Water Resources District Board of Directors deems it necessary to engage a qualified Certified Public Accounting firm to conduct an annual audit, which provides for increased fiduciary responsibility of Riverbend Water Resources District funds; and

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**

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



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, Wake Village, TexAmericas Center, Texarkana, Texas, 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, Texas; 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

Red River Army Depot (RRAD) is 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

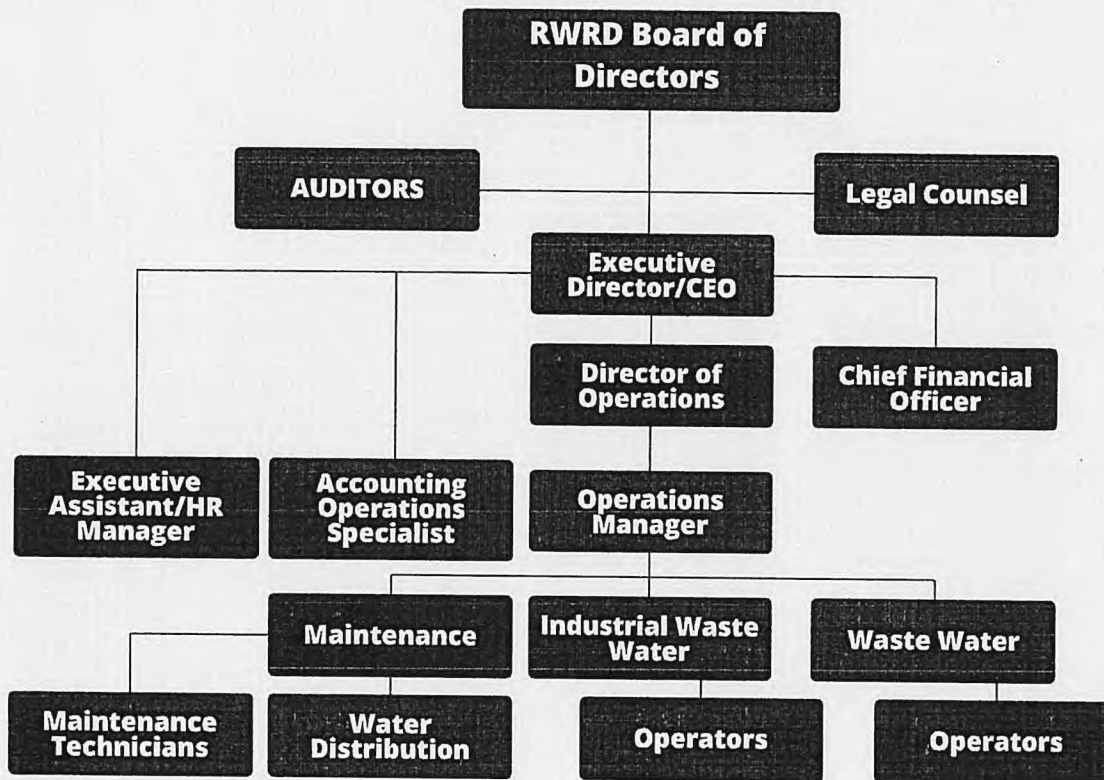
VAN ALEXANDER
Secretary
Member At-Large

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. Morrill

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]
(Signature of District Representative)

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

Sworn to and subscribed to before me this 28th day of JANUARY, 2026.

(SEAL)



[Signature]
(Signature of Notary)

My Commission Expires On: 9-14-2028
Notary Public in the State of Texas.

Financial Section



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 beginning net position 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 beginning net position 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 on pages 4-8 and schedules on the pension plan on pages 33-34 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 the supplementary information schedules required by the Texas Commission on Environmental Quality are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 January 28, 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.



Wilf & Henderson, P.C.
Certified Public Accountants
Texarkana, Texas
January 28, 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 \$38,144,301 (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 \$461,789 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 \$2,321,721. 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 \$59,292 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.

This report also presents certain required supplementary information concerning Riverbend’s progress in funding its obligation to provide pension benefits to its employees.

The pension information may be found on pages 33 - 34 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 - 54 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	\$ 119,764,358	\$ 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	<u>222,675,314</u>	<u>172,518,663</u>	<u>50,156,651</u>
Deferred Outflows of Resources			
Deferred pension outflows	180,763	-	180,763
Total Deferred Outflows of Resource:	<u>180,763</u>	<u>-</u>	<u>180,763</u>
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	<u>168,901,691</u>	<u>132,805,037</u>	<u>36,096,654</u>
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	1,935,670	(428,781)
Total net position	<u>\$ 53,954,386</u>	<u>\$ 40,519,884</u>	<u>\$ 13,434,502</u>

Prior period adjustments recorded in fiscal year 2025 netted a \$166,428 increase in net position as of September 30, 2024, as detailed in Note 18, page 28. An increase in revenue, which increased net position, in the amount of \$972,686 was recognized when Riverbend was made aware at the end of fiscal year 2025 that there were additional debt service funds available to be billed to Red River Army Depot for fiscal year 2024. An increase in pension liability, which decreased net position, in the amount of \$806,258 is a result of Riverbend's participation in the Texas County and District Retirement System (TCDRS) beginning October 1, 2024.

