

Cibola Creek at CR389



SAN ANTONIO
RIVER AUTHORITY

Leaders in Watershed Solutions

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR JUNE 30, 2015

A POLITICAL SUBDIVISION OF THE STATE OF TEXAS



San Antonio River Authority

San Antonio, Texas

Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2015



**SAN ANTONIO
RIVER AUTHORITY**

Leaders in Watershed Solutions

**Prepared by
Finance Department**

**Suzanne B. Scott
General Manager**

**Stephen T. Graham
Assistant General Manager**



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SAN ANTONIO RIVER AUTHORITY

San Antonio, Texas

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Introductory Section



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October 21, 2015

To the Directors of the San Antonio River Authority
General Manager of the San Antonio River Authority
Citizens of Bexar, Wilson, Karnes and Goliad County

We are pleased to submit the Comprehensive Annual Financial Report of the San Antonio River Authority (River Authority) for the fiscal year ended June 30, 2015. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the River Authority. To the best of our knowledge and belief, the presented data is accurate in all material respects, and it is reported in a manner designed to present fairly the financial position and results of operations of the various funds. All disclosures necessary to enable the reader to gain an understanding of the River Authority's financial activities have been included.

To provide a reasonable basis for making these representations, management of the River Authority has established a comprehensive internal control framework that is designed both to protect the River Authority's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the River Authority's financial statements in conformity with U.S. Generally Accepted Accounting Procedures (GAAP). Because the cost of internal controls should not outweigh their benefits, the River Authority's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

This report includes all funds of the River Authority, whose Board of Directors is elected by the public. It also includes all funds of the San Antonio River Industrial Development Authority (SARIDA) and the Public Facilities Corporation (PFC), which are the only component units. The River Authority is considered financially accountable for the blended component units of SARIDA and the PFC.

U.S. GAAP requires that the River Authority provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The River Authority's MD&A can be found immediately following the report of the independent auditors in the Financial Section of this report.

EXECUTIVE
COMMITTEE



CHAIRMAN
Sally Buchanan

VICE CHAIR
Terry E. Baiamonte

SECRETARY
Hector R. Morales

TREASURER
Gaylon J. Oehlke

MEMBERS-AT-LARGE
Darrell T. Brownlow, Ph.D.
Thomas G. Weaver



BOARD OF DIRECTORS

BEXAR COUNTY
DISTRICT 1
Jerry G. Gonzales

DISTRICT 2
Lourdes Galvan

DISTRICT 3
Michael W. Lackey, P.E.

DISTRICT 4
Thomas G. Weaver

AT-LARGE
Sally Buchanan
Hector R. Morales

WILSON COUNTY
John J. Flieller
Darrell T. Brownlow, Ph.D.

KARNES COUNTY
H.B. Ruckman, III
Gaylon J. Oehlke

GOLIAD COUNTY
Terry E. Baiamonte
James Fuller



GENERAL MANAGER
Suzanne Scott

The fiscal year 2014/15 audit reflects the expenditures by division and department based on the organizational chart and accounts for expenses related to each division separately. To provide a comparison with previous years' expenditures, the audit reflects the redistribution of responsibilities, staffing and associated expenses to align expenses with the current organizational structure.

PROFILE OF SAN ANTONIO RIVER AUTHORITY

Background. The San Antonio River Authority and its jurisdiction was created in 1937 and is a political subdivision of the State of Texas (Chapter 276, pg. 556, 45th legislature, as amended). It covers 3,677 square miles in Bexar County, Goliad County, Wilson County and Karnes County. The River Authority is governed by a twelve member board of directors. Six are elected from Bexar County and two from each of the remaining three counties. Each member serves for six years. Policies established by the Board are executed by a management organization under the direction of the General Manager.

The River Authority provides a wide range of services, all in support of the mission of "Protect and enhance our creeks and rivers through service, leadership and expertise." These services fall into several major categories – flood risk management, water resource development, environmental and water quality, utility and parks. The River Authority works with local (City of San Antonio, the Edwards Aquifer Authority and Bexar County as well as others), State (Texas Parks and Wildlife, Texas Commission on Environmental Quality, etc.) and federal (FEMA, U.S. Army Corp of Engineers and more) entities and coalitions (such as the Bexar Regional Watershed Management program) to further this aspect of the mission. Activities range from review of Letters of Map Revision related to flood plain designations, project management for major capital improvement projects and developing and supporting a flood warning and response system that provides near real-time flood information to emergency responders. To support environmental and water quality, the River Authority has a full service, NELAC accredited water quality laboratory. The River Authority actively monitors streams and river water quality through sampling programs, completes scientific analysis to use in directing resources and setting priorities, and monitors and evaluates various species in the watershed all the way to the San Antonio Bay. This includes several endangered species.

The River Authority also works with local and state entities to identify and potentially develop new water resources to meet the region's water needs. The utility operations provide water service as well as wastewater collection and treatment services. The wastewater services are concentrated in northeastern Bexar County and the water service is provided in Wilson County. Utility staff also assists smaller cities and other public entities throughout the district with their wastewater systems' operations and maintenance. The River Authority owns and maintains multiple parks throughout the district that offer citizens recreational and educational opportunities. This includes paddling trails and several nature based parks. The parks and educational programs help increase environmental awareness of the river and its environs. Staff also provides maintenance and operations of 41 dams throughout the district. They also operate and maintain the improved areas of the riverwalk north and south of downtown, providing

recreational opportunities in the miles long stretch of hike and bike trails and associated amenities.

In 1961, an ad valorem tax of two cents per one hundred dollars assessed valuation was approved by the River Authority voters and was collected annually across the district at its maximum rate. The River Authority did not levy this tax from 1981 through 2001, but in June 2002, the River Authority's Board of Directors, after approval of the five year service plan, reinstituted the ad valorem tax at 1.6425 cents per one hundred dollars valuation. Use of this tax revenue is limited to general administration, maintenance of completed projects and updating of the River Authority's master plan for water resource development. Revenues collected from this tax may not be pledged to debt service on any bonds nor can they be used to construct flood control structures.

The River Authority has had a long standing partnership with Bexar County to complete flood control improvement projects. In 1951, Bexar County voters authorized an ad valorem levy of up to fifteen cents per one hundred dollars valuation of taxable property for flood control. The County has a serious flood problem as it is located in an area called Flash Flood Alley.

A 1955 contract with Bexar County and subsequent amendments have facilitated the River Authority's involvement in flood control improvement projects funded by the County's flood control tax. The River Authority has managed design and construction of the project. Through the last amendment to the contract, the County is required to set a tax rate which, at 90 percent current collections, will provide revenues at least sufficient to pay each year's requirements for principal and interest of River Authority bonds which were issued to fund flood control improvement projects as part of the agreement with the County. The last bond issuance by the River Authority for flood control projects funded by this tax was in 2004. The flood control tax continues to support the debt service for this debt. Subsequent to 2004, Bexar County issued the debt for flood control projects that the River Authority managed.

MAJOR INITIATIVES

The River Authority's annual budget describes the work plan and major initiatives planned for the fiscal year. The information below provides information regarding the FY 2015/16 strategic plan, work plan and initiatives.

Strategic Planning

Under the policy and fiscal guidance of the Board, the River Authority's executive and management staff began the annual budget process with a review and update of the River Authority's Strategic Plan. That process starts by reflecting on past years' results and defining strategic opportunities, challenges, and needs within the River Authority's district in the upcoming years. The process culminates in the development of a Strategic Plan for the fiscal year. The Strategic Plan is presented, discussed and approved by the Board of Directors. The Strategic Plan serves as the foundation for the development of the annual budget process.

For the FY 2015/16, the Strategic Plan is focused on promoting action and delivering results. The Board of Directors approved a revised mission and vision for the River Authority that more directly communicates the River Authority's aspiration to leverage the agency's expertise and passion to inspire everyone to engage in the protection and enhancement of the creeks and rivers within the San Antonio River Basin. The River Authority strives to achieve results and positive change not only by our own efforts but also through collaboration and motivation of others. A new vision and mission emerged to guide the organization in our work and relevance to the community.

Vision Statement

Inspiring Actions for Healthy Creeks and Rivers

Mission Statement

Protect and enhance our creeks and rivers through service, leadership and expertise

The multi-year goals identified in FY 2015/16 strategic plan are as follows:

- Generate lasting and recognized improvements to the health and safety of our creeks, rivers, estuaries and bays.
- Enhance community appreciation for and recreational use of our creeks and rivers.
- Advance and apply our expertise to influence, develop and implement watershed solutions that balance the environmental, economic and quality of life needs of our communities.
- Strengthen, develop and anticipate expertise at all levels to enhance results, improve service efficiencies, and build employee dedication.
- Expand, diversify and leverage funding sources and partnerships by delivering results.

The River Authority's strategic opportunities for FY 2015/16 include:

- Demonstrate the importance of **managing stormwater quality** for a healthy and vibrant community.
- Determine how to **keep the watershed master plans and models dynamic** and relevant to advance our River Health Index and to target future community investments.
- Provide leadership in **support** of the **San Antonio Bay**.
- **Pursue** opportunities in **capital projects management** and operations and maintenance.
- Explore and **implement funding diversification** opportunities.

Fiscal Year 2015/16 Highlighted Projects and Efforts Several highlighted activities that will be initiated in FY 2015/16 are described below. These activities are focused regionally and work to expand staff expertise, promote appreciation of the river, and advance watershed health, safety and environmental stewardship. They are representative of the types of projects the River Authority engages in annually. Many other programs and projects will be completed in FY 2015/16.

Nature-Based Parks and Paddling Trails

The River Authority develops operates, maintains, provides educational programming and

promotes special events for several parks throughout the four county district. The River Authority recently acquired two additional park sites in Bexar County. One site, Mann's Crossing Park on the Medina River, is located next to the Medina River and the other sits alongside the San Antonio River and is known as the Trueheart Ranch. In FY 2015/16, staff will continue to plan and develop these sites for future public use. In Wilson County, the River Authority will continue to add recreational amenities to the Helton San Antonio River Nature Park to include the addition of a pavilion and limited overnight camping. Recreational features will also be added to Graytown Park on the San Antonio River in Wilson County. In addition, the River Authority will continue its work with the City of Kenedy in Karnes County to develop the Escondido Creek Parkway.

Sustainability and Low Impact Development

Low Impact Development and other Best Management Practices:

In FY 2014/15, the River Authority successfully advanced several programs throughout the basin to promote the application and use of Low Impact Development (LID) strategies. As a leader in this movement, the River Authority has worked with the City of San Antonio to propose draft amendment language for the 2015 Unified Development Code. It provides the development and design community a voluntary code option for LID design and natural channel design (NCD), and encourages greater use of the existing conservation subdivision code through incorporation of LID and NCD incentives. To extend the role of the River Authority, the FY 2015/16 projects include the development and administration of a LID certification program. To increase public awareness and utilization, funds are budgeted for a rebate program to further incentivize the use of LID in new and infill development for both residential and commercial properties. The River Authority efforts will also include additional education and training on sustainable land use practices.

Mitigation Banking:

To compensate for future stream impacts, the U.S. Army Corps of Engineers (USACE) has established mitigation banking as the preferred method of mitigating stream impacts. This method restores and then protects the stream segments in perpetuity from development. Based on study recommendations, the Bexar Regional Watershed Management (BRWM) is pursuing a local mitigation bank to compensate for City of San Antonio and/or Bexar County future stream impacts. Work in the upcoming fiscal year will center on design plans and establishing guidelines for the creation, operation, and maintenance of the proposed mitigation bank.

Trash Management Systems:

To combat the trash pollution entering the creeks and rivers through stormwater runoff, the River Authority will assess a number of feasibility studies on installing trash collection systems to determine where one or more of these systems will have the greatest benefit in trash reduction. Upon site selection, the River Authority will implement one or more systems as pilot projects in the San Antonio River Basin.

In addition, the River Authority will work to increase the number of Household Hazardous Waste (HHW) activities to help aid in the proper collection and disposal of hazardous materials, including tires, which negatively impact the San Antonio River. Increased frequency is anticipated to encourage the proper disposal of items that may find their way into the river.

Stormwater Training and Tools:

The River Authority has been a leader in promoting the use of low impact development (LID) stormwater best management practices (BMPs) and the application of Triple Bottom Line (TBL) assessment to improve stormwater runoff management and to ensure that environmental, quality of life, and economic components are factored into project planning and decision making. Training under this project will assist staff, government agencies, and the private design and development community to better apply LID, sustainable stormwater BMPs, and TBL to projects that impact the health of and quality of life within the basin.

Water Quality Studies and Programs

Feral Hog Management: Texas is home to about 2.6 million feral hogs which cause an estimated \$500 million in damages to rural and urban areas in Texas each year. This project will develop relationships and fund activities with other agencies of the State to implement strategies that help manage the feral hog population in the River Authority's district. The program will include education programs for land owners and support the actual elimination of feral hogs.

Bacteria Source Tracking: Bacterial Source Tracking (BST) is used to determine the source of fecal indicator bacteria in the environment. Staff will research various BST methodologies and instrumentation, along with technical and facility requirements needed to successfully incorporate this capability into laboratory operations. The project will support and enhance efforts to identify and reduce *E. coli* levels in the river.

Westside Creeks Restoration Project

The River Authority completed the Westside Creeks (WSC) Restoration Project Conceptual Plan (Plan) in June 2011. The Plan established the community's vision and priorities for flood control, amenities, ecosystem restoration, and recreational improvements along the Alazán, Apache, Martinez, and San Pedro creeks in Bexar County. The River Authority is actively involved in several projects to advance the implementation of the restoration and improvement to these creeks including the San Pedro Creek Improvements Project (provides enhanced flood control and park-like amenities along the creek that runs through downtown San Antonio), the Westside Creeks Linear Creekway Trails Project (includes about 4.5 miles of hike and bike trails and is scheduled for completion in early 2016 and Elmendorf Lake Project (improves the lake water quality and provides hike and bike facilities as well as other parks amenities).

New Bexar County Dam Operations Center

The construction of the Bexar County Dam Operations Center off of Binz Engleman Road will assist SARA's dam maintenance employees by strategically placing them in the middle of Bexar County where they will have more efficient access to the 28 dams they maintain.

Watershed Safety and Response Program

This program supports public and environmental safety preparedness related to flood risks and emergencies associated with point and non-point sources of pollution such as spills and other negative impacts to water quality and aquatic life.

Risk MAP: Staff will use Risk Map depth grid products to identify homes in the 6 inch to 1 foot

depth floodplain at one location in Bexar County and one location in Wilson, Karnes or Goliad counties. Staff will work to develop a communication plan for these valuable tools.

High Water Detection System Regional Website: With the Bexar Regional Watershed Management (BRWM) partners, the River Authority will help create a publicly accessible website that uses the telemetry data from multiple sources to give low water crossing status and other flood warnings as well as other functionality.

ECONOMIC CONDITION AND OUTLOOK

Local Economy.

The River Authority's jurisdiction includes the counties of Bexar, Wilson, Karnes and Goliad. The River Authority has continued to enjoy a favorable economic environment and local indicators point to continued stability. The City of San Antonio, the county seat of Bexar County, occupies an area of 467 square miles in south central Texas at the edge of the Gulf Coastal Plains, about 140 miles northwest of the Gulf of Mexico. The metropolitan statistical area (MSA) is an eight county area made up of Atascosa, Bexar, Bandera, Comal, Guadalupe, Kendall, Medina and Wilson counties. Throughout the last century, the military has been the city's economic power-house; however, tourism, educational institutions, agribusiness, technology, the aerospace industry and medical research have rounded out the economy. The City's proximity to Mexico provides favorable conditions for international business relations with Mexico in the areas of agriculture, tourism, manufacturing, wholesale and retail markets for citizens in Mexico. Industry ranges from the manufacturing of apparel, food products, aircraft, electronics and pharmaceuticals to iron and steel products and oil well equipment.

San Antonio continues to advance its position in the area of bioscience and healthcare services. Healthcare services include both direct and indirect services. Direct services include hospital care, physicians' offices, nursing homes and a variety of other clinics. Indirect services include health insurance carriers, pharmaceutical companies, medical equipment manufacturers and medical education. The bioscience and healthcare industry has added nearly 40,000 new jobs over the past decade. Cybersecurity and information technology is another sector that has established itself as a major force in the San Antonio economy; the economic impact of these activities is measured in the billions with estimates of growth to \$15 billion by the end of 2015.

Higher education also plays a major role in the San Antonio local economy. The roster of major educational institutions includes the University of Texas Health Science Center, the University of Texas at San Antonio, St. Mary's University, Trinity University, University of the Incarnate Word and the recent addition of a new Texas A&M campus on the city's south side.

In Karnes County, fracking activities have had a very significant, positive impact on the economy. Since 2010, the property values in this county have grown 1,826 percent – from \$558.4 million in 2010 to \$10.8 billion in 2014. Although falling gas and oil prices drove a decline in property values of 15 percent for 2015 – from mineral rights, the overall growth since 2010 still remains very strong. This industry's activity in Karnes County has increased property values and generated strong increases in sales tax and hotel/motel taxes in the surrounding area.

The drop in oil prices has decreased the fracking activity, which has also reduced the workforce in the oil fields. However, the fracking industry remains at work in the area and is expected to continue to positively contribute to the economy in Karnes County over the next several years.

Economic Outlook.

The Texas and San Antonio economy weathered the economic downturn that began in 2008 better than much of the nation. In the San Antonio area, the downturn in property values was much less severe and the recovery was quicker. This was true in other sectors of the economy as well. Since 2011, property values in Bexar County have grown 29.7 percent. For 2015, growth in Bexar County was 12.6 percent and the River Authority saw overall growth in property values in all four counties of 10.1 percent. The fracking activity in Karnes County has had a significant impact on property values in that area as well. Over the same time period, values grew a total of 745 percent. This activity positively impacted all aspects of the economy in Karnes County.

The San Antonio area has enjoyed a robust economy in 2014 and 2015. Job creation is strong during this period and unemployment has hit an historic low. As described above, health care and technology are fast growing and high paying sectors of the San Antonio economy. Companies are working hard to recruit into these jobs. 2014 ended the year with a 3.3 percent job growth rate, which translated into the creation of 30,300 new jobs. This growth will slow slightly in 2015 but still potentially reach 3 percent (about 28,800 new jobs). In January 2015, local unemployment was 4 percent, lower than all other Texas cities except Austin. The Texas state average was 4.4 percent and the nation was 5.7 percent.

San Antonio still faces some economic challenges with education level of the workforce chief among them. San Antonio needs to focus on continuing to develop higher education opportunities as well as supporting small businesses and entrepreneurs. The current strong dollar will also reduce Mexican consumer spending in San Antonio. Fortunately, declining oil prices do not significantly impact the San Antonio area as jobs in this field represent only about 3 percent of the employed workforce. As described above, the reduced oil prices do negatively affect Karnes County (also part of the River Authority's district). However, the slowed fracking activity has actually provided an increase in construction workers in San Antonio, a filling an outstanding need in this community.

The housing market in San Antonio remains strong with housing prices increasing about 5.6 percent annually. The supply in early 2015 was only about 3.6 months, with six months representing the target. It is currently a seller's market. New home construction is expected to increase as a result.

(Source: Rivard, Robert. Forecast: San Antonio Economy to Remain Sunny. *The Rivard Report*, March 20, 2015. Web. <<http://therivardreport.com/forecast-san-antonio-economy-to-remain-sunny/>>

FINANCIAL POLICIES

Budgeting Controls. By-laws of the River Authority require the Board of Directors to adopt an annual budget which estimates the amount of funds available from all sources and to allocate the amount of funds which may be expended during the forthcoming fiscal year. The responsibility for managing those allocations rests in the River Authority's General Manager. After adoption of the budget by the Board of Directors, the General Manager has full authority to expend within the departmental allocations.

The annual budgetary data for governmental fund types included in the financial statements represents the original budget and subsequent amendments as adopted by the River Authority's Board of Directors and is on the same modified accrual basis used to reflect revenues and expenditures of the General Fund and Special Revenue Funds with the exception of the SARIDA and the PFC funds. Provisions of the bond orders control the Debt Service Fund and associated reserves. The debt service is funded from General Fund transfers and from flood control tax proceeds (transferred to the debt service fund from the Flood Control Tax Fund). The Capital Projects Funds are budgeted by project period rather than by fiscal year.

Unencumbered appropriations lapse at the end of the fiscal year. Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting—under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation—is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and are reappropriated for expenditures in the following fiscal year.

OTHER INFORMATION

Independent Audit. State statutes and revenue bond resolutions require an annual audit by independent certified public accountants. In 2014, the River Authority's Fiscal Committee selected the accounting firm of ABIP. In addition to meeting the requirements set forth in state statutes, the audit was designed to meet the requirements of the federal Single Audit Act of 1984, as amended and related OMB Circular A-133 and also meet the requirements of the State of Texas Single Audit Circular, issued by the Office of the Governor of the State of Texas. The auditors' report on the general purpose financial statements and combining and individual fund statements and schedules is included in the Financial Section. The auditors' reports related specifically to the single audit are included in the Single Audit Section.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the River Authority for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2014. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

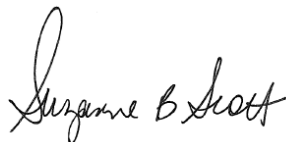
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such CAFR must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The River Authority has received a Certificate of Achievement for the last twenty-four consecutive fiscal years (fiscal years ended June 30, 1991 through 2014). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

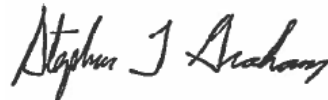
The River Authority is also an award winner under the Texas Comptroller Leadership Circle program. This program recognizes public entities for financial transparency through their website. The River Authority has received the highest designation as a platinum award winner. The program requires various financial documents and information to be easily accessible to the general public. Budget documents, comprehensive annual financial reports, debt related information, check registers and other information are provided through the River Authority's website and help meet the platinum level requirements of this program.

Acknowledgments. We wish to express our appreciation to the entire staff of the Finance Department who assisted in the preparation and completion of this report, and to the competent services offered by the firm of ABIP. In addition, we would like to thank the Board of Directors for their support in planning and conducting the financial affairs of the River Authority in a responsible and progressive manner and the Fiscal Committee for its role in overseeing the financial reporting and audit processes.

Respectfully submitted,



SUZANNE B. SCOTT
General Manager



STEPHEN T. GRAHAM
Assistant General Manager



DEBORAH A. KORINCHOCK
Director of Support Services



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**San Antonio River Authority
Texas**

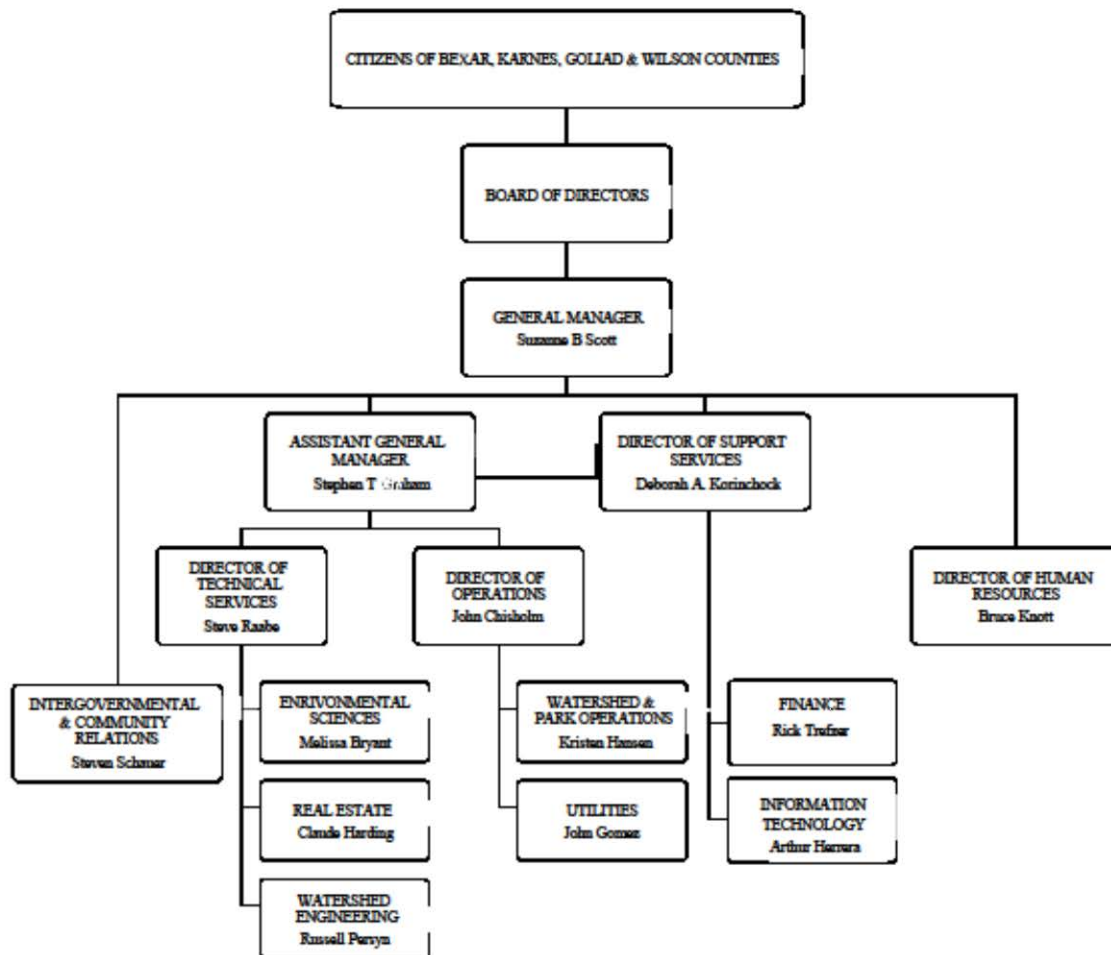
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

A handwritten signature in black ink, reading "Jeffrey R. Egan". The signature is fluid and cursive.

Executive Director/CEO

San Antonio River Authority
Organization Chart
June 30, 2015



**San Antonio River Authority
List of Elected Officials and Management**

Board of Directors

| <u>Name</u> | <u>Title</u> | <u>County</u> |
|--------------------------|------------------|--------------------------|
| Jerry G. Gonzales | | Bexar County, District 1 |
| Lourdes Galvan | | Bexar County, District 2 |
| Michael W. Lackey, PE | | Bexar County, District 3 |
| Thomas G. Weaver | Executive Member | Bexar County, District 4 |
| Sally M. Buchanan | Chairman | Bexar County, At Large |
| Hector Morales | Secretary | Bexar County, At Large |
| James Fuller | | Goliad County |
| Terry E. Baiamonte | Vice-Chairman | Goliad County |
| Gaylon J. Oehlke | Treasurer | Karnes County |
| H. B. Ruckman, III | | Karnes County |
| Darrell T. Brownlow, PhD | Executive Member | Wilson County |
| John Flieller | | Wilson County |

Management

| <u>Name</u> | <u>Title</u> |
|----------------------|-------------------------------------|
| Suzanne B. Scott | General Manager |
| Stephen T. Graham | Assistant General Manager |
| Deborah Korinchock | Director of Support Services |
| John A. Chisholm III | Director of Operations |
| Bruce E. Knott | Director of Human Resources |
| Steven J. Raabe | Director of Technical Services |
| Arthur Herrera | Information Technology Manager |
| Kristen Hansen | Watershed & Park Operations Manager |
| Claude Harding | Real Estate Manager |
| Melissa Bryant | Environmental Sciences Manager |
| Rick Trefzer | Budget Manager |
| Russell Persyn | Watershed Engineering Manager |
| Steven Schauer | External Communications Manager |
| John Gomez | Utilities Manager |



SAN ANTONIO

RIVER AUTHORITY

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Financial Section



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Independent Auditor's Report

Board of Directors
San Antonio River Authority
San Antonio, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of San Antonio River Authority (the "River Authority") as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the River Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of San Antonio River Authority as of June 30, 2015, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis; budgetary comparison information, notes to the required supplementary information, and post employment benefit plan – schedule of funding progress (unaudited), as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the River Authority's basic financial statements. The introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The other supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2015 on our consideration the River Authority'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the River Authority's internal control over financial reporting and compliance.

ABIP, PC

Certified Public Accountants
San Antonio, Texas

October 21, 2015



SAN ANTONIO

RIVER AUTHORITY

Leaders in Watershed Solutions

San Antonio River Authority
Management's Discussion and Analysis
June 30, 2015

As management of the San Antonio River Authority (the River Authority), we offer to readers of the River Authority's financial statements this narrative overview and analysis of the financial activities of the River Authority for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i–x of this report.

FINANCIAL HIGHLIGHTS

- The assets of the River Authority exceed its liabilities at June 30, 2015 by \$525,985,566. Of this amount, \$25,595,774 may be used to meet the River Authority's ongoing obligations to citizens and creditors.
- The River Authority's total net position increased slightly by \$5,227,685, which includes a restatement of \$2,521,125 (see Note 15).
- As of June 30, 2015 the River Authority's governmental funds reported combined ending fund balances of \$23,980,268, a decrease of \$2,399,216 from prior year. Approximately eight percent (8%), or \$2,001,494, is available for spending at the River Authority's discretion.
- The River Authority's capital assets increased \$2,191,768 which is attributable to various capital improvement projects.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the River Authority's basic financial statements which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves as well as the single audit required because of federal grant funding.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the River Authority's finances, presented in a manner similar to that of a private-sector business.

The *statement of net position* presents information on all of the River Authority's assets, liabilities, and deferred outflows and inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the River Authority is improving or declining.

The *statement of activities* presents information showing how the River Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the River Authority that are principally supported by property tax, reimbursement of expenditures and/or intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental

San Antonio River Authority
Management's Discussion and Analysis
June 30, 2015

activities of the River Authority include general government, program support, operations and technical services. The business-type activities of the River Authority include utilities. The government-wide financial statements can be found on pages 17–20 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The River Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the River Authority can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the River Authority's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the River Authority's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The River Authority maintains 25 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, SARIP-Bexar County Flood Tax, SARIP-Bexar County Visitor Tax, Bexar County Westside Creek, and San Antonio River Authority Public Facility Corporation which are considered to be major funds. Data from the other 19 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the Combining Statements and Schedules section of the report. The basic governmental fund financial statements can be found on pages 21-26 of this report.

Proprietary funds. The River Authority maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The River Authority's major enterprise funds are the San Antonio River Authority Wastewater Utilities Systems, the Salatrillo Wastewater Treatment Plant, and the Salatrillo Reuse Fund. Salatrillo Retail, San Antonio River Authority Water System Utilities, the Randolph Air Force Base Collection System, and Utility Operations & Maintenance are presented as non-major funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the River Authority's various functions. The River Authority uses an internal service fund to account for medical, dental and vision benefits to River Authority employees. Services of the internal service fund predominantly benefit governmental functions and are included within governmental activities in the government-wide financial statements.

San Antonio River Authority
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Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The internal service fund is a single, aggregated presentation in the proprietary fund financial statements. The basic proprietary fund financial statements can be found on pages 27–36 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the River Authority's own programs. The basic fiduciary fund financial statement can be found on page 37 of this report.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 38–66 of this report.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the River Authority's General Fund and SARA Public Facility Corporation budgetary schedules. The River Authority legally adopts an annual budget for these funds. Budgetary comparison schedules, which include the original and final amended budget as well as actual figures, have been provided to demonstrate compliance with these budgets. Also required as supplementary information is trend information on the River Authority's Post Employment Benefit Plans. Required supplementary information can be found on pages 67-72 of this report.

Other supplementary information. The combining and individual fund statements and schedules referred to earlier provide information for non-major governmental funds, non-major enterprise funds, and fiduciary funds and are presented immediately following the required supplementary information. Additionally, the River Authority adopts operating budgets for a number of other governmental funds. Budgetary comparison schedules and combining and individual fund statements and schedules can be found on pages 73-112 of this report.

Single Audit. As a recipient of federal assistance, the San Antonio River Authority is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. The results of the San Antonio River Authority single audit, for the fiscal year presented, provided no instances of material weaknesses in the internal control structure or violations of applicable laws and regulations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as an indicator of a government's financial position. In the case of the River Authority, assets and deferred outflows of resources exceeded liabilities by \$525,985,566 at the close of the 2015 fiscal year.

A large portion of the River Authority's net position (93%) reflects its investment in capital assets (e.g., flood control projects, restoration projects, park development, land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The River Authority's capital assets are used in operations to provide services to customers, participants and

San Antonio River Authority
Management's Discussion and Analysis
June 30, 2015

other governments; consequently, these assets are *not* available for future spending. Although the River Authority's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**San Antonio River Authority
Net Position**

| | <i>Governmental Activities</i> | | <i>Business-type Activities</i> | | <i>Total</i> | |
|----------------------------------|--------------------------------|----------------|---------------------------------|---------------|----------------|----------------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Current and other assets | \$ 41,638,744 | \$ 41,290,216 | \$ 14,544,335 | \$ 14,751,484 | \$ 56,183,079 | \$ 56,041,700 |
| Capital assets | 490,699,237 | 488,403,779 | 46,762,789 | 46,866,479 | 537,462,026 | 535,270,258 |
| Total assets | 532,337,981 | 529,693,995 | 61,307,124 | 61,617,963 | 593,645,105 | 591,311,958 |
| Deferred outflows | 969,965 | 1,006,952 | - | - | 969,965 | 1,006,952 |
| Long-term liabilities | 34,749,650 | 35,835,499 | 17,048,073 | 20,013,395 | 51,797,723 | 55,848,894 |
| Other liabilities | 14,895,594 | 13,620,968 | 1,936,187 | 2,091,167 | 16,831,781 | 15,712,135 |
| Total liabilities | 49,645,244 | 49,456,467 | 18,984,260 | 22,104,562 | 68,629,504 | 71,561,029 |
| Net position | | | | | | |
| Net investment in capital assets | 458,716,760 | 457,027,718 | 28,957,251 | 28,130,601 | 487,674,011 | 485,158,319 |
| Restricted | 6,003,312 | 9,208,478 | 6,712,469 | 6,571,105 | 12,715,781 | 15,779,583 |
| Unrestricted | 18,942,630 | 15,008,284 | 6,653,144 | 4,811,695 | 25,595,774 | 19,819,979 |
| Total net position | \$ 483,662,702 | \$ 481,244,480 | \$ 42,322,864 | \$ 39,513,401 | \$ 525,985,566 | \$ 520,757,881 |

An additional portion of the River Authority's net position (2%) represents resources that are subject to restrictions for debt service and construction. The remaining balance of *unrestricted net position* (\$25,595,774) may be used to meet the River Authority's ongoing liabilities.

At June 30, 2015, the River Authority reported positive balances in the change in net position for the governmental activities category and for the business-type activities.

As of June 30, 2015, the River Authority's net position increased slightly by \$5,227,685 which includes a restatement of \$2,521,125 (see note 15).

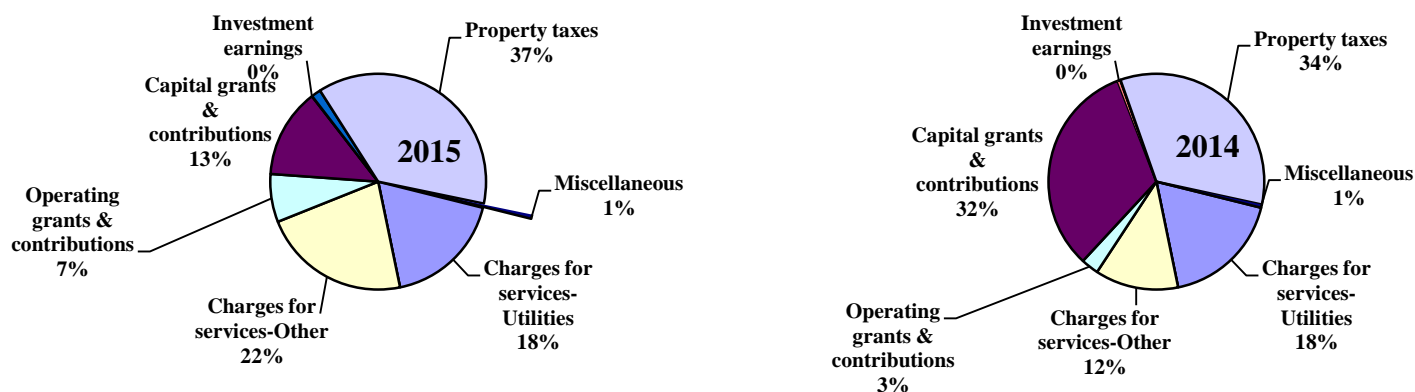
San Antonio River Authority
Management's Discussion and Analysis
June 30, 2015

The following table indicates change in net position for governmental and business-type activities:

**San Antonio River Authority
Changes in Net Position**

| | <i>Governmental Activities</i> | | <i>Business-type Activities</i> | | <i>Total</i> | |
|---|--------------------------------|----------------|---------------------------------|---------------|----------------|----------------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Revenues: | | | | | | |
| Program Revenues: | | | | | | |
| Charges for services | \$ 13,668,324 | \$ 7,825,953 | \$ 11,891,387 | \$ 11,219,264 | \$ 25,559,711 | \$ 19,045,217 |
| Operating grants & contributions | 4,420,854 | 1,625,996 | 9,143 | 9,140 | 4,429,997 | 1,635,136 |
| Capital grants & contributions | 6,612,980 | 18,670,786 | 1,592,548 | 1,555,436 | 8,205,528 | 20,226,222 |
| General Revenues: | | | | | | |
| Property Taxes | 22,955,094 | 21,196,901 | - | - | 22,955,094 | 21,196,901 |
| Investment earnings (loss) | 2,484 | 157,122 | 29,367 | 110,355 | 31,851 | 267,477 |
| Miscellaneous | 213,695 | 227,545 | 176,418 | 99,899 | 390,113 | 327,444 |
| Total Revenues | 47,873,431 | 49,704,303 | 13,698,863 | 12,994,094 | 61,572,294 | 62,698,397 |
| Expenses: | | | | | | |
| General government | 23,734,542 | 25,187,998 | - | - | 23,734,542 | 25,187,998 |
| Program support | 8,061,334 | 7,291,215 | - | - | 8,061,334 | 7,291,215 |
| Operations | 7,224,872 | 6,339,186 | 13,410,525 | 12,883,470 | 20,635,397 | 19,222,656 |
| Technical services | 5,241,171 | 6,008,841 | - | - | 5,241,171 | 6,008,841 |
| Interest and other fees | 1,193,290 | 1,553,757 | - | - | 1,193,290 | 1,553,757 |
| Total expenses | 45,455,209 | 46,380,997 | 13,410,525 | 12,883,470 | 58,865,734 | 59,264,467 |
| Change in net position before transfers | 2,418,222 | 3,323,306 | 288,338 | 110,624 | 2,706,560 | 3,433,930 |
| Transfers | - | (448,219) | - | 448,219 | - | - |
| Change in net position | 2,418,222 | 2,875,087 | 288,338 | 558,843 | 2,706,560 | 3,433,930 |
| Net position, beginning, as previously reported | 481,244,480 | 478,369,393 | 39,513,401 | 38,954,558 | 520,757,881 | 517,323,951 |
| Restatement of net assets | - | - | 2,521,125 | - | 2,521,125 | - |
| Net position, beginning, as restated | 481,244,480 | 478,369,393 | 42,034,526 | 38,954,558 | 523,279,006 | 517,323,951 |
| Net position - ending | \$ 483,662,702 | \$ 481,244,480 | \$ 42,322,864 | \$ 39,513,401 | \$ 525,985,566 | \$ 520,757,881 |

Below are comparison graphs showing total revenues by source for the River Authority:

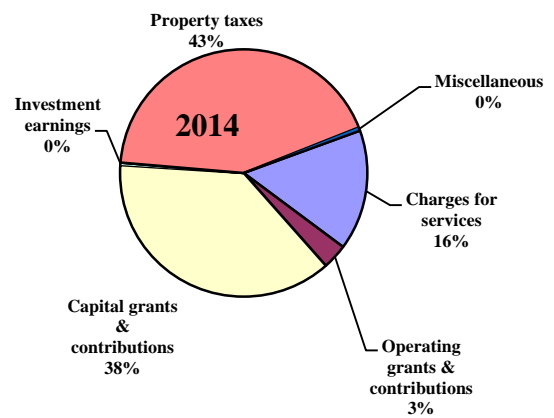
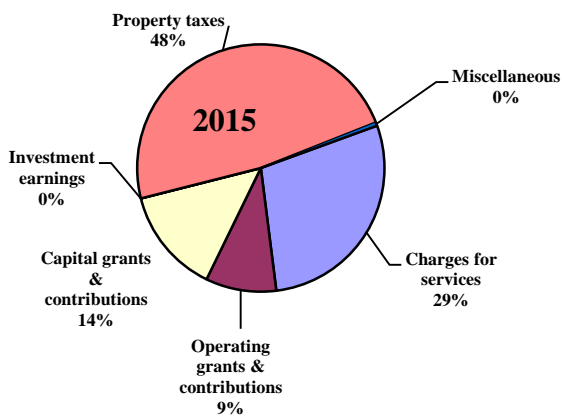
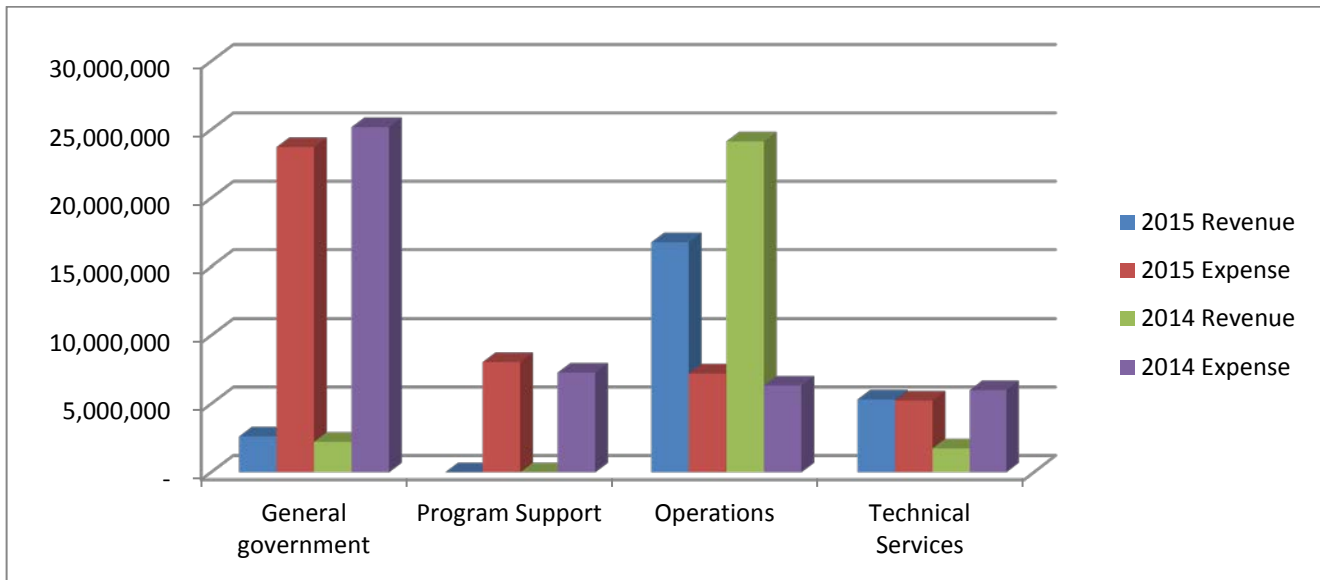


Governmental Activities. Governmental activities increased the River Authority's net position by \$2,418,222 thereby accounting for forty-six percent (46%) of the total change in the net position of the River Authority. This increase is attributable to various capital improvements. These projects are mainly funded by our partners, Bexar County, US Army Corps of Engineers and the City of San Antonio.

