

red-winged blackbird • *Agelaius phoeniceus*



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THE SAN ANTONIO  RIVER AUTHORITY

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*A political subdivision of the State of Texas.*

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

*Fiscal Year June 30, 2016*

*Inspiring Actions for Healthy Creeks and Rivers*

# **San Antonio River Authority**

## **San Antonio, Texas**

### **Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2016**



**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, Texas

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SAN ANTONIO  

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RIVER AUTHORITY

Leaders in Watershed Solutions

# Introductory Section



SAN ANTONIO  
RIVER AUTHORITY

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SAN ANTONIO  

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RIVER AUTHORITY

Leaders in Watershed Solutions



October 19, 2016

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, 2016. 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 compliment 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  
Michael W. Lackey, P.E.

VICE CHAIRMAN  
Gaylon J. Oehlke

SECRETARY  
Hector R. Morales

TREASURER  
Darrell T. Brownlow, Ph.D.

AT-LARGE  
James Fuller  
Lourdes Galvan



BOARD OF DIRECTORS

BEXAR COUNTY  
DISTRICT 1  
Jerry G. Gonzales

DISTRICT 2  
Lourdes Galvan

DISTRICT 3  
Michael W. Lackey, P.E.

DISTRICT 4  
Jim Campbell

AT-LARGE  
Hector R. Morales

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

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

GOLIAD COUNTY  
Alicia Lott Cowley  
James Fuller



GENERAL MANAGER  
Suzanne Scott

The fiscal year 2015/16 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.

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## PROFILE OF SAN ANTONIO RIVER AUTHORITY

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**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.

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## MAJOR INITIATIVES

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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 2016/17 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 FY 2016/17, the Strategic Plan is focused on completing and delivering results from the many strategic goals and opportunities developed in FY 2015/16 but adding or refining a few key new initiatives. A new style of presenting the Agency Goals and Annual Objectives was approved by



the Board of Directors that recognized that the agency goals remain generally consistent year to year, but the objectives change and adapt annually to achieve results or progress on programs and strategic opportunities.

**Vision Statement**  
*(why we do what we do)*

Inspiring Actions for Healthy Creeks and Rivers

**Mission Statement**  
*(what we do)*

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

The agency goals established within the Strategic Plan to support the vision and mission are not an exhaustive list of every initiative and opportunity being developed or implemented, but instead represent a key set of indicators for progress and results in the River Authority's service areas.

The Agency Goals for FY 2016/17 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 are focused on applying our data, expertise, and leadership in mission critical areas, while also growing internal capacity and efficiencies to meet service needs. The Strategic Opportunities for FY 2016/17 are:

- Advance the science of watershed management by developing and using **data and innovative models and analysis to** impact decision making.
- Lead community implementation of actions that improve **stormwater quality**.
- Provide policy and science-based **leadership and support of the San Antonio Bay**.
- Develop **capacity and operational efficiencies** to respond to growing demands for our services.

**Fiscal Year 2016/17 Annual Action Plan**

The annual action plan developed to meet agency goals and strategic opportunities is detailed within the objectives in the strategic plan summary immediately following this letter. Progress toward the objectives is tracked quarterly and reported to the various Board committees.

### **Highlighted Projects and Efforts**

The River Authority has 77 active projects across the General Fund, Park Resources Development Fund and Utilities Enterprise Fund, in the FY 2016/17 budget. The projects are managed through six programs managed by assigned Program Leaders with authority to manage and direct the projects within their portfolio. Program Leaders develop annual objectives and report progress and are accountable to the executive staff for achieving programmatic results. Those programs include:

- Natural Resource Protection Program
- Nature Based Park Program
- Sustainable Watersheds Implementation Program
- Watershed Modeling, Studies and Planning Program
- Watershed Safety and Response Program
- Utilities Program

Several highlighted activities within the programs that will be active in FY 2016/17 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.

#### **Natural Resources Protection Program:**

**Feral Hog Management:** Texas is home to over 2.6 million feral hogs which cause an estimated \$500 million in damages to rural and urban areas in Texas each year. Feral hogs cause damage to riparian areas along streams, increasing erosion. They defecate in and around water, increasing levels of bacteria and nutrients in creeks and rivers. This project was started in 2015. In FY 2016/17, the River Authority will continue to work with Wildlife Services on active feral hog management throughout the district including managing the River Authority's feral hog trap loaner program. The River Authority will also continue working with Texas A&M Agrilife on landowner outreach and education about feral hog management.

**Watershed Wise River Discovery:** This new project for FY 2016/17 will bring together the River Authority's collective expertise, knowledge and data on the history, geography, habitat and ecosystem into a series of informative formats that can be shared with various audiences to enhance the appreciation and create a modern day re-discovery of the San Antonio River. Initially the project will create a web-based virtual tour of the San Antonio River. This virtual tour will highlight the natural beauty of the river along with providing opportunities for learning about the history and ecology of the river. This first year of the project will focus on developing the geographic information system framework, investigate educational topics and purchase equipment to aid in the creation of the virtual river tour and outdoor classroom.

**Bacteria Source Tracking:** Bacterial Source Tracking (BST) is used to determine the source of fecal indicator bacteria in the environment. In FY 2015/16, the needed instruments were purchased and laboratory modifications for the analysis were completed. The BST testing is now fully operational. In FY 2016/17, the laboratory will market this analysis to the public. Staff will work to advance the methodology by including additional genetic markers to detect

a variety of species including feral hog, avian species, and ruminants. In the following year, BST analysis will be utilized in both the Urban Reach E. coli Monitoring Phase 2 project and the Discharge Detection project.

**Laboratory Information Management System (LIMS) Replacement:** The LIMS Project will determine the best software for the River Authority's Regional Environmental Laboratory, purchase the software, and begin the implementation process. A LIMS provides the framework for capturing, storing, and managing all customer, sample, and result data. LIMS is also beneficial in managing and streamlining workflows, interfacing instruments and other software products, and reporting results to clients in various formats. It stores not only the results of analysis but also associated quality assurance and keeps a log of any changes made to the data, identifying who and why the data was changed. LIMS also provides the data for the River Authority's water quality websites. A modern LIMS system will incorporate remote accessibility and will be able to accommodate changing regulatory and accreditation requirements.

### **Nature-Based Parks Program**

**Museum Reach and Mission Reach:** In Bexar County, the River Authority provides daily operation for the Museum Reach and Mission Reach of the San Antonio River Walk and hosts numerous recreational and education programs to enhance the public's enjoyment of this linear park. In FY 2016/17, activity along the River Walk will continue to grow as numerous activities and events are planned and the Museum Reach will receive additional lighting to support the popular holiday River of Lights event. The River Authority will continue work with the City of San Antonio and the National Park Service to enhance the connections between the San Antonio River and the San Antonio Missions World Heritage Site through improved signage and way-finding. The River Authority is developing World Heritage Interpretive Signage that will be installed. In addition, River Authority staff will augment NPS staff to respond to increase needs for maintenance around the mission sites.

**Bexar County Parks:** The River Authority has three additional parks in Bexar County which include Mann's Crossing on the Medina River, River Crossing Park on the San Antonio River and Trueheart Ranch. In FY 2016/17, staff will work on protecting the assets and maintaining the conservation easement at Trueheart and investigate entrance options to Mann's Crossing.

**Wilson County Parks:** The River Authority will continue to add recreational amenities to the John William Helton-San Antonio River Nature Park to include the addition of a basketball court, special use walking trails, and Low Impact Development features. At Graytown Park on the San Antonio River, recreational features will also be added in FY 2016/17 to enhance the 18 hole tournament level disc golf course (installed in FY 2015/16) which will include parking, trails and restroom facilities.

**Karnes County Park:** The River Authority will continue its work with the City of Kenedy to develop the Escondido Creek Parkway. The staff will support the City of Kenedy and assist with the design of the park as well as manage the project. Additionally, staff will write grants to help supplement the development budget.

Goliad County Park: With the significant investment in the Branch Park in the City of Goliad in past fiscal years, the River Authority will continue to host several events and activities at the park for the community to enjoy and learn about the resources of the San Antonio River. In FY 2016/17 Branch will receive bird watching stations.

River Authority Park and Paddling Trail System-wide Improvements: Standard signage was designed and the vendor selected in FY 2015/16. In FY 2016/17, the following parks will receive entrance monument signs: Mann's Crossing, River Crossing, Trueheart Ranch, Helton, Branch and Jackson Nature Park. Also, additional signs will be added to the developed parks which will include welcome and rules signage, park orientation signage and interpretive signage. The addition of a river crew will enhance maintenance of the paddling trails including the removal of natural and man-made debris as well as improving access sites along the trails.

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 Alazan, 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.

San Pedro Creek Improvements Project: In May 2013, the San Pedro Creek Study identified opportunities for containing the 100-year floodplain, restoring and improving water quality and creek functions, and reconnecting people to the community's storied and historic natural resource. In February 2014, Bexar County entered into an agreement with the River Authority for the design phase of a \$175 million revitalization project along a two-mile downtown creek segment. The design phase is building upon the results of the study and preliminary design and will move into construction during FY 2016/17. Bexar County and the River Authority authorized the use of an alternative delivery method, Construction Manager at Risk (CMAR), in December 2015 to maintain the project schedule. The CMAR will be hired in May 2016 and Bexar County will enter into an agreement with the River Authority to manage the construction of the Project. During FY 2016/17, the project's design will progress while construction begins. The initial phase of construction will begin in later summer 2016 and will be completed by May 2018 in celebration of the 300th anniversary of the City of San Antonio.

Westside Creeks Linear Creekway Trails Project: As project manager and construction administrator for the City of San Antonio, the River Authority initiated construction of this trails projects in FY 2014/15. Both the Alazan and Martinez Linear Creekway Trails packages and the Apache and San Pedro Linear Creekway Trails were completed in the spring of 2016.

In May 2015, City of San Antonio voters extended the sales tax funding for the linear creekways program. The City has approved an additional \$15 million in funding for trails along the westside creeks. The City of San Antonio and the River Authority will enter into an agreement in the summer 2016 for the River Authority to serve as project manager for this next phase of linear creekway projects.



## **Sustainable Watersheds Implementation Program**

**Low Impact Development and Other Best Management Practices:** In FY 2015/16, a successful rebate program was implemented to increase public awareness and utilization. Due to high demand, the River Authority will grow the rebate program to further incentivize the use of LID in new and infill development for commercial properties. The River Authority was a founding member of the new SA2030 District which promotes conservation energy and potable water for downtown building owners, but also has goals to promote sustainable land practices including LID. This creates a venue to promote LID for new and infill construction in an urban environment. In FY 2016/17, the River Authority will work with the City of San Antonio and Bexar County to assist in the review of development plans with LID submitted under the revised city Unified Development Code and county stormwater program. Staff will continue to support various programs and activities that encourage and promote the use of low impact development and best management 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. Mitigation banking has been evaluated by the Bexar Regional Watershed Management (BRWM) group. Based on study recommendations, the BRWM is pursuing a local mitigation bank to compensate for City of San Antonio and/or Bexar County future stream impacts. The business plan and Interlocal Agreement (ILA) is expected to be signed in early FY 2016/17 that establishes guidelines for the creation and growth of bank sites, as well as their operation and maintenance.

**Trash Management Systems:** To combat the trash pollution entering the creeks and rivers through stormwater runoff, the River Authority will install two different types of systems at two locations. These pilot installations will serve to inform the River Authority about the benefits and level of effort to operate and maintain these trash reduction systems.

In addition, the River Authority will continue its Household Hazard Waste (HHW) activities to help aid in the proper collection and disposal of hazardous materials, including tires that negatively impact the San Antonio River.

**Edwards Aquifer Protection Proposition 1 (watershed protection projects):** On May 9, 2015, the City of San Antonio (City) voters approved the Edwards Aquifer Protection Venue Project and Sales Tax Proposition (Proposition One) which will yield \$10 million over a five-year period for aquifer and watershed protection projects over the recharge and contributing zones of urban Bexar County to improve Edwards Aquifer water quality. The City has entered into an ILA with the River Authority to manage and administer the program development including stakeholder input components of the program and the funded project selection, implementation, and performance. Under the ILA, the City will compensate the River Authority for project management, administrative, and technical services associated with implementation of the Proposition One projects.

### **Watershed Modeling Studies and Planning Program**

**Light Detection and Ranging (LiDAR) collection:** In FY 2016/17, the River Authority will be recollecting LiDAR data for elevation models in the Salado Creek and Upper San Antonio River Watersheds. Last collected five years ago, elevation data is critical for water quality and flood modeling, floodplain mapping, and for supporting community data needs such as contours and impervious cover derivation. To achieve efficiencies in administrative and project management expenses, the project will be done in cooperation with the Texas Natural Resource Information System (TNRIS).

**Cibolo Creek Watershed Master Plan:** In this phase, the master plan seeks to identify major flooding reaches, characterize stream condition and identify the potential for restoration, identify point and non-point pollutant sources that impact water quality. This project combines hydrologic and hydraulic analysis, stream restoration evaluation, waterquality modeling, water quality best management practices, GIS/mapping/remote sensing, low impact development, MS4 (stormwater management) permitting, conservation easements, mitigation banking, and nature-based park planning to develop holistic solutions to address identified risk centers as well as meet multiple objectives and goals. Through these efforts, planning activities are being conducted to support the resiliency, safety, and well-being of the Cibolo Creek watershed communities.

**US Geological Survey (USGS) Groundwater-Surface Water Interaction Study:** This study investigates the effects of increased groundwater use and declines in groundwater recharge in the Lower Basin of the San Antonio River through the development of a ModFLOW model. With this model, scenarios can be run to identify the impacts of alternative futures and management strategies.

**The Basin Assessment Mapping and Analysis tool:** This effort, started in 2015, incorporates the wide variety of data and analysis products produced by River Authority business activities including hydrology and hydraulic modeling, water quality monitoring, ecological and biological evaluation, and stream morphological assessment. By creating a platform for users to access a wide variety of information and synthesize a large amount of information into definitive conclusions, the River Authority has a tool to communicate information derived from data collection and analysis as well as respond efficiently to future inquiries regarding these topics.

### **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. This program also includes the operations and maintenance of River Authority dams and the assessments and improvements to stream conveyance. This program utilizes mapping, modeling, and stakeholder engagement to assess, prepare and act. Some activities that will occur in FY 2016/17 include the following:

**Risk MAP:** Working with the Federal Emergency Management Agency (FEMA), River Authority staff have developed tools and products for the public to use to evaluate their flood risk. The roll out of the Risk MAP products will occur in FY 2016/17 and television ads and public meetings are part of the communication plan.

**Emergency Response and Flood Predictions:** During flood events, River Authority staff mobilize in providing predictive high water and flood extent mapping to Bexar County's Emergency Operations Center (EOC). Enhancements are proposed in FY 2016/17 to the EOC graphical user interface to improve functionality and ease of use.

**Downstream Flood Inundation Library:** Using developed mapping software and tools, the River Authority will create hardcopy flood inundation map manuals that can be used in Wilson, Karnes, and Goliad counties by city and county officials as well as first responders. Using the manuals in conjunction with the predicted National Weather Service high water estimates, first responders will be able to see the geographical extent of the predicted flooding and the possible actions that might need to occur prior to that anticipated event.

**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 as well as other functionality. This site will go live in the fall of 2016. The **BRWM** partners will market and promote this service to the local radio and television stations.

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## ECONOMIC CONDITION AND OUTLOOK

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### **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 many areas including agriculture, tourism, manufacturing, and retail markets for citizens in Mexico. San Antonio industries range 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 both direct and indirect. 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 more than 41,000 new jobs over the past decade.

Cyber security and information technology is another sector has established itself as a major force in the San Antonio economy; the economic impact of these activities is measured in the billions with estimated 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 Texas A&M campus on the city's south side.

Tourism is a major industry in San Antonio offering a wide variety of activities to visitors. This includes major theme parks, the riverwalk where activities range from dining and live entertainment to hiking and biking trails. San Antonio is also rich in history with the Alamo, where the most famous battle of the Texas revolution was fought, as well as the Spanish Missions which have recently been designated a World Heritage site by the United Nations Educational, Scientific and Cultural Organization (UNESCO). The City is working to make the most of this prestigious designation.

In Karnes County, fracking activities have had a very significant, positive impact on the economy. From 2010 to 2014, property taxes in the county grew 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 and an estimated 36 percent in 2016 from mineral rights, the overall growth since 2010 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 an estimated 41 percent. For 2016, growth in Bexar County is estimated at 9.3 percent and the River Authority experienced overall growth in property values in all four counties of 5.9 percent with three counties showing growth-Bexar, Wilson and Goliad-and one showing a decrease as Karnes county continued to be affected by the oil and gas industry. Despite the downturn in recent years, the fracking activity in Karnes County has had a significant positive impact on property values in that area as well as all aspects of the economy in Karnes County.

The San Antonio area has enjoyed a robust economy in 2015 and 2016. Job creation is strong and unemployment is 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. 2015 ended the year with a 3.6 percent job growth rate, which translated into the creation of 35,000 new jobs. This growth will slow slightly in 2016 but is still projected to reach 2 to 3 percent (between 20,000 and 30,000 new jobs). In January 2016, local unemployment was 3.7 percent, lower



than all other Texas cities except Austin. The Texas state average was 4.6 percent and the nation was 4.9 percent. (Source: the Federal Reserve's economist Keith Phillips in a San Antonio Express News eEdition article dated January 12, 2016).

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 2 to 3 percent of the employed workforce. As described above, the reduced oil prices do negatively affect Karnes County and to a lesser extent Wilson 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, filling an outstanding need in this community.

The housing market in San Antonio remains strong. The supply for 2016 is projected to end up at about 4.5 or 5 months, (with six months representing the target) as builders increase the pace of construction to meet demand. It is currently a seller's market. New home construction is expected to increase as a result. The median home price rose to \$202,500 in 2015, breaking the \$200,000 threshold for the first time. In 2016, a record high of 27,154 homes were sold in Bexar County and the median home price is \$210,500.

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## FINANCIAL POLICIES

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**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.

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## OTHER INFORMATION

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**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, 2015. 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.

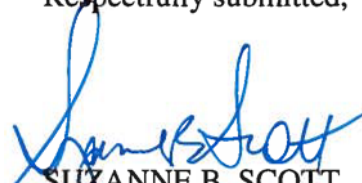
A Certificate of Achievement is valid for a period of one year only. The River Authority has received a Certificate of Achievement for the last twenty-five consecutive fiscal years (fiscal years ended June 30, 1991 through 2015). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

In 2015, the River Authority received an award under the Texas Comptroller Leadership Circle program. This program recognized public entities for financial transparency through their website. The River Authority received the highest designation as a platinum award winner. The program required various financial documents and information to be easily accessible to the general public. Budget documents, comprehensive annual financial reports, and 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.

The Leadership Circle program has changed and is now the new Transparency Stars program. It recognizes local governments that go above and beyond previous standards for open government. The San Antonio River Authority will be participating in this new program in the coming year.

**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**

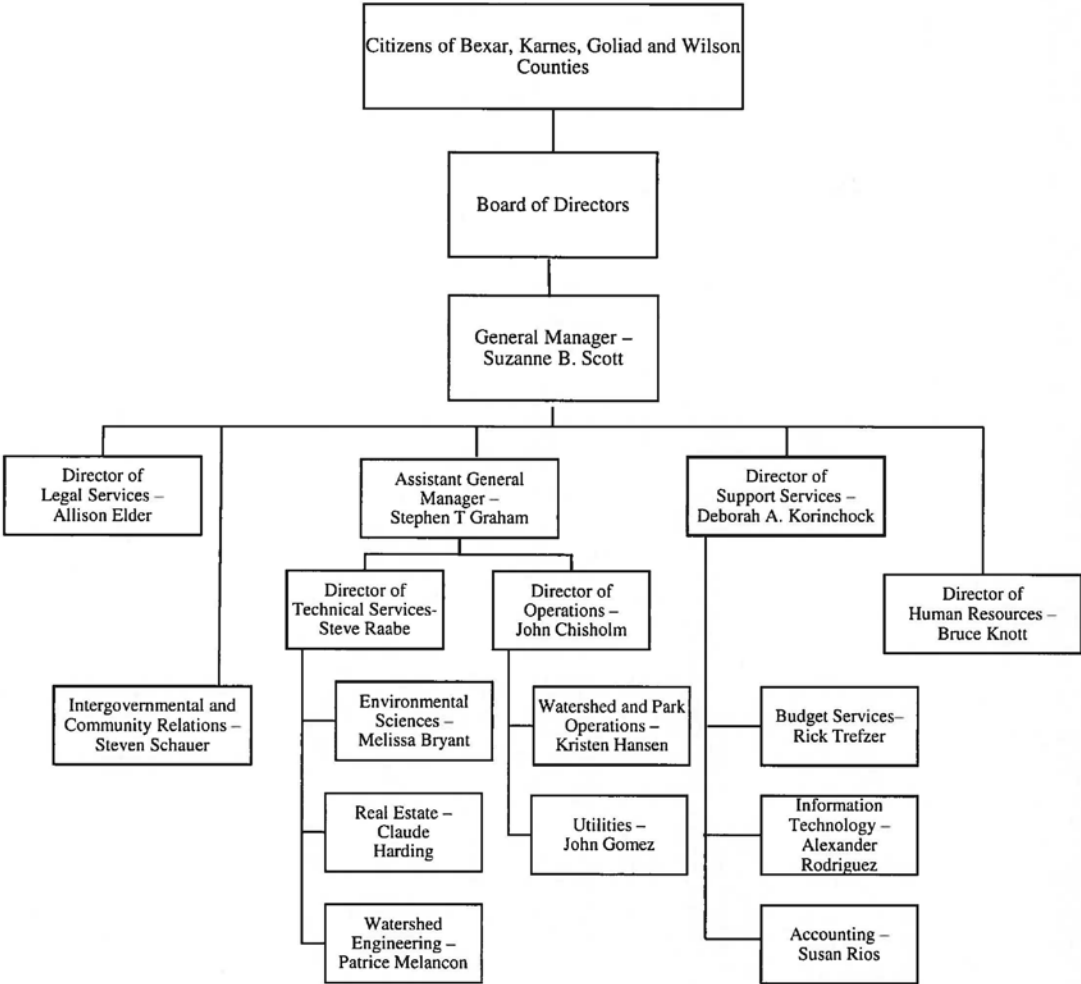
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2015**

Executive Director/CEO



San Antonio River Authority  
Organization Chart  
June 30, 2016



**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		Bexar County, District 4
Sally 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		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
Allison Elder	Director of Legal Services
Alexander Rodriguez	Information Technology Manager
Kristen Hansen	Watershed & Park Operations Manager
Claude Harding	Real Estate Manager
Melissa Bryant	Environmental Sciences Manager
Rick Trefzer	Budget Manager
Patrice Melancon	Watershed Engineering Manager
Steven Schauer	External Communications Manager
John Gomez	Utilities Manager
Susan Rios	Accounting Manager



SAN ANTONIO  

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RIVER AUTHORITY

Leaders in Watershed Solutions

# Financial Section



SAN ANTONIO  
RIVER AUTHORITY

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SAN ANTONIO  

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RIVER AUTHORITY

Leaders in Watershed Solutions





## 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, 2016, 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, 2016, 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, 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 basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The 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 19, 2016 on our consideration of 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 19, 2016



SAN ANTONIO  

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RIVER AUTHORITY

Leaders in Watershed Solutions

San Antonio River Authority  
Management's Discussion and Analysis  
June 30, 2016

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, 2016. 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–xiv of this report.

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## FINANCIAL HIGHLIGHTS

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- The assets of the River Authority exceed its liabilities at June 30, 2016 by \$536,915,099. Of this amount, \$34,029,418 may be used to meet the River Authority's ongoing obligations to citizens and creditors.
- The River Authority's total net position increased by \$10,929,533.
- As of June 30, 2016 the River Authority's governmental funds reported combined ending fund balances of \$27,244,333, an increase of \$3,264,065 from the prior year. Approximately nine percent (9%), or \$2,459,197, is available for spending at the River Authority's discretion.
- The River Authority's capital assets increased \$3,290,865 which is attributable to various capital improvement projects.