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	3,096,283	(70,584)
Depreciation and amortization	915,620	905,486	10,134
Total operating expenses	<u>4,504,908</u>	<u>4,445,616</u>	<u>59,292</u>
Operating income	(158,604)	(282,370)	123,766
Nonoperating revenue/expenses:			
Facility charge revenue	3,767,137	1,471,913	2,295,224
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>13,426,678</u>	<u>13,488,293</u>	<u>(61,615)</u>
Change in net position	13,268,074	13,205,923	62,151
Prior period adjustment	166,428	-	166,428
Net position, beginning of year	<u>40,519,884</u>	<u>27,313,961</u>	<u>13,205,923</u>
Net position, end of year	<u>\$ 53,954,386</u>	<u>\$ 40,519,884</u>	<u>\$ 13,434,502</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 \$746,966 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 \$876,842. 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 \$59,782 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 year 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 of this report.

CAPITAL ASSETS, NET OF DEPRECIATION

	2025	2024
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	\$ 58,604,761	\$ 40,271,532

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 17-20 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

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

	Regional Water System Administration Fund	Regional Water System Facilities Fund	Wet Utilities Fund	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
Analytics	-	-	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 amortization	<u>563,589</u>	<u>-</u>	<u>3,025,699</u>	<u>3,589,288</u>
Operating income (loss) before depreciation and amortization	<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	110,601	10,742,577	2,414,896	13,268,074
Net position, beginning of year, as restated, see Note 18	116,510	23,396,386	17,173,416	40,686,312
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)	(175,828)
Total adjustments	<u>(13,264)</u>	<u>-</u>	<u>704,842</u>	<u>691,578</u>
Net cash provided (used) by operating activities	<u>\$ (426,918)</u>	<u>\$ -</u>	<u>\$ 959,892</u>	<u>\$ 532,974</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. Minimum monthly payments totaled \$9,045,097 from the participating member entities.

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 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.

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

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. Pension

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the respective retirement plan and additions to/deductions from the respective Fiduciary Net Position have been determined on the same basis as they are reported by the respective pension plan. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

For the Year Ended September 30, 2025

11. 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.

12. 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.

13. 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.

14. 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.

15. 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.

16. 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 participate in one SBITA.

17. 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.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

For the Year Ended September 30, 2025

NOTE 3 – DEPOSITS AND INVESTMENTS

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

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

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of Riverbend's investment in a single financial institution. Concentrations of credit risk over 5% are as 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 Waste 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.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

For the Year Ended September 30, 2025

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

	<i>Balance</i> <i>September 30,</i> <i>2024</i>	<i>Additions</i>	<i>Reclassifications/ Retirements</i>	<i>Balance</i> <i>September 30,</i> <i>2025</i>
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)	(915,620)	(11,382)	(6,996,572)
Total capital assets, being depreciated and amortized	15,605,579	(535,924)	2,458	15,067,197
Total capital assets, net	\$ 40,271,532	\$ 18,335,687	\$ 2,458	\$ 58,604,761

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

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

For the Year Ended September 30, 2025

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.

Subscription-based Information Technology Arrangements

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

Term in Months	Total Asset Amount	Total Accumulated Amortization
48	\$ 87,998	\$ 65,511

The SBITA liability and associated principal and interest requirements:

Interest Rate	Beginning Liability	Term in Months	Ending Balance
4.76%	\$ 87,998	48	-

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:

	<i>Rate of Interest</i>	<i>Original Issue</i>	<i>Outstanding September 30, 2025</i>
Riverbend Water Resources District Water and Wastewater System Revenue Bonds Taxable Series 2016A - Due serially in varying amounts from October 2017 through October 2045	0.8-4.56%	\$ 4,925,000	\$ 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>	<u>156,005,000</u>
Less current maturities			<u>(4,720,000)</u>
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 Year Ending September 30</i>	<i>Revenue Bonds</i>		
	<i>Principal</i>	<i>Interest</i>	<i>Total</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
2031-2035	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	442,664	12,732,664
	<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>Ending Balance September 30, 2025</i>	
	<i>Additions</i>	<i>Retirements</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>

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 TCERS Act, as an agent multiple-employer retirement system for Texas county and district employees. The TCERS Act places the general administration of TCERS with a nine-member Board of Trustees. Although the Governor, in coordination with Senate approval, appoints the TCERS Board members, TCERS does not receive State funding. The TCERS Act further intended that the defined benefit pension plan be construed and administered in a manner that the

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

For the Year Ended September 30, 2025

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
	17
	17

Actuarial Assumptions

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

<i>TCDRS system-wide economic assumptions</i>	
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.