San Antonio River Authority
Management's Discussion and Analysis
June 30, 2015

With the implementation of GASB 34, the River Authority can now show expenses alongside revenues for each program. The programs included in the governmental activities are general government, program support, operations, and technical services.

**San Antonio River Authority
Expenses & Program Revenues – Governmental Activities**

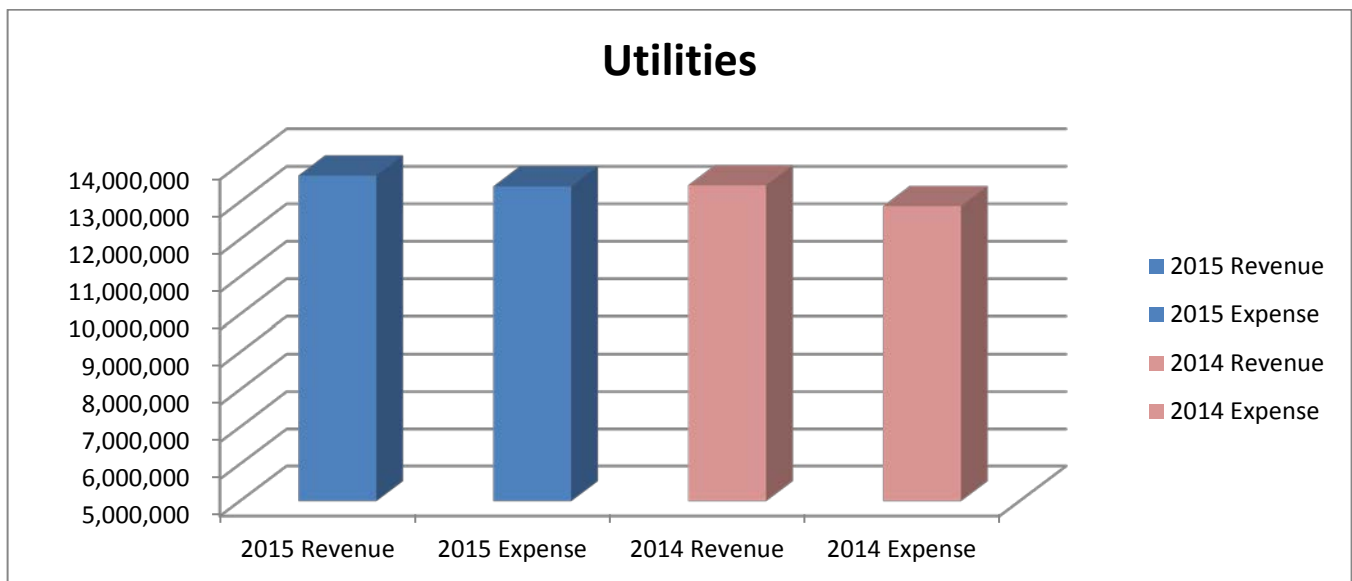


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June 30, 2015

Business-type Activities. The River Authority's major business-type activities are the SARA Wastewater Utilities System, the Salatrillo Wastewater Treatment Plant, and Salatrillo Water Reuse. These operations have rates and spending plans established by the Board of Directors.

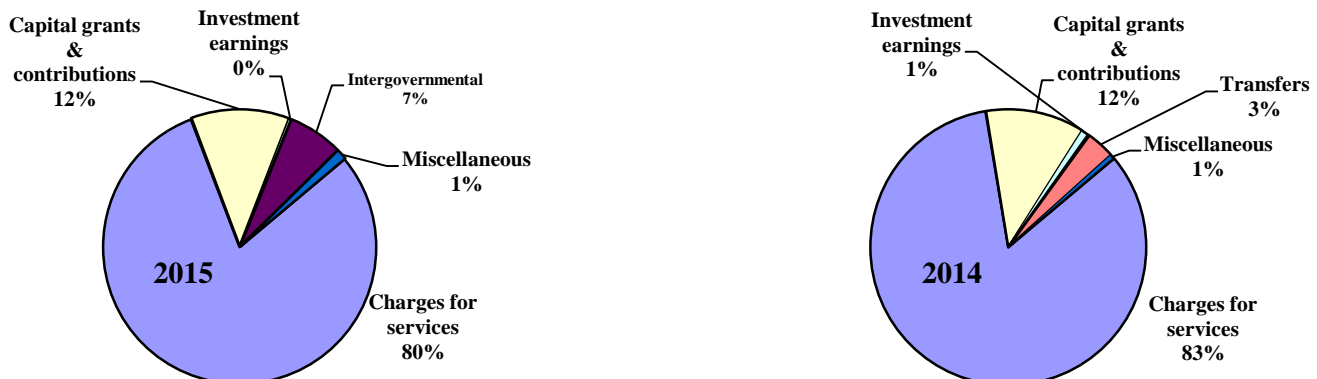
Business-type activities increased the River Authority's net position by \$2,809,463, accounting for fifty-four percent (54%) of the total change in the River Authority's net position. The River Authority will also show expenses alongside revenues for each program. The program in the business-type activities is operations, which are the utility departments.

**San Antonio River Authority
Expenses & Program Revenues – Business-type Activities**



The utility fund's revenues increased by \$704,769 compared to the 2014 fiscal year. Expenses increased \$527,055 for the same period. Effective July 1, 2016 the Board of Directors increased the River Authority Wastewater Systems sewage rates by 3.5% and the Salatrillo Operating Fund sewage rate by 4%.

**San Antonio River Authority
Revenues by Source – Business-type Activities**



FINANCIAL ANALYSIS OF THE AUTHORITY'S MAJOR FUNDS

As noted earlier, the River Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the River Authority's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* financial resources. Such information is useful in assessing the River Authority's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the 2015 fiscal year, the River Authority's governmental funds reported combined ending fund balances of \$23,980,268, a decrease of \$2,399,216 in comparison with the prior year. Of this total amount, \$21,978,774 constitutes the portion of fund balance that is *nonspendable, restricted, committed or assigned* to indicate that it is not available for new spending because it has already been classified to fund capital projects, encumbrances and pay debt service. The remaining of \$2,001,494 is *unassigned fund balance*, which is available for spending at the River Authority's discretion.

The River Authority's **General Fund** is the principal fund of the River Authority and is used to account for all financial resources except those required to be accounted for by another fund. Property taxes, support fees and charges for services provide the major sources of revenue. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,184,422 compared to \$1,559,505 in 2014, an increase of \$624,917. This increase was primarily due to the decrease in the assigned portion of fund balance – contract commitments.

Debt Service Fund: The River Authority entered into a contract in 1955 with Bexar County, Texas (the County) to provide to the River Authority, revenues from a flood control tax levied by the County. The contract provides that the County will set a tax rate which will provide revenues sufficient to pay each year's requirements for principal and interest of River Authority bonds which are payable from the revenues of the County flood control tax. San Antonio Channel Improvement Project (SACIP) Bonds have been issued pledging revenues of the Bexar County flood control tax for retirement of the bonds. In compliance with bond ordinances, the River Authority has met all requirements for maintenance of the Debt Service Fund. The primary reason for the fund decrease of \$122,039 is the use of available fund balance for debt service payments.

San Antonio River Public Facility Corporation. Accounts for a nonprofit public facility corporation to act on behalf of the River Authority and assist the River Authority in financing, refinancing and providing public facilities for the River Authority. The primary reason for the fund decrease of \$1,523,279 is due to the completion of the Mission Reach Operations Center.

San Antonio River Authority
Management's Discussion and Analysis
June 30, 2015

San Antonio River Improvement Project: The River Authority is working with Bexar County, the City of San Antonio and private contributors to make changes and improvements to the San Antonio River in Bexar County. The partnership extended the well-known River Walk to the north, the Museum Reach, and is currently expanding to the south, the Mission Reach.

The **Westside Creek Restoration Bexar County** is a capital project fund which accounts for improvements to the Westside Creek Restoration project paid by Bexar County.

Proprietary funds. The unrestricted net position of the proprietary funds at the end of the fiscal year was \$6,653,144. Other factors concerning the finances of proprietary funds have already been addressed in the discussion of the River Authority's business-type activities.

BUDGETARY HIGHLIGHTS

General Fund. The difference between the original adopted budget and the final amended budget for 2015 was an increase of \$5,041,559 in expenditure appropriations which is briefly summarized as follows:

- \$1,309,063 increase in general government activities for capital outlay and other services and charges
- \$502,333 increase in program support for other services and charges
- \$952,507 increase in operation activities for capital outlay
- \$2,277,656 increase in technical services activities for other services and charges

The final amended budget and actual revenues and expenditures can be briefly summarized as follows:

- \$598,255 in total revenues over the amended budget for an increase in tax revenues
- \$1,082,074 in technical services for other services and charges for encumbrances carried forward into the 2015 budget and for the final integration with the EPA of a water quality modeling tool.
- \$1,355,689 in the Texas Water Development Board for other services and charges for encumbrances carried forward into the 2015 budget and for watershed development projects.

During the year, revenues exceeded budgetary estimates by \$851,191 and expenditures were less than budgetary estimates by \$5,770,660, resulting in a decrease of fund balance of \$301,981 from the amount estimated when developing the fiscal year 2014-15 budget.

San Antonio River Authority
Management's Discussion and Analysis
June 30, 2015

CAPITAL ASSETS & DEBT ADMINISTRATION

Long-term Debt. At year-end, the River Authority had \$49.0 million in bonds at the end of 2015 and 2014 as shown below:

| | <u>2015</u> | <u>2014</u> |
|--|---------------|---------------|
| SACIP Improvement Revenue Bonds | \$ 25,875,000 | \$ 27,755,000 |
| Public Facilities Corporation | 2,957,000 | 3,100,000 |
| SARA Wastewater Utilities System Revenue Bonds | 11,260,000 | 11,915,000 |
| Texas Water Development Bonds | 3,880,000 | 4,300,000 |
| Contract Revenue Bonds | 5,075,000 | 5,290,000 |

More detailed information about the River Authority's long-term liabilities is presented in note 13 of the notes to financial statements.

Capital Assets. The River Authority's investments in capital assets for its governmental and business-type activities as of June 30, 2015, were \$537,462,026 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment, studies, flood control infrastructures, restoration projects, parks and water and sewage treatment facilities.

If more detailed information is desired on capital asset activity, please refer to the notes to the financial statements (note 11).

San Antonio River Authority Capital Assets (net of depreciation)

| | <i>Governmental Activities</i> | | <i>Business-type Activities</i> | | <i>Total</i> | |
|---|--------------------------------|-----------------------|---------------------------------|----------------------|-----------------------|-----------------------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Capital assets, not being depreciated: | | | | | | |
| Land | \$ 17,181,653 | \$ 16,879,353 | \$ 2,383,129 | \$ 2,383,129 | \$ 19,564,782 | \$ 19,262,482 |
| Water Rights | 227,447 | 227,447 | - | - | 227,447 | 227,447 |
| Construction in progress | 20,952,804 | 10,292,193 | 4,897,626 | 3,035,991 | 25,850,430 | 13,328,184 |
| Total capital assets, not being depreciated | 38,361,904 | 27,398,993 | 7,280,755 | 5,419,120 | 45,642,659 | 32,818,113 |
| Capital assets, being depreciated: | | | | | | |
| Office furniture, fixtures and equipment | 5,046,054 | 4,819,586 | 304,040 | 322,992 | 5,350,094 | 5,142,578 |
| Other machinery and equipment | 5,754,204 | 4,629,527 | 4,127,641 | 4,084,792 | 9,881,845 | 8,714,319 |
| Automobiles and trucks | 1,664,998 | 1,273,813 | 2,071,476 | 2,023,564 | 3,736,474 | 3,297,377 |
| Buildings | 15,748,506 | 12,594,497 | 2,372,845 | 2,372,845 | 18,121,351 | 14,967,342 |
| Improvements other than buildings | 1,614,577 | 723,157 | 8,687,575 | 8,163,228 | 10,302,152 | 8,886,385 |
| Studies | 2,581,964 | 2,581,964 | 422,205 | 422,205 | 3,004,169 | 3,004,169 |
| Sewage treatment facilities | - | - | 60,797,486 | 60,797,486 | 60,797,486 | 60,797,486 |
| Water treatment facilities | - | - | 1,249,914 | 1,249,914 | 1,249,914 | 1,249,914 |
| Flood control projects | 339,133,397 | 339,132,643 | - | - | 339,133,397 | 339,132,643 |
| Restoration projects | 236,996,307 | 235,134,134 | - | - | 236,996,307 | 235,134,134 |
| Total capital assets, being depreciated | 608,540,007 | 600,889,321 | 80,033,182 | 79,437,026 | 688,573,189 | 680,326,347 |
| Accumulated depreciation | (156,202,674) | (139,884,535) | (40,551,148) | (37,989,667) | (196,753,822) | (177,874,202) |
| Capital assets, net | <u>\$ 490,699,237</u> | <u>\$ 488,403,779</u> | <u>\$ 46,762,789</u> | <u>\$ 46,866,479</u> | <u>\$ 537,462,026</u> | <u>\$ 535,270,258</u> |

ECONOMIC FACTORS

The River Authority's jurisdiction includes the counties of Bexar, Wilson, Karnes and Goliad. The River Authority has continued to enjoy a favorable economic environment and local indicators point to continued stability. The city of San Antonio, the county seat of Bexar County, occupies an area of 467 square miles in south central Texas at the edge of the Gulf Coastal Plains, about 140 miles northwest of the Gulf of Mexico. The metropolitan statistical area (MSA) is a four county area made up of Bexar, Comal, Wilson and Guadalupe counties. Throughout the last century, the military has been the city's economic power-house; however, tourism, educational institutions, agribusiness, technology, the aerospace industry and medical research have rounded out the economy. The City's proximity to Mexico provides favorable conditions for international business relations with Mexico in the areas of agriculture, tourism, manufacturing, wholesale and retail markets for citizens in Mexico. Industry ranges from the manufacturing of apparel, food products, aircraft, electronics and pharmaceuticals to iron and steel products and oil well equipment.

San Antonio continues to advance its position in the area of bioscience and healthcare services. Healthcare services include both direct and indirect services. Direct services include hospital care, physicians' offices, nursing homes and a variety of other clinics. Indirect services include health insurance carriers, pharmaceutical companies, medical equipment manufacturers and medical education. The bioscience and healthcare industry has added nearly 40,000 new jobs over the past decade. Cybersecurity and information technology is another sector that has established itself as a major force in the San Antonio economy. The economic impact of cybersecurity and information technology is measured in the billions with estimates of growth to \$15 billion by 2015.

Higher education also plays a major role in the local economy. The roster of major educational institutions includes the University of Texas Health Science Center, the University of Texas at San Antonio, St. Mary's University, Trinity University, University of the Incarnate Word and the recent addition of a new Texas A&M campus on the city's south side.

In Karnes County, fracking activities have had a very significant, positive impact on the economy. Since 2010, the property values in this county have grown 1,826 percent – from \$558.4 million in 2010 to \$10.8 billion in 2014. Although falling gas and oil prices drove a decline in property values of 15 percent for 2015 – from mineral rights, the overall growth since 2010 still remains very strong. This industry's activity in Karnes County has increased property values and generated strong increases in sales tax and hotel/motel taxes in the surrounding area. The drop in oil prices has decreased the fracking activity, which has also reduced the workforce in the oil fields. However, the fracking industry remains at work in the area and is expected to continue to positively contribute to the economy in Karnes County over the next several years.

The Texas and San Antonio economy weathered the economic downturn that began in 2008 better than much of the nation. In the San Antonio area, the downturn in property values was much less severe and the recovery was quicker. This was true in other sectors of the economy as well. Since 2011, property values in Bexar County have grown 29.7 percent. For 2015, growth in Bexar County was 12.6 percent and the River Authority saw overall growth in property values in all four counties of 10.1 percent. The fracking activity in Karnes County has had a significant impact on property values in that

San Antonio River Authority
Management's Discussion and Analysis
June 30, 2015

area as well. Over the same time period, values grew a total of 745 percent. This activity positively impacted all aspects of the economy in Karnes County.

The San Antonio area has enjoyed a robust economy in 2014 and 2015. Job creation is strong during this period and unemployment has hit an historic low. As described above, health care and technology are fast growing and high paying sectors of the San Antonio economy. Companies are working hard to recruit into these jobs. 2014 ended the year with a 3.3 percent job growth rate, which translated into the creation of 30,300 new jobs. This growth will slow slightly in 2015 but still potentially reach 3 percent (about 28,800 new jobs). In January 2015, local unemployment was 4 percent, lower than all other Texas cities except Austin. The Texas state average was 4.4 percent and the nation was 5.7 percent.

San Antonio still faces some economic challenges with education level of the workforce chief among them. San Antonio needs to focus on continuing to develop higher education opportunities as well as supporting small businesses and entrepreneurs. The current strong dollar will also reduce Mexican consumer spending in San Antonio. Fortunately, declining oil prices do not significantly impact the San Antonio area as jobs in this field represent only about 3 percent of the employed workforce. As described above, the reduced oil prices do negatively affect Karnes County (also part of the River Authority's district). However, the slowed fracking activity has actually provided an increase in construction workers in San Antonio, a filling an outstanding need in this community.

The housing market in San Antonio remains strong with housing prices increasing about 5.6 percent annually. The supply in early 2015 was only about 3.6 months, with six months representing the target. It is currently a seller's market. New home construction is expected to increase as a result.

The approach of the Board of Directors and management enables the River Authority to plan and develop new opportunities and projects that will substantially benefit the citizens within the River Authority's jurisdiction. The River Authority's General Fund and Debt Service Fund annual budgets for the 2016 fiscal year increased by 21.8% in comparison to the 2015 fiscal year amended budgets. Both the General Fund and the Debt Service Fund showed increases. In the General Fund, the increase is driven mainly by transfers to a new Project Fund which will account for all projects funded by the General Fund and to establish a reserve in that fund. The increase in the Debt Service Fund is due to budgeting the TWDB and Utilities Fund debt service in this fund. In prior years, these expenditures were budgeted in the Utilities and General Fund.

Effective July 1, 2016 the Board of Directors increased the River Authority Wastewater Systems sewage rates by 3.5% and the Salatrillo Operating Fund sewage rate by 4%.

San Antonio River Authority
Management's Discussion and Analysis
June 30, 2015

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the River Authority's finances for anyone with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Support Services Director, 100 East Guenther, San Antonio, Texas 78204.



SAN ANTONIO

RIVER AUTHORITY

Leaders in Watershed Solutions

Basic Financial Statements



SAN ANTONIO

RIVER AUTHORITY

Leaders in Watershed Solutions

San Antonio River Authority
Statement of Net Position
June 30, 2015

| | Governmental Activities | Business-type Activities | Total |
|--|----------------------------|-----------------------------|----------------------|
| ASSETS | | | |
| Current assets: | | | |
| Cash | \$ 1,323,862 | \$ 1,669,843 | \$ 2,993,705 |
| Investments | 28,029,486 | 5,633,068 | 33,662,554 |
| Accounts receivable (net) | 21,121 | 1,058,826 | 1,079,947 |
| Intergovernmental receivables | 6,597,743 | 20,659 | 6,618,402 |
| Notes receivable | 142,036 | 26,047 | 168,083 |
| Interest receivable | 32,464 | 7,853 | 40,317 |
| Taxes receivable (net of \$547,430 for allowance for uncollectible) | 901,559 | - | 901,559 |
| Internal balances | 692,533 | (692,533) | - |
| Prepaid expenses and other assets | 115,574 | 5,125 | 120,699 |
| Inventory | 7,794 | - | 7,794 |
| Restricted assets: | | | |
| Cash | 114,817 | 373,772 | 488,589 |
| Accounts receivable | - | 29,775 | 29,775 |
| Intergovernmental receivables | 172,744 | - | 172,744 |
| Interest receivable | - | - | - |
| Investments | 2,751,148 | 1,728,957 | 4,480,105 |
| Total restricted assets | <u>3,038,709</u> | <u>2,132,504</u> | <u>5,171,213</u> |
| Total current assets | <u>40,902,881</u> | <u>9,861,392</u> | <u>50,764,273</u> |
| Noncurrent assets: | | | |
| Capital assets: | | | |
| Land | 17,181,653 | 2,383,129 | 19,564,782 |
| Water rights | 227,447 | - | 227,447 |
| Office furniture, fixtures and equipment | 5,046,054 | 304,040 | 5,350,094 |
| Other machinery and equipment | 5,754,204 | 4,127,641 | 9,881,845 |
| Automobiles and trucks | 1,664,998 | 2,071,476 | 3,736,474 |
| Buildings | 15,748,506 | 2,372,845 | 18,121,351 |
| Improvements other than buildings | 1,614,577 | 8,687,575 | 10,302,152 |
| Water treatment facilities | - | 1,249,914 | 1,249,914 |
| Sewage treatment facilities | - | 60,797,486 | 60,797,486 |
| Studies | 2,581,964 | 422,205 | 3,004,169 |
| Flood control projects | 339,133,397 | - | 339,133,397 |
| Restoration projects | 236,996,307 | - | 236,996,307 |
| Construction in progress | 20,952,804 | 4,897,626 | 25,850,430 |
| Less accumulated depreciation | <u>(156,202,674)</u> | <u>(40,551,148)</u> | <u>(196,753,822)</u> |
| Total capital assets (net of accumulated depreciation) | 490,699,237 | 46,762,789 | 537,462,026 |
| Investments - restricted | - | 3,812,590 | 3,812,590 |
| Notes receivable - restricted (net) | - | 450,000 | 450,000 |
| Notes receivable | 735,863 | 420,353 | 1,156,216 |
| Total noncurrent assets | <u>491,435,100</u> | <u>51,445,732</u> | <u>542,880,832</u> |
| Total assets | <u>532,337,981</u> | <u>61,307,124</u> | <u>593,645,105</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Deferred loss of bond refunding | \$ 969,965 | \$ - | \$ 969,965 |

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

San Antonio River Authority
Statement of Net Position
June 30, 2015

| | Governmental Activities | Business-type Activities | Total |
|---|----------------------------|-----------------------------|-----------------------|
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable | \$ 5,935,036 | \$ 215,147 | \$ 6,150,183 |
| Notes payable | - | 28,188 | 28,188 |
| Capital leases | 54,811 | - | 54,811 |
| Compensated absences | 102,545 | 26,869 | 129,414 |
| Other accrued liabilities | 659,689 | 204,604 | 864,293 |
| Current liabilities payable from restricted assets: | | | |
| Accounts payable | 460,272 | 129,488 | 589,760 |
| Retainage payable | 284,967 | 29,741 | 314,708 |
| Unearned revenues - services | 4,226,252 | - | 4,226,252 |
| Accrued interest payable | 412,766 | 354,998 | 767,764 |
| Bonds payable within one year | <u>2,759,256</u> | <u>947,152</u> | <u>3,706,408</u> |
| Total current liabilities payable | | | |
| from restricted assets | <u>8,143,513</u> | <u>1,461,379</u> | <u>9,604,892</u> |
| Total current liabilities | <u>14,895,594</u> | <u>1,936,187</u> | <u>16,831,781</u> |
| Noncurrent liabilities: | | | |
| Notes payable | - | 1,050,127 | 1,050,127 |
| Capital leases | 114,219 | - | 114,219 |
| Unearned revenues - connection fees, restricted | - | 91 | 91 |
| Unearned revenues - services | 3,847,819 | - | 3,847,819 |
| OPEB liability | 207,528 | 76,718 | 284,246 |
| Compensated absences | 538,366 | 141,066 | 679,432 |
| Bonds payable after one year | <u>30,041,718</u> | <u>15,780,071</u> | <u>45,821,789</u> |
| Total noncurrent liabilities | <u>34,749,650</u> | <u>17,048,073</u> | <u>51,797,723</u> |
| Total liabilities | <u>49,645,244</u> | <u>18,984,260</u> | <u>68,629,504</u> |
| NET POSITION | | | |
| Net investment in capital assets | 458,716,760 | 28,957,251 | 487,674,011 |
| Restricted for: | | | |
| Debt service | 4,265,023 | 1,938,965 | 6,203,988 |
| Watershed management | 357,948 | - | 357,948 |
| Construction | 871,847 | 4,773,504 | 5,645,351 |
| Water management | 78,644 | - | 78,644 |
| TWDB projects | 429,850 | - | 429,850 |
| Unrestricted | <u>18,942,630</u> | <u>6,653,144</u> | <u>25,595,774</u> |
| Total net position | <u>\$ 483,662,702</u> | <u>\$ 42,322,864</u> | <u>\$ 525,985,566</u> |

San Antonio River Authority
Statement of Activities
For the Year Ended June 30, 2015

| Functions/Programs | Expenses | Program Revenues | | |
|-------------------------------|----------------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Primary government: | | | | |
| Governmental activities: | | | | |
| General government | \$ 23,734,542 | \$ 2,317,148 | \$ 281,768 | \$ - |
| Program support | 8,061,334 | - | - | - |
| Operations | 7,224,872 | 10,934,241 | 518,041 | 5,323,165 |
| Technical Services | 5,241,171 | 416,935 | 3,621,045 | 1,289,815 |
| Interest and other fees | 1,193,290 | - | - | - |
| Total governmental activities | <u>45,455,209</u> | <u>13,668,324</u> | <u>4,420,854</u> | <u>6,612,980</u> |
| Business-type activities: | | | | |
| Operations: | | | | |
| Utilities | 13,410,525 | 11,891,387 | 9,143 | 1,592,548 |
| Total primary government | <u>\$ 58,865,734</u> | <u>\$ 25,559,711</u> | <u>\$ 4,429,997</u> | <u>\$ 8,205,528</u> |

General Revenues
Property taxes
Investment earnings
Miscellaneous
Total General Revenues
Change in net position
Net position, beginning, as previously reported
Restatement of net assets
Net position, beginning, as restated
Net position, ending

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

| Net (Expense) Revenue and Changes in Net Position | | |
|---|-----------------------------|-----------------|
| Primary Government | | |
| Governmental Activities | Business-type Activities | Total |
| \$ (21,135,626) | | \$ (21,135,626) |
| (8,061,334) | | (8,061,334) |
| 9,550,575 | | 9,550,575 |
| 86,624 | | 86,624 |
| (1,193,290) | | (1,193,290) |
| (20,753,051) | | (20,753,051) |
| | \$ 82,553 | 82,553 |
| (20,753,051) | - | (20,670,498) |
| 22,955,094 | - | 22,955,094 |
| 2,484 | 29,367 | 31,851 |
| 213,695 | 176,418 | 390,113 |
| 23,171,273 | 205,785 | 23,377,058 |
| 2,418,222 | 288,338 | 2,706,560 |
| 481,244,480 | 39,513,401 | 520,757,881 |
| - | 2,521,125 | 2,521,125 |
| 481,244,480 | 42,034,526 | 523,279,006 |
| \$ 483,662,702 | \$ 42,322,864 | \$ 525,985,566 |

San Antonio River Authority
Balance Sheet
Governmental Funds
June 30, 2015

| | | Capital Projects Funds San Antonio River Improvement Project | | Westside Creek Restoration Bexar Co. |
|--|----------------------|--|--------------------------|--|
| | General Fund | Bexar Co. Flood Tax | Bexar Co. Visitor Tax | |
| ASSETS | | | | |
| Cash | \$ 804,267 | \$ 46,650 | \$ - | \$ 83,993 |
| Investments | 14,930,049 | - | 7,355,167 | 391 |
| Prepays and other assets | 136,695 | - | - | - |
| Intergovernmental receivables | 573,725 | - | - | 1,346,803 |
| Notes receivable | 877,899 | - | - | - |
| Interest receivable | 28,503 | - | - | - |
| Taxes receivable (net of allowance for uncollectible) | 901,559 | - | - | - |
| Due from other funds of the Authority | 15,821,309 | 4,500,000 | - | 900,000 |
| Inventory | 7,794 | - | - | - |
| Investments - restricted | - | 7,173 | - | - |
| Total assets | <u>\$ 34,081,800</u> | <u>\$ 4,553,823</u> | <u>\$ 7,355,167</u> | <u>\$ 2,331,187</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 2,036,046 | \$ 135,815 | \$ - | \$ 2,277,887 |
| Retainage payable | - | - | - | 49,479 |
| Due to other funds of the Authority | 12,394,647 | - | 7,138,188 | - |
| Other accrued liabilities | 659,689 | - | - | - |
| Unearned revenue - services | 362,185 | 4,057,393 | 168,859 | - |
| Liabilities payable from restricted assets | 22,599 | - | - | - |
| Total liabilities | <u>15,475,166</u> | <u>4,193,208</u> | <u>7,307,047</u> | <u>2,327,366</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenue - property taxes | <u>390,192</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | |
| Nonspendable: | | | | |
| Prepaid items and other assets | 136,695 | - | - | - |
| Notes receivable, long term portion | 735,863 | - | - | - |
| Inventory | 7,794 | - | - | - |
| Restricted: | | | | |
| Debt service | - | - | - | - |
| Construction | - | 360,615 | 46,614 | - |
| Watershed management | - | - | - | - |
| Water management | - | - | - | - |
| TWDB Projects | 429,850 | - | - | - |
| Committed: | | | | |
| Operating Reserve | 6,879,043 | - | - | - |
| Unrestricted Reserve | 5,585,700 | - | - | - |
| Water Rights | - | - | - | - |
| Economic Development | - | - | - | - |
| Parks | - | - | - | - |
| Assigned: | | | | |
| Contract Commitments | 1,815,639 | - | - | - |
| TWDB Projects | 441,436 | - | - | - |
| Unassigned | <u>2,184,422</u> | <u>-</u> | <u>1,506</u> | <u>3,821</u> |
| Total fund balances | <u>18,216,442</u> | <u>360,615</u> | <u>48,120</u> | <u>3,821</u> |
| Total liabilities deferred inflows of resources and fund balances | <u>\$ 34,081,800</u> | <u>\$ 4,553,823</u> | <u>\$ 7,355,167</u> | <u>\$ 2,331,187</u> |

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

| San Antonio River Public Facility Corp. | Debt Service | Other Governmental Funds | Total Governmental Funds |
|---|---------------------|--------------------------------|--------------------------------|
| \$ - | \$ 114,817 | \$ 388,952 | \$ 1,438,679 |
| 2,380,833 | - | 752,457 | 25,418,897 |
| - | - | - | 136,695 |
| - | 148,982 | 4,700,977 | 6,770,487 |
| - | - | - | 877,899 |
| - | 1,332 | - | 29,835 |
| - | - | - | 901,559 |
| - | 1,650,000 | 4,520,203 | 27,391,512 |
| - | - | - | 7,794 |
| - | 2,743,975 | - | 2,751,148 |
| <u>\$ 2,380,833</u> | <u>\$ 4,659,106</u> | <u>\$ 10,362,589</u> | <u>\$ 65,724,505</u> |
| \$ - | \$ - | \$ 1,911,666 | \$ 6,361,414 |
| 12,276 | - | 223,212 | 284,967 |
| 2,350,995 | 170,203 | 3,507,105 | 25,561,138 |
| - | - | - | 659,689 |
| - | - | 3,485,634 | 8,074,071 |
| - | 390,167 | - | 412,766 |
| <u>2,363,271</u> | <u>560,370</u> | <u>9,127,617</u> | <u>41,354,045</u> |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>390,192</u> |
| - | - | - | 136,695 |
| - | - | - | 735,863 |
| - | - | - | 7,794 |
| - | 4,098,736 | 166,287 | 4,265,023 |
| 17,562 | - | 447,056 | 871,847 |
| - | - | 357,948 | 357,948 |
| - | - | 78,644 | 78,644 |
| - | - | - | 429,850 |
| - | - | - | 6,879,043 |
| - | - | - | 5,585,700 |
| - | - | - | - |
| - | - | 33,934 | 33,934 |
| - | - | 339,358 | 339,358 |
| - | - | - | 1,815,639 |
| - | - | - | 441,436 |
| - | - | (188,255) | 2,001,494 |
| <u>17,562</u> | <u>4,098,736</u> | <u>1,234,972</u> | <u>23,980,268</u> |
| <u>\$ 2,380,833</u> | <u>\$ 4,659,106</u> | <u>\$ 10,362,589</u> | <u>\$ 65,724,505</u> |



SAN ANTONIO

RIVER AUTHORITY

Leaders in Watershed Solutions

San Antonio River Authority
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
June 30, 2015

| | |
|---|-----------------------|
| Total fund balances - governmental funds | \$ 23,980,268 |
| Amounts reported for governmental activities in the statement of net position are different because: | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | 490,699,237 |
| Other long-term assets (taxes receivable, net of \$531,066 allowance) are not available to pay for current-period expenditures and, therefore, are deferred in the funds. | 390,192 |
| Other postemployment benefits only recognizes any unfunded actuarial liabilities over a period not to exceed 30 years. | (207,528) |
| Compensated absences are only recognized upon maturing, therefore are not reported in the funds. | (640,911) |
| Internal service funds are used by management to charge the costs of insurance to individual funds. Internal service funds predominantly serve the governmental funds; therefore, the assets and liabilities of this fund are included in governmental activities in the statement of net position. | 1,441,483 |
| Long-term liabilities, including bonds payable and capital leases, are not due and payable in the current period and therefore are not reported in the funds. | |
| Bonds payable | (32,712,000) |
| Capital leases | (169,030) |
| Issuance premium (to be amortized as interest expense) | (337,464) |
| Issuance discount (to be amortized as interest expense) | 248,490 |
| Deferred loss on bond refunding (to be amortized as interest expense) | 969,965 |
| | <u>(32,000,039)</u> |
| Net position of governmental activities | <u>\$ 483,662,702</u> |

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

San Antonio River Authority
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2015

| | Capital Projects Funds | | | |
|---|--|------------------------|--------------------------|--------------------------|
| | San Antonio River Improvement Project | | | Westside Creek |
| | General | Bexar Co. Flood Tax | Bexar Co. Visitor Tax | Restoration Bexar Co. |
| REVENUES | | | | |
| Taxes | \$ 22,947,890 | \$ - | \$ - | \$ - |
| Investment earnings (losses) | (8,768) | 2,337 | 1,506 | 391 |
| Intergovernmental | 298,932 | 2,088,914 | - | 8,473,813 |
| Charges for Services | 808,437 | - | - | - |
| Support Fees | 2,253,647 | - | - | - |
| Miscellaneous | 205,511 | - | - | - |
| Total Revenues | <u>26,505,649</u> | <u>2,091,251</u> | <u>1,506</u> | <u>8,474,204</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 9,205,032 | 1,500 | - | - |
| Program support | 8,061,334 | - | - | - |
| Operations | 2,170,253 | - | - | - |
| Technical services | 3,901,167 | - | - | - |
| Debt Service: | | | | |
| Bond principal | 420,000 | - | - | - |
| Interest and fees on bonds | 53,729 | - | - | - |
| Capital lease principal | 97,288 | - | - | - |
| Capital outlay: | | | | |
| Capital projects | - | 2,213,398 | - | 8,470,383 |
| General government | 819,288 | - | - | - |
| Program support | 52,434 | - | - | - |
| Operations | 1,268,295 | - | - | - |
| Technical services | 546,200 | - | - | - |
| Total expenditures | <u>26,595,020</u> | <u>2,214,898</u> | <u>-</u> | <u>8,470,383</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(89,371)</u> | <u>(123,647)</u> | <u>1,506</u> | <u>3,821</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 93,748 | - | - | - |
| Issuance of refunding bonds | - | - | - | - |
| Payment to escrow agent | - | - | - | - |
| Transfers out | (306,358) | - | - | - |
| Total other financing sources and (uses) | <u>(212,610)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>(301,981)</u> | <u>(123,647)</u> | <u>1,506</u> | <u>3,821</u> |
| Fund balances - beginning | 18,518,423 | 484,262 | 46,614 | - |
| Fund balances - ending | <u>\$ 18,216,442</u> | <u>\$ 360,615</u> | <u>\$ 48,120</u> | <u>\$ 3,821</u> |

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

| San Antonio River Public Facility Corp. | Debt Service | Other Governmental Funds | Total Governmental Funds |
|---|---------------------|--------------------------------|--------------------------------|
| \$ - | \$ - | \$ - | \$ 22,947,890 |
| 339 | 3,385 | 3,294 | 2,484 |
| - | 51,186 | 10,410,643 | 21,323,488 |
| 211,399 | - | 105,387 | 1,125,223 |
| - | - | - | 2,253,647 |
| - | - | 7,984 | 213,495 |
| <u>211,738</u> | <u>54,571</u> | <u>10,527,308</u> | <u>47,866,227</u> |
| 40,419 | - | 410,225 | 9,657,176 |
| - | - | - | 8,061,334 |
| - | - | 2,610,830 | 4,781,083 |
| - | - | 1,335,443 | 5,236,610 |
| 143,000 | 2,020,000 | - | 2,583,000 |
| 68,398 | 1,018,259 | - | 1,140,386 |
| - | - | - | 97,288 |
| - | - | - | 10,683,781 |
| - | - | 1,273,026 | 2,092,314 |
| - | - | - | 52,434 |
| 1,483,200 | - | 18,177 | 2,769,672 |
| - | - | 2,684,992 | 3,231,192 |
| <u>1,735,017</u> | <u>3,038,259</u> | <u>8,332,693</u> | <u>50,386,270</u> |
| <u>(1,523,279)</u> | <u>(2,983,688)</u> | <u>2,194,615</u> | <u>(2,520,043)</u> |
| - | 2,740,822 | 306,358 | 3,140,928 |
| - | 8,265,000 | - | 8,265,000 |
| - | (8,144,173) | - | (8,144,173) |
| - | - | (2,834,570) | (3,140,928) |
| - | 2,861,649 | (2,528,212) | 120,827 |
| <u>(1,523,279)</u> | <u>(122,039)</u> | <u>(333,597)</u> | <u>(2,399,216)</u> |
| 1,540,841 | 4,220,775 | 1,568,569 | 26,379,484 |
| <u>\$ 17,562</u> | <u>\$ 4,098,736</u> | <u>\$ 1,234,972</u> | <u>\$ 23,980,268</u> |



