



SAN ANTONIO
RIVER AUTHORITY

A POLITICAL SUBDIVISION OF THE STATE OF TEXAS

ANNUAL FINANCIAL REPORT

FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024



Presented to the
Board of Directors

<u>Name</u>	<u>Title</u>	<u>County</u>
Jim Campbell	Chairman	Bexar County, District 4
Gaylon J. Oehlke	Vice-Chair	Karnes County
Jerry G. Gonzales	Secretary	Bexar County, District 1
Derek J. Gaudlitz	Treasurer	Wilson County
Lourdes Galvan	Executive Committee Member	Bexar County, District 2
James Fuller, M.D.	Executive Committee Member	Goliad County
Michael W. Lackey, P.E.		Bexar County, District 3
Liza Barratachea		Bexar County, At-Large
Patrice A. Melancon		Bexar County, At-Large
H.B. Ruckman, III		Karnes County
Dominic Carvajal		Wilson County
John Yochem, Jr.		Goliad County

PRESENTED BY:

Rick Trefzer, CMA

Deputy General Manager

PREPARED BY:

Shaena Cannon, MBA

Accounting Officer

Accounting Services

Yolanda Cabrera – Senior Accounting Technician

Benjamin Castillo – Accountant II

Ashley Garcia – Accounting Technician I

Nicholas Rivera – Accountant I

Budget Services

Sharon Otholt – Budget Officer

Daniel Franco – Financial Analyst I

Cassandra Trejo – Financial Analyst I

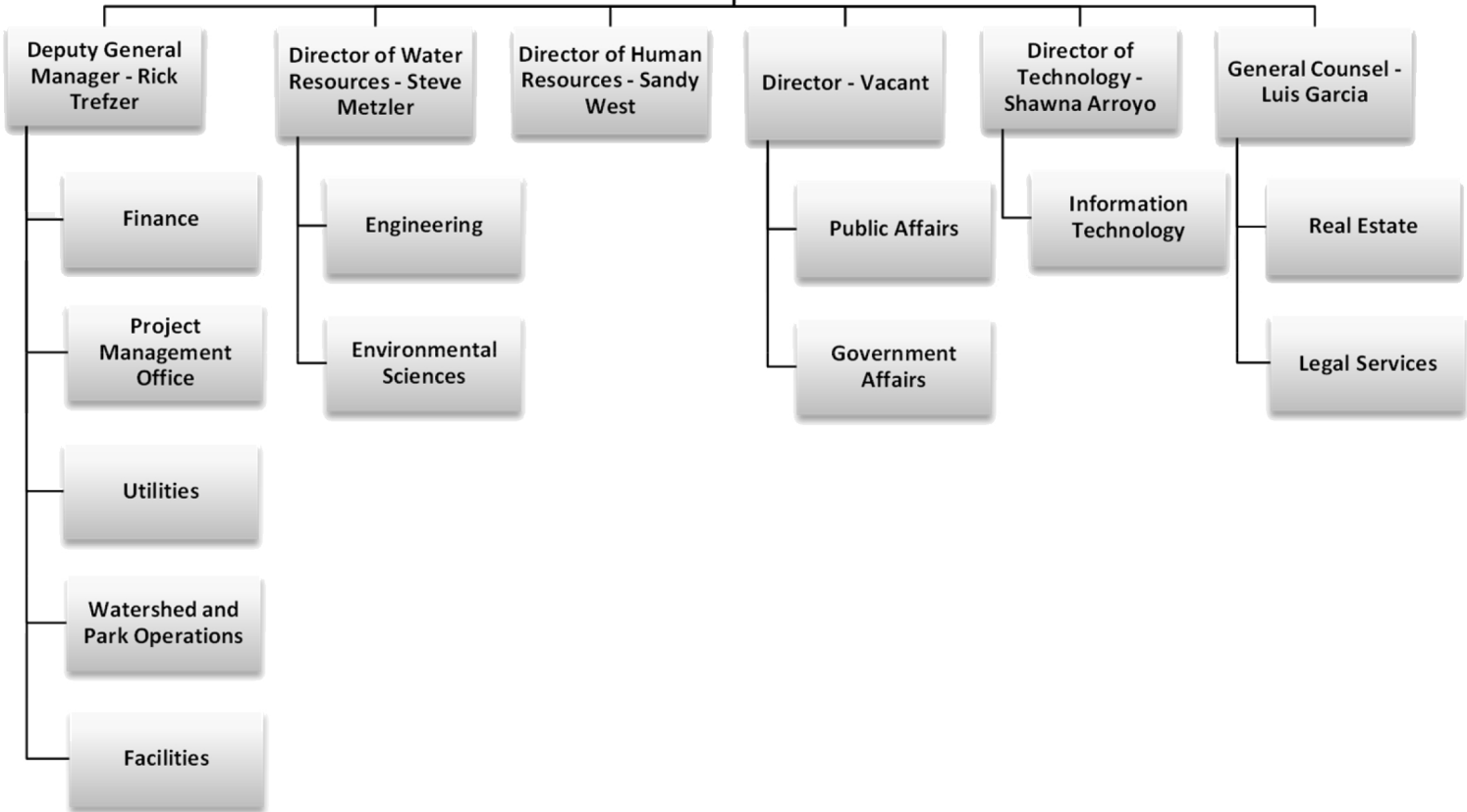


Citizens of Bexar,
Karnes, Goliad and
Wilson Counties

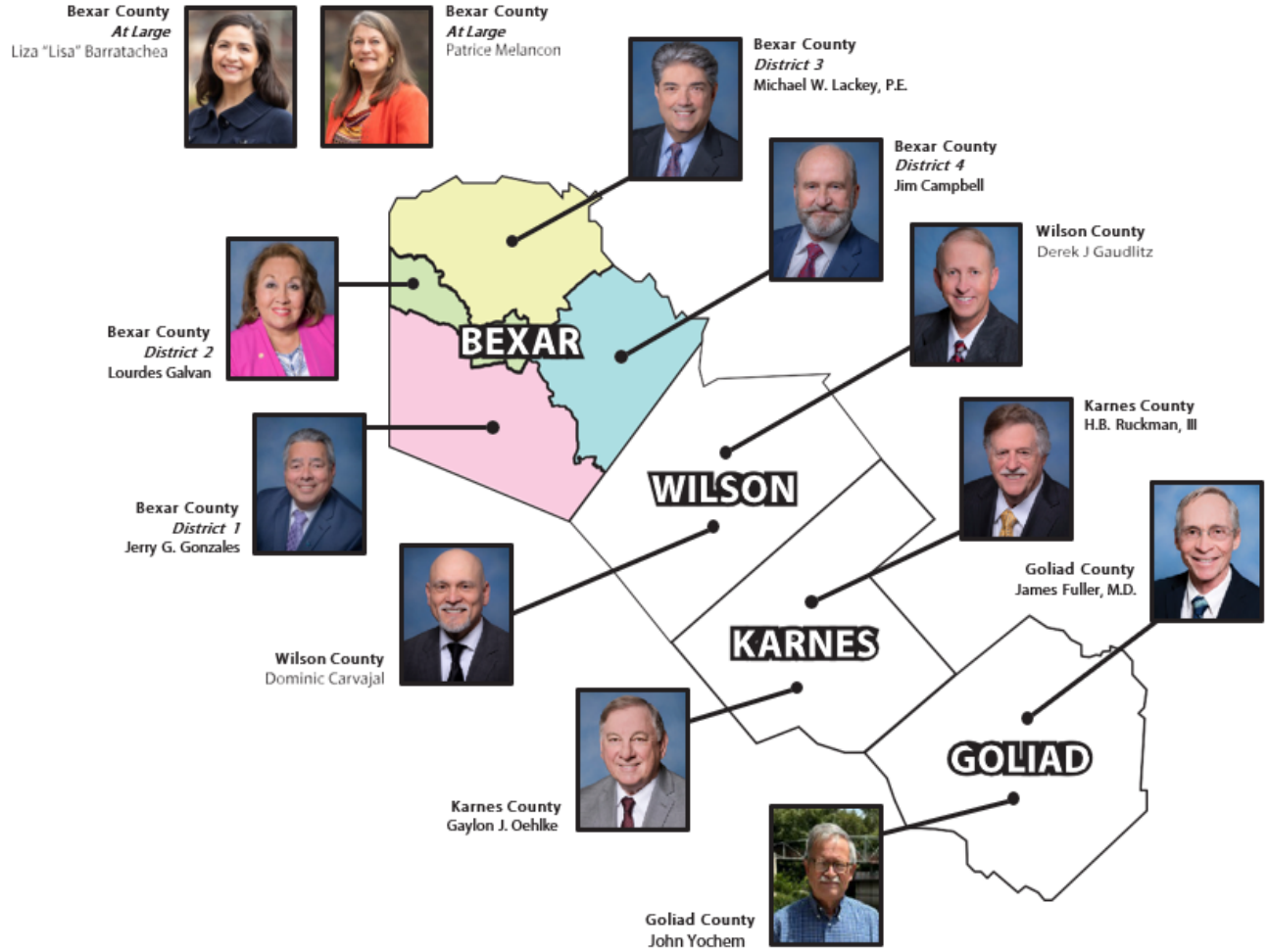
Board of Directors
(12)

General Manager -
Derek Boese

Executive Staff



San Antonio River Authority Elected Officials



San Antonio River Authority Management Team

<u>Name</u>	<u>Title</u>
Derek Boese	General Manager
Rick Trefzer	Deputy General Manager
Steve Metzler	Director, Water Resources
Luis Garcia	Director, General Counsel
Sandy West	Director, Human Resources
Shawna Arroyo	Director, Information Technology
Kristen Hansen	Deputy Director, Parks & Recreation
Leamon Anderson	Deputy Director, Utilities Operations
Brian Mast, JD	Deputy Director, Government Affairs
Erin Cavazos	Manager, Engineering
Nicole Marshall	Manager, Public Affairs
Shaun Donovan	Manager, Environmental Sciences
Vacant	Manager, Finance
Amy Zola	Manager, Project Management Office
Naomi Oster	Manager, Facilities
Tommy Mitchell	Manager, Watershed & Park Operations



S A N A N T O N I O

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Photo by Karyn Robinson-Garcia
2024 River Clicks Photo Contest
Creeks and River Category Winner
Mission Reach, Bexar County

Independent Auditors' Report

To the Board of Directors of
San Antonio River Authority

Report on the Audit of the Financial Statements

Opinions

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 the San Antonio River Authority (the Authority), as of September 30, 2024 and for the period from July 1, 2023 through September 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 the Authority as of September 30, 2024 and the respective changes in financial position and, where applicable, cash flows from July 1, 2023 through September 30, 2024 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Authority changed its fiscal year end from June 30th to September 30th, resulting in fifteen months of activity being reported for the period ended September 30, 2024. Our opinions are not modified with respect to this matter.

As discussed in Note 15 to the financial statements, changes in the financial statement presentation of the San Antonio River Public Facility Corporation fund, the City of San Antonio Westside Creek Restoration fund, and the City of San Antonio River Improvement Project fund have occurred during the reporting period and the respective adjustments were made to beginning fund balances. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of revenue, expenditures, and changes in fund balances – budget and actual – general fund, notes to the required supplementary information and the schedule of changes in the total other post-employment benefit (OPEB) liability and related ratios be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit for the period ended September 30, 2024 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The other supplementary information and the schedule of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and Texas Grant Management Standards for the period ended September 30, 2024 as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the period ended September 30, 2024, 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 supplementary information and the schedule of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards and Texas Grant Management Standards* are fairly stated in all material respects, in relation to the basic financial statements as a whole for the period ended September 30, 2024.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Authority as of and for the year ended June 30, 2023 (not presented herein), and have issued our report thereon dated October 6, 2023, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information. The other supplementary information for the year ended June 30, 2023 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2023 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2023 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or to those 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 is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2023.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 14, 2025 on our consideration of the 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Austin, Texas
February 14, 2025

**SAN ANTONIO RIVER AUTHORITY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024
(UNAUDITED)**

As management of the San Antonio River Authority (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 fifteen months fiscal year (FY) ended September 30, 2024.

FINANCIAL HIGHLIGHTS

- The River Authority as a political subdivision underwent its first ever sunset review in 2022-23. The end product of an audit by the Sunset Advisory Commission is a state legislative bill that amends an agency's governing statute and a list of recommended management actions, including change in fiscal year period. FY 2024-2025 will signify the first fiscal year beginning on the newly designated start date of October 1. The change in fiscal year resulted in a 15-month FY 2023-2024 and will impact many of the financial comparisons made throughout the report narrative and tables.
- Assets and deferred outflow of resources of the River Authority exceeded its liabilities and deferred inflow of resources at September 30, 2024 resulting in a total net position of \$834.9 million. This balance consists of cash and non-cash assets so it is important to note that the net investment in capital assets (non-cash) is \$683.8 million. Of the \$834.9 million net position, \$112.0 million is unrestricted and may be utilized to meet the River Authority's ongoing obligations to citizens and creditors (see page 9).
- The River Authority's total net position increased by \$32.6 million from FY 2022-23 to FY 2023-24 due to revenues exceeding expenses by \$3.8 million in Governmental funds and \$28.8 million in Business-type Funds (see page 9).
- Total capital assets increased by \$25.2 million across both activity types due to some large capital asset additions including, but not limited to, construction in process for the San Pedro Creek Culture Park project, Facilities Design and Construction (Sheridan Administrative Building), Martinez IV Collection System CIP – Project 29, and the Salitrillo Wastewater Treatment Plant Expansion project (see page 21)
- The River Authority's Governmental Funds reported combined ending fund balances of over \$59.5 million, an increase of \$18.1 million. This amount is highlighted by \$34 million in assigned; \$18.1 million in restricted; \$7.2 million in Committed balances (see pages 26-27).
- Governmental Accounting Standards Board (GASB) Statement No. 100 *Accounting Changes and Error Corrections* was implemented during FY 2023-24 and reflected in the financial statements presented. There are updates to the presentation of major/nonmajor funds as a result of the implementation of this GASB pronouncement.

**SAN ANTONIO RIVER AUTHORITY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024
(UNAUDITED)**

OVERVIEW OF THE FINANCIAL STATEMENTS



This discussion and analysis are 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 resulting from federal and state grant expenditures.

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).