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## OVERVIEW OF THE FINANCIAL STATEMENTS

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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, 2016

activities of the River Authority include general government, 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 22 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, City of San Antonio Westside Creek, and San Antonio River Authority Project Fund which are considered to be major funds. Data from the other 15 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 and the Salatrillo Wastewater Treatment Plant. Salatrillo Retail, San Antonio River Authority Water System Utilities, the Randolph Air Force Base Collection System, Utility Operations & Maintenance, and Salatrillo Reuse Fund 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  
Management's Discussion and Analysis  
June 30, 2016

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 37-38 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 39–66 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 budgetary schedule. The River Authority legally adopts an annual budget for this fund. A budgetary comparison schedule, which includes the original and final amended budget as well as actual figures, have been provided to demonstrate compliance with this budget. 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 67-71 of this report.

**Other supplementary information.** The combining and individual fund statements and schedules referred to earlier provide information for non-major governmental funds and non-major enterprise funds 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 72-106 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.

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## GOVERNMENT-WIDE FINANCIAL ANALYSIS

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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 \$536,915,099 at the close of the 2016 fiscal year.

A large portion of the River Authority's net position (92%) 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 other governments; consequently, these assets are *not* available for future spending. Although the

San Antonio River Authority  
Management's Discussion and Analysis  
June 30, 2016

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>	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 48,147,942	\$ 41,638,744	\$ 15,752,442	\$ 14,544,335	\$ 63,900,384	\$ 56,183,079
Capital assets	496,397,949	490,699,237	44,354,942	46,762,789	540,752,891	537,462,026
Total assets	<u>544,545,891</u>	<u>532,337,981</u>	<u>60,107,384</u>	<u>61,307,124</u>	<u>604,653,275</u>	<u>593,645,105</u>
Deferred outflows	913,805	969,965	-	-	913,805	969,965
Long-term liabilities	29,132,589	34,749,650	16,025,820	17,048,073	45,158,409	51,797,723
Other liabilities	21,622,814	14,895,594	1,870,758	1,936,187	23,493,572	16,831,781
Total liabilities	<u>50,755,403</u>	<u>49,645,244</u>	<u>17,896,578</u>	<u>18,984,260</u>	<u>68,651,981</u>	<u>68,629,504</u>
Net position						
Net investment in capital assets	465,973,372	458,716,760	27,524,744	28,957,251	493,498,116	487,674,011
Restricted	6,252,811	6,003,312	3,134,754	6,712,469	9,387,565	12,715,781
Unrestricted	<u>22,478,110</u>	<u>18,942,630</u>	<u>11,551,308</u>	<u>6,653,144</u>	<u>34,029,418</u>	<u>25,595,774</u>
Total net position	<u>\$ 494,704,293</u>	<u>\$ 483,662,702</u>	<u>\$ 42,210,806</u>	<u>\$ 42,322,864</u>	<u>\$ 536,915,099</u>	<u>\$ 525,985,566</u>

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* in the amount of \$34,029,418 may be used to meet the River Authority's ongoing liabilities.

At June 30, 2016, the River Authority reported a positive balance in the change in net position for the governmental activities category.

As of June 30, 2016, the River Authority's net position increased by \$10,929,533.

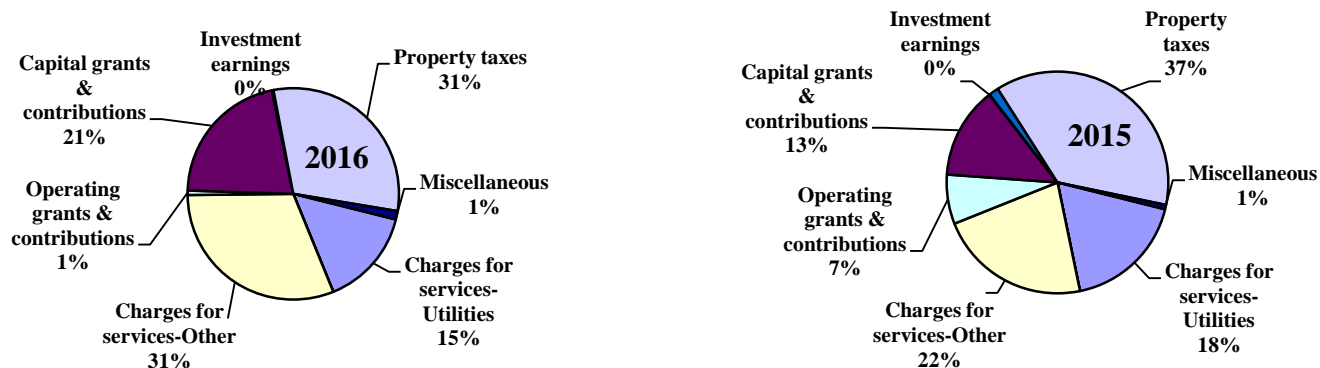
San Antonio River Authority  
Management's Discussion and Analysis  
June 30, 2016

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>	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program Revenues:						
Charges for services	\$ 25,045,215	\$ 13,668,324	\$ 12,081,771	\$ 11,891,387	\$ 37,126,986	\$ 25,559,711
Operating grants & contributions	552,343	4,420,854	-	9,143	552,343	4,429,997
Capital grants & contributions	17,164,784	6,612,980	2,172,886	1,592,548	19,337,670	8,205,528
General Revenues:						
Property Taxes	24,741,457	22,955,094	-	-	24,741,457	22,955,094
Investment earnings (loss)	188,558	2,484	22,731	29,367	211,289	31,851
Miscellaneous	810,824	213,695	219,995	176,418	1,030,819	390,113
Total Revenues	68,503,181	47,873,431	14,497,383	13,698,863	83,000,564	61,572,294
Expenses:						
General government	10,202,949	23,734,542	-	-	10,202,949	23,734,542
Program support	-	8,061,334	-	-	-	8,061,334
Operations	37,224,546	7,224,872	14,609,441	13,410,525	51,833,987	20,635,397
Technical services	9,072,456	5,241,171	-	-	9,072,456	5,241,171
Interest and other fees	961,639	1,193,290	-	-	961,639	1,193,290
Total expenses	57,461,590	45,455,209	14,609,441	13,410,525	72,071,031	58,865,734
Change in net position before transfers	11,041,591	2,418,222	(112,058)	288,338	10,929,533	2,706,560
Transfers	-	-	-	-	-	-
Change in net position	11,041,591	2,418,222	(112,058)	288,338	10,929,533	2,706,560
Net position, beginning, as previously reported	483,662,702	481,244,480	42,322,864	39,513,401	525,985,566	520,757,881
Restatement of net assets	-	-	-	2,521,125	-	2,521,125
Net position, beginning, as restated	483,662,702	481,244,480	42,322,864	42,034,526	525,985,566	523,279,006
Net position - ending	\$ 494,704,293	\$ 483,662,702	\$ 42,210,806	\$ 42,322,864	\$ 536,915,099	\$ 525,985,566

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

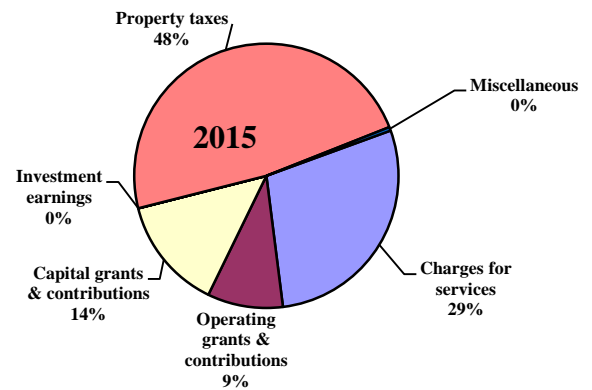
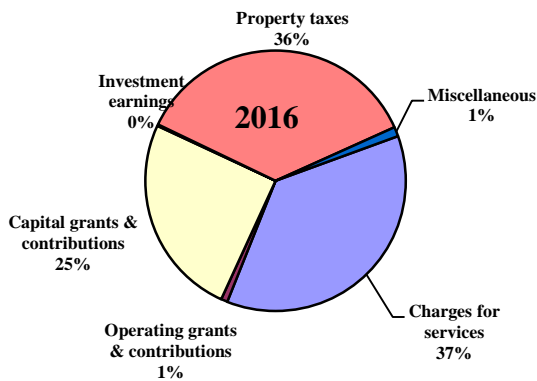
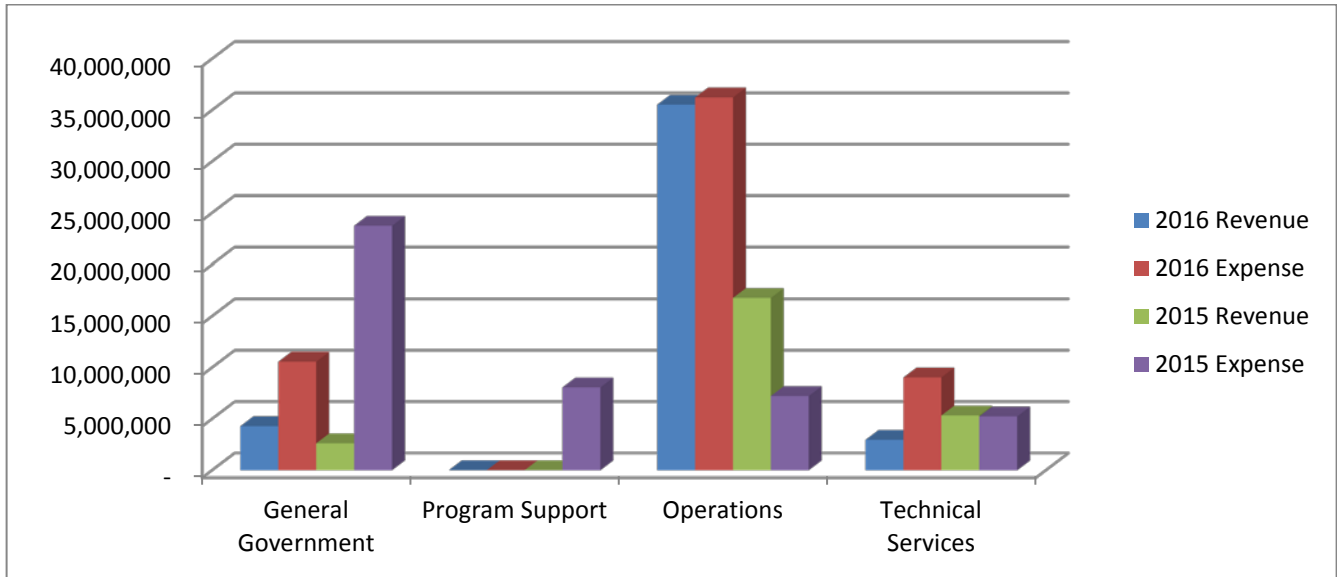


**Governmental Activities.** Governmental activities increased the River Authority's net position by \$11,041,591. This increase is attributable to various capital improvements. These projects are mainly funded by our partners, Bexar County, US Army Corps of Engineers and the City of San Antonio.

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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, operations, and technical services.

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



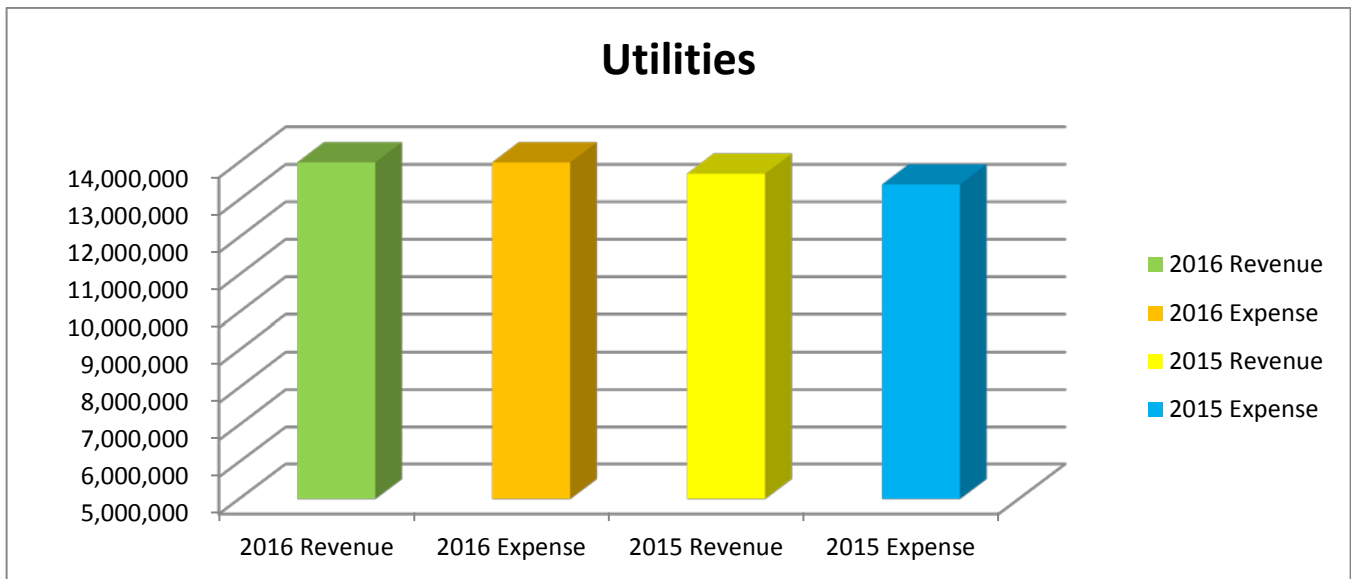


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**Business-type Activities.** The River Authority's major business-type activities are the SARA Wastewater Utilities System and the Salatrillo Wastewater Treatment Plant. These operations have rates and spending plans established by the Board of Directors.

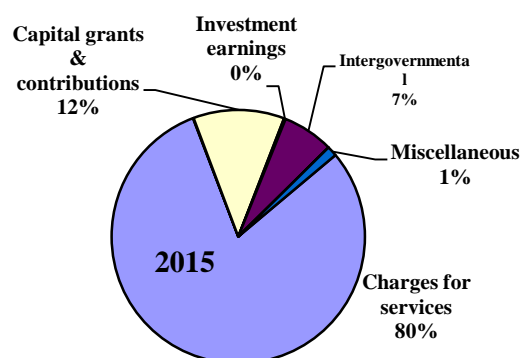
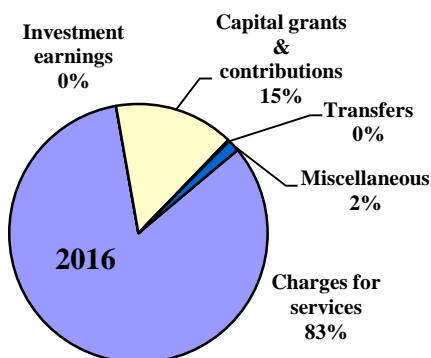
Business-type activities decreased the River Authority's net position by \$112,058. The River Authority will also show expenses alongside revenues for each program. The program in the business-type activities is operations, which are the utility departments.

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



The utility fund's revenues increased by \$798,519 compared to the 2015 fiscal year. Expenses increased \$1,198,915 for the same period. Effective July 1, 2016 the Board of Directors increased the River Authority Wastewater Systems sewage rates by 5.4% and no increase in the Salatrillo Operating Fund sewage rate.

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



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## FINANCIAL ANALYSIS OF THE AUTHORITY'S MAJOR FUNDS

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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 2016 fiscal year, the River Authority's governmental funds reported combined ending fund balances of \$27,244,333, an increase of \$3,264,065 in comparison with the prior year. Of this total amount, \$24,785,136 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 \$2,459,197 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 \$2,459,197 compared to \$2,184,422 in 2015, an increase of \$274,775. 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 fund balance increased \$188,290 in 2016.

**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** is a capital project fund which accounts for improvements to the Westside Creek Restoration project paid by Bexar County and the City of San Antonio.

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The **SARA Project Fund** is a capital project fund which accounts for studies and projects that further the mission of the River Authority.

*Proprietary funds.* The unrestricted net position of the proprietary funds at the end of the fiscal year was \$11,551,308. Other factors concerning the finances of proprietary funds have already been addressed in the discussion of the River Authority's business-type activities.

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## BUDGETARY HIGHLIGHTS

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*General Fund.* The difference between the original adopted budget and the final amended budget, including transfers out, for 2016 increased \$1,201,492 in expenditure appropriations which is briefly summarized as follows:

- \$560,000 increase to transfer out to the SARA project fund as a result of additional property tax revenue which was used to prepay the annual obligation to rebuild reserves for the expenditure to purchase the environmental center.
- \$391,083 additional funding to complete projects initially funded by the Texas Water Development Board.

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

- \$412,451 from available pension forfeiture funds.
- \$645,569 in information technology and watershed engineering for professional services, software, and intergovernmental contracts for encumbrances carried forward into the 2017 budget.
- \$99,573 for fuel and oil cost savings.

During the year, revenues exceeded budgetary estimates by \$506,298 and expenditures were less than budgetary estimates by \$2,681,989 resulting in a decrease of fund balance of \$6,481,189 from the amount estimated when developing the fiscal year 2015-16 budget.

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## CAPITAL ASSETS & DEBT ADMINISTRATION

**Long-term Debt.** At year-end, the River Authority had \$45.4 million in bonds at the end of 2016 and 2015 as shown below:

	<u>2016</u>	<u>2015</u>
SACIP Improvement Revenue Bonds	\$ 23,660,000	\$ 25,875,000
Public Facilities Corporation	2,836,000	2,957,000
SARA Wastewater Utilities System Revenue Bonds	10,570,000	11,260,000
Texas Water Development Bonds	3,460,000	3,880,000
Contract Revenue Bonds	4,850,000	5,075,000

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, 2016, were \$540,752,891 (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>	
	2016	2015	2016	2015	2016	2015
Capital assets, not being depreciated:						
Land	\$ 20,502,976	\$ 17,181,653	\$ 2,349,486	\$ 2,383,129	\$ 22,852,462	\$ 19,564,782
Water Rights	227,447	227,447	-	-	227,447	227,447
Construction in progress	38,464,675	20,952,804	2,891,172	4,897,626	41,355,847	25,850,430
Total capital assets, not being depreciated	59,195,098	38,361,904	5,240,658	7,280,755	64,435,756	45,642,659
Capital assets, being depreciated:						
Office furniture, fixtures and equipment	5,068,643	5,046,054	299,700	304,040	5,368,343	5,350,094
Other machinery and equipment	5,718,897	5,754,204	4,326,746	4,127,641	10,045,643	9,881,845
Automobiles and trucks	1,617,605	1,664,998	2,290,499	2,071,476	3,908,104	3,736,474
Buildings	16,926,848	15,748,506	2,359,345	2,372,845	19,286,193	18,121,351
Improvements other than buildings	1,614,577	1,614,577	11,537,611	8,687,575	13,152,188	10,302,152
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	-	-	38,678	1,249,914	38,678	1,249,914
Flood control projects	339,133,397	339,133,397	-	-	339,133,397	339,133,397
Restoration projects	236,996,307	236,996,307	-	-	236,996,307	236,996,307
Total capital assets, being depreciated	609,658,238	608,540,007	82,072,270	80,033,182	691,730,508	688,573,189
Accumulated depreciation	(172,455,387)	(156,202,674)	(42,957,986)	(40,551,148)	(215,413,373)	(196,753,822)
Capital assets, net	<u>\$ 496,397,949</u>	<u>\$ 490,699,237</u>	<u>\$ 44,354,942</u>	<u>\$ 46,762,789</u>	<u>\$ 540,752,891</u>	<u>\$ 537,462,026</u>

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## ECONOMIC FACTORS

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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 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. From 2010 to 2014, 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 and an estimated 36 percent in 2016 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 an estimated 45 percent. For 2016, growth in Bexar County was 12 percent and the River Authority expects overall growth in property values in all four counties of 9 percent with two counties showing growth-Bexar and Goliad-and two showing decreases

San Antonio River Authority  
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June 30, 2016

as both Karnes and Wilson counties were affected by the oil and gas industry. Despite the downturn in recent years, the fracking activity in Karnes County has had a significant impact on property values in that area as well as all aspects of the economy in Karnes County.

The San Antonio area has enjoyed a robust economy in 2015 and 2016. Job creation is strong and unemployment is 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. 2015 ended the year with a 3.6 percent job growth rate, which translated into the creation of 35,000 new jobs. This growth will slow slightly in 2016 but is still projected to reach 2 to 3 percent (between 20,000 and 30,000 new jobs). In January 2016, local unemployment was 3.7 percent, lower than all other Texas cities except Austin. The Texas state average was 4.6 percent and the nation was 4.9 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 2 to 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. The supply for 2016 is projected to end up at about 4.5 to 5 months, (with six months representing the target) as builders increase the pace of construction to meet demand. It is currently a seller's market. New home construction is expected to increase as a result. The median home price peaked in 2015 at \$202,500, breaking the \$200,000 threshold for the first time. In 2016, a record high of 27,154 homes have been sold in Bexar County.

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 budget for 2017 decreased significantly by 19 percent against the FY 2015/16 estimate mainly as a result of the creation of the San Antonio River Authority Project Fund. \$6.15 million in available reserves were transferred into this new fund as an Unrestricted Reserve. The transfer of \$600,000 into the Insurance Fund in FY 2015/2016 also contributes to this change as no transfer is budgeted for FY 2016/2017. The Debt Service Fund budget for the 2017 fiscal year increased by 9.9 percent in comparison to the 2016 fiscal year amended budgets as unrestricted reserves increased.

Effective July 1, 2016 the Board of Directors increased the River Authority Wastewater Systems sewage rates by 5.4 percent and no rate increase is proposed for the Salatrillo system.