SAN ANTONIO

RIVER AUTHORITY

Leaders in Watershed Solutions

San Antonio River Authority
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2015

| | | |
|--|----|-------------|
| Net change in fund balances - total governmental funds | \$ | (2,399,216) |
|--|----|-------------|

Amounts reported for governmental activities in the statement of activities are different because:

| | | |
|--|--|-----------|
| Governmental funds report capital outlays as expenditures (\$18,829,393). However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense (\$16,530,908). This is the amount by which capital outlay exceeded depreciation expense in the current period. | | 2,298,485 |
|--|--|-----------|

| | | |
|--|--|---------|
| The net effect of various miscellaneous transactions (i.e., sales, trade-ins and transfer of assets) involving capital assets is to decrease net position. | | (3,027) |
|--|--|---------|

| | | |
|--|--|-------|
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | 7,204 |
|--|--|-------|

| | | |
|--|--|--------|
| Other postemployment benefits only recognizes any unfunded actuarial liabilities over a period not to exceed 30 years. | | 13,575 |
|--|--|--------|

| | | |
|--|--|-------|
| Compensated absences are only recognized upon maturing, therefore are not reported in the funds. | | 8,005 |
|--|--|-------|

Bond and capital lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Payment of bond principal is an expenditure in the governmental funds, but the payment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas some of these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

| | | | |
|--|-----------------|--|-----------|
| Payment and (issuance) of capital leases | \$ 97,288 | | |
| Issuance of bonds payable | (8,265,000) | | |
| Bond principal payments | 2,583,000 | | |
| Payment to escrow agent for refunding | 8,144,173 | | |
| Amortization of bond premium | 17,947 | | |
| Amortization of bond discount | (14,691) | | |
| Amortization of loss on refunding | <u>(56,160)</u> | | 2,506,557 |

| | | |
|--|--|-----------------|
| Internal service funds are used by management to charge the costs of insurance to individual funds. Internal service funds predominantly serve the governmental funds; therefore, the net expense of this fund is reported with governmental activities. | | <u>(13,361)</u> |
|--|--|-----------------|

| | | |
|---|----|-------------------------|
| Change in net position of governmental activities | \$ | <u><u>2,418,222</u></u> |
|---|----|-------------------------|

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

San Antonio River Authority
Statement of Net Position
Proprietary Funds
June 30, 2015

| | Business-Type Activities - Enterprise Funds | | | |
|--|---|---|-----------------------------|------------------------------|
| | SARA Wastewater Utilities System | Salatrillo Wastewater Treatment Plant | Salatrillo Reuse Fund | Other Enterprise Funds |
| ASSETS | | | | |
| Current assets: | | | | |
| Cash | \$ - | \$ 469,506 | \$ 65,721 | \$ 1,134,616 |
| Investments | 4,926,416 | 253,063 | - | 453,589 |
| Accounts receivable (net) | 778,555 | 196,846 | 3,562 | 79,863 |
| Interest receivable | 4,514 | 3,339 | - | - |
| Intergovernmental receivable | - | - | - | 20,659 |
| Notes receivable | 26,047 | - | - | - |
| Prepaid expenses and other assets | 1,425 | 1,425 | - | 2,275 |
| Restricted assets: | | | | |
| Cash | 328,882 | 44,890 | - | - |
| Accounts receivable (net) | - | - | - | 29,775 |
| Due from other funds of the Authority | - | 600,000 | - | - |
| Investments | <u>1,728,957</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total restricted assets | <u>2,057,839</u> | <u>644,890</u> | <u>-</u> | <u>29,775</u> |
| Total current assets | <u>7,794,796</u> | <u>1,569,069</u> | <u>69,283</u> | <u>1,720,777</u> |
| Noncurrent assets: | | | | |
| Capital assets: | | | | |
| Land | 1,797,795 | 419,974 | 131,716 | 33,644 |
| Office furniture, fixtures, and equipment | 240,378 | 56,590 | - | 7,072 |
| Other machinery and equipment | 2,657,238 | 1,244,820 | - | 225,583 |
| Automobiles and trucks | 1,866,748 | 183,492 | - | 21,236 |
| Studies | 27,917 | 57,369 | - | 336,919 |
| Buildings | 2,311,684 | 47,401 | - | 13,760 |
| Improvements other than buildings | - | - | - | 1,249,914 |
| Water treatment facilities | 3,532,157 | 1,999,292 | - | 3,156,126 |
| Sewage treatment facilities | 34,224,062 | 17,938,300 | 5,787,713 | 2,847,411 |
| Construction in progress | 3,371,548 | 1,486,814 | - | 39,264 |
| Less accumulated depreciation | <u>(23,241,164)</u> | <u>(15,305,075)</u> | <u>(192,924)</u> | <u>(1,811,985)</u> |
| Total capital assets (net of accumulated depreciation) | 26,788,363 | 8,128,977 | 5,726,505 | 6,118,944 |
| Notes receivable - restricted (net) | 450,000 | - | - | - |
| Notes receivable (net) | 420,353 | - | - | - |
| Investments - restricted | <u>-</u> | <u>3,506,705</u> | <u>57,789</u> | <u>248,096</u> |
| Total noncurrent assets | <u>27,658,716</u> | <u>11,635,682</u> | <u>5,784,294</u> | <u>6,367,040</u> |
| Total assets | <u>\$ 35,453,512</u> | <u>\$ 13,204,751</u> | <u>\$ 5,853,577</u> | <u>\$ 8,087,817</u> |

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

| Business-Type Activities | Governmental Activities |
|-----------------------------|-----------------------------|
| Enterprise Fund Total | Internal Service Fund |
| \$ 1,669,843 | \$ - |
| 5,633,068 | 2,610,589 |
| 1,058,826 | - |
| 7,853 | 2,629 |
| 20,659 | - |
| 26,047 | - |
| 5,125 | - |
| 373,772 | - |
| 29,775 | - |
| 600,000 | - |
| <u>1,728,957</u> | <u>-</u> |
| <u>2,732,504</u> | <u>-</u> |
| <u>11,153,925</u> | <u>2,613,218</u> |
| 2,383,129 | - |
| 304,040 | - |
| 4,127,641 | - |
| 2,071,476 | - |
| 422,205 | - |
| 2,372,845 | - |
| 1,249,914 | - |
| 8,687,575 | - |
| 60,797,486 | - |
| 4,897,626 | - |
| <u>(40,551,148)</u> | <u>-</u> |
| 46,762,789 | - |
| 450,000 | - |
| 420,353 | - |
| <u>3,812,590</u> | <u>-</u> |
| <u>51,445,732</u> | <u>-</u> |
| <u>\$ 62,599,657</u> | <u>\$ 2,613,218</u> |

(continued)

San Antonio River Authority
Statement of Net Position (continued)
Proprietary Funds
June 30, 2015

| | Business-Type Activities - Enterprise Funds | | | |
|--|---|----------------------|---------------------|---------------------|
| | SARA | Salatrillo | Salatrillo | Other |
| | Wastewater | Wastewater | Reuse | Enterprise |
| | Utilities System | Treatment Plant | Fund | Funds |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable | \$ 119,488 | \$ 74,918 | \$ 921 | \$ 19,820 |
| Due to other funds of the Authority | 1,236,548 | - | 55,985 | - |
| Notes payable | - | - | - | 28,188 |
| Compensated absences | 17,967 | 6,305 | - | 2,597 |
| Other accrued liabilities | 135,974 | 42,383 | 52 | 26,195 |
| Current liabilities payable from restricted assets: | | | | |
| Accounts payable | 8,141 | 121,347 | - | - |
| Retainage payable | 11,514 | 12,499 | - | 5,728 |
| Accrued interest payable | 239,288 | - | 96,558 | 19,152 |
| Bonds payable within one year | <u>722,152</u> | <u>-</u> | <u>190,000</u> | <u>35,000</u> |
| Total current liabilities payable from restricted assets | <u>981,095</u> | <u>133,846</u> | <u>286,558</u> | <u>59,880</u> |
| Total current liabilities | <u>2,491,072</u> | <u>257,452</u> | <u>343,516</u> | <u>136,680</u> |
| Noncurrent liabilities: | | | | |
| Notes payable | - | - | - | 1,050,127 |
| OPEB liability | 45,506 | 31,212 | - | - |
| Compensated absences | 94,328 | 33,100 | - | 13,638 |
| Unearned revenue-connection fees, restricted | 91 | - | - | - |
| Revenue bonds payable after one year | <u>10,930,071</u> | <u>-</u> | <u>4,045,000</u> | <u>805,000</u> |
| Total noncurrent liabilities | <u>11,069,996</u> | <u>64,312</u> | <u>4,045,000</u> | <u>1,868,765</u> |
| Total liabilities | <u>13,561,068</u> | <u>321,764</u> | <u>4,388,516</u> | <u>2,005,445</u> |
| NET POSITION | | | | |
| Net investment in capital assets | 15,136,140 | 8,128,977 | 1,491,505 | 4,200,629 |
| Restricted for debt service | 1,938,965 | - | - | - |
| Restricted for construction | 191,138 | 4,040,250 | - | 542,116 |
| Unrestricted | <u>4,626,201</u> | <u>713,760</u> | <u>(26,444)</u> | <u>1,339,627</u> |
| Total net position | <u>\$ 21,892,444</u> | <u>\$ 12,882,987</u> | <u>\$ 1,465,061</u> | <u>\$ 6,082,372</u> |

| Business-Type Activities | Governmental Activities |
|-----------------------------|-----------------------------|
| Enterprise Fund Total | Internal Service Fund |
| \$ 215,147 | \$ 33,894 |
| 1,292,533 | 1,137,841 |
| 28,188 | - |
| 26,869 | - |
| 204,604 | - |
| 129,488 | - |
| 29,741 | - |
| 354,998 | - |
| 947,152 | - |
| 1,461,379 | - |
| 3,228,720 | 1,171,735 |
| 1,050,127 | - |
| 76,718 | - |
| 141,066 | - |
| 91 | - |
| 15,780,071 | - |
| 17,048,073 | - |
| 20,276,793 | 1,171,735 |
| 28,957,251 | - |
| 1,938,965 | - |
| 4,773,504 | - |
| 6,653,144 | 1,441,483 |
| \$ 42,322,864 | \$ 1,441,483 |

San Antonio River Authority
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2015

| | Business-Type Activities - Enterprise Funds | | | |
|--|---|---|-----------------------------|------------------------------|
| | SARA Wastewater Utilities System | Salatrillo Wastewater Treatment Plant | Salatrillo Reuse Fund | Other Enterprise Funds |
| Operating revenues: | | | | |
| Intergovernmental | \$ 173,626 | \$ - | \$ 117,984 | \$ 599,699 |
| Utility service charges | 6,888,090 | 2,716,967 | - | 1,190,953 |
| Charges for services | 191,184 | - | - | - |
| Premiums | - | - | - | - |
| Miscellaneous | 103,695 | 63,355 | - | 9,368 |
| Total operating revenues | <u>7,356,595</u> | <u>2,780,322</u> | <u>117,984</u> | <u>1,800,020</u> |
| Operating expenses: | | | | |
| Personnel services | 2,472,334 | 865,634 | 1,305 | 373,010 |
| Supplies | 499,568 | 147,314 | 593 | 59,950 |
| Other services & charges | 3,047,786 | 1,362,720 | 51,647 | 998,705 |
| Depreciation | 1,932,083 | 863,964 | 192,924 | 246,401 |
| Cost allocations | (302,579) | (50,547) | - | (4,281) |
| Total operating expenses | <u>7,649,192</u> | <u>3,189,085</u> | <u>246,469</u> | <u>1,673,785</u> |
| Operating income (loss) | (292,597) | (408,763) | (128,485) | 126,235 |
| Nonoperating revenues (expenses): | | | | |
| Investment earnings (losses) | 32,638 | 801 | 29 | (4,101) |
| Net gain (loss) on disposal of capital assets | 12,884 | - | - | - |
| Support fees | 48,245 | - | - | (39,102) |
| Interest expense | (454,774) | - | (197,220) | - |
| Total nonoperating revenues (expenses) before contributions and transfers | <u>(361,007)</u> | <u>801</u> | <u>(197,191)</u> | <u>(43,203)</u> |
| Contributed capital | 302,601 | 611,801 | 326,034 | 352,112 |
| Transfer in (out) | <u>(724,679)</u> | <u>-</u> | <u>-</u> | <u>724,679</u> |
| Change in net position | (1,075,682) | 203,839 | 358 | 1,159,823 |
| Net position, beginning, as previously reported | <u>21,151,498</u> | <u>12,171,628</u> | <u>1,464,703</u> | <u>4,725,572</u> |
| Restatement of net assets | <u>1,816,628</u> | <u>507,520</u> | <u>-</u> | <u>196,977</u> |
| Net position, beginning, as restated | <u>22,968,126</u> | <u>12,679,148</u> | <u>1,464,703</u> | <u>4,922,549</u> |
| Net position, ending | <u>\$ 21,892,444</u> | <u>\$ 12,882,987</u> | <u>\$ 1,465,061</u> | <u>\$ 6,082,372</u> |

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

| Business-Type Activities | Governmental Activities |
|-----------------------------|-----------------------------|
| Enterprise Fund Total | Internal Service Fund |
| \$ 891,309 | \$ - |
| 10,796,010 | - |
| 191,184 | - |
| - | 2,415,996 |
| 176,418 | - |
| <u>12,054,921</u> | <u>2,415,996</u> |
| 3,712,283 | - |
| 707,425 | - |
| 5,460,858 | 2,439,122 |
| 3,235,372 | - |
| <u>(357,407)</u> | <u>-</u> |
| <u>12,758,531</u> | <u>2,439,122</u> |
| (703,610) | (23,126) |
| 29,367 | 9,765 |
| 12,884 | - |
| 9,143 | - |
| <u>(651,994)</u> | <u>-</u> |
| <u>(600,600)</u> | <u>9,765</u> |
| 1,592,548 | - |
| - | - |
| 288,338 | (13,361) |
| <u>39,513,401</u> | <u>1,454,844</u> |
| <u>2,521,125</u> | <u>-</u> |
| <u>42,034,526</u> | <u>1,454,844</u> |
| <u>\$ 42,322,864</u> | <u>\$ 1,441,483</u> |

San Antonio River Authority
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2015

| | Business-Type Activities - Enterprise Funds | | | |
|--|---|---|-----------------------------|------------------------------|
| | SARA Wastewater Utilities System | Salatrillo Wastewater Treatment Plant | Salatrillo Reuse Fund | Other Enterprise Funds |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Receipts from customers and users | \$ 7,642,772 | \$ 2,971,085 | \$ 114,422 | \$ 2,015,153 |
| Payments to suppliers | (3,533,410) | (1,619,637) | (213,448) | (1,115,493) |
| Payments to employees | (2,478,526) | (868,598) | (1,305) | (374,776) |
| Payments to interfund services used | <u>1,991,834</u> | <u>(88,668)</u> | <u>(191,017)</u> | <u>(187,810)</u> |
| Net cash provided (used) by operating activities | <u>3,622,670</u> | <u>394,182</u> | <u>(291,348)</u> | <u>337,074</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Transfer to other funds | - | - | - | - |
| Transfer from other funds | <u>48,245</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net cash provided (used) by noncapital financing activities | <u>48,245</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Capital contributions | 302,601 | 611,801 | 326,034 | 352,112 |
| Principal paid on capital debt | (687,152) | - | (180,000) | (63,188) |
| Proceeds from debt | - | - | - | - |
| Interest and fees paid on capital debt | (464,874) | - | (201,324) | (39,900) |
| Proceeds from sale of asset | 14,924 | (7,399) | - | - |
| Purchases of capital assets | <u>(862,065)</u> | <u>(1,499,846)</u> | <u>-</u> | <u>(299,687)</u> |
| Net cash provided (used) by capital and related financing activities | <u>(1,696,566)</u> | <u>(895,444)</u> | <u>(55,290)</u> | <u>(50,663)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Proceeds from sales and maturities of investments | - | 800,740 | - | 604,607 |
| Purchase of investments | (2,002,236) | - | (29) | (290) |
| Interest on investments | <u>28,124</u> | <u>25,467</u> | <u>29</u> | <u>1,082</u> |
| Net cash provided (used) by investing activities | <u>(1,974,112)</u> | <u>826,207</u> | <u>-</u> | <u>605,399</u> |
| Net increase (decrease) in cash | 237 | 324,945 | (346,638) | 891,810 |
| Cash - July 1 | <u>328,645</u> | <u>189,451</u> | <u>412,359</u> | <u>242,806</u> |
| Cash - June 30 | <u>\$ 328,882</u> | <u>\$ 514,396</u> | <u>\$ 65,721</u> | <u>\$ 1,134,616</u> |

| Business-Type Activities | Governmental Activities |
|-----------------------------|-----------------------------|
| Enterprise Fund Total | Internal Service Fund |
| \$ 12,743,432 | \$ 2,415,996 |
| (6,481,988) | (2,495,557) |
| (3,723,205) | - |
| <u>1,524,339</u> | <u>1,073,050</u> |
| <u>4,062,578</u> | <u>993,489</u> |
| - | - |
| <u>48,245</u> | <u>-</u> |
| <u>48,245</u> | <u>-</u> |
| 1,592,548 | - |
| (930,340) | - |
| - | - |
| (706,098) | - |
| 7,525 | - |
| <u>(2,661,598)</u> | <u>-</u> |
| <u>(2,697,963)</u> | <u>-</u> |
| 1,405,347 | - |
| (2,002,555) | (1,000,625) |
| <u>54,702</u> | <u>7,136</u> |
| <u>(542,506)</u> | <u>(993,489)</u> |
| 870,354 | - |
| <u>1,173,261</u> | <u>-</u> |
| <u>\$ 2,043,615</u> | <u>\$ -</u> |

San Antonio River Authority
Statement of Cash Flows (continued)
Proprietary Funds
For the Year Ended June 30, 2015

| | Business-Type Activities - Enterprise Funds | | | |
|---|---|---|-----------------------------|------------------------------|
| | SARA Wastewater Utilities System | Salatrillo Wastewater Treatment Plant | Salatrillo Reuse Fund | Other Enterprise Funds |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities: | | | | |
| Net cash provided (used) by operating activities: | | | | |
| Operating income (loss) | \$ (292,597) | \$ (408,763) | \$ (128,485) | \$ 126,235 |
| Adjustments to reconcile operating loss to net cash provided by operating activities: | | | | |
| Depreciation | 1,932,083 | 863,964 | 192,924 | 246,401 |
| Changes in operating assets and liabilities: | | | | |
| Receivables | 286,177 | (15,537) | (3,562) | 215,148 |
| Prepaid and other assets | (988) | 1,137 | - | 71 |
| Due from other funds | 1,689,255 | (139,215) | (191,017) | (192,091) |
| Accounts payable | (26,729) | 77,031 | (141,501) | (53,235) |
| Other accrued liabilities | 35,469 | 15,565 | (19,707) | (5,455) |
| Net cash provided (used) by operating activities | \$ 3,622,670 | \$ 394,182 | \$ (291,348) | \$ 337,074 |

Noncash investing, capital, and financing activities:

The fair value adjustment of investments is included in cash flows from investing activities

| Business-Type Activities | Governmental Activities |
|-----------------------------|-----------------------------|
| Enterprise Fund | Internal Service Fund |
| Total | |
| | |
| \$ (703,610) | \$ (23,126) |
| | |
| 3,235,372 | - |
| | |
| 482,226 | - |
| 220 | - |
| 1,166,932 | 1,073,050 |
| (144,434) | (56,435) |
| 25,872 | - |
| \$ 4,062,578 | \$ 993,489 |

San Antonio River Authority
Statement of Fiduciary Net Position
Agency Funds
June 30, 2015

ASSETS

| | |
|------|-----------------|
| Cash | \$ <u>1,279</u> |
|------|-----------------|

LIABILITIES

| | |
|----------------------------|-----------------|
| Intergovernmental payables | \$ <u>1,279</u> |
|----------------------------|-----------------|

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

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

1. Reporting Entity and Significant Accounting Policies

Reporting Entity

The San Antonio River Authority (the River Authority) was created and established in 1937 by a Special Act of the Texas Legislature. This Act, as amended and added to by subsequent legislation, is codified under Article 8280-119, Vernon's Revised Civil Statutes of Texas, Title 128, Chapter 12.

The River Authority is a conservation and reclamation district under the authority of Article 16, Section 59 of the Texas Constitution, and is declared to be "a governmental agency, a municipality, body politic and corporate, vested with all the authority and full sovereignty of the State, in behalf of the State, insofar as intended by this Act and with the authority to exercise the powers, rights, privileges and functions hereinafter specified." The legislated responsibilities of the River Authority include flood and pollution control, sewage treatment, water and soil conservation, fish preservation, and forestation development. The River Authority's territory comprises all of Bexar, Wilson, Karnes, and Goliad Counties, being substantially all of the natural drainage area of the San Antonio River and its tributaries. A twelve-member elected board of directors governs the River Authority.

As required by accounting principles generally accepted in the United States of America, these financial statements present the government and its blended component units, entities for which the government is considered to be financially accountable. A blended component unit, although a legally separate entity, is, in substance, part of the government's operations, and data from these units are combined with data of the primary government. A discretely presented component unit, on the other hand, would be reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. The River Authority has two blended component units with June 30 fiscal year-ends. The River Authority has no discretely presented component units. Financial statements of these component units can be obtained by contacting the River Authority.

Blended Component Units

The San Antonio River Industrial Development Authority (SARIDA) is an industrial development corporation organized under Texas law to promote industrial growth within the four-county area serviced by the River Authority by furnishing eligible applicants financial assistance through the sale of tax-free industrial development bonds. The governing body (Board of Directors), for the SARIDA is substantially the same as the River Authority's Board of Directors, since the River Authority's Board of Directors appoints officers and staff of the River Authority to SARIDA's board.

SARIDA has no direct or contingent liability for these bonds. Net position and revenues of SARIDA must ultimately be transferred to the River Authority by resolution of the directors of SARIDA. SARIDA primarily services the River Authority. SARIDA is reported as a special revenue fund.

The Public Facilities Corporation (PFC) was created as a nonprofit entity to purchase a facility for additional office/lab space. The PFC is governed by the San Antonio River Authority Board of Directors and the River Authority staff provides the staff support. The PFC is reported as a Special Revenue Fund.

The PFC issued bonds and entered into a lease agreement with the River Authority which occupies the property. The lease

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

payments from the River Authority to the PFC represent and are equal to the debt service payments on the bonds. The lease payments are operations & maintenance expense to the River Authority and do not require the River Authority to pledge any revenue to the bondholders; however the PFC deeded a mortgage on the property to provide security for the bond holders.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the River Authority as a whole. These statements include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses. Governmental activities are generally financed through intergovernmental revenues and reimbursements from participants. Business-type activities are financed by fees charged to external parties for goods or services.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are presented on a consolidated basis by column and are reported on a full accrual basis of accounting and the economic resource measurement focus, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the River Authority and for each function of the River Authority’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The River Authority has certain indirect costs that are included in the program expense reported for individual function and activities. Program revenues include charges paid by the recipients of goods or services offered by the programs and grants that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, such as property taxes and investment earnings, are presented as general revenues.

The River Authority eliminates from the Statement of Net Position and the Statement of Activities most interfund receivables and payables and transfers between funds as well as the transactions associated with its Internal Service Funds to minimize the effect of double counting.

Fund Financial Statements

Fund financial statements of the River Authority are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the River Authority or meets the following criteria:

- a) Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise funds are at least ten percent (10%) of the corresponding total for all funds of that category or type; and

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

- b) Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental and enterprise funds are at least five percent (5%) of the corresponding total for all governmental and business-type activities combined.

Non-major funds are presented in the aggregate in the fund-based financial statements and individually in the Other Supplementary Information - Combining and Individual Fund Statements and Schedules section of this report.

Governmental funds are used to account for the River Authority's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

The River Authority considers ad valorem taxes as available, if they are collected within sixty (60) days after year-end. Expenditures are recorded when the fund liability is incurred, except for unmatured principal on long-term debt which is recorded when payment is due.

Major governmental funds include the following:

The *General Fund* is the River Authority's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

San Antonio River Improvement Project (SARIP)

SARIP-Bexar County Flood Tax is a capital projects fund which accounts for the acquisition of capital assets for construction and is funded with flood tax received by Bexar County.

SARIP-Bexar County Visitor Tax is a capital project fund which accounts for betterment and enhancement expenses and is funded with a special visitor tax received by Bexar County.

The *Westside Creek Restoration Bexar County* is a capital project fund which accounts for improvements to the Westside Creek Restoration project paid by Bexar County.

The *San Antonio River Public Facility Corporation* is a nonprofit public facility corporation to act on behalf of the Authority and assist the Authority in financing and providing public facilities for the Authority.

The *Debt Service Fund* accounts for the servicing of long-term debt financed by some of the flood tax revenue collected by Bexar County, Texas.

Non-major governmental funds of the River Authority are comprised of multiple special revenue and capital project funds.

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Proprietary funds of the River Authority consist of enterprise funds and an internal service fund.

Major enterprise funds include the following:

The *SARA Wastewater Utilities Systems Fund* is the River Authority's primary enterprise fund. It accounts for the activities of wastewater treatment systems for residential and business customers outside the jurisdiction of the City of San Antonio, Texas but within the San Antonio River Authority's watershed.

The *Salatrillo Wastewater Treatment Plant Fund* accounts for the wastewater treatment plant activities for wholesale customers.

The *Salatrillo Reuse Fund* accounts for the operations, maintenance and construction of a reclaimed water line to run from the Salatrillo WWTP to the Northeast Campus of Alamo Community College and Universal City. Contract revenue bonds were issued to fund the construction.

Non-major enterprise funds of the River Authority include the Salatrillo Retail System Fund, SARA Water Systems Utility Fund, Randolph AFB Fund and the Utilities Contract Operations Fund.

The *Internal Service Fund* is used to account for medical, dental and vision benefits to River Authority employees, participating dependents, and eligible retirees on a cost-reimbursement basis. Internal service funds are never reported as major funds.

Fiduciary funds account for assets held by the River Authority in a trustee capacity or as an agent on behalf of others. All fiduciary funds of the River Authority are agency funds.

An *agency fund* is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the River Authority holds for others in an agency capacity.

Agency funds include the following:

SARA/San Antonio Water System Fund – This fund was established to account for all expenses incurred assisting the San Antonio Water System. All expenses incurred are reimbursed by the San Antonio Water System.

Regional Water Resource Purchases Fund – This fund was established to account for all expenses to purchase water rights for the participants in the Regional Water Resource Development Group. The fund receives the monies for the water purchases from the participants and pays it to the water right owners.

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting; consistent with the presentation of the proprietary fund and fiduciary fund financial statements, with the exception that agency funds do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Support fees are recognized annually and received from River Authority proprietary type funds based on what is budgeted. Contribution revenues primarily consist of property donations and are recognized when the property is deeded over to the River Authority.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the River Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the River Authority.

The accounts of the River Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Direct expenses are still reflected in the various functional categories, whereas indirect expenses are not shown in the functional categories.

Amounts reported as program revenues include charges for services which represent charges to customers or applicants for goods, services, or privileges provided. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the River Authority's enterprise funds are charges to customers for water and wastewater services. Operating expenses for enterprise funds include the cost of service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Investments

Investments in debt securities are carried at amortized cost if they have a remaining maturity at the time of purchase of one year or less, and the fair value of the investments is not affected by the impairment of the credit standing of the issuer or by other factors. All other investments are carried at fair value.

Inventory

Inventory is stated using the lower of cost (first-in, first-out) or market method. Inventory purchases are recorded as inventory acquisitions (current assets) at the time of purchase and expensed when issued.

Restricted Noncurrent Assets

Assets restricted for the acquisition of capital assets or to pay noncurrent liabilities are reported as noncurrent assets in the balance sheet regardless of their relative liquidity.

Unearned Revenue

Unearned revenue – services are monies received in advance from partnering entities for construction projects that the River Authority is managing. These funds are recognized as the construction in progress.

Contributed Capital

Capital assets that have been funded or contributed by other governmental entities and developers (connection fees) are recorded as contributed capital at the time it is recognized.

Net Position

Net position represents the residual difference of assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds.

Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position represents the remaining portion of net position.

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The River Authority only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The River Authority has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. The amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for the proprietary funds. All purchased capital assets (except computer equipment) over \$1,000 are capitalized at cost. Computer equipment is capitalized if over \$500. Donated capital assets are valued at their estimated fair value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Assets acquired are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Records of all capital assets, including these infrastructure capital assets, are maintained for both management and accountability purposes.

Depreciation of capital assets is charged as an expense against operations. Accumulated depreciation is reported on the Statement of Net Position. Depreciation is generally recorded on the straight-line basis over the estimated life of the assets. The estimated useful lives are as follows:

| Asset Class | Life |
|---|---------------|
| Office furniture, fixtures, equipment, and software | 3 – 10 years |
| Other machinery and equipment | 5 – 20 years |
| Automobiles and trucks | 3 – 10 years |
| Buildings | 10 – 30 years |
| Improvements other than buildings | 5 – 30 years |
| Sewage treatment facilities | 10 – 50 years |
| Water treatment facilities | 10 – 50 years |
| Studies | 3 years |

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

Flood control infrastructures
Restoration projects

10 – 50 years
10 – 50 years

Ad Valorem Tax

In 1961, an ad valorem tax of two cents per one hundred dollars assessed valuation was approved by River Authority voters and was collected annually at its maximum rate by the tax collector of each county. Effective July 1, 1977, the tax was reduced to one and one-half cents per one hundred dollars, and effective July 1, 1979; the tax was further reduced to one cent per one hundred dollars valuation by action of the River Authority. Use of this tax income is limited to general administration, maintenance of completed projects, and updating of the River Authority's master plan for water resource development. This tax revenue may not be pledged to debt service on any bonds nor may it be used to construct works of improvement. No tax was levied for fiscal year 1981 and subsequent years. In June 2002, the River Authority's Board of Directors, after approval of the five year service plan, reinstated the ad valorem tax in the amount of \$0.016425 per one hundred dollars valuation. The tax rate for 2015 was \$0.017500 per one hundred dollars valuation. The service areas to address were flood control, water resources, water quality, utilities and park services. Property taxes are levied each October 1 on the taxable value as of the preceding January 1, the date a lien attaches, for all real and personal property located in the River Authority's territory. Taxes are due by January 31 following the October 1 assessment date and become delinquent on February 1, at which time they begin accruing penalty and interest.

Budgetary Information

By-laws of the River Authority require the Board of Directors to adopt an annual budget which estimates the amount of funds available from all sources and to allocate the amount of funds which may be expended during the forthcoming fiscal year. The responsibility for such allocations rests in the General Manager of the River Authority. After adoption of the allocations by the Board of Directors, the General Manager has full authority to expend within the fund allocations, which becomes the appropriation level. In practice, the General Manager submits all changes in total by fund to the Board for its approval. The annual budgetary data for governmental fund types included in the financial statements represents the original budget and amendments as adopted by the Board of Directors of the River Authority and is on the same modified accrual basis used to reflect revenues and expenditures of the General Fund and Special Revenue Funds. Provisions of the bond orders and appropriated transfers from the General Fund control the Debt Service Fund. The Capital Projects Funds are budgeted by project period rather than by fiscal year.

Encumbrances

Encumbrance accounting is utilized as an extension of the formal budgetary process to reflect the estimated amount of future expenditures arising from the issuance of purchase orders, contracts or other forms of legal commitments existing at year-end which will be paid in the future. Encumbrances lapse at year end; however, the succeeding year's budget provides for the re-appropriation of certain year-end encumbrances. These "open" encumbrances are included in the Assigned Fund Balance at fiscal year-end in accordance with their spending constraint. Encumbrances do not constitute expenditures or liabilities since goods and services are not yet received.

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

Allocation of Administrative Expenses

An allocation plan is utilized to charge the various operating divisions for administrative costs recorded in the General Fund. The allocations are recorded as reimbursements of expenditures (negative expenditures) in the General Fund and as expenditures/expenses in each fund receiving an allocation.

Compensated Absences

The River Authority allows employees to accumulate vacation leave with certain limitations. Accumulated vacation leave that is expected to be liquidated with expendable available financial resources in the event of termination is reported as an expenditure and a liability of the governmental funds that will pay the liability. Amounts of accumulated vacation leave that are not expected to be liquidated are reported in the Governmental Activities. Accumulated vacation leave of the proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

Fund Balances

In accordance with GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definition, the River Authority reports several types of fund balances in its governmental funds: “Nonspendable, Restricted, Committed, Assigned, and Unassigned”.

- *Nonspendable* fund balances are those that include amounts that cannot be spent because they are (a) either not in spendable form or (b) legally or contractually required to be maintained intact.
- *Restricted* fund balances are those that have constraints placed on the use of their resources. These constraints can be: (a) externally imposed by creditors (i.e. debt covenants), grantors, contributors or laws/regulations of other governments; or (b) imposed by law through constitutional provision or enabling legislation. Both constraints are legally enforceable by an external party.
- *Committed* fund balances include amounts that can be used only for the specific purposes determined by a formal action of the River Authority’s highest level of decision-making authority. The Board of Directors is the highest level of decision-making authority for the River Authority that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.
- *Assigned* fund balances are those that are constrained by the River Authority’s “intent” to be used for specific purposes, but are neither restricted nor committed. Assigned fund balances do not require River Authority Board of Director formal action and may be specified as “intent” simply through the budgeting process that the resources from these funds be spent for specific purposes within the fund. The River Authority has delegated the authority to make assignments to the General Manager or her designee.
- *Unassigned* fund balances are those that represent fund balance that has not been restricted, committed, or assigned.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the River Authority considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned or unassigned fund balances are available, the River Authority considers amounts to have been spent first out of

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

committed funds, then assigned funds and finally unassigned funds, as needed, unless the River Authority Board of Directors or its delegated official has provided otherwise in its commitment or assignment actions.

The River Authority currently has a Funds Management policy that addresses the categories of fund balance and the utilization of fund balance.

2. Cash and Investments

As of June 30, 2015, the carrying amount of the River Authority's cash on the government-wide financial statements is \$3,482,294 and the bank balance was \$3,090,920. All deposits are insured by Federal depository insurance and/or collateralized with securities held by the River Authority's agent in the River Authority's name. The River Authority's cash deposits are held in Frost Bank, which is qualified as a public depository under Texas law, and is deemed to be insured and not subject to classification by credit risk.

Cash includes currency on hand and demand deposits with financial institutions. Statutes and bond covenants allow the River Authority to invest in (1) obligations guaranteed or insured by the United States of America, which, in the opinion of the Attorney General of the United States, are backed by its full faith and credit or represent its general obligations; (2) obligations of the United States of America, including, but not limited to, evidence of indebtedness issued, insured, or guaranteed by such governmental agencies as the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, Government National Mortgage Association, United States Postal Service, Farmers Home Administration, Federal Home Loan Mortgage Association, Small Business Administration, Federal Housing Association, or Participation Certificates in the Federal Assets Financing Trust; (3) certificates of deposit that are insured by the Federal Deposit Insurance Corporation or secured by obligations having a fair value of at least the principal amount of the certificates; and (4) fully collateralized direct repurchase agreements.

The River Authority's deposits were entirely covered by federal depository insurance and collateral held in safekeeping by agents of the River Authority in the River Authority's name throughout the fiscal year.

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

The River Authority's investments at June 30, 2015 are as follows:

| | <u>Carrying Amount</u> | <u>Fair Value</u> | <u>Weighted Average Maturities (years)</u> |
|--|----------------------------|---------------------|--|
| Carried at amortized cost: | | | |
| TexasTERM Local Government Investment Pool | | | |
| TexasDaily Investment Pool | \$10,574,828 | \$10,574,828 | N/A |
| Carried at fair value: | | | |
| Fidelity Money Market Mutual Fund | 11,949,212 | 11,949,212 | N/A |
| Certificates of deposit | 5,900,058 | 5,900,058 | 0.62 |
| U.S. government securities | <u>13,531,151</u> | <u>13,531,151</u> | 1.69 |
| | <u>31,380,421</u> | <u>31,380,421</u> | |
| | <u>\$41,955,249</u> | <u>\$41,955,249</u> | |
| Portfolio weighted average maturity | | | 0.63 |

TexasTERM Local Government Investment Pool (Pool), rating of AAA by Standard and Poor's, is a public funds investment pool established by the TexasTERM Advisory Board pursuant to provisions of the TexasTERM Common Investment Contract that established the Pool and the series known as TexasDAILY. TexasDAILY was organized in conformity with the Interlocal Cooperation Act, Chapter 791 and the Public Funds Investment Act, Chapter 2256, both of the Texas Government Code. An advisory board composed of participants and non-participant members elected by the participant shareholders of TexasTERM is responsible for the overall management of the Pool, including formulation and implementation of its investment and operating policies. In addition, the advisory board members select and oversee the activities of the investment advisor and custodian of TexasTERM and monitor investment performance and the method of valuing the shares.

Although the Pool is not registered with the SEC as an investment company, the River Authority believes it operates as a Rule 2a-7 like pool, as described in GASB Statement No. 59. As such, the River Authority uses amortized cost to report its investment. The fair value of the pool is the same as the value of pool shares.

The Fidelity Money Market Mutual Fund is a money market fund that is maintained at the River Authority's depository bank, Frost Bank.

The River Authority invested in mortgage-backed securities, collateralized mortgage obligations, which current value is \$1,134. These securities are based on cash flows from principal and/or interest payments on underlying mortgages. Therefore, they are sensitive to prepayments by mortgagees that may be affected by fluctuations in interest rates. Prepayments may result in the return of principal amounts prior to the stated maturities.

Interest Rate Risk: In accordance with its investment policy, the River Authority manages its exposure to declines in fair values by investing in investments that match anticipated cash flow requirement, thereby avoiding the need to sell securities on the open market prior to maturity and by investing other operating funds in short-term securities. Investments are limited to final stated maturities of not more than five years from the date of purchase. Money market funds and pools have a maturity of less than one year.

San Antonio River Authority
Notes to Financial Statements
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Credit Risk: State Law limits investments in money market mutual funds to not less than AAA rating or its equivalent by nationally recognized statistical rating organizations (NRSROs). It is the River Authority's policy to limit its investments in these investment types to the AAA rating issued by NRSROs.

3. Participation in Federal Construction Projects

The River Authority and the United States Army Corps of Engineers (USACE) have entered into an agreement that provides that the agencies will cooperate in improving the channel of the San Antonio River and its four tributaries within the City of San Antonio. The agreement further provides that the River Authority will pay a portion of actual federal costs. Pursuant to the agreement, the USACE transfers to the River Authority all improvements as they are completed, and the cost to the USACE is used as a basis for some additions to the River Authority's Capital Assets.

4. Grants

The River Authority has received significant financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements, and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, liabilities resulting from disallowed claims, if any, will not have a materially adverse effect on the River Authority's financial position at June 30, 2015.

5. Notes Receivable

Governmental Activities. As of June 30, 2015, the River Authority has a notes receivable balance in its governmental funds in the amount of \$877,899.

The San Antonio River Authority Board of Directors approved an agreement between the River Authority and the Goliad County Water Supply Corporation (GCWSC) that authorized the River Authority to loan the GCWSC funds to pay for the local match on grant funding for the construction of two water treatment facilities in Goliad County. The initial loan was disbursed on January 4, 2002 which locked in an interest rate of 5.13% over a twenty (20) year term with annual payments which should have started accruing in July 2004. But due to financial difficulties of the GCWSC; interest has not been accruing. During fiscal year 2014 the River Authority and the GCWSC amended the agreement. Beginning January 1, 2015, the GCWSC will pledge its income, fees, rents and other charges derived from the water and wastewater systems to secure repayment of all money advanced by the River Authority. The total balance shall be amortized for 20 years at an annual interest rate of 0% with monthly payments being made. Should the GCWSC default in 90 days of non-payment of the loan, an annual interest rate of 2.5% will be assessed on the balance of the loan. The notes receivable balance is \$282,780. The GCWSC is actively pursuing an avenue for repayment therefore; the River Authority believes this note is collectible.