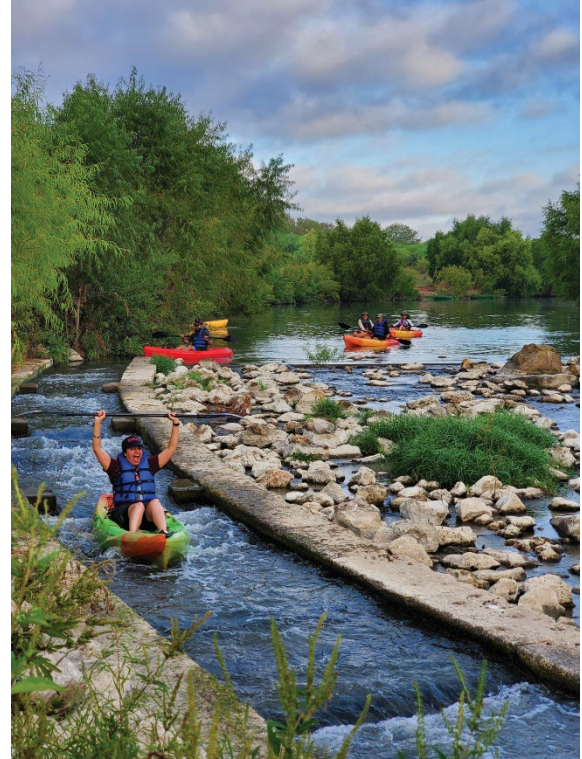
Both government-wide financial statements distinguish functions of the River Authority that are principally supported by property tax, reimbursement of expenditures and/or intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the River Authority include general government, operations, and technical services. The business-type activities of the River Authority include Utility operations. The government-wide financial statements can be found on pages 23 - 28 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 River Authority funds can be divided into two categories: governmental funds and proprietary funds.

**SAN ANTONIO RIVER AUTHORITY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024
(UNAUDITED)**

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 15 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. The General Fund, Debt Service Fund, Bexar County Westside Creek, Bexar County Capital Projects Fund, San Antonio Public Facilities Corporation Fund, City of San Antonio River Improvement Project Fund, and the San Antonio River Authority Project Fund are major funds. Data from the other 8 governmental funds are

combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* in the Combining Statements

**SAN ANTONIO RIVER AUTHORITY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024
(UNAUDITED)**

and Schedules section of the report. The basic governmental fund financial statements can be found on pages 26 - 31 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 Salitrillo Wastewater Treatment Plant. The Randolph Air Force Base Collection System is presented as a nonmajor fund.

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.



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 32 – 36 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 37 - 67 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 Other Post Employment Benefit Plans. Required supplementary information can be found on pages 69 - 76 of this report.

Other supplementary information. The combining and individual fund statements and schedules referred to earlier provide information for nonmajor governmental funds and are presented immediately following the required supplementary information. Budgetary comparison schedules and combining and individual fund statements and schedules can be found on pages 78 - 93 of this report.

**SAN ANTONIO RIVER AUTHORITY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024
(UNAUDITED)**

Single Audit. As a recipient of state and 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 found on pages 94 - 101, for the fiscal year presented, provided no instances of material weaknesses in the internal control structure or violations of applicable laws and regulations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS



The 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 and deferred inflows of resources by \$834,895,638 at the close of the 2024 fiscal year.

A large portion of the River Authority's net position (82%) 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 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
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024
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The following tables, graphs, and analysis reflect the financial position for the San Antonio River Authority for the fiscal year ended September 30, 2024.

Net Position

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	<i>9/30/2024</i>	<i>6/30/2023</i>	<i>9/30/2024</i>	<i>6/30/2023</i>	<i>9/30/2024</i>	<i>6/30/2023</i>
Current and other assets	\$ 75,453,773	\$ 61,787,555	\$ 108,785,513	\$ 88,905,784	\$ 184,239,286	\$ 150,693,339
Capital assets	<u>650,733,121</u>	<u>653,282,527</u>	<u>127,461,201</u>	<u>99,706,013</u>	<u>778,194,322</u>	<u>752,988,540</u>
Total assets	<u>726,186,894</u>	<u>715,070,082</u>	<u>236,246,714</u>	<u>188,611,797</u>	<u>962,433,608</u>	<u>903,681,879</u>
Deferred outflows	<u>526,731</u>	<u>549,673</u>	<u>379,081</u>	<u>74,700</u>	<u>905,812</u>	<u>624,373</u>
Long-term liabilities	29,604,866	19,977,906	73,454,354	58,603,337	103,059,220	78,581,243
Other liabilities	<u>13,219,336</u>	<u>15,585,873</u>	<u>11,491,387</u>	<u>7,154,121</u>	<u>24,710,723</u>	<u>22,739,994</u>
Total liabilities	<u>42,824,202</u>	<u>35,563,779</u>	<u>84,945,741</u>	<u>65,757,458</u>	<u>127,769,943</u>	<u>101,321,237</u>
Deferred inflows	<u>-</u>	<u>673,839</u>	<u>673,839</u>	<u>687,512</u>	<u>673,839</u>	<u>1,361,351</u>
Net investment in capital assets	633,132,939	631,437,552	50,711,512	38,981,620	683,844,451	670,419,172
Restricted	1,295,336	4,513,198	37,736,261	31,406,093	39,031,597	35,919,291
Unrestricted	<u>49,461,148</u>	<u>44,105,226</u>	<u>62,558,442</u>	<u>51,853,814</u>	<u>112,019,590</u>	<u>95,959,040</u>
Total net position	<u>\$ 683,889,423</u>	<u>\$ 680,055,976</u>	<u>\$ 151,006,215</u>	<u>\$ 122,241,527</u>	<u>\$ 834,895,638</u>	<u>\$ 802,297,503</u>

A portion of the River Authority's total net position (4.7%) represents resources that are subject to restrictions for debt service and construction. The remaining balance of *unrestricted net position* in the amount of \$112,019,590 may be used to meet the River Authority's ongoing liabilities.

As of September 30, 2024, the River Authority reported a positive change in the net position for both the Governmental activities and the Business-type activities. The River Authority's net position increased by \$32,598,135.

**SAN ANTONIO RIVER AUTHORITY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024
(UNAUDITED)**

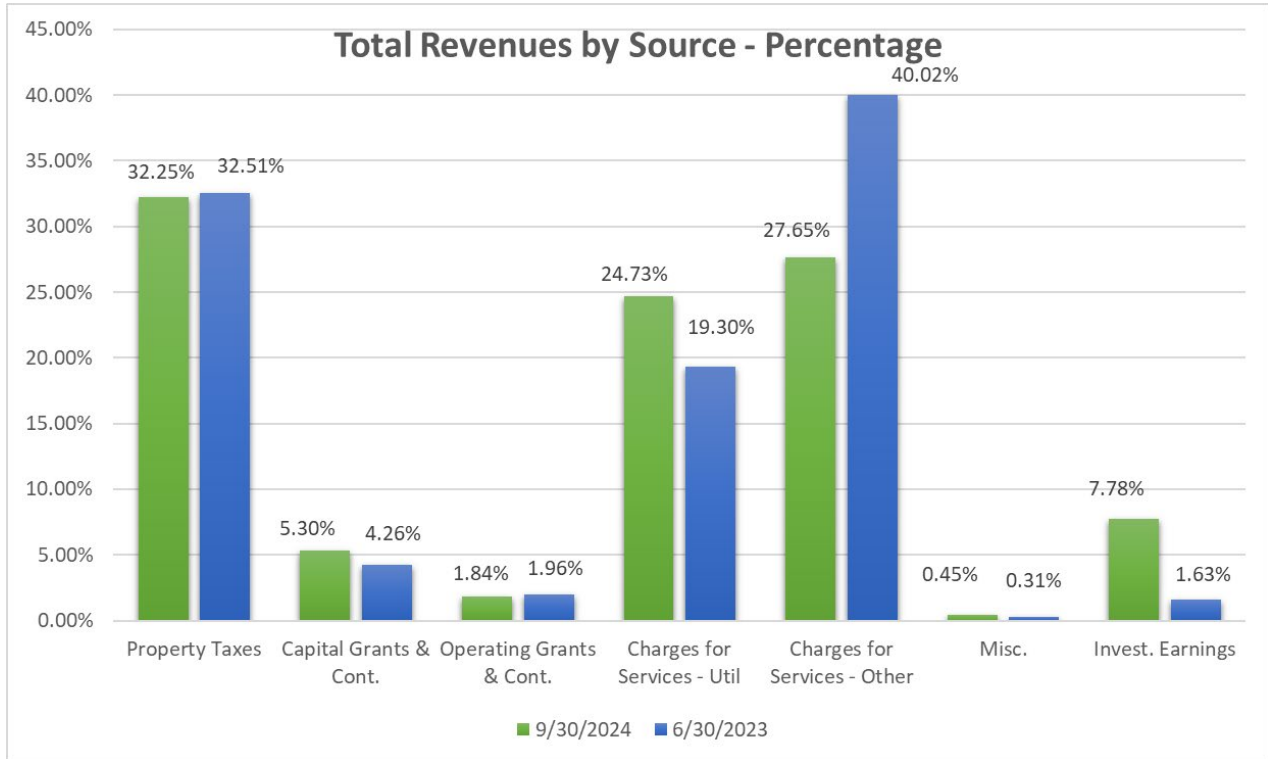
The following table indicates change in net position for governmental and business-type activities:

Changes in Net Position

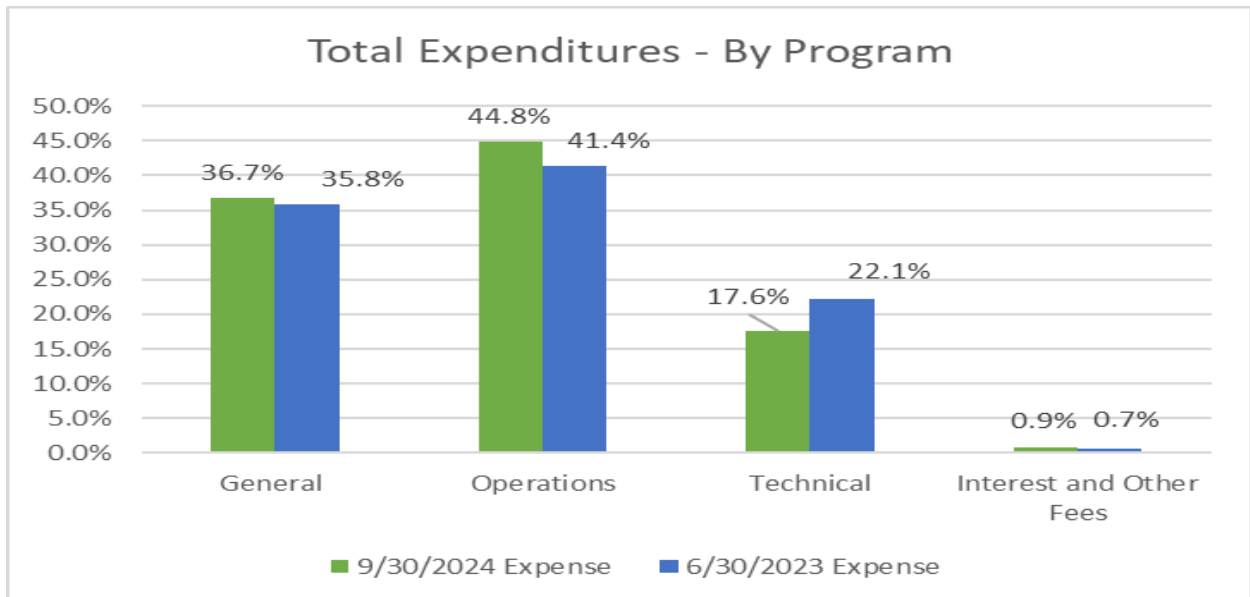
	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	<u>9/30/2024</u>	<u>6/30/2023</u>	<u>9/30/2024</u>	<u>6/30/2023</u>	<u>9/30/2024</u>	<u>6/30/2023</u>
Revenues:						
Program Revenues:						
Charges for services	\$ 40,431,969	\$ 52,575,915	\$ 36,157,949	\$ 25,355,249	\$ 76,589,918	\$ 77,931,164
Operating grants & contributions	2,692,752	2,576,278	-	-	2,692,752	2,576,278
Capital grants & contributions	12,399	-	7,740,943	5,595,371	7,753,342	5,595,371
General Revenues:						
Property Taxes	47,166,700	42,712,708	-	-	47,166,700	42,712,708
Investment earnings (loss)	3,704,354	2,411,868	7,666,878	(301,173)	11,371,232	2,110,695
Net gain (loss) on disposal of capital assets	(46,143)	5,677	(82,962)	23,327	(129,105)	29,004
Miscellaneous	359,843	261,465	432,048	148,696	791,891	410,161
Total Revenues	<u>94,321,874</u>	<u>100,543,911</u>	<u>51,914,856</u>	<u>30,821,470</u>	<u>146,236,730</u>	<u>131,365,381</u>
Expenses:						
General government	41,688,236	31,030,568	-	-	41,688,236	31,030,568
Operations	27,763,176	20,243,948	23,150,168	15,625,989	50,913,344	35,869,937
Technical services	19,998,540	19,193,893	-	-	19,998,540	19,193,893
Interest and other fees	1,038,475	601,580	-	-	1,038,475	601,580
Total expenses	<u>90,488,427</u>	<u>71,069,989</u>	<u>23,150,168</u>	<u>15,625,989</u>	<u>113,638,595</u>	<u>86,695,978</u>
Change in net position	3,833,447	29,473,922	28,764,688	15,195,481	32,598,135	44,669,403
Net position, beginning	<u>680,055,976</u>	<u>650,582,054</u>	<u>122,241,527</u>	<u>107,046,046</u>	<u>802,297,503</u>	<u>757,628,100</u>
Net position, ending	<u>\$ 683,889,423</u>	<u>\$ 680,055,976</u>	<u>\$ 151,006,215</u>	<u>\$ 122,241,527</u>	<u>\$ 834,895,638</u>	<u>\$ 802,297,503</u>

**SAN ANTONIO RIVER AUTHORITY
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Below is a comparison showing government-wide total revenues, as percent of total revenue, by source for the River Authority:



Below is a comparison graph showing government-wide expenditures, as percent of total expenditures, by source for the River Authority:



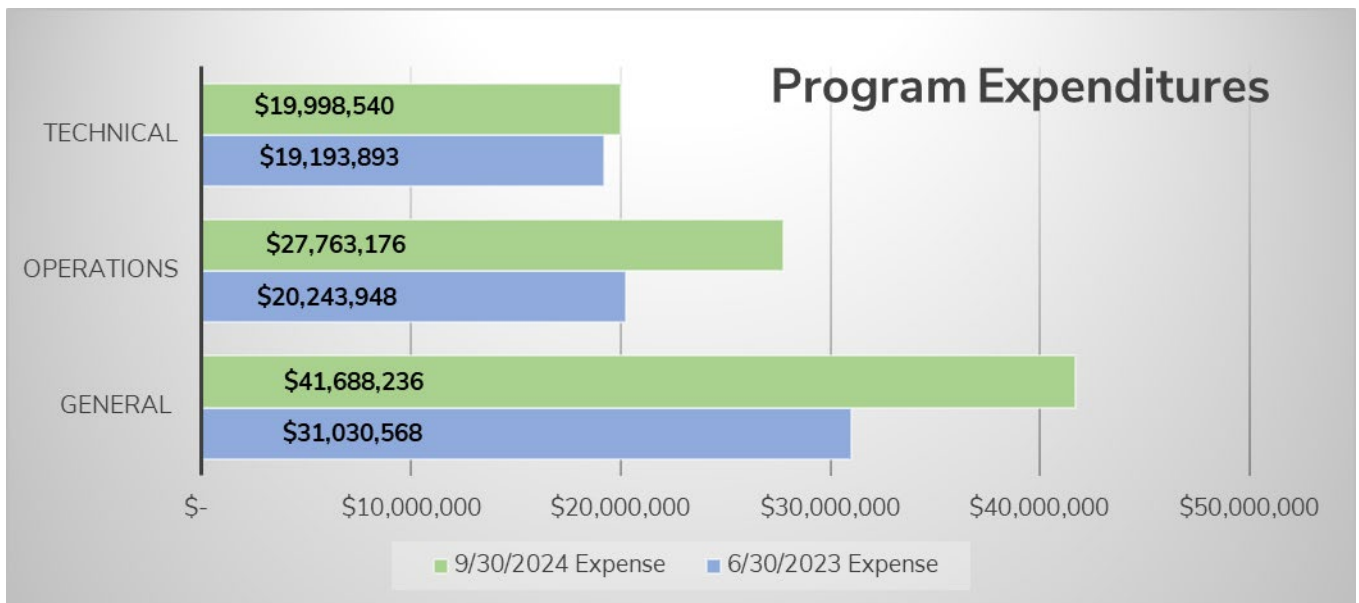
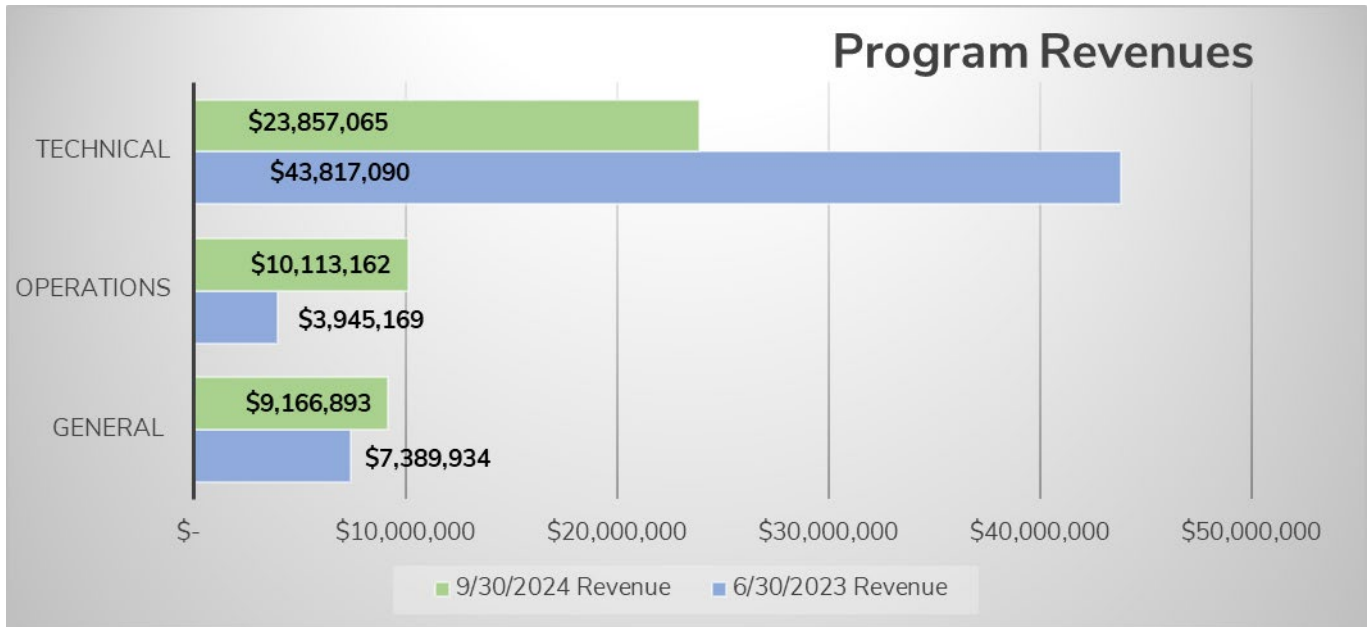
**SAN ANTONIO RIVER AUTHORITY
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Governmental Activities. The River Authority's Governmental net position increased by \$3,833,447 between FY 2022-23 to FY 2023-24. This increase is attributable to various capital improvements. These projects are mainly external funding agreements where the River Authority provides project and construction management services.

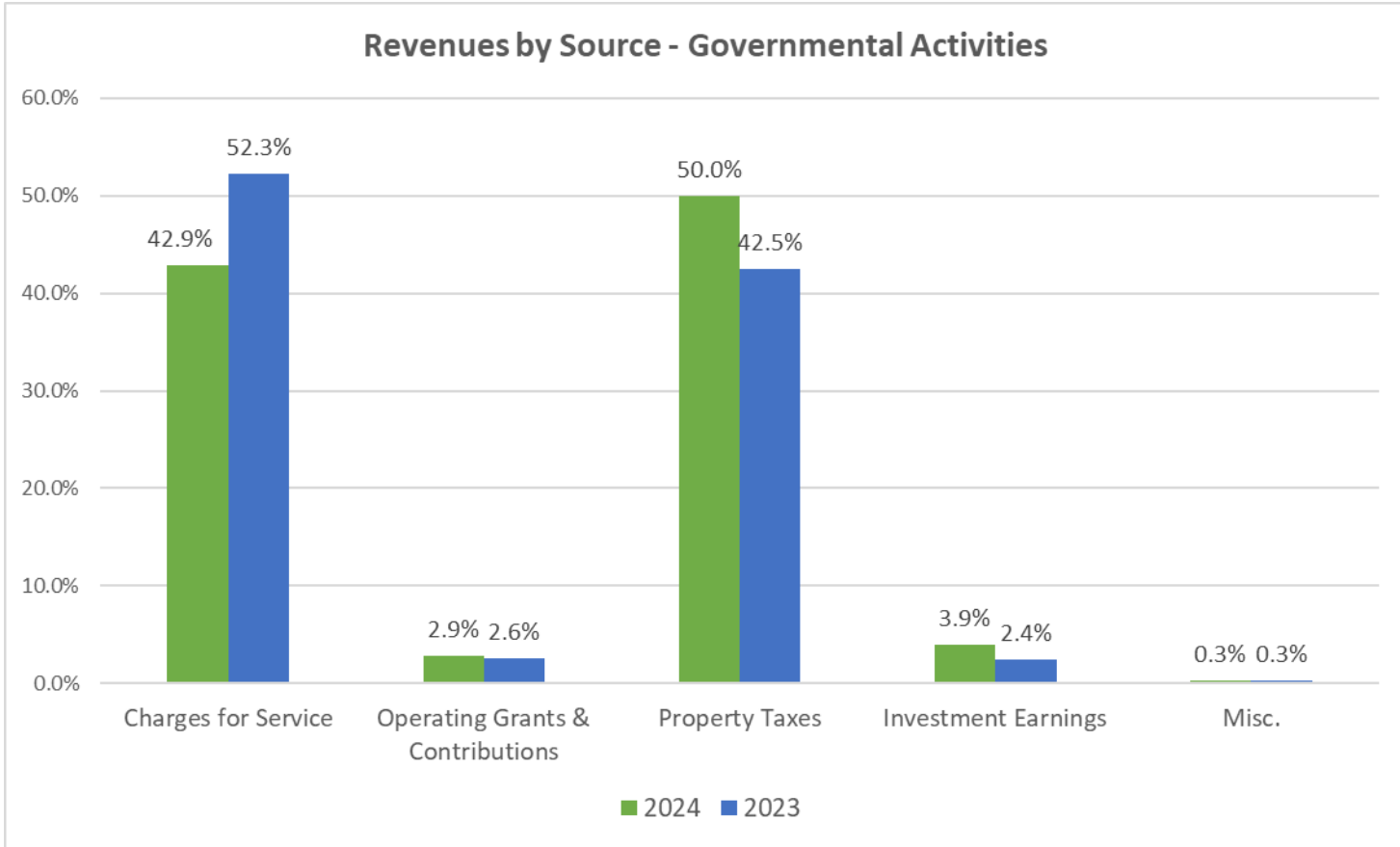
- With the implementation of GASB 34, the River Authority shows expenses alongside revenues for each program in the Statement of Activities (see page 25). The programs included in the governmental activities are general government, operations, and technical services. The imbalance between revenue and expense programs is attributable to GASB 34 depreciation expense since we have a considerable amount of general government assets. Charges for services decreased by \$12.1 million from FY 2022-23 to FY 2023-2024 in Governmental Activities due to a decrease in the technical services program. These activities consist primarily of construction activity of San Pedro Creek Culture Park nearing completion (see page 25).
- Property tax revenues in the General Fund increased by \$4.5 million from FY 2022-23 to FY 2023-24 primarily due to property value appraisals, as the tax rate was reduced for the second consecutive year (see page 10).
- Expenditures across Governmental Funds increased by \$19.4 million from FY 2022-23 to FY 2023-24. Key activities that contribute to this include increased activities within the Public Facilities Corporation (Sheridan Administrative Building), City of San Antonio Capital Improvement Project fund (Nueva Street Marina Dam Gate 5 Repair), and Bexar County funds (Bexar County Creeks and Trails Program, Westside Creeks Ecosystem Restoration).

**SAN ANTONIO RIVER AUTHORITY
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Program Revenues & Expenses – Governmental Activities



**SAN ANTONIO RIVER AUTHORITY
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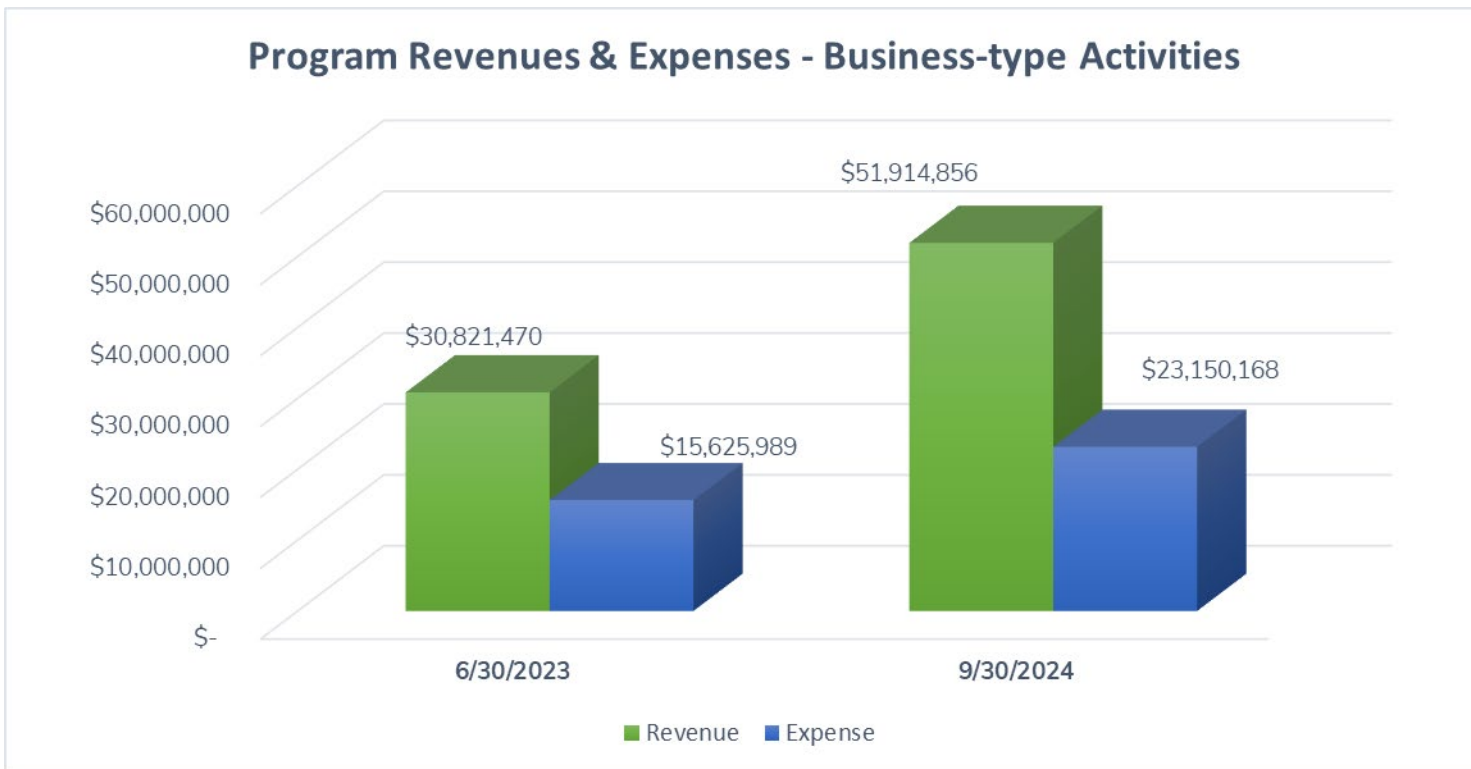
Business-type Activities. The River Authority’s major business-type activities are the SARA Wastewater Utilities System and the Salitrillo Wastewater Treatment Plant. These operations are supported by rate and fee schedules adopted by the Board of Directors.

The River Authority’s Business-type net position increased by \$28,764,688 mainly due to CIP for wastewater infrastructure projects. With the implementation of GASB 34, the River Authority shows expenses alongside revenues for each program in the Statement of Activities (see page 25). The program in the business-type activities is operations. The utility construction in the SARA Wastewater System area of service has increased significantly driven by the demand for new utility infrastructure associated with the development in east Bexar County and the renewal of existing SARA River Authority utility infrastructure.