RIVERBEND WATER RESOURCES DISTRICT

Notes to Financial Statements continued.

For the Year Ended September 30, 2025

- 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.

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)	<u>\$ 811,193</u>
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)	<u>\$ 1,004,403</u>	<u>\$ 811,193</u>	<u>\$ 661,110</u>

Changes in Net Pension Liability/(Asset)

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Changes in Net Pension Liability (Asset)			
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)
Balances as of December 31, 2024	<u>903,780</u>	<u>92,587</u>	<u>811,193</u>

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
	<u>\$ 180,763</u>

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	-
	<u>\$ -</u>

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
	<u>\$ 3,878</u>

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, Texas, \$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, Texas, 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, Texas. 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 when Riverbend's project to provide potable water is complete. 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	\$ 190,332	\$ 227,883	\$ 229,831	\$ 239,913	\$ 240,526	\$ 215,687	\$ 1,910,594	\$ 3,254,766

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 \$445,784 on this project.

In addition, Riverbend is in the process of rehabbing the drying beds. At September 30, 2025, one bed is in this process and Riverbend has spent \$15,207 on the 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	<u>\$ 17,173,416</u>	<u>\$ 40,686,312</u>

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 January 28, 2026, the date the financial statements were available to be issued.

Supplementary Information
Budgetary Comparison Schedules

RIVERBEND WATER RESOURCES DISTRICT

**SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
REGIONAL WATER SYSTEM ADMINISTRATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 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	6,412	501,651	1,170,670	669,019
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	209,697	1,872,563	2,964,896	1,092,333
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.

Required Supplementary Information

**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	-
Net change in total pension liability	<u>903,780</u>
Total pension liability, beginning	-
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	4,737
Net change in fiduciary net position	<u>92,587</u>
Fiduciary net position, beginning	-
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

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 |
| <input checked="" type="checkbox"/> Participates in joint ventures, regional system, and/or wastewater service
(other than emergency interconnect) | | |
| <input type="checkbox"/> Other (specify): _____ | | |

2. Retail Service Providers

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

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

District employs winter averaging for wastewater usage? Yes No

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

b. Water and Wastewater Retail Connections:

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFCs
Unmetered	0	0	x 1.0	
≤ 3/4"	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	[REDACTED]	
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 Administration Fund</i>	<i>Regional Water System Facilities Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
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	\$ 589,339	\$ 3,038,581	\$ 6,591,922	\$ 10,219,842

* 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	35,650	-
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>

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>\$ 2,944,260</u>	<u>\$ 12,829,260</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
	<u>\$ 6,555,000</u>	<u>\$ 1,286,433</u>	<u>\$ 7,841,433</u>

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>Principal Due 10/15</i>	<i>Interest Due 10/15, 4/15</i>	<i>Total</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>\$ 18,027,653</u>	<u>\$ 69,697,653</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>\$ 2,686,406</u>	<u>\$ 36,311,406</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	17,368	837,368
	<u>\$ 14,140,000</u>	<u>\$ 10,108,344</u>	<u>\$ 24,248,344</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**

<u>Due During Fiscal Year Ending</u>	<u>Principal Due 10/15</u>	<u>Combined</u>	
		<u>Interest Due 10/15, 4/15</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	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:			\$ 27,866,462	
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:			\$ 7,830,106	

<i>Bond Issues</i>				
<i>Series 2022A</i>	<i>Series 2022B</i>	<i>Series 2023</i>	<i>Series 2024</i>	<i>Total</i>
0.1-2.47%	0.0-0.75%	3.59-4.32%	6.80-10.00%	
4/15; 10/15	4/15; 10/15	4/15; 10/15	4/15; 10/15	
10/15/2051	10/15/2051	10/15/2053	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

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	9,873	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	17,804	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	-	-
100.0	100.0	100.0	100.0	100.0
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	-	-
103.6	106.8	102.0	106.4	94.5
(3.6)	(6.8)	(2.0)	(6.4)	5.5
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)
308.9	324.0	175.7	36.9	124.0
305.3	317.2	173.7	30.5	129.5
-	-	-	-	-
-	-	-	-	-
305.3%	317.2%	173.7%	30.5%	129.5%

**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 & Newnam	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	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		
Leafwin		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.