The San Antonio River Authority Board of Directors approved an agreement between the River Authority and the City of San Antonio (CSA) to loan interest free funds to conduct a study for the MidTown TIRZ in the amount of \$309,104; the

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

balance as of June 30, 2015 is \$102,438. They also approved an agreement with San Antonio Alternative Housing Corporation (SAAHC) on a study for the Rosedale TIRZ for \$292,713; the current balance is \$148,303.

The San Antonio River Authority Board of Directors approved an agreement between the River Authority and the San Antonio Municipal Utility District No. 1 (SAMUD #1) to loan at a 5% interest rate for Wildlake Dam improvements in the amount of \$75,000; the balance as of June 30, 2015 is \$27,454. The maturity date is January 2018, with annual installment payments to begin January 2015. The second loan is interest free funds to provide Wildlake Dam operations and maintenance in the amount of \$100,000; the balance as of June 30, 2015 is \$60,000. The maturity date is January 2019, with annual installment payments to begin January 2015.

The San Antonio River Authority Board of Directors approved an agreement between the River Authority and the City of Universal City to loan at a 5% interest rate for the Salatrillo reuse pump station project in the amount of \$448,219; the balance as of June 30, 2015 is \$256,924. The maturity date is January 2017, with an initial payment on September 2015 and annual installment payments begin January 2015.

| | Balance 7/1/2014 | Additions | Reductions | Balance 6/30/2015 | Current Portion |
|--------------------------|---------------------|-------------------|-------------------|----------------------|--------------------|
| Governmental activities: | | | | | |
| GCWSC | \$ 295,557 | \$ - | \$ 12,777 | \$ 282,780 | \$ - |
| CSA | 205,771 | - | 103,333 | 102,438 | - |
| SAAHC | 183,185 | - | 34,882 | 148,303 | 34,882 |
| SAMUD #1 | 59,240 | - | 31,786 | 27,454 | - |
| SAMUD #1 | 80,000 | - | 20,000 | 60,000 | 20,000 |
| City of Universal City | 448,219 | 100,268 | 291,563 | 256,924 | 87,154 |
| Total notes receivable | <u>\$ 1,271,972</u> | <u>\$ 100,268</u> | <u>\$ 494,341</u> | <u>\$ 877,899</u> | <u>\$ 142,036</u> |

Business-type Activities. As of June 30, 2015, the River Authority has a notes receivable balance in its business-type funds in the amount of \$896,400, net of allowance for uncollectible.

The San Antonio River Authority Board of Directors approved an agreement between the River Authority and the City of La Vernia that authorized the River Authority to loan the City of La Vernia funds to obtain, maintain and operate certain wastewater treatment and other related facilities in La Vernia. The River Authority loaned the City of La Vernia \$600,000 at an interest rate of 4.48% over a twenty (20) year term with annual payments to begin one year after the final draw is made. The River Authority will advance the money in installments at the request of the City. As of June 30, 2015, the River Authority has a notes receivable balance for the City of La Vernia in the amount of \$446,400.

The San Antonio River Authority Board of Directors approved an agreement between the River Authority and the Woodlake Golf Club, LLC that authorized the River Authority to construct the Woodlake Golf Club, LLC wastewater reuse line. The River Authority paid \$805,832 and is financing to the Woodlake Golf Club, LLC at an interest rate of 4.75% over a thirty (30) year term with annual payments to beginning upon completion of the project. The River Authority paid for the construction of the reuse line. As of June 30, 2015, the River Authority has a notes receivable balance for the Woodlake Golf Club, LLC in the amount of \$760,832 and an allowance for uncollectible amount of \$310,832. The River Authority believes the net amount of this note is collectible. Subsequently, on October 1, 2013, the property foreclosed and the note was acquired by Woodlake Acquisitions, LLC.

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

| | Balance 7/1/2014 | Additions | Reductions | Balance 6/30/2015 | Current Portion |
|----------------------------------|---------------------|-------------------|------------------|----------------------|--------------------|
| Business-type activities: | | | | | |
| City of La Vernia | \$ 471,330 | \$ - | \$ 24,930 | \$ 446,400 | \$ 26,047 |
| Woodlake Golf Club | <u>760,832</u> | <u>-</u> | <u>-</u> | <u>760,832</u> | <u>-</u> |
| Total notes receivable | <u>\$ 1,232,162</u> | <u>\$ -</u> | <u>\$ 24,930</u> | <u>\$ 1,207,232</u> | <u>\$ 26,047</u> |
| Allowance for Woodlake Golf Club | <u>\$ -</u> | <u>\$ 310,832</u> | <u>\$ -</u> | <u>\$ 310,832</u> | <u>\$ -</u> |

6. Interfund Balances and Transfers

The interfund receivables and payables consist primarily of changes to loan funds to prevent negative cash balances arising at year-end.

| | Due From (Receivables) | Due To (Payables) |
|---|---------------------------|----------------------|
| General Fund | \$ 15,821,309 | \$ 12,394,647 |
| Debt Service | 1,650,000 | 170,203 |
| Westside Creek Restoration-Bexar Co. | 900,000 | - |
| San Antonio River Public Facility Corp. | - | 2,350,995 |
| SARIP-Bexar County Flood Tax | 4,500,000 | - |
| SARIP-Bexar County Visitor Tax | - | 7,138,188 |
| Non-major Governmental | <u>4,520,203</u> | <u>3,507,105</u> |
| Total governmental funds | <u>27,391,512</u> | <u>25,561,138</u> |
| SARA Wastewater Utilities System Fund | - | 1,236,548 |
| Salatrillo Wastewater Treatment Plant System Fund | 600,000 | - |
| Salatrillo Reuse Fund | - | 55,985 |
| Internal Service Fund | - | 1,137,841 |
| Non-major proprietary | <u>-</u> | <u>-</u> |
| Total proprietary funds | <u>600,000</u> | <u>2,430,374</u> |
| Total all funds | <u>\$ 27,991,512</u> | <u>\$ 27,991,512</u> |

The transfers in and out consist primarily of earnings from investments in funds being transferred to other funds and funds received from Bexar County for debt related to the Channel Improvement Bonds.

San Antonio River Authority
Notes to Financial Statements
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| | Transfers In (Revenues) | Transfers Out (Expenses) |
|---|----------------------------|-----------------------------|
| General Fund | \$ 93,748 | \$ 306,358 |
| Debt Service | 2,740,822 | - |
| Non-major Governmental | <u>306,358</u> | <u>2,834,570</u> |
| Total governmental funds | <u>3,140,928</u> | <u>3,140,928</u> |
| SARA Wastewater Utilities System Fund | - | 724,679 |
| Non-major Enterprise | <u>724,679</u> | <u>-</u> |
| Total enterprise funds | <u>724,679</u> | <u>724,679</u> |
| Total all funds | <u><u>\$ 3,865,607</u></u> | <u><u>\$ 3,865,607</u></u> |

7. Depreciation

Depreciation expense was charged to functions/programs of the River Authority as follows:

| | |
|--|----------------------|
| <u>Governmental activities</u> | |
| General government | \$ 985,298 |
| Operations | 15,404,120 |
| Technical Services | <u>141,490</u> |
| Total depreciation expense – governmental activities | <u>\$ 16,530,908</u> |
| <u>Business-type activities</u> | |
| Utilities | <u>\$ 3,235,372</u> |

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

8. Commitments

Listed below are the estimated costs to complete construction in progress at year-end:

Governmental Activities

| | |
|------------------------------------|----------------------|
| Bexar County Capital Projects | \$ 1,243,916 |
| SARIP-Bexar County Flood Tax | 9,218,710 |
| City of San Antonio | 3,050,904 |
| Westside Creek-Bexar County | 11,970,682 |
| Westside Creek-City of San Antonio | 11,940,219 |
| Bexar County CIP | <u>5,688,255</u> |
| | <u>\$ 43,112,686</u> |

Business-type Activities

| | |
|---------------------------------------|---------------------|
| SARA Wastewater Utilities System | \$ 2,886,889 |
| Salatrillo Wastewater Treatment Plant | 1,258,530 |
| Randolph Air Force Base | <u>105,363</u> |
| | <u>\$ 4,250,782</u> |

9. Encumbrances

Purchase orders are issued throughout the fiscal year to encumber budgets in the governmental funds. Significant encumbrances as of June 30, 2015 that will be re-appropriated in the subsequent year are as follows:

General Fund:

| | |
|---------------------------|---------------------|
| General Government | \$ 575,029 |
| Program Support | 146,880 |
| Watershed Park Operations | 283,774 |
| Watershed Engineering | <u>809,956</u> |
| Total Encumbrances | \$ <u>1,815,639</u> |

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

10. Net Position

The following table summarizes net position by purpose at June 30, 2015:

| | Governmental Activities | Business-type Activities | Total |
|--|----------------------------|-----------------------------|-----------------------|
| Net investment in capital assets: | | | |
| Capital assets – net of accumulated depreciation | \$ 490,699,237 | \$ 46,762,789 | \$ 537,462,026 |
| Deferred loss on bond refunding | 969,965 | - | 969,965 |
| Debt | (32,970,004) | (17,805,538) | (50,775,542) |
| Unspent bond proceeds | 17,562 | - | 17,562 |
| Net investment in capital assets | <u>\$ 458,716,760</u> | <u>\$ 28,957,251</u> | <u>\$ 487,674,011</u> |
| Restricted net position: | | | |
| Debt service | \$ 4,265,023 | \$ 1,938,965 | \$ 6,203,988 |
| Watershed management | 357,948 | - | 357,948 |
| Water management | 871,847 | 4,773,504 | 5,645,351 |
| Construction | 78,644 | - | 78,644 |
| TWDB Projects | 429,850 | - | 429,850 |
| Total restricted net position | <u>\$ 6,003,312</u> | <u>\$ 6,712,469</u> | <u>\$ 12,715,781</u> |
| Unrestricted net position: | | | |
| Total net position | \$ 483,662,702 | \$ 42,322,864 | \$ 525,985,566 |
| Less: invested in capital assets | (458,716,760) | (28,957,251) | (487,674,011) |
| Less: restricted net position | (6,003,312) | (6,712,469) | (12,715,781) |
| Total unrestricted net position | <u>\$ 18,942,630</u> | <u>\$ 6,653,144</u> | <u>\$ 25,595,774</u> |

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

11. Capital Assets

The following tables summarize the changes in the components of the Capital Assets:

| | Balance July 1, 2014 | Additions | Deletions | Transfers | Balance June 30, 2015 |
|---|-------------------------|--------------|------------|-------------|--------------------------|
| <i>Governmental Activities:</i> | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | \$ 16,879,353 | \$ 302,300 | \$ - | \$ - | \$ 17,181,653 |
| Water rights | 227,447 | - | - | - | 227,447 |
| Construction in progress | 10,292,193 | 12,656,396 | - | (1,995,785) | 20,952,804 |
| Total capital assets, not being depreciated | 27,398,993 | 12,958,696 | - | (1,995,785) | 38,361,904 |
| Capital assets, being depreciated: | | | | | |
| Office furniture, fixtures and equipment | 4,819,586 | 325,054 | (98,847) | 261 | 5,046,054 |
| Other machinery and equipment | 4,629,527 | 1,207,873 | (83,196) | - | 5,754,204 |
| Automobiles and trucks | 1,273,813 | 424,938 | (33,753) | - | 1,664,998 |
| Buildings | 12,594,497 | 1,506,774 | - | 1,647,235 | 15,748,506 |
| Improvements other than buildings | 723,157 | 543,131 | - | 348,289 | 1,614,577 |
| Studies | 2,581,964 | - | - | - | 2,581,964 |
| Flood control projects | 339,132,643 | 754 | - | - | 339,133,397 |
| Restoration projects | 235,134,134 | 1,862,173 | - | - | 236,996,307 |
| Total capital assets, being depreciated | 600,889,321 | 5,870,697 | (215,796) | 1,995,785 | 608,540,007 |
| Accumulated depreciation | | | | | |
| Office furniture, fixtures and equipment | (3,299,808) | (523,124) | 97,496 | - | (3,725,436) |
| Other machinery and equipment | (3,258,330) | (353,137) | 81,520 | - | (3,529,947) |
| Automobiles and trucks | (1,055,312) | (109,199) | 33,753 | - | (1,130,758) |
| Buildings | (6,255,388) | (471,155) | - | - | (6,726,543) |
| Improvements other than buildings | (223,149) | (73,852) | - | - | (297,001) |
| Studies | (2,581,965) | - | - | - | (2,581,965) |
| Flood control projects | (110,017,693) | (7,125,194) | - | - | (117,142,887) |
| Restoration projects | (13,192,890) | (7,875,247) | - | - | (21,068,137) |
| Total accumulated depreciation | (139,884,535) | (16,530,908) | 212,769 | - | (156,202,674) |
| Governmental activities capital assets, net | \$ 488,403,779 | \$ 2,298,485 | \$ (3,027) | \$ - | \$ 490,699,237 |

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

| | Balance July 1, 2014 | Additions | Deletions | Transfers | Balance June 30, 2015 |
|--|-------------------------|--------------|-----------|-----------|--------------------------|
| <i>Business-type Activities:</i> | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | \$ 2,383,129 | \$ - | \$ - | \$ - | \$ 2,383,129 |
| Construction in progress | 3,035,991 | 2,085,181 | - | (223,546) | 4,897,626 |
| Total capital assets, not being depreciated | 5,419,120 | 2,085,181 | - | (223,546) | 7,280,755 |
| Capital assets, being depreciated: | | | | | |
| Office furniture, fixtures and equipment | 322,992 | 17,606 | (36,558) | - | 304,040 |
| Other machinery and equipment | 4,084,792 | 166,665 | (123,816) | - | 4,127,641 |
| Automobiles and trucks | 2,023,564 | 81,977 | (34,065) | - | 2,071,476 |
| Buildings | 2,372,845 | - | - | - | 2,372,845 |
| Improvements other than buildings | 8,163,228 | 300,801 | - | 223,546 | 8,687,575 |
| Studies | 422,205 | - | - | - | 422,205 |
| Water treatment facilities | 1,249,914 | - | - | - | 1,249,914 |
| Sewage treatment facilities | 60,797,486 | - | - | - | 60,797,486 |
| Total capital assets, being depreciated | 79,437,026 | 567,049 | (194,439) | 223,546 | 80,033,182 |
| Accumulated depreciation | | | | | |
| Office furniture, fixtures and equipment | (278,695) | (29,360) | 45,003 | - | (263,052) |
| Other machinery and equipment | (2,395,340) | (322,683) | 132,138 | - | (2,585,885) |
| Automobiles and trucks | (1,573,229) | (200,931) | 32,025 | - | (1,742,135) |
| Buildings | (481,397) | (125,636) | - | - | (607,033) |
| Improvements other than buildings | (1,058,524) | (465,160) | - | - | (1,523,684) |
| Studies | (422,205) | - | - | - | (422,205) |
| Water treatment facilities | (515,793) | (92,483) | - | - | (608,276) |
| Sewage treatment facilities | (30,799,759) | (1,999,119) | - | - | (32,798,878) |
| Total accumulated depreciation | (37,524,942) | (3,235,372) | 209,166 | - | (40,551,148) |
| Business-type activities capital assets, net | \$ 47,331,204 | \$ (583,142) | \$ 14,727 | \$ - | \$ 46,762,789 |

12. Pension Plan

Defined Contribution Pension Plan

The River Authority has a defined contribution pension plan, ICMA Retirement Corporation Governmental Money Purchase Plan & Trust (Plan) that was adopted in 1979. To be eligible for the Plan, a participant must be a full-time employee with one year's service. A participant is fully vested after seven years of service. The plan's benefit provisions were established and may be amended by the River Authority's General Manager. The River Authority is required to contribute a minimum of 8% of eligible payroll each plan year into each employee's 401(k) account. The Plan also allows voluntary after-tax employee contributions. Effective January 1, 1987, voluntary employee contributions (made after December 31, 1986) may no longer be withdrawn without penalty. The Plan allows for early and late retirement. ICMA-RC is the independent administrator of the plan.

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The River Authority's total current-year payroll for all employees (full-time and part-time) was \$12,748,196 for the year ended June 30, 2015. Employer contributions to the Plan were \$1,201,877. The River Authority's policy is to fund all Plan costs as they accrue.

Plan Provisions

All employees whose customary employment is for at least twenty hours per week are eligible to participate in the Plan from the date of employment. Normal retirement age is 55. The River Authority contributes on behalf of each participant 8 percent of each pay period earnings. Earnings are defined as W-2 earnings less overtime, shift differential, auto allowance, taxable fringe benefits, and other non-routine portions of employee's compensation, plus compensation voluntarily deferred under an eligible deferred compensation plan under Section 457, a flexible compensation plan under Section 125 of the Internal Revenue Code, or a Retirement Health Savings Plan. Also included in earnings is the tax deferred mandatory employee contribution made each pay period, as authorized by the River Authority's Board of Directors in amendments to the Plan.

Participants may also make voluntary, after-tax contributions. Mandatory and voluntary contributions are 100 percent vested. Contributions made by the River Authority will be 20 percent vested after three years of service, increasing 20 percent each year to 100 percent after seven years of service. A participant may direct the investment of the money contributed by the River Authority on his behalf in any of the available ICMA-RC investment options. There is no investment restriction on the mandatory 5 percent contribution or on any voluntary contribution made by each employee.

The River Authority has no responsibility or authorization to direct the investment of the Plan assets. Accordingly, the financial statements of the River Authority Employee's Defined Contribution Pension Plan are not presented in this report.

Deferred Compensation Plan

The River Authority maintains a deferred compensation plan, which is available to all employees. The plan complies with Section 457(b) of the Internal Revenue Code (Deferred Compensation Plans with Respect to Service for State and Local Governments.) ICMA-RC is the independent administrator of the plan.

ICMA-RC issues a publicly available financial report that includes financial information related to participating entities. The report may be obtained by contacting ICMA-RC at:

ICMA-RC Headquarters
777 North Capitol Street, NE
Washington, DC 20002
Telephone: 1-800-326-7272
Website: www.icmarc.org

San Antonio River Authority
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Other Post-Retirement Benefits (OPEB)

In addition to providing pension benefits described previously, the River Authority provides certain health care benefits for eligible retirees, their spouses, and their dependents through a single-employer defined benefit plan administered by the River Authority. The authority to establish and amend the OPEB provisions is vested in the River Authority management.

The eligibility requirements for participation in this plan is dependent upon initial hire date and retirement eligibility as follows:

Hired prior to May 1, 2007

- Must be 40 years of age or older as of May 1, 2007;
- Must be under the age of 65 and not eligible for Medicare; and
- At least 20 years of of credible combined service

Hired on or after May 1, 2007

- There are no health care benefits available for these retirees

Retirees must purchase coverage for themselves, spouses and dependents at the River Authority group rates.

The following is the participant summary as of June 30, 2015 (the most recent actuarial valuation date):

| | |
|------------------------------|------------|
| Active employees | <u>215</u> |
| Eligible employees | 52 |
| Retired employees | 7 |
| Spouses of retired employees | <u>0</u> |
| Total | <u>59</u> |

The contribution requirements of the plan members and the River Authority are established and may be amended by the River Authority management. To date, the River Authority has funded all obligations arising under these plans on a pay-as-you-go basis.

The result of the actuarial study as of June 30, 2015 was an actuarial accrued liability of \$514,698. The annual OPEB cost for fiscal year 2014/15 is \$33,445. The River Authority will continue to pay the cost of retiree benefits from current assets. The River Authority has not established a irrevocable trust for pre-funding. The general fund is used to liquidate other post-retirement benefits for governmental activities.

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Notes to Financial Statements
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Annual OPEB Cost and Net OPEB Obligation: The River Authority annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with GASB Statement 45. The ARC represents a level of accrual that if recognized on an ongoing basis, will fully account for the normal cost and any unfunded actuarial accrued liabilities over thirty years. The following table shows the components of the River Authority's annual OPEB cost, the amount actually contributed to the plan and changes in the net OPEB obligation for the year ended June 30, 2015:

| | <u>June 30, 2015</u> | <u>June 30, 2014</u> |
|--|--------------------------|--------------------------|
| Annual Required Contribution | \$ 45,796 | \$ 105,137 |
| Interest on net OPEB obligation | 10,591 | 11,864 |
| ARC adjustment | <u>(22,942)</u> | <u>(19,239)</u> |
| Annual OPEB costs | 33,445 | 97,762 |
| Employer Amount Contributed (estimated) | <u>(51,790)</u> | <u>(58,820)</u> |
| Change in net OPEB obligation | (18,345) | 38,942 |
| Net OPEB obligation at beginning of year | <u>302,591</u> | <u>263,649</u> |
| Net OPEB obligation at end of year | <u><u>\$ 284,246</u></u> | <u><u>\$ 302,591</u></u> |

The River Authority's annual OPEB cost and the percentage cost contributed to the plan by the general fund, SARA wastewater fund and the Salatrillo wastewater fund for the year ended June 30, 2015 and the two preceeding fiscal years were as follows:

| | | Percentage of |
|----------------|-------------|--------------------|
| Year Ended | Annual OPEB | Annual OPEB Cost |
| <u>June 30</u> | <u>Cost</u> | <u>Contributed</u> |
| 2013 | \$98,923 | 57.7% |
| 2014 | \$97,762 | 57.7% |
| 2015 | \$33,445 | 54.9% |

Funded Status

The funded status of OPEB plan as of the actuarial valuation performed as of June 30, 2015 and payroll totals as of June 30, 2015 is as follows:

| Actuarial | | | | Funded | | Percent of |
|-----------------------|------------------------|------------------------|-------------------|--------------|----------------|------------------------|
| <u>Valuation Date</u> | <u>Value of Assets</u> | <u>Liability (AAL)</u> | <u>AAL (UAAL)</u> | <u>Ratio</u> | <u>Payroll</u> | <u>Covered Payroll</u> |
| June 30, 2015 | \$ -0- | \$ 514,698 | \$ 514,698 | -0- | \$3,575,877 | 14.4% |

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. In accordance with GASB 45 – *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*, the River Authority will obtain new actuarial valuations for its OPEB plan at least triennially.

San Antonio River Authority
Notes to Financial Statements
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Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the River Authority and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The following table summarizes the actuarial methods and assumptions used in the most recent actuarial valuation for the River Authority's defined health care benefit plan.

| <u>Actuarial Methods and Assumptions</u> | |
|--|-------------------|
| Actuarial Valuation Date | June 30, 2014 |
| Actuarial Cost Method | Unit Credit |
| Amortization Method | Level Dollar |
| Remaining Amortization Period | 18 years – Closed |
| Asset valuation method | Market Value |
| Actuarial Assumptions: | |
| Investment Rate of Return | 3.50% |
| Inflation Rate | 2.20% |

In addition, the River Authority had no post-retirement health care benefits increases during the fiscal year. Health care cost trend rates are used to anticipate increases in medical benefit costs expected to be experienced by the retiree health plan in each future year. The trend rates used are as follows:

| Medical and Prescription Drugs | |
|-----------------------------------|-----------------------------------|
| Year Beginning <u>July 1</u> | Annual <u>Rate of Increase</u> |
| 2012 | 0.0% |
| 2013 | 8.0% |
| 2014 | 7.5% |
| 2015 | 7.0% |
| 2016 | 6.5% |
| 2017 | 5.5% |
| 2019 | 5.0% |
| 2020+ | 4.5% |

The 2013 premiums were known at the time of the valuation and were used in the calculations. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits.

A copy of the River Authority's actuarial study may be obtained from the Finance Department at the River Authority's main office, 100 E. Guenther, San Antonio, Texas 78204.

San Antonio River Authority
Notes to Financial Statements
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13. Summary of Long-Term Debt

Long-term liability activity for the year ended June 30, 2015, was as follows:

| | Balance July 01, 2014 | Additions | Reductions | Balance June 30, 2015 | Current Portion |
|-----------------------------|--------------------------|---------------------|----------------------|--------------------------|---------------------|
| Governmental activities: | | | | | |
| Bonds payable | \$ 35,155,000 | \$ 8,265,000 | \$ 10,708,000 | \$ 32,712,000 | \$ 2,756,000 |
| Premiums/(Discounts) | 92,230 | - | 3,256 | 88,974 | 3,256 |
| Capital leases | 266,318 | - | 97,288 | 169,030 | 54,811 |
| Compensated absences | 648,916 | 95,822 | 103,827 | 640,911 | 102,545 |
| Total long-term liabilities | <u>\$ 36,162,464</u> | <u>\$ 8,360,822</u> | <u>\$ 10,912,371</u> | <u>\$ 33,610,915</u> | <u>\$ 2,916,612</u> |
| Business-type activities: | | | | | |
| Bonds payable | \$ 17,205,000 | \$ - | \$ 870,000 | \$ 16,335,000 | \$ 915,000 |
| Premiums/(Discounts) | 424,375 | - | 32,152 | 392,223 | 32,152 |
| Notes payable | 1,106,503 | - | 28,188 | 1,078,315 | 28,188 |
| Compensated absences | 174,086 | 21,703 | 27,854 | 167,935 | 26,869 |
| Total long-term liabilities | <u>\$ 18,909,964</u> | <u>\$ 21,703</u> | <u>\$ 958,194</u> | <u>\$ 17,973,473</u> | <u>\$ 1,002,209</u> |

The

River Authority issues bonds where the River Authority pledges income derived from the acquired or constructed assets to pay debt service. The following is a summary of changes in long-term debt of the River Authority during the year ended June 30, 2015:

Governmental Activities

| Series | Effective Interest Rate | Range of Maturity | Original Amount | Outstanding July 1, 2014 | Additions | Deletions | Outstanding June 30, 2015 | Amount Due within One Year |
|--|-------------------------------|----------------------|----------------------|--------------------------------|---------------------|----------------------|---------------------------------|----------------------------------|
| SACIP Improvement Revenue Bonds: | | | | | | | | |
| 2004 | 4.4024% | 2016-2035 | \$ 14,420,000 | \$ 8,965,000 | \$ - | \$ 8,965,000 | \$ - | \$ - |
| 2007 | 4.3921% | 2016-2033 | 14,525,000 | 13,625,000 | - | 325,000 | 13,300,000 | 340,000 |
| 2014 | 1.2400% | 2016-2021 | 5,165,000 | 5,165,000 | - | 855,000 | 4,310,000 | 850,000 |
| 2015 | 1.9000% | 2016-2028 | 8,265,000 | - | 8,265,000 | - | 8,265,000 | 1,025,000 |
| | | | <u>42,375,000</u> | <u>27,755,000</u> | <u>8,265,000</u> | <u>10,145,000</u> | <u>25,875,000</u> | <u>2,215,000</u> |
| Texas Water Development Bonds: | | | | | | | | |
| 2013A | 1.4536% | 2016-2024 | 4,300,000 | 4,300,000 | - | 420,000 | 3,880,000 | 420,000 |
| Public Facilities Corp. Lease Revenue Bonds: | | | | | | | | |
| 2014 | 2.1020% | 2016-2035 | 3,100,000 | 3,100,000 | - | 143,000 | 2,957,000 | 121,000 |
| | | | <u>\$ 49,775,000</u> | <u>\$ 35,155,000</u> | <u>\$ 8,265,000</u> | <u>\$ 10,708,000</u> | <u>\$ 32,712,000</u> | <u>\$ 2,756,000</u> |

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

During the year, the Authority issued San Antonio River Authority Channel Improvement Refunding Revenue Bonds, Series 2015 for \$8,265,000 to refund the Channel Improvement Revenue Bonds, Series 2004 in the amount of \$8,125,000, by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the Authority's financial statements. As a result of the refunding, the Authority reduced its total debt service requirements by \$1,378,205 which resulted in an economic gain of \$1,062,918. Bonds outstanding that are considered defeased as a result of the current year refunding total \$-0-.

Business-type Activities

The River Authority has pledged future wastewater customer revenue net of specified operating expenses, to repay \$18,785,000 in Wastewater system revenue bonds issued in 2010 and 2013. Proceeds from these bonds have provided financing for the expansion to the Salatrillo Wastewater treatment plant; and expansion to the Martinez II Wastewater treatment plant. These bonds are payable solely from SARA Wastewater Utilities System customer net revenues and are payable through 2031. Annual principal and interest payments on the bonds are expected to require approximately twenty percent of operating revenues. The total principal and interest remaining to be paid on the bonds is \$22,395,688. Principal and interest paid for the current year and total customer operating revenues were \$1,606,999 and \$10,136,917 respectively.

| Series | Effective Interest Rate | Range of Maturity | Original Amount | Outstanding July 1, 2014 | Additions | Deletions | Outstanding June 30, 2015 | Amount Due within One Year |
|---|-------------------------|-------------------|----------------------|--------------------------|-------------|-------------------|---------------------------|----------------------------|
| SARA Wastewater Utilities System Revenue Bonds: | | | | | | | | |
| 2010 | 4.7888% | 2016-2031 | \$ 9,785,000 | \$ 8,795,000 | \$ - | \$ 355,000 | \$ 8,440,000 | \$ 370,000 |
| SARA Wastewater Utilities System Revenue Refunding Bonds: | | | | | | | | |
| 2013 | 2.3167% | 2016-2022 | 3,120,000 | 3,120,000 | - | 300,000 | 2,820,000 | 320,000 |
| Contract Revenue Bonds: | | | | | | | | |
| 2010 | 4.5600% | 2016-2031 | 5,880,000 | 5,290,000 | - | 215,000 | 5,075,000 | 225,000 |
| | | | <u>\$ 18,785,000</u> | <u>\$ 17,205,000</u> | <u>\$ -</u> | <u>\$ 870,000</u> | <u>\$ 16,335,000</u> | <u>\$ 915,000</u> |

As of June 30, 2015, Standard & Poor's rated the River Authority's tax supported (channel improvement) debt as AA+ and the wastewater/sewer system funds as A+. Moody's rated the River Authority's tax support debt (channel improvement) as Aaa and the wastewater system as A1.

| | <i>Governmental Activities</i> | <i>Business-type Activities</i> |
|------------------------------------|--------------------------------|---------------------------------|
| Various Issues | \$ 32,712,000 | \$ 16,335,000 |
| Unamortized premium | 337,464 | 392,223 |
| Unamortized (discount) | (248,490) | - |
| Total bonds payable, net | 32,800,974 | 16,727,223 |
| Less bonds payable within one year | <u>2,759,256</u> | <u>947,152</u> |
| Bonds payable after one year, net | <u>\$ 30,041,718</u> | <u>\$ 15,780,071</u> |

Principal and interest requirements to maturity for all long-term debt of the River Authority as of June 30, 2015 are summarized as follows:

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

| Fiscal Year | Governmental Activities | | | Business-type Activities | | | Total |
|----------------|-------------------------|---------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
| | Principal | Interest | Total | Principal | Interest | Total | All Debt |
| 2016 | \$ 2,756,000 | \$ 848,802 | \$ 3,604,802 | \$ 915,000 | \$ 351,798 | \$ 1,266,798 | \$ 4,871,600 |
| 2017 | 2,797,000 | 797,507 | 3,594,507 | 945,000 | 675,285 | 1,620,285 | 5,214,792 |
| 2018 | 2,848,000 | 742,577 | 3,590,577 | 980,000 | 640,894 | 1,620,894 | 5,211,471 |
| 2019 | 2,910,000 | 683,736 | 3,593,736 | 1,020,000 | 601,522 | 1,621,522 | 5,215,258 |
| 2020 | 2,967,000 | 621,181 | 3,588,181 | 1,065,000 | 558,394 | 1,623,394 | 5,211,575 |
| 2021 – 2025 | 9,036,000 | 2,270,802 | 11,306,802 | 5,180,000 | 2,136,299 | 7,316,299 | 18,623,101 |
| 2026 – 2030 | 5,985,000 | 1,125,284 | 7,110,284 | 5,065,000 | 1,040,138 | 6,105,138 | 13,215,422 |
| 2031 – 2035 | 3,413,000 | 121,601 | 3,534,601 | 1,165,000 | 56,358 | 1,221,358 | 4,755,959 |
| | <u>\$ 32,712,000</u> | <u>\$ 7,211,490</u> | <u>\$ 39,923,490</u> | <u>\$ 16,335,000</u> | <u>\$ 6,060,688</u> | <u>\$ 22,395,688</u> | <u>\$ 62,319,178</u> |

Additional bonds for the wastewater facility funds are on parity with all outstanding bonds. Bonds may be issued when the net revenues of the System (1) are at least 1.25 times the average annual principal and interest requirements on all outstanding bonds and the then-proposed additional bonds for the past fiscal year or twelve-month period ending within 90 days of the sale of the additional bonds, and (2) are estimated by a Registered Professional Engineer to be at least 1.50 times the future principal and interest requirement on the then-outstanding bonds and the then-proposed additional bonds. Management deems the River Authority is in compliance with bond covenants.

The Federal Tax Reform Act of 1986 requires issuers of tax-exempt debt to make payments to the United States Treasury for investment income received at yields that exceed the issuer's tax exempt borrowing rates. The Treasury requires payment for each issue every five years. The liability is not recorded until payment is actually made or the liability has become due and payable. As of June 30, 2015, the River Authority has no arbitrage liability for its governmental or proprietary funds.

Compensated Absences

A reconciliation of changes in the liabilities for compensated absences of the prior and current year is presented below:

| | Balance 7/1/2014 | Additions 2015 | Deletions 2015 | Balance 6/30/2015 | Due within One year |
|----------------------------|---------------------|-------------------|-------------------|----------------------|------------------------|
| Governmental Activities | \$ 648,916 | \$ 95,822 | \$ 103,827 | \$ 640,911 | \$ 102,545 |
| Business-Type Activities | 174,086 | 21,703 | 27,854 | 167,935 | 26,869 |
| Total Compensated Absences | <u>\$ 823,002</u> | <u>\$ 117,525</u> | <u>\$ 131,681</u> | <u>\$ 808,846</u> | <u>\$ 129,414</u> |

The general fund is used to liquidate compensated absences for governmental activities.

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

Capital Leases

Governmental Activities. As of June 30, 2015, the River Authority had the following capital leases for the purchase of equipment. The gross amount of the equipment purchased is \$1,420,438 with accumulated depreciation of \$812,990.

| | Interest Rate | Original Amount | Balance 7/1/2014 | Additions 2015 | Payments 2015 | Balance 6/30/2015 | Current Portion |
|----------------|------------------|--------------------|---------------------|-------------------|------------------|----------------------|--------------------|
| JPMorgan Chase | 2.27% | \$ 534,467 | \$ 43,954 | \$ - | \$ 43,954 | \$ - | \$ - |
| JPMorgan Chase | 2.77% | 274,260 | 222,364 | - | 53,334 | 169,030 | 54,811 |
| | | <u>\$ 808,727</u> | <u>\$ 266,318</u> | <u>\$ -</u> | <u>\$ 97,288</u> | <u>\$ 169,030</u> | <u>\$ 54,811</u> |

Principal and interest requirements to maturity for all capital leases of the River Authority as of June 30, 2015 are as follows:

| Fiscal Year | <i>Governmental Activities</i> | | |
|----------------|--------------------------------|-----------------|-------------------|
| | Principal | Interest | Total |
| 2016 | \$ 54,811 | \$ 4,682 | \$ 59,493 |
| 2017 | 56,330 | 3,164 | 59,494 |
| 2018 | 57,889 | 1,604 | 59,493 |
| | <u>\$ 169,030</u> | <u>\$ 9,450</u> | <u>\$ 178,480</u> |

Notes Payable

Business-type Activities. As of June 30, 2015, the River Authority had the following notes for the purchase of a collection system. The gross amount of the sewage treatment facilities is \$1,409,524, with accumulated depreciation of \$331,238.

| | Interest Rate | Original Amount | Balance 7/1/2014 | Additions 2015 | Payments 2015 | Balance 6/30/2015 | Current Portion |
|-----------------|------------------|--------------------|---------------------|-------------------|------------------|----------------------|--------------------|
| Dept of Defense | <u>0.00%</u> | <u>\$1,409,524</u> | <u>\$1,106,503</u> | <u>\$ -</u> | <u>\$ 28,188</u> | <u>\$1,078,315</u> | <u>\$ 28,188</u> |

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

Principal and interest requirements to maturity for all notes payable of the River Authority as of June 30, 2015 are as follows:

| Fiscal Year | <i>Business-type Activities</i> | | |
|----------------|---------------------------------|-------------|---------------------|
| | Principal | Interest | Total |
| 2016 | \$ 28,188 | \$ - | \$ 28,188 |
| 2017 | 28,188 | - | 28,188 |
| 2018 | 28,188 | - | 28,188 |
| 2019 | 28,188 | - | 28,188 |
| 2020 | 28,188 | - | - |
| 2021-2054 | <u>937,375</u> | <u>-</u> | <u>937,375</u> |
| | <u>\$ 1,078,315</u> | <u>\$ -</u> | <u>\$ 1,050,127</u> |

14. Risk Management

The River Authority is subject to various litigation and claims arising out of the course of its operations. While the results of the lawsuits cannot be predicted with certainty, management does not believe these matters will have an adverse effect on the River Authority's financial position.

The River Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. State law imposes limits on losses from torts. The River Authority carries commercial insurance in amounts that are subject to certain deductibles considered by management to be immaterial in case of loss.

There has been no significant reduction in insurance coverage from coverage in the prior year by major category of risk. There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

In addition, the River Authority sponsors a partially self-insured, voluntary employee benefit plan that provides both medical and dental coverage to participating employees and their dependents. The plan is designed to provide a specified level of coverage, with excess insurance coverage provided by a commercial insurer. The River Authority's maximum medical claim exposure is limited to \$35,000 in claims per occurrence and per covered person subject to a maximum lifetime benefits reimbursement of \$2,000,000 per covered person and a dental benefit of \$2,000 per covered person per year. Total claims per year are limited based on the number of participating employees. The plan includes a pre-existing clause to deter adverse selection into the plan. Features of the medical plan include a preferred provider organization and various cost containment features such as outpatient testing and surgery. The plan is funded by contributions from the River Authority and participating employees based on recommendations as calculated by an employee benefits specialty firm. Projected claim costs are based on claims experience, lag studies, consideration of claims run off, and aggregate factors. A liability for claims is established if information indicates that it is probable that liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. The stop loss carrier establishes the aggregate attachment point based on census and aggregate facets agreed to in the contract.