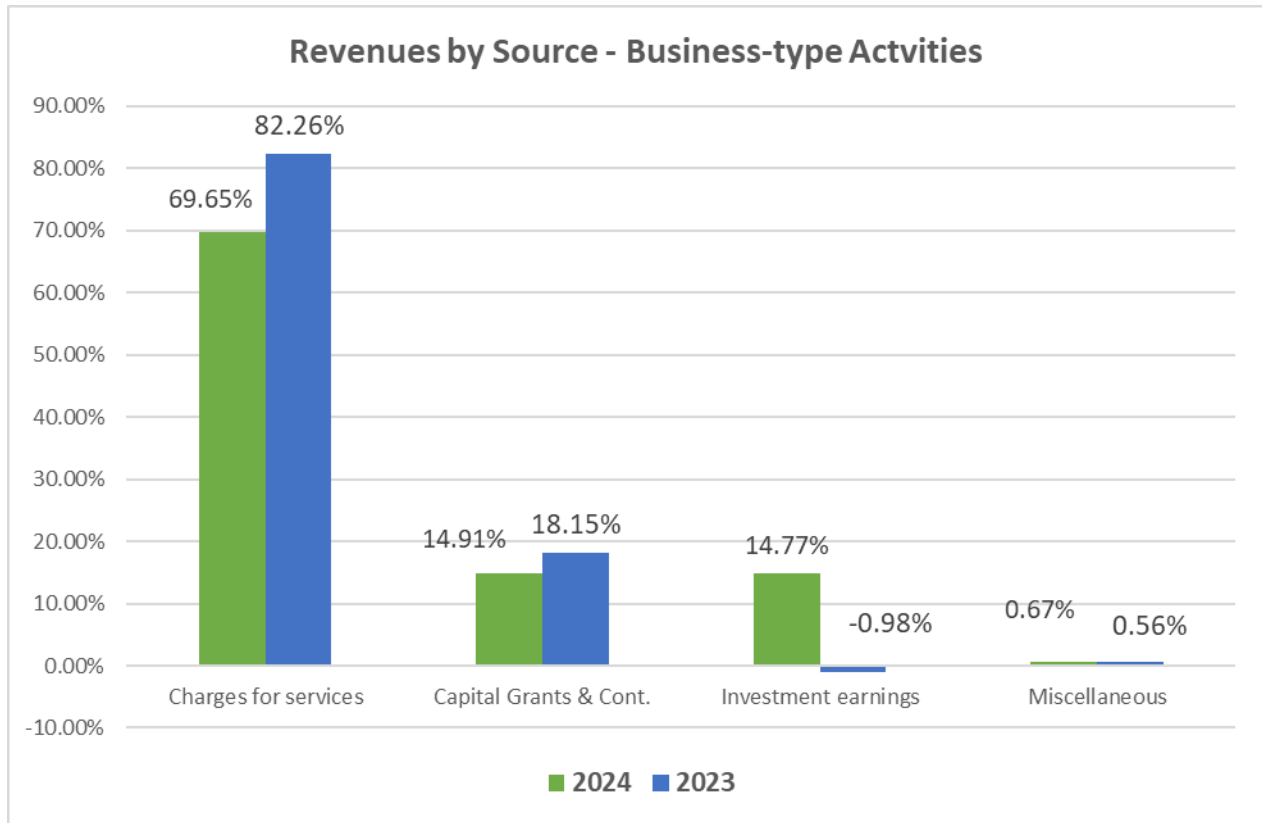
- Net Position increased by \$28.8 million through a combination of increasing revenues influenced by services charges and connection fees and a significant increase in investment earning for the business-type activities.
- Utility Total Revenues increased by \$21.1 million from FY 2022-23 to FY 2023-24, highlighted by Charges for services and investment earnings (see page 10).

**SAN ANTONIO RIVER AUTHORITY
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- Charges for services increased \$10.8 million from FY 2022-23 to FY 2023-24 in Business-type Activities due to increases to rates and fees to support business operations and future capital project needs (see page 25). Effective July 1, 2023, the Board of Directors increased the SARA Wastewater Systems sewage rates by 8.18% and 9.44% in the Salitrillo Operating Fund, to support the current and future need to cover debt associated with plant expansion and improvement efforts.
- Other contributing factors to the increase in net position are capital assets, specifically sewage treatment facilities and construction in progress. The utility funds major projects impacting this increase include Martinez IV WW Treatment Plant Expansion, Martinez IV Collection System CIP – Project 29, and Salitrillo Wastewater Plant Expansion.



**SAN ANTONIO RIVER AUTHORITY
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FINANCIAL ANALYSIS OF THE AUTHORITY'S MAJOR FUNDS

The River Authority uses fund accounting to ensure and show 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. 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 2024 fiscal year, the River Authority's governmental funds reported combined ending fund balances of \$59,499,273, an increase of \$18,072,382 in comparison with the prior year. The entire amount is classified as non-spendable, restricted, committed, or assigned to indicate that it is not available for new spending because it has already been obligated to fund capital projects, encumbrances or to pay debt service. The major funds within the Governmental Funds (General Fund, Debt Service Fund, Bexar County West Side Creek Restoration Fund, Bexar County Capital Projects,

**SAN ANTONIO RIVER AUTHORITY
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City of San Antonio Fund, Public Facilities Corporation Fund, and SARA Project Fund) are analyzed in the following paragraphs to aid with understanding the changes noted above.

General Fund: The principal fund of the River Authority is the General Fund. Property taxes, support fees, and charges for services provide the major sources of revenue. At the end of the current fiscal year, *assigned fund balance* of the General Fund was \$16,148,155 compared to \$17,590,553 in FY 2022-23. The decrease was primarily due to a decrease in the reserve for future operating costs shown as Assigned Fund Balance on the Governmental Funds Balance Sheet (see pages 26 - 27). In FY 2022-23, the reserve balance was \$15,769,090 and for this fiscal year end the balance is \$13,693,040 a decrease of \$2,076,050. The future operating costs number is calculated during the budget process and set at 25 percent, or three months, of the budgeted operating expenses and approved by the Board of Directors annually.

The River Authority receives property valuations from our four county Appraisal Districts which we use to inform our tax rate and budget property tax revenue. Property tax revenue increased \$4,453,992 or 10.43% from FY 2022-23 to FY 2023-24. The adopted tax rate decreased from 1.836 cents per \$100 of appraised valuation to 1.800 cents per \$100 of appraised valuation in FY 2023-24. Taxable values slightly decreased to an average of 15.26% across all four of our counties with our largest county certifying a 10.99% decrease. Property taxes receivable consists of September taxes collected by our four counties but not remitted in FY 2023-24. Expense in the General Fund increased \$10,271,192 or 31% from FY 2022-23 to FY 2023-24. The increase is largely due to the additional three months fiscal year extension including payroll expenses.



Debt Service Fund: The River Authority entered a contract 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, with the pledged revenues from the Bexar County flood control tax designated for the retirement of these bonds. In compliance with bond ordinances, the River Authority has met all requirements for maintenance of the Debt Service Fund. The fund balance increase by \$233,255 in FY 2023-24 due to an increased in investment earnings.

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Bexar County (Westside Creek Restoration): The River Authority works with Bexar County and the City of San Antonio to complete capital improvement projects that address flood control, water quality and recreational opportunities in and around San Antonio. These combined projects are deemed The Westside Creek Restoration projects and are fully funded by Bexar County and the City of San Antonio. The fund balance decreased significantly as the major project within this fund, San Pedro Creek Culture Park, spent down project advances reflected within fund balance in the prior year.

Bexar County (Capital) Project Fund: The River Authority works with Bexar County to complete capital improvement projects that address flood control, water quality and recreational opportunities in and around Bexar County. For accounting purposes, the River Authority has separated Westside Creek Restoration from other capital projects. Nearly all activity within this fund can be attributed to the Bexar County Creeks & Trails Program with a mission to continue or complement previous county capital investment, restore degraded aquatic or riparian ecosystems, improve water quality and flood control, promote trails and other recreational amenities, connect neighborhoods and public institutions, to a linear creek trail network. The fund balance decreased in FY 2023-24 by \$614,638. The remaining balance reflects time of project advances and project activities.

City of San Antonio (Capital Improvements Project) Fund: The River Authority works with the City of San Antonio to complete capital improvement projects that address flood control, water quality, and recreational opportunities. For FY 2023-24, the fund transitioned to a major fund due to Nueva Street Marina Dam Gate 5 Repair project activity funded by the City of San Antonio. Additionally, the City of San Antonio support for the Bexar County Creeks and Trails Program is captured within this fund.

San Antonio River Authority Public Facilities Corporation Fund: The Public Facilities Corporation is a nonprofit corporation that acts on behalf of the River Authority in cases of debt issuance needs. The Sheridan Administrative Building project is the main driver of increased activity within this fund. For FY 2023-2024, a debt issuance and increased expenditures related to the design of the facility were the main activities. The fund balance increased significantly, as compared to FY 2022-2023, to \$16.8 million as a result of a \$15 million debt issuance to support construction.

SARA Project Fund: The SARA project fund is categorized as a capital project fund where we account for studies and projects that further the mission of the River Authority. The main source of funding for these studies and projects is the General Fund. Completion of these projects and studies may span more than one fiscal year. Funds are transferred from the General Fund to provide needed funding for the projects budgeted in this fund. This fund also includes the Assigned Reserve established by the Board of Directors. This reserve can be used for any purpose including acquisition of facilities, water, water rights or other activities approved by the Board.

Total expenditures decreased by \$2,095,836 from FY 2022-23 to FY 2023-24 while transfers-in increased by \$702,773. Capital Outlay expenditures account for \$1,416,564 of the decrease and is attributable to the completion of facility improvements at 100 E. Guenther.

**SAN ANTONIO RIVER AUTHORITY
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Proprietary funds. The SARA Wastewater Utilities System, Salitrillo Wastewater Treatment Plant and the Randolph AFB Collection System comprise the River Authority’s proprietary fund activities. The areas served by these utility systems include residents, businesses, and other local governments in Bexar and Wilson counties. The main source of revenues are charges for services and intergovernmental revenue. Bonds are also utilized as a source of revenue for capital improvements as needed. The unrestricted net position of the business type activities at the end of FY 2023-24 was \$62,558,442 as compared to \$51,853,814 in FY 2022-23. The increase of \$10,704,628 is primarily attributed to higher investment earnings and increased service charge revenue. This, along with a minimal increase in expenses, attributed to the unrestricted net position increase. The Internal Service Fund unrestricted net position increased \$373,008 or 7.2% going from \$5,184,716 in FY 2022-23 to \$5,557,724 in FY 2023-24 due to additional revenue for new positions and a decrease in claims expense.

**SAN ANTONIO RIVER AUTHORITY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024
(UNAUDITED)**

BUDGETARY HIGHLIGHTS

General fund. There was a 6.8% increase between the original adopted budget and the amended budget. 62% of this increase is a result of an extension, three months, to the fiscal year converting the start date from July 1st to October 1st. The remaining 38% is an adjustment to beginning balances developed during the FY24 budget process and represents \$1,060,709.

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

- Actual revenues compared to amended budgeted revenue had a positive 2% \$1,087,527 variance.
- Across all departments, expenditures were under budget by \$1,305,430

Externally Funded Capital Projects. The FY 2023-24 Amended Budget includes additional funding from Bexar County totaling \$1,000,000 for San Antonio Zoo Well covered under the new Bexar County Rivers and Creeks program. The grant funds increased by \$1,506,575 (three federal awards, two state awards, and one local award) for FY 2023-24.

CAPITAL ASSETS & DEBT ADMINISTRATION

Long-term Debt. The River Authority had \$102.1 million and \$74.2 million in bonds at the end of 2024 and 2023, respectively, as shown below:

	2024	2023
SACIP Improvement Revenue Bonds	\$ 7,685,000	\$ 8,880,000
Public Facilities Corporation	24,866,000	10,658,000
SARA Wastewater Utilities System Revenue Bonds	48,340,000	32,275,000
Salitrillo Wastewater Utilities System Revenue Bonds	20,145,000	20,705,000
Texas Water Development Bonds	-	455,000
Contract Revenue Bonds	1,085,000	1,230,000
Total	\$ 102,121,000	\$ 74,203,000

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

**SAN ANTONIO RIVER AUTHORITY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024
(UNAUDITED)**

Capital Assets. The River Authority's capital assets for its governmental and business-type activities as of September 30, 2024, was \$778,194,322 (net of accumulated depreciation). The capital assets include land, buildings, machinery and equipment, flood control infrastructures, restoration projects, parks, 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).

Capital Assets (net of depreciation)

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	<u>9/30/2024</u>	<u>6/30/2023</u>	<u>9/30/2024</u>	<u>6/30/2023</u>	<u>9/30/2024</u>	<u>6/30/2023</u>
Capital assets, not being depreciated:						
Land	\$ 36,621,667	\$ 34,987,459	\$ 3,408,858	\$ 3,403,934	\$ 40,030,525	\$ 38,391,393
Water Rights	227,447	227,447	-	-	227,447	227,447
Construction in progress	<u>274,556,674</u>	<u>273,834,860</u>	<u>50,764,538</u>	<u>27,728,371</u>	<u>325,321,212</u>	<u>301,563,231</u>
Total capital assets, not being depreciated	<u>311,405,788</u>	<u>309,049,766</u>	<u>54,173,396</u>	<u>31,132,305</u>	<u>365,579,184</u>	<u>340,182,071</u>
Capital assets, being depreciated:						
Subscription asset	959,065	959,065	-	-	959,065	959,065
Office furniture, fixtures and equipment	2,792,240	2,949,413	150,791	150,791	2,943,031	3,100,204
Other machinery and equipment	8,052,082	8,293,811	5,410,716	5,547,402	13,462,798	13,841,213
Automobiles and trucks	2,551,284	2,349,587	3,260,849	2,503,480	5,812,133	4,853,067
Buildings	24,634,791	23,715,409	2,300,976	2,300,976	26,935,767	26,016,385
Improvements other than buildings	29,072,326	14,423,235	47,676,768	47,647,510	76,749,094	62,070,745
Sewage treatment facilities	-	-	76,583,424	69,213,838	76,583,424	69,213,838
Flood control projects	339,164,871	339,164,871	-	-	339,164,871	339,164,871
Restoration projects	<u>236,996,307</u>	<u>236,996,307</u>	<u>-</u>	<u>-</u>	<u>236,996,307</u>	<u>236,996,307</u>
Total capital assets, being depreciated	644,222,966	628,851,698	135,383,524	127,363,997	779,606,490	756,215,695
Accumulated depreciation	<u>(304,895,633)</u>	<u>(284,618,937)</u>	<u>(62,095,719)</u>	<u>(58,790,289)</u>	<u>(366,991,352)</u>	<u>(343,409,226)</u>
Capital assets, net	<u>\$ 650,733,121</u>	<u>\$ 653,282,527</u>	<u>\$ 127,461,201</u>	<u>\$ 99,706,013</u>	<u>\$ 778,194,322</u>	<u>\$ 752,988,540</u>

REQUESTS FOR INFORMATION

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



SAN ANTONIO
RIVER AUTHORITY

A POLITICAL SUBDIVISION OF THE STATE OF TEXAS.