San Antonio River Authority  
Management's Discussion and Analysis  
June 30, 2016

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## **REQUESTS FOR INFORMATION**

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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  

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RIVER AUTHORITY

Leaders in Watershed Solutions

# Basic Financial Statements



SAN ANTONIO  

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RIVER AUTHORITY

Leaders in Watershed Solutions

San Antonio River Authority  
Statement of Net Position  
June 30, 2016

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash	\$ 2,079,204	\$ 410,461	\$ 2,489,665
Investments	25,315,989	10,910,943	36,226,932
Accounts receivable (net)	-	1,179,103	1,179,103
Intergovernmental receivables	7,199,012	-	7,199,012
Notes receivable	146,393	27,214	173,607
Interest receivable	22,721	17,210	39,931
Taxes receivable (net of \$341,711 for allowance for uncollectible)	1,342,765	-	1,342,765
Internal balances	3,330,235	(3,330,235)	-
Prepaid expenses and other assets	1,597,879	325,000	1,922,879
Inventory	6,958	-	6,958
Restricted assets:			
Cash	-	130,281	130,281
Accounts receivable	-	89,325	89,325
Intergovernmental receivables	-	-	-
Interest receivable	-	1,964	1,964
Investments	6,642,926	2,353,957	8,996,883
Total restricted assets	6,642,926	2,575,527	9,218,453
Total current assets	47,684,082	12,115,223	59,799,305
Noncurrent assets:			
Capital assets:			
Land	20,502,976	2,349,486	22,852,462
Water rights	227,447	-	227,447
Office furniture, fixtures and equipment	5,068,643	299,700	5,368,343
Other machinery and equipment	5,718,897	4,326,746	10,045,643
Automobiles and trucks	1,617,605	2,290,499	3,908,104
Buildings	16,926,848	2,359,345	19,286,193
Improvements other than buildings	1,614,577	11,537,611	13,152,188
Water treatment facilities	-	38,678	38,678
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	38,464,675	2,891,172	41,355,847
Less accumulated depreciation	(172,455,387)	(42,957,986)	(215,413,373)
Total capital assets (net of accumulated depreciation)	496,397,949	44,354,942	540,752,891
Investments - restricted	-	3,244,080	3,244,080
Notes receivable - restricted (net)	-	-	-
Notes receivable	463,860	393,139	856,999
Total noncurrent assets	496,861,809	47,992,161	544,853,970
Total assets	544,545,891	60,107,384	604,653,275
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred loss of bond refunding	\$ 913,805	\$ -	\$ 913,805

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

San Antonio River Authority  
Statement of Net Position  
June 30, 2016

	Governmental Activities	Business-type Activities	Total
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 4,577,282	\$ 261,497	\$ 4,838,779
Notes payable	-	28,188	28,188
Capital leases	56,330	-	56,330
Compensated absences	168,678	41,415	210,093
Other accrued liabilities	823,197	213,660	1,036,857
Current liabilities payable from restricted assets:			
Accounts payable	6,813,467	307,619	7,121,086
Retainage payable	1,587,104	41,227	1,628,331
Unearned revenues - services	4,660,055	-	4,660,055
Accrued interest payable	21,452	-	21,452
Bonds payable within one year	2,915,249	977,152	3,892,401
Total current liabilities payable			
from restricted assets	15,997,327	1,325,998	17,323,325
Total current liabilities	21,622,814	1,870,758	23,493,572
Noncurrent liabilities:			
Notes payable	-	1,021,939	1,021,939
Capital leases	57,889	-	57,889
Unearned revenues - connection fees, restricted	-	-	-
Unearned revenues - services	-	-	-
OPEB liability	242,190	76,718	318,908
Compensated absences	506,034	124,244	630,278
Bonds payable after one year	28,326,476	14,802,919	43,129,395
Total noncurrent liabilities	29,132,589	16,025,820	45,158,409
Total liabilities	50,755,403	17,896,578	68,651,981
<b>NET POSITION</b>			
Net investment in capital assets	465,973,372	27,524,744	493,498,116
Restricted for:			
Debt service	4,287,026	1,889,196	6,176,222
Watershed management	243,841	-	243,841
Construction	1,287,890	1,245,558	2,533,448
Water management	185,027	-	185,027
TWDB projects	249,027	-	249,027
Unrestricted	22,478,110	11,551,308	34,029,418
Total net position	\$ 494,704,293	\$ 42,210,806	\$ 536,915,099

San Antonio River Authority  
Statement of Activities  
For the Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 10,202,949	\$ 2,655,565	\$ 171,174	\$ 1,463,142
Operations	37,224,546	21,985,728	340,453	13,193,294
Technical Services	9,072,456	403,922	40,716	2,508,348
Interest and other fees	961,639	-	-	-
Total governmental activities	<u>57,461,590</u>	<u>25,045,215</u>	<u>552,343</u>	<u>17,164,784</u>
Business-type activities:				
Operations:				
Utilities	14,609,441	12,081,771	-	2,172,886
Total primary government	<u>\$ 72,071,031</u>	<u>\$ 37,126,986</u>	<u>\$ 552,343</u>	<u>\$ 19,337,670</u>

General Revenues  
Property taxes  
Investment earnings  
Intergovernmental  
Miscellaneous  
Total General Revenues  
Change in net position  
Net position, beginning  
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
\$ (5,913,068)		\$ (5,913,068)
(1,705,071)		(1,705,071)
(6,119,470)		(6,119,470)
(961,639)		(961,639)
(14,699,248)		(14,699,248)
	\$ (354,784)	(354,784)
(14,699,248)	-	(15,054,032)
24,741,457	-	24,741,457
188,558	22,731	211,289
-	-	-
810,824	219,995	1,030,819
25,740,839	242,726	25,983,565
11,041,591	(112,058)	10,929,533
483,662,702	42,322,864	525,985,566
\$ 494,704,293	\$ 42,210,806	\$ 536,915,099

San Antonio River Authority  
Balance Sheet  
Governmental Funds  
June 30, 2016

	Capital Projects Funds				
	San Antonio River Improvement Project		Westside Creek Restoration		
	General Fund	Bexar Co. Flood Tax	Bexar Co. Visitor Tax	Bexar Co.	City of San Antonio
<b>ASSETS</b>					
Cash	\$ 597,218	\$ 78,709	\$ 81,420	\$ 74,369	\$ 150,045
Investments	5,781,701	-	6,780,167	1,002,608	231,323
Prepays and other assets	17,879	-	-	-	-
Intergovernmental receivables	573,075	-	-	2,186,790	1,489,603
Notes receivable	610,253	-	-	-	-
Interest receivable	12,889	-	-	-	-
Taxes receivable (net of allowance for uncollectible)	1,342,765	-	-	-	-
Due from other funds of the Authority	5,817,124	-	-	-	-
Inventory	6,958	-	-	-	-
Investments - restricted	-	3,139,940	-	-	-
Total assets	<u>\$ 14,759,862</u>	<u>\$ 3,218,649</u>	<u>\$ 6,861,587</u>	<u>\$ 3,263,767</u>	<u>\$ 1,870,971</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 1,082,243	\$ 1,090,514	\$ 6,813,467	\$ 979,308	\$ 214,046
Retainage payable	-	33,605	-	186,664	922,842
Due to other funds of the Authority	-	-	-	-	-
Other accrued liabilities	823,197	-	-	-	-
Unearned revenue - services	264,224	1,599,387	-	2,089,003	528,776
Liabilities payable from restricted assets	-	-	-	-	-
Total liabilities	<u>2,169,664</u>	<u>2,723,506</u>	<u>6,813,467</u>	<u>3,254,975</u>	<u>1,665,664</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	<u>854,945</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable:					
Prepaid items and other assets	17,879	-	-	-	-
Notes receivable, long term portion	463,860	-	-	-	-
Inventory	6,958	-	-	-	-
Restricted:					
Debt service	-	-	-	-	-
Construction	-	495,143	48,120	8,792	205,307
Watershed management	-	-	-	-	-
Water management	-	-	-	-	-
TWDB Projects	249,027	-	-	-	-
Committed:					
Operating Reserve	7,287,329	-	-	-	-
Unrestricted Reserve	-	-	-	-	-
Water Rights	-	-	-	-	-
Economic Development	-	-	-	-	-
Parks	-	-	-	-	-
Assigned:					
Contract Commitments	1,251,003	-	-	-	-
Projects	-	-	-	-	-
Unassigned	<u>2,459,197</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>11,735,253</u>	<u>495,143</u>	<u>48,120</u>	<u>8,792</u>	<u>205,307</u>
Total liabilities deferred inflows of resources and fund balances	<u>\$ 14,759,862</u>	<u>\$ 3,218,649</u>	<u>\$ 6,861,587</u>	<u>\$ 3,263,767</u>	<u>\$ 1,870,971</u>

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

SARA Project Fund	Debt Service	Other Governmental Funds	Total Governmental Funds
\$ 595,828	\$ -	\$ 451,092	\$ 2,028,681
9,100,199	-	909,518	23,805,516
-	1,580,000	-	1,597,879
38,256	-	2,907,960	7,195,684
-	-	-	610,253
-	7,183	-	20,072
-	-	-	1,342,765
-	-	-	5,817,124
-	-	-	6,958
-	3,502,986	-	6,642,926
<u>\$ 9,734,283</u>	<u>\$ 5,090,169</u>	<u>\$ 4,268,570</u>	<u>\$ 49,067,858</u>
\$ 624,101	\$ -	\$ 586,204	\$ 11,389,883
6,963	-	437,030	1,587,104
-	781,691	1,705,198	2,486,889
-	-	-	823,197
-	-	178,665	4,660,055
-	21,452	-	21,452
<u>631,064</u>	<u>803,143</u>	<u>2,907,097</u>	<u>20,968,580</u>
-	-	-	854,945
-	-	-	17,879
-	-	-	463,860
-	-	-	6,958
-	4,287,026	-	4,287,026
-	-	530,528	1,287,890
-	-	243,841	243,841
-	-	185,027	185,027
-	-	-	249,027
-	-	-	7,287,329
6,373,994	-	-	6,373,994
-	-	-	-
-	-	28,006	28,006
-	-	374,071	374,071
-	-	-	1,251,003
2,729,225	-	-	2,729,225
-	-	-	2,459,197
<u>9,103,219</u>	<u>4,287,026</u>	<u>1,361,473</u>	<u>27,244,333</u>
<u>\$ 9,734,283</u>	<u>\$ 5,090,169</u>	<u>\$ 4,268,570</u>	<u>\$ 49,067,858</u>



SAN ANTONIO  

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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, 2016

Total fund balances - governmental funds	\$ 27,244,333
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.	496,397,949
Other long-term assets (taxes receivable, net of \$341,711 allowance) are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	854,945
Other postemployment benefits only recognizes any unfunded actuarial liabilities over a period not to exceed 30 years.	(242,190)
Compensated absences are only recognized upon maturing, therefore are not reported in the funds.	(674,712)
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.	1,566,107
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	(31,156,000)
Capital leases	(114,219)
Issuance premium (to be amortized as interest expense)	(319,517)
Issuance discount (to be amortized as interest expense)	233,792
Deferred loss on bond refunding (to be amortized as interest expense)	913,805
	<u>(30,442,139)</u>
Net position of governmental activities	<u>\$ 494,704,293</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, 2016

	Capital Projects Funds				
	San Antonio River Improvement Project		Westside Creek Restoration		
	General	Bexar Co. Flood Tax	Bexar Co. Visitor Tax	Bexar Co.	City of San Antonio
<b>REVENUES</b>					
Taxes	\$ 24,276,704	\$ -	\$ -	\$ -	\$ -
Investment earnings (losses)	153,872	7,802	-	2,217	4,568
Intergovernmental	305,516	2,458,006	-	10,169,472	11,595,020
Charges for Services	697,392	-	-	-	-
Support Fees	2,301,631	-	-	-	-
Miscellaneous	849,861	-	-	-	-
Total Revenues	<u>28,584,976</u>	<u>2,465,808</u>	<u>-</u>	<u>10,171,689</u>	<u>11,599,588</u>
<b>EXPENDITURES</b>					
Current:					
General government	8,632,010	31,082	-	-	-
Program support	-	-	-	-	-
Operations	6,380,805	-	-	-	11,206,026
Technical services	7,932,760	-	-	-	-
Debt Service:					
Bond principal	-	-	-	-	-
Interest and fees on bonds	-	-	-	-	-
Capital lease principal	-	-	-	-	-
Capital outlay:					
Capital projects	-	2,300,198	-	10,166,718	-
General government	24,127	-	-	-	-
Program support	-	-	-	-	-
Operations	181,488	-	-	-	-
Technical services	24,901	-	-	-	-
Total expenditures	<u>23,176,091</u>	<u>2,331,280</u>	<u>-</u>	<u>10,166,718</u>	<u>11,206,026</u>
Excess (deficiency) of revenues over (under)					
expenditures	<u>5,408,885</u>	<u>134,528</u>	<u>-</u>	<u>4,971</u>	<u>393,562</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Issuance of bonds	-	-	-	-	-
Payment to escrow agent	-	-	-	-	-
Transfers out	(11,890,074)	-	-	-	-
Total other financing sources and (uses)	<u>(11,890,074)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(6,481,189)</u>	<u>134,528</u>	<u>-</u>	<u>4,971</u>	<u>393,562</u>
Fund balances - beginning	<u>18,216,442</u>	<u>360,615</u>	<u>48,120</u>	<u>3,821</u>	<u>(188,255)</u>
Fund balances - ending	<u>\$ 11,735,253</u>	<u>\$ 495,143</u>	<u>\$ 48,120</u>	<u>\$ 8,792</u>	<u>\$ 205,307</u>

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



SARA Project Fund	Debt Service	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 24,276,704
-	12,343	3,146	183,948
38,256	2,986,452	10,515,013	38,067,735
-	-	260,925	958,317
-	-	-	2,301,631
-	-	9,843	859,704
<u>38,256</u>	<u>2,998,795</u>	<u>10,788,927</u>	<u>66,648,039</u>
-	-	293,317	8,956,409
-	-	-	-
1,192,561	-	3,067,491	21,846,883
-	-	771,798	8,704,558
-	2,635,000	121,000	2,756,000
-	806,990	61,738	868,728
40,000	-	-	40,000
1,648,501	-	-	14,115,417
-	-	1,838,806	1,862,933
-	-	-	-
-	-	-	181,488
-	-	4,626,657	4,651,558
<u>2,881,062</u>	<u>3,441,990</u>	<u>10,780,807</u>	<u>63,983,974</u>
<u>(2,842,806)</u>	<u>(443,195)</u>	<u>8,120</u>	<u>2,664,065</u>
10,746,025	631,485	78,851	11,456,361
1,200,000	-	-	1,200,000
-	-	-	-
-	-	(166,287)	(12,056,361)
<u>11,946,025</u>	<u>631,485</u>	<u>(87,436)</u>	<u>600,000</u>
<u>9,103,219</u>	<u>188,290</u>	<u>(79,316)</u>	<u>3,264,065</u>
-	4,098,736	1,440,789	23,980,268
<u>\$ 9,103,219</u>	<u>\$ 4,287,026</u>	<u>\$ 1,361,473</u>	<u>\$ 27,244,333</u>



SAN ANTONIO  

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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, 2016

Net change in fund balances - total governmental funds	\$	3,264,065
--	----	-----------

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

Governmental funds report capital outlays as expenditures (\$20,811,396). However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense (\$16,498,463). This is the amount by which capital outlay exceeded depreciation expense in the current period.		4,312,933
--	--	-----------

The net effect of various miscellaneous transactions (i.e., sales, trade-ins and transfer of assets) involving capital assets is to decrease net position.		(48,880)
--	--	----------

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		1,899,412
--	--	-----------

Other postemployment benefits only recognizes any unfunded actuarial liabilities over a period not to exceed 30 years.		(34,662)
--	--	----------

Compensated absences are only recognized upon maturing, therefore are not reported in the funds.		(33,801)
--	--	----------

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	\$ 54,811		
Issuance of bonds payable	(1,200,000)		
Bond principal payments	2,756,000		
Amortization of bond premium	17,947		
Amortization of bond discount	(14,698)		
Amortization of loss on refunding	<u>(56,160)</u>		1,557,900

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>124,624</u>
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Change in net position of governmental activities	\$	<u><u>11,041,591</u></u>
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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, 2016

	Business-Type Activities - Enterprise Funds			Business-Type Activities
	SARA Wastewater Utilities System	Salatrillo Wastewater Treatment Plant	Other Enterprise Funds	Enterprise Fund Total
<b>ASSETS</b>				
Current assets:				
Cash	\$ 22,129	\$ 88,372	\$ 299,960	\$ 410,461
Investments	4,947,691	5,963,252	-	10,910,943
Accounts receivable (net)	826,771	268,821	83,511	1,179,103
Interest receivable	14,720	2,490	-	17,210
Due from other funds of the Authority	500,000	-	-	500,000
Notes receivable	27,214	-	-	27,214
Prepaid expenses and other assets	325,000	-	-	325,000
Restricted assets:				
Cash	120,629	9,652	-	130,281
Accounts receivable (net)	-	-	89,325	89,325
Interest receivable	1,964	-	-	1,964
Investments	2,353,957	-	-	2,353,957
Total restricted assets	2,476,550	9,652	89,325	2,575,527
Total current assets	9,140,075	6,332,587	472,796	15,945,458
Noncurrent assets:				
Capital assets:				
Land	1,797,795	551,691	-	2,349,486
Office furniture, fixtures, and equipment	240,667	59,033	-	299,700
Other machinery and equipment	2,774,364	1,398,296	154,086	4,326,746
Automobiles and trucks	1,858,681	431,818	-	2,290,499
Studies	27,917	57,369	336,919	422,205
Buildings	2,311,684	47,661	-	2,359,345
Improvements other than buildings	5,187,899	3,345,313	3,004,399	11,537,611
Water treatment facilities	38,678	-	-	38,678
Sewage treatment facilities	35,661,949	23,726,013	1,409,524	60,797,486
Construction in progress	2,126,483	764,689	-	2,891,172
Less accumulated depreciation	(25,180,243)	(16,663,270)	(1,114,473)	(42,957,986)
Total capital assets (net of accumulated depreciation)	26,845,874	13,718,613	3,790,455	44,354,942
Notes receivable - restricted (net)	-	-	-	-
Notes receivable (net)	393,139	-	-	393,139
Investments - restricted	1,105,531	1,588,854	549,695	3,244,080
Total noncurrent assets	28,344,544	15,307,467	4,340,150	47,992,161
Total assets	\$ 37,484,619	\$ 21,640,054	\$ 4,812,946	\$ 63,937,619

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



San Antonio River Authority  
Statement of Net Position (continued)  
Proprietary Funds  
June 30, 2016

	Business-Type Activities - Enterprise Funds			Business-Type Activities
	SARA Wastewater Utilities System	Salatrillo Wastewater Treatment Plant	Other Enterprise Funds	Enterprise Fund Total
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	\$ 183,382	\$ 77,816	\$ 299	\$ 261,497
Due to other funds of the Authority	2,614,499	1,215,736	-	3,830,235
Notes payable	-	-	28,188	28,188
Compensated absences	30,739	8,521	2,155	41,415
Other accrued liabilities	155,498	51,920	6,242	213,660
Current liabilities payable from restricted assets:				
Accounts payable	211,803	95,816	-	307,619
Retainage payable	22,585	18,642	-	41,227
Bonds payable within one year	<u>742,152</u>	<u>235,000</u>	<u>-</u>	<u>977,152</u>
Total current liabilities payable from restricted assets	<u>976,540</u>	<u>349,458</u>	<u>-</u>	<u>1,325,998</u>
Total current liabilities	<u>3,960,658</u>	<u>1,703,451</u>	<u>36,884</u>	<u>5,700,993</u>
Noncurrent liabilities:				
Notes payable	-	-	1,021,939	1,021,939
OPEB liability	45,506	31,212	-	76,718
Compensated absences	92,217	25,562	6,465	124,244
Revenue bonds payable after one year	<u>10,187,919</u>	<u>4,615,000</u>	<u>-</u>	<u>14,802,919</u>
Total noncurrent liabilities	<u>10,325,642</u>	<u>4,671,774</u>	<u>1,028,404</u>	<u>16,025,820</u>
Total liabilities	<u>14,286,300</u>	<u>6,375,225</u>	<u>1,065,288</u>	<u>21,726,813</u>
<b>NET POSITION</b>				
Net investment in capital assets	15,915,803	8,868,613	2,740,328	27,524,744
Restricted for debt service	1,889,196	-	-	1,889,196
Restricted for construction	81,003	270,803	893,752	1,245,558
Unrestricted	<u>5,312,317</u>	<u>6,125,413</u>	<u>113,578</u>	<u>11,551,308</u>
Total net position	<u>\$ 23,198,319</u>	<u>\$ 15,264,829</u>	<u>\$ 3,747,658</u>	<u>\$ 42,210,806</u>



Governmental  
Activities  
Internal  
Service  
Fund

\$ 866

-

-

-

-

-

-

-

-

866

-

-

-

-

-

866

-

-

-

1,566,107

\$ 1,566,107

San Antonio River Authority  
Statement of Revenues, Expenses, and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended June 30, 2016

	Business-Type Activities - Enterprise Funds			Business-Type Activities
	SARA Wastewater Utilities System	Salatrillo Wastewater Treatment Plant	Other Enterprise Funds	Enterprise Fund Total
Operating revenues:				
Intergovernmental	\$ 662,096	\$ 484,835	\$ -	\$ 1,146,931
Utility service charges	7,381,820	3,082,954	492,888	10,957,662
Charges for services	137,602	-	-	137,602
Premiums	-	-	-	-
Miscellaneous	219,826	169	-	219,995
Total operating revenues	<u>8,401,344</u>	<u>3,567,958</u>	<u>492,888</u>	<u>12,462,190</u>
Operating expenses:				
Personnel services	2,662,350	873,838	167,121	3,703,309
Supplies	561,887	161,697	30,456	754,040
Other services & charges	4,774,074	1,849,174	126,670	6,749,918
Depreciation	1,855,280	1,126,807	160,635	3,142,722
Cost allocations	(368,170)	(29,231)	(3,310)	(400,711)
Total operating expenses	<u>9,485,421</u>	<u>3,982,285</u>	<u>481,572</u>	<u>13,949,278</u>
Operating income (loss)	(1,084,077)	(414,327)	11,316	(1,487,088)
Nonoperating revenues (expenses):				
Investment earnings (losses)	30,022	(8,890)	1,599	22,731
Net gain (loss) on disposal of capital assets	-	-	(160,424)	(160,424)
Interest expense	(433,873)	(226,290)	-	(660,163)
Total nonoperating revenues (expenses) before contributions and transfers	<u>(403,851)</u>	<u>(235,180)</u>	<u>(158,825)</u>	<u>(797,856)</u>
Contributed capital	1,506,436	309,150	357,300	2,172,886
Transfer in	1,287,367	2,727,927	5,728	4,021,022
Transfer out	-	(5,728)	(4,015,294)	(4,021,022)
Change in net position	1,305,875	2,381,842	(3,799,775)	(112,058)
Net position, beginning	<u>21,892,444</u>	<u>12,882,987</u>	<u>7,547,433</u>	<u>42,322,864</u>
Net position, ending	<u>\$ 23,198,319</u>	<u>\$ 15,264,829</u>	<u>\$ 3,747,658</u>	<u>\$ 42,210,806</u>

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

Governmental  
Activities  
Internal  
Service  
Fund

\$ -  
-  
-  
2,538,833  
-  
2,538,833

-  
-  
3,018,820  
-  
-  
3,018,820  
(479,987)

4,611  
-  
-  
4,611

-  
600,000  
-  
124,624  
1,441,483  
\$ 1,566,107

San Antonio River Authority  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2016

	Business-Type Activities - Enterprise Funds			Business-Type Activities
	SARA Wastewater Utilities System	Salatrillo Wastewater Treatment Plant	Other Enterprise Funds	Enterprise Fund Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 8,829,085	\$ 3,495,981	\$ 400,178	\$ 12,725,244
Payments to suppliers	(4,993,215)	(1,987,168)	(170,977)	(7,151,360)
Payments to employees	(2,651,689)	(879,159)	(170,829)	(3,701,677)
Payments to interfund services used	-	-	-	-
Net cash provided (used) by operating activities	<u>1,184,181</u>	<u>629,654</u>	<u>58,372</u>	<u>1,872,207</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfer to other funds	-	-	(1,285,435)	(1,285,435)
Transfer from other funds	<u>1,033,161</u>	<u>3,460,246</u>	<u>-</u>	<u>4,493,407</u>
Net cash provided (used) by noncapital financing activities	<u>1,033,161</u>	<u>3,460,246</u>	<u>(1,285,435)</u>	<u>3,207,972</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital contributions	1,506,436	309,150	357,300	2,172,886
Principal paid on capital debt	(722,152)	(225,000)	(28,188)	(975,340)
Proceeds from debt	-	-	-	-
Interest and fees paid on capital debt	(673,161)	(226,290)	-	(899,451)
Proceeds from sale of asset	-	-	446,876	446,876
Purchases of capital assets	<u>(780,635)</u>	<u>(563,753)</u>	<u>(149,302)</u>	<u>(1,493,690)</u>
Net cash provided (used) by capital and related financing activities	<u>(669,512)</u>	<u>(705,893)</u>	<u>626,686</u>	<u>(748,719)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sales and maturities of investments	-	-	-	-
Purchase of investments	(1,751,806)	(3,800,379)	(301,599)	(5,853,784)
Interest on investments	<u>17,852</u>	<u>-</u>	<u>1,599</u>	<u>19,451</u>
Net cash provided (used) by investing activities	<u>(1,733,954)</u>	<u>(3,800,379)</u>	<u>(300,000)</u>	<u>(5,834,333)</u>
Net increase (decrease) in cash	(186,124)	(416,372)	(900,377)	(1,502,873)
Cash - July 1	<u>328,882</u>	<u>514,396</u>	<u>1,200,337</u>	<u>2,043,615</u>
Cash - June 30	<u>\$ 142,758</u>	<u>\$ 98,024</u>	<u>\$ 299,960</u>	<u>\$ 540,742</u>

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

Governmental  
Activities  

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Internal  
Service  
Fund  

---

\$ 2,535,505  
(3,051,848)

-

-

---

(516,343)

(537,841)

-

---

(537,841)

-

-

-

-

-

-

1,100,116

-

---

4,591

---

1,104,707

50,523

-

\$ 50,523

(continued)

San Antonio River Authority  
Statement of Cash Flows (continued)  
Proprietary Funds  
For the Year Ended June 30, 2016

	Business-Type Activities - Enterprise Funds			Business-Type Activities
	SARA	Salatrillo	Other	Enterprise
	Wastewater	Wastewater	Enterprise	Fund
	Utilities System	Treatment Plant	Funds	Total
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Net cash provided (used) by operating activities:				
Operating income (loss)	\$ (1,084,077)	\$ (414,327)	\$ 11,316	\$ (1,487,088)
Adjustments to reconcile operating loss to net cash provided by operating activities:				
Depreciation	1,855,280	1,126,807	160,635	3,142,722
Changes in operating assets and liabilities:				
Receivables	427,832	(71,976)	(92,710)	263,146
Prepaid and other assets	(323,575)	1,425	2,275	(319,875)
Due from other funds	-	-	-	-
Accounts payable	267,556	(22,633)	(2,283)	242,640
Other accrued liabilities	41,165	10,358	(20,861)	30,662
Net cash provided (used) by operating activities	<u>\$ 1,184,181</u>	<u>\$ 629,654</u>	<u>\$ 58,372</u>	<u>\$ 1,872,207</u>

Noncash investing, capital, and financing activities:

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

Governmental
Activities
Internal
Service
Fund

\$	(479,987)
----	-----------

-

(3,328)

-

-

(33,028)

-

\$	(516,343)
----	-----------



San Antonio River Authority  
Statement of Fiduciary Net Position  
Agency Funds  
June 30, 2016

**ASSETS**

Cash

\$ 1,279

**LIABILITIES**

Intergovernmental payables

\$ 1,279

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

San Antonio River Authority  
Statement of Changes in Assets and Liabilities  
Agency Funds  
June 30, 2016

	<b>Balance</b>			<b>Balance</b>
	<b>June 30, 2015</b>	<b>Additions</b>	<b>Deductions</b>	<b>June 30, 2016</b>
<b>San Antonio Water System Fund</b>				
<b>Assets</b>				
Cash	\$ 1,279	\$ -	\$ -	\$ 1,279
<b>Liabilities</b>				
Intergovernmental payables	\$ 1,279	\$ -	\$ -	\$ 1,279



SAN ANTONIO  

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RIVER AUTHORITY

Leaders in Watershed Solutions

San Antonio River Authority  
Notes to Financial Statements  
June 30, 2016

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**1. Reporting Entity and Significant Accounting Policies**

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**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.