San Antonio River Authority
Notes to Financial Statements
June 30, 2015

A reconciliation of changes in the aggregate liabilities of the prior and current year is present below:

| Year Ended June 30, | Beginning Liability | Current Year Claims And Changes in Estimates | Claim Payments | Ending Liability | Amount Due Within One Year |
|---------------------------|------------------------|--|-------------------|---------------------|----------------------------------|
| 2014 | \$ 109,772 | \$ 2,426,307 | \$ 2,445,750 | \$ 90,329 | \$ 90,329 |
| 2015 | 90,329 | 2,382,687 | 2,439,122 | 33,894 | 33,894 |

15. Restatement of Net Position

During the current year, the River Authority noted that depreciation expense had not been properly calculated on certain capital assets. During the current fiscal year, the River Authority reclassified impact fees that had been received in prior periods from deferred revenue to beginning net position. The table below reflects the changes that were made on the statement of revenues, expenses and changes in fund net position and the statement of activities.

| | SARA Wastewater Utilities System | Salatrillo Wastewater Treatment Plant | Other Enterprise Funds - Salatrillo Reuse | Business-type Activities |
|---|--|---|---|-----------------------------|
| Net Position, beginning, as previously reported | \$ 21,151,498 | \$ 12,171,628 | \$ 939,131 | \$ 34,262,257 |
| Depreciation Expense | (33,472) | 301,220 | 196,977 | 464,725 |
| Impact Fees | <u>1,850,100</u> | <u>206,300</u> | <u>-</u> | <u>2,056,400</u> |
| Net Position, beginning, as restated | <u>\$ 22,968,126</u> | <u>\$ 12,679,148</u> | <u>\$ 1,136,108</u> | <u>\$ 36,783,382</u> |



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Required Supplementary Information



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San Antonio River Authority
General Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balances – Budget and Actual
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | 2015 Budgeted Amounts | | 2015 | Variance with Final Budget - Positive (Negative) | 2014 |
|----------------------------|-----------------------|-------------------|-------------------|---|-------------------|
| | Original | Final | Actual | | Actual |
| REVENUES | | | | | |
| Taxes | \$ 22,043,358 | \$ 22,349,635 | \$ 22,947,890 | \$ 598,255 | \$ 21,184,225 |
| Investment earnings (loss) | 35,000 | 35,000 | (8,768) | (43,768) | 131,357 |
| Intergovernmental | 64,800 | 64,800 | 298,932 | 234,132 | 198,707 |
| Charges for services | 778,766 | 778,766 | 808,437 | 29,671 | 1,187,860 |
| Support Fees | 2,235,007 | 2,235,007 | 2,253,647 | 18,640 | 2,222,808 |
| Miscellaneous | 191,250 | 191,250 | 205,511 | 14,261 | 226,298 |
| Total revenues | <u>25,348,181</u> | <u>25,654,458</u> | <u>26,505,649</u> | <u>851,191</u> | <u>25,151,255</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General Government: | | | | | |
| Organizational Support: | | | | | |
| Personnel services | 5,566,243 | 5,493,462 | 4,949,583 | 543,879 | 4,928,983 |
| Materials and supplies | 101,000 | 101,000 | 81,300 | 19,700 | 87,922 |
| Other services and charges | 1,060,994 | 1,121,494 | 1,041,717 | 79,777 | 949,860 |
| | <u>6,728,237</u> | <u>6,715,956</u> | <u>6,072,600</u> | <u>643,356</u> | <u>5,966,765</u> |
| Board of Directors: | | | | | |
| Personnel services | 58,285 | 58,285 | 47,446 | 10,839 | 42,419 |
| Other services and charges | 50,320 | 50,320 | 45,870 | 4,450 | 175,432 |
| | <u>108,605</u> | <u>108,605</u> | <u>93,316</u> | <u>15,289</u> | <u>217,851</u> |
| Executive Offices: | | | | | |
| Human Resources: | | | | | |
| Materials and supplies | 6,000 | 6,000 | 3,114 | 2,886 | 4,679 |
| Other services and charges | 141,045 | 146,045 | 138,551 | 7,494 | 91,204 |
| Capital outlay | 1,000 | 1,000 | 1,245 | (245) | - |
| | <u>148,045</u> | <u>153,045</u> | <u>142,910</u> | <u>10,135</u> | <u>95,883</u> |
| Facilities: | | | | | |
| Materials and supplies | 324,600 | 380,450 | 429,563 | (49,113) | 313,331 |
| Other services and charges | 917,650 | 1,041,125 | 517,271 | 523,854 | 4,027,949 |
| Capital outlay | 158,400 | 422,668 | 539,556 | (116,888) | 96,377 |
| | <u>1,400,650</u> | <u>1,844,243</u> | <u>1,486,390</u> | <u>357,853</u> | <u>4,437,657</u> |
| Finance: | | | | | |
| Materials and supplies | 1,450 | 1,450 | 1,765 | (315) | 3,788 |
| Other services and charges | 769,401 | 817,901 | 797,891 | 20,010 | 758,572 |
| Capital outlay | - | - | - | - | - |
| | <u>770,851</u> | <u>819,351</u> | <u>799,656</u> | <u>19,695</u> | <u>762,360</u> |
| Information Technology: | | | | | |
| Materials and supplies | 132,377 | 216,406 | 199,703 | 16,703 | 70,465 |
| Other services and charges | 788,033 | 934,118 | 685,437 | 248,681 | 621,290 |
| Capital outlay | 152,962 | 182,057 | 277,388 | (95,331) | 519,721 |
| | <u>1,073,372</u> | <u>1,332,581</u> | <u>1,162,528</u> | <u>170,053</u> | <u>1,211,476</u> |

(continued)

San Antonio River Authority
General Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balances – Budget and Actual (Continued)
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | 2015 Budgeted Amounts | | 2015 | Variance with | 2014 |
|--|------------------------------|-----------------------|-----------------------|---|-----------------------|
| | Original | Final | Actual | Final Budget - Positive (Negative) | Actual |
| General Government (Continued): | | | | | |
| Intergovernmental & Community Relations: | | | | | |
| Materials and supplies | \$ 34,600 | \$ 49,468 | \$ 43,092 | \$ 6,376 | \$ 46,345 |
| Other services and charges | 935,200 | 1,484,275 | 1,074,205 | 410,070 | 477,794 |
| Capital outlay | 50,000 | 51,099 | 1,099 | 50,000 | - |
| | <u>1,019,800</u> | <u>1,584,842</u> | <u>1,118,396</u> | <u>466,446</u> | <u>524,139</u> |
| Total Cost Allocations: | <u>(617,741)</u> | <u>(617,741)</u> | <u>(805,040)</u> | <u>187,299</u> | <u>(966,524)</u> |
| Total General Government | <u>10,631,819</u> | <u>11,940,882</u> | <u>10,070,756</u> | <u>1,870,126</u> | <u>12,249,607</u> |
| Program Support: | | | | | |
| Personnel services | 9,128,088 | 9,128,316 | 8,683,188 | 445,128 | 8,157,129 |
| Materials and supplies | - | 2,927 | 2,927 | - | 48,939 |
| Other services and charges | 606,691 | 1,105,869 | 947,327 | 158,542 | 499,935 |
| Capital outlay | - | - | 52,434 | (52,434) | 37,786 |
| | <u>9,734,779</u> | <u>10,237,112</u> | <u>9,685,876</u> | <u>551,236</u> | <u>8,743,789</u> |
| Total Cost Allocations: | <u>(1,125,000)</u> | <u>(1,125,000)</u> | <u>(1,047,527)</u> | <u>(77,473)</u> | <u>(1,208,020)</u> |
| Total Program Support | <u>8,609,779</u> | <u>9,112,112</u> | <u>8,638,349</u> | <u>473,763</u> | <u>7,535,769</u> |
| Operations: | | | | | |
| Watershed and Parks Operations: | | | | | |
| Materials and supplies | 708,276 | 686,389 | 532,496 | 153,893 | 513,458 |
| Other services and charges | 2,067,056 | 2,025,478 | 1,637,757 | 387,721 | 1,097,871 |
| Capital outlay | 346,000 | 1,361,972 | 1,268,295 | 93,677 | 815,996 |
| | <u>3,121,332</u> | <u>4,073,839</u> | <u>3,438,548</u> | <u>635,291</u> | <u>2,427,325</u> |
| Total Operations | <u>3,121,332</u> | <u>4,073,839</u> | <u>3,438,548</u> | <u>635,291</u> | <u>2,427,325</u> |

(continued)

San Antonio River Authority
General Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balances – Budget and Actual (Continued)
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | 2015 Budgeted Amounts | | 2015 | Variance with Final Budget - Positive (Negative) | 2014 |
|--|-----------------------|----------------------|----------------------|---|----------------------|
| | Original | Final | Actual | | Actual |
| Technical Services: | | | | | |
| Watershed Engineering: | | | | | |
| Materials and supplies | \$ 5,919 | \$ 9,919 | \$ 9,955 | (36) | \$ 6,602 |
| Other services and charges | 1,881,103 | 3,406,659 | 2,324,585 | 1,082,074 | 2,841,526 |
| Capital outlay | 20,000 | 36,402 | 124,873 | (88,471) | 49,927 |
| | <u>1,907,022</u> | <u>3,452,980</u> | <u>2,459,413</u> | <u>993,567</u> | <u>2,898,055</u> |
| Environmental Sciences: | | | | | |
| Materials and supplies | 202,565 | 219,523 | 196,279 | 23,244 | 171,004 |
| Other services and charges | 647,026 | 888,668 | 526,274 | 362,394 | 688,964 |
| Capital outlay | 401,826 | 475,843 | 421,327 | 54,516 | 60,118 |
| | <u>1,251,417</u> | <u>1,584,034</u> | <u>1,143,880</u> | <u>440,154</u> | <u>920,086</u> |
| Texas Water Development Board: | | | | | |
| Other services and charges | <u>1,754,752</u> | <u>2,153,833</u> | <u>798,144</u> | <u>1,355,689</u> | <u>1,035,974</u> |
| | <u>1,754,752</u> | <u>2,153,833</u> | <u>798,144</u> | <u>1,355,689</u> | <u>1,035,974</u> |
| Real Estate: | | | | | |
| Materials and supplies | - | - | 297 | (297) | 20 |
| Other services and charges | <u>48,000</u> | <u>48,000</u> | <u>45,633</u> | <u>2,367</u> | <u>42,346</u> |
| | <u>48,000</u> | <u>48,000</u> | <u>45,930</u> | <u>2,070</u> | <u>42,366</u> |
| Total Technical Services | <u>4,961,191</u> | <u>7,238,847</u> | <u>4,447,367</u> | <u>2,791,480</u> | <u>4,896,481</u> |
| Total expenditures | <u>27,324,121</u> | <u>32,365,680</u> | <u>26,595,020</u> | <u>5,770,660</u> | <u>27,109,182</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(1,975,940)</u> | <u>(6,711,222)</u> | <u>(89,371)</u> | <u>6,621,851</u> | <u>(1,957,927)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | - | 279,930 | 93,748 | (186,182) | 41,183 |
| Contributed Capital | - | - | - | - | - |
| Capitalized lease | - | - | - | - | - |
| Bond Proceeds | - | - | - | - | 4,300,000 |
| Transfers out | <u>299,853</u> | <u>(581,533)</u> | <u>(306,358)</u> | <u>275,175</u> | <u>(806,583)</u> |
| Total other financing sources and (uses) | <u>299,853</u> | <u>(301,603)</u> | <u>(212,610)</u> | <u>88,993</u> | <u>3,534,600</u> |
| Net change in fund balances | <u>(1,676,087)</u> | <u>(7,012,825)</u> | <u>(301,981)</u> | <u>6,710,844</u> | <u>1,576,673</u> |
| Fund balance - beginning | <u>18,518,423</u> | <u>18,518,423</u> | <u>18,518,423</u> | - | <u>16,941,750</u> |
| Fund balances, end of year, as restated | <u>\$ 16,842,336</u> | <u>\$ 11,505,598</u> | <u>\$ 18,216,442</u> | <u>\$ 6,710,844</u> | <u>\$ 18,518,423</u> |

San Antonio River Authority
Public Facility Corporation
Schedule of Revenues, Expenditures, and Changes
in Fund Balance – Budget and Actual
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | 2015 Budgeted Amounts | | 2015 | Variance -- |
|---|------------------------------|--------------------|--------------------|--------------------------------|
| | Original | Final | Actual | Positive (Negative) |
| REVENUES | | | | |
| Investment earnings | \$ - | \$ - | \$ 339 | \$ 339 |
| Charges for services: | | | | |
| Lease/rentals | <u>2,215,435</u> | <u>211,400</u> | <u>211,399</u> | <u>(1)</u> |
| Total revenue | <u>2,215,435</u> | <u>211,400</u> | <u>211,738</u> | <u>338</u> |
| EXPENDITURES | | | | |
| Operations | - | 26,916 | 40,419 | (13,503) |
| Debt service: | | | | |
| Bond principal | 143,000 | 143,000 | 143,000 | - |
| Interest on bonds | 68,400 | 68,400 | 68,398 | 2 |
| Bond issuance cost | - | - | - | - |
| Capital Outlay | <u>2,004,035</u> | <u>1,513,925</u> | <u>1,483,200</u> | <u>30,725</u> |
| Total expenditures | <u>2,215,435</u> | <u>1,752,241</u> | <u>1,735,017</u> | <u>17,224</u> |
| Excess (Deficiency) of revenues over (under) expenditures | <u>-</u> | <u>(1,540,841)</u> | <u>(1,523,279)</u> | <u>17,562</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Bond Proceeds | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | - | (1,540,841) | (1,523,279) | 17,562 |
| Fund balance, beginning of year | <u>1,540,841</u> | <u>1,540,841</u> | <u>1,540,841</u> | <u>-</u> |
| Fund balance, end of year | <u>\$ 1,540,841</u> | <u>\$ -</u> | <u>\$ 17,562</u> | <u>\$ 17,562</u> |

San Antonio River Authority
Notes to Required Supplementary Information
June 30, 2015

| | |
|-----------|------------------|
| 1. | Budgeting |
|-----------|------------------|

By-laws of the River Authority require the Board of Directors to adopt an annual budget in which is estimated the amount of funds available from all sources and to allocate the amount of funds that may be expended during the forthcoming fiscal year. The responsibility for such allocation rests with the general manager of the River Authority. After adoption of the allocations by the Board of Directors, the general manager has full authority to expend within the departmental allocations which become the appropriation level. In practice, the general manager submits all changes by total fund to the Board for its approval. The annual budgetary data for governmental fund types included in the financial statements represent the original budget and amendments as adopted by the Board of Directors of the River Authority and are on the same modified accrual basis (GAAP basis) used to reflect revenues and expenditures of the General Fund and the Public Facility Corporation.

Encumbrance accounting is utilized as an extension of the formal budgetary process to reflect the estimated amount of future expenditures arising from the issuance of purchase orders, contracts or other forms of legal commitments existing at year-end which will be paid in the future. Encumbrances lapse at year end; however, the succeeding year's budget provides for the re-appropriation of certain year-end encumbrances. These "open" encumbrances are included in the Assigned Fund Balance at fiscal year-end in accordance with their spending constraint. Encumbrances do not constitute expenditures or liabilities since goods and services are not yet received.

San Antonio River Authority
Required Supplementary Information (Unaudited)
Post Employment Benefit Plan
Schedule of Funding Progress

Historical trend information about the River Authority health care benefit plan is presented herewith as required supplementary information. It is intended to help users assess the plans' funding-status on an on-going basis, assess progress made in accumulating assets to pay benefits when due, and make comparisons with other retirement health care benefit systems.

| Actuarial Valuation Date | Value of Assets | Liability (AAL) | AAL (UAAL) | Funded Ratio | Payroll | Percent of Covered Payroll |
|--------------------------------|--------------------|--------------------|---------------|-----------------|---------------|----------------------------------|
| June 30, 2009 | \$ — | \$ 919,853 | \$ 919,853 | — | \$ 10,302,448 | 9% |
| June 30, 2011 | \$ — | \$ 1,009,554 | \$ 1,009,554 | — | \$ 11,452,815 | 8% |
| June 30, 2015 | \$ — | \$ 514,698 | \$ 514,698 | — | \$ 3,575,877 | 14.4% |

Supplemental Combining and Individual Fund Statements and Schedules



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San Antonio River Authority
Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | 2015 Original and Final Budgeted Amounts | 2015 Actual | Variance -- Positive (Negative) | 2014 Actual |
|---|---|------------------------|--|------------------------|
| REVENUES | | | | |
| Investment earnings | \$ 15,000 | \$ 3,385 | \$ (11,615) | \$ 33,020 |
| Intergovernmental | <u>-</u> | <u>51,186</u> | <u>-</u> | <u>-</u> |
| Total revenue | <u>15,000</u> | <u>54,571</u> | <u>(11,615)</u> | <u>33,020</u> |
| EXPENDITURES | | | | |
| Debt service: | | | | |
| Bond principal | 2,190,000 | 2,020,000 | (170,000) | 3,050,000 |
| Interest on bonds | <u>1,039,287</u> | <u>1,018,259</u> | <u>21,028</u> | <u>1,196,010</u> |
| Total expenditures | <u>3,229,287</u> | <u>3,038,259</u> | <u>(148,972)</u> | <u>4,246,010</u> |
| Deficiency of revenues under expenditures | <u>(3,214,287)</u> | <u>(2,983,688)</u> | <u>230,599</u> | <u>(4,212,990)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from bonds - refunding | - | 8,265,000 | 8,265,000 | 5,165,000 |
| Payments to escrow agent | - | (8,144,173) | (8,144,173) | (5,086,001) |
| Transfers out | (15,000) | - | 15,000 | (24,091) |
| Transfers in - flood tax revenue fund | <u>3,967,804</u> | <u>2,740,822</u> | <u>(1,226,982)</u> | <u>3,640,000</u> |
| Total other financing sources and (uses) | <u>3,952,804</u> | <u>2,861,649</u> | <u>(1,091,155)</u> | <u>3,694,908</u> |
| Net change in fund balance | 738,517 | (122,039) | (860,556) | (518,082) |
| Fund balance, beginning of year | <u>4,220,775</u> | <u>4,220,775</u> | <u>-</u> | <u>4,738,857</u> |
| Fund balance, end of year | <u>\$ 4,959,292</u> | <u>\$ 4,098,736</u> | <u>\$ (860,556)</u> | <u>\$ 4,220,775</u> |

San Antonio River Authority
Combining Balance Sheet – Nonmajor Governmental Funds
June 30, 2015

| | Special Revenue Funds | Capital Project Funds | Total Nonmajor Governmental Funds |
|---------------------------------------|--------------------------|--------------------------|---|
| ASSETS | | | |
| Cash | \$ 249,906 | \$ 139,046 | \$ 388,952 |
| Investments | 641,149 | 111,308 | 752,457 |
| Intergovernmental receivables | 3,469,804 | 1,231,173 | 4,700,977 |
| Due from other funds of the Authority | 170,203 | 4,350,000 | 4,520,203 |
| Total assets | <u>\$ 4,531,062</u> | <u>\$ 5,831,527</u> | <u>\$ 10,362,589</u> |
| LIABILITIES | | | |
| Accounts payable | \$ 529,511 | \$ 1,382,155 | \$ 1,911,666 |
| Retainage payable | 154,764 | 68,448 | 223,212 |
| Unearned revenue - services | - | 3,485,634 | 3,485,634 |
| Due to other funds of the Authority | 2,870,616 | 636,489 | 3,507,105 |
| Total liabilities | <u>3,554,891</u> | <u>5,572,726</u> | <u>9,127,617</u> |
| FUND BALANCES | | | |
| Restricted: | | | |
| Debt Service | 166,287 | - | 166,287 |
| Construction | - | 447,056 | 447,056 |
| Watershed management | 357,948 | - | 357,948 |
| Water management | 78,644 | - | 78,644 |
| Committed: | | | |
| Parks | 339,358 | - | 339,358 |
| Economic development | 33,934 | - | 33,934 |
| Unassigned | - | (188,255) | (188,255) |
| Total fund balances | <u>976,171</u> | <u>258,801</u> | <u>1,234,972</u> |
| Total liabilities and fund balances | <u>\$ 4,531,062</u> | <u>\$ 5,831,527</u> | <u>\$ 10,362,589</u> |

San Antonio River Authority
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Governmental Funds
For the Year Ended June 30, 2015

| | Special Revenue Funds | Capital Project Funds | Total Nonmajor Governmental Funds |
|--|--------------------------|--------------------------|---|
| REVENUES | | | |
| Investment earnings | \$ 1,182 | \$ 2,112 | \$ 3,294 |
| Intergovernmental | 7,375,677 | 3,034,966 | 10,410,643 |
| Charges for services | 105,387 | - | 105,387 |
| Miscellaneous | 7,984 | - | 7,984 |
| Total revenues | <u>7,490,230</u> | <u>3,037,078</u> | <u>10,527,308</u> |
| EXPENDITURES | | | |
| Current: | | | |
| General government | 410,225 | - | 410,225 |
| Operations | 734,690 | 1,876,140 | 2,610,830 |
| Technical services | 1,232,309 | 103,134 | 1,335,443 |
| Capital outlay: | | | |
| Capital projects | - | 1,273,026 | 1,273,026 |
| Operations | 18,177 | - | 18,177 |
| Technical Services | 2,684,992 | - | 2,684,992 |
| Total expenditures | <u>5,080,393</u> | <u>3,252,300</u> | <u>8,332,693</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>2,409,837</u> | <u>(215,222)</u> | <u>2,194,615</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 306,358 | - | 306,358 |
| Transfers out | <u>(2,834,570)</u> | <u>-</u> | <u>(2,834,570)</u> |
| Total other financing sources and uses | <u>(2,528,212)</u> | <u>-</u> | <u>(2,528,212)</u> |
| Net change in fund balances | (118,375) | (215,222) | (333,597) |
| Fund balances, beginning of year | <u>1,094,546</u> | <u>474,023</u> | <u>1,568,569</u> |
| Fund balances, end of year | <u><u>\$ 976,171</u></u> | <u><u>\$ 258,801</u></u> | <u><u>\$ 1,234,972</u></u> |

**San Antonio River Authority
Nonmajor Governmental Funds
June 30, 2015**

Special Revenue Funds

The Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Flood Tax Revenue Fund is the “Gross Revenue Fund” designated by Bond Resolutions. It receives all revenues from the Bexar County Amendatory Contract. Deposits are made from this fund to the debt service fund required by Bond Resolutions. Any surplus amounts in the Gross Revenue Fund may be used for any lawful purpose under provisions of the Amendatory Contract such as payments to operations and maintenance funds and construction.

TCEQ Clean Rivers Program Fund – This fund administers the Texas Commission on Environmental Quality (TCEQ) grant that accounts for water quality assessment for the San Antonio River Basin.

State Contracts Fund – Accounts for costs associated for studies within the San Antonio River Basin. Monies are received from federal and state grants awarded.

Federal Grants Fund – Accounts for costs associated for a Water Protection Plan for part of the San Antonio River Basin in Bexar County. Monies are received from federal grants awarded through the state.

Karnes County Maintenance Fund – This fund is used for the operation and maintenance of the seventeen (17) floodwater retarding structures of the Escondido Creek Watershed Protection Project and the Nichols Creek Flood Control Channel constructed under Public Law 566.

Local Grants Fund – Accounts for costs associated for projects within the San Antonio River Basin. Monies are awarded from local agencies.

South Central Texas Regional Water Planning Group – This fund accounts for monies collected from participants of the South Central Texas Regional Water Planning Group (Region L) and the Texas Water Development Board per Senate Bill 1 (1997) and the expenditures thereof as authorized by interlocal agreements between the participants.

Edwards Water Acquisition – This fund accounts for the administration of the Regional Water Resource Development Group that collectively appropriates water within the area for the area.

Regional Water Alliance – This fund accounts for the administration of the Regional Water Alliance Group that collectively meets to discuss water topics in the region.

SACIP Land Sales – Accounts for revenue received for land use activities as authorized in the 1999 Amendatory Contract with Bexar County.

San Antonio River Industrial Development Authority (SARIDA) – This fund presents a blended component unit of the San Antonio River Authority as required by generally accepted accounting principles. SARIDA furnishes eligible applicants financial assistance through the sale of tax-free industrial development bonds. SARIDA has no direct or contingent liability for these bonds.

Park Resources Development Fund – Accounts for revenues received from the sale of non-essential lands or revenues from leases, license agreements and easements unless otherwise dedicated to other funds. Can only be used for land acquisition and/or the development of any project included in the San Antonio River Authority's River Basin Plan for Nature-Based Park Resources or subsequent regional park and recreation plan.

San Antonio River Authority
Combining Balance Sheet – Nonmajor Special Revenue Funds
June 30, 2015, With Comparative Totals for 2014

| | Flood Tax Revenue | TCEQ Clean Rivers Program | State Contracts | Federal Grants | Karnes County Maintenance |
|--|------------------------------|--|----------------------------|---------------------------|--|
| ASSETS | | | | | |
| Cash | \$ - | \$ - | \$ - | \$ - | \$ - |
| Investments | - | - | - | - | - |
| Intergovernmental receivables | - | 59,895 | 1,915,159 | 1,276,139 | 75,118 |
| Interest receivable | - | - | - | - | - |
| Due from other funds of the Authority | 170,203 | - | - | - | - |
| Total assets | <u>\$ 170,203</u> | <u>\$ 59,895</u> | <u>\$ 1,915,159</u> | <u>\$ 1,276,139</u> | <u>\$ 75,118</u> |
| LIABILITIES | | | | | |
| Accounts payable | \$ 3,916 | \$ - | \$ 250,960 | \$ 221,489 | \$ 5,509 |
| Retainage payable | - | - | 81,148 | 17,310 | - |
| Due to other funds of the Authority | - | 59,895 | 1,583,051 | 1,037,340 | 69,609 |
| Intergovernmental payables | - | - | - | - | - |
| Unearned revenue - services | - | - | - | - | - |
| Total liabilities | <u>3,916</u> | <u>59,895</u> | <u>1,915,159</u> | <u>1,276,139</u> | <u>75,118</u> |
| FUND BALANCES | | | | | |
| Restricted: | | | | | |
| Debt Service | 166,287 | - | - | - | - |
| Watershed management | - | - | - | - | - |
| Water management | - | - | - | - | - |
| Committed: | | | | | |
| Parks | - | - | - | - | - |
| Economic development | - | - | - | - | - |
| Unassigned | - | - | - | - | - |
| Total fund balances | <u>166,287</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities and fund balances | <u>\$ 170,203</u> | <u>\$ 59,895</u> | <u>\$ 1,915,159</u> | <u>\$ 1,276,139</u> | <u>\$ 75,118</u> |

| Local Grants | South Central Texas Regional Water Planning Group | Edwards Water Acquisition | Regional Water Alliance | SACIP Land Sales | San Antonio River Industrial Development Authority | Park Resources Development |
|-------------------------|--|--|--|-----------------------------|---|---|
| \$ - | \$ - | \$ 71,825 | \$ - | \$ 105,494 | \$ - | \$ 72,587 |
| - | 60,061 | 42 | 10,666 | 263,729 | 39,880 | 266,771 |
| 122,766 | 20,427 | 100 | 200 | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>\$ 122,766</u> | <u>\$ 80,488</u> | <u>\$ 71,967</u> | <u>\$ 10,866</u> | <u>\$ 369,223</u> | <u>\$ 39,880</u> | <u>\$ 339,358</u> |
| \$ 11,806 | \$ 22,913 | \$ 1,643 | \$ - | \$ 11,275 | \$ - | \$ - |
| - | 56,306 | - | - | - | - | - |
| 110,960 | 1,115 | - | 2,700 | - | 5,946 | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>122,766</u> | <u>80,334</u> | <u>1,643</u> | <u>2,700</u> | <u>11,275</u> | <u>5,946</u> | <u>-</u> |
| - | - | - | - | - | - | - |
| - | - | - | - | 357,948 | - | - |
| - | 154 | 70,324 | 8,166 | - | - | - |
| - | - | - | - | - | - | 339,358 |
| - | - | - | - | - | 33,934 | - |
| - | - | - | - | - | - | - |
| <u>-</u> | <u>154</u> | <u>70,324</u> | <u>8,166</u> | <u>357,948</u> | <u>33,934</u> | <u>339,358</u> |
| <u>\$ 122,766</u> | <u>\$ 80,488</u> | <u>\$ 71,967</u> | <u>\$ 10,866</u> | <u>\$ 369,223</u> | <u>\$ 39,880</u> | <u>\$ 339,358</u> |

(continued)

San Antonio River Authority
Combining Balance Sheet – Nonmajor Special Revenue Funds (continued)
June 30, 2015, With Comparative Totals for 2014

| | Total Nonmajor Special Revenue Funds | |
|--|---|---------------------|
| | 2015 | 2014 |
| ASSETS | | |
| Cash | \$ 249,906 | \$ 38,603 |
| Investments | 641,149 | 661,718 |
| Intergovernmental receivables | 3,469,804 | 859,426 |
| Interest receivable | - | 22,554 |
| Due from other funds of the Authority | 170,203 | 567,839 |
| Total assets | <u>\$ 4,531,062</u> | <u>\$ 2,150,140</u> |
| LIABILITIES | | |
| Accounts payable | \$ 529,511 | \$ 435,768 |
| Retainage payable | 154,764 | 66,672 |
| Due to other funds of the Authority | 2,870,616 | 504,607 |
| Intergovernmental payables | - | - |
| Unearned revenue - services | - | 48,547 |
| Total liabilities | <u>3,554,891</u> | <u>1,055,594</u> |
| FUND BALANCES | | |
| Restricted: | | |
| Debt Service | 166,287 | 306,630 |
| Watershed management | 357,948 | 364,756 |
| Water management | 78,644 | 75,380 |
| Committed: | | |
| Parks | 339,358 | 307,871 |
| Economic development | 33,934 | 39,909 |
| Unassigned | - | - |
| Total fund balances | <u>976,171</u> | <u>1,094,546</u> |
| Total liabilities and fund balances | <u>\$ 4,531,062</u> | <u>\$ 2,150,140</u> |



SAN ANTONIO

RIVER AUTHORITY

Leaders in Watershed Solutions

San Antonio River Authority
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | Flood Tax Revenue | TCEQ Clean Rivers Program | State Contracts | Federal Grants | Karnes County Maintenance |
|--|------------------------------|--|----------------------------|---------------------------|--|
| REVENUES | | | | | |
| Investment earnings (losses) | \$ 613 | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | 2,621,788 | 231,029 | 2,159,048 | 1,223,103 | 75,118 |
| Charges for services | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - |
| Total revenues | <u>2,622,401</u> | <u>231,029</u> | <u>2,159,048</u> | <u>1,223,103</u> | <u>75,118</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | 21,922 | - | - | - | - |
| Operations | - | - | - | - | 146,246 |
| Technical Services | - | 297,851 | 427,569 | 409,824 | - |
| Capital Outlay | | | | | |
| Operations | - | - | - | - | 3,990 |
| Technical services | - | 10,978 | 1,860,735 | 813,279 | - |
| Total expenditures | <u>21,922</u> | <u>308,829</u> | <u>2,288,304</u> | <u>1,223,103</u> | <u>150,236</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>2,600,479</u> | <u>(77,800)</u> | <u>(129,256)</u> | <u>-</u> | <u>(75,118)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | - | 77,800 | 129,256 | - | 75,118 |
| Transfers out | <u>(2,740,822)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources and (uses) | <u>(2,740,822)</u> | <u>77,800</u> | <u>129,256</u> | <u>-</u> | <u>75,118</u> |
| Net change in fund balances | <u>(140,343)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balances, beginning | <u>306,630</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balances, end of year | <u>\$ 166,287</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

| Local Grants | South Central Texas Regional Water Planning Group | Edwards Water Acquisition | Regional Water Alliance | SACIP Land Sales | San Antonio River Industrial Development Authority | Park Resources Development |
|-------------------------|--|--|--|-----------------------------|---|---|
| \$ - | \$ 34 | \$ 37 | \$ 8 | \$ 246 | \$ 25 | \$ 219 |
| 473,762 | 508,742 | 78,487 | 4,400 | 200 | - | - |
| - | - | - | - | 56,648 | - | 48,739 |
| - | - | - | - | 2,984 | - | 5,000 |
| <u>473,762</u> | <u>508,776</u> | <u>78,524</u> | <u>4,408</u> | <u>60,078</u> | <u>25</u> | <u>53,958</u> |
| 374,019 | - | - | - | - | 6,000 | 8,284 |
| - | 508,622 | 70,515 | 9,307 | - | - | - |
| 30,179 | - | - | - | 66,886 | - | - |
| - | - | - | - | - | - | 14,187 |
| - | - | - | - | - | - | - |
| <u>404,198</u> | <u>508,622</u> | <u>70,515</u> | <u>9,307</u> | <u>66,886</u> | <u>6,000</u> | <u>22,471</u> |
| <u>69,564</u> | <u>154</u> | <u>8,009</u> | <u>(4,899)</u> | <u>(6,808)</u> | <u>(5,975)</u> | <u>31,487</u> |
| 24,184 | - | - | - | - | - | - |
| (93,748) | - | - | - | - | - | - |
| (69,564) | - | - | - | - | - | - |
| - | 154 | 8,009 | (4,899) | (6,808) | (5,975) | 31,487 |
| - | - | 62,315 | 13,065 | 364,756 | 39,909 | 307,871 |
| <u>\$ -</u> | <u>\$ 154</u> | <u>\$ 70,324</u> | <u>\$ 8,166</u> | <u>\$ 357,948</u> | <u>\$ 33,934</u> | <u>\$ 339,358</u> |

(continued)

San Antonio River Authority
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Special Revenue Funds (continued)
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | Total Nonmajor Special Revenue Funds | |
|--|---|---------------------|
| | 2015 | 2014 |
| REVENUES | | |
| Investment earnings (losses) | \$ 1,182 | \$ (475) |
| Intergovernmental | 7,375,677 | 5,629,063 |
| Charges for services | 105,387 | 142,419 |
| Miscellaneous | <u>7,984</u> | <u>547</u> |
| Total revenues | <u>7,490,230</u> | <u>5,771,554</u> |
| EXPENDITURES | | |
| Current: | | |
| General government | 410,225 | 248,309 |
| Operations | 734,690 | 737,666 |
| Technical Services | 1,232,309 | 937,878 |
| Capital Outlay | | |
| Operations | 18,177 | 81,117 |
| Technical services | <u>2,684,992</u> | <u>286,106</u> |
| Total expenditures | <u>5,080,393</u> | <u>2,291,076</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>2,409,837</u> | <u>3,480,478</u> |
| OTHER FINANCING SOURCES (USES) | | |
| Transfers in | 306,358 | 382,890 |
| Transfers out | <u>(2,834,570)</u> | <u>(3,681,604)</u> |
| Total other financing sources and (uses) | <u>(2,528,212)</u> | <u>(3,298,714)</u> |
| Net change in fund balances | <u>(118,375)</u> | <u>181,764</u> |
| Fund balances, beginning | <u>1,094,546</u> | <u>912,782</u> |
| Fund balances, end of year | <u>\$ 976,171</u> | <u>\$ 1,094,546</u> |

San Antonio River Authority
Flood Tax Revenue Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | 2015 Original and Final Budgeted Amounts | 2015 Actual | Variance -- Positive (Negative) | 2014 Actual |
|--|---|------------------------|--|------------------------|
| REVENUES | | | | |
| Investment earnings | \$ 400 | \$ 613 | \$ 213 | \$ (50) |
| Intergovernmental: | | | | |
| Bexar County flood control tax | 4,000,000 | 2,621,788 | (1,378,212) | 3,720,020 |
| Total revenues | <u>4,000,400</u> | <u>2,622,401</u> | <u>(1,377,999)</u> | <u>3,719,970</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 30,000 | 21,922 | 8,078 | 22,583 |
| Excess of revenues over expenditures | <u>3,970,400</u> | <u>2,600,479</u> | <u>(1,369,921)</u> | <u>3,697,387</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 15,000 | - | (15,000) | 24,090 |
| Transfers out - debt service | (3,967,804) | (2,740,822) | 1,226,982 | (3,640,022) |
| Total other financing sources and (uses) | <u>(3,952,804)</u> | <u>(2,740,822)</u> | <u>1,211,982</u> | <u>(3,615,932)</u> |
| Net change in fund balances | 17,596 | (140,343) | (157,939) | 81,455 |
| Fund balance, beginning of year | 306,630 | 306,630 | - | 225,175 |
| Fund balance, end of year | <u>\$ 324,226</u> | <u>\$ 166,287</u> | <u>\$ (157,939)</u> | <u>\$ 306,630</u> |

San Antonio River Authority
TCEQ – Clean Rivers Program Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | 2015 | | | Variance -- | |
|---|--------------------------------|---------------------|----------------------|--------------------------|----------------------|
| | <u>Budgeted Amounts</u> | | 2015 | Positive | 2014 |
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>(Negative)</u> | <u>Actual</u> |
| REVENUES | | | | | |
| Intergovernmental | \$ 205,127 | \$ 205,127 | \$ 231,029 | \$ 25,902 | \$ 123,804 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Technical services | 271,692 | 271,692 | 297,851 | (26,159) | 240,505 |
| Capital outlay: | | | | | |
| Technical services | - | 11,000 | 10,978 | 22 | - |
| Total expenditures | <u>271,692</u> | <u>282,692</u> | <u>308,829</u> | <u>(26,137)</u> | <u>240,505</u> |
| Deficiency of revenues under expenditures | <u>(66,565)</u> | <u>(77,565)</u> | <u>(77,800)</u> | <u>(235)</u> | <u>(116,701)</u> |
| OTHER FINANCING SOURCES | | | | | |
| Transfers in - general fund | <u>66,565</u> | <u>66,565</u> | <u>77,800</u> | <u>11,235</u> | <u>116,701</u> |
| Net change in fund balance | - | (11,000) | - | 11,000 | - |
| Fund balance, beginning of year | - | - | - | - | - |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ (11,000)</u> | <u>\$ -</u> | <u>\$ 11,000</u> | <u>\$ -</u> |

San Antonio River Authority
State Contracts Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | 2015 | | | Variance -- | |
|--|--------------------------------|---------------------|----------------------|--------------------------|----------------------|
| | <u>Budgeted Amounts</u> | | 2015 | Positive | 2014 |
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>(Negative)</u> | <u>Actual</u> |
| REVENUES | | | | | |
| Intergovernmental | \$ 497,427 | \$ 5,141,889 | \$ 2,159,048 | \$ (2,982,841) | \$ 346,954 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Technical services | 534,789 | 891,805 | 427,569 | 464,236 | 21,377 |
| Capital Outlay | - | 4,287,446 | 1,860,735 | 2,426,711 | 286,106 |
| Total expenditures | 534,789 | 5,179,251 | 2,288,304 | 2,890,947 | 307,483 |
| Excess (deficiency) of revenues over (under) expenditures | (37,362) | (37,362) | (129,256) | (91,894) | 39,471 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfer in | 37,362 | 37,362 | 129,256 | 91,894 | 1,711 |
| Transfer out | - | - | - | - | (41,182) |
| Total other financing sources and (uses) | 37,362 | 37,362 | 129,256 | 91,894 | (39,471) |
| Net change in fund balance | - | - | - | - | - |
| Fund balance, beginning of year | - | - | - | - | - |
| Fund balance, end of year | \$ - | \$ - | \$ - | \$ - | \$ - |

San Antonio River Authority
Federal Grants Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | 2015 | | | Variance -- | |
|---|--------------------------------|---------------------|----------------------|--------------------------|----------------------|
| | <u>Budgeted Amounts</u> | | 2015 | Positive | 2014 |
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>(Negative)</u> | <u>Actual</u> |
| REVENUES | | | | | |
| Intergovernmental | \$ 1,029,896 | \$ 9,401,559 | \$ 1,223,103 | \$ (8,178,456) | \$ 485,753 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Technical services | 1,043,528 | 9,415,191 | 409,824 | 9,005,367 | 577,071 |
| Capital outlay: | | | | | |
| Technical services | - | - | 813,279 | (813,279) | - |
| Total expenditures | <u>1,043,528</u> | <u>9,415,191</u> | <u>1,223,103</u> | <u>8,192,088</u> | <u>577,071</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(13,632)</u> | <u>(13,632)</u> | <u>-</u> | <u>13,632</u> | <u>(91,318)</u> |
| OTHER FINANCING SOURCES | | | | | |
| Transfer in | <u>13,632</u> | <u>13,632</u> | <u>-</u> | <u>(13,632)</u> | <u>91,318</u> |
| Total other financing sources | <u>13,632</u> | <u>13,632</u> | <u>-</u> | <u>(13,632)</u> | <u>91,318</u> |
| Net change in fund balance | - | - | - | - | - |
| Fund balance, beginning of year | - | - | - | - | - |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

San Antonio River Authority
Karnes County Maintenance Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | 2015 | | | Variance -- | |
|--|--------------------------------|---------------------|----------------------|--------------------------|----------------------|
| | <u>Budgeted Amounts</u> | | 2015 | Positive | 2014 |
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>(Negative)</u> | <u>Actual</u> |
| REVENUES | | | | | |
| Intergovernmental | \$ 182,294 | \$ 184,044 | \$ 75,118 | \$ (108,926) | \$ 92,109 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Operations | 364,588 | 368,088 | 146,246 | 221,842 | 184,218 |
| Capital outlay: | | | | | |
| Operations | - | - | 3,990 | (3,990) | - |
| Total expenditures | <u>364,588</u> | <u>368,088</u> | <u>150,236</u> | <u>217,852</u> | <u>184,218</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(182,294)</u> | <u>(184,044)</u> | <u>(75,118)</u> | <u>108,926</u> | <u>(92,109)</u> |
| OTHER FINANCING SOURCES | | | | | |
| Transfers in - general fund | <u>182,294</u> | <u>184,044</u> | <u>75,118</u> | <u>(108,926)</u> | <u>92,109</u> |
| Net change in fund balances | - | - | - | - | - |
| Fund balance, beginning of year | - | - | - | - | - |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