Basic Financial Statements

**SAN ANTONIO RIVER AUTHORITY
STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2024**

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash	\$ 11,645,788	\$ 6,453,316	\$ 18,099,104
Investments	40,009,080	50,369,204	90,378,284
Accounts receivable	1,389,480	2,816,135	4,205,615
Intergovernmental receivables	4,957,348	-	4,957,348
Other receivables	54,088	498,603	552,691
Taxes receivable (net of \$409,468 for allowance for uncollectible)	1,705,674	-	1,705,674
Internal balances	(4,600,000)	4,600,000	-
Prepaid expenses and other assets	972,149	152,165	1,124,314
Restricted assets:			
Cash	130,000	-	130,000
Accounts receivable	-	50,417	50,417
Investments	2,608,480	4,287,496	6,895,976
Total restricted assets	<u>2,738,480</u>	<u>4,337,913</u>	<u>7,076,393</u>
Total current assets	<u>58,872,087</u>	<u>69,227,336</u>	<u>128,099,423</u>
Noncurrent assets:			
Restricted assets:			
Investments	<u>16,581,686</u>	<u>38,771,239</u>	<u>55,352,925</u>
Total restricted assets	16,581,686	38,771,239	55,352,925
Capital assets:			
Land	36,621,667	3,408,858	40,030,525
Water rights	227,447	-	227,447
Subscription asset	959,065	-	959,065
Office furniture, fixtures and equipment	2,792,240	150,791	2,943,031
Other machinery and equipment	8,052,082	5,410,716	13,462,798
Automobiles and trucks	2,551,284	3,260,849	5,812,133
Buildings	24,634,791	2,300,976	26,935,767
Improvements other than buildings	29,072,326	47,676,768	76,749,094
Sewage treatment facilities	-	76,583,424	76,583,424
Flood control projects	339,164,871	-	339,164,871
Restoration projects	236,996,307	-	236,996,307
Construction in progress	274,556,674	50,764,538	325,321,212
Less accumulated depreciation	<u>(304,895,633)</u>	<u>(62,095,719)</u>	<u>(366,991,352)</u>
Total capital assets (net of accumulated depreciation)	650,733,121	127,461,201	778,194,322
Lease receivable	-	660,312	660,312
Notes receivable	-	126,626	126,626
Total noncurrent assets	<u>667,314,807</u>	<u>167,019,378</u>	<u>834,334,185</u>
Total assets	<u>726,186,894</u>	<u>236,246,714</u>	<u>962,433,608</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow for OPEB	76,249	26,790	103,039
Deferred loss of bond refunding	<u>450,482</u>	<u>352,291</u>	<u>802,773</u>
Total deferred outflows of resources	<u>526,731</u>	<u>379,081</u>	<u>905,812</u>

See accompanying notes to the financial statements.

**SAN ANTONIO RIVER AUTHORITY
STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2024**

	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 4,640,181	\$ 352,653	\$ 4,992,834
Notes payable	-	28,188	28,188
Compensated absences	191,707	38,784	230,491
Other accrued liabilities	549,068	111,362	660,430
Current liabilities payable from restricted assets:			
Advance for construction	-	1,749,278	1,749,278
Accounts payable	-	3,372,259	3,372,259
Retainage payable	2,022,479	2,280,384	4,302,863
Unearned revenue - services	1,597,174	-	1,597,174
Accrued interest payable	265,727	533,479	799,206
Bonds payable within one year	3,953,000	3,025,000	6,978,000
Total current liabilities payable from restricted assets	7,838,380	10,960,400	18,798,780
Total current liabilities	13,219,336	11,491,387	24,710,723
Noncurrent liabilities:			
Notes payable	-	789,388	789,388
OPEB liability	181,169	63,653	244,822
Compensated absences	766,826	155,140	921,966
Bonds payable after one year	28,656,871	72,446,173	101,103,044
Total noncurrent liabilities	29,604,866	73,454,354	103,059,220
Total liabilities	42,824,202	84,945,741	127,769,943
Deferred inflows of resources:			
Deferred inflows - leases	-	673,839	673,839
NET POSITION			
Net investment in capital assets	633,132,939	50,711,512	683,844,451
Restricted for:			
Debt service	-	3,754,017	3,754,017
Construction	721,647	33,982,244	34,703,891
Watershed management	348,594	-	348,594
Water management	225,095	-	225,095
Unrestricted	49,461,148	62,558,442	112,019,590
Total net position	\$ 683,889,423	\$ 151,006,215	\$ 834,895,638

See accompanying notes to the financial statements.

**SAN ANTONIO RIVER AUTHORITY
STATEMENT OF ACTIVITIES
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary government:							
Governmental activities:							
General government	\$ 41,688,236	\$ 9,166,893	\$ -	\$ -	\$ (32,521,343)	\$ -	\$ (32,521,343)
Operations	27,763,176	10,113,162	-	-	(17,650,014)	-	(17,650,014)
Technical services	19,998,540	21,151,914	2,692,752	12,399	3,858,525	-	3,858,525
Interest and other fees	1,038,475	-	-	-	(1,038,475)	-	(1,038,475)
Total governmental activities	<u>90,488,427</u>	<u>40,431,969</u>	<u>2,692,752</u>	<u>12,399</u>	<u>(47,351,307)</u>	<u>-</u>	<u>(47,351,307)</u>
Business-type activities:							
Operations:							
Utilities	23,150,168	36,157,949	-	7,740,943	-	20,748,724	20,748,724
Total primary government	<u>\$ 113,638,595</u>	<u>\$ 76,589,918</u>	<u>\$ 2,692,752</u>	<u>\$ 7,753,342</u>	<u>(47,351,307)</u>	<u>-</u>	<u>(26,602,583)</u>
General revenues:							
					47,166,700	-	47,166,700
					3,704,354	7,666,878	11,371,232
					(46,143)	(82,962)	(129,105)
					359,843	432,048	791,891
					<u>51,184,754</u>	<u>8,015,964</u>	<u>59,200,718</u>
					3,833,447	28,764,688	32,598,135
					680,055,976	122,241,527	802,297,503
					<u>\$ 683,889,423</u>	<u>\$ 151,006,215</u>	<u>\$ 834,895,638</u>

See accompanying notes to the financial statements.

**SAN ANTONIO RIVER AUTHORITY
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF SEPTEMBER 30, 2024**

	<u>Special Revenue Fund</u>		<u>Capital Projects Funds</u>		
	General Fund	(Previous Year Nonmajor Fund) San Antonio River Public Facility Corp.	<u>Westside Creek Restoration</u>		SARA Project Fund
			Bexar County	(Previous Year Major Fund) City of San Antonio	
ASSETS					
Cash	\$ 9,860,498	\$ 57,841	\$ 235,495	\$ -	\$ 7,705
Investments	5,796,880	524,278	513,040	-	24,679,526
Prepays and other assets	972,149	-	-	-	-
Accounts receivable	-	-	-	-	-
Intergovernmental receivables	174,281	-	1,800,691	-	-
Interest receivable	496	8,030	18,700	-	-
Taxes receivable (net of allowance for uncollectible)	1,705,674	-	-	-	-
Due from other funds of the Authority	1,809,244	-	-	-	-
Cash - restricted	-	-	-	-	-
Investments - restricted	-	16,581,686	-	-	-
Total assets	<u>\$ 20,319,222</u>	<u>\$ 17,171,835</u>	<u>\$ 2,567,926</u>	<u>\$ -</u>	<u>\$ 24,687,231</u>
LIABILITIES					
Accounts payable	\$ 974,855	\$ 404,875	\$ 1,765,196	\$ -	\$ 184,654
Retainage payable	-	-	976,688	-	-
Due to other funds of the Authority	7,167	-	-	-	-
Other accrued liabilities	549,068	-	-	-	-
Unearned revenue - services	79,954	-	(555,773)	-	-
Total liabilities	<u>1,611,044</u>	<u>404,875</u>	<u>2,186,111</u>	<u>-</u>	<u>184,654</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	<u>1,587,874</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable:					
Prepaid items and other assets	972,149	-	-	-	-
Restricted:					
Construction	-	16,766,960	381,815	-	-
Watershed management	-	-	-	-	-
Water management	-	-	-	-	-
Committed:					
Future project reserve	-	-	-	-	6,675,181
Parks	-	-	-	-	-
Assigned:					
Contract commitments	2,455,115	-	-	-	-
Future operating costs	13,693,040	-	-	-	-
Projects	-	-	-	-	17,827,396
Unassigned (deficit)	-	-	-	-	-
Total fund balances (deficit)	<u>17,120,304</u>	<u>16,766,960</u>	<u>381,815</u>	<u>-</u>	<u>24,502,577</u>
Total liabilities deferred inflows of resources and fund balances	<u>\$ 20,319,222</u>	<u>\$ 17,171,835</u>	<u>\$ 2,567,926</u>	<u>\$ -</u>	<u>\$ 24,687,231</u>

See accompanying notes to the financial statements.

**SAN ANTONIO RIVER AUTHORITY
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF SEPTEMBER 30, 2024**

	Capital Projects Funds				
	Bexar County Project Fund	San Antonio River Improvement Project (Previous Year Nonmajor Fund) City of San Antonio	Debt Service	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash	\$ 5,452	\$ 571,626	\$ 151,897	\$ 234,455	\$ 11,124,969
Investments	1,926,766	2,893	217,941	1,321,352	34,982,676
Prepays and other assets	-	-	-	-	972,149
Accounts receivable	-	-	-	1,386,153	1,386,153
Intergovernmental receivables	-	2,028,909	-	953,467	4,957,348
Interest receivable	-	-	-	6,559	33,785
Taxes receivable (net of allowance for uncollectible)	-	-	-	-	1,705,674
Due from other funds of the Authority	7,167	-	-	-	1,816,411
Cash - restricted	-	-	-	130,000	130,000
Investments - restricted	-	-	2,608,480	-	19,190,166
Total assets	<u>\$ 1,939,385</u>	<u>\$ 2,603,428</u>	<u>\$ 2,978,318</u>	<u>\$ 4,031,986</u>	<u>\$ 76,299,331</u>
LIABILITIES					
Accounts payable	\$ 513,417	\$ 587,527	\$ -	\$ 196,528	\$ 4,627,052
Retainage payable	56,993	289,787	-	699,011	2,022,479
Due to other funds of the Authority	-	1,554,235	3,100,000	1,755,009	6,416,411
Other accrued liabilities	-	-	-	-	549,068
Unearned revenue - services	1,956,892	-	-	116,101	1,597,174
Total liabilities	<u>2,527,302</u>	<u>2,431,549</u>	<u>3,100,000</u>	<u>2,766,649</u>	<u>15,212,184</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	1,587,874
FUND BALANCES					
Nonspendable:					
Prepaid items and other assets	-	-	-	-	972,149
Restricted:					
Construction	-	171,879	-	167,953	17,488,607
Watershed management	-	-	-	348,594	348,594
Water management	-	-	-	225,095	225,095
Committed:					
Unrestricted reserve	-	-	-	-	6,675,181
Parks	-	-	-	523,695	523,695
Assigned:					
Contract commitments	-	-	-	-	2,455,115
Future operating costs	-	-	-	-	13,693,040
Projects	-	-	-	-	17,827,396
Unassigned (deficit)	(587,917)	-	(121,682)	-	(709,599)
Total fund balances (deficit)	<u>(587,917)</u>	<u>171,879</u>	<u>(121,682)</u>	<u>1,265,337</u>	<u>59,499,273</u>
Total liabilities deferred inflows of resources and fund balances	<u>\$ 1,939,385</u>	<u>\$ 2,603,428</u>	<u>\$ 2,978,318</u>	<u>\$ 4,031,986</u>	<u>\$ 76,299,331</u>

See accompanying notes to the financial statements.

**SAN ANTONIO RIVER AUTHORITY
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2024**

Total fund balances - governmental funds	\$ 59,499,273
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets, including subscription assets, used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	650,733,121
Other long-term assets (taxes receivable, net of \$409,468 allowance) are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	1,587,874
Other postemployment benefit liabilities and deferred outflows of resources do not relate to current financial resources and are not reported in the governmental funds.	(104,920)
Compensated absences are only recognized upon maturing, therefore are not reported in the funds.	(958,533)
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.	5,557,724
Long-term liabilities, such as bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
Bonds payable	(32,551,000)
Accrued interest	(265,727)
Issuance premium (to be amortized as interest expense)	(204,513)
Issuance discount (to be amortized as interest expense)	145,642
Deferred loss on bond refunding (to be amortized as interest expense)	<u>450,482</u>
Net position of governmental activities	<u>\$ 683,889,423</u>

See accompanying notes to the financial statements.

SAN ANTONIO RIVER AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024

	Special Revenue Fund		Capital Project Funds		
	General	(Previous Year Nonmajor Fund) San Antonio River Public Facility Corp.	Westside Creek Restoration		
			Bexar County	(Previous Year Major Fund) City of San Antonio	SARA Project Fund
REVENUES					
Taxes	\$ 47,166,700	\$ -	\$ -	\$ -	\$ -
Investment earnings (loss)	2,433,387	371,953	111,509	-	199,783
Intergovernmental	950,241	-	12,614,444	-	-
Charges for services	718,928	-	-	-	-
Support fees	1,896,092	-	-	-	-
Miscellaneous	318,522	-	-	-	-
Total Revenues	53,483,870	371,953	12,725,953	-	199,783
EXPENDITURES					
Current:					
General government	20,463,810	-	-	-	-
Operations	11,254,069	1,454	803,985	-	1,604,011
Technical services	9,685,577	-	39,305	-	-
Debt Service:					
Bond principal	-	792,000	-	-	-
Interest and fees on bonds	-	443,138	-	-	-
Subscription payment - principal	667,818	-	-	-	-
Subscription payment - interest	52,282	-	-	-	-
Capital Outlay:					
Capital projects	-	-	-	-	2,125,937
General government	559,943	-	-	-	-
Operations	355,752	2,216,985	-	-	-
Technical services	199,679	-	11,771,154	-	-
Total expenditures	43,238,930	3,453,577	12,614,444	-	3,729,948
Excess (deficiency) of revenues over (under) expenditures	10,244,940	(3,081,624)	111,509	-	(3,530,165)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	995,545	-	-	9,130,285
Issuance of refunding bonds	-	15,000,000	-	-	-
Transfers out	(10,725,178)	-	-	-	-
Total other financing sources and (uses)	(10,725,178)	15,995,545	-	-	9,130,285
Net change in fund balances	(480,238)	12,913,921	111,509	-	5,600,120
Fund (deficit) balances, July 1, as previously reported	17,600,542	-	270,306	38,199	18,902,457
Adjustment - changes from major fund to nonmajor fund	-	-	-	(38,199)	-
Adjustment - changes from nonmajor fund to major fund	-	3,853,039	-	-	-
Fund (deficit) balances, July 1, as adjusted	17,600,542	3,853,039	270,306	-	18,902,457
Fund (deficit) balances, September 30	\$ 17,120,304	\$ 16,766,960	\$ 381,815	\$ -	\$ 24,502,577

See accompanying notes to the financial statements.