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In a prior year, the PFC issued bonds and entered into a lease agreement with the River Authority which occupies the property. The lease 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  
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- 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 *Westside Creek Restoration City of San Antonio* is a capital project fund which accounts for capital projects in the Westside Creek area which includes the Linear Creekways and Elmendorf Lake Park and Drainage.

The *SARA Project Fund* is a capital project fund which accounts for studies and projects that further the mission of the River 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.

San Antonio River Authority  
Notes to Financial Statements  
June 30, 2016

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

**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.

Non-major enterprise funds of the River Authority include the Salatrillo Retail System Fund, SARA Water Systems Utility Fund, Randolph AFB Fund, Utilities Contract Operations Fund, and the Salatrillo Reuse 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. This fund is used to account for assets that the River Authority holds for others in an agency capacity.

The Agency fund includes 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.

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Notes to Financial Statements  
June 30, 2016

**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.



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**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 construction progresses.

**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.

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**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:

<b>Asset Class</b>	<b>Life</b>
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
Flood control infrastructures	10 – 50 years
Restoration projects	10 – 50 years

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**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 fiscal year 2016 was \$0.01729 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.

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Notes to Financial Statements  
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**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  
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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.

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<b>2.</b>	<b>Cash and Investments</b>
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As of June 30, 2016, the carrying amount of the River Authority's cash on the government-wide financial statements is \$2,619,946 and the bank balance was \$2,593,817. 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.

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The River Authority's investments at June 30, 2016 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	\$10,603,956	\$10,603,956	N/A
Carried at fair value:			
Fidelity Money Market Mutual Fund	25,302,376	25,302,376	N/A
Certificates of deposit	499,839	499,839	0.71
U.S. government securities	<u>12,061,724</u>	<u>12,061,724</u>	0.76
	<u>37,863,939</u>	<u>37,863,939</u>	
	<u>\$48,467,895</u>	<u>\$48,467,895</u>	
Portfolio weighted average maturity			0.20

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. The Pool does not have any limitations or restrictions on withdrawals.

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 \$314. 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.

The River Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the River Authority's investments carried at fair value are valued using quoted market prices (Level 1 inputs).

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*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 requirements, 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.

*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.

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**3. Grants**

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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, 2016.

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**4. Notes Receivable**

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*Governmental Activities.* As of June 30, 2016, the River Authority has a notes receivable balance in its governmental funds in the amount of \$610,253.

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 pledged 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 \$270,986. 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 balance as of June 30, 2016 is \$0-. 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 \$113,421.

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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, 2016 is \$16,075. The maturity date is January 2018, with annual installment payments that began 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, 2016 is \$40,000. The maturity date is January 2019, with annual installment payments that began 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, 2016 is \$169,771. The maturity date is January 2017, with an initial payment on September 2015 and annual installment payments which began January 2015.

	Balance 7/1/2015	Additions	Reductions	Balance 6/30/2016	Current Portion
Governmental activities:					
GCWSC	\$ 282,780	\$ -	\$ 11,794	\$ 270,986	\$ -
CSA	102,438	-	102,438	-	-
SAAHC	148,303	-	34,882	113,421	34,882
SAMUD #1	27,454	-	11,379	16,075	-
SAMUD #1	60,000	-	20,000	40,000	20,000
City of Universal City	<u>256,924</u>	<u>62,980</u>	<u>150,133</u>	<u>169,771</u>	<u>91,511</u>
Total notes receivable	<u>\$ 877,899</u>	<u>\$ 62,980</u>	<u>\$ 330,626</u>	<u>\$ 610,253</u>	<u>\$ 146,393</u>

*Business-type Activities.* As of June 30, 2016, the River Authority has a notes receivable balance in its business-type funds in the amount of \$420,353, 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, 2016, the River Authority has a notes receivable balance for the City of La Vernia in the amount of \$420,353.

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 to finance the Woodlake Golf Club, LLC at an interest rate of 4.75% over a thirty (30) year term with annual payments to begin upon completion of the project. The River Authority paid for the construction of the reuse line. On October 1, 2013, the property foreclosed and the note was acquired by Woodlake Acquisitions, LLC. As of June 30, 2015, the River Authority had 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. During fiscal year 2016 the River Authority deemed the net amount of this note to be uncollectible and the net balance of the note was written off.



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	Balance 7/1/2015	Additions	Reductions	Balance 6/30/2016	Current Portion
Business-type activities:					
City of La Vernia	\$ 446,400	\$ -	\$ 26,047	\$ 420,353	\$ 27,214
Woodlake Golf Club	<u>760,832</u>	<u>-</u>	<u>760,832</u>	<u>-</u>	<u>-</u>
Total notes receivable	<u>\$ 1,207,232</u>	<u>\$ -</u>	<u>\$ 786,879</u>	<u>\$ 420,353</u>	<u>\$ 27,214</u>
Allowance for Woodlake Golf Club	<u>\$ 310,832</u>	<u>\$ -</u>	<u>\$ 310,832</u>	<u>\$ -</u>	<u>\$ -</u>

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**5. Interfund Balances and Transfers**

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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	\$ 5,817,124	\$ -
Debt Service	-	781,691
Non-major Governmental	<u>-</u>	<u>1,705,198</u>
Total governmental funds	<u>5,817,124</u>	<u>2,486,889</u>
SARA Wastewater Utilities System Fund	500,000	2,614,499
Salatrillo Wastewater Treatment Plant System Fund	<u>-</u>	<u>1,215,736</u>
Total proprietary funds	<u>500,000</u>	<u>3,830,235</u>
Total all funds	<u>\$ 6,317,124</u>	<u>\$ 6,317,124</u>

The transfers in and out consist primarily of earnings from investments in funds being transferred to other funds for capital projects.

	Transfers In (Revenues)	Transfers Out (Expenses)
General Fund	\$ -	\$ 11,890,074
Debt Service	631,485	-
SARA Project Fund	10,746,025	-
Non-major Governmental	<u>78,851</u>	<u>166,287</u>
Total governmental funds	<u>11,456,361</u>	<u>12,056,361</u>
SARA Wastewater Utilities System Fund	1,287,367	-
Salatrillo Wastewater Treatment Plant System Fund	2,727,927	5,728
Non-major Enterprise	5,728	4,015,294
Internal Service Fund	<u>600,000</u>	<u>-</u>
Total proprietary funds	<u>4,621,022</u>	<u>4,021,022</u>
Total all funds	<u>\$ 16,077,383</u>	<u>\$ 16,077,383</u>

San Antonio River Authority  
Notes to Financial Statements  
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**6. Depreciation**

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

<u>Governmental activities</u>	
General government	\$ 1,029,601
Operations	15,264,800
Technical Services	<u>204,062</u>
Total depreciation expense – governmental activities	<u>\$ 16,498,463</u>
<u>Business-type activities</u>	
Utilities	<u>\$ 3,142,722</u>

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**7. Commitments**

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

<i>Governmental Activities</i>	
SARA Project Fund	\$ 1,736,613
Bexar County Capital Projects	898,956
SARIP-Bexar County Flood Tax	1,514,042
City of San Antonio	594,818
Westside Creek-Bexar County	24,202,975
Westside Creek-City of San Antonio	18,681,193
Bexar County CIP	<u>3,639,242</u>
	<u>\$ 51,267,839</u>
<i>Business-type Activities</i>	
SARA Wastewater Utilities System	\$ 554,737
Salatrillo Wastewater Treatment Plant	414,758
Randolph Air Force Base	<u>220,313</u>
	<u>\$ 1,189,808</u>

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**8. Encumbrances**

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Purchase orders are issued throughout the fiscal year to encumber budgets in the governmental funds. Significant encumbrances as of June 30, 2016 that will be re-appropriated in the subsequent year are as follows:

General Fund:	
General Government	\$ 444,316
Watershed Park Operations	247,418
Watershed Engineering	<u>559,269</u>
Total Encumbrances	<u>\$ 1,251,003</u>

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**9. Net Position**

The following table summarizes net position by purpose at June 30, 2016:

	Governmental Activities	Business-type Activities	Total
<b>Net investment in capital assets:</b>			
Capital assets – net of accumulated depreciation	\$ 496,397,949	\$ 44,354,942	\$ 540,752,891
Deferred loss on bond refunding	913,805	-	913,805
Debt	(31,355,944)	(16,830,198)	(48,186,142)
Unspent bond proceeds	17,562	-	17,562
Net investment in capital assets	<u>\$ 465,973,372</u>	<u>\$ 27,524,744</u>	<u>\$ 493,498,116</u>
<b>Restricted net position:</b>			
Debt service	\$ 4,287,026	\$ 1,889,196	\$ 6,176,222
Watershed management	243,841	-	243,841
Water management	1,287,890	1,245,558	2,533,448
Construction	185,027	-	185,027
TWDB Projects	249,027	-	249,027
Total restricted net position	<u>\$ 6,252,811</u>	<u>\$ 3,134,754</u>	<u>\$ 9,387,565</u>
<b>Unrestricted net position:</b>			
Total net position	\$ 494,704,293	\$ 42,210,806	\$ 536,915,099
Less: invested in capital assets	(465,973,372)	(27,524,744)	(493,498,116)
Less: restricted net position	(6,252,811)	(3,134,754)	(9,387,565)
Total unrestricted net position	<u>\$ 22,478,110</u>	<u>\$ 11,551,308</u>	<u>\$ 34,029,418</u>

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**10. Capital Assets**

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

	Balance July 1, 2015	Additions	Deletions	Transfers	Balance June 30, 2016
<i>Governmental Activities:</i>					
Capital assets, not being depreciated:					
Land	\$ 17,181,653	\$ 1,893,546	\$ -	\$ 1,427,777	\$ 20,502,976
Water rights	227,447	-	-	-	227,447
Construction in progress	20,952,804	19,072,885	(48,880)	(1,512,134)	38,464,675
Total capital assets, not being depreciated	38,361,904	20,966,431	(48,880)	(84,357)	59,195,098
Capital assets, being depreciated:					
Office furniture, fixtures and equipment	5,046,054	24,127	(1,538)	-	5,068,643
Other machinery and equipment	5,754,204	161,512	(196,819)	-	5,718,897
Automobiles and trucks	1,664,998	-	(47,393)	-	1,617,605
Buildings	15,748,506	1,093,985	-	84,357	16,926,848
Improvements other than buildings	1,614,577	-	-	-	1,614,577
Studies	2,581,964	-	-	-	2,581,964
Flood control projects	339,133,397	-	-	-	339,133,397
Restoration projects	236,996,307	-	-	-	236,996,307
Total capital assets, being depreciated	608,540,007	1,279,624	(245,750)	84,357	609,658,238
Accumulated depreciation					
Office furniture, fixtures and equipment	(3,725,436)	(528,689)	1,538	-	(4,252,587)
Other machinery and equipment	(3,529,947)	(476,810)	196,819	-	(3,809,938)
Automobiles and trucks	(1,130,758)	(142,516)	47,393	-	(1,225,881)
Buildings	(6,726,543)	(607,091)	-	-	(7,333,634)
Improvements other than buildings	(297,001)	(121,959)	-	-	(418,960)
Studies	(2,581,965)	-	-	-	(2,581,965)
Flood control projects	(117,142,887)	(6,683,549)	-	-	(123,826,436)
Restoration projects	(21,068,137)	(7,937,849)	-	-	(29,005,986)
Total accumulated depreciation	(156,202,674)	(16,498,463)	245,750	-	(172,455,387)
Governmental activities capital assets, net	\$ 490,699,237	\$ 5,747,592	\$ (48,880)	\$ -	\$ 496,397,949

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	Balance July 1, 2015	Additions	Deletions	Transfers	Balance June 30, 2016
<i>Business-type Activities:</i>					
Capital assets, not being depreciated:					
Land	\$ 2,383,129	\$ -	\$ (33,643)	\$ -	\$ 2,349,486
Construction in progress	<u>4,897,626</u>	<u>1,049,518</u>	<u>(268,748)</u>	<u>(2,787,224)</u>	<u>2,891,172</u>
Total capital assets, not being depreciated	<u>7,280,755</u>	<u>1,049,518</u>	<u>(302,391)</u>	<u>(2,787,224)</u>	<u>5,240,658</u>
Capital assets, being depreciated:					
Office furniture, fixtures and equipment	304,040	-	(4,340)	-	299,700
Other machinery and equipment	4,127,641	256,307	(57,202)	-	4,326,746
Automobiles and trucks	2,071,476	234,459	(15,436)	-	2,290,499
Buildings	2,372,845	-	(13,500)	-	2,359,345
Improvements other than buildings	8,687,575	70,638	(7,826)	2,787,224	11,537,611
Studies	422,205	-	-	-	422,205
Water treatment facilities	1,249,914	-	(1,211,236)	-	38,678
Sewage treatment facilities	<u>60,797,486</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,797,486</u>
Total capital assets, being depreciated	<u>80,033,182</u>	<u>561,404</u>	<u>(1,309,540)</u>	<u>2,787,224</u>	<u>82,072,270</u>
Accumulated depreciation					
Office furniture, fixtures and equipment	(263,052)	(21,522)	4,603	-	(279,971)
Other machinery and equipment	(2,585,885)	(239,904)	45,074	-	(2,780,715)
Automobiles and trucks	(1,742,135)	(260,033)	12,123	-	(1,990,045)
Buildings	(607,033)	(109,308)	13,500	-	(702,841)
Improvements other than buildings	(1,523,684)	(485,277)	7,826	-	(2,001,135)
Studies	(422,205)	-	-	-	(422,205)
Water treatment facilities	(608,276)	(65,020)	652,758	-	(20,538)
Sewage treatment facilities	<u>(32,798,878)</u>	<u>(1,961,658)</u>	<u>-</u>	<u>-</u>	<u>(34,760,536)</u>
Total accumulated depreciation	<u>(40,551,148)</u>	<u>(3,142,722)</u>	<u>735,884</u>	<u>-</u>	<u>(42,957,986)</u>
Business-type activities capital assets, net	<u>\$ 46,762,789</u>	<u>\$ (1,531,800)</u>	<u>\$ (876,047)</u>	<u>\$ -</u>	<u>\$ 44,354,942</u>

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**11. Pension Plan**

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**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 three 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 \$13,834,393 for the year ended June 30, 2016. Employer contributions to the Plan were \$1,292,698. 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](http://www.icmarc.org)

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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>254</u>
Eligible employees	52
Retired employees	2
Spouses of retired employees	<u>0</u>
Total	<u>54</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 July 1, 2014 was an actuarial accrued liability of \$514,698. The annual OPEB cost for fiscal year 2015/16 is \$34,194. 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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Annual OPEB Cost and Net OPEB Obligation: The River Authority's 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, 2016:

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Annual Required Contribution	\$ 45,796	\$ 45,796
Interest on net OPEB obligation	9,949	10,591
ARC adjustment	<u>(21,551)</u>	<u>(22,942)</u>
Annual OPEB costs	34,194	33,445
Employer Amount Contributed (estimated)	<u>468</u>	<u>(51,790)</u>
Change in net OPEB obligation	34,662	(18,345)
Net OPEB obligation at beginning of year	<u>284,246</u>	<u>302,591</u>
Net OPEB obligation at end of year	<u><u>\$ 318,908</u></u>	<u><u>\$ 284,246</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, 2016 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>
2014	\$97,762	60.17%
2015	\$33,445	154.9%
2016	\$34,194	1.37%

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>
July 1, 2014	\$ -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.



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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	Projected 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.

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**12. Summary of Long-Term Debt**

Long-term liability activity for the year ended June 30, 2016, was as follows:

	Balance July 01, 2015	Additions	Reductions	Balance June 30, 2016	Current Portion
Governmental activities:					
Bonds payable	\$ 32,712,000	\$ 1,200,000	\$ 2,756,000	\$ 31,156,000	\$ 2,912,000
Premiums/(Discounts)	88,974	-	3,249	85,725	3,249
Capital leases	169,030	-	54,811	114,219	56,330
Compensated absences	640,911	136,346	102,545	674,712	168,678
Total long-term liabilities	<u>\$ 33,610,915</u>	<u>\$ 1,336,346</u>	<u>\$ 2,916,605</u>	<u>\$ 32,030,656</u>	<u>\$ 3,140,257</u>
Business-type activities:					
Bonds payable	\$ 16,335,000	\$ -	\$ 915,000	\$ 15,420,000	\$ 945,000
Premiums/(Discounts)	392,223	-	32,152	360,071	32,152
Notes payable	1,078,315	-	28,188	1,050,127	28,188
Compensated absences	167,935	24,593	26,869	165,659	41,415
Total long-term liabilities	<u>\$ 17,973,473</u>	<u>\$ 24,593</u>	<u>\$ 1,002,209</u>	<u>\$ 16,995,857</u>	<u>\$ 1,046,755</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, 2016:

*Governmental Activities*

Series	Effective Interest Rate	Range of Maturity	Original Amount	Outstanding July 1, 2015	Additions	Deletions	Outstanding June 30, 2016	Amount Due within One Year
SACIP Improvement Revenue Bonds:								
2007	4.3921%	2017-2033	\$ 14,525,000	\$ 13,300,000	\$ -	\$ 340,000	\$ 12,960,000	\$ 545,000
2014	1.2400%	2017-2021	5,165,000	4,310,000	-	850,000	3,460,000	675,000
2015	1.9000%	2017-2028	8,265,000	8,265,000	-	1,025,000	7,240,000	1,035,000
2016	1.7700%	2017-2026	1,200,000	-	1,200,000	-	1,200,000	115,000
			<u>29,155,000</u>	<u>25,875,000</u>	<u>1,200,000</u>	<u>2,215,000</u>	<u>24,860,000</u>	<u>2,370,000</u>
Texas Water Development Bonds:								
2013A	1.4536%	2016-2024	4,300,000	3,880,000	-	420,000	3,460,000	420,000
Public Facilities Corp. Lease Revenue Bonds:								
2014	2.1020%	2016-2035	3,100,000	2,957,000	-	121,000	2,836,000	122,000
			<u>\$ 36,555,000</u>	<u>\$ 32,712,000</u>	<u>\$ 1,200,000</u>	<u>\$ 2,756,000</u>	<u>\$ 31,156,000</u>	<u>\$ 2,912,000</u>

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*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 \$21,128,890. Principal and interest paid for the current year and total customer operating revenues were \$1,266,798 and \$11,969,301 respectively.

Series	Effective Interest Rate	Range of Maturity	Original Amount	Outstanding July 1, 2015	Additions	Deletions	Outstanding June 30, 2016	Amount Due within One Year
SARA Wastewater Utilities System Revenue Bonds:								
2010	4.7888%	2017-2031	\$ 9,785,000	\$ 8,440,000	\$ -	\$ 370,000	\$ 8,070,000	\$ 385,000
SARA Wastewater Utilities System Revenue Refunding Bonds:								
2013	2.3167%	2017-2022	3,120,000	2,820,000	-	320,000	2,500,000	325,000
Contract Revenue Bonds:								
2010	4.5600%	2017-2031	5,880,000	5,075,000	-	225,000	4,850,000	235,000
			<u>\$ 18,785,000</u>	<u>\$ 16,335,000</u>	<u>\$ -</u>	<u>\$ 915,000</u>	<u>\$ 15,420,000</u>	<u>\$ 945,000</u>

As of June 30, 2016, 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	\$ 31,156,000	\$ 15,420,000
Unamortized premium	319,517	360,071
Unamortized (discount)	(233,792)	-
Total bonds payable, net	31,241,725	15,780,071
Less bonds payable within one year	2,915,249	977,152
Bonds payable after one year, net	<u>\$ 28,326,476</u>	<u>\$ 14,802,919</u>

San Antonio River Authority  
Notes to Financial Statements  
June 30, 2016

Principal and interest requirements to maturity for all long-term debt of the River Authority as of June 30, 2016 are summarized as follows:

Fiscal Year	Governmental Activities			Business-type Activities			Total
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	All Debt
2017	\$ 2,912,000	\$ 769,361	\$ 3,681,361	\$ 945,000	\$ 675,285	\$ 1,620,285	\$ 5,301,646
2018	2,958,000	789,247	3,747,247	980,000	640,894	1,620,894	5,368,141
2019	3,025,000	730,414	3,755,414	1,020,000	601,522	1,621,522	5,376,936
2020	3,082,000	667,681	3,749,681	1,065,000	558,394	1,623,394	5,373,075
2021	3,150,000	599,942	3,749,942	1,105,000	513,282	1,618,282	5,368,224
2022 – 2026	7,827,000	2,186,928	10,013,928	4,990,000	1,924,331	6,914,331	16,928,259
2027 – 2031	5,990,000	1,007,418	6,997,418	5,315,000	795,182	6,110,182	13,107,600
2032 – 2035	2,212,000	80,717	2,292,717	-	-	-	2,292,717
	<u>\$ 31,156,000</u>	<u>\$ 6,831,708</u>	<u>\$ 37,987,708</u>	<u>\$ 15,420,000</u>	<u>\$ 5,708,890</u>	<u>\$ 21,128,890</u>	<u>\$ 59,116,598</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, 2016, 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:

	<u>Balance 7/1/2015</u>	<u>Additions 2016</u>	<u>Deletions 2016</u>	<u>Balance 6/30/2016</u>	<u>Due within One year</u>
Governmental Activities	\$ 640,911	\$ 136,346	\$ 102,545	\$ 674,712	\$ 168,678
Business-Type Activities	167,935	24,593	26,869	165,659	41,415
Total Compensated Absences	<u>\$ 808,846</u>	<u>\$ 160,939</u>	<u>\$ 129,414</u>	<u>\$ 840,371</u>	<u>\$ 210,093</u>

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

San Antonio River Authority  
Notes to Financial Statements  
June 30, 2016

**Capital Leases**

*Governmental Activities.* As of June 30, 2016, the River Authority had the following capital leases for the purchase of equipment. The gross amount of the equipment purchased is \$274,260 with accumulated depreciation of \$226,722.

	Interest Rate	Original Amount	Balance 7/1/2015	Additions 2016	Payments 2016	Balance 6/30/2016	Current Portion
JPMorgan Chase	2.77%	\$ 274,260	\$ 169,030	\$ -	\$ 54,811	\$ 114,219	\$ 56,330
		<u>\$ 274,260</u>	<u>\$ 169,030</u>	<u>\$ -</u>	<u>\$ 54,811</u>	<u>\$ 114,219</u>	<u>\$ 56,330</u>

Principal and interest requirements to maturity for all capital leases of the River Authority as of June 30, 2016 are as follows:

Fiscal Year	<i>Governmental Activities</i>		
	Principal	Interest	Total
2017	\$ 56,330	\$ 3,164	\$ 59,494
2018	<u>57,889</u>	<u>1,604</u>	<u>59,493</u>
	<u>\$ 114,219</u>	<u>\$ 4,768</u>	<u>\$ 118,987</u>

**Notes Payable**

*Business-type Activities.* As of June 30, 2016, 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 \$359,428.