San Antonio River Authority
Local Grants Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | 2015 | | | Variance -- | |
|--|--------------------------------|---------------------|----------------------|--------------------------|----------------------|
| | <u>Budgeted Amounts</u> | | 2015 | Positive | 2014 |
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>(Negative)</u> | <u>Actual</u> |
| REVENUES | | | | | |
| Intergovernmental | \$ 1,585,618 | \$ 1,596,305 | \$ 473,762 | \$ (1,122,543) | \$ 251,036 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | 1,585,618 | 1,588,818 | 374,019 | 1,214,799 | 219,706 |
| Technical services | - | 7,487 | 30,179 | (22,692) | 87,322 |
| Total expenditures | <u>1,585,618</u> | <u>1,596,305</u> | <u>404,198</u> | <u>1,192,107</u> | <u>307,028</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>69,564</u> | <u>69,564</u> | <u>(55,992)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | - | - | 24,184 | 24,184 | 56,729 |
| Transfers out | <u>-</u> | <u>-</u> | <u>(93,748)</u> | <u>(93,748)</u> | <u>(400)</u> |
| Total other financing sources and (uses) | <u>-</u> | <u>-</u> | <u>(69,564)</u> | <u>(69,564)</u> | <u>56,329</u> |
| Net change in fund balances | - | - | - | - | 337 |
| Fund balance, beginning of year | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(337)</u> |
| Fund balance, end of year | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

San Antonio River Authority
So. Central Texas Regional Water Planning Group Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | 2015 | | | Variance -- | |
|--|--------------------------------|---------------------|----------------------|--------------------------|----------------------|
| | <u>Budgeted Amounts</u> | | 2015 | Positive | 2014 |
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>(Negative)</u> | <u>Actual</u> |
| REVENUES | | | | | |
| Investment earnings | \$ - | \$ - | \$ 34 | \$ 34 | \$ 44 |
| Intergovernmental | <u>441,207</u> | <u>574,458</u> | <u>508,742</u> | <u>(65,716)</u> | <u>470,778</u> |
| Total revenues | 441,207 | 574,458 | 508,776 | (65,682) | 470,822 |
| EXPENDITURES | | | | | |
| Operations | <u>441,207</u> | <u>574,458</u> | <u>508,622</u> | <u>65,836</u> | <u>470,822</u> |
| Excess (deficiency) of revenues over (under) expenditures | - | - | 154 | 154 | - |
| Fund balance, beginning of year | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance, end of year | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 154</u></u> | <u><u>\$ 154</u></u> | <u><u>\$ -</u></u> |

San Antonio River Authority
 Edwards Water Acquisitions Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 Budget and Actual
 For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | 2015 Original and Final Budgeted Amounts | 2015 Actual | Variance -- Positive (Negative) | 2014 Actual |
|--|---|-------------------------|--|-------------------------|
| REVENUES | | | | |
| Investment earnings (losses) | \$ 700 | \$ 37 | \$ (663) | \$ (117) |
| Intergovernmental | <u>115,800</u> | <u>78,487</u> | <u>(37,313)</u> | <u>133,709</u> |
| Total revenues | 116,500 | 78,524 | (37,976) | 133,592 |
| EXPENDITURES | | | | |
| Operations | <u>116,500</u> | <u>70,515</u> | <u>45,985</u> | <u>72,059</u> |
| Excess (deficiency) of revenues over (under) expenditures | - | 8,009 | 8,009 | 61,533 |
| Fund balance, beginning of year | <u>62,315</u> | <u>62,315</u> | <u>-</u> | <u>782</u> |
| Fund balance, end of year | <u><u>\$ 62,315</u></u> | <u><u>\$ 70,324</u></u> | <u><u>\$ 8,009</u></u> | <u><u>\$ 62,315</u></u> |

San Antonio River Authority
Regional Water Resource Alliance Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | 2015 | | | Variance -- | |
|--|--------------------------------|---------------------|----------------------|--------------------------|----------------------|
| | <u>Budgeted Amounts</u> | | 2015 | Positive | 2014 |
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>(Negative)</u> | <u>Actual</u> |
| REVENUES | | | | | |
| Investment earnings (losses) | \$ - | \$ - | \$ 8 | \$ 8 | \$ (12) |
| Intergovernmental | <u>4,200</u> | <u>4,200</u> | <u>4,400</u> | <u>\$ 200</u> | <u>4,200</u> |
| Total revenues | 4,200 | 4,200 | 4,408 | 208 | 4,188 |
| EXPENDITURES | | | | | |
| Operations | <u>4,200</u> | <u>11,576</u> | <u>9,307</u> | <u>2,269</u> | <u>10,335</u> |
| Excess (deficiency) of revenues over (under) expenditures | - | (7,376) | (4,899) | 2,477 | (6,147) |
| Fund balance, beginning of year | <u>13,065</u> | <u>13,065</u> | <u>13,065</u> | <u>-</u> | <u>19,212</u> |
| Fund balance, end of year | <u>\$ 13,065</u> | <u>\$ 5,689</u> | <u>\$ 8,166</u> | <u>\$ 2,477</u> | <u>\$ 13,065</u> |

San Antonio River Authority
SACIP Land Sales Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | 2015 | | | Variance -- | |
|---------------------------------|--------------------------------|---------------------|----------------------|--------------------------|----------------------|
| | <u>Budgeted Amounts</u> | | 2015 | Positive | 2014 |
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>(Negative)</u> | <u>Actual</u> |
| REVENUES | | | | | |
| Investment earnings | \$ 250 | \$ 250 | \$ 246 | \$ (4) | \$ (159) |
| Intergovernmental | - | - | 200 | 200 | 700 |
| Charges for services | 44,000 | 44,000 | 56,648 | 12,648 | 47,969 |
| Miscellaneous | - | - | 2,984 | 2,984 | 547 |
| Total revenues | <u>44,250</u> | <u>44,250</u> | <u>60,078</u> | <u>15,828</u> | <u>49,057</u> |
| EXPENDITURES | | | | | |
| Technical services | <u>273,930</u> | <u>363,730</u> | <u>66,886</u> | <u>296,844</u> | <u>11,603</u> |
| Net change in fund balances | (229,680) | (319,480) | (6,808) | 312,672 | 37,454 |
| Fund balance, beginning of year | <u>364,756</u> | <u>364,756</u> | <u>364,756</u> | - | <u>327,302</u> |
| Fund balance, end of year | <u>\$ 135,076</u> | <u>\$ 45,276</u> | <u>\$ 357,948</u> | <u>\$ 312,672</u> | <u>\$ 364,756</u> |

San Antonio River Authority
San Antonio River Industrial Development Authority Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | <u>2015 Original and Final Budgeted Amounts</u> | <u>2015 Actual</u> | <u>Variance -- Positive (Negative)</u> | <u>2014 Actual</u> |
|---|---|-------------------------|--|-------------------------|
| REVENUES | | | | |
| Investment earnings (losses) | \$ 40 | \$ 25 | \$ (15) | \$ (23) |
| EXPENDITURES | | | | |
| General government | <u>9,000</u> | <u>6,000</u> | <u>3,000</u> | <u>6,000</u> |
| Deficiency of revenues under expenditures | (8,960) | (5,975) | 2,985 | (6,023) |
| Fund balance, beginning of year | <u>39,909</u> | <u>39,909</u> | <u>-</u> | <u>45,932</u> |
| Fund balance, end of year | <u><u>\$ 30,949</u></u> | <u><u>\$ 33,934</u></u> | <u><u>\$ 2,985</u></u> | <u><u>\$ 39,909</u></u> |

San Antonio River Authority
 Park Resources Development Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | 2015 | | | Variance -- |
|--|--------------------------------|---------------------|----------------------|--------------------------|
| | <u>Budgeted Amounts</u> | | 2015 | Positive |
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>(Negative)</u> |
| REVENUES | | | | |
| Investment earnings | \$ 250 | \$ 250 | \$ 219 | \$ (31) |
| Charges for services | 60,000 | 60,000 | 48,739 | (11,261) |
| Miscellaneous | - | - | 5,000 | 5,000 |
| Total revenues | 60,250 | 60,250 | 53,958 | (6,292) |
| EXPENDITURES | | | | |
| Current | | | | |
| Operations | - | 8,474 | 8,284 | 190 |
| Capital Outlay | | | | |
| Operations | - | 8,783 | 14,187 | (5,404) |
| Total expenditures | - | 17,257 | 22,471 | (5,214) |
| Excess (deficiency) of revenues over (under) expenditures | 60,250 | 42,993 | 31,487 | (11,506) |
| Fund balance, beginning of year | 307,871 | 307,871 | 307,871 | - |
| Fund balance, end of year | <u>\$ 368,121</u> | <u>\$ 350,864</u> | <u>\$ 339,358</u> | <u>\$ (11,506)</u> |

**San Antonio River Authority
Nonmajor Governmental Funds
June 30, 2015**

Capital Project Funds

The Capital Projects Funds account for proceeds from bond issues, federal grants and contracts, and other similar resources that are specifically designated for capital expenditures.

SARIP - City of San Antonio Fund – Accounts for expenses incurred in assisting the City of San Antonio. The City of San Antonio reimburses all expenses incurred.

SACIP 1999 – Accounts for improvements on the San Antonio River, other watersheds and the Cibolo Creek Floodplain Buyout as authorized in the 1999 amendatory contract with Bexar County.

Bexar County Capital Projects – Accounts for capital projects within the boundaries of Bexar County that are not reported in any other Capital Project fund. Expenses originating in this fund can be recovered from the SACIP Land Sales fund and other entities within Bexar County.

Downstream Counties Capital Projects – Accounts for capital projects within the boundaries of Wilson, Karnes and Goliad Counties that are not reported in any other Capital Project fund. Expenses originating in this fund can be recovered from other entities within Wilson, Karnes and Goliad Counties.

Bexar County Capital Improvement Projects (CIP) – Accounts for expenses incurred in assisting Bexar County of Capital Improvement projects. Bexar County reimburses all expenses incurred.

Medina Dam Improvement Fund – Accounts for expenses incurred in assisting Bexar Medina Atascosa Water District (BMA) with repairs to the Medina Dam. Bexar County, BMA and Texas Water Development Board reimburse all expenses incurred.

Westside Creeks Restoration Fund/City of San Antonio – Accounts for capital projects in the Westside Creeks area which includes the Linear Creekways and Elmendorf Lake Park and Drainage.

San Antonio River Authority
Combining Balance Sheet – Nonmajor Capital Project Funds
June 30, 2015, With Comparative Totals for 2014

| | San Antonio River Improvement Project | | Bexar County | Downstream Counties |
|---------------------------------------|--|------------------|-------------------|------------------------|
| | San Antonio | SACIP 1999 | | |
| ASSETS | | | | |
| Cash | \$ 75,973 | \$ - | \$ - | \$ - |
| Investments | 76,206 | 33,347 | - | - |
| Interest receivable | - | - | - | - |
| Intergovernmental receivables | 172,644 | - | 781,032 | 2 |
| Due from other funds of the Authority | <u>1,350,000</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total assets | <u>\$ 1,674,823</u> | <u>\$ 33,347</u> | <u>\$ 781,032</u> | <u>\$ 2</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 322,814 | \$ - | \$ 130,966 | \$ - |
| Retainage payable | 8,500 | - | 26,172 | - |
| Unearned revenue - services | 928,795 | - | - | - |
| Due to other funds of the Authority | <u>-</u> | <u>1,005</u> | <u>623,894</u> | <u>2</u> |
| Total liabilities | <u>1,260,109</u> | <u>1,005</u> | <u>781,032</u> | <u>2</u> |
| FUND BALANCES | | | | |
| Restricted: | | | | |
| Construction | 414,714 | 32,342 | - | - |
| Unassigned | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total fund balances | <u>414,714</u> | <u>32,342</u> | <u>-</u> | <u>-</u> |
| Total liabilities and fund balances | <u>\$ 1,674,823</u> | <u>\$ 33,347</u> | <u>\$ 781,032</u> | <u>\$ 2</u> |

| Bexar County CIP | Medina Dam Improvements | Westside Creek | | |
|---------------------|----------------------------|---------------------------------------|---|---------------------|
| | | Restoration City of San Antonio | Total Nonmajor Capital Project Funds | |
| | | | 2015 | 2014 |
| \$ - | \$ - | \$ 63,073 | \$ 139,046 | \$ 809 |
| - | - | 1,755 | 111,308 | 109,197 |
| - | - | - | - | - |
| 17,084 | 10,411 | 250,000 | 1,231,173 | 2,058,605 |
| - | - | 3,000,000 | 4,350,000 | 326 |
| <u>\$ 17,084</u> | <u>\$ 10,411</u> | <u>\$ 3,314,828</u> | <u>\$ 5,831,527</u> | <u>\$ 2,168,937</u> |
| | | | | |
| \$ 12,306 | \$ 1,801 | \$ 914,268 | \$ 1,382,155 | \$ 416,236 |
| - | 1,800 | 31,976 | 68,448 | 16,784 |
| - | - | 2,556,839 | 3,485,634 | 375,290 |
| <u>4,778</u> | <u>6,810</u> | <u>-</u> | <u>636,489</u> | <u>886,604</u> |
| <u>17,084</u> | <u>10,411</u> | <u>3,503,083</u> | <u>5,572,726</u> | <u>1,694,914</u> |
| | | | | |
| - | - | - | 447,056 | 590,058 |
| - | - | (188,255) | (188,255) | (116,035) |
| - | - | (188,255) | 258,801 | 474,023 |
| <u>\$ 17,084</u> | <u>\$ 10,411</u> | <u>\$ 3,314,828</u> | <u>\$ 5,831,527</u> | <u>\$ 2,168,937</u> |

San Antonio River Authority
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Capital Project Funds
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | San Antonio River Improvement Project | | Bexar County | Downstream Counties |
|--|--|-------------------------|-------------------------|--------------------------------|
| | City of San Antonio | SACIP 1999 | | |
| REVENUES | | | | |
| Investment earnings (losses) | \$ 488 | \$ 23 | \$ - | \$ - |
| Intergovernmental | <u>426,321</u> | <u>-</u> | <u>1,289,815</u> | <u>40,394</u> |
| Total revenues | <u>426,809</u> | <u>23</u> | <u>1,289,815</u> | <u>40,394</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Operations | 567,694 | - | 18,929 | 40,394 |
| Technical services | - | - | - | - |
| Capital projects | <u>-</u> | <u>2,140</u> | <u>1,270,886</u> | <u>-</u> |
| Total expenditures | <u>567,694</u> | <u>2,140</u> | <u>1,289,815</u> | <u>40,394</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(140,885)</u> | <u>(2,117)</u> | <u>-</u> | <u>-</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | - | - | - | - |
| Transfers Out | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources and (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | (140,885) | (2,117) | - | - |
| Fund balances, beginning | <u>555,599</u> | <u>34,459</u> | <u>-</u> | <u>-</u> |
| Fund balances, end of year | <u><u>\$ 414,714</u></u> | <u><u>\$ 32,342</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

| Bexar County CIP | Medina Dam Improvements | Westside Creek Restoration | Total Nonmajor Capital Project Funds | |
|---------------------|----------------------------|-------------------------------|---|-------------------|
| | | City of San Antonio | 2015 | 2014 |
| \$ - | \$ - | \$ 1,601 | \$ 2,112 | \$ (728) |
| 103,134 | 42,614 | 1,132,688 | 3,034,966 | 5,355,913 |
| 103,134 | 42,614 | 1,134,289 | 3,037,078 | 5,355,185 |
| - | 42,614 | 1,206,509 | 1,876,140 | 3,947,764 |
| 103,134 | - | - | 103,134 | 243,073 |
| - | - | - | 1,273,026 | 1,213,822 |
| 103,134 | 42,614 | 1,206,509 | 3,252,300 | 5,404,659 |
| - | - | (72,220) | (215,222) | (49,474) |
| - | - | - | - | 23 |
| - | - | - | - | (37) |
| - | - | - | - | (14) |
| - | - | (72,220) | (215,222) | (49,488) |
| - | - | (116,035) | 474,023 | 523,511 |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ (188,255)</u> | <u>\$ 258,801</u> | <u>\$ 474,023</u> |

San Antonio River Authority
Nonmajor Enterprise Funds
June 30, 2015

Enterprise Funds

The Enterprise Funds account for operations that are financed and operated in a manner similar to private sector business enterprises.

Salatrillo Retail Fund – This funds accounts for the operation and maintenance of the wastewater treatment retail system.

San Antonio River Authority Water System Utilities Fund – This funds accounts for the operation and maintenance of water treatment systems for residential and business customers outside the jurisdiction of any incorporated cities but within the San Antonio River Authority's watershed.

Utility Operations & Maintenance Fund –Accounts for the operation and maintenance of various water and wastewater treatment plants through utility operating and maintenance agreements with various entities.

Randolph AFB Collection System Fund – Accounts for the operation and maintenance of the collection system at Randolph Air Force Base. The ownership of the collection system was transferred by the Department of Defense effective December 29, 2003.



SAN ANTONIO

RIVER AUTHORITY

Leaders in Watershed Solutions

San Antonio River Authority
Combining Statement of Net Position – Nonmajor Enterprise Funds
June 30, 2015, With Comparative Totals for 2014

| | <u>Salatrillo Retail</u> | <u>SARA Water System Utilities</u> | <u>Utility Operations & Maintenance</u> | <u>Randolph AFB Contract</u> |
|---|------------------------------|--|---|----------------------------------|
| ASSETS | | | | |
| Current assets: | | | | |
| Cash | \$ 504,858 | \$ 49,345 | \$ 184,893 | \$ 395,520 |
| Investments | 453,589 | - | - | - |
| Accounts receivable | - | 22,652 | 29,512 | 27,699 |
| Interest receivable | - | - | - | - |
| Intergovernmental receivables | 16 | - | 20,643 | - |
| Prepaid expenses and other assets | - | 2,275 | - | - |
| Restricted Assets: | | | | |
| Accounts receivables | - | - | - | 29,775 |
| Total restricted assets | - | - | - | 29,775 |
| Total current assets | <u>958,463</u> | <u>74,272</u> | <u>235,048</u> | <u>452,994</u> |
| Noncurrent assets: | | | | |
| Capital assets: | | | | |
| Land | - | 33,644 | - | - |
| Office furniture, fixtures, and equipment | 2,442 | 4,630 | - | - |
| Other machinery and equipment | 25,863 | 71,458 | - | 128,262 |
| Automobiles and trucks | 21,236 | - | - | - |
| Studies | - | - | - | 336,919 |
| Buildings | 260 | 13,500 | - | - |
| Water treatment facilities | - | 1,249,914 | - | - |
| Improvements other than buildings | 306,644 | 7,825 | - | 2,841,657 |
| Sewage treatment facilities | - | - | 1,437,887 | 1,409,524 |
| Construction in progress | - | - | - | 39,264 |
| Less accumulated depreciation | <u>(47,492)</u> | <u>(689,332)</u> | <u>(56,302)</u> | <u>(1,018,859)</u> |
| Total capital assets (net of accumulated depreciation) | 308,953 | 691,639 | 1,381,585 | 3,736,767 |
| Investments - restricted | - | - | - | 248,096 |
| Total noncurrent assets | <u>308,953</u> | <u>691,639</u> | <u>1,381,585</u> | <u>3,984,863</u> |
| Total assets | <u><u>\$ 1,267,416</u></u> | <u><u>\$ 765,911</u></u> | <u><u>\$ 1,616,633</u></u> | <u><u>\$ 4,437,857</u></u> |

**Total Nonmajor
Enterprise Funds**

| <u>2015</u> | <u>2014</u> |
|---------------------|---------------------|
| \$ 1,134,616 | \$ 242,806 |
| 453,589 | 1,058,196 |
| 79,863 | 255,958 |
| - | 5,183 |
| 20,659 | 33,451 |
| 2,275 | 2,346 |
| <u>29,775</u> | <u>56,036</u> |
| <u>29,775</u> | <u>56,036</u> |
| <u>1,720,777</u> | <u>1,653,976</u> |
| 33,644 | 33,644 |
| 7,072 | 8,074 |
| 225,583 | 227,799 |
| 21,236 | 21,236 |
| 336,919 | 336,919 |
| 13,760 | 13,760 |
| 1,249,914 | 1,249,914 |
| 3,156,126 | 2,710,132 |
| 2,847,411 | 2,847,411 |
| 39,264 | 194,938 |
| <u>(1,811,985)</u> | <u>(1,775,146)</u> |
| 6,118,944 | 5,868,681 |
| <u>248,096</u> | <u>247,805</u> |
| <u>6,367,040</u> | <u>6,116,486</u> |
| <u>\$ 8,087,817</u> | <u>\$ 7,770,462</u> |

San Antonio River Authority
Combining Statement of Net Position – Nonmajor Enterprise Funds (continued)
June 30, 2015, With Comparative Totals for 2014

| | Salatrillo Retail | SARA Water System Utilities | Utility Operations & Maintenance | Randolph AFB Contract |
|--|------------------------------|--|---|----------------------------------|
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable | \$ 163 | \$ 1,909 | \$ 17,304 | \$ 444 |
| Due to other funds of the Authority | - | - | - | - |
| Notes payable | - | - | - | 28,188 |
| Compensated absences | 290 | 561 | 335 | 1,411 |
| Other accrued liabilities | 2,571 | 17,352 | - | 6,272 |
| Current liabilities payable from restricted assets: | | | | |
| Unearned revenue - services | - | - | - | - |
| Accounts payable | - | - | - | - |
| Retainage payable | 5,728 | - | - | - |
| Accrued interest payable | - | - | 19,152 | - |
| Bonds payable within one year | - | - | 35,000 | - |
| Total current liabilities payable from restricted assets | 5,728 | - | 54,152 | - |
| Total current liabilities | 8,752 | 19,822 | 71,791 | 36,315 |
| Noncurrent liabilities: | | | | |
| Notes payable | - | - | - | 1,050,127 |
| Compensated absences | 1,525 | 2,948 | 1,757 | 7,408 |
| Revenue bonds payable after one year | - | - | 805,000 | - |
| Total noncurrent liabilities | 1,525 | 2,948 | 806,757 | 1,057,535 |
| Total liabilities | 10,277 | 22,770 | 878,548 | 1,093,850 |
| NET POSITION | | | | |
| Net Investment in capital assets | 308,953 | 691,639 | 541,585 | 2,658,452 |
| Restricted for debt service | - | - | - | - |
| Restricted for construction | - | - | - | 542,116 |
| Unrestricted | 948,186 | 51,502 | 196,500 | 143,439 |
| Total net position | \$ 1,257,139 | \$ 743,141 | \$ 738,085 | \$ 3,344,007 |

**Total Nonmajor
Enterprise Funds**

| 2015 | 2014 |
|---------------------|---------------------|
| \$ 19,820 | \$ 15,644 |
| - | 916,771 |
| 28,188 | 28,188 |
| 2,597 | 2,884 |
| 26,195 | 32,575 |
| - | 15 |
| - | 57,410 |
| 5,728 | 3,022 |
| 19,152 | 19,950 |
| <u>35,000</u> | <u>35,000</u> |
| 59,880 | 115,397 |
| <u>136,680</u> | <u>1,111,459</u> |
| 1,050,127 | 1,078,315 |
| 13,638 | 15,116 |
| <u>805,000</u> | <u>840,000</u> |
| <u>1,868,765</u> | <u>1,933,431</u> |
| <u>2,005,445</u> | <u>3,044,890</u> |
| 4,200,629 | 3,887,178 |
| - | 57,787 |
| 542,116 | 425,913 |
| <u>1,339,627</u> | <u>354,694</u> |
| <u>\$ 6,082,372</u> | <u>\$ 4,725,572</u> |

San Antonio River Authority
Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position – Nonmajor Enterprise Funds
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | Salatrillo Retail | SARA Water System Utilities | Utility Operations & Maintenance | Randolph AFB Contract |
|--|----------------------|-----------------------------------|--|--------------------------|
| Operating revenues: | | | | |
| Utility service charges | \$ 634,619 | \$ 200,660 | \$ - | \$ 355,674 |
| Intergovernmental | - | - | 599,699 | - |
| Miscellaneous | 9,368 | - | - | - |
| Total operating revenues | <u>643,987</u> | <u>200,660</u> | <u>599,699</u> | <u>355,674</u> |
| Operating expenses: | | | | |
| Personnel services | 38,102 | 77,227 | 67,427 | 190,254 |
| Supplies | 3,773 | 10,106 | 40,864 | 5,207 |
| Other services & charges | 457,154 | 83,584 | 378,769 | 79,198 |
| Depreciation | 23,817 | 104,776 | 28,758 | 89,050 |
| Cost allocations | (4,281) | - | - | - |
| Total operating expenses | <u>518,565</u> | <u>275,693</u> | <u>515,818</u> | <u>363,709</u> |
| Operating income (loss) | <u>125,422</u> | <u>(75,033)</u> | <u>83,881</u> | <u>(8,035)</u> |
| Nonoperating revenues (expenses): | | | | |
| Investment earnings (losses) | (4,391) | - | - | 290 |
| Interest expense | - | - | (39,102) | - |
| Fiscal agent fees | - | - | - | - |
| Total nonoperating revenues (expenses before contributions and transfers) | <u>(4,391)</u> | <u>-</u> | <u>(39,102)</u> | <u>290</u> |
| Contributed capital | - | - | - | 352,112 |
| Transfers In (out) | - | 724,679 | - | - |
| Change in net position | 121,031 | 649,646 | 44,779 | 344,367 |
| Net position, beginning, as previously reported | <u>939,131</u> | <u>93,495</u> | <u>693,306</u> | <u>2,999,640</u> |
| Restatement of net assets | <u>196,977</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net position, beginning, as restated | <u>1,136,108</u> | <u>93,495</u> | <u>693,306</u> | <u>2,999,640</u> |
| Net position, ending | <u>\$ 1,257,139</u> | <u>\$ 743,141</u> | <u>\$ 738,085</u> | <u>\$ 3,344,007</u> |

**Total Nonmajor
Enterprise Funds**

| 2015 | 2014 |
|---------------------|---------------------|
| \$ 1,190,953 | \$ 1,929,905 |
| 599,699 | - |
| <u>9,368</u> | <u>-</u> |
| <u>1,800,020</u> | <u>1,929,905</u> |
| | |
| 373,010 | 380,568 |
| 59,950 | 58,952 |
| 998,705 | 1,006,473 |
| 246,401 | 412,128 |
| <u>(4,281)</u> | <u>(9,721)</u> |
| <u>1,673,785</u> | <u>1,848,400</u> |
| <u>126,235</u> | <u>81,505</u> |
| | |
| (4,101) | 16,595 |
| (39,102) | (40,734) |
| <u>-</u> | <u>(83)</u> |
| | |
| <u>(43,203)</u> | <u>(24,222)</u> |
| 352,112 | 336,216 |
| <u>724,679</u> | <u>-</u> |
| 1,159,823 | 393,499 |
| <u>4,725,572</u> | <u>4,332,073</u> |
| <u>196,977</u> | <u>-</u> |
| <u>4,922,549</u> | <u>4,332,073</u> |
| <u>\$ 6,082,372</u> | <u>\$ 4,725,572</u> |

San Antonio River Authority
Combining Statement of Cash Flows – Nonmajor Enterprise Funds
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | Salatrillo Retail | SARA Water System Utilities | Utility Operations & Maintenance | Randolph AFB Contract |
|--|----------------------|-----------------------------------|--|--------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Receipts from customers and users | \$ 643,987 | \$ 207,887 | \$ 597,271 | \$ 566,008 |
| Payments to suppliers | (516,651) | (95,824) | (415,992) | (87,026) |
| Payments to employees | (38,581) | (77,697) | (67,609) | (190,889) |
| Payments to interfund services provided (used) | (187,810) | - | - | - |
| Net cash provided (used) by operating activities | (99,055) | 34,366 | 113,670 | 288,093 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Transfer to other funds | - | - | - | - |
| Transfer from other funds | - | - | - | - |
| Net cash provided (used) by noncapital financing activities | - | - | - | - |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Capital contributions | - | - | - | 352,112 |
| Principal paid on capital debt | - | - | (35,000) | (28,188) |
| Interest and fees paid on capital debt | - | - | (39,900) | - |
| Purchases of capital assets | (63,488) | - | - | (236,199) |
| Net cash provided (used) by capital and related financing activities | (63,488) | - | (74,900) | 87,725 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Proceeds from sales and maturities of investments | 604,607 | - | - | - |
| Purchase of investments | - | - | - | (290) |
| Interest on investments | 792 | - | - | 290 |
| Net cash provided (used) by investing activities | 605,399 | - | - | - |
| Net increase (decrease) in cash | 442,856 | 34,366 | 38,770 | 375,818 |
| Cash - July 1 | 62,002 | 14,979 | 146,123 | 19,702 |
| Cash - June 30 | \$ 504,858 | \$ 49,345 | \$ 184,893 | \$ 395,520 |

Total Nonmajor
Enterprise Funds

| <u>2015</u> | <u>2014</u> |
|---------------------|-------------------|
| \$ 2,015,153 | \$ 1,739,857 |
| (1,115,493) | (1,086,799) |
| (374,776) | (381,513) |
| <u>(187,810)</u> | <u>330,072</u> |
| <u>337,074</u> | <u>601,617</u> |
| - | - |
| <u>-</u> | <u>-</u> |
| - | - |
| <u>-</u> | <u>-</u> |
| 352,112 | 336,216 |
| (63,188) | (64,230) |
| (39,900) | (41,615) |
| <u>(299,687)</u> | <u>(608,974)</u> |
| <u>(50,663)</u> | <u>(378,603)</u> |
| 604,607 | 324,330 |
| (290) | (375,361) |
| <u>1,082</u> | <u>627</u> |
| <u>605,399</u> | <u>(50,404)</u> |
| 891,810 | 172,610 |
| <u>242,806</u> | <u>70,196</u> |
| <u>\$ 1,134,616</u> | <u>\$ 242,806</u> |

San Antonio River Authority
Combining Statement of Cash Flows – Nonmajor Enterprise Funds (continued)
For the Year Ended June 30, 2015, With Comparative Totals for 2014

| | Salatrillo Retail | SARA Water System Utilities | Utility Operations & Maintenance | Randolph AFB Contract |
|---|----------------------|-----------------------------------|--|--------------------------|
| Reconciliation of operating income (loss) to net cash provided | | | | |
| (used) by operating activities: | | | | |
| Net cash provided (used) by operating activities: | | | | |
| Operating income (loss) | \$ 125,422 | \$ (75,033) | \$ 83,881 | \$ (8,035) |
| Adjustments to reconcile operating income (loss) | | | | |
| to net cash provided by operating activities: | | | | |
| Depreciation | 23,817 | 104,776 | 28,758 | 89,050 |
| Changes in operating assets and liabilities: | | | | |
| Receivables | 15 | 7,227 | (2,428) | 210,334 |
| Prepaid and other assets | - | 71 | - | - |
| Due from other funds | (192,091) | - | - | - |
| Accounts payable | (57,398) | (494) | 6,058 | (1,401) |
| Other accrued liabilities | 1,180 | (2,181) | (2,599) | (1,855) |
| Net cash provided (used) by operating activities | <u>\$ (99,055)</u> | <u>\$ 34,366</u> | <u>\$ 113,670</u> | <u>\$ 288,093</u> |

Total Nonmajor
Enterprise Funds

| <u>2015</u> | <u>2014</u> |
|-------------------|-------------------|
| | |
| \$ <u>126,235</u> | \$ <u>81,505</u> |
| | |
| 246,401 | 412,128 |
| | |
| 215,148 | (169,314) |
| 71 | - |
| (192,091) | 320,340 |
| (53,235) | (26,544) |
| (5,455) | (16,498) |
| <u>\$ 337,074</u> | <u>\$ 601,617</u> |

San Antonio River Authority
Combining Statement of Changes in Assets and Liabilities –
Agency Funds
Year Ended June 30, 2015

| | Balance | | | Balance |
|--|----------------------|------------------|-------------------|----------------------|
| | June 30, 2014 | Additions | Deductions | June 30, 2015 |
| San Antonio Water System Fund | | | | |
| Assets | | | | |
| Cash | \$ 1,279 | \$ - | \$ - | \$ 1,279 |
| Liabilities | | | | |
| Intergovernmental payables | \$ 1,279 | \$ - | \$ - | \$ 1,279 |
| Regional Water Resource Purchases | | | | |
| Assets | | | | |
| Cash | \$ 39,391 | \$ 848,631 | \$ 888,022 | \$ - |
| Intergovernmental receivables | - | 789,531 | 789,531 | - |
| Total assets | \$ 39,391 | \$ 1,638,162 | \$ 1,677,553 | \$ - |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ 922,703 | \$ 922,703 | \$ - |
| Intergovernmental payables | 39,391 | 848,632 | 888,023 | - |
| Total liabilities | \$ 39,391 | \$ 1,771,335 | \$ 1,810,726 | \$ - |
| TOTAL | | | | |
| Assets | | | | |
| Cash | \$ 40,670 | \$ 848,631 | \$ 888,022 | \$ 1,279 |
| Intergovernmental receivables | - | 789,531 | 789,531 | - |
| Total assets | \$ 40,670 | \$ 1,638,162 | \$ 1,677,553 | \$ 1,279 |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ 922,703 | \$ 922,703 | \$ - |
| Intergovernmental payables | 40,670 | 848,632 | 888,023 | 1,279 |
| Total liabilities | \$ 40,670 | \$ 1,771,335 | \$ 1,810,726 | \$ 1,279 |

Statistical Section



SAN ANTONIO
RIVER AUTHORITY

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San Antonio River Authority
June 30, 2015

Statistical Section

This part of the San Antonio River Authority's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the River Authority's overall financial health.

Contents

Financial Trends – These schedules contain trend information to help readers understand how the River Authority's financial performance and well-being have changed over time.

- Net Position by Component
- Changes in Net Position
- Fund Balances of Governmental Funds
- Changes in Fund Balances of Governmental Funds

Revenue Capacity – These schedules contain information to help readers assess the River Authority's most significant local revenue sources.

- Appraised Value and Estimated Actual Value of Taxable Property
- Principal Taxpayers
- Property Tax Levies and Collections
- Intergovernmental Revenues

Debt Capacity – These schedules present information to help readers assess the affordability of the River Authority's current levels of outstanding debt and the River Authority's ability to issue additional debt in the future.

- Ratios of Outstanding Debt by Type
- Revenue Bond Coverage

Demographic and Economic Information – These schedules offer demographic and economic indicators to help readers understand the environment within which the River Authority's financial activities take place.

- Full-Time Equivalent Employees by Function/Program
- Miscellaneous Statistics

Except where noted, the information in these schedules is derived from the River Authority's comprehensive annual financial reports for the relevant year. The River Authority also implemented GASB 54 in 2011; schedules presenting fund balances for the governmental funds details begin that year; and GASB 63 and 65 in 2013 schedules renaming net assets as net position and items previously reported as assets and liabilities to deferred outflows of resources or deferred inflows of resources.

San Antonio River Authority
Net Position by Component
Last Ten Years

| | Fiscal Year | | | |
|---|----------------|----------------|----------------|----------------|
| | 2005 | 2006 | 2007 | 2008 |
| Governmental activities | | | | |
| Net investment in capital assets | \$ 221,744,837 | \$ 219,586,638 | \$ 221,445,912 | \$ 224,986,472 |
| Restricted | 2,975,246 | 2,695,597 | 3,761,465 | 2,560,183 |
| Unrestricted | 17,839,959 | 13,954,443 | 15,041,868 | 17,096,466 |
| Total governmental activities net position | \$ 242,560,042 | \$ 236,236,678 | \$ 240,249,245 | \$ 244,643,121 |
| Business-type activities | | | | |
| Net investment in capital assets | \$ 20,845,248 | \$ 21,042,452 | \$ 22,123,865 | \$ 24,383,832 |
| Restricted | 5,013,038 | 6,664,638 | 9,631,129 | 8,375,232 |
| Unrestricted | 5,779,532 | 6,126,306 | 5,502,835 | 5,578,635 |
| Total business-type activities net position | \$ 31,637,818 | \$ 33,833,396 | \$ 37,257,829 | \$ 38,337,699 |
| Primary government | | | | |
| Net investment in capital assets | \$ 242,590,085 | \$ 240,629,090 | \$ 243,569,777 | \$ 249,370,304 |
| Restricted | 7,988,284 | 9,360,235 | 13,392,594 | 10,935,415 |
| Unrestricted | 23,619,491 | 20,080,749 | 20,544,703 | 22,675,101 |
| Total primary government net position | \$ 274,197,860 | \$ 270,070,074 | \$ 277,507,074 | \$ 282,980,820 |

Note: GASB 63 renames the statement of net assets as the statement of net position and provides guidance for reporting deferred outflows or resources and deferred inflows of resources within the financial statements or governmental entities. The River Authority made this change in fiscal year 2013.

| Fiscal Year | | | | | |
|----------------|----------------|----------------|----------------|----------------|----------------|
| 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| \$ 282,738,577 | \$ 353,820,629 | \$ 405,475,880 | \$ 453,581,745 | \$ 457,027,718 | \$ 458,716,760 |
| 2,740,309 | 7,292,287 | 6,733,084 | 6,425,566 | 9,208,478 | 6,003,312 |
| 24,323,085 | 19,001,393 | 15,066,632 | 18,362,082 | 15,008,284 | 18,942,630 |
| \$ 309,801,971 | \$ 380,114,309 | \$ 427,275,596 | \$ 478,369,393 | \$ 481,244,480 | \$ 483,662,702 |
| \$ 25,486,015 | \$ 24,610,241 | \$ 22,671,819 | \$ 26,750,240 | \$ 28,130,601 | \$ 28,957,251 |
| 6,497,154 | 8,485,058 | 12,350,883 | 8,463,921 | 6,571,105 | 6,712,469 |
| 5,395,985 | 4,096,133 | 4,467,523 | 3,740,397 | 4,811,695 | 6,653,144 |
| \$ 37,379,154 | \$ 37,191,432 | \$ 39,490,225 | \$ 38,954,558 | \$ 39,513,401 | \$ 42,322,864 |
| \$ 308,224,592 | \$ 378,430,870 | \$ 428,147,699 | \$ 480,331,985 | \$ 485,158,319 | \$ 487,674,011 |
| 9,237,463 | 15,777,345 | 19,083,967 | 14,889,487 | 15,779,583 | 12,715,781 |
| 29,719,070 | 23,097,526 | 19,534,155 | 22,102,479 | 19,819,979 | 25,595,774 |
| \$ 347,181,125 | \$ 417,305,741 | \$ 466,765,821 | \$ 517,323,951 | \$ 520,757,881 | \$ 525,985,566 |