SAN ANTONIO RIVER AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024

	Capital Project Funds				Total Governmental Funds
	Bexar County Capital Projects	San Antonio River Improvement Project (Previous Year Nonmajor Fund) City of San Antonio	Debt Service	Other Governmental Funds	
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$47,166,700
Investment earnings (loss)	-	-	128,046	47,960	3,292,638
Intergovernmental	4,930,568	8,773,451	1,422,881	6,157,757	34,849,342
Charges for services	-	-	-	104,120	823,048
Support fees	-	-	-	-	1,896,092
Miscellaneous	-	-	-	41,321	359,843
Total Revenues	<u>4,930,568</u>	<u>8,773,451</u>	<u>1,550,927</u>	<u>6,351,158</u>	<u>88,387,663</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	20,463,810
Operations	-	8,773,451	-	301,599	22,738,569
Technical services	5,545,206	-	-	4,117,766	19,387,854
Debt Service:					
Bond principal	-	-	1,650,000	-	2,442,000
Interest and fees on bonds	-	-	267,020	-	710,158
Subscription payment - principal	-	-	-	-	667,818
Subscription payment - interest	-	-	-	-	52,282
Capital Outlay:					
Capital projects	-	-	-	1,612,427	3,738,364
General government	-	-	-	-	559,943
Operations	-	-	-	-	2,572,737
Technical services	-	-	-	10,913	11,981,746
Total expenditures	<u>5,545,206</u>	<u>8,773,451</u>	<u>1,917,020</u>	<u>6,042,705</u>	<u>85,315,281</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(614,638)</u>	<u>-</u>	<u>(366,093)</u>	<u>308,453</u>	<u>3,072,382</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	599,348	-	10,725,178
Issuance of refunding bonds	-	-	-	-	15,000,000
Transfers out	-	-	-	-	(10,725,178)
Total other financing sources and (uses)	<u>-</u>	<u>-</u>	<u>599,348</u>	<u>-</u>	<u>15,000,000</u>
Net change in fund balances	<u>(614,638)</u>	<u>-</u>	<u>233,255</u>	<u>308,453</u>	<u>18,072,382</u>
Fund (deficit) balances, July 1, as previously reported	<u>26,721</u>	<u>-</u>	<u>(354,937)</u>	<u>4,943,603</u>	<u>41,426,891</u>
Adjustment - changes from major fund to nonmajor fund	-	-	-	38,199	-
Adjustment - changes from nonmajor fund to major fund	-	171,879	-	(4,024,918)	-
Fund (deficit) balances, July 1, as adjusted	<u>26,721</u>	<u>171,879</u>	<u>(354,937)</u>	<u>956,884</u>	<u>41,426,891</u>
Fund (deficit) balances, September 30	<u>\$ (587,917)</u>	<u>\$ 171,879</u>	<u>\$ (121,682)</u>	<u>\$ 1,265,337</u>	<u>\$59,499,273</u>

See accompanying notes to the financial statements.

**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 FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

Net change in fund balances - total governmental funds \$ 18,072,382

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

Governmental funds report capital outlays as expenditures, however, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide statements	18,852,790
Contributed capital	12,399
Loss on disposal of assets	(46,143)
Depreciation/amortization is reported in the government-wide statements	(21,368,454)

Other revenues and expenses in the statement of activities that do not provide current financial resources; therefore, not reported as revenues or expenditures in the governmental funds:

Change in unavailable revenue - property taxes	75,835
Change in other postemployment benefit liabilities and deferred inflows of resources.	64,981
Change in compensated absences	(37,138)

Bond and subscription asset 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.

Issuance of bonds payable	(15,000,000)
Bond principal payments	2,442,000
Subscription liability payment	667,818
Accrued interest	(209,899)
Amortization of bond premium/discount	4,069
Amortization of loss on refunding	(70,201)

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.

373,008

Change in net position of governmental activities \$ 3,833,447

**SAN ANTONIO RIVER AUTHORITY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AS OF SEPTEMBER 30, 2024**

	Business-Type Activities - Enterprise Funds			Business-Type Activities	Governmental Activities
	SARA Wastewater Utilities System	Salitrillo Wastewater Treatment Plant	Nonmajor Fund Randolph AFB Collection System	Enterprise Fund Total	Internal Service Fund
ASSETS					
Current assets:					
Cash	\$ 4,779,079	\$ 1,306,993	\$ 367,244	\$ 6,453,316	\$ 520,819
Investments	30,993,753	14,203,281	5,172,170	50,369,204	5,026,404
Accounts receivable	1,659,902	1,101,671	54,562	2,816,135	3,327
Other receivables	382,751	115,852	-	498,603	20,303
Due from other funds of the Authority	4,600,000	-	-	4,600,000	-
Prepaid expenses and other assets	115,935	36,230	-	152,165	-
Restricted assets:					
Accounts receivable	50,417	-	-	50,417	-
Investments	3,127,169	1,160,327	-	4,287,496	-
Total restricted assets	3,177,586	1,160,327	-	4,337,913	-
Total current assets	45,709,006	17,924,354	5,593,976	69,227,336	5,570,853
Noncurrent assets:					
Restricted assets:					
Investments	36,630,603	2,140,636	-	38,771,239	-
Total noncurrent restricted assets	36,630,603	2,140,636	-	38,771,239	-
Capital assets:					
Land	3,278,259	130,599	-	3,408,858	-
Office furniture, fixtures, and equipment	110,908	39,883	-	150,791	-
Other machinery and equipment	2,487,731	2,681,483	241,502	5,410,716	-
Automobiles and trucks	2,142,375	1,118,474	-	3,260,849	-
Buildings	2,249,334	51,642	-	2,300,976	-
Improvements other than buildings	11,607,864	31,071,662	4,997,242	47,676,768	-
Sewage treatment facilities	51,454,221	23,719,679	1,409,524	76,583,424	-
Construction in progress	43,543,482	6,636,085	584,971	50,764,538	-
Less accumulated depreciation	(34,815,355)	(25,349,104)	(1,931,260)	(62,095,719)	-
Total capital assets (net of accumulated depreciation)	82,058,819	40,100,403	5,301,979	127,461,201	-
Lease receivable	660,312	-	-	660,312	-
Notes receivable	126,626	-	-	126,626	-
Total noncurrent assets	119,476,360	42,241,039	5,301,979	167,019,378	-
Total assets	165,185,366	60,165,393	10,895,955	236,246,714	5,570,853
Deferred outflows of resources:					
Deferred outflow for OPEB	18,753	8,037	-	26,790	-
Deferred loss of bond refunding	352,291	-	-	352,291	-
Total deferred outflows of resources:	371,044	8,037	-	379,081	-
Total assets and deferred outflows	\$ 165,556,410	\$ 60,173,430	\$ 10,895,955	\$ 236,625,795	\$ 5,570,853

See accompanying notes to the financial statements.

**SAN ANTONIO RIVER AUTHORITY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AS OF SEPTEMBER 30, 2024**

	Business-Type Activities - Enterprise Funds			Business-Type Activities	Governmental Activities
	SARA	Salitrillo	Nonmajor Fund	Enterprise	Internal
	Wastewater	Wastewater	Randolph AFB	Fund	Service
	Utilities System	Treatment Plant	Collection System	Total	Fund
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 219,750	\$ 132,851	\$ 52	\$ 352,653	\$ 13,129
Notes payable	-	-	28,188	28,188	-
Compensated absences	27,149	11,635	-	38,784	-
Other accrued liabilities	74,684	36,678	-	111,362	-
Current liabilities payable from restricted assets:					
Advance for construction	1,749,278	-	-	1,749,278	-
Accounts payable	3,337,181	35,078	-	3,372,259	-
Retainage payable	867,028	1,409,304	4,052	2,280,384	-
Accrued interest payable	456,448	77,031	-	533,479	-
Bonds payable within one year	<u>2,290,000</u>	<u>735,000</u>	<u>-</u>	<u>3,025,000</u>	<u>-</u>
Total current liabilities payable from restricted assets	<u>8,699,935</u>	<u>2,256,413</u>	<u>4,052</u>	<u>10,960,400</u>	<u>-</u>
Total current liabilities	<u>9,021,518</u>	<u>2,437,577</u>	<u>32,292</u>	<u>11,491,387</u>	<u>13,129</u>
Noncurrent liabilities:					
Notes payable	-	-	789,388	789,388	-
OPEB liability	44,557	19,096	-	63,653	-
Compensated absences	108,598	46,542	-	155,140	-
Revenue bonds payable after one year	<u>49,111,795</u>	<u>23,334,378</u>	<u>-</u>	<u>72,446,173</u>	<u>-</u>
Total noncurrent liabilities	<u>49,264,950</u>	<u>23,400,016</u>	<u>789,388</u>	<u>73,454,354</u>	<u>-</u>
Total liabilities	<u>58,286,468</u>	<u>25,837,593</u>	<u>821,680</u>	<u>84,945,741</u>	<u>13,129</u>
Deferred inflows of resources:					
Deferred inflows - leases	<u>673,839</u>	<u>-</u>	<u>-</u>	<u>673,839</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	31,644,518	14,586,643	4,480,351	50,711,512	-
Restricted for debt service	2,670,721	1,083,296	-	3,754,017	-
Restricted for construction	31,841,608	2,140,636	-	33,982,244	-
Unrestricted	<u>40,439,256</u>	<u>16,525,262</u>	<u>5,593,924</u>	<u>62,558,442</u>	<u>5,557,724</u>
Total net position	<u>\$106,596,103</u>	<u>\$ 34,335,837</u>	<u>\$ 10,074,275</u>	<u>\$151,006,215</u>	<u>\$ 5,557,724</u>

See accompanying notes to the financial statements.

SAN ANTONIO RIVER AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGE IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024

	Business-Type Activities - Enterprise Funds			Business-Type Activities	Governmental Activities
	SARA	Salitritillo	Nonmajor Fund	Enterprise	Internal
	Wastewater Utilities System	Wastewater Treatment Plant	Randolph AFB Collection System	Fund Total	Service Fund
Operating revenues:					
Intergovernmental	\$ 577,201	\$ 314,991	\$ -	\$ 892,192	\$ -
Utility service charges	22,879,898	11,232,314	1,102,596	35,214,808	-
Charges for services	50,949	-	-	50,949	-
Premiums	-	-	-	-	5,480,403
Miscellaneous	432,048	-	-	432,048	-
Total operating revenues	<u>23,940,096</u>	<u>11,547,305</u>	<u>1,102,596</u>	<u>36,589,997</u>	<u>5,480,403</u>
Operating expenses:					
Personnel services	3,765,919	2,074,727	-	5,840,646	-
Supplies	863,631	434,716	5,367	1,303,714	-
Other services & charges	6,126,002	2,285,552	119,774	8,531,328	5,519,108
Depreciation	1,970,236	2,112,122	246,800	4,329,158	-
Total operating expenses	<u>12,725,788</u>	<u>6,907,117</u>	<u>371,941</u>	<u>20,004,846</u>	<u>5,519,108</u>
Operating income (loss)	<u>11,214,308</u>	<u>4,640,188</u>	<u>730,655</u>	<u>16,585,151</u>	<u>(38,705)</u>
Nonoperating revenues (expenses):					
Investment earnings (loss)	6,263,689	1,181,852	221,337	7,666,878	411,713
Net gain (loss) on sale/disposal of capital assets	(82,711)	(251)	-	(82,962)	-
Interest expense and amortization	(2,014,687)	(951,274)	-	(2,965,961)	-
Bond issuance and agent fees	(177,711)	(1,650)	-	(179,361)	-
Total nonoperating revenues (expenses) before contributions	<u>3,988,580</u>	<u>228,677</u>	<u>221,337</u>	<u>4,438,594</u>	<u>411,713</u>
Contributions					
Contributed capital	7,449,193	291,750	-	7,740,943	-
Change in net position	22,652,081	5,160,615	951,992	28,764,688	373,008
Net position, beginning	83,944,022	29,175,222	9,122,283	122,241,527	5,184,716
Net position, ending	<u>\$ 106,596,103</u>	<u>\$ 34,335,837</u>	<u>\$ 10,074,275</u>	<u>\$ 151,006,215</u>	<u>\$ 5,557,724</u>

See accompanying notes to the financial statements.

SAN ANTONIO RIVER AUTHORITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024

	Business-Type Activities - Enterprise Funds			Business-Type Activities	Governmental Activities
	SARA	Salitrillo	Nonmajor Fund	Enterprise	Internal
	Wastewater Utilities System	Wastewater Treatment Plant	Randolph AFB Collection System	Fund Total	Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 19,196,869	\$ 11,318,649	\$ 1,102,596	\$ 31,618,114	\$ 5,464,771
Payments to suppliers	(6,830,870)	(2,722,093)	(26,793)	(9,579,756)	(5,505,979)
Payments to employees	(4,098,115)	(2,077,366)	(98,348)	(6,273,829)	-
Net cash provided (used) by operating activities	<u>8,267,884</u>	<u>6,519,190</u>	<u>977,455</u>	<u>15,764,529</u>	<u>(41,208)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital contributions	7,751,415	291,750	81,714	8,124,879	-
Principal paid on capital debt	(2,250,000)	(705,000)	(35,235)	(2,990,235)	-
Proceeds from debt	17,825,598	-	-	17,825,598	-
Premium on debt	674,402	-	-	674,402	-
Interest and fees paid on capital debt	(1,726,794)	(1,345,057)	-	(3,071,851)	-
Purchases of capital assets	(21,223,562)	(7,334,812)	(584,758)	(29,143,132)	-
Net cash provided (used) by capital and related financing activities	<u>1,051,059</u>	<u>(9,093,119)</u>	<u>(538,279)</u>	<u>(8,580,339)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sales and maturities of investments	5,990,263	6,917,242	-	12,907,505	900,000
Purchase of investments	-	-	(220,341)	(220,341)	-
Interest on investments	6,013,867	1,120,780	221,337	7,355,984	411,713
Net cash provided (used) by investing activities	<u>12,004,130</u>	<u>8,038,022</u>	<u>996</u>	<u>20,043,148</u>	<u>1,311,713</u>
Net increase (decrease) in cash and cash equivalents	21,323,073	5,464,093	440,172	27,227,338	1,270,505
Cash and cash equivalents - July 1	1,168,394	9,679,797	126,741	10,974,932	377,908
Cash and cash equivalents - September 30	<u>\$ 22,491,467</u>	<u>\$ 15,143,890</u>	<u>\$ 566,913</u>	<u>\$ 38,202,270</u>	<u>\$ 1,648,413</u>
Noncash Capital and Related Financing Activities					
Amoritization	\$ 166,853	\$ 172,431	\$ -	\$ 339,284	\$ -
Contributed Capital	\$ 723,528	\$ -	\$ -	\$ 723,528	\$ -

See accompanying notes to the financial statements.

**SAN ANTONIO RIVER AUTHORITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

	Business-Type Activities - Enterprise Funds			Business-Type Activities	Governmental Activities
	SARA	Salitrillo	Nonmajor Fund	Enterprise	Internal
	Wastewater Utilities System	Wastewater Treatment Plant	Randolph AFB Collection System	Fund Total	Service Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Net cash provided (used) by operating activities:					
Operating income (loss)	\$ 11,214,308	\$ 4,640,188	\$ 730,655	\$ 16,585,151	\$ (38,705)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	1,970,236	2,112,122	246,800	4,329,158	-
Changes in operating assets, deferred outflows of resources and liabilities:					
Receivables	(129,554)	(228,656)	-	(358,210)	(15,632)
Prepaid and other assets	(115,935)	(36,230)	-	(152,165)	-
Due from other funds	(4,600,000)	-	-	(4,600,000)	-
Accounts payable	19,104	60,521	-	79,625	13,129
Other accrued liabilities	(60,620)	(21,906)	-	(82,526)	-
Deferred inflow of resources	(13,673)	-	-	(13,673)	-
Post employment retirement benefit	(4,359)	(1,868)	-	(6,227)	-
OPEB related deferrals and liabilities	(11,623)	(4,981)	-	(16,604)	-
Net cash provided (used) by operating activities	<u>\$ 8,267,884</u>	<u>\$ 6,519,190</u>	<u>\$ 977,455</u>	<u>\$ 15,764,529</u>	<u>\$ (41,208)</u>
Reconciliation of cash and cash equivalents to Statements of Net Position accounts:					
Cash and Investments	\$ 35,772,694	\$ 15,510,274	\$ 5,539,414	\$ 56,822,382	\$ 5,547,223
Debt service account	3,127,169	1,160,327	-	4,287,496	-
Reserve account	555,944	-	-	555,944	-
Connection fee account	31,791,329	2,140,636	-	33,931,965	-
Construction account	4,283,468	-	-	4,283,468	-
Total Cash and Investments	75,530,604	18,811,237	5,539,414	99,881,255	5,547,223
Less: Noncash Equivalents	(53,039,137)	(3,667,347)	(4,972,501)	(61,678,985)	(3,898,810)
Total Cash and Cash Equivalents	<u>\$ 22,491,467</u>	<u>\$ 15,143,890</u>	<u>\$ 566,913</u>	<u>\$ 38,202,270</u>	<u>\$ 1,648,413</u>

See accompanying notes to the financial statements.