	Interest Rate	Original Amount	Balance 7/1/2015	Additions 2016	Payments 2016	Balance 6/30/2016	Current Portion
Dept of Defense	<u>0.00%</u>	<u>\$1,409,524</u>	<u>\$1,078,315</u>	<u>\$ -</u>	<u>\$ 28,188</u>	<u>\$1,050,127</u>	<u>\$ 28,188</u>

San Antonio River Authority  
Notes to Financial Statements  
June 30, 2016

Principal and interest requirements to maturity for all notes payable of the River Authority as of June 30, 2016 are as follows:

Fiscal Year	<i>Business-type Activities</i>		
	Principal	Interest	Total
2017	\$ 28,188	\$ -	\$ 28,188
2018	28,188	-	28,188
2019	28,188	-	28,188
2020	28,188	-	28,188
2021	28,188	-	28,188
2022-2054	909,187	-	909,187
	<u>\$ 1,050,127</u>	<u>\$ -</u>	<u>\$ 1,050,127</u>

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**13. Risk Management**

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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 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, 2016

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
2015	\$ 90,329	\$ 2,382,687	\$ 2,439,122	\$ 33,894	\$ 33,894
2016	33,894	2,985,792	3,018,820	866	866

# **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, 2016, With Comparative Totals for 2015

	2016 Budgeted Amounts		2016	Variance with Final Budget - Positive (Negative)	2015
	Original	Final	Actual		Actual
<b>REVENUES</b>					
Taxes	\$ 23,442,073	\$ 24,210,812	\$ 24,276,704	\$ 65,892	\$ 22,947,890
Investment earnings (loss)	35,020	35,020	153,872	118,852	(8,768)
Intergovernmental	483,200	483,200	305,516	(177,684)	298,932
Charges for services	855,500	855,500	697,392	(158,108)	808,437
Support Fees	2,314,146	2,314,146	2,301,631	(12,515)	2,253,647
Miscellaneous	180,000	180,000	849,861	669,861	205,511
Total revenues	<u>27,309,939</u>	<u>28,078,678</u>	<u>28,584,976</u>	<u>506,298</u>	<u>26,505,649</u>
<b>EXPENDITURES</b>					
Current:					
General Government:					
Organizational Support:					
Personnel services	2,062,539	2,059,910	1,917,950	141,960	4,949,583
Materials and supplies	98,500	101,129	82,975	18,154	81,300
Other services and charges	1,759,438	1,623,708	1,287,752	335,956	1,041,717
Capital outlay	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
	<u>3,970,477</u>	<u>3,834,747</u>	<u>3,288,677</u>	<u>546,070</u>	<u>6,072,600</u>
Board of Directors:					
Personnel services	52,903	52,903	44,828	8,075	47,446
Other services and charges	<u>269,220</u>	<u>269,220</u>	<u>209,280</u>	<u>59,940</u>	<u>45,870</u>
	<u>322,123</u>	<u>322,123</u>	<u>254,108</u>	<u>68,015</u>	<u>93,316</u>
Executive Offices:					
Human Resources:					
Personnel services	350,020	350,020	348,457	1,563	-
Materials and supplies	5,100	5,100	5,616	(516)	3,114
Other services and charges	74,530	74,530	69,183	5,347	138,551
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,245</u>
	<u>429,650</u>	<u>429,650</u>	<u>423,256</u>	<u>6,394</u>	<u>142,910</u>
Facilities:					
Personnel services	318,792	318,792	280,012	38,780	-
Materials and supplies	402,300	402,300	275,890	126,410	429,563
Other services and charges	537,825	537,825	575,504	(37,679)	517,271
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>539,556</u>
	<u>1,258,917</u>	<u>1,258,917</u>	<u>1,131,406</u>	<u>127,511</u>	<u>1,486,390</u>
Finance:					
Personnel services	1,028,149	1,028,149	1,011,993	16,156	-
Materials and supplies	2,450	2,450	1,005	1,445	1,765
Other services and charges	272,350	272,350	258,433	13,917	797,891
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,302,949</u>	<u>1,302,949</u>	<u>1,271,431</u>	<u>31,518</u>	<u>799,656</u>
Information Technology:					
Personnel services	973,840	973,840	892,967	80,873	-
Materials and supplies	465,082	439,282	134,301	304,981	199,703
Other services and charges	921,565	921,565	888,165	33,400	685,437
Capital outlay	<u>-</u>	<u>25,800</u>	<u>24,127</u>	<u>1,673</u>	<u>277,388</u>
	<u>2,360,487</u>	<u>2,360,487</u>	<u>1,939,560</u>	<u>420,927</u>	<u>1,162,528</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, 2016, With Comparative Totals for 2015

	2016 Budgeted Amounts		2016	Variance with Final Budget - Positive (Negative)	2015
	Original	Final	Actual		Actual
General Government (Continued):					
Intergovernmental & Community Relations:					
Personnel services	\$ 1,009,521	\$ 1,009,521	\$ 992,527	\$ 16,994	\$ -
Materials and supplies	44,040	44,040	40,682	3,358	43,092
Other services and charges	1,369,460	1,369,460	1,184,362	185,098	1,074,205
Capital outlay	-	-	-	-	1,099
	<u>2,423,021</u>	<u>2,423,021</u>	<u>2,217,571</u>	<u>205,450</u>	<u>1,118,396</u>
Total Cost Allocations:	<u>(1,876,164)</u>	<u>(1,876,164)</u>	<u>(1,869,872)</u>	<u>(6,292)</u>	<u>(805,040)</u>
Total General Government	<u>10,191,460</u>	<u>10,055,730</u>	<u>8,656,137</u>	<u>1,399,593</u>	<u>10,070,756</u>
Program Support:					
Personnel services	-	-	-	-	8,683,188
Materials and supplies	-	-	-	-	2,927
Other services and charges	-	-	-	-	947,327
Capital outlay	-	-	-	-	52,434
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,685,876</u>
Total Cost Allocations:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,047,527)</u>
Total Program Support	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,638,349</u>
Operations:					
Watershed and Parks Operations:					
Personnel services	3,711,406	3,711,406	3,720,404	(8,998)	-
Materials and supplies	612,250	799,127	708,483	90,644	532,496
Other services and charges	2,334,234	2,155,695	1,951,918	203,777	1,637,757
Capital outlay	192,052	187,714	181,488	6,226	1,268,295
	<u>6,849,942</u>	<u>6,853,942</u>	<u>6,562,293</u>	<u>291,649</u>	<u>3,438,548</u>
Total Operations	<u>6,849,942</u>	<u>6,853,942</u>	<u>6,562,293</u>	<u>291,649</u>	<u>3,438,548</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, 2016, With Comparative Totals for 2015

	2016 Budgeted Amounts		2016	Variance with Final Budget - Positive (Negative)	2015
	Original	Final	Actual		Actual
Technical Services:					
Watershed Engineering:					
Personnel services	\$ 2,558,472	\$ 2,558,472	\$ 2,549,890	\$ 8,582	\$ -
Materials and supplies	20,700	20,700	8,989	11,711	9,955
Other services and charges	1,727,538	1,807,538	1,185,519	622,019	2,324,585
Capital outlay	-	-	17,821	(17,821)	124,873
	<u>4,306,710</u>	<u>4,386,710</u>	<u>3,762,219</u>	<u>624,491</u>	<u>2,459,413</u>
Environmental Sciences:					
Personnel services	2,629,689	2,629,689	2,806,052	(176,363)	-
Materials and supplies	206,056	205,976	182,041	23,935	196,279
Other services and charges	597,336	661,606	365,677	295,929	526,274
Capital outlay	7,000	7,080	7,080	-	421,327
	<u>3,440,081</u>	<u>3,504,351</u>	<u>3,360,850</u>	<u>143,501</u>	<u>1,143,880</u>
Texas Water Development Board:					
Other services and charges	<u>378,829</u>	<u>618,107</u>	<u>365,124</u>	<u>252,983</u>	<u>798,144</u>
	<u>378,829</u>	<u>618,107</u>	<u>365,124</u>	<u>252,983</u>	<u>798,144</u>
Real Estate:					
Personnel services	390,523	389,115	440,137	(51,022)	-
Materials and supplies	-	100	125	(25)	297
Other services and charges	<u>50,125</u>	<u>50,025</u>	<u>29,206</u>	<u>20,819</u>	<u>45,633</u>
	<u>440,648</u>	<u>439,240</u>	<u>469,468</u>	<u>(30,228)</u>	<u>45,930</u>
Total Technical Services	<u>8,566,268</u>	<u>8,948,408</u>	<u>7,957,661</u>	<u>990,747</u>	<u>4,447,367</u>
Total expenditures	<u>25,607,670</u>	<u>25,858,080</u>	<u>23,176,091</u>	<u>2,681,989</u>	<u>26,595,020</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,702,269</u>	<u>2,220,598</u>	<u>5,408,885</u>	<u>3,188,287</u>	<u>(89,371)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	279,930	-	(279,930)	93,748
Contributed Capital	-	-	-	-	-
Capitalized lease	-	-	-	-	-
Bond Proceeds	-	-	-	-	-
Transfers out	<u>(11,388,612)</u>	<u>(12,339,694)</u>	<u>(11,890,074)</u>	<u>449,620</u>	<u>(306,358)</u>
Total other financing sources and (uses)	<u>(11,388,612)</u>	<u>(12,059,764)</u>	<u>(11,890,074)</u>	<u>169,690</u>	<u>(212,610)</u>
Net change in fund balances	<u>(9,686,343)</u>	<u>(9,839,166)</u>	<u>(6,481,189)</u>	<u>3,357,977</u>	<u>(301,981)</u>
Fund balance - beginning	<u>18,216,442</u>	<u>18,216,442</u>	<u>18,216,442</u>	<u>-</u>	<u>18,518,423</u>
Fund balances, end of year, as restated	<u>\$ 8,530,099</u>	<u>\$ 8,377,276</u>	<u>\$ 11,735,253</u>	<u>\$ 3,357,977</u>	<u>\$ 18,216,442</u>



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San Antonio River Authority  
Notes to Required Supplementary Information  
June 30, 2016

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<b>1.</b>	<b>Budgeting</b>
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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.

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, 2016, With Comparative Totals for 2015

	<b>2016 Original and Final Budgeted Amounts</b>	<b>2016 Actual</b>	<b>Variance -- Positive (Negative)</b>	<b>2015 Actual</b>
<b>REVENUES</b>				
Investment earnings	\$ 15,214	\$ 12,343	\$ (2,871)	\$ 3,385
Intergovernmental	<u>3,435,001</u>	<u>2,986,452</u>	<u>-</u>	<u>51,186</u>
Total revenue	<u>3,450,215</u>	<u>2,998,795</u>	<u>(2,871)</u>	<u>54,571</u>
<b>EXPENDITURES</b>				
Debt service:				
Bond principal	3,446,000	2,635,000	(811,000)	2,020,000
Interest on bonds	<u>1,623,574</u>	<u>806,990</u>	<u>816,584</u>	<u>1,018,259</u>
Total expenditures	<u>5,069,574</u>	<u>3,441,990</u>	<u>5,584</u>	<u>3,038,259</u>
Deficiency of revenues under expenditures	<u>(1,619,359)</u>	<u>(443,195)</u>	<u>1,176,164</u>	<u>(2,983,688)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from bonds - refunding	-	-	-	8,265,000
Payments to escrow agent	-	-	-	(8,144,173)
Transfers in - flood tax revenue fund	<u>1,645,836</u>	<u>631,485</u>	<u>(1,014,351)</u>	<u>2,740,822</u>
Total other financing sources and (uses)	<u>1,645,836</u>	<u>631,485</u>	<u>(1,014,351)</u>	<u>2,861,649</u>
Net change in fund balance	26,477	188,290	161,813	(122,039)
Fund balance, beginning of year	<u>4,098,736</u>	<u>4,098,736</u>	<u>-</u>	<u>4,220,775</u>
Fund balance, end of year	<u>\$ 4,125,213</u>	<u>\$ 4,287,026</u>	<u>\$ 161,813</u>	<u>\$ 4,098,736</u>

San Antonio River Authority  
Combining Balance Sheet – Nonmajor Governmental Funds  
June 30, 2016

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
<b>ASSETS</b>			
Cash	\$ 300,315	\$ 150,777	\$ 451,092
Investments	532,242	377,276	909,518
Intergovernmental receivables	1,766,183	1,141,777	2,907,960
Due from other funds of the Authority	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 2,598,740</u>	<u>\$ 1,669,830</u>	<u>\$ 4,268,570</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 347,240	\$ 238,964	\$ 586,204
Retainage payable	301,512	135,518	437,030
Unearned revenue - services	57,822	120,843	178,665
Due to other funds of the Authority	<u>1,043,651</u>	<u>661,547</u>	<u>1,705,198</u>
Total liabilities	<u>1,750,225</u>	<u>1,156,872</u>	<u>2,907,097</u>
<b>FUND BALANCES</b>			
Restricted:			
Debt Service	-	-	-
Construction	17,570	512,958	530,528
Watershed management	243,841	-	243,841
Water management	185,027	-	185,027
Committed:			
Parks	374,071	-	374,071
Economic development	<u>28,006</u>	<u>-</u>	<u>28,006</u>
Total fund balances	<u>848,515</u>	<u>512,958</u>	<u>1,361,473</u>
Total liabilities and fund balances	<u>\$ 2,598,740</u>	<u>\$ 1,669,830</u>	<u>\$ 4,268,570</u>

San Antonio River Authority  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2016

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>			
Investment earnings	\$ 2,077	\$ 1,069	\$ 3,146
Intergovernmental	5,598,186	4,916,827	10,515,013
Charges for services	260,925	-	260,925
Miscellaneous	9,843	-	9,843
Total revenues	<u>5,871,031</u>	<u>4,917,896</u>	<u>10,788,927</u>
<b>EXPENDITURES</b>			
Current:			
General government	293,317	-	293,317
Operations	128,173	2,939,318	3,067,491
Technical services	697,928	73,870	771,798
Debt Service:			
Bond principal	121,000	-	121,000
Interest and fees on bonds	61,738	-	61,738
Capital outlay:			
Capital projects	-	1,838,806	1,838,806
Technical Services	4,626,657	-	4,626,657
Total expenditures	<u>5,928,813</u>	<u>4,851,994</u>	<u>10,780,807</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(57,782)</u>	<u>65,902</u>	<u>8,120</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	78,851	-	78,851
Transfers out	(166,287)	-	(166,287)
Total other financing sources and uses	<u>(87,436)</u>	<u>-</u>	<u>(87,436)</u>
Net change in fund balances	(145,218)	65,902	(79,316)
Fund balances, beginning of year	993,733	447,056	1,440,789
Fund balances, end of year	<u>\$ 848,515</u>	<u>\$ 512,958</u>	<u>\$ 1,361,473</u>



SAN ANTONIO  

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RIVER AUTHORITY

Leaders in Watershed Solutions

San Antonio River Authority  
Nonmajor Governmental Funds  
June 30, 2016

**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. During 2016 the fund was combined with the Debt Service Fund.

Grants Fund – Accounts for revenues received from local, state, and federal for expenditures related to programs, projects, and efforts that help further the mission of the River Authority.

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.

San Antonio River Public Facility Corporation (PFC) – This fund presents a blended component unit of the San Antonio River Authority as required by generally accepted accounting principles. The PFC is a nonprofit public facility corporation that acts on behalf of the Authority and assists the Authority in financing and providing public facilities.

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, 2016, With Comparative Totals for 2015

	<b>Flood Tax Revenue</b>	<b>Grants Fund</b>	<b>South Central Texas Regional Water Planning Group</b>	<b>Edwards Water Acquisition</b>
<b>ASSETS</b>				
Cash	\$ -	\$ -	\$ 20,082	\$ 93,074
Investments	-	-	-	-
Intergovernmental receivables	-	1,753,599	7,689	100
Interest receivable	-	-	-	-
Due from other funds of the Authority	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 1,753,599</u>	<u>\$ 27,771</u>	<u>\$ 93,174</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 299,809	\$ 9,452	\$ 246
Retainage payable	-	288,744	492	-
Due to other funds of the Authority	-	1,043,651	-	-
Intergovernmental payables	-	-	-	-
Unearned revenue - services	-	15,853	17,816	24,153
Total liabilities	<u>-</u>	<u>1,648,057</u>	<u>27,760</u>	<u>24,399</u>
<b>FUND BALANCES</b>				
Restricted:				
Debt Service	-	-	-	-
Construction	-	-	-	-
Watershed management	-	-	-	-
Water management	-	105,542	11	68,775
Committed:				
Parks	-	-	-	-
Economic development	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>-</u>	<u>105,542</u>	<u>11</u>	<u>68,775</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 1,753,599</u>	<u>\$ 27,771</u>	<u>\$ 93,174</u>

<b>Regional Water Alliance</b>	<b>San Antonio River Public Facility Corp.</b>	<b>SACIP Land Sales</b>	<b>San Antonio River Industrial Development Authority</b>	<b>Park Resources Development</b>
\$ 10,699	\$ 29,846	\$ 12,207	\$ 28,006	\$ 106,401
-	-	264,572	-	267,670
-	-	4,795	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 10,699</u>	<u>\$ 29,846</u>	<u>\$ 281,574</u>	<u>\$ 28,006</u>	<u>\$ 374,071</u>
\$ -	\$ -	\$ 37,733	\$ -	\$ -
-	12,276	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>12,276</u>	<u>37,733</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	17,570	-	-	-
-	-	243,841	-	-
10,699	-	-	-	-
-	-	-	-	374,071
-	-	-	28,006	-
-	-	-	-	-
<u>10,699</u>	<u>17,570</u>	<u>243,841</u>	<u>28,006</u>	<u>374,071</u>
<u>\$ 10,699</u>	<u>\$ 29,846</u>	<u>\$ 281,574</u>	<u>\$ 28,006</u>	<u>\$ 374,071</u>

(continued)



San Antonio River Authority  
Combining Balance Sheet – Nonmajor Special Revenue Funds (continued)  
June 30, 2016, With Comparative Totals for 2015

	<b>Total Nonmajor Special Revenue Funds</b>	
	<b>2016</b>	<b>2015</b>
<b>ASSETS</b>		
Cash	\$ 300,315	\$ 249,906
Investments	532,242	641,149
Intergovernmental receivables	1,766,183	3,469,804
Interest receivable	-	-
Due from other funds of the Authority	-	170,203
Total assets	<u>\$ 2,598,740</u>	<u>\$ 4,531,062</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 347,240	\$ 529,511
Retainage payable	301,512	154,764
Due to other funds of the Authority	1,043,651	2,870,616
Intergovernmental payables	-	-
Unearned revenue - services	57,822	-
Total liabilities	<u>1,750,225</u>	<u>3,554,891</u>
<b>FUND BALANCES</b>		
Restricted:		
Debt Service	-	166,287
Construction	17,570	-
Watershed management	243,841	357,948
Water management	185,027	78,644
Committed:		
Parks	374,071	339,358
Economic development	28,006	33,934
Unassigned	-	-
Total fund balances	<u>848,515</u>	<u>976,171</u>
Total liabilities and fund balances	<u>\$ 2,598,740</u>	<u>\$ 4,531,062</u>



SAN ANTONIO  

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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, 2016, With Comparative Totals for 2015

	<b>Flood Tax Revenue</b>	<b>Grants Fund</b>	<b>South Central Texas Regional Water Planning Group</b>	<b>Edwards Water Acquisition</b>
<b>REVENUES</b>				
Investment earnings (losses)	\$ -	\$ -	\$ 62	\$ 170
Intergovernmental	-	5,469,428	107,984	16,574
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>5,469,428</u>	<u>108,046</u>	<u>16,744</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	287,317	-	-
Operations	-	-	108,189	18,293
Technical Services	-	528,763	-	-
Debt Service:				
Bond principal	-	-	-	-
Interest and fees on bonds	-	-	-	-
Capital Outlay				
Operations	-	-	-	-
Technical services	-	4,626,657	-	-
Total expenditures	<u>-</u>	<u>5,442,737</u>	<u>108,189</u>	<u>18,293</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>26,691</u>	<u>(143)</u>	<u>(1,549)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	78,851	-	-
Transfers out	(166,287)	-	-	-
Proceeds form sale of bonds	-	-	-	-
Total other financing sources and (uses)	<u>(166,287)</u>	<u>78,851</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(166,287)</u>	<u>105,542</u>	<u>(143)</u>	<u>(1,549)</u>
Fund balances, beginning	166,287	-	154	70,324
Fund balances, end of year	<u>\$ -</u>	<u>\$ 105,542</u>	<u>\$ 11</u>	<u>\$ 68,775</u>

			San Antonio		
			River		
Regional	San Antonio		Industrial	Park	
Water	River Public	SACIP	Development	Resources	
Alliance	Facility Corp.	Land Sales	Authority	Development	
\$ 24	\$ 8	\$ 843	\$ 72	\$ 898	
4,200	-	-	-	-	
-	182,738	54,215	-	23,972	
-	-	-	-	9,843	
4,224	182,746	55,058	72	34,713	
-	-	-	-	-	
1,691	-	-	6,000	-	
-	-	169,165	-	-	
-	121,000	-	-	-	
-	61,738	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
1,691	182,738	169,165	6,000	-	
2,533	8	(114,107)	(5,928)	34,713	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
2,533	8	(114,107)	(5,928)	34,713	
8,166	17,562	357,948	33,934	339,358	
\$ 10,699	\$ 17,570	\$ 243,841	\$ 28,006	\$ 374,071	

(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, 2016, With Comparative Totals for 2015

	<b>Total Nonmajor Special Revenue Funds</b>	
	<b>2016</b>	<b>2015</b>
<b>REVENUES</b>		
Investment earnings (losses)	\$ 2,077	\$ 1,182
Intergovernmental	5,598,186	7,375,677
Charges for services	260,925	105,387
Miscellaneous	9,843	7,984
Total revenues	<u>5,871,031</u>	<u>7,490,230</u>
<b>EXPENDITURES</b>		
Current:		
General government	293,317	410,225
Operations	128,173	734,690
Technical Services	697,928	1,232,309
Debt Service:		
Bond principal	121,000	-
Interest and fees on bonds	61,738	-
Capital Outlay		
Operations	-	18,177
Technical services	4,626,657	2,684,992
Total expenditures	<u>5,928,813</u>	<u>5,080,393</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(57,782)</u>	<u>2,409,837</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	78,851	306,358
Transfers out	(166,287)	(2,834,570)
Bond Issue Cost	-	
Total other financing sources and (uses)	<u>(87,436)</u>	<u>(2,528,212)</u>
Net change in fund balances	<u>(145,218)</u>	<u>(118,375)</u>
Fund balances, beginning	993,733	1,094,546
Fund balances, end of year	<u>\$ 848,515</u>	<u>\$ 976,171</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, 2016, With Comparative Totals for 2015

	<b>2016 Original and Final Budgeted Amounts</b>	<b>2016 Actual</b>	<b>Variance -- Positive (Negative)</b>	<b>2015 Actual</b>
<b>REVENUES</b>				
Investment earnings	\$ -	\$ -	\$ -	\$ 613
Intergovernmental:				
Bexar County flood control tax	-	-	-	2,621,788
Total revenues	-	-	-	2,622,401
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	21,922
Excess of revenues over expenditures	-	-	-	2,600,479
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(13,623)	(166,287)	(152,664)	(2,740,822)
Total other financing sources and (uses)	(13,623)	(166,287)	(152,664)	(2,740,822)
Net change in fund balances	(13,623)	(166,287)	(152,664)	(140,343)
Fund balance, beginning of year	166,287	166,287	-	306,630
Fund balance, end of year	<u>\$ 152,664</u>	<u>\$ -</u>	<u>\$ (152,664)</u>	<u>\$ 166,287</u>

San Antonio River Authority  
Grants Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual  
For the Year Ended June 30, 2016, With Comparative Totals for 2015