San Antonio River Authority
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

| | Fiscal Year | | | |
|--|-------------------|-------------------|-------------------|-------------------|
| | 2006 | 2007 | 2008 | 2009 |
| Expenses | | | | |
| Governmental activities: | | | | |
| General government | \$ 5,900,136 | \$ 6,563,992 | \$ 7,059,785 | \$ 6,717,172 |
| Program support | - | - | - | - |
| Operations | 811,293 | 676,956 | 747,431 | 11,395,792 |
| Watershed management | 18,924,797 | 13,705,341 | 12,866,564 | - |
| Technical Services | - | - | - | 5,744,225 |
| Planning and development | 2,352,295 | 1,661,532 | 1,907,091 | - |
| Interest and other fees | 2,586,994 | 2,270,804 | 2,354,161 | 2,438,057 |
| Total governmental activities | <u>30,575,515</u> | <u>24,878,625</u> | <u>24,935,032</u> | <u>26,295,246</u> |
| Business-type activities: | | | | |
| Operations: | | | | |
| Utilities | 7,986,382 | 9,001,893 | 9,514,092 | 10,368,609 |
| Parks | 1,931,758 | 1,864,893 | 1,671,369 | 1,835,350 |
| Total business-type activities expenses | <u>9,918,140</u> | <u>10,866,786</u> | <u>11,185,461</u> | <u>12,203,959</u> |
| Total primary government expenses | <u>40,493,655</u> | <u>35,745,411</u> | <u>36,120,493</u> | <u>38,499,205</u> |
| Program Revenues | | | | |
| Governmental activities | | | | |
| Charges for services | | | | |
| General government | 575,406 | 975,236 | 2,720,165 | 3,143,092 |
| Operations | 45,056 | 58,149 | 21,586 | 118,241 |
| Watershed management | 1,266,861 | 1,510,290 | 251,453 | - |
| Technical Services | - | - | - | 356,629 |
| Planning and development | 184,220 | 242,777 | 217,210 | - |
| Operating grants and contributions | | | | |
| General government | 13,785 | - | - | 262,099 |
| Program support | - | - | - | - |
| Operations | - | - | - | 601,955 |
| Watershed management | 466,045 | 963,731 | 433,989 | - |
| Technical Services | - | - | - | 511,792 |
| Planning and development | 676,893 | 188,569 | 364,149 | - |
| Capital grants and contributions | | | | |
| Operations | - | - | - | 33,945,121 |
| Watershed management | 893,147 | 10,796,201 | 7,861,984 | - |
| Technical Services | - | - | - | - |
| Interest and other fees | 2,429,676 | - | - | - |
| Total governmental activities program revenues | <u>6,551,089</u> | <u>14,734,953</u> | <u>11,870,536</u> | <u>38,938,929</u> |

| Fiscal Year | | | | | |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| \$ 6,804,463 | \$ 7,943,352 | \$ 10,236,092 | \$ 10,572,749 | \$ 25,187,998 | \$ 23,734,542 |
| - | - | 6,046,699 | 7,361,155 | 7,291,215 | 8,061,334 |
| 12,671,396 | 17,143,213 | 17,371,274 | 12,805,687 | 6,339,186 | 7,224,872 |
| - | - | - | - | - | - |
| 8,111,778 | 9,545,786 | 3,697,743 | 5,326,820 | 6,008,841 | 5,241,171 |
| - | - | - | - | - | - |
| <u>2,075,150</u> | <u>1,888,199</u> | <u>1,669,231</u> | <u>1,482,026</u> | <u>1,553,757</u> | <u>1,193,290</u> |
| <u>29,662,787</u> | <u>36,520,550</u> | <u>39,021,039</u> | <u>37,548,437</u> | <u>46,380,997</u> | <u>45,455,209</u> |
| 10,602,829 | 11,262,709 | 11,480,965 | 12,092,625 | 12,883,470 | 13,410,525 |
| <u>811,854</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>11,414,683</u> | <u>11,262,709</u> | <u>11,480,965</u> | <u>12,092,625</u> | <u>12,883,470</u> | <u>13,410,525</u> |
| <u>41,077,470</u> | <u>47,783,259</u> | <u>50,502,004</u> | <u>49,641,062</u> | <u>59,264,467</u> | <u>58,865,734</u> |
| 2,901,756 | 2,573,444 | 2,498,383 | 2,589,453 | 2,116,619 | 2,317,148 |
| 527,856 | 665,971 | 1,132,605 | 1,484,928 | 5,239,975 | 10,934,241 |
| - | - | - | - | - | - |
| 536,090 | 451,664 | 572,935 | 550,205 | 469,359 | 416,935 |
| - | - | - | - | - | - |
| 148,596 | 33,358 | 217,260 | 450,158 | 112,984 | 281,768 |
| - | - | - | 15,824 | - | - |
| 978,680 | 206,620 | 66,189 | 261,980 | 477,709 | 518,041 |
| - | - | - | - | - | - |
| 617,260 | 590,633 | 336,653 | 677,474 | 1,035,303 | 3,621,045 |
| - | - | - | - | - | - |
| 17,755,203 | 79,686,681 | 61,300,773 | 62,693,966 | 18,427,713 | 5,323,165 |
| - | - | - | - | - | - |
| - | 3,991,095 | 1,267,053 | 329,995 | 243,073 | 1,289,815 |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>23,465,441</u> | <u>88,199,466</u> | <u>67,391,851</u> | <u>69,053,983</u> | <u>28,122,735</u> | <u>24,702,158</u> |

(continued)

San Antonio River Authority
Changes in Net Position (continued)
Last Ten Fiscal Years
(accrual basis of accounting)

| | Fiscal Year | | | |
|---|---------------------|--------------------|---------------------|-------------------|
| | 2006 | 2007 | 2008 | 2009 |
| Business-type activities: | | | | |
| Charges for services | | | | |
| Operations: | | | | |
| Utilities | \$ 6,380,226 | \$ 7,061,672 | \$ 7,846,394 | \$ 8,647,461 |
| Park services | 1,263,590 | 1,289,827 | 1,281,799 | 1,257,454 |
| Operating grants and contributions | | | | |
| Operations: | | | | |
| Utilities | 42,293 | - | - | - |
| Park services | 41,000 | - | - | - |
| Capital grants and contributions | | | | |
| Operations: | | | | |
| Utilities | 2,974,282 | 3,221,580 | 1,072,523 | 1,930,693 |
| Park services | 5,875 | 846,409 | 1,018,170 | 716,105 |
| Total business-type activities program revenues | <u>10,707,266</u> | <u>12,419,488</u> | <u>11,218,886</u> | <u>12,551,713</u> |
| Total primary government program revenues | <u>17,258,355</u> | <u>27,154,441</u> | <u>23,089,422</u> | <u>51,490,642</u> |
| Net (expense)/revenue | | | | |
| Governmental activities | (24,024,426) | (10,143,672) | (13,064,496) | 12,643,683 |
| Business-type activities | <u>789,126</u> | <u>1,552,702</u> | <u>33,425</u> | <u>347,754</u> |
| Total primary government net expense | <u>(23,235,300)</u> | <u>(8,590,970)</u> | <u>(13,031,071)</u> | <u>12,991,437</u> |
| General Revenues and Other Changes In Net Position | | | | |
| Governmental activities | | | | |
| Property taxes | 11,723,795 | 12,993,762 | 14,903,927 | 16,408,411 |
| Investment earnings | 529,899 | 1,061,536 | 957,517 | 889,224 |
| Intergovernmental | 5,770,156 | 235,534 | 47,870 | - |
| Miscellaneous | 234,712 | 178,010 | 289,333 | 120,620 |
| Net gain (loss) on disposal of capital assets | - | (30,103) | - | - |
| Contributed capital | - | 58,000 | 1,477,752 | - |
| Special item/restatement of net position | - | - | - | - |
| Transfers | <u>(557,500)</u> | <u>(340,500)</u> | <u>(218,027)</u> | <u>(341,567)</u> |
| Total governmental activities | <u>17,701,062</u> | <u>14,156,239</u> | <u>17,458,372</u> | <u>17,076,688</u> |

| Fiscal Year | | | | | |
|--------------------|-------------------|-------------------|-------------------|---------------------|---------------------|
| 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| \$ 8,691,636 | \$ 9,697,771 | \$ 10,790,193 | \$ 10,833,126 | \$ 11,219,264 | \$ 11,891,387 |
| 453,535 | - | - | - | - | - |
| - | - | 55,383 | - | 9,140.00 | 9,143 |
| - | - | - | - | - | - |
| 918,033 | 1,039,363 | 2,595,799 | 1,742,703 | 1,555,436 | 1,592,548 |
| - | - | - | - | - | - |
| <u>10,063,204</u> | <u>10,737,134</u> | <u>13,441,375</u> | <u>12,575,829</u> | <u>12,783,840</u> | <u>13,493,078</u> |
| <u>33,528,645</u> | <u>98,936,600</u> | <u>80,833,226</u> | <u>81,629,812</u> | <u>40,906,575</u> | <u>38,195,236</u> |
| (6,197,346) | 51,678,916 | 28,370,812 | 31,505,546 | (18,258,262) | (20,753,051) |
| <u>(1,351,479)</u> | <u>(525,575)</u> | <u>1,960,410</u> | <u>483,204</u> | <u>(99,630)</u> | <u>82,553</u> |
| <u>(7,548,825)</u> | <u>51,153,341</u> | <u>30,331,222</u> | <u>31,988,750</u> | <u>(18,357,892)</u> | <u>(20,670,498)</u> |
| 16,835,358 | 17,428,109 | 18,255,301 | 18,958,404 | 21,196,901 | 22,955,094 |
| (67,262) | 261,136 | 231,236 | 39,132 | 157,122 | 2,484 |
| - | 137,500 | - | - | 700 | - |
| 181,655 | 268,992 | 303,938 | 212,837 | 226,845 | 213,695 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>(183,624)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(448,219)</u> | <u>-</u> |
| <u>16,766,127</u> | <u>18,095,737</u> | <u>18,790,475</u> | <u>19,210,373</u> | <u>21,133,349</u> | <u>23,171,273</u> |

(continued)

San Antonio River Authority
Changes in Net Position (continued)
Last Ten Fiscal Years
(accrual basis of accounting)

| | Fiscal Year | | | |
|---|-----------------------|---------------------|---------------------|----------------------|
| | 2006 | 2007 | 2008 | 2009 |
| Business-type activities | | | | |
| Investment earnings | \$ 307,120 | \$ 804,971 | \$ 832,987 | \$ 584,116 |
| Intergovernmental | 394,044 | 408,836 | 52,832 | 323,916 |
| Miscellaneous | 147,788 | 317,424 | 149,509 | 18,421 |
| Net gain (loss) on disposal of capital assets | - | - | - | - |
| Transfers | <u>557,500</u> | <u>340,500</u> | <u>218,027</u> | <u>341,567</u> |
| Total business-type activities | <u>1,406,452</u> | <u>1,871,731</u> | <u>1,253,355</u> | <u>1,268,020</u> |
| Total primary government | <u>19,107,514</u> | <u>16,027,970</u> | <u>18,711,727</u> | <u>18,344,708</u> |
| Change in Net Position | | | | |
| Governmental activities | (6,323,364) | 4,012,567 | 4,393,876 | 29,720,371 |
| Business-type activities | <u>2,195,578</u> | <u>3,424,433</u> | <u>1,286,780</u> | <u>1,615,774</u> |
| Total primary government | <u>\$ (4,127,786)</u> | <u>\$ 7,437,000</u> | <u>\$ 5,680,656</u> | <u>\$ 31,336,145</u> |

Note: GASB 63 renames the statement of net assets as the statement of net position and provides guidance for reporting deferred outflows or resources and deferred inflows of resources within the financial statements or governmental entities. The River Authority made this change in fiscal year 2013.

| Fiscal Year | | | | | |
|---------------------|----------------------|----------------------|----------------------|---------------------|---------------------|
| 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| \$ 115,354 | \$ 315,418 | \$ 250,712 | \$ 79,669 | \$ 79,669 | \$ 29,367 |
| 183,866 | 67,322 | 10,064 | 400 | 400 | - |
| 60,994 | 13,546 | 77,607 | 82,007 | 82,007 | 176,418 |
| (2,282,780) | - | - | - | - | - |
| 183,624 | - | - | - | - | - |
| <u>(1,738,942)</u> | <u>396,286</u> | <u>338,383</u> | <u>162,076</u> | <u>162,076</u> | <u>205,785</u> |
| <u>15,027,185</u> | <u>18,492,023</u> | <u>19,128,858</u> | <u>19,372,449</u> | <u>19,372,449</u> | <u>23,377,058</u> |
| 10,568,781 | 69,774,653 | 47,161,287 | 50,715,919 | 2,875,087 | 2,418,222 |
| <u>(3,090,421)</u> | <u>(129,289)</u> | <u>2,298,793</u> | <u>645,280</u> | <u>62,446</u> | <u>288,338</u> |
| <u>\$ 7,478,360</u> | <u>\$ 69,645,364</u> | <u>\$ 49,460,080</u> | <u>\$ 51,361,199</u> | <u>\$ 2,937,533</u> | <u>\$ 2,706,560</u> |

San Antonio River Authority
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

| | Fiscal Year | | | |
|-------------------------------------|----------------------|----------------------|----------------------|----------------------|
| | 2006 | 2007 | 2008 | 2009 |
| General Fund | | | | |
| Reserved | \$ 2,921,549 | \$ 2,914,210 | \$ 1,739,607 | \$ 1,820,574 |
| Unreserved | 8,965,598 | 7,827,993 | 11,886,474 | 15,054,947 |
| Nonspendable: | | | | |
| Prepaid items | - | - | - | - |
| Notes receivable, long term portion | - | - | - | - |
| Inventory | - | - | - | - |
| Restricted: | | | | |
| TWDB projects | - | - | - | - |
| Committed: | | | | |
| Operating reserve | - | - | - | - |
| Reserve | - | - | - | - |
| Water rights | - | - | - | - |
| Assigned: | | | | |
| General government | - | - | - | - |
| Program Support | - | - | - | - |
| Parks | - | - | - | - |
| Water quality | - | - | - | - |
| Watershed management | - | - | - | - |
| Water management | - | - | - | - |
| Contract commitments | - | - | - | - |
| TWDB projects | - | - | - | - |
| Unassigned | - | - | - | - |
| Total general fund | <u>\$ 11,887,147</u> | <u>\$ 10,742,203</u> | <u>\$ 13,626,081</u> | <u>\$ 16,875,521</u> |
| All other governmental funds | | | | |
| Reserved | \$ 8,865,888 | \$ 8,617,832 | \$ 9,962,148 | \$ 9,723,741 |
| Unreserved, reported in | | | | |
| Special revenue funds | 1,520,811 | 2,231,486 | 2,348,674 | 534,289 |
| Capital projects funds | 507,748 | 2,123,909 | (2,465,135) | (1,308,883) |
| Restricted: | | | | |
| Debt service | - | - | - | - |
| Construction | - | - | - | - |
| Watershed management | - | - | - | - |
| Water management | - | - | - | - |
| Committed: | | | | |
| Parks | - | - | - | - |
| Economic development | - | - | - | - |
| Unassigned | - | - | - | - |
| Total all other governmental funds | <u>\$ 10,894,447</u> | <u>\$ 12,973,227</u> | <u>\$ 9,845,687</u> | <u>\$ 8,949,147</u> |

Note:

With the implementation of GASB 54, fund balance will be reported differently beginning in 2011.

The information will be presented on a prospective basis.

| Fiscal Year | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| \$ 4,039,126 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 12,770,843 | - | - | - | - | - |
| - | 166,354 | 246,803 | 234,088 | 214,419 | 136,695 |
| - | 847,800 | 847,525 | 959,382 | 903,225 | 735,863 |
| - | 8,531 | 9,739 | 10,506 | 7,372 | 7,794 |
| - | - | - | - | 1,579,162 | 429,850 |
| - | - | - | - | 3,231,198 | 6,879,043 |
| - | - | - | - | 6,154,848 | 5,585,700 |
| - | - | - | - | 50,000 | - |
| - | 708,298 | 1,152,712 | 523,337 | - | - |
| - | - | 268,869 | 147,512 | - | - |
| - | 218,744 | 210,826 | 398,315 | - | - |
| - | 201,917 | 117,751 | 171,033 | - | - |
| - | 1,451,230 | 1,081,653 | 1,279,396 | - | - |
| - | 267,478 | 251,777 | - | - | - |
| - | - | - | - | 4,377,258 | 1,815,639 |
| - | - | - | - | 441,436 | 441,436 |
| - | 13,101,223 | 12,678,158 | 13,218,181 | 1,559,505 | 2,184,422 |
| <u>\$ 16,809,969</u> | <u>\$ 16,971,575</u> | <u>\$ 16,865,813</u> | <u>\$ 16,941,750</u> | <u>\$ 18,518,423</u> | <u>\$ 18,216,442</u> |
| \$ 8,968,556 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 1,783,887 | - | - | - | - | - |
| (1,676,026) | - | - | - | - | - |
| - | 6,023,710 | 5,268,015 | 4,738,857 | 4,527,405 | 4,265,023 |
| - | 1,056,540 | 1,080,041 | 1,141,442 | 2,661,775 | 871,847 |
| - | 191,217 | 283,884 | 525,273 | 364,756 | 357,948 |
| - | 20,820 | 101,144 | 19,994 | 75,380 | 78,644 |
| - | 116,856 | 219,977 | 294,716 | 307,871 | 339,358 |
| - | 61,574 | 53,383 | 45,932 | 39,909 | 33,934 |
| - | (14,316) | - | (67,161) | (116,035) | (182,928) |
| <u>\$ 9,076,417</u> | <u>\$ 7,456,401</u> | <u>\$ 7,006,444</u> | <u>\$ 6,699,053</u> | <u>\$ 7,861,061</u> | <u>\$ 5,763,826</u> |

San Antonio River Authority
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

| | Fiscal Year | | | |
|---|-----------------------|-------------------|---------------------|---------------------|
| | 2006 | 2007 | 2008 | 2009 |
| Revenues | | | | |
| Taxes | \$ 11,726,893 | \$ 12,917,834 | \$ 14,875,699 | \$ 16,357,830 |
| Intergovernmental | 9,551,850 | 9,195,857 | 8,333,276 | 13,077,952 |
| Charges for services | 553,204 | 3,681,388 | 1,316,509 | 4,017,869 |
| Investment earnings | 520,996 | 1,060,525 | 956,475 | 884,064 |
| Support fees | 1,518,340 | 1,940,444 | 2,095,178 | 2,223,994 |
| Contribution revenue | - | - | - | - |
| Miscellaneous | 234,712 | 330,809 | 462,776 | 287,376 |
| Total Revenues | <u>24,105,995</u> | <u>29,126,857</u> | <u>28,039,913</u> | <u>36,849,085</u> |
| Expenditures | | | | |
| General government | 5,076,974 | 5,351,595 | 5,698,126 | 5,932,176 |
| Program support | - | - | - | - |
| Operations | 714,006 | 544,317 | 765,765 | 4,432,826 |
| Watershed management | 12,408,940 | 7,262,329 | 6,454,437 | - |
| Technical Services | - | - | - | 6,071,862 |
| Planning and development | 2,190,159 | 1,598,517 | 1,907,808 | - |
| Capital Outlay | 7,923,961 | 6,932,440 | 6,935,758 | 15,868,661 |
| Debt Service | | | | |
| Principal | 3,600,000 | 3,875,000 | 4,300,000 | 3,680,000 |
| Interest | 2,531,870 | 2,171,038 | 2,254,395 | 2,168,291 |
| Capital lease principal | - | - | - | - |
| Bond Issuance Cost | 98,017 | 164,713 | - | - |
| Total Expenditures | <u>34,543,927</u> | <u>27,899,949</u> | <u>28,316,289</u> | <u>38,153,816</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(10,437,932)</u> | <u>1,226,908</u> | <u>(276,376)</u> | <u>(1,304,731)</u> |
| Other financing sources (uses) | | | | |
| Transfers in | 7,021,824 | 6,646,081 | 5,842,275 | 6,024,607 |
| Transfers out | (7,579,324) | (7,165,081) | (6,591,302) | (6,366,174) |
| Refunding bonds issued | - | 14,525,000 | - | - |
| Bonds issued | 4,800,000 | - | - | - |
| Premium on bonds issued | - | 29,352 | - | - |
| Discount on bonds issued | - | (255,451) | - | - |
| Payments to refunded bond escrow agent | - | (14,117,973) | - | - |
| Contributed capital | - | 45,000 | - | - |
| Capital leases | 199,268 | - | 781,741 | 972,490 |
| Total other financing sources (uses) | <u>4,441,768</u> | <u>(293,072)</u> | <u>32,714</u> | <u>630,923</u> |
| Cumulative effect of change in accounting principle | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>\$ (5,996,164)</u> | <u>\$ 933,836</u> | <u>\$ (243,662)</u> | <u>\$ (673,808)</u> |
| Debt service as a percentage of noncapital expenditures | 23% | 29% | 31% | 26% |

| Fiscal Year | | | | | |
|---------------|----------------|---------------|---------------|---------------|----------------|
| 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| \$ 16,799,655 | \$ 17,339,015 | \$ 18,091,785 | \$ 18,984,993 | \$ 21,184,225 | \$ 22,947,890 |
| 18,398,004 | 46,107,762 | 63,678,134 | 65,173,161 | 25,024,813 | 21,323,488 |
| 1,681,409 | 1,297,589 | 1,733,544 | 1,436,995 | 4,906,481 | 1,125,223 |
| (71,767) | 259,277 | 230,252 | 43,105 | 157,959 | 2,484 |
| 2,287,469 | 2,133,855 | 2,113,251 | 2,051,806 | 2,222,808 | 2,253,647 |
| 335,185 | - | - | - | - | - |
| 183,078 | 268,992 | 190,089 | 212,837 | 226,845 | 213,495 |
| 39,613,033 | 67,406,490 | 86,037,055 | 87,902,897 | 53,723,131 | 47,866,227 |
| 6,451,418 | 7,336,957 | 8,806,284 | 8,574,664 | 11,849,152 | 9,657,176 |
| - | - | 6,081,054 | 7,113,412 | 7,291,215 | 8,061,334 |
| 5,331,852 | 5,604,826 | 7,754,144 | 3,130,028 | 6,296,759 | 4,781,083 |
| - | - | - | - | - | - |
| 8,088,043 | 7,065,840 | 3,558,335 | 5,188,173 | 5,967,387 | 5,236,610 |
| - | - | - | - | - | - |
| 13,570,030 | 43,669,036 | 54,181,374 | 59,820,241 | 18,445,340 | 18,829,393 |
| 3,825,000 | 3,975,000 | 4,165,000 | 3,785,000 | 6,605,000 | 2,583,000 |
| 1,975,384 | 1,776,556 | 1,557,588 | 1,410,137 | 1,313,103 | 1,140,386 |
| 443,352 | 483,206 | 488,995 | 362,139 | 247,274 | 97,288 |
| - | 35,631 | - | - | - | - |
| 39,685,079 | 69,947,052 | 86,592,774 | 89,383,794 | 58,015,230 | 50,386,270 |
| (72,046) | (2,540,562) | (555,719) | (1,480,897) | (4,292,099) | (2,520,043) |
| 5,853,073 | 5,711,026 | 4,925,439 | 4,816,804 | 4,064,096 | 3,140,928 |
| (6,036,697) | (5,711,026) | (4,925,439) | (4,816,804) | (4,512,315) | (3,140,928) |
| - | 2,475,000 | - | - | - | - |
| - | - | - | - | 12,565,000 | 8,265,000 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | (2,465,000) | - | - | (5,086,001) | (8,144,173) |
| - | - | - | 391,943 | - | - |
| 317,390 | 534,467 | - | 274,259 | - | - |
| 133,766 | 544,467 | - | 666,202 | 7,030,780 | 120,827 |
| - | - | - | - | - | - |
| \$ 61,720 | \$ (1,996,095) | \$ (555,719) | \$ (814,695) | \$ 2,738,681 | \$ (2,399,216) |
| 22% | 22% | 18% | 18% | 20% | 12% |

San Antonio River Authority
Appraised Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
June 30, 2015

Bexar County

| Tax Year | Real Property | | Personal Property | Taxable Value as a percentage of Appraised Value | Tax Rate |
|---------------------|------------------------|--|--|---|---------------------|
| | Appraised Value | Taxable Value (less exemptions) | Appraised & Taxable Value | | |
| 2005 | \$ 57,819,369,502 | \$ 55,200,689,210 | \$ 7,736,026,782 | 96.01% | 0.016425 |
| 2006 | 72,665,322,283 | 59,632,492,152 | 8,127,615,302 | 83.87% | 0.016045 |
| 2007 | 83,971,345,031 | 68,647,158,176 | 8,826,468,164 | 83.49% | 0.015951 |
| 2008 | 88,957,781,593 | 82,182,294,673 | 10,289,009,261 | 93.17% | 0.015951 |
| 2009 | 108,635,006,148 | 100,160,967,345 | 10,802,104,259 | 92.91% | 0.015951 |
| 2010 | 108,496,664,484 | 99,271,473,117 | 10,290,115,911 | 92.23% | 0.016652 |
| 2011 | 100,096,378,503 | 86,891,406,112 | 10,509,046,368 | 88.06% | 0.017370 |
| 2012 | 101,285,402,209 | 87,840,941,364 | 11,078,331,512 | 88.03% | 0.017370 |
| 2013 | 106,280,292,305 | 83,446,802,521 | 12,095,102,326 | 80.71% | 0.017798 |
| 2014 | 111,755,514,356 | 101,338,301,511 | 10,782,378,511 | 91.50% | 0.017500 |

Goliad County

| Tax Year | Real Property | | Personal Property | Taxable Value as a percentage of Appraised Value | Tax Rate |
|---------------------|------------------------|--|--|---|---------------------|
| | Appraised Value | Taxable Value (less exemptions) | Appraised & Taxable Value | | |
| 2005 | \$ 1,109,748,947 | \$ 646,279,554 | \$ 7,159,153 | 58.50% | 0.016425 |
| 2006 | 1,195,937,653 | 728,917,953 | 9,768,357 | 61.27% | 0.016045 |
| 2007 | 1,457,108,393 | 986,138,687 | 10,435,933 | 67.91% | 0.015951 |
| 2008 | 1,668,596,753 | 1,128,294,183 | 8,153,305 | 67.78% | 0.015951 |
| 2009 | 2,197,148,360 | 1,270,834,800 | 8,211,430 | 58.00% | 0.015951 |
| 2010 | 1,978,086,470 | 1,054,439,233 | 8,020,580 | 53.49% | 0.016652 |
| 2011 | 1,962,834,150 | 921,887,540 | 9,280,680 | 47.22% | 0.017370 |
| 2012 | 2,037,226,720 | 933,263,190 | 9,607,470 | 46.06% | 0.017370 |
| 2013 | 1,976,546,530 | 831,439,820 | 9,835,390 | 42.35% | 0.017798 |
| 2014 | 1,131,210,960 | 1,113,517,640 | 9,534,680 | 98.45% | 0.017500 |

Karnes County

| Tax Year | Real Property | | Personal Property | Taxable Value as a percentage of Appraised Value | Tax Rate |
|---------------------|------------------------|--|--|---|---------------------|
| | Appraised Value | Taxable Value (less exemptions) | Appraised & Taxable Value | | |
| 2005 | \$ 347,208,665 | \$ 321,817,637 | \$ 26,386,622 | 93.20% | 0.016425 |
| *2006 | 832,327,576 | 772,391,292 | 41,908,925 | 93.14% | 0.016045 |
| 2007 | 828,906,253 | 387,647,544 | 17,587,514 | 47.87% | 0.015951 |
| 2008 | 985,253,727 | 398,518,153 | 20,829,099 | 41.68% | 0.015951 |
| 2009 | 1,178,499,511 | 484,904,191 | 25,448,664 | 42.39% | 0.015951 |
| 2010 | 561,536,087 | 536,727,090 | 21,645,213 | 95.75% | 0.016652 |
| 2011 | 1,571,525,941 | 859,372,197 | 25,634,823 | 55.41% | 0.017370 |
| 2012 | 3,525,874,616 | 2,715,758,318 | 32,767,473 | 77.24% | 0.017370 |
| 2013 | 6,847,045,367 | 5,949,390,999 | 13,693,107 | 86.92% | 0.017798 |
| 2014 | 9,298,201,200 | 9,800,745,169 | 956,229,573 | 104.90% | 0.017500 |

San Antonio River Authority
Appraised Value and Estimated Actual Value of Taxable Property (continued)
Last Ten Fiscal Years
June 30, 2015

Wilson County

| Tax Year | Real Property | | Personal Property | Taxable Value as a percentage of Appraised Value | Tax Rate |
|---------------------|------------------------|--|--|---|---------------------|
| | Appraised Value | Taxable Value (less exemptions) | Appraised & Taxable Value | | |
| 2005 | \$ 1,310,479,331 | \$ 1,267,231,675 | \$ 97,091,430 | 96.93% | 0.016425 |
| 2006 | 1,613,009,059 | 1,606,724,239 | 113,157,436 | 99.64% | 0.016045 |
| 2007 | 1,741,304,267 | 1,730,772,763 | 123,442,372 | 99.44% | 0.015951 |
| 2008 | 1,834,823,906 | 1,657,058,053 | 137,077,257 | 90.99% | 0.015951 |
| 2009 | 1,899,925,395 | 1,739,704,567 | 140,408,948 | 92.15% | 0.015951 |
| 2010 | 2,184,923,400 | 1,990,680,359 | 131,637,136 | 91.62% | 0.016652 |
| 2011 | 2,381,570,225 | 2,131,638,207 | 139,654,239 | 90.09% | 0.017370 |
| 2012 | 2,482,261,987 | 2,301,600,478 | 176,668,872 | 93.21% | 0.017370 |
| 2013 | 2,742,956,405 | 2,142,163,081 | 248,471,932 | 79.92% | 0.017370 |
| 2013 | 2,742,956,405 | 2,142,163,081 | 248,471,932 | 79.92% | 0.017798 |
| 2014 | 2,898,623,934 | 2,615,814,259 | 245,189,970 | 91.00% | 0.017500 |

*Tax Assessor/Collector and software changed in 2006 and values for previous years may not be accurate.

Source of data: Bexar, Karnes, Goliad and Wilson Counties Appraisal Districts

San Antonio River Authority
Principal Taxpayers
Current Year and Nine Years Ago
June 30, 2015

| | 2014 | | | | |
|-----------------------------------|---------------------|------|----------------------|------|---------|
| | Total Taxable Value | | County Taxable Value | | |
| | Taxable Value | Rank | Percent | Rank | Percent |
| Bexar County | | | | | |
| H.E. Butt Grocery Stores | 1,091,712,381 | 4 | 0.88% | 1 | 1.00% |
| Methodist Healthcare System | 540,522,741 | 7 | 0.45% | 2 | 0.51% |
| Wal-Mart Stores, Inc. | 469,526,138 | 5 | 0.44% | 3 | 0.49% |
| VHS San Antonio Partners LP | 412,389,880 | 10 | 0.40% | 4 | 0.45% |
| Southwestern Bell Telephone | 351,030,450 | - | 0.27% | 5 | 0.30% |
| USAA | 307,078,290 | - | 0.25% | 6 | 0.28% |
| Halliburton Energy Services, Inc. | 228,525,590 | - | 0.24% | 7 | - |
| La Cantera Specialty Retail LP | 220,992,250 | - | 0.21% | 8 | 0.24% |
| SA Real Estate LLLP | 215,405,840 | - | 0.17% | 9 | 0.19% |
| Frankel Family Trust | 197,770,520 | - | 0.16% | 10 | 0.18% |
| Marriott Corporation | - | - | - | - | - |
| Time Warner Cable | - | - | - | - | - |
| North Star Mall | - | - | - | - | - |
| Hyatt Regency | - | - | - | - | - |
| Simon Properties Group (Texas) | - | - | - | - | - |
| Goliad County | | | | | |
| Coletto Creek Power LP | 364,745,510 | - | 0.29% | 1 | 32.48% |
| Dougherty Robert | 135,034,260 | - | 0.11% | 2 | 12.02% |
| AEP Texas Central Co | 27,514,820 | - | 0.02% | 3 | 2.45% |
| DCP Midstream LP | 25,291,800 | - | 0.02% | 4 | 2.25% |
| Eagle Ford Gathering LLC | 19,615,380 | - | 0.02% | 5 | 1.75% |
| Flint Hills Resources LP | 17,967,260 | - | 0.01% | 6 | 1.60% |
| Charro Operating LLC | 17,796,590 | - | 0.01% | 7 | 1.58% |
| DCP South Central Texas LLC | 10,543,940 | - | 0.01% | 8 | 0.94% |
| LCRA Transmission Services | 7,107,390 | - | 0.01% | 9 | 0.63% |
| DCP Intrastate Network | 6,766,260 | - | 0.01% | 10 | 0.60% |
| Chesapeake Operating, Inc. | - | - | - | - | - |
| Edge Petroleum Operating Co | - | - | - | - | - |
| Chevron USA Inc | - | - | - | - | - |
| Abraxas Petroleum Corp. | - | - | - | - | - |
| Southwestern Bell | - | - | - | - | - |
| KCS Resources Inc | - | - | - | - | - |

2005

| <u>Taxable Value</u> | <u>Total Taxable Value</u> | | <u>County Taxable Value</u> | |
|----------------------|----------------------------|----------------|-----------------------------|----------------|
| | <u>Rank</u> | <u>Percent</u> | <u>Rank</u> | <u>Percent</u> |
| 535,579,740 | 1 | 0.82% | 1 | 0.85% |
| 166,171,180 | 7 | 0.25% | 6 | 0.26% |
| 221,621,100 | 5 | 0.34% | 4 | 0.35% |
| - | - | - | - | - |
| 450,247,950 | 2 | 0.69% | 2 | 0.72% |
| 334,845,716 | 3 | 0.51% | 3 | 0.53% |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 185,485,810 | 6 | 0.28% | 5 | 0.29% |
| 118,125,330 | 8 | 0.18% | 7 | 0.19% |
| 109,891,450 | 9 | 0.17% | 8 | 0.17% |
| 109,578,170 | 10 | 0.17% | 9 | 0.17% |
| 108,064,661 | - | 0.17% | 10 | 0.17% |
| - | - | - | - | - |
| - | - | - | - | - |
| 230,705,520 | 4 | 0.35% | 1 | 41.36% |
| - | - | - | - | - |
| - | - | - | - | - |
| 6,779,920 | - | 0.01% | 7 | 1.25% |
| 28,989,990 | - | 0.04% | 2 | 5.34% |
| - | - | - | - | - |
| 11,156,490 | - | 0.02% | 4 | 2.42% |
| - | - | - | - | - |
| 21,352,260 | - | 0.03% | 3 | 3.93% |
| 7,055,560 | - | 0.01% | 5 | 1.30% |
| 7,041,770 | - | 0.01% | 6 | 1.30% |
| 6,526,850 | - | 0.01% | 8 | 1.20% |
| 6,325,024 | - | 0.01% | 9 | 1.16% |
| 4,856,740 | - | 0.01% | 10 | 0.89% |

San Antonio River Authority
Principal Taxpayers (continued)
Current Year and Nine Years Ago
June 30, 2015

| | 2014 | | | | |
|--|----------------------------|-------------|----------------|-----------------------------|----------------|
| | <u>Total Taxable Value</u> | | | <u>County Taxable Value</u> | |
| | <u>Taxable Value</u> | <u>Rank</u> | <u>Percent</u> | <u>Rank</u> | <u>Percent</u> |
| Karnes County | | | | | |
| Marathon Oil Company | 1,634,285,755 | 1 | 1.29% | 1 | 15.19% |
| Encana Oil and Gas | 1,331,589,140 | 2 | 1.05% | 2 | 12.38% |
| EOG Resources Inc/Min Accts | 1,131,335,360 | 3 | 0.89% | 3 | 10.52% |
| Burlington Resources Oil & Gas | 822,928,540 | 5 | 0.65% | 4 | 7.65% |
| Pioneer Natural Resources USA | 742,632,920 | 6 | 0.59% | 5 | 6.90% |
| Murphy Exploration and Production | 502,566,760 | 9 | 0.40% | 6 | 4.67% |
| BHP Billiton Pet (TXLA OP) Co. | 205,468,680 | - | 0.16% | 7 | 1.91% |
| Helmerich & Payne International | 143,841,880 | - | 0.11% | 8 | 1.34% |
| Statoil Texas Onshore Property, LLC | 128,901,220 | - | 0.10% | 9 | 1.20% |
| Amber Harvest Corporation | 89,749,640 | - | 0.07% | 10 | 0.83% |
| CPT Operating Partnership | - | - | - | - | - |
| AEP Texas Central Company | - | - | - | - | - |
| LCRA Transmission Services Corp. | - | - | - | - | - |
| Aqualon Company | - | - | - | - | - |
| Southwestern Bell Telephone Company | - | - | - | - | - |
| Crawford Energy Operating Company | - | - | - | - | - |
| Hughes Dan A. Company | - | - | - | - | - |
| Devon Energy Products Company, LP | - | - | - | - | - |
| Chevron USA Inc. | - | - | - | - | - |
| Hilcorp Energy Company | - | - | - | - | - |
| Wilson County | | | | | |
| Hunt Oil Company | 161,121,853 | - | 0.13% | 1 | 5.63% |
| Gasfrac, Inc. | 37,200,160 | - | 0.03% | 2 | 1.30% |
| EOG Resources Inc | 29,115,658 | - | 0.02% | 3 | 1.02% |
| Brazos Electric Power Coop | 17,612,010 | - | 0.01% | 4 | 0.62% |
| Enterprise Texas Pipeline, LLC | 15,302,200 | - | 0.01% | 5 | 0.53% |
| EOG Resources Inc | 12,600,855 | - | 0.01% | 6 | 0.44% |
| Enterprise Crude Pipeline, LLC | 12,057,805 | - | 0.01% | 7 | 0.42% |
| H.E.B. Grocery Company LP | 10,397,413 | - | 0.01% | 8 | 0.36% |
| Floresville Oakland Hills Apartments, LP | 9,000,000 | - | 0.01% | 9 | 0.31% |
| Lyssy & Eckel Inc | 7,448,130 | - | 0.01% | 10 | 0.26% |
| Verizon Southwest | - | - | - | - | - |
| River Bend Community LLP | - | - | - | - | - |
| River Place Realty Company | - | - | - | - | - |
| Texas Tall Tower Corporation | - | - | - | - | - |
| Flint Hills Resources LP | - | - | - | - | - |
| Post Newsweek Stations | - | - | - | - | - |
| Trinity Broadcastin Network | - | - | - | - | - |

Source of data: Bexar, Karnes, Goliad and Wilson Counties Appraisal Districts

2005

| <u>Taxable Value</u> | <u>Total Taxable Value</u> | | <u>County Taxable Value</u> | |
|----------------------|----------------------------|----------------|-----------------------------|----------------|
| | <u>Rank</u> | <u>Percent</u> | <u>Rank</u> | <u>Percent</u> |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 9,565,730 | - | 0.01% | 1 | 2.75% |
| 9,220,770 | - | 0.01% | 2 | 2.65% |
| 8,914,810 | - | 0.01% | 3 | 2.56% |
| 7,285,170 | - | 0.01% | 4 | 2.09% |
| 6,936,450 | - | 0.01% | 5 | 1.99% |
| 5,971,040 | - | 0.01% | 6 | 1.71% |
| 5,921,950 | - | 0.01% | 7 | 1.70% |
| 5,690,860 | - | 0.01% | 8 | 1.63% |
| 5,103,400 | - | 0.01% | 9 | 1.47% |
| 3,768,340 | - | 0.01% | 10 | 1.08% |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 6,018,230 | - | 0.01% | 4 | 0.44% |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 4,706,940 | - | 0.01% | 5 | 0.35% |
| - | - | - | - | - |
| 3,832,790 | - | 0.01% | 6 | 0.28% |
| 10,371,750 | - | 0.02% | 1 | 0.76% |
| 9,635,030 | - | 0.01% | 2 | 0.71% |
| 8,055,200 | - | 0.01% | 3 | 0.59% |
| 3,608,430 | - | 0.01% | 7 | 0.26% |
| 3,513,500 | - | 0.01% | 8 | 0.26% |
| 2,941,500 | - | 0.00% | 9 | 0.22% |
| 2,600,000 | - | 0.00% | 10 | 0.19% |

San Antonio River Authority
Property Tax Levies and Collections
Last Ten Fiscal Years

| | Fiscal Year | | | |
|--|----------------------|----------------------|----------------------|----------------------|
| | 2006 | 2007 | 2008 | 2009 |
| Total tax levy | <u>\$ 11,531,868</u> | <u>\$ 12,884,568</u> | <u>\$ 14,920,166</u> | <u>\$ 16,526,978</u> |
| Collections, 2005 levy year | 11,001,528 | 411,834 | 37,592 | 11,163 |
| Collections, 2006 levy year | - | 12,298,658 | 459,507 | 31,120 |
| Collections, 2007 levy year | - | - | 14,201,744 | 585,614 |
| Collections, 2008 levy year | - | - | - | 15,686,281 |
| Collections, 2009 levy year | - | - | - | - |
| Collections, 2010 levy year | - | - | - | - |
| Collections, 2011 levy year | - | - | - | - |
| Collections, 2012 levy year | - | - | - | - |
| Collections, 2013 levy year | - | - | - | - |
| Collections, 2013 levy year | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total collections, fiscal year | <u>\$ 11,001,528</u> | <u>\$ 12,710,492</u> | <u>\$ 14,698,843</u> | <u>\$ 16,314,177</u> |
| Percentage of levy collected in fiscal year | 95.40% | 95.45% | 95.18% | 94.91% |
| Percentage of levy collected in subsequent fiscal years | 4.23% | 4.15% | 4.44% | 4.84% |
| Percentage of total levy collected | 99.63% | 99.60% | 99.63% | 99.75% |
| Percent of levy outstanding | 0.37% | 0.40% | 0.37% | 0.25% |

| Fiscal Year | | | | | | Total |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | by Levy Year |
| <u>\$ 16,806,248</u> | <u>\$ 17,358,564</u> | <u>\$ 18,196,453</u> | <u>\$ 18,925,662</u> | <u>\$ 21,028,877</u> | <u>\$ 22,469,811</u> | |
| 10,090 | 8,172 | 4,874 | 3,143 | 1,352 | 1,262 | \$ 11,491,009 |
| 15,071 | 11,385 | 9,591 | 6,129 | 2,203 | 365 | 12,834,029 |
| 30,905 | 12,592 | 16,044 | 13,109 | 4,775 | 583 | 14,865,367 |
| 712,340 | 22,254 | 22,732 | 22,040 | 19,821 | 833 | 16,486,301 |
| 15,873,709 | 594,980 | 47,249 | 22,631 | 23,686 | 1,317 | 16,563,572 |
| - | 16,528,389 | 540,186 | 43,827 | 28,315 | 1,751 | 17,142,468 |
| - | 142 | 17,298,817 | 668,579 | 43,901 | 2,490 | 18,013,929 |
| - | - | 161 | 18,123,625 | 94,052 | 4,561 | 18,222,399 |
| - | - | - | 487 | 20,298,182 | 12,501 | 20,311,170 |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>21,473,700</u> | <u>21,473,700</u> |
| <u>\$ 16,642,115</u> | <u>\$ 17,177,914</u> | <u>\$ 17,939,655</u> | <u>\$ 18,903,570</u> | <u>\$ 20,516,287</u> | <u>\$ 21,499,363</u> | <u>\$ 167,403,944</u> |
| 94.45% | 95.22% | 95.07% | 95.76% | 96.53% | 95.45% | |
| 4.10% | 3.53% | 3.92% | 0.50% | 0.02% | 0.02% | |
| 98.55% | 98.75% | 98.98% | 96.26% | 96.53% | 94.47% | |
| 1.45% | 1.25% | 1.02% | 3.74% | 3.47% | 4.53% | |

San Antonio River Authority
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

| Fiscal Year | Governmental Activities | | | Business-type Activities | | | Total Primary Government | Percentage of Personal Income | Per Capita |
|----------------|---------------------------------|--------------------------|-------------------|--------------------------|------------------|-------------------|--------------------------------|-------------------------------------|---------------|
| | Improvement Revenue Bonds | Lease Revenue Bond | Capital Leases | Revenue Bonds | Notes Payable | Capital Leases | | | |
| 2006 | \$ 55,236,466 | \$ 4,800,000 | \$ 538,958 | \$ 6,252,483 | \$ 1,332,007 | \$ 87,547 | \$ 68,247,461 | 116.32% | 41.49 |
| 2007 | 51,771,583 | 4,645,000 | 377,046 | 5,854,424 | 1,303,819 | 191,549 | 64,143,421 | 100.72% | 38.39 |
| 2008 | 47,708,472 | 4,480,000 | 712,202 | 5,521,364 | 1,275,631 | 441,548 | 60,139,217 | 88.16% | 35.67 |
| 2009 | 44,270,361 | 4,310,000 | 1,348,926 | 5,173,307 | 1,247,443 | 402,010 | 56,752,047 | 79.99% | 34.23 |
| 2010 | 40,689,957 | 4,135,000 | 1,017,939 | 4,815,246 | 1,219,255 | 455,996 | 52,333,393 | 73.20% | 30.76 |
| 2011 | 36,981,846 | 3,950,000 | 1,069,200 | 20,337,816 | 1,191,067 | 225,548 | 63,755,477 | 81.30% | 36.86 |
| 2012 | 33,083,735 | 3,755,000 | 601,472 | 19,419,896 | 1,162,879 | 121,653 | 58,144,635 | 73.05% | 32.99 |
| 2013 | 30,904,445 | 3,555,000 | 513,592 | 18,456,976 | 1,134,691 | 40,449 | 54,605,153 | 63.33% | 29.47 |
| 2014 | 32,147,230 | 3,100,000 | 266,318 | 17,629,375 | 1,106,503 | - | 54,249,426 | 60.04% | 28.97 |
| 2015 | 29,843,974 | 2,957,000 | 169,030 | 16,727,223 | 1,078,315 | - | 50,775,542 | 56.19% | 27.11 |

Notes: Details regarding the Authority's outstanding debt can be found in the notes of the financial statements.