Notes



Photo by Tristan Infante
2024 River Clicks Photo Contest
Judge's Choice – Wilson County

**SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

1. Reporting Entity and Significant Accounting Policies

Reporting Entity

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

The River Authority is a conservation and reclamation district under the authority of Article 16, Section 59 of the Texas Constitution, and is declared to be "a governmental agency, a municipality, body politic and corporate, vested with all the authority and full sovereignty of the State, on 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.

During FY 2022-2023, the River Authority, as a political subdivision, underwent its inaugural sunset review conducted by the Sunset Advisory Commission. Following this review, a state legislative bill was passed to amend the agency's governing statute. Among the recommendations was a change to the agency's fiscal year period. Beginning with FY 2024-2025, the River Authority's fiscal year will start on October 1. As a result, FY 2023-2024 will be a 15-month period.

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 one blended component unit with September 30 fiscal year-ends. The River Authority has no discretely presented component units. Financial statements of this component unit can be obtained by contacting the River Authority.

Blended Component Unit

The San Antonio River Authority Public Facilities Corporation (PFC) is a nonprofit public facility corporation that acts on behalf of the River Authority in cases of debt issuances for facility purchases utilizing lease revenue bonds. 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.

In 2019, the PFC issued bonds and entered into an agreement with the River Authority which occupies the property. The payments from the River Authority to the PFC represent and are equal to the debt service payments on the bonds. The payments are operations & maintenance expense to the River Authority and do

SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024

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. 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 property tax revenue, 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.

Fund Financial Statements

Fund financial statements of the River Authority are organized into funds, each of which is considered separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures/ expenses. Funds are organized into two major categories: governmental and proprietary. 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
- 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.
- c) In addition, any other governmental or enterprise fund that the River Authority believes is particularly important to financial statement users may be reported as a major fund.

Nonmajor 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.

**SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

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 (7) 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.

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

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

The *Bexar County Capital Project Fund* is a capital project fund which accounts for flood control capital improvement projects within the boundaries of Bexar County. Bexar County pays all expenses incurred.

The *Debt Service Fund* accounts for resources to pay principal and interest on long-term debt for non-enterprise system capital improvement projects. Revenues come from the River Authority's portion of the Bexar County flood control property tax revenue and from the General Fund.

The *Public Facilities Corporation Fund* accounts for the San Antonio River Authority Public Facilities Corporation which acts on behalf of the River Authority in cases of debt issuances for facility purchases using lease revenue bonds.

The *City of San Antonio* is a capital project fund which assist the City of San Antonio with improvement projects that address flood control, water quality and recreational opportunities. The City of San Antonio pays all expenses incurred.

Nonmajor governmental funds (8) 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

SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024

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

The nonmajor enterprise fund of the River Authority is the Randolph AFB 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.

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 financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred or economic asset used, 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 have been recognized as revenues of the current fiscal period. All other revenue items are considered 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

SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024

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. Exceptions to this general rule are charges between the River Authority's utility functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenue reported for the various functions concerned.

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.

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.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents have original maturities of three months or less from the date of acquisition.

Investments

Investments for the River Authority are stated at fair value. The fair value framework uses a hierarchy that prioritizes the inputs to the valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the River Authority has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.

SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024

- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability. Most investments in debt securities are valued using Level 2 measurements because the valuation uses interest rate curves and credit spreads applied to the terms of the debt instrument (maturity and coupon interest rate) and consider counter-party credit rating.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The valuation methodologies described above may produce a fair value calculation that may not be indicative of net realizable values or reflective of future fair values. Furthermore, while the River Authority believes its valuation methods are appropriate and consistent with those of other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified.

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.

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, net of any premiums and discounts, or 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.

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 financial statement element, deferred outflows of resources, represents a consumption of assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

**SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This financial statement element, deferred inflows of resources, represents an acquisition of assets balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Capital Assets

Capital assets, which include property, plant, equipment, subscription assets, 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 over \$5,000 are capitalized at cost. Donated capital assets are valued at their acquisition value on the date received.

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

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

Asset Class	Life
Office furniture, fixtures, and equipment	3 – 10 years
Subscription assets 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
Flood control infrastructures	10 – 50 years
Restoration projects	10 – 50 years

Ad Valorem Tax

In 1961, an ad valorem tax of two cents per one hundred dollars assessed valuation was approved by River Authority voters and was collected annually at its maximum rate by the tax collector of each county. Effective July 1, 1977, the tax was reduced to one and one-half cents per one hundred dollars, and effective July 1, 1979; the tax was further reduced to one cent per one hundred dollars valuation by action of the River Authority. Use of this tax income is limited to general administration, maintenance of completed projects, and updating of the River Authority’s master plan for water resource development. This tax revenue may not be pledged to debt service on any bonds, nor may it be used to construct works of improvement. No tax was levied for fiscal year 1981 and subsequent years. In June 2002, the River Authority’s Board of Directors, after approval of the five-year service plan, reinstated the ad valorem tax in the amount of \$0.016425 per one hundred dollars valuation. The tax rate for fiscal year 2024 was \$0.01800 per one hundred dollars valuation. The service areas to address

**SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

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.

Taxes/Accounts receivable

Tax receivables have been shown net of an allowance of uncollectible accounts of \$409,468, based on historical trends. The allowance for uncollectible accounts is established as losses are estimated to have occurred through a provision for bad debt charged to earnings. Losses are charged against the allowance using specific identification method when management believes it is probable the receivable will be recovered. As of September 30, 2024, management determined accounts receivable to be fully collectible.

Other Accrued Liabilities

Accrued liabilities consist of accrued payroll and other benefit related liabilities.

Long-Term Obligations

Long-term debt and other obligations are reported as the River Authority's liabilities. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Gains or losses on prior refunding are amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter. The balance at year end for premiums and discounts is shown as an increase or decrease in the liability section of the statement of net position. The balance at year end for the loss on refunding is shown as a deferred outflow in the statement of net position.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, the River Authority's plan recognizes benefit payments when due and payable in accordance with benefit terms.

Unearned Revenue

Unearned revenue – funds 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.

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

**SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

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. An annual budget has not been formally adopted for the Capital Project Funds as these 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.

Leases

The River Authority is a lessor because it leases capital assets to other entities. As a lessor, the River Authority reports a lease receivable and corresponding deferred inflow of resources at the fund level and entity-wide statements (Note 5). The government continues to report and depreciate the capital assets being leased as capital assets of the primary government and business type activities. The River Authority has a policy to recognize leases by fund group as detailed in the table below:

<u>Fund Description</u>	<u>Amount</u>	<u>Cumulative Amount for Similar Type Leases</u>
General Fund	\$ 680,000	\$ 1,000,000
SARA Wastewater	\$ 85,000	\$ 100,000
Salitrillo Wastewater	\$ 30,000	\$ 50,000
Randolph Air Force Base	\$ 9,500	\$ 15,000

The River Authority is a lessee because it leases capital assets from other entities. As a lessee, the River Authority reports a lease liability and an intangible right-to-use capital asset (known as the lease asset) on the entity-wide statements and proprietary fund statements. In the governmental fund financial statements, the government recognizes lease proceeds and capital outlay at initiation of the lease, and the outflow of resources for the lease liability as a debt service payment. As of September 30, 2024, there were no new lease contracts meeting the Authority’s

<u>Fund Description</u>	<u>Amount</u>	<u>Cumulative Amount for Similar Type Leases</u>
General Fund	\$ 400,000	\$ 700,000
SARA Wastewater	\$ 85,000	\$ 100,000
Salitrillo Wastewater	\$ 30,000	\$ 50,000
Randolph Air Force Base	\$ 9,500	\$ 12,000

policy. The River Authority has a policy to recognize leases by fund group as detailed in the table below:

**SAN ANTONIO RIVER AUTHORITY
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Subscription Based Information Technology Arrangements (SBITA)

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. These type of technology arrangements follows the same thresholds for capitalization as identified in the lessor section of Leases discussed above.

Advance for Construction

The River Authority may receive advances or deposits for capital projects prior to construction commencing. These funds will be included as a liability on the financial statements until construction begins. At that time, funds will be recognized as revenue.

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.

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- *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. The General Fund is the only fund that reports a positive unassigned fund balance.

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 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.

Deficit Fund Balance

The following funds had a deficit in total balance at year-end:

Government Funds

Major funds:

Bexar County Project fund	\$	587,917
Debt Service	\$	121,682

The deficits are primarily attributed to overestimation of deferred revenue and bond-related expenses. The finance team is actively collaborating with the Project Management Office and Department Managers to refine revenue projections and ensure more accurate estimates for future capital project requests. This effort is aimed at setting the stage for more precise capital project budgeting.

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Accounting Standard Implementation

In June 2022, the GASB issued statement No. 100 – *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62. This statement provides guidance on how governments should account for and report changes in accounting principles and corrections of errors. It specifies that changes in accounting principles should generally be applied retroactively, unless doing so is impractical, and the effects of such changes must be reflected in the financial statements. The statement aims to improve the reliability and consistency of government financial statements throughout time. The River Authority implemented this standard as of July 1, 2023 (Note 15).

Effect of New Accounting Standards on Future Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following statements:

- Statement No. 101, *Compensated Absences*
- Statement No. 102, *Certain Risk Disclosures*
- Statement No. 103, *Financial Reporting Model Improvements*
- Statement No. 104, *Disclosure of Certain Capital Assets*

When they become effective, applications of these standards may restate portions of these financial statements and result in an additional note to the schedules.

2. Cash and Investments

As of September 30, 2024, the carrying amount of the River Authority’s cash deposits on the government-wide financial statements is \$18,229,104 and the bank balance was \$18,960,475. 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 Wells Fargo 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.

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To control custody and safekeeping risk, state law and the Authority's adopted Investment Policy requires 102% fair value on collateral for all time and demand deposits, as well as 102% collateral for repurchase agreements. Investment risk is mitigated by (1) establishing diversification as a major objective in the Investment Policy and (2) setting maximum maturity date of five years as well as a maximum weighted average maturity of two years for the total portfolio.

The River Authority's investments at September 30, 2024 are as follows:

	Carrying Amount	Weighted Average Maturities (years)
Local Government Investment Pools		
TexPool	\$ 40,638,426	0.08
TexPool Prime	37,756,440	0.10
U.S. Agencies		
Federal Farm Credit Bank	8,199,840	3.65
Federal Home Loan Bank	29,265,360	2.43
Farmer Mac	4,789,800	2.44
Fannie Mae	4,895,600	0.56
U.S. Treasury Notes	27,081,719	0.99
	\$ 152,627,185	
Portfolio weighted average maturity		0.98

Investment Reconciliation:

Current Investments	\$ 90,378,284
Restricted Current Investments	6,895,976
Restricted Non-current Investments	55,352,925
Total Investments	\$ 152,627,185

Texas Local Government Investment Pool (TexPool) is a public funds investment pool and is rated as AAA by Standards & Poors under the TexPool Participation Agreement, administration, and investment services to TexPool are provided by Federated Investors, Inc. through an agreement with the State of Texas Comptroller of Public Accounts. The State of Texas Comptroller of Public Accounts is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company authorized to operate TexPool.

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.

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Credit Risk: State Law limits investments in money market mutual funds to not less than AAA rating or its equivalent by nationally recognized statistical rating organizations (NRSROs). It is the River Authority's policy to limit its investments in these investment types to the AAA rating issued by NRSROs. FRMAC, FNMA, FFCB and FHLB S&P rating is AA+. By policy and state law commercial paper must be rated A1/P1 or equivalent by two NRSROs and is policy restricted to a maximum maturity of 270 days.

Concentration of Credit Risk. The River Authority places no limit on the amount that may be invested in any one issuer. However, the River Authority's investment policy calls for portfolio diversification by avoiding over-concentration in a specific maturity sector or specific instruments. The River Authority's portfolio is 5.4% invested in Federal Farm Credit Bank and 19.2% invested in Federal Home Loan Bank as of September 30, 2024. The remaining 75.4% of the River Authority's investments are held in external investment pools, other U.S. agencies and U.S. Treasury notes.

TexPool uses amortized cost to value portfolio assets and follows the criteria for GASB Statement No. 79 for use of amortized cost. TexPool and Money Market investments do not place any limitations or restrictions such as notice periods or maximum transaction amounts, on withdrawals.

Investment Valuation

The River Authority categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of assets. The River Authority's investments for all funds at fiscal year-end are listed below at fair value, net of accruals. The River Authority has the following recurring fair value measurements as of September 30, 2024:

GASB 72	<u>September 30, 2024</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by Fair Value Level:				
Debt Securities				
Federal Farm Credit Bank	\$ 8,199,840	\$ -	\$ 8,199,840	\$ -
Federal Home Loan Bank	29,265,360	-	29,265,360	-
Farmer Mac	4,789,800	-	4,789,800	-
Fannie Mae	4,895,600	-	4,895,600	-
U.S. Treasury Notes	27,081,719	27,081,719	-	-
Total Debt Securities	<u>\$ 74,232,319</u>	<u>\$ 27,081,719</u>	<u>\$ 47,150,600</u>	<u>\$ -</u>
 Total Investments Measured at Fair Value Level	 <u>\$ 74,232,319</u>	 <u>\$ 27,081,719</u>	 <u>\$ 47,150,600</u>	 <u>\$ -</u>
 Investments Measured at Amortized Cost:				
TexPool	40,638,426			
TexPool Prime	37,756,440			
Total Investments Measured at Amortized Costs	<u>78,394,866</u>			
 Total	 <u><u>\$ 152,627,185</u></u>			

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3. Grants

The River Authority has received significant financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements, and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, liabilities resulting from disallowed claims, if any, will not have a materially adverse effect on the River Authority's financial position at September 30, 2024.

4. Notes Receivable

Business-type Activities. 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.