Statistical Section

Statistical Section

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

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

Revenue Capacity – Schedule 3 through Schedule 6 - These schedules contain information to help the reader assess Riverbend's most significant revenue sources.

Debt Capacity – Schedule 7 through 8 - The schedules present information to help the reader assess the affordability of Riverbend's current levels of outstanding debt and Riverbend's ability to issue additional debt in the future.

Demographic and Economic Information – Schedule 9 through 11 - These schedules offer demographic and economic indicators to help the reader understand the environment within which Riverbend's financial activities take place.

Operating Information – Schedule 12 through 14 - These schedules contain service and infrastructure data to help the reader understand how the information in Riverbend's financial report relates to the services Riverbend provides and the activities it performs.

Riverbend Water Resources District

Net Position

Last Ten Fiscal Years

Schedule 1

(Accrual Basis of Accounting)

(Unaudited)

	<u>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	<u>1,506,889</u>	<u>1,935,670</u>	<u>2,200,663</u>	<u>1,776,699</u>
	<u>53,954,386</u>	<u>40,519,884</u>	<u>27,313,961</u>	<u>20,303,295</u>

<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>

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

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

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	1,298,646	1,271,840	1,353,744

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	23,752	4,346,304

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 and Amortization</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	3,025,699	915,620	4,504,908

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
<u>5,143,266</u>	<u>98.99%</u>	
52,636	1.01%	
<u>5,195,903</u>	<u>100.00%</u>	

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
<u>7,885,233</u>	<u>98.82%</u>	
94,312	1.18%	
<u>7,979,545</u>	<u>100.00%</u>	

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%	64,335	156
2020	9,335,000		N/A	N/A	N/A	N/A
2021	26,595,000		N/A	N/A	N/A	N/A
2022	118,820,000		1,605,357,033	7.40%	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	-	1,942,996,339	8.03%	64,010	2,437

N/A-Not Available

Riverbend Water Resources District

Pledged Revenue Coverage

Last Eight Fiscal Years

Schedule 8

(Unaudited)

Fiscal Year	Operating Revenues *	Less:		Minimum Monthly Payments**	Net Available Funds
		Operating Expenses * (Excluding Depreciation and Amortization)	Facility Charges *		
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	3,025,699	3,767,137	9,045,097	13,982,904

* 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	2.25

Riverbend Water Resources District

Demographic and Economic Statistics

Last Ten Fiscal Years

Schedule 9

(Unaudited)

Annona, TX - Red River County

Fiscal Year	Population ¹	Per Capita Income ¹	Personal Income	Unemployment Rate	
				City ²	State ³
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	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	1,511	N/A	N/A	4.30%	4.10%
2025	1,426	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	65,256,698	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	13,398,648	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	29,886,696	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	15,982	54,578,530	3.4%	4.3%
2018	3,681	17,499	64,413,819	N/A	3.9%
2019	3,748	18,584	69,652,832	N/A	3.4%
2020	3,815	N/A	N/A	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	N/A	N/A	4.3%	4.1%
2025	4,208	31,820	133,898,560	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	174,325,462	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	23,982,500	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	1,113,399,750	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
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	171,926,175	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	64,172	23,472	1,506,238,302
2017	64,141	23,903	1,533,190,428
2018	64,365	25,151	1,618,834,793
2019	64,335	26,856	1,727,772,490
2020	64,305	N/A	N/A
2021	62,659	N/A	N/A
2022	61,604	26,059	1,605,357,033
2023	62,086	N/A	N/A
2024	67,102	N/A	N/A

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>

2021	2022	2023	2024	2025
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
67,839	67,839	65,835	67,957	67,866

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

2021	2022	2023	2024	2025
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%

2021	2022	2023	2024	2025
295	295	186	185	185
450	450	426	438	447
745	745	612	623	632

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	3,000	1	5.64%	2,700	2	5.13%
Red River Army Depot & Tenants	2,088	2	3.92%	4,800	1	9.12%
Texarkana, TX Independent School District	1,300	3	2.44%	800	5	1.52%
Graphic Packaging (formerly International Paper)	825	4	1.55%	825	3	1.57%
Wadley Regional Medical	0		0.00%	800	4	1.52%
Ledwell	622	5	1.17%			
Walmart/Sam's	800	6	1.50%	650	6	1.23%
	<u>8,635</u>		<u>16.23%</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
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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

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

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

Single Audit Section



**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 28, 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.

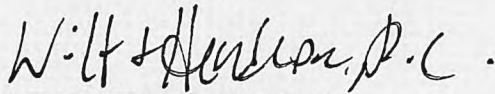
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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



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

January 28, 2026



**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.



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

January 28, 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	\$ 18,175,413
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>\$ 18,175,413</u>

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.