	<b>2016</b>			<b>Variance --</b>	
	<b><u>Budgeted Amounts</u></b>		<b>2016</b>	<b>Positive</b>	<b>2015</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Actual</u></b>	<b><u>(Negative)</u></b>	<b><u>Actual</u></b>
<b>REVENUES</b>					
Intergovernmental	\$ 13,372,147	\$ 14,878,704	\$ 5,469,428	\$ (9,409,276)	\$ 473,762
<b>EXPENDITURES</b>					
Current:					
General government	3,633,516	287,317	287,317	-	374,019
Technical services	-	2,421,819	528,763	1,893,056	30,179
Capital outlay:					
Technical services	9,912,020	12,360,133	4,626,657	7,733,476	-
Total expenditures	13,545,536	15,069,269	5,442,737	9,626,532	404,198
Excess (deficiency) of revenues over (under) expenditures	(173,389)	(190,565)	26,691	217,256	69,564
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	137,389	137,389	78,851	(58,538)	24,184
Transfers out	-	-	-	-	(93,748)
Total other financing sources and (uses)	137,389	137,389	78,851	(58,538)	(69,564)
Net change in fund balances	(36,000)	(53,176)	105,542	158,718	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	\$ (36,000)	\$ (53,176)	\$ 105,542	\$ 158,718	\$ -

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, 2016, With Comparative Totals for 2015

	<b>2016</b>			<b>Variance --</b>	
	<b><u>Budgeted Amounts</u></b>		<b>2016</b>	<b>Positive</b>	<b>2015</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Actual</u></b>	<b><u>(Negative)</u></b>	<b><u>Actual</u></b>
<b>REVENUES</b>					
Investment earnings	\$ 50	\$ 50	\$ 62	\$ 12	\$ 34
Intergovernmental	<u>127,484</u>	<u>265,516</u>	<u>107,984</u>	<u>(157,532)</u>	<u>508,742</u>
Total revenues	127,534	265,566	108,046	(157,520)	508,776
<b>EXPENDITURES</b>					
Operations	<u>127,534</u>	<u>265,566</u>	<u>108,189</u>	<u>157,377</u>	<u>508,622</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	(143)	(143)	154
Fund balance, beginning of year	<u>154</u>	<u>154</u>	<u>154</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 154</u></u>	<u><u>\$ 154</u></u>	<u><u>\$ 11</u></u>	<u><u>\$ (143)</u></u>	<u><u>\$ 154</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, 2016, With Comparative Totals for 2015

	<b>2016 Original and Final Budgeted Amounts</b>	<b>2016 Actual</b>	<b>Variance -- Positive (Negative)</b>	<b>2015 Actual</b>
<b>REVENUES</b>				
Investment earnings (losses)	\$ 100	\$ 170	\$ 70	\$ 37
Intergovernmental	50,000	16,574	(33,426)	78,487
Charges for services	<u>1,100</u>	<u>-</u>	<u>(1,100)</u>	<u>-</u>
Total revenues	51,200	16,744	(34,456)	78,524
<b>EXPENDITURES</b>				
Operations	<u>72,000</u>	<u>18,293</u>	<u>53,707</u>	<u>70,515</u>
Excess (deficiency) of revenues over (under) expenditures	(20,800)	(1,549)	19,251	8,009
Fund balance, beginning of year	<u>70,324</u>	<u>70,324</u>	<u>-</u>	<u>62,315</u>
Fund balance, end of year	<u><u>\$ 49,524</u></u>	<u><u>\$ 68,775</u></u>	<u><u>\$ 19,251</u></u>	<u><u>\$ 70,324</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, 2016, With Comparative Totals for 2015

	<b>2016</b>			<b>Variance --</b>	
	<b><u>Budgeted Amounts</u></b>		<b>2016</b>	<b>Positive</b>	<b>2015</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Actual</u></b>	<b><u>(Negative)</u></b>	<b><u>Actual</u></b>
<b>REVENUES</b>					
Investment earnings (losses)	\$ 10	\$ 10	\$ 24	\$ 14	\$ 8
Intergovernmental	<u>4,200</u>	<u>4,200</u>	<u>4,200</u>	<u>\$ -</u>	<u>4,400</u>
Total revenues	4,210	4,210	4,224	14	4,408
<b>EXPENDITURES</b>					
Operations	<u>11,000</u>	<u>11,000</u>	<u>1,691</u>	<u>9,309</u>	<u>9,307</u>
Excess (deficiency) of revenues over (under) expenditures	(6,790)	(6,790)	2,533	9,323	(4,899)
Fund balance, beginning of year	<u>8,166</u>	<u>8,166</u>	<u>8,166</u>	<u>-</u>	<u>13,065</u>
Fund balance, end of year	<u>\$ 1,376</u>	<u>\$ 1,376</u>	<u>\$ 10,699</u>	<u>\$ 9,323</u>	<u>\$ 8,166</u>

San Antonio River Authority  
San Antonio River Public Facility Corporation Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual  
For the Year Ended June 30, 2016, With Comparative Totals for 2015

	2016 Budgeted Amounts		2016	Variance --	2015
	Original	Final	Actual	Positive (Negative)	Actual
<b>REVENUES</b>					
Investment earnings	\$ -	\$ -	\$ 8	\$ 8	\$ 339
Charges for services:					
Lease/rentals	182,238	182,238	182,738	500	211,399
Total revenue	182,238	182,238	182,746	508	211,738
<b>EXPENDITURES</b>					
Operations	10,000	10,000	-	10,000	40,419
Debt service:					
Bond principal	121,000	121,000	121,000	-	143,000
Interest on bonds	61,738	61,738	61,738	-	68,398
Bond issuance cost	-	-	-	-	-
Capital Outlay	-	-	-	-	1,483,200
Total expenditures	192,738	192,738	182,738	10,000	1,735,017
Excess (Deficiency) of revenues over (under) expenditures	(10,500)	(10,500)	8	10,508	(1,523,279)
<b>OTHER FINANCING SOURCES (USES)</b>					
Bond Proceeds	-	-	-	-	-
Net change in fund balance	(10,500)	(10,500)	8	10,508	(1,523,279)
Fund balance, beginning of year	17,562	17,562	17,562	-	1,540,841
Fund balance, end of year	<u>\$ 7,062</u>	<u>\$ 7,062</u>	<u>\$ 17,570</u>	<u>\$ 10,508</u>	<u>\$ 17,562</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, 2016, With Comparative Totals for 2015

	<b>2016</b>			<b>Variance --</b>	
	<b><u>Budgeted Amounts</u></b>		<b>2016</b>	<b>Positive</b>	<b>2015</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Actual</u></b>	<b><u>(Negative)</u></b>	<b><u>Actual</u></b>
<b>REVENUES</b>					
Investment earnings	\$ 200	\$ 200	\$ 843	\$ 643	\$ 246
Intergovernmental	400	400	-	(400)	200
Charges for services	46,500	46,500	54,215	7,715	56,648
Miscellaneous	-	-	-	-	2,984
Total revenues	<u>47,100</u>	<u>47,100</u>	<u>55,058</u>	<u>7,958</u>	<u>60,078</u>
<b>EXPENDITURES</b>					
Technical services	<u>293,607</u>	<u>293,607</u>	<u>169,165</u>	<u>124,442</u>	<u>66,886</u>
Net change in fund balances	(246,507)	(246,507)	(114,107)	132,400	(6,808)
Fund balance, beginning of year	<u>357,948</u>	<u>357,948</u>	<u>357,948</u>	-	<u>364,756</u>
Fund balance, end of year	<u>\$ 111,441</u>	<u>\$ 111,441</u>	<u>\$ 243,841</u>	<u>\$ 132,400</u>	<u>\$ 357,948</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, 2016, With Comparative Totals for 2015

	<u>2016 Original and Final Budgeted Amounts</u>	<u>2016 Actual</u>	<u>Variance -- Positive (Negative)</u>	<u>2015 Actual</u>
<b>REVENUES</b>				
Investment earnings (losses)	\$ 20	\$ 20	\$ -	\$ 25
<b>EXPENDITURES</b>				
General government	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>6,000</u>
Deficiency of revenues under expenditures	(5,980)	(5,980)	-	(5,975)
Fund balance, beginning of year	<u>33,934</u>	<u>33,934</u>	<u>-</u>	<u>39,909</u>
Fund balance, end of year	<u><u>\$ 27,954</u></u>	<u><u>\$ 27,954</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 33,934</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, 2016, With Comparative Totals for 2015

	<b>2016</b>			<b>Variance --</b>
	<b><u>Budgeted Amounts</u></b>		<b>2016</b>	<b>Positive</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Actual</u></b>	<b><u>(Negative)</u></b>
<b>REVENUES</b>				
Investment earnings	\$ 140	\$ 140	\$ 898	\$ 758
Charges for services	20,000	20,000	23,972	3,972
Miscellaneous	-	-	9,843	9,843
Total revenues	20,140	20,140	34,713	14,573
<b>EXPENDITURES</b>				
Current				
Operations	10,000	10,000	-	10,000
Capital Outlay				
Operations	-	-	-	-
Total expenditures	10,000	10,000	-	10,000
Excess (deficiency) of revenues over (under) expenditures	10,140	10,140	34,713	24,573
Fund balance, beginning of year	339,358	339,358	339,358	-
Fund balance, end of year	<u>\$ 349,498</u>	<u>\$ 349,498</u>	<u>\$ 374,071</u>	<u>\$ 24,573</u>



SAN ANTONIO  

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RIVER AUTHORITY

Leaders in Watershed Solutions

San Antonio River Authority  
Nonmajor Governmental Funds  
June 30, 2016

**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 expenditures incurred in assisting the City of San Antonio. The City of San Antonio reimburses all expenditures 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. Expenditures 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. Expenditures originating in this fund can be recovered from other entities within Wilson, Karnes and Goliad Counties.

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

Medina Dam Improvement Fund – Accounts for expenditures 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 expenditures incurred.

Other Capital Projects – Accounts for expenditures for projects funded with other public entities.



San Antonio River Authority  
Combining Balance Sheet – Nonmajor Capital Project Funds  
June 30, 2016, With Comparative Totals for 2015

	San Antonio River Improvement Project		Bexar County	Downstream Counties
	San Antonio	SACIP 1999		
<b>ASSETS</b>				
Cash	\$ 118,435	\$ 32,342	\$ -	\$ -
Investments	377,276	-	-	-
Interest receivable	-	-	-	-
Intergovernmental receivables	247,070	-	716,495	12,686
Due from other funds of the Authority	-	-	-	-
Total assets	<u>\$ 742,781</u>	<u>\$ 32,342</u>	<u>\$ 716,495</u>	<u>\$ 12,686</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 154,785	\$ -	\$ 53,638	\$ 1,474
Retainage payable	51,281	-	82,437	-
Unearned revenue - services	120,843	-	-	-
Due to other funds of the Authority	-	-	515,676	11,212
Total liabilities	<u>326,909</u>	<u>-</u>	<u>651,751</u>	<u>12,686</u>
<b>FUND BALANCES</b>				
Restricted:				
Construction	415,872	32,342	64,744	-
Unassigned	-	-	-	-
Total fund balances	<u>415,872</u>	<u>32,342</u>	<u>64,744</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 742,781</u>	<u>\$ 32,342</u>	<u>\$ 716,495</u>	<u>\$ 12,686</u>

Bexar County CIP	Medina Dam Improvements	Other Capital Projects	Total Nonmajor Capital Project Funds	
			2016	2015
\$ -	\$ -	\$ -	\$ 150,777	\$ 139,046
-	-	-	377,276	111,308
-	-	-	-	-
42,964	21,975	100,587	1,141,777	1,231,173
-	-	-	-	4,350,000
<u>\$ 42,964</u>	<u>\$ 21,975</u>	<u>\$ 100,587</u>	<u>\$ 1,669,830</u>	<u>\$ 5,831,527</u>
\$ 20,542	\$ 8,525	\$ -	\$ 238,964	\$ 1,382,155
-	1,800	-	135,518	68,448
-	-	-	120,843	3,485,634
<u>22,422</u>	<u>11,650</u>	<u>100,587</u>	<u>661,547</u>	<u>636,489</u>
<u>42,964</u>	<u>21,975</u>	<u>100,587</u>	<u>1,156,872</u>	<u>5,572,726</u>
-	-	-	512,958	447,056
-	-	-	-	(188,255)
-	-	-	<u>512,958</u>	<u>258,801</u>
<u>\$ 42,964</u>	<u>\$ 21,975</u>	<u>\$ 100,587</u>	<u>\$ 1,669,830</u>	<u>\$ 5,831,527</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, 2016, With Comparative Totals for 2015

	<b>San Antonio River Improvement Project</b>		<b>Bexar County</b>	<b>Downstream Counties</b>
	<b>City of San Antonio</b>	<b>SACIP 1999</b>		
<b>REVENUES</b>				
Investment earnings (losses)	\$ 1,069	\$ -	\$ -	\$ -
Intergovernmental	2,588,477	-	2,082,368	22,242
Total revenues	2,589,546	-	2,082,368	22,242
<b>EXPENDITURES</b>				
Current:				
Operations	2,588,388	-	178,818	22,242
Technical services	-	-	-	-
Capital projects	-	-	1,838,806	-
Total expenditures	2,588,388	-	2,017,624	22,242
Excess (deficiency) of revenues over (under) expenditures	1,158	-	64,744	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total other financing sources and (uses)	-	-	-	-
Net change in fund balances	1,158	-	64,744	-
Fund balances, beginning	414,714	32,342	-	-
Fund balances, end of year	\$ 415,872	\$ 32,342	\$ 64,744	\$ -

Bexar County CIP	Medina Dam Improvements	Other Capital Projects	Total Nonmajor Capital Project Funds	
			2016	2015
\$ -	\$ -	\$ -	\$ 1,069	\$ 2,112
73,870	49,283	100,587	4,916,827	3,034,966
73,870	49,283	100,587	4,917,896	3,037,078
-	49,283	100,587	2,939,318	1,876,140
73,870	-	-	73,870	103,134
-	-	-	1,838,806	1,273,026
73,870	49,283	100,587	4,851,994	3,252,300
-	-	-	65,902	(215,222)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	65,902	(215,222)
-	-	-	447,056	474,023
\$ -	\$ -	\$ -	\$ 512,958	\$ 258,801



SAN ANTONIO  

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RIVER AUTHORITY

Leaders in Watershed Solutions

San Antonio River Authority  
Nonmajor Enterprise Funds  
June 30, 2016

**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 fund accounts for the operation and maintenance of the wastewater treatment retail system. During the current fiscal year, this fund was transferred to the Salatrillo Wastewater Treatment Plant Fund.

San Antonio River Authority Water System Utilities Fund – This fund 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. During the current fiscal year, the SARA Water System Utilities Fund was partially sold and partially transferred to the SARA Wastewater Utilities System Fund.

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. During the current fiscal year, this fund was transferred to the SARA Wastewater Utilities System Fund.

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.

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. During the current fiscal year, this fund was transferred to the Salatrillo Wastewater Treatment Plant Fund.

San Antonio River Authority  
Combining Statement of Net Position – Nonmajor Enterprise Funds  
June 30, 2016, With Comparative Totals for 2015

	<b>Salatrillo Retail</b>	<b>SARA Water System Utilities</b>	<b>Utility Operations &amp; Maintenance</b>
<b>ASSETS</b>			
Current assets:			
Cash	\$ -	\$ -	\$ -
Investments	-	-	-
Accounts receivable	-	-	-
Interest receivable	-	-	-
Intergovernmental receivables	-	-	-
Prepaid expenses and other assets	-	-	-
Restricted Assets:			
Accounts receivables	-	-	-
Total restricted assets	-	-	-
Total current assets	-	-	-
Noncurrent assets:			
Capital assets:			
Land	-	-	-
Office furniture, fixtures, and equipment	-	-	-
Other machinery and equipment	-	-	-
Automobiles and trucks	-	-	-
Studies	-	-	-
Buildings	-	-	-
Water treatment facilities	-	-	-
Improvements other than buildings	-	-	-
Sewage treatment facilities	-	-	-
Construction in progress	-	-	-
Less accumulated depreciation	-	-	-
Total capital assets (net of accumulated depreciation)	-	-	-
Investments - restricted	-	-	-
Total noncurrent assets	-	-	-
Total assets	\$ -	\$ -	\$ -

Randolph AFB Contract	Salatrillo Reuse	Total Nonmajor Enterprise Funds	
		2016	2015
\$ 299,960	\$ -	\$ 299,960	\$ 1,134,616
-	-	-	453,589
83,511	-	83,511	79,863
-	-	-	-
-	-	-	20,659
-	-	-	2,275
89,325	-	89,325	29,775
89,325	-	89,325	29,775
472,796	-	472,796	1,720,777
-	-	-	33,644
-	-	-	7,072
154,086	-	154,086	225,583
-	-	-	21,236
336,919	-	336,919	336,919
-	-	-	13,760
-	-	-	1,249,914
3,004,399	-	3,004,399	3,156,126
1,409,524	-	1,409,524	2,847,411
-	-	-	39,264
(1,114,473)	-	(1,114,473)	(1,811,985)
3,790,455	-	3,790,455	6,118,944
549,695	-	549,695	248,096
4,340,150	-	4,340,150	6,367,040
\$ 4,812,946	\$ -	\$ 4,812,946	\$ 8,087,817



San Antonio River Authority  
Combining Statement of Net Position – Nonmajor Enterprise Funds (continued)  
June 30, 2016, With Comparative Totals for 2015

	<u>Salatrillo Retail</u>	<u>SARA Water System Utilities</u>	<u>Utility Operations &amp; Maintenance</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds of the Authority	-	-	-
Notes payable	-	-	-
Compensated absences	-	-	-
Other accrued liabilities	-	-	-
Current liabilities payable from restricted assets:			
Unearned revenue - services	-	-	-
Accounts payable	-	-	-
Retainage payable	-	-	-
Accrued interest payable	-	-	-
Bonds payable within one year	-	-	-
Total current liabilities payable from restricted assets	<u>-</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Noncurrent liabilities:			
Notes payable	-	-	-
Compensated absences	-	-	-
Revenue bonds payable after one year	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
 <b>NET POSITION</b>			
Net Investment in capital assets	-	-	-
Restricted for debt service	-	-	-
Restricted for construction	-	-	-
Unrestricted	-	-	-
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Randolph AFB Contract	Salatrillo Reuse	Total Nonmajor Enterprise Funds	
		2016	2015
\$ 299	\$ -	\$ 299	\$ 19,820
-	-	-	-
28,188	-	28,188	28,188
1,411	-	2,155	2,597
6,242	-	6,242	26,195
-	-	-	-
-	-	-	-
-	-	-	5,728
-	-	-	19,152
-	-	-	35,000
-	-	-	59,880
36,140	-	36,884	136,680
1,021,939	-	1,021,939	1,050,127
7,209	-	6,465	13,638
-	-	-	805,000
1,029,148	-	1,028,404	1,868,765
1,065,288	-	1,065,288	2,005,445
2,740,328	-	2,740,328	4,200,629
-	-	-	-
893,752	-	893,752	542,116
113,578	-	113,578	1,339,627
\$ 3,747,658	\$ -	\$ 3,747,658	\$ 6,082,372

San Antonio River Authority  
Combining Statement of Revenues, Expenses, and  
Changes in Fund Net Position – Nonmajor Enterprise Funds  
For the Year Ended June 30, 2016, With Comparative Totals for 2015

	Salatrillo Retail	SARA Water System Utilities	Utility Operations & Maintenance
<b>Operating revenues:</b>			
Utility service charges	\$ -	\$ 130,932	\$ -
Intergovernmental	-	-	-
Miscellaneous	-	-	-
Total operating revenues	<u>-</u>	<u>130,932</u>	<u>-</u>
<b>Operating expenses:</b>			
Personnel services	-	41,252	-
Supplies	-	25,253	-
Other services & charges	-	32,960	-
Depreciation	-	65,021	-
Cost allocations	-	(118)	-
Total operating expenses	<u>-</u>	<u>164,368</u>	<u>-</u>
Operating income (loss)	<u>-</u>	<u>(33,436)</u>	<u>-</u>
<b>Nonoperating revenues (expenses):</b>			
Investment earnings (losses)	-	-	-
Net gain (loss) on disposal of capital assets	-	(160,424)	-
Interest expense	-	-	-
Fiscal agent fees	-	-	-
Total nonoperating revenues (expenses before contributions and transfers)	<u>-</u>	<u>(160,424)</u>	<u>-</u>
Contributed capital	-	-	-
Transfers in	5,728	-	-
Transfers out	<u>(1,262,867)</u>	<u>(549,281)</u>	<u>(738,085)</u>
Change in net position	(1,257,139)	(743,141)	(738,085)
Net position, beginning, as previously reported	<u>1,257,139</u>	<u>743,141</u>	<u>738,085</u>
Restatement of net assets	-	-	-
Net position, beginning, as restated	<u>1,257,139</u>	<u>743,141</u>	<u>738,085</u>
Net position, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Randolph AFB Contract	Salatrillo Reuse	Total Nonmajor Enterprise Funds	
		2016	2015
\$ 361,956	\$ -	\$ 492,888	\$ 1,190,953
-	-	-	599,699
-	-	-	9,368
<u>361,956</u>	<u>-</u>	<u>492,888</u>	<u>1,800,020</u>
125,869	-	167,121	373,010
5,203	-	30,456	59,950
93,710	-	126,670	998,705
95,614	-	160,635	246,401
(3,192)	-	(3,310)	(4,281)
<u>317,204</u>	<u>-</u>	<u>481,572</u>	<u>1,673,785</u>
<u>44,752</u>	<u>-</u>	<u>11,316</u>	<u>126,235</u>
1,599	-	1,599	(4,101)
-	-	(160,424)	-
-	-	-	(39,102)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,599</u>	<u>-</u>	<u>(158,825)</u>	<u>(43,203)</u>
357,300	-	357,300	352,112
-	-	5,728	724,679
-	(1,465,061)	(4,015,294)	-
403,651	(1,465,061)	(3,799,775)	1,159,823
<u>3,344,007</u>	<u>1,465,061</u>	<u>7,547,433</u>	<u>4,725,572</u>
-	-	-	196,977
<u>3,344,007</u>	<u>1,465,061</u>	<u>7,547,433</u>	<u>4,922,549</u>
<u>\$ 3,747,658</u>	<u>\$ -</u>	<u>\$ 3,747,658</u>	<u>\$ 6,082,372</u>

San Antonio River Authority  
Combining Statement of Cash Flows – Nonmajor Enterprise Funds  
For the Year Ended June 30, 2016, With Comparative Totals for 2015

	Salatrillo Retail	SARA Water System Utilities	Utility Operations & Maintenance
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ -	\$ 153,584	\$ -
Payments to suppliers	-	(75,081)	-
Payments to employees	-	(44,761)	-
Payments to interfund services provided (used)	-	-	-
Net cash provided (used) by operating activities	-	33,742	-
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfer to other funds	(504,858)	(529,963)	(184,893)
Transfer from other funds	-	-	-
Net cash provided (used) by noncapital financing activities	(504,858)	(529,963)	(184,893)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Capital contributions	-	-	-
Principal paid on capital debt	-	-	-
Interest and fees paid on capital debt	-	-	-
Proceeds from sale of capital assets	-	446,876	-
Purchases of capital assets	-	-	-
Net cash provided (used) by capital and related financing activities	-	446,876	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sales and maturities of investments	-	-	-
Purchase of investments	-	-	-
Interest on investments	-	-	-
Net cash provided (used) by investing activities	-	-	-
Net increase (decrease) in cash	(504,858)	(49,345)	(184,893)
Cash - July 1	504,858	49,345	184,893
Cash - June 30	\$ -	\$ -	\$ -