San Antonio River Authority
Revenue Bond Coverage
Wastewater Funds
Last Ten Fiscal Years

| Fiscal Year | Gross Revenues (1) | Operating Expenses (2) | Net Revenue Available for Debt Service | Debt Service Requirements (3) | | | Coverage |
|----------------|-----------------------|---------------------------|--|-------------------------------|------------|------------|----------|
| | | | | Principal | Interest | Total | |
| 2006 | \$ 8,145,175 | \$ 4,744,022 | \$ 3,401,153 | \$ 555,000 | \$ 266,698 | \$ 821,698 | 4.14 |
| 2007 | 9,708,773 | 5,389,403 | 4,319,370 | 400,000 | 249,506 | 649,506 | 6.65 |
| 2008 | 8,579,501 | 5,708,317 | 2,871,184 | 335,000 | 236,326 | 571,326 | 5.03 |
| 2009 | 9,828,375 | 6,431,980 | 3,396,395 | 350,000 | 224,289 | 574,289 | 5.91 |
| 2010 | 7,910,469 | 6,884,526 | 1,025,943 | 360,000 | 211,763 | 571,763 | 1.79 |
| 2011 | 9,144,699 | 7,599,176 | 1,545,523 | 385,000 | 197,975 | 582,975 | 2.65 |
| 2012 | 10,708,964 | 6,843,473 | 3,865,491 | 710,000 | 683,879 | 1,393,879 | 2.77 |
| 2013 | 10,128,821 | 7,264,112 | 2,864,709 | 750,000 | 588,971 | 1,338,971 | 2.14 |
| 2014 | 7,196,194 | 5,450,840 | 1,745,354 | 655,000 | 495,775 | 1,150,775 | 1.52 |
| 2015 | 7,752,963 | 6,019,688 | 1,733,275 | 655,000 | 485,675 | 1,140,675 | 1.52 |

(1) Total revenues include income and receipts of that portion of the system which guarantees debt service coverage.

(2) Total operating expenses exclusive of depreciation and River Authority allocations.

(3) Includes actual principal and interest payments of revenue bonds (not average P & I for debt service coverage).

San Antonio River Authority
Full-Time Equivalent Employees by Function/Program
Last Ten Fiscal Years

| <u>Function/Program</u> | <u>As of June 30</u> | | | | |
|---|----------------------|-------------|-------------|-------------|-------------|
| | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> |
| Governmental-type activities: | | | | | |
| General Government: | | | | | |
| Board of Directors | 0 | 0 | 0 | 1.5 | 1.5 |
| Executive Offices | 0 | 0 | 6 | 3 | 3 |
| Intergovernmental & Community Relations | 6 | 7 | 8 | 9 | 10 |
| Human Resources | 4 | 4 | 4 | 4.5 | 4.5 |
| Director of Support Services | 0 | 0 | 0 | 1 | 1 |
| Finance | 9 | 9 | 9 | 13 | 13 |
| Information Technology | 6 | 6 | 7 | 8 | 7 |
| General Manager | 2 | 2 | 0 | 0 | 0 |
| Assistant General Manager | 2 | 3 | 0 | 0 | 0 |
| Director of Internal Resources | 0 | 0 | 0 | 1 | 1 |
| Internal Resources | 0 | 0 | 0 | 6.2 | 6.2 |
| Organizational Support | 0 | 0 | 0 | 2 | 2 |
| Administrative Services | 7 | 8 | 8 | 0 | 0 |
| Technical Services: | | | | | |
| Director of Technical Services | 0 | 0 | 0 | 2 | 3 |
| Environmental Sciences | 0 | 0 | 0 | 24 | 23 |
| Real Estate | 0 | 0 | 0 | 5 | 5 |
| Engineering | 0 | 0 | 0 | 19 | 20 |
| Watershed Engineering | 0 | 0 | 0 | 0 | 0 |
| Watershed Management | 0 | 0 | 0 | 12.75 | 11.75 |
| Watershed Management: | | | | | |
| Watershed Management | 7 | 6 | 7 | 0 | 0 |
| Environmental Sciences | 19 | 24 | 23 | 0 | 0 |
| Watershed Operations | 15 | 14.5 | 15 | 0 | 0 |
| Operations: | | | | | |
| Director of Operations | 0 | 0 | 0 | 1 | 1 |
| Facilities | 0 | 0 | 0 | 0 | 0 |
| Parks | 0 | 3 | 3 | 3 | 3 |
| Watershed Operations | 0 | 0 | 0 | 25.65 | 27.65 |
| Engineering | 16 | 14 | 17 | 0 | 0 |
| Water Resources & Community Development | 0 | 0 | 0 | 5 | 5 |
| Planning & Development: | | | | | |
| Planning and Development | 6 | 6 | 6 | 0 | 0 |
| Real Estate | 4 | 4 | 4 | 0 | 0 |
| Community Relations | 0 | 0 | 0 | 0 | 0 |
| Water Resources | 5 | 4 | 3 | 0 | 0 |
| Business-type activities: | | | | | |
| Operations: | | | | | |
| Park Services | 25 | 23.5 | 24 | 26.1 | 26.2 |
| Utilities | 58 | 62 | 63 | 64.3 | 64.2 |
| Total | <u>191</u> | <u>200</u> | <u>207</u> | <u>237</u> | <u>239</u> |

Source: The San Antonio River Authority annual budget report.

Notes: A full-time employee is scheduled to work 2,080 hours per year (including paid leave).

As of June 30

| 2011 | 2012 | 2013 | 2014 | 2015 |
|------|------|------|-------|------|
| | | | | |
| 1.6 | 0 | 0 | 0 | 0 |
| 3.4 | 12 | 9 | 5 | 5 |
| 10 | 11 | 14 | 15 | 15 |
| 5 | 7 | 6 | 7 | 7 |
| 1 | 0 | 0 | 0 | 0 |
| 16 | 16 | 16 | 13 | 13 |
| 7 | 12 | 13 | 11 | 11 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 1 | 0 | 0 | 0 | 0 |
| 4.3 | 0 | 0 | 0 | 0 |
| 1 | 3 | 2 | 1 | 1 |
| 0 | 0 | 0 | 0 | 0 |
| | | | | |
| 3 | 0 | 0 | 0 | 0 |
| 24 | 25 | 26 | 27 | 30 |
| 4 | 4 | 5 | 4 | 4 |
| 19 | 0 | 0 | 0 | 0 |
| 0 | 29 | 32 | 28.5 | 31 |
| 10 | 0 | 0 | 0 | 0 |
| | | | | |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| | | | | |
| 1 | 0 | 0 | 0 | 0 |
| 0 | 3.5 | 3.5 | 3.5 | 4.5 |
| 9.1 | 10 | 9 | 0 | 0 |
| 41.4 | 55 | 52 | 63 | 65 |
| 0 | 0 | 0 | 0 | 0 |
| 5 | 0 | 0 | 0 | 0 |
| | | | | |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| | | | | |
| 0 | 0 | 0 | 0 | 0 |
| 64.2 | 52.5 | 52.5 | 52.5 | 52.5 |
| 231 | 240 | 240 | 230.5 | 239 |

San Antonio River Authority
Miscellaneous Statistics
June 30, 2015

San Antonio River Authority

| | |
|--|----------------------------|
| Creation by act of legislature | May 5, 1937 |
| Form of government | Elected Board of Directors |
| Number of Board of Directors | 12 |
| Area of jurisdiction (in square miles) | 3,677 |

Government facilities and County location:

| | |
|---|---------------------|
| Main office – administration | Bexar County, Texas |
| Environmental Center – technical services | Bexar County, Texas |

Parks operated and maintained by the River Authority

| | |
|---|----------------------|
| Jackson Nature Park | Wilson County, Texas |
| Helton San Antonio River Nature Park | Wilson County, Texas |
| Graytown Park on the San Antonio River | Wilson County, Texas |
| Branch Property | Goliad County, Texas |
| River Crossing on the San Antonio River | Bexar County, Texas |
| Mann's Crossing on the Medina River | Bexar County, Texas |
| Truehart Ranch | Bexar County, Texas |

| <u>Fiscal Year</u> | <u>Braunig Park</u> | <u>Calaveras Park</u> |
|--------------------|---------------------|-----------------------|
| 2003 | 125,278 | 128,454 |
| 2004 | 134,918 | 146,630 |
| 2005 | 119,591 | 139,053 |
| 2006 | 119,679 | 151,898 |
| 2007 | 107,879 | 126,276 |
| 2008 | 131,953 | 155,878 |
| 2009 | 433,489 | 224,332 |
| *2010 | 65,900 | 80,471 |

*Braunig and Calaveras Lake Parks were only operated for 5 months during Fiscal Year 2010 and then were closed.

San Antonio River Authority
Miscellaneous Statistics
June 30, 2015

SARA Wastewater System

| | |
|---|---------------------|
| Upper Martinez Sewage Treatment Plant & Collection System | Bexar County, Texas |
| Martinez II Sewage Treatment Plant & Collection System | Bexar County, Texas |
| Martinez III Sewage Treatment Plant & Collection System | Bexar County, Texas |
| Hwy 181 Sewage Treatment Plant & Collection System | Bexar County, Texas |

Salatrillo Wastewater System

| | |
|-------------------------------------|---------------------|
| Salatrillo Sewage Treatment Plant | Bexar County, Texas |
| Salatrillo Retail Collection System | Bexar County, Texas |

Randolph Air Force Base Collection System

Bexar County, Texas

Combined Wastewater Treatment Facilities

| Fiscal Year | Number of Sewage Treatment Facilities | Number of Single-Family Residence Connection Customers | Daily Average Treatment (in gallons) | Daily Design Capacity of Plants (in gallons) |
|-------------|---------------------------------------|--|--------------------------------------|--|
| 2006 | 4 | 36,456 | 5,962,000 | 10,040,000 |
| 2007 | 4 | 32,017 | 8,018,000 | 10,040,000 |
| 2008 | 5 | 32,595 | 6,657,000 | 10,040,000 |
| 2009 | 5 | 32,595 | 6,657,000 | 10,040,000 |
| 2010 | 5 | 31,806 | 8,830,300 | 10,280,000 |
| 2011 | 5 | 32,352 | 7,141,000 | 10,280,000 |
| 2012 | 5 | 29,232 | 7,539,000 | 10,280,000 |
| 2013 | 6 | 29,559 | 7,550,746 | 11,715,000 |
| 2014 | 6 | 29,796 | 7,364,446 | 11,805,000 |
| 2015 | 6 | 32,082 | 8,296,966 | 11,805,000 |

Utility Contracts:

| | |
|--|----------------------|
| Goliad Water Supply Corporation | Goliad County, Texas |
| City of Goliad Operations and Maintenance | Goliad County, Texas |
| La Vernia Wastewater Treatment | Wilson County, Texas |
| Somerset Wastewater Treatment | Bexar County, Texas |
| Somerset Junior High School Operations and Maintenance | Bexar County, Texas |
| Alamo Colleges First Responders Academy Wastewater Treatment Plant | Bexar County, Texas |

San Antonio River Authority
Miscellaneous Statistics
June 30, 2015

SARA Water Systems Wilson County, Texas

| Fiscal Year | Total Facilities | Creekwood | Mosswood | Seven Oaks |
|-------------|------------------|-----------|----------|------------|
| 2006 | 3 | 253 | 32 | 39 |
| 2007 | 3 | 253 | 42 | 30 |
| 2008 | 3 | 254 | 32 | 46 |
| 2009 | 3 | 256 | 33 | 47 |
| 2010 | 3 | 260 | 34 | 47 |
| 2011 | 3 | 254 | 32 | 45 |
| 2012 | 3 | 258 | 31 | 48 |
| 2013 | 2 | 259 | 0 | 50 |
| 2014 | 2 | 232 | 0 | 42 |
| 2015 | 2 | 258 | 0 | 49 |

San Antonio River Authority
Miscellaneous Statistics
June 30, 2015

San Antonio River (250 miles)

Segment 1911- 86 miles

Bexar County & Wilson County, Texas

Segment 1901- 154 miles

Karnes County & Goliad County, Texas

Watershed Maintenance facilities:

Unit 1, Bexar County Dam maintenance

Bexar County, Texas

Unit 2, Karnes County Dam maintenance

Karnes County, Texas

Unit 3, Bexar County River maintenance

Bexar County, Texas

Unit 4, Newell Rd River maintenance

Bexar County, Texas

Unit 5, Mission Road Operations Center

Bexar County, Texas

Retention Dams

Calaveras Creek Watershed - 7

Bexar County, Texas

Salado Creek Watershed - 14

Bexar County, Texas

Martinez Creek Watershed - 6

Bexar County, Texas

Medina River Watershed - 1

Bexar County, Texas

Escondido Watershed – 13

Karnes County, Texas

Channel Maintenance

Nichols Creek Channel – 2.07 miles

Karnes County, Texas

Escondido Creek - 1.5 miles

Karnes County, Texas

San Antonio River Channel – 3.0 miles

Bexar County, Texas

Eagleland Segment Operations - 0.9 miles

Bexar County, Texas

San Antonio River Urban Segment Operations – 1.5 miles

Bexar County, Texas

San Antonio River Eagleland Segment Operations – 1 mile

Bexar County, Texas

San Antonio River Mission Segment Operations – 8 miles

Bexar County, Texas

Asylum Creek – .8 miles

San Antonio River Authority
Miscellaneous Statistics
June 30, 2015

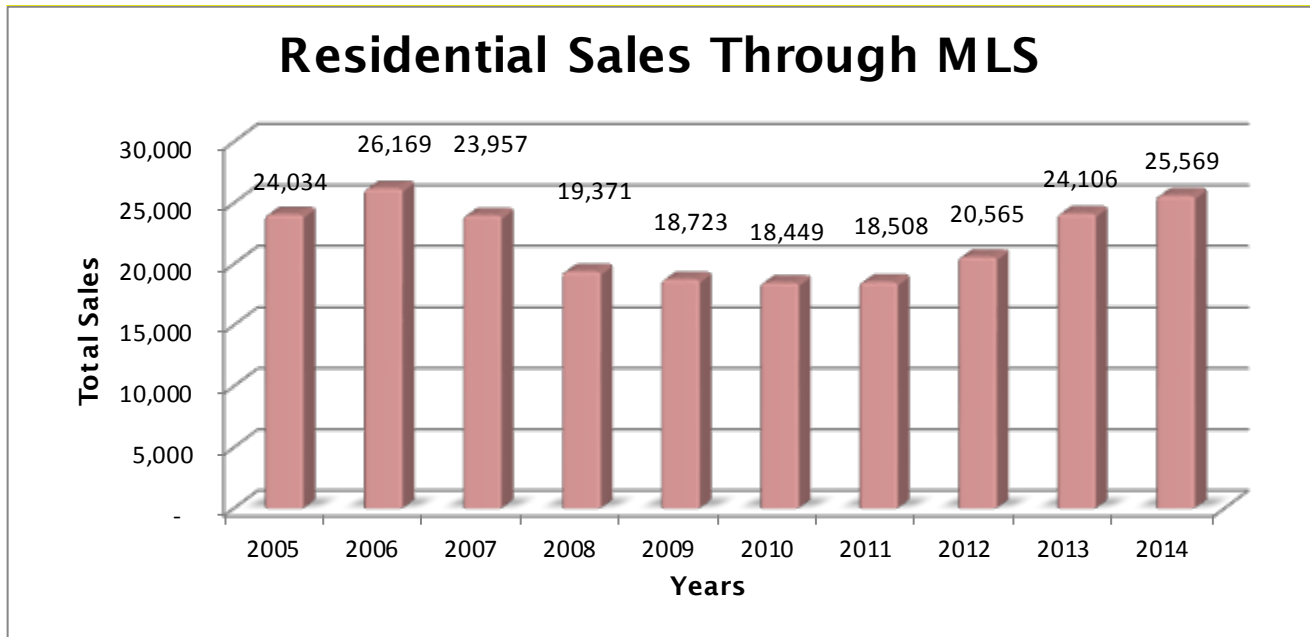
Education. The Bexar County area offers 15 public independent school districts (ISDs), as well as over 90 private, parochial, magnet and charter schools.

| Independent School District | Total # of campuses |
|------------------------------------|----------------------------|
| <i>Alamo Heights</i> | 6 |
| <i>East Central</i> | 15 |
| <i>Edgewood</i> | 20 |
| <i>Fort Sam Houston</i> | 2 |
| <i>Harlandale</i> | 31 |
| <i>Judson</i> | 32 |
| <i>Lackland</i> | 2 |
| <i>North East</i> | 75 |
| <i>Northside</i> | 115 |
| <i>Randolph Field</i> | 3 |
| <i>San Antonio</i> | 99 |
| <i>Somerset</i> | 6 |
| <i>South San Antonio</i> | 19 |
| <i>Southside</i> | 8 |
| <i>Southwest</i> | 15 |
| TOTAL | 448 |

Source of data: Texas Education Agency

Residential/Construction. San Antonio's cost of living continues to rank among the lowest of U.S. cities, particularly among large metropolitan areas. The housing indicator of 83.3 allows many families to experience the American Dream of home ownership with a wide range of housing choices to suit every lifestyle and budget.

San Antonio River Authority
Miscellaneous Statistics
June 30, 2015



*All sales transactions are based on MLS only. Source for test and charts: Real Estate Center at Texas A&M University

The Multi-Family Housing market continues to show strong growth, with builders adding 5,128 new units in the twelve months ending the third quarter of 2013. Developers are planning to deliver an additional 6,950 units the following twelve months. Rental rates increased by \$0.02 to \$0.97 per square feet, and effective rates increased across San Antonio by \$16 per month during 2013.

Multi-Family Housing

| Year | Occupancy | Average Rent |
|------|-----------|--------------|
| 2005 | 94.00% | \$644.94 |
| 2006 | 93.60% | \$640.25 |
| 2007 | 93.40% | \$652.53 |
| 2008 | 93.90% | \$668.00 |
| 2009 | 92.90% | \$673.00 |
| 2010 | 90.80% | \$701.00 |
| 2011 | 91.10% | \$732.00 |
| 2012 | 93.60% | \$741.00 |
| 2013 | 92.70% | \$757.00 |
| 2014 | 92.30% | \$834.00 |

San Antonio River Authority
Miscellaneous Statistics
June 30, 2015

Strong job and population growth across the San Antonio metro area has accelerated demand for apartments, tightened vacancy, and pushed rents higher. The Eagle Ford Shale remains the primary driver of a booming oil industry in South Texas, creating jobs and bringing billions of dollars to Bexar County. The region is attracting a number of young new residents seeking jobs in the growing energy sector. The U.S. military has also long been one of the region's largest employers, and San Antonio has been a beneficiary of Base Realignment and Closure (BRAC) activity, which consolidated bases and brought jobs from other military installations to San Antonio, which has attracted new residents.

Population/Demographics. San Antonio continued to rank as the 7th largest city in the nation and the 2nd largest city in Texas. It is one of six Texas cities ranking in the top 20 largest with Houston ranking 4th, Dallas at 9th, Austin ranking 11th, Fort Worth at 16th, and El Paso ranking as the 19th largest.

| Population / Demographics | | | |
|----------------------------------|--------------------|---------------------|------------|
| Year | San Antonio | Bexar County | MSA |
| 2005 | 1,306,900 | 1,584,800 | 1,817,200 |
| 2006 | 1,325,700 | 1,609,500 | 1,854,400 |
| 2007 | 1,344,800 | 1,626,800 | 1,878,500 |
| 2008 | 1,336,040 | 1,593,859 | 2,002,944 |
| 2009 | 1,363,612 | 1,637,696 | 2,052,542 |
| 2010 | 1,386,202 | 1,665,892 | 2,090,692 |
| 2011 | 1,337,897 | 1,696,677 | 2,133,553 |
| 2012 | 1,382,951 | 1,785,704 | 2,156,984 |
| 2013 | 1,387,267 | 1,804,964 | 2,256,780 |
| 2014 | 1,416,291 | 1,861,562 | 2,336,330 |

*These figures are an estimate. (The source of these figures is TX State Data Center & Office of the State Demographer, and the San Antonio Economic Development Foundation)

San Antonio River Authority
Miscellaneous Statistics
June 30, 2015

| Jurisdictional Population | | | | | |
|----------------------------------|-------------------------|--------------------------|--------------------------|--------------------------|--------------|
| Year | Bexar County | Goliad County | Karnes County | Wilson County | Total |
| 2005 | 1,584,800 | 7,117 | 15,260 | 37,617 | 1,644,794 |
| 2006 | 1,609,500 | 7,192 | 15,270 | 38,829 | 1,670,791 |
| 2007 | 1,626,800 | 7,154 | 15,446 | 36,726 | 1,686,126 |
| 2008 | 1,593,859 | 7,286 | 15,461 | 41,350 | 1,657,956 |
| 2009 | 1,637,696 | 7,274 | 15,303 | 41,168 | 1,701,441 |
| 2010 | 1,665,892 | 7,389 | 15,332 | 41,036 | 1,729,649 |
| 2011 | 1,696,677 | 7,243 | 14,946 | 43,789 | 1,762,655 |
| 2012 | 1,785,704 | 7,351 | 15,233 | 44,370 | 1,852,658 |
| 2013 | 1,804,964 | 7,448 | 14,782 | 45,438 | 1,872,632 |
| 2014 | 1,861,562 | 7,549 | 14,906 | 46,402 | 1,930,419 |

Statistics provided by TX State Data Center & Office of the State Demographer, and the United States

Employment. San Antonio's workforce grew 2.2% to 1,049,019 in 2013, and the annual unemployment rate of 6.0% continues to remain less than figures for both the state of Texas and the rest of the nation and is a .5% decrease in unemployment from the previous year. With the increase in job growth, personal income for the San Antonio MSA also registered an increase to 90.4 billion dollars annually.

| Personal Income and Unemployment Statistics | | | |
|--|---|---------------------------------------|---|
| Year | Personal Income (amounts expressed in thousands) | Per Capita Personal Income | Unemployment Rate (Annualized) |
| 2005 | 58,669,984 | 29,092 | 5.00% |
| 2006 | 63,686,419 | 30,939 | 4.60% |
| 2007 | 68,212,578 | 32,553 | 4.10% |
| 2008 | 70,946,997 | 34,256 | 4.70% |
| 2009 | 71,489,367 | 35,222 | 6.70% |
| 2010 | 78,416,347 | 33,857 | 7.30% |
| 2011 | 79,596,000 | 34,969 | 7.40% |
| 2012 | 86,218,000 | 36,781 | 6.50% |
| 2013 | 90,361,000 | 39,597 | 6.00% |
| *2014 | 90,361,000 | 39,597 | 6.00% |

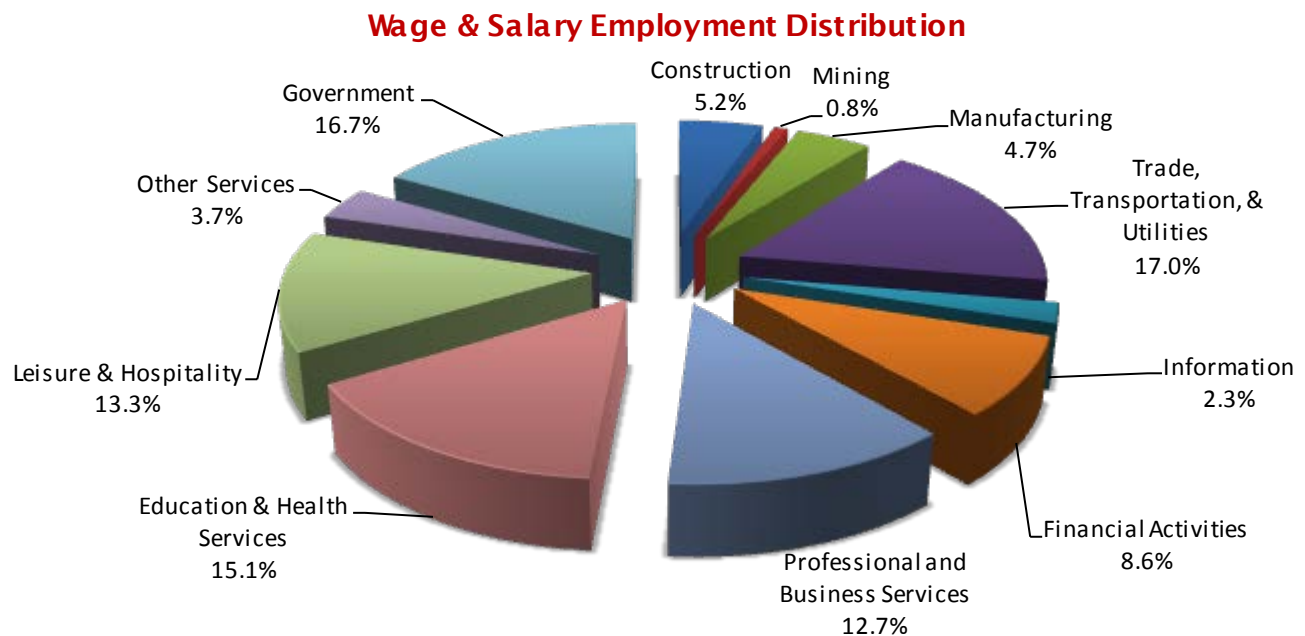
Data Sources

- Bureau of Economic Analysis, Regional Economic Information System
- US Department of Labor, Bureau of Labor Statistics
- Comerica Regional Economic Update

* 2014 numbers not available

San Antonio River Authority
Miscellaneous Statistics
June 30, 2015

The largest companies based in San Antonio include HEB Grocery Company, USAA, Bill Miller Bar-B-Q, Frost Bank, Valero Energy, Rackspace, Southwest Research Institute, Toyota Motor Manufacturing, Clear Channel Communications, KCI, and Harland Clarke. During the past 10 years, job growth in San Antonio has concentrated in traditionally 'high skill, high wage' industry sectors. Employment in the Financial Activities, Professional & Business Services, and Education & Health Services sectors continue to be an economic strength for the region. The following graph indicates the distribution of wage and salary employment for San Antonio and the surrounding area.



Source data: San Antonio Economic Development Foundation

Military Installations. The military is a strong part of our history and San Antonio has been labeled "Military City, USA" with more than 70,000 soldiers. Lackland Air Force is responsible for the basic training of all enlisted recruits for the Air Force with more than 16,000 civilian and military personnel. Randolph is labeled as "The Showplace of the Air Force" and is one of the most active flying training centers. Randolph conducts the only graduate level courses in instrument flying and supports more than 9,000 military and civilian personnel. Fort Sam Houston is located on 3,300 acres and is known as the "Home of Army Medicine" with more than 17,000 military and civilian personnel. San Antonio Army Medical Center is also located there and is recognized as the Defense Department Center of Medical Excellence due their extensive research and treatment for burn, blunt trauma and amputee injuries. In 2011, Department of Defense activities in San Antonio generated an economic impact of \$27.7 billion. More than half of this impact comes from military, civilian, and retiree spending.

San Antonio River Authority
Miscellaneous Statistics
June 30, 2015

Medical and Research Facilities. The economic impact of the Healthcare and Bioscience industry grew to an estimated \$29.2 billion in 2011. The industry employed more than 156,200 people, or more than one out of every six employees in San Antonio, and paid wages of \$7.5 billion to employees in 2011. The health services sector which is made up of hospitals, physicians, nursing homes, home healthcare services and other associated healthcare services has added more than 40,000 net new jobs over the past decade.

San Antonio Army Medical Center (SAAMC), a level 1 Trauma Center, is home to the U.S. Army Institute of Surgical Research, which operates the only Department of Defense Burn Center. The Center for the Intrepid is an expanded area of medical training and education, medical research and healthcare operations.

San Antonio health care systems are considered state-of-the-art including specialized hospitals. The South Texas Medical Center has 12 major hospitals and employs approximately 56,000 people and cares for over 104,000 inpatients and 5.4 million outpatients each year. Christus Santa Rosa Healthcare offers rehabilitation services and is recognized for cardiac, vascular, stroke orthopedics, pulmonary, gastroenterology and obstetric services. The Children's Hospital of San Antonio is dedicated to the care of children and is the only academic pediatric teaching facility in San Antonio. The Methodist Healthcare System is the largest provider consisting of 9 major hospitals and offering neurosciences, oncology, obstetrics, orthopedics and transplant services.. The Methodist Specialty and Transplant Hospital, part of the Methodist Healthcare System, is among the top kidney and liver transplant programs in the nation. The Methodist Hospital was recently recognized for its innovative cardio-hospitalist program. The Cancer Therapy and Research Center at the UT Health Science Center, is one of only a few designated National Cancer Institute Cancer Centers. The Baptist Health System offers five acute-care hospitals, all of which have earned the Accredited Chest Pain Center and Primary Stroke Center Classifications. (Source data: Greater San Antonio Chamber of Commerce 2013 Relocation Guide)

Tourism/Conventions. San Antonio welcomes over 28 million visitors a year to shop, play and enjoy the city's unique history and culture. In 2011, the city hosted 22 million leisure travelers, with 13 million of these being overnight visitors. San Antonio is also one of the top convention cities in the country, with 5.6 million business visitors coming to the area in 2011 for conventions and other business purposes. The Hospitality Industry consisting of Lodging, Restaurants, Transportation and Entertainment employs over 112,500 employees with an economic impact of over \$12 billion.

San Antonio River Authority
Miscellaneous Statistics
June 30, 2015

| Calendar Year | Bureau Booked Convention Delegates | Bureau Booked Convention Room Nights | Estimated Dollars Spent by Bureau Booked Convention Delegates (\$ Millions) |
|--------------------------|---|---|--|
| 2005 | 503,601 | 699,932 | \$523.30 |
| 2006 | 467,426 | 736,659 | \$485.80 |
| 2007 | 455,256 | 647,386 | \$473.10 |
| 2008 | 563,164 | 691,525 | \$607.50 |
| 2009 | 399,408 | 660,736 | \$474.50 |
| 2010 | 535,400 | 736,325 | \$636.10 |
| 2011 | 499,171 | 637,593 | \$593.00 |
| 2012 | 449,202 | 635,829 | \$533.70 |
| 2013 | 712,577 | 734,190 | \$846.60 |
| 2014 | 652,443 | 725,333 | \$775.10 |

The City has approved the spending of \$325 million to increase the exhibit space in the Henry B. Gonzalez Convention Center to a total of over 500,000 square feet and to add a 55,000 square foot ballroom, which will be the largest ballroom in Texas. The center will remain in operation as this project is underway and thousands of square feet of existing convention center space are renovated. The project is estimated to be completed in fall of 2015.

Five of the top 10 attractions to visit in the San Antonio area are the Alamo, River Walk, Sea World, Fiesta Texas and the San Antonio Zoo. San Antonio also has a variety of choices for meetings such as the above-mentioned Henry B. Gonzalez Convention Center with 1.3 million square feet of space, the Alamodome which seats up to 72,000 and has 160,000 square feet of floor space, the AT&T Center has a seating capacity of 18,500 and the San Antonio Municipal Auditorium with over 23,000 square feet. The Alamodome made hosting major sporting events possible with the NCAA Men's Final Four in 2008, Woman's Final Four in 2010, NBA home games for the San Antonio Spurs, training camp for the NFL Dallas Cowboys, and has hosted home games for the University of Texas at San Antonio "Road Runners" football team. In March 2013 it also played host to exhibition games for Major League baseball's Texas Rangers.

Source of data: The San Antonio Convention and Visitors Bureau

Single Audit



SAN ANTONIO
RIVER AUTHORITY

Leaders in Watershed Solutions



SAN ANTONIO

RIVER AUTHORITY

Leaders in Watershed Solutions



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 *GOVERNMENT AUDITING STANDARDS*

Board of Directors
San Antonio River Authority
San Antonio, Texas

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of San Antonio River Authority (the "River Authority") as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the River Authority's basic financial statements, and have issued our report thereon dated October 21, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the River Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the River Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the River Authority'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 timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the River Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Handwritten signature in black ink that reads "ABIP, PC".

Certified Public Accountants
San Antonio, Texas

October 21, 2015



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Board of Directors
San Antonio River Authority
San Antonio, Texas

Report on Compliance for Each Major Federal Program

We have audited San Antonio River Authority's (the "River Authority") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the River Authority's major federal programs for the year ended June 30, 2015. The River Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the River Authority's major federal programs based on our audit of the types of compliance requirements referred to above. 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 OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the River Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the River Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, the River Authority 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 June 30, 2015.

Report on Internal Control Over Compliance

Management of the River Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the River Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the River Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Certified Public Accountants
San Antonio, Texas

October 21, 2015

San Antonio River Authority
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

| Federal Grantor/Pass-Through Grantor/Program Title | Federal CFDA | Grant/Contract Number | Disbursements/ Expenditures |
|--|-------------------------|----------------------------------|--|
| United States Department of Agriculture/ Natural Resource Conservation Service/ Calaveras 10 Dam Rehabilitation | 10.916 | 69-7442-14-984 | \$ 1,473,999 |
| United States Department of Agriculture/ Natural Resource Conservation Service/ Martinez 1 Dam Rehabilitation | 10.916 | 69-7442-14-986 | 316,106 |
| United States Department of Agriculture/ Natural Resource Conservation Service/ Martinez 2 Dam Rehabilitation | 10.916 | 69-7442-14-987 | 231,120 |
| United States Department of Agriculture/ Natural Resource Conservation Service/ Martinez 3 Dam Rehabilitation | 10.916 | 69-7442-14-988 | 266,053 |
| United States Department of the Interior/ National Park Services/San Antonio Missions Grant Program | 15.916 | P14PX02364 | 9,381 |
| United States Fish and Wildlife Service/National Fish and Wildlife Foundation/San Antonio River Basin- Guadalupe Bass Assessment and Re-introduction | 15.663 | 0901-12-031188 | 144 |
| United States Department of Homeland Security/ Federal Emergency Management Agency Cooperating Technical Partners (LOMR) | 97.045 | EMT-2012-CA-0011 | 13,241 |

San Antonio River Authority
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2015

| Federal Grantor/Pass-Through Grantor/Program Title | Federal CFDA | Grant/Contract Number | Disbursements/ Expenditures |
|--|-------------------------|----------------------------------|--|
| United States Department of Homeland Security/ Federal Emergency Management Agency Cooperating Technical Partners (LOMR) | 97.045 | EMW-2013-CA-K00046 | 114,672 |
| United States Department of Homeland Security/ Federal Emergency Management Agency Cooperating Technical Partners (Risk Map) | 97.045 | EMT-2012-CA-0012 | 160,442 |
| United States Department of Homeland Security/ Federal Emergency Management Agency Cooperating Technical Partners (Risk Map) | 97.045 | EMT-2013-CA-0003 | 89,343 |
| United States Department of Homeland Security/ Federal Emergency Management Agency Cooperating Technical Partners (LOMR) | 97.045 | EMW-2013-CA-K00046 | 31,923 |
| United States Department of Homeland Security/ Federal Emergency Management Agency Cooperating Technical Partners (LOMR) | 97.045 | EMW-2014-CA-K00215 | 59 |
| United States Department of Defense/Defense Energy Support Center/Randolph Air Force Base, Texas | 12.999 | SP0600-03-8266 | <u>599,908</u> |
| Total Federal Expenditures | | | <u>\$ 3,306,391</u> |

San Antonio River Authority

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2015

1. General

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the River Authority and is presented on the modified accrual basis of accounting for governmental-type funds and on the accrual basis of accounting for enterprise-type funds. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

2. Relationship to Federal Financial Reports

Amounts in the accompanying schedule agree in all material respects with the amounts in the federal financial reports.

3. Reconciliation of the Schedule of Expenditures of Federal Awards to the Financial Statements

The following is a reconciliation between federal expenditures, as recorded in the body of the financial statements, to the Schedule of Expenditures of Federal Awards for the year ended June 30, 2015:

| Fund | Amount |
|---|---------------------|
| State Grants | \$ 1,483,380 |
| Federal Grants | 1,223,103 |
| Randolph Air Force Base Collection System | 599,908 |
| | <u>\$ 3,306,391</u> |

San Antonio River Authority

Schedule of Findings and Questioned Costs

Year Ended June 30, 2015

Section A—Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material Weakness(es) Identified

_____ Yes

_____ X _____ No

Significant deficiency(ies) identified that
are not considered material weaknesses

_____ Yes

_____ X _____ None Reported

Noncompliance material to financial
statements noted?

_____ Yes

_____ X _____ No

2. Federal Awards

Type of auditor's report issued on compliance for
major programs:

Unmodified

Internal control over major programs:

Material weakness(es) identified?

_____ Yes

_____ X _____ No

Significant deficiency(ies) identified that are not
Considered to be material weaknesses

_____ Yes

_____ X _____ None Reported

Any audit findings disclosed that are required
to be reported in accordance with
Section 510(a) of OMB Circular A-133?

_____ Yes

_____ X _____ No

Identification of major programs:

CFDA Number(s)

10.916

Name of Federal Program or Cluster

U.S. Department of Agriculture/
Natural Resource Conservation Service

Dollar threshold used to distinguish between
type A and Type B programs:

\$ 300,000

Auditee qualified as low-risk auditee?

_____ X _____ Yes

_____ No

San Antonio River Authority

Schedule of Findings and Questioned Costs

Year Ended June 30, 2015

(Continued)

Section B—Financial Statement Findings

No matters were reported.

Section C – Federal Award Findings and Questioned Costs

No matters were reported.

San Antonio River Authority

Summary Schedule of Prior Year Audit Findings

Year Ended June 30, 2015

None



SAN ANTONIO

RIVER AUTHORITY

Leaders in Watershed Solutions