Randolph AFB Contract	Salatrillo Reuse	Total Nonmajor <u>Enterprise Funds</u>	
		2016	2015
\$ 246,594	\$ -	\$ 400,178	\$ 1,739,857
(95,896)	-	(170,977)	(1,086,799)
(126,068)	-	(170,829)	(381,513)
<u>-</u>	<u>-</u>	<u>-</u>	<u>330,072</u>
<u>24,630</u>	<u>-</u>	<u>58,372</u>	<u>601,617</u>
-	(65,721)	(1,285,435)	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>(65,721)</u>	<u>(1,285,435)</u>	<u>-</u>
357,300	-	357,300	336,216
(28,188)	-	(28,188)	(64,230)
-	-	-	(41,615)
-	-	446,876	-
<u>(149,302)</u>	<u>-</u>	<u>(149,302)</u>	<u>(608,974)</u>
<u>179,810</u>	<u>-</u>	<u>626,686</u>	<u>(378,603)</u>
-	-	-	324,330
(301,599)	-	(301,599)	(375,361)
<u>1,599</u>	<u>-</u>	<u>1,599</u>	<u>627</u>
<u>(300,000)</u>	<u>-</u>	<u>(300,000)</u>	<u>(50,404)</u>
(95,560)	(65,721)	(900,377)	172,610
<u>395,520</u>	<u>65,721</u>	<u>1,200,337</u>	<u>70,196</u>
<u>\$ 299,960</u>	<u>\$ -</u>	<u>\$ 299,960</u>	<u>\$ 242,806</u>

San Antonio River Authority  
Combining Statement of Cash Flows – Nonmajor Enterprise Funds (continued)  
For the Year Ended June 30, 2016, With Comparative Totals for 2015

	<u>Salatrillo Retail</u>	<u>SARA Water System Utilities</u>	<u>Utility Operations &amp; Maintenance</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>			
Net cash provided (used) by operating activities:			
Operating income (loss)	\$ -	\$ (33,436)	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	-	65,021	-
Changes in operating assets and liabilities:			
Receivables	-	22,652	-
Prepaid and other assets	-	2,275	-
Due from other funds	-	-	-
Accounts payable	-	(1,909)	-
Other accrued liabilities	-	(20,861)	-
Net cash provided (used) by operating activities	<u>\$ -</u>	<u>\$ 33,742</u>	<u>\$ -</u>

Randolph AFB Contract	Salatrillo Reuse	Total Nonmajor <u>Enterprise Funds</u>	
		2016	2015
<u>\$ 44,752</u>	<u>\$ -</u>	<u>\$ 11,316</u>	<u>\$ 81,505</u>
95,614	-	160,635	412,128
(115,362)	-	(92,710)	(169,314)
-	-	2,275	-
-	-	-	320,340
(374)	-	(2,283)	(26,544)
-	-	(20,861)	(16,498)
<u>\$ 24,630</u>	<u>\$ -</u>	<u>\$ 58,372</u>	<u>\$ 601,617</u>





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# Statistical Section



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Leaders in Watershed Solutions

San Antonio River Authority  
June 30, 2016

**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			
	2007	2008	2009	2010
Governmental activities				
Net investment in capital assets	\$ 221,445,912	\$ 224,986,472	\$ 272,930,179	\$ 282,738,577
Restricted	3,761,465	2,560,183	4,148,081	2,740,309
Unrestricted	15,041,868	17,096,466	22,154,930	24,323,085
Total governmental activities net position	<u>\$ 240,249,245</u>	<u>\$ 244,643,121</u>	<u>\$ 299,233,190</u>	<u>\$ 309,801,971</u>
Business-type activities				
Net investment in capital assets	\$ 22,123,865	\$ 24,383,832	\$ 25,356,024	\$ 25,486,015
Restricted	9,631,129	8,375,232	7,613,037	6,497,154
Unrestricted	5,502,835	5,578,635	6,984,412	5,395,985
Total business-type activities net position	<u>\$ 37,257,829</u>	<u>\$ 38,337,699</u>	<u>\$ 39,953,473</u>	<u>\$ 37,379,154</u>
Primary government				
Net investment in capital assets	\$ 243,569,777	\$ 249,370,304	\$ 298,286,203	\$ 308,224,592
Restricted	13,392,594	10,935,415	11,761,118	9,237,463
Unrestricted	20,544,703	22,675,101	29,139,342	29,719,070
Total primary government net position	<u>\$ 277,507,074</u>	<u>\$ 282,980,820</u>	<u>\$ 339,186,663</u>	<u>\$ 347,181,125</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					
2011	2012	2013	2014	2015	2016
\$ 353,820,629	\$ 405,475,880	\$ 453,581,745	\$ 457,027,718	\$ 466,611,674	\$ 465,973,372
7,292,287	6,733,084	6,425,566	9,208,478	6,252,811	6,252,811
19,001,393	15,066,632	18,362,082	15,008,284	22,512,772	22,478,110
<u>\$ 380,114,309</u>	<u>\$ 427,275,596</u>	<u>\$ 478,369,393</u>	<u>\$ 481,244,480</u>	<u>\$ 495,377,257</u>	<u>\$ 494,704,293</u>
\$ 24,610,241	\$ 22,671,819	\$ 26,750,240	\$ 28,130,601	\$ 27,524,744	\$ 27,524,744
8,485,058	12,350,883	8,463,921	6,571,105	3,134,754	3,134,754
4,096,133	4,467,523	3,740,397	4,811,695	11,551,308	11,551,308
<u>\$ 37,191,432</u>	<u>\$ 39,490,225</u>	<u>\$ 38,954,558</u>	<u>\$ 39,513,401</u>	<u>\$ 42,210,806</u>	<u>\$ 42,210,806</u>
\$ 378,430,870	\$ 428,147,699	\$ 480,331,985	\$ 485,158,319	\$ 494,136,418	\$ 493,498,116
15,777,345	19,083,967	14,889,487	15,779,583	9,387,565	9,387,565
23,097,526	19,534,155	22,102,479	19,819,979	34,064,080	34,029,418
<u>\$ 417,305,741</u>	<u>\$ 466,765,821</u>	<u>\$ 517,323,951</u>	<u>\$ 520,757,881</u>	<u>\$ 537,588,063</u>	<u>\$ 536,915,099</u>

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

	Fiscal Year			
	2007	2008	2009	2010
<b>Expenses</b>				
Governmental activities:				
General government	\$ 6,563,992	\$ 7,059,785	\$ 6,717,172	\$ 6,804,463
Program support	-	-	-	-
Operations	676,956	747,431	11,395,792	12,671,396
Watershed management	13,705,341	12,866,564	-	-
Technical Services	-	-	5,744,225	8,111,778
Planning and development	1,661,532	1,907,091	-	-
Interest and other fees	2,270,804	2,354,161	2,438,057	2,075,150
Total governmental activities	24,878,625	24,935,032	26,295,246	29,662,787
Business-type activities:				
Operations:				
Utilities	9,001,893	9,514,092	10,368,609	10,602,829
Parks	1,864,893	1,671,369	1,835,350	811,854
Total business-type activities expenses	10,866,786	11,185,461	12,203,959	11,414,683
Total primary government expenses	35,745,411	36,120,493	38,499,205	41,077,470
<b>Program Revenues</b>				
Governmental activities				
Charges for services				
General government	975,236	2,720,165	3,143,092	2,901,756
Operations	58,149	21,586	118,241	527,856
Watershed management	1,510,290	251,453	-	-
Technical Services	-	-	356,629	536,090
Planning and development	242,777	217,210	-	-
Operating grants and contributions				
General government	-	-	262,099	148,596
Program support	-	-	-	-
Operations	-	-	601,955	978,680
Watershed management	963,731	433,989	-	-
Technical Services	-	-	511,792	617,260
Planning and development	188,569	364,149	-	-
Capital grants and contributions				
Operations	-	-	33,945,121	17,755,203
Watershed management	10,796,201	7,861,984	-	-
Technical Services	-	-	-	-
Interest and other fees	-	-	-	-
Total governmental activities program revenues	14,734,953	11,870,536	38,938,929	23,465,441

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 7,943,352	\$ 10,236,092	\$ 10,572,749	\$ 25,187,998	\$ 23,734,542	\$ 10,202,949
-	6,046,699	7,361,155	7,291,215	8,061,334	-
17,143,213	17,371,274	12,805,687	6,339,186	7,224,872	37,224,546
-	-	-	-	-	-
9,545,786	3,697,743	5,326,820	6,008,841	5,241,171	9,072,456
-	-	-	-	-	-
1,888,199	1,669,231	1,482,026	1,553,757	1,193,290	961,639
<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>	<u>57,461,590</u>
11,262,709	11,480,965	12,092,625	12,883,470	13,410,525	14,609,441
-	-	-	-	-	-
<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>14,609,441</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>	<u>72,071,031</u>
2,573,444	2,498,383	2,589,453	2,116,619	2,317,148	2,655,565
665,971	1,132,605	1,484,928	5,239,975	10,934,241	21,985,728
-	-	-	-	-	-
451,664	572,935	550,205	469,359	416,935	403,922
-	-	-	-	-	-
33,358	217,260	450,158	112,984	281,768	171,174
-	-	15,824	-	-	-
206,620	66,189	261,980	477,709	518,041	340,453
-	-	-	-	-	-
590,633	336,653	677,474	1,035,303	3,621,045	40,716
-	-	-	-	-	-
79,686,681	61,300,773	62,693,966	18,427,713	5,323,165	13,193,294
-	-	-	-	-	-
3,991,095	1,267,053	329,995	243,073	1,289,815	2,508,348
-	-	-	-	-	-
<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>	<u>41,299,200</u>

(continued)



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

	Fiscal Year			
	2007	2008	2009	2010
Business-type activities:				
Charges for services				
Operations:				
Utilities	\$ 7,061,672	\$ 7,846,394	\$ 8,647,461	\$ 8,691,636
Park services	1,289,827	1,281,799	1,257,454	453,535
Operating grants and contributions				
Operations:				
Utilities	-	-	-	-
Park services	-	-	-	-
Capital grants and contributions				
Operations:				
Utilities	3,221,580	1,072,523	1,930,693	918,033
Park services	846,409	1,018,170	716,105	-
Total business-type activities program revenues	<u>12,419,488</u>	<u>11,218,886</u>	<u>12,551,713</u>	<u>10,063,204</u>
Total primary government program revenues	<u>27,154,441</u>	<u>23,089,422</u>	<u>51,490,642</u>	<u>33,528,645</u>
Net (expense)/revenue				
Governmental activities	(10,143,672)	(13,064,496)	12,643,683	(6,197,346)
Business-type activities	<u>1,552,702</u>	<u>33,425</u>	<u>347,754</u>	<u>(1,351,479)</u>
Total primary government net expense	<u>(8,590,970)</u>	<u>(13,031,071)</u>	<u>12,991,437</u>	<u>(7,548,825)</u>
<b>General Revenues and Other Changes In Net Position</b>				
Governmental activities				
Property taxes	12,993,762	14,903,927	16,408,411	16,835,358
Investment earnings	1,061,536	957,517	889,224	(67,262)
Intergovernmental	235,534	47,870	-	-
Miscellaneous	178,010	289,333	120,620	181,655
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>(340,500)</u>	<u>(218,027)</u>	<u>(341,567)</u>	<u>(183,624)</u>
Total governmental activities	<u>14,156,239</u>	<u>17,458,372</u>	<u>17,076,688</u>	<u>16,766,127</u>

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 9,697,771	\$ 10,790,193	\$ 10,833,126	\$ 11,219,264	\$ 11,891,387	\$ 12,081,771
-	-	-	-	-	-
-	55,383	-	9,140	9,143	-
-	-	-	-	-	-
1,039,363	2,595,799	1,742,703	1,555,436	1,592,548	2,172,886
-	-	-	-	-	-
<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>14,254,657</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>	<u>55,553,857</u>
51,678,916	28,370,812	31,505,546	(18,258,262)	(20,753,051)	(16,162,390)
<u>(525,575)</u>	<u>1,960,410</u>	<u>483,204</u>	<u>(99,630)</u>	<u>82,553</u>	<u>(354,784)</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>	<u>(16,517,174)</u>
17,428,109	18,255,301	18,958,404	21,196,901	22,955,094	24,741,457
261,136	231,236	39,132	157,122	2,484	188,558
137,500	-	-	700	-	-
268,992	303,938	212,837	226,845	213,695	810,824
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(448,219)	-	-
<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>	<u>25,740,839</u>

(continued)

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

	Fiscal Year			
	2007	2008	2009	2010
Business-type activities				
Investment earnings	\$ 804,971	\$ 832,987	\$ 584,116	\$ 115,354
Intergovernmental	408,836	52,832	323,916	183,866
Miscellaneous	317,424	149,509	18,421	60,994
Net gain (loss) on disposal of capital assets	-	-	-	(2,282,780)
Transfers	340,500	218,027	341,567	183,624
Total business-type activities	<u>1,871,731</u>	<u>1,253,355</u>	<u>1,268,020</u>	<u>(1,738,942)</u>
Total primary government	<u>16,027,970</u>	<u>18,711,727</u>	<u>18,344,708</u>	<u>15,027,185</u>
<b>Change in Net Position</b>				
Governmental activities	4,012,567	4,393,876	29,720,371	10,568,781
Business-type activities	<u>3,424,433</u>	<u>1,286,780</u>	<u>1,615,774</u>	<u>(3,090,421)</u>
Total primary government	<u>\$ 7,437,000</u>	<u>\$ 5,680,656</u>	<u>\$ 31,336,145</u>	<u>\$ 7,478,360</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 of governmental entities. The River Authority made this change in fiscal year 2013.

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 315,418	\$ 250,712	\$ 79,669	\$ 79,669	\$ 29,367	\$ 22,731
67,322	10,064	400	400	-	-
13,546	77,607	82,007	82,007	176,418	219,995
-	-	-	-	-	-
-	-	-	-	-	-
<u>396,286</u>	<u>338,383</u>	<u>162,076</u>	<u>162,076</u>	<u>205,785</u>	<u>242,726</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>	<u>25,983,565</u>
69,774,653	47,161,287	50,715,919	2,875,087	2,418,222	9,578,449
(129,289)	2,298,793	645,280	62,446	288,338	(112,058)
<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>	<u>\$ 9,466,391</u>

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

	Fiscal Year			
	2007	2008	2009	2010
General Fund				
Reserved	\$ 2,914,210	\$ 1,739,607	\$ 1,820,574	\$ 4,039,126
Unreserved	7,827,993	11,886,474	15,054,947	12,770,843
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>\$ 10,742,203</u>	<u>\$ 13,626,081</u>	<u>\$ 16,875,521</u>	<u>\$ 16,809,969</u>
All other governmental funds				
Reserved	\$ 8,617,832	\$ 9,962,148	\$ 9,723,741	\$ 8,968,556
Unreserved, reported in				
Special revenue funds	2,231,486	2,348,674	534,289	1,783,887
Capital projects funds	2,123,909	(2,465,135)	(1,308,883)	(1,676,026)
Restricted:				
Debt service	-	-	-	-
Construction	-	-	-	-
Watershed management	-	-	-	-
Water management	-	-	-	-
Committed:				
Parks	-	-	-	-
Economic development	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 12,973,227</u>	<u>\$ 9,845,687</u>	<u>\$ 8,949,147</u>	<u>\$ 9,076,417</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					
2011	2012	2013	2014	2015	2016
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
166,354	246,803	234,088	214,419	136,695	17,879
847,800	847,525	959,382	903,225	735,863	463,860
8,531	9,739	10,506	7,372	7,794	6,958
-	-	-	1,579,162	429,850	249,027
-	-	-	3,231,198	6,879,043	7,287,329
-	-	-	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	1,251,003
-	-	-	441,436	441,436	-
<u>13,101,223</u>	<u>12,678,158</u>	<u>13,218,181</u>	<u>1,559,505</u>	<u>2,184,422</u>	<u>2,459,197</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>	\$ <u>11,735,253</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
6,023,710	5,268,015	4,738,857	4,527,405	4,265,023	4,287,026
1,056,540	1,080,041	1,141,442	2,661,775	871,847	1,287,890
191,217	283,884	525,273	364,756	357,948	243,841
20,820	101,144	19,994	75,380	78,644	185,027
116,856	219,977	294,716	307,871	339,358	374,071
61,574	53,383	45,932	39,909	33,934	28,006
(14,316)	-	(67,161)	(116,035)	(182,928)	(182,928)
\$ <u><u>7,456,401</u></u>	\$ <u><u>7,006,444</u></u>	\$ <u><u>6,699,053</u></u>	\$ <u><u>7,861,061</u></u>	\$ <u><u>5,763,826</u></u>	\$ <u><u>6,222,933</u></u>

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

	Fiscal Year			
	2007	2008	2009	2010
<b>Revenues</b>				
Taxes	\$ 12,917,834	\$ 14,875,699	\$ 16,357,830	\$ 16,799,655
Intergovernmental	9,195,857	8,333,276	13,077,952	18,398,004
Charges for services	3,681,388	1,316,509	4,017,869	1,681,409
Investment earnings	1,060,525	956,475	884,064	(71,767)
Support fees	1,940,444	2,095,178	2,223,994	2,287,469
Contribution revenue	-	-	-	335,185
Miscellaneous	330,809	462,776	287,376	183,078
Total Revenues	<u>29,126,857</u>	<u>28,039,913</u>	<u>36,849,085</u>	<u>39,613,033</u>
<b>Expenditures</b>				
General government	5,351,595	5,698,126	5,932,176	6,451,418
Program support	-	-	-	-
Operations	544,317	765,765	4,432,826	5,331,852
Watershed management	7,262,329	6,454,437	-	-
Technical Services	-	-	6,071,862	8,088,043
Planning and development	1,598,517	1,907,808	-	-
Capital Outlay	6,932,440	6,935,758	15,868,661	13,570,030
Debt Service				
Principal	3,875,000	4,300,000	3,680,000	3,825,000
Interest	2,171,038	2,254,395	2,168,291	1,975,384
Capital lease principal	-	-	-	443,352
Bond Issuance Cost	164,713	-	-	-
Total Expenditures	<u>27,899,949</u>	<u>28,316,289</u>	<u>38,153,816</u>	<u>39,685,079</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,226,908</u>	<u>(276,376)</u>	<u>(1,304,731)</u>	<u>(72,046)</u>
<b>Other financing sources (uses)</b>				
Transfers in	6,646,081	5,842,275	6,024,607	5,853,073
Transfers out	(7,165,081)	(6,591,302)	(6,366,174)	(6,036,697)
Refunding bonds issued	14,525,000	-	-	-
Bonds issued	-	-	-	-
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	-	781,741	972,490	317,390
Total other financing sources (uses)	<u>(293,072)</u>	<u>32,714</u>	<u>630,923</u>	<u>133,766</u>
Cumulative effect of change in accounting principle	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ 933,836</u>	<u>\$ (243,662)</u>	<u>\$ (673,808)</u>	<u>\$ 61,720</u>
Debt service as a percentage of noncapital expenditures	29%	31%	26%	22%

Fiscal Year						
2011	2012	2013	2014	2015	2016	
\$ 17,339,015	\$ 18,091,785	\$ 18,984,993	\$ 21,184,225	\$ 22,947,890	\$ 24,276,704	
46,107,762	63,678,134	65,173,161	25,024,813	21,323,488	38,067,735	
1,297,589	1,733,544	1,436,995	4,906,481	1,125,223	958,317	
259,277	230,252	43,105	157,959	2,484	183,948	
2,133,855	2,113,251	2,051,806	2,222,808	2,253,647	2,301,631	
-	-	-	-	-	-	
268,992	190,089	212,837	226,845	213,495	859,704	
<u>67,406,490</u>	<u>86,037,055</u>	<u>87,902,897</u>	<u>53,723,131</u>	<u>47,866,227</u>	<u>66,648,039</u>	
7,336,957	8,806,284	8,574,664	11,849,152	9,657,176	8,956,409	
-	6,081,054	7,113,412	7,291,215	8,061,334	-	
5,604,826	7,754,144	3,130,028	6,296,759	4,781,083	21,846,883	
-	-	-	-	-	-	
7,065,840	3,558,335	5,188,173	5,967,387	5,236,610	8,704,558	
-	-	-	-	-	-	
43,669,036	54,181,374	59,820,241	18,445,340	18,829,393	20,811,396	
3,975,000	4,165,000	3,785,000	6,605,000	2,583,000	2,756,000	
1,776,556	1,557,588	1,410,137	1,313,103	1,140,386	868,728	
483,206	488,995	362,139	247,274	97,288	40,000	
35,631	-	-	-	-	-	
<u>69,947,052</u>	<u>86,592,774</u>	<u>89,383,794</u>	<u>58,015,230</u>	<u>50,386,270</u>	<u>63,983,974</u>	
<u>(2,540,562)</u>	<u>(555,719)</u>	<u>(1,480,897)</u>	<u>(4,292,099)</u>	<u>(2,520,043)</u>	<u>2,664,065</u>	
5,711,026	4,925,439	4,816,804	4,064,096	3,140,928	11,456,361	
(5,711,026)	(4,925,439)	(4,816,804)	(4,512,315)	(3,140,928)	(12,056,361)	
2,475,000	-	-	-	-	-	
-	-	-	12,565,000	8,265,000	1,200,000	
-	-	-	-	-	-	
-	-	-	-	-	-	
(2,465,000)	-	-	(5,086,001)	(8,144,173)	-	
-	-	391,943	-	-	-	
534,467	-	274,259	-	-	-	
<u>544,467</u>	<u>-</u>	<u>666,202</u>	<u>7,030,780</u>	<u>120,827</u>	<u>600,000</u>	
-	-	-	-	-	-	
<u>\$ (1,996,095)</u>	<u>\$ (555,719)</u>	<u>\$ (814,695)</u>	<u>\$ 2,738,681</u>	<u>\$ (2,399,216)</u>	<u>\$ 3,264,065</u>	
22%	18%	18%	20%	12%	8%	



San Antonio River Authority  
Appraised Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years  
June 30, 2016

**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		
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
2015	122,537,892,867	112,120,680,022	11,972,853,978	92.26%	0.017290

**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		
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
2015	2,607,062,270	1,123,052,320	9,534,680	43.28%	0.017290

**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		
*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
2015	10,259,566,270	10,237,235,963	959,229,573	99.80%	0.017290

San Antonio River Authority  
Appraised Value and Estimated Actual Value of Taxable Property (continued)  
Last Ten Fiscal Years  
June 30, 2016

**Wilson County**

<b>Tax Year</b>	<b><u>Real Property</u></b>		<b><u>Personal Property</u></b>	<b>Taxable Value as a percentage of Appraised Value</b>	<b>Tax Rate</b>
	<b><u>Appraised Value</u></b>	<b><u>Taxable Value (less exemptions)</u></b>	<b><u>Appraised &amp; Taxable Value</u></b>		
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
2015	3,143,788,181	2,867,545,945	281,336,360	91.93%	0.017290

\*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, 2016

	2015				
	<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>
<b>Bexar County</b>					
H.E. Butt Grocery Stores	1,265,229,213	1	1.00%	1	1.00%
Methodist Healthcare System	616,182,392	5	0.49%	2	0.51%
Wal-Mart Stores, Inc.	614,126,565	7	0.48%	4	0.49%
VHS San Antonio Partners LP	514,599,452	8	0.41%	3	0.45%
Halliburton Energy Services, Inc.	413,029,370	10	0.33%	5	0.30%
USAA	361,960,232	-	0.29%	6	0.28%
La Cantera Specialty Retail LP	343,302,580	-	0.27%	7	-
Southwestern Bell Telephone	325,074,833	-	0.26%	8	0.24%
Microsoft Corporation	281,183,704	-	0.22%	9	0.19%
Frost National Bank	269,303,986	-	0.21%	10	0.18%
AT&T	-	-	-	-	-
Toyota Motor MFG Teas Inc.	-	-	-	-	-
New Rivercenter Mall, LP	-	-	-	-	-
Time Warner Cable	-	-	-	-	-
<b>Goliad County</b>					
Coletto Creek Power LP	369,894,990	-	0.29%	1	32.94%
DCP South Central Texas LLC	173,542,460	-	0.14%	2	15.45%
AEP Texas Central Co	27,762,310	-	0.02%	3	2.47%
Eagle Ford Gathering LLC	20,402,160	-	0.02%	4	1.82%
DCP San Hills Pipeline	20,128,110	-	0.02%	5	1.79%
Flint Hills Resources LP	18,275,740	-	0.01%	6	1.63%
DCP South Central Texas LLC	9,164,880	-	0.01%	7	0.82%
Charro Operating LLC	7,398,450	-	0.01%	8	0.66%
LCRA Transmission Services	6,992,950	-	0.01%	9	0.62%
Strike USA LLC	5,820,000	-	0.00%	10	0.52%
Chesapeake Operating, Inc.	-	-	-	-	-
Petrohawk Operating Company	-	-	-	-	-
Erskine Operating LLC	-	-	-	-	-
T-C Oil Company LLC	-	-	-	-	-
Swift Energy Operating LLC	-	-	-	-	-
Cody Energy LLC	-	-	-	-	-
KCS Resources, Inc.	-	-	-	-	-

**2006**

<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>
735,934,185	1	1.04%	1	1.09%
220,974,508	7	0.31%	6	0.33%
340,766,983	3	0.48%	3	0.50%
251,810,826	6	0.35%	5	0.37%
-	-	-	-	-
337,380,807	4	0.47%	4	0.50%
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
174,828,022	10	0.25%	10	0.26%
569,536,435	2	0.80%	2	0.84%
202,348,710	8	0.28%	7	0.30%
178,976,592	9	0.25%	8	0.26%
178,018,680	-	0.25%	9	0.26%
309,423,000	5	0.44%	1	17.99%
-	-	-	-	-
27,233,920	-	0.04%	5	1.58%
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
44,065,880	-	0.06%	3	2.56%
-	-	-	-	-
-	-	-	-	-
67,906,380	-	0.10%	2	3.95%
31,845,250	-	0.04%	4	1.85%
27,207,270	-	0.04%	6	1.58%
23,460,440	-	0.03%	7	1.36%
10,964,850	-	0.02%	9	0.64%
10,782,600	-	0.02%	10	0.63%
20,276,610	-	0.03%	8	1.18%

San Antonio River Authority  
Principal Taxpayers (continued)  
Current Year and Nine Years Ago  
June 30, 2016

2015					
	<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>
<b>Karnes County</b>					
Marathon Oil Company	1,197,634,929	2	0.94%	1	11.13%
EOG Resources Inc/Min Accts	1,111,919,750	3	0.88%	2	10.34%
Burlington Resources Oil & Gas	637,150,440	4	0.50%	3	5.92%
Encana Oil and Gas	616,179,280	6	0.49%	4	5.73%
Murphy Exploration and Production	418,706,840	9	0.33%	5	3.89%
Statoil Texas Onshore Property, LLC	337,964,870	-	0.27%	6	3.14%
Pioneer Natural Resources USA	300,303,590	-	0.24%	7	2.79%
BHP Billiton Pet (TXLA OP) Co.	285,048,920	-	0.22%	8	2.65%
Helmerich & Payne International	138,854,250	-	0.11%	9	1.29%
EOG Resources Inc	106,565,385	-	0.08%	10	0.99%
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	-	-	-	-	-
<b>Wilson County</b>					
Hunt Oil Company	26,885,080	-	0.02%	1	0.94%
Gasfrac, Inc.	29,529,440	-	0.02%	2	1.03%
EOG Resources Inc	34,995,873	-	0.03%	3	1.22%
Brazos Electric Power Coop	18,407,920	-	0.01%	4	0.64%
Enterprise Texas Pipeline, LLC	16,084,090	-	0.01%	5	0.56%
EOG Resources Inc	12,813,470	-	0.01%	6	0.45%
Enterprise Crude Pipeline, LLC	17,760,650	-	0.01%	7	0.62%
H.E.B. Grocery Company LP	11,846,693	-	0.01%	8	0.41%
Frac Partners of Friendswood	10,321,830	-	0.01%	9	0.36%
Stevens Transport Inc.	9,546,480	-	0.01%	10	0.33%
Lyssy & Eckel Inc	-	-	-	-	-
Verizon Southwest	-	-	-	-	-
River Bend Community LLP	-	-	-	-	-
River Place Realty Company	-	-	-	-	-
Texas Tall Tower Corporation	-	-	-	-	-
Flint Hills Resources LP	-	-	-	-	-
Houston Pipeline Co., LP	-	-	-	-	-
Pinel LP	-	-	-	-	-

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

2006

Taxable Value	Total Taxable Value		County Taxable Value	
	Rank	Percent	Rank	Percent
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
9,565,730	-	0.01%	1	1.17%
9,220,770	-	0.01%	2	1.13%
8,914,810	-	0.01%	3	1.09%
7,285,170	-	0.01%	4	0.89%
6,936,450	-	0.01%	5	0.85%
5,971,040	-	0.01%	6	0.73%
5,921,950	-	0.01%	7	0.73%
5,690,860	-	0.01%	8	0.70%
5,103,400	-	0.01%	9	0.63%
3,768,340	-	0.01%	10	0.46%
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
6,138,070	-	0.01%	4	0.44%
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
4,706,940	-	0.01%	5	0.35%
-	-	-	-	-
-	-	-	-	-
4,891,640	-	0.01%	5	0.66%
9,894,930	-	0.01%	1	1.34%
9,399,760	-	0.01%	2	1.27%
8,055,200	-	0.01%	3	1.09%
3,621,060	-	0.01%	7	0.49%
3,349,580	-	0.00%	9	0.45%
3,494,740	-	0.00%	8	0.47%
3,173,750	-	0.00%	10	0.43%

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

	Fiscal Year			
	2007	2008	2009	2010
Total tax levy	\$ 12,884,568	\$ 14,920,166	\$ 16,526,978	\$ 16,806,248
Collections, 2006 levy year	\$ 12,298,658	\$ 459,507	\$ 31,120	\$ 15,071
Collections, 2007 levy year	-	14,201,744	585,614	30,905
Collections, 2008 levy year	-	-	15,686,281	712,340
Collections, 2009 levy year	-	-	-	15,873,709
Collections, 2010 levy year	-	-	-	-
Collections, 2011 levy year	-	-	-	-
Collections, 2012 levy year	-	-	-	-
Collections, 2013 levy year	-	-	-	-
Collections, 2014 levy year	-	-	-	-
Collections, 2015 levy year	-	-	-	-
Total collections, fiscal year	<u>\$ 12,298,658</u>	<u>\$ 14,661,251</u>	<u>\$ 16,303,014</u>	<u>\$ 16,632,025</u>
Percentage of levy collected in fiscal year	95.45%	95.18%	94.91%	94.45%
Percentage of levy collected in subsequent fiscal years	4.15%	4.44%	4.84%	4.10%
Percentage of total levy collected	99.60%	99.63%	99.75%	98.55%
Percent of levy outstanding	0.40%	0.37%	0.25%	1.45%

Fiscal Year						Total
2011	2012	2013	2014	2015	2016	by Levy Year
\$ 17,358,564	\$ 18,196,453	\$ 18,925,662	\$ 21,028,877	\$ 22,469,811	\$ 23,271,388	
\$ 11,385	\$ 9,591	\$ 6,129	\$ 2,203	\$ 365	\$ 1,031	\$ 12,835,060
12,592	16,044	13,109	4,775	583	1,973	14,867,340
22,254	22,732	22,040	19,821	833	3,221	16,489,522
594,980	47,249	22,631	23,686	1,317	5,877	16,569,449
16,528,389	540,186	43,827	28,315	1,751	19,849	17,162,317
142	17,298,817	668,579	43,901	2,490	23,313	18,037,242
-	161	18,123,625	94,052	4,561	24,133	18,246,532
-	-	487	20,298,182	12,501	25,330	20,336,500
-	-	-	-	21,473,700	58,471	21,532,171
-	-	-	-	-	22,317,543	22,317,543
\$ 17,169,742	\$ 17,934,781	\$ 18,900,427	\$ 20,514,935	\$ 21,498,101	\$ 22,480,741	\$ 178,393,676
95.22%	95.07%	95.76%	96.53%	95.57%	96.60%	
3.53%	3.92%	0.52%	0.02%	0.02%	0.11%	
98.75%	98.98%	96.28%	96.53%	95.59%	96.71%	
1.25%	1.02%	3.72%	3.45%	4.41%	3.29%	



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			
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
2016	28,405,725	2,836,000	114,219	15,780,071	1,050,127	-	48,186,142	50.52%	24.39

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

<b>Fiscal Year</b>	<b>Gross Revenues (1)</b>	<b>Operating Expenses (2)</b>	<b>Net Revenue Available for Debt Service</b>	<b>Debt Service Requirements (3)</b>			<b>Coverage</b>
				<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
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
2016	9,937,802	7,998,311	1,939,491	655,000	475,375	1,130,375	1.72

(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>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Governmental-type activities:</b>					
<b>General Government:</b>					
Board of Directors	0	0	1.5	1.5	1.6
Executive Offices	0	6	3	3	3.4
Intergovernmental & Community Relations	7	8	9	10	10
Human Resources	4	4	4.5	4.5	5
Director of Support Services	0	0	1	1	1
Finance	9	9	13	13	16
Information Technology	6	7	8	7	7
General Manager	2	0	0	0	0
Assistant General Manager	3	0	0	0	0
Director of Internal Resources	0	0	1	1	1
Internal Resources	0	0	6.2	6.2	4.3
Organizational Support	0	0	2	2	1
Administrative Services	8	8	0	0	0
<b>Technical Services:</b>					
Director of Technical Services	0	0	2	3	3
Environmental Sciences	0	0	24	23	24
Real Estate	0	0	5	5	4
Engineering	0	0	19	20	19
Watershed Engineering	0	0	0	0	0
Watershed Management	0	0	12.75	11.75	10
<b>Watershed Management:</b>					
Watershed Management	6	7	0	0	0
Environmental Sciences	24	23	0	0	0
Watershed Operations	14.5	15	0	0	0
<b>Operations:</b>					
Director of Operations	0	0	1	1	1
Facilities	0	0	0	0	0
Parks	3	3	3	3	9.1
Watershed Operations	0	0	25.65	27.65	41.4
Engineering	14	17	0	0	0
Water Resources & Community Development	0	0	5	5	5
<b>Planning &amp; Development:</b>					
Planning and Development	6	6	0	0	0
Real Estate	4	4	0	0	0
Community Relations	0	0	0	0	0
Water Resources	4	3	0	0	0
<b>Business-type activities:</b>					
<b>Operations:</b>					
Park Services	23.5	24	26.1	26.2	0
Utilities	62	63	64.3	64.2	64.2
<b>Total</b>	<u>200</u>	<u>207</u>	<u>237</u>	<u>239</u>	<u>231</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				
2012	2013	2014	2015	2016
0	0	0	0	0
12	9	5	5	6
11	14	15	15	15
7	6	7	7	7
0	0	0	0	0
16	16	13	13	13
12	13	11	11	12
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
3	2	1	1	2
0	0	0	0	0
0	0	0	0	1
25	26	27	30	36
4	5	4	4	4.5
0	0	0	0	0
29	32	28.5	31	28.5
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	1
3.5	3.5	3.5	4.5	6.5
10	9	0	0	0
55	52	63	65	64
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	0
0	0	0	0	0
52.5	52.5	52.5	52.5	52.5
240	240	230.5	239	249

San Antonio River Authority  
Miscellaneous Statistics  
June 30, 2016

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 River Walk

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

<b>Fiscal Year</b>	<b>Braunig Park</b>	<b>Calaveras Park</b>
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, 2016

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)
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, 2016

**SARA Water Systems Wilson County, Texas**

Fiscal Year	Total Facilities	Creekwood	Mosswood	Seven Oaks
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
2016	2	258	0	49

San Antonio River Authority  
Miscellaneous Statistics  
June 30, 2016

San Antonio River (250 miles)

Segment 1911- 86 miles

Segment 1901- 154 miles

Bexar County & Wilson County, Texas

Karnes County & Goliad County, Texas

Watershed and Park Operations:

Unit 1, Bexar County Operations Center

Unit 2, Karnes County Operations Center

Unit 3, Bergs Mill Operations Center

Unit 4, Urban Reach Operations Center

Unit 5, Mission Reach Operations Center

Unit 6, San Juan Pump Station

Bexar County, Texas

Karnes County, Texas

Bexar County, Texas

Bexar County, Texas

Bexar County, Texas

Bexar County, Texas

Retention Dams

Calaveras Creek Watershed - 7

Salado Creek Watershed - 14

Martinez Creek Watershed - 6

Medina River Watershed - 1

Escondido Watershed – 13

Bexar County, Texas

Bexar County, Texas

Bexar County, Texas

Bexar County, Texas

Karnes County, Texas

Channel Maintenance

Nichols Creek Channel – 2.07 miles

Escondido Creek - 1.5 miles

San Antonio River Urban Segment Operations – 1.5 miles

San Antonio River Eagleland Segment Operations – 1 mile

San Antonio River Mission Segment Operations – 8 miles

Asylum Creek – .8 miles

Karnes County, Texas

Karnes County, Texas

Bexar County, Texas

Bexar County, Texas

Bexar County, Texas



San Antonio River Authority  
Miscellaneous Statistics  
June 30, 2016

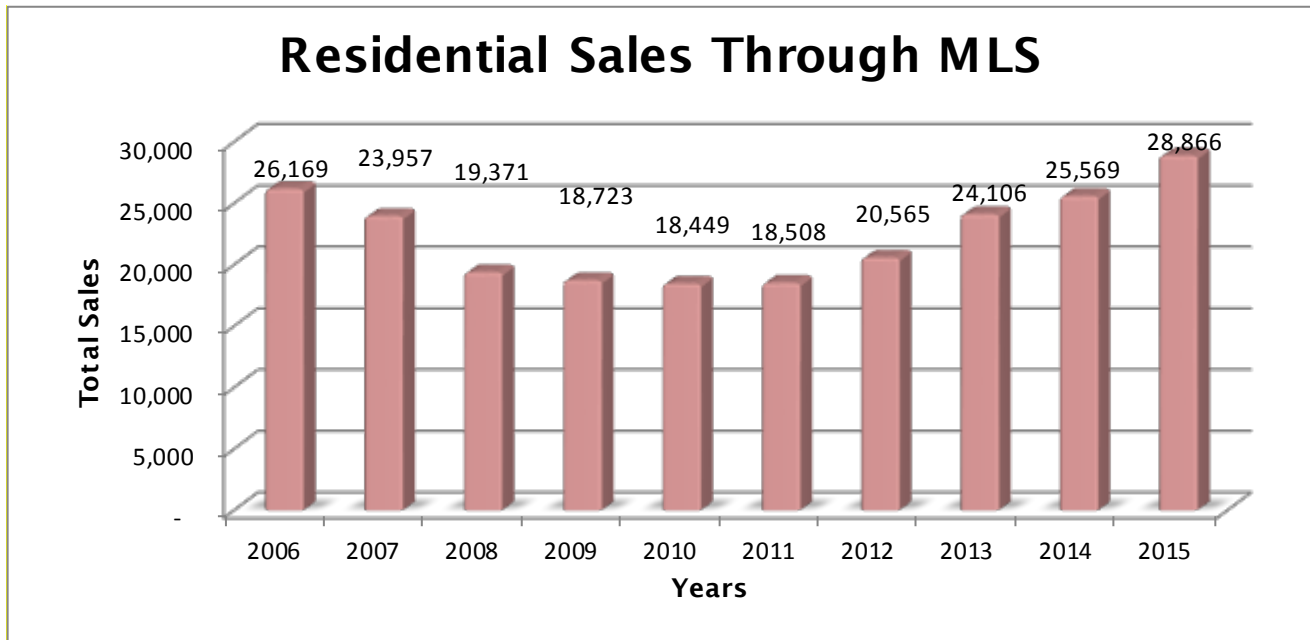
**Education.** The Bexar County area offers 15 public independent school districts (ISDs), as well as over 90 private, parochial, magnet and charter schools.

<b>Independent School District</b>	<b>Total # of campuses</b>
<i>Alamo Heights</i>	6
<i>East Central</i>	15
<i>Edgewood</i>	25
<i>Fort Sam Houston</i>	2
<i>Harlandale</i>	31
<i>Judson</i>	30
<i>Lackland</i>	2
<i>North East</i>	75
<i>Northside</i>	125
<i>Randolph Field</i>	3
<i>San Antonio</i>	97
<i>Somerset</i>	9
<i>South San Antonio</i>	21
<i>Southside</i>	9
<i>Southwest</i>	19
<b>TOTAL</b>	<b>469</b>

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, 2016



\*All sales transactions are based on MLS only. Source for text 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
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
2015	92.90%	\$913.00

San Antonio River Authority  
Miscellaneous Statistics  
June 30, 2016

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 11<sup>th</sup>, Fort Worth at 16<sup>th</sup>, and El Paso ranking as the 19<sup>th</sup> largest.

<b>Population / Demographics</b>			
<b>Year</b>	<b>San Antonio</b>	<b>Bexar County</b>	<b>MSA</b>
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
2015	1,440,900	1,904,785	2,394,156

\*These figures are an estimate. (The source of these figures is the  
San Antonio Economic Development Foundation)

San Antonio River Authority  
Miscellaneous Statistics  
June 30, 2016

**Jurisdictional Population**

<b>Year</b>	<b>Bexar County</b>	<b>Goliad County</b>	<b>Karnes County</b>	<b>Wilson County</b>	<b>Total</b>
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
2015	1,904,785	8,023	15,826	47,268	1,975,902

**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**

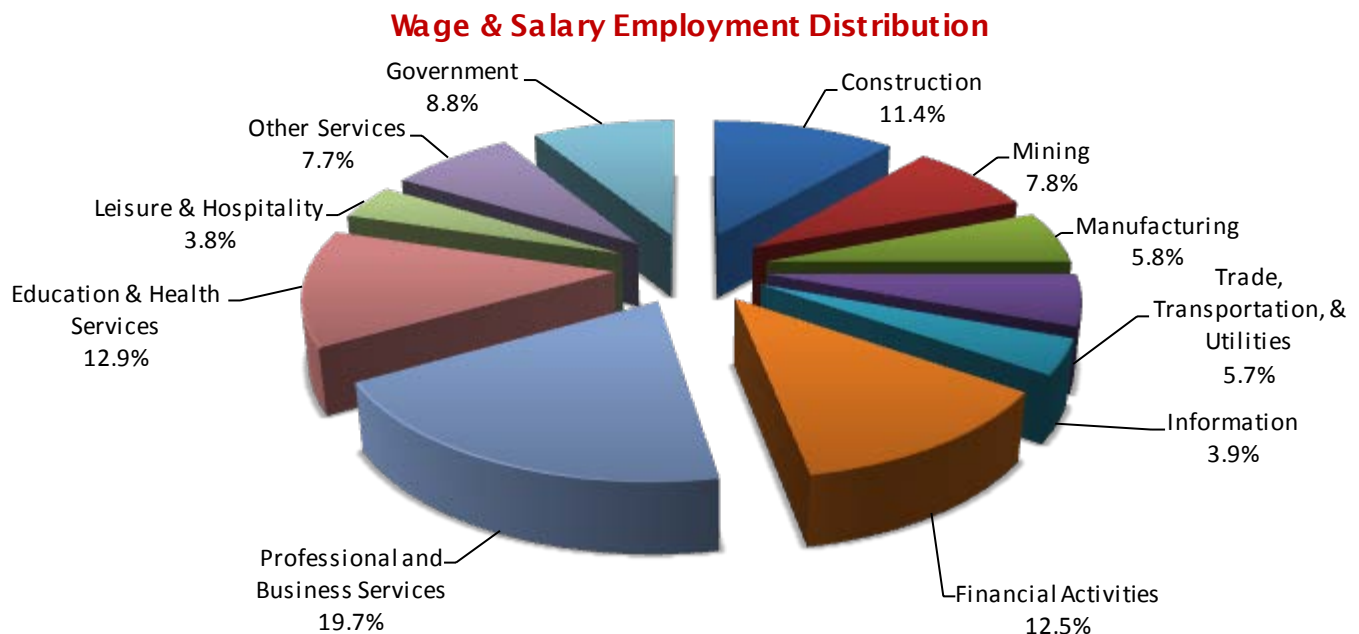
<b>Year</b>	<b>Personal Income (amounts expressed in thousands)</b>	<b>Per Capita Personal Income</b>	<b>Unemployment Rate (Annualized)</b>
2006	63,686,419	30,939	4.60%
2007	68,212,578	32,553	4.10%
2008	70,946,997	34,256	4.70%
2009	71,489,367	35,222	6.70%
2010	78,416,347	33,857	7.30%
2011	79,596,000	34,969	7.40%
2012	86,218,000	36,781	6.50%
2013	90,361,000	39,597	6.00%
*2014	90,361,000	25,546	4.30%
2015	95,382,108	25,546	3.80%

Data Sources

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

San Antonio River Authority  
Miscellaneous Statistics  
June 30, 2016

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, 2016

**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, 2016

<b>Calendar Year</b>	<b>Bureau Booked Convention Delegates</b>	<b>Bureau Booked Convention Room Nights</b>	<b>Estimated Dollars Spent by Bureau Booked Convention Delegates (\$ Millions)</b>
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
2015	699,662	773,569	*N/A

Source of data: The San Antonio Convention and Visitors Bureau

\* No longer tracked

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  

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RIVER AUTHORITY

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *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, 2016, 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 19, 2016.

### **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 19, 2016



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

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, 2016. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Those standards and the Uniform Guidance 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, 2016.

## **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 the Uniform Guidance, 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Certified Public Accountants  
San Antonio, Texas

October 19, 2016

**San Antonio River Authority**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2016**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>Federal CFDA #</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Total Federal Expenditures</b>
United States Department of Agriculture/ Natural Resource Conservation Service/ Calaveras 10 Dam Rehabilitation	10.916	69-7442-14-984	\$ 1,456,106
United States Department of Agriculture/ Natural Resource Conservation Service/ Martinez 1 Dam Rehabilitation	10.916	69-7442-14-986	715,011
United States Department of Agriculture/ Natural Resource Conservation Service/ Martinez 2 Dam Rehabilitation	10.916	69-7442-14-987	933,161
United States Department of Agriculture/ Natural Resource Conservation Service/ Martinez 3 Dam Rehabilitation	10.916	69-7442-14-988	902,871
United States Department of the Interior/ National Park Services/San Antonio Missions Grant Program	15.916	P14PX02364	2,851
United States Department of the Interior/ National Park Services/San Antonio Missions Grant Program	15.916	P15PX04130	1,203
United States Department of Homeland Security/ Federal Emergency Management Agency Cooperating Technical Partners (LOMR)	97.045	EMW-2013-CA-K00046	31,845

**San Antonio River Authority**  
**Schedule of Expenditures of Federal Awards (continued)**  
**Year Ended June 30, 2016**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>Federal CFDA #</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Total Federal Expenditures</b>
United States Department of Homeland Security/ Federal Emergency Management Agency Cooperating Technical Partners (LOMR)	97.045	EMW-2014-CA00266	75,499
United States Department of Homeland Security/ Federal Emergency Management Agency Cooperating Technical Partners (Risk Map)	97.045	EMT-2012-CA-0012	100,365
United States Department of Homeland Security/ Federal Emergency Management Agency Cooperating Technical Partners (Risk Map)	97.045	EMT-2013-CA-0003	34,870
United States Department of Homeland Security/ Federal Emergency Management Agency Cooperating Technical Partners (LOMR)	97.045	EMW-2015-CA-APP-00032-S01K00215	59,563
United States Department of Homeland Security/ Federal Emergency Management Agency Cooperating Technical Partners (Risk Map)	97.045	EMW-2014-CA-K00215	19,836
United States Department of Homeland Security/ Federal Emergency Management Agency Cooperating Technical Partners (Risk Map)	97.045	EMW-2015-CA-00058	1,245
United States Department of Defense/Defense Energy Support Center/Randolph Air Force Base, Texas	12.999	SP0600-03-8266	<u>469,698</u>
Total Federal Expenditures			<u>\$ 4,804,124</u>

## San Antonio River Authority

### Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2016

#### 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 Title 2 U.S. *Code of Federal Regulation* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the River Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the River Authority.

#### 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, 2016:

<u>Fund</u>	<u>Amount</u>
Grant Fund	4,334,426
Randolph Air Force Base Collection System	469,698
	<u>\$ 4,804,124</u>



# San Antonio River Authority

## Schedule of Findings and Questioned Costs

Year Ended June 30, 2016

### 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  
2 CFR Section 200.516(a)?

\_\_\_\_\_ Yes X No

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

10.916

U.S. Department of Agriculture/  
Natural Resource Conservation Service/  
Watershed Rehabilitation Program

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

\$ 750,000

Auditee qualified as low-risk auditee?

X Yes \_\_\_\_\_ No

**San Antonio River Authority**

**Schedule of Findings and Questioned Costs**

**Year Ended June 30, 2016**

**(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, 2016

None



SAN ANTONIO  

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RIVER AUTHORITY

Leaders in Watershed Solutions