	Balance 7/1/2023	Additions	Reductions	Balance 9/30/2024	Current Portion
Business-type activities:					
City of La Vernia	\$ 202,253	\$ -	\$ 36,985	\$ 165,268	\$ 38,642
Total notes receivable	<u>\$ 202,253</u>	<u>\$ -</u>	<u>\$ 36,985</u>	<u>\$ 165,268</u>	<u>\$ 38,642</u>

5. Lease Receivables

Business-Type Activities. As of September 30, 2024, the River Authority had the following lease receivable:

Lease receivables description	Date of Inception	Final Maturity	Interest Rate	Fiscal Year Lease Revenue	Interest Income	Receivable Balance	Current portion
Lease of land to TDS	1/1/2014	12/31/2043	4%	\$ 13,673	\$ 59,842	\$ 673,839	\$ 13,527

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6. Interfund Balances and Transfers

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

Receivable Fund	Payable Fund	Amount
General Fund	City of San Antonio Fund	\$ 554,235
General Fund	Non Major Capital Project Fund	1,195,730
General Fund	Non Major Special Revenue Fund	59,279
Bexar County Capital Projects Fund	General Fund	7,167
SARA Wastewater Utilities System	City of San Antonio Fund	1,000,000
SARA Wastewater Utilities System	Debt Service Fund	3,100,000
SARA Wastewater Utilities System	Non Major Special Revenue Fund	<u>500,000</u>
Total fund financial statements		6,416,411
Less: Fund eliminations		<u>(1,816,411)</u>
Total Internal Balances - Government Wide Statement of Net Position		<u><u>\$ 4,600,000</u></u>

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

Fund Transferred To	Fund Transferred From	Amount	Purpose
SARA Project Fund	General Fund	\$ 9,130,285	Capital Expenditures
Debt Service Fund	General Fund	599,348	Debt Service
Public Facilities Corporation Fund	General Fund	<u>995,545</u>	Capital Expenditures
Total fund financial statements		10,725,178	
Less: Fund eliminations		<u>(10,725,178)</u>	
Total Transfers - Government Wide Statement of Activities		<u><u>\$ -</u></u>	

**SAN ANTONIO RIVER AUTHORITY
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7. Depreciation

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

<u>Fund</u>	<u>2024</u>
<u>Governmental activities</u>	
General government	\$ 15,681,944
Operations	5,010,018
Technical services	676,492
Total depreciation expense - governmental activities	<u>\$ 21,368,454</u>
Business-type activities	<u>\$ 4,329,158</u>

8. Commitments

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

<i>Governmental Activities</i>	
SARA Project Fund	\$ 14,944,224
City of San Antonio Fund	22,132,945
Public Facilities Corporation Fund	16,581,686
Westside Creeks - Bexar County	4,842,705
Other Capital Projects Fund	810,490
Bexar County Capital Projects	62,789,982
Westside Creeks-City of San Antonio Fund	812,450
	<u>\$ 122,914,482</u>
 <i>Business-type Activities</i>	
SARA Wastewater Utilities System	\$ 22,732,287
Salitrillo Wastewater Treatment Plant	3,423,349
Randolph Air Force Base	3,148,467
	<u>\$ 29,304,103</u>

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9. Encumbrances

Purchase orders are issued throughout the fiscal year to encumber budgets in the governmental funds. Significant encumbrances as of September 30, 2024, that will be re-appropriated in the subsequent year are as follows:

General Fund:	
General Government	\$ 1,163,365
Program Support	1
Watershed Park Operations	996,273
Watershed Engineering	295,476
Total Encumbrances	<u>\$ 2,455,115</u>

10. Net Position

The following table summarizes net position by purpose at September 30, 2024:

	Governmental Activities	Business-type Activities	Total
Net investment in capital assets:			
Capital assets – net of accumulated depreciation	\$ 650,733,121	\$ 127,461,201	\$ 778,194,322
Deferred loss on bond refunding	450,482	352,291	802,773
Debt	(32,609,871)	(76,288,749)	(108,898,620)
Construction payables	(2,022,479)	(5,652,643)	(7,675,122)
Reserve funds	-	555,944	555,944
Unspent bond proceeds	16,581,686	4,283,468	20,865,154
Net investment in capital assets	<u>\$ 633,132,939</u>	<u>\$ 50,711,512</u>	<u>\$ 683,844,451</u>
Restricted net position:			
Debt service	\$ -	\$ 3,754,017	\$ 3,754,017
Watershed management	348,594	-	348,594
Water management	225,095	-	225,095
Construction	721,647	33,982,244	34,703,891
Total restricted net position	<u>\$ 1,295,336</u>	<u>\$ 37,736,261</u>	<u>\$ 39,031,597</u>
Unrestricted net position:			
Total net position	\$ 683,889,423	\$ 151,006,215	\$ 834,895,638
Less: invested in capital assets	(633,132,939)	(50,711,512)	(683,844,451)
Less: restricted net position	(1,295,336)	(37,736,261)	(39,031,597)
Total unrestricted net position	<u>\$ 49,461,148</u>	<u>\$ 62,558,442</u>	<u>\$ 112,019,590</u>

SAN ANTONIO RIVER AUTHORITY
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11. Capital Assets

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

	Balance July 1, 2023	Additions	Deletions	Transfers	Balance September 30, 2024
<i>Governmental Activities:</i>					
Capital assets, not being depreciated:					
Land	\$ 34,987,459	\$ 1,634,208	\$ -	\$ -	\$ 36,621,667
Water rights	227,447	-	-	-	227,447
Construction in progress	273,834,860	15,927,430	-	(15,205,616)	274,556,674
Total capital assets, not being depreciated	<u>309,049,766</u>	<u>17,561,638</u>	<u>-</u>	<u>(15,205,616)</u>	<u>311,405,788</u>
Capital assets, being depreciated:					
Subscription asset	959,065	-	-	-	959,065
Office furniture, fixtures and equipment	2,949,413	23,615	(180,788)	-	2,792,240
Other machinery and equipment	8,293,811	455,921	(697,650)	-	8,052,082
Automobiles and trucks	2,349,587	461,160	(259,463)	-	2,551,284
Buildings	23,715,409	-	-	919,382	24,634,791
Improvements other than buildings	14,423,235	362,857	-	14,286,234	29,072,326
Flood control projects	339,164,871	-	-	-	339,164,871
Restoration projects	236,996,307	-	-	-	236,996,307
Total capital assets, being depreciated	<u>628,851,698</u>	<u>1,303,553</u>	<u>(1,137,901)</u>	<u>15,205,616</u>	<u>644,222,966</u>
Accumulated depreciation					
Subscription asset	(291,247)	(369,519)	-	-	(660,766)
Office furniture, fixtures and equipment	(2,370,347)	(125,723)	180,788	-	(2,315,282)
Other machinery and equipment	(5,852,226)	(456,307)	651,507	-	(5,657,026)
Automobiles and trucks	(1,795,574)	(226,798)	259,463	-	(1,762,909)
Buildings	(12,745,044)	(1,029,379)	-	-	(13,774,423)
Improvements other than buildings	(4,414,559)	(1,032,719)	-	-	(5,447,278)
Flood control projects	(172,826,127)	(8,267,609)	-	-	(181,093,736)
Restoration projects	(84,323,813)	(9,860,400)	-	-	(94,184,213)
Total accumulated depreciation	<u>(284,618,937)</u>	<u>(21,368,454)</u>	<u>1,091,758</u>	<u>-</u>	<u>(304,895,633)</u>
Governmental activities capital assets, net	<u>\$ 653,282,527</u>	<u>\$ (2,503,263)</u>	<u>\$ (46,143)</u>	<u>\$ -</u>	<u>\$ 650,733,121</u>

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	Balance July 1, 2023	Additions	Deletions	Transfers	Balance September 30, 2024
<i>Business-type Activities:</i>					
Capital assets, not being depreciated:					
Land	\$ 3,403,934	\$ 4,924	\$ -	\$ -	\$ 3,408,858
Construction in progress	<u>27,728,371</u>	<u>30,380,889</u>	<u>-</u>	<u>(7,344,722)</u>	<u>50,764,538</u>
Total capital assets, not being depreciated	<u>31,132,305</u>	<u>30,385,813</u>	<u>-</u>	<u>(7,344,722)</u>	<u>54,173,396</u>
Capital assets, being depreciated:					
Office furniture, fixtures and equipment	150,791	-	-	-	150,791
Other machinery and equipment	5,547,402	237,286	(373,971)	-	5,410,717
Automobiles and trucks	2,503,480	1,478,729	(721,360)	-	3,260,849
Buildings	2,300,976	-	-	-	2,300,976
Improvements other than buildings	47,647,510	65,480	-	(36,224)	47,676,766
Sewage treatment facilities	<u>69,213,838</u>	<u>-</u>	<u>(11,359)</u>	<u>7,380,946</u>	<u>76,583,425</u>
Total capital assets, being depreciated	<u>127,363,997</u>	<u>1,781,495</u>	<u>(1,106,690)</u>	<u>7,344,722</u>	<u>135,383,524</u>
Accumulated depreciation					
Office furniture, fixtures and equipment	(38,317)	(9,373)	-	-	(47,690)
Other machinery and equipment	(3,869,595)	(364,349)	301,906	-	(3,932,038)
Automobiles and trucks	(1,751,758)	(222,957)	710,463	-	(1,264,252)
Buildings	(1,436,730)	(135,360)	-	-	(1,572,090)
Improvements other than buildings	(6,972,198)	(2,097,093)	-	-	(9,069,291)
Sewage treatment facilities	<u>(44,721,691)</u>	<u>(1,500,026)</u>	<u>11,359</u>	<u>-</u>	<u>(46,210,358)</u>
Total accumulated depreciation	<u>(58,790,289)</u>	<u>(4,329,158)</u>	<u>1,023,728</u>	<u>-</u>	<u>(62,095,719)</u>
Business-type activities capital assets, net	<u>\$ 99,706,013</u>	<u>\$ 27,838,150</u>	<u>\$ (82,962)</u>	<u>\$ -</u>	<u>\$ 127,461,201</u>

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12. Pension Plan

Defined Contribution Pension Plan

The River Authority has a defined contribution pension plan with MissionSquare 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. MissionSquare is the independent administrator of the plan.

The River Authority's total payroll for all employees (full-time and part-time) was \$25,555,569 for the fifteen months ended September 30, 2024. Employer contributions to the Plan were \$2,560,713. The River Authority's policy is to fund all Plan costs as they accrue.

Plan Provisions

All full-time employees are eligible to participate in the Plan from the date of employment. Normal retirement age is 55 years. After one year of employment, the River Authority contributes eight percent of each pay periods eligible earnings on behalf of each participant. Earnings are described as W-2 earnings less overtime, shift differential, auto allowances, taxable fringe benefits, and other non-routine portions of employee's compensation, compensation voluntarily deferred under an eligible deferred compensation plan under Section 457, a flexible Section 125 compensation plan as defined by the Internal Revenue Code, or a Retirement Health Savings Plan.

Participants may also make voluntary, after-tax contributions. Voluntary contributions are 25 percent vested at the start of employment, 50 percent vested at the end of year one, 75 percent vested at the end of year two, and fully vested once an employee reaches three years of employment. A participant may direct the investment of the money contributed by the River Authority on their behalf in any of the available MissionSquare investment options. There is no investment restriction 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.) MissionSquare is the independent administrator of the plan.

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

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

Other Post-Employment 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.

Retirees are eligible to continue medical, dental, and vision insurance coverage after retirement 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;
- Under the age of 65 and not eligible for Medicare; and,
- Age 55 with 7 continuous years of service.

Upon attaining age 65 or becoming Medicare eligible, all retirees are automatically de-enrolled from the plan.

Hired on or after May 1, 2007

- There are no health care benefits available for these retirees

At June 30, 2023, the most recent actuarial valuation date, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits payments	3
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	<u>16</u>
Total	<u>19</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. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

OPEB Liability

The River Authority's total OPEB liability of \$244,822 was measured as of September 30, 2023 and was determined by an actuarial valuation as of June 30, 2023.

**SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

The following table summarizes the actuarial assumptions used in the most recent actuarial valuation for the River Authority's defined health care benefit plan.

Measurement date:	September 30, 2023
Actuarial cost method:	Entry-Age Normal
Actuarial valuation date:	June 30, 2023
Actuarial Assumptions:	
Inflation:	2.50%
Salary increases:	0.50%
Discount rate:	4.63%
Prior year discount rate:	3.69%
Healthcare cost trend rate:	6.00%

The discount rate was based on the September 30, 2023 Fidelity Municipal General Obligation AA 20-year yield.

Mortality rates for active employees were based in the PubG.H-2010 Employee Mortality Table, Generational with Projection Scale MP-2021 for males or females, as appropriate.

Mortality rates for retirees/disabled employees were based on the PubG.H-2010 Healthy Retiree Mortality Table, Generational with Projection Scale MP-2021 for males or females, as appropriate.

The following table shows the changes in the OPEB liability as of the measurement date:

	Changes in Total OPEB Liability
	<u> </u>
Balance at June 30, 2023	\$ 268,771
Changes for the year:	
Service Cost	2,457
Interest	11,565
Difference Between Expected and Actual Experience	34,851
Changes of Assumptions/Inputs	(29,566)
Benefit Payments	<u>(43,256)</u>
Net Changes	<u>(23,949)</u>
Balance at September 30, 2024	<u>\$ 244,822</u>

**SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

The following presents the total OPEB liability of the River Authority, as well as what the total liability would be if it were calculated using a discount rate that is 1 percentage-point lower (3.63%) or 1 percentage-point higher (5.63%) than the current discount rate:

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
Total OPEB Liability	<u>\$ 248,703</u>	<u>\$ 244,822</u>	<u>\$ 240,906</u>

The following presents the total OPEB liability of the River Authority, as well as what the total liability would be using if it were calculated using a health care cost trend rate that is 1 percentage-point lower (5%) or 1 percentage-point higher (7%) than the current health care cost trend rate:

	<u>1% Decrease in Health Trend Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Health Trend Rate</u>
Total OPEB Liability	<u>\$ 240,688</u>	<u>\$ 244,822</u>	<u>\$ 249,047</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fifteen months ended September 30, 2024, the River Authority recognized OPEB expense of \$19,307. At September 30, 2024, the River Authority reported deferred outflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>
Contributions Subsequent to the Measurement Date	<u>\$ 103,039</u>
Total	<u>\$ 103,039</u>

The \$103,039 reported as deferred outflows of resources resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending September 30, 2025.

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

**SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

13. Summary of Long-Term Debt

Long-term liability activity for the fifteen months ended September 30, 2024 was as follows:

	Balance			Balance		Current
	July 1, 2023	Additions	Reductions	September 30, 2024	Portion	
Governmental activities:						
Bonds payable	\$ 19,538,000	\$ 15,000,000	\$ 1,987,000	\$ 32,551,000	\$ 3,953,000	
Bonds payable - Direct	455,000	-	455,000	-	-	
Subscription liability	959,065	-	959,065	-	-	
Premiums (Discounts)	62,940	-	4,069	58,871	-	
Compensated absences	921,395	221,417	184,279	958,533	191,707	
Total long-term liabilities	<u>\$ 21,936,400</u>	<u>\$ 15,221,417</u>	<u>\$ 3,589,413</u>	<u>\$ 33,568,404</u>	<u>\$ 4,144,707</u>	
Business-type activities:						
Bonds payable	\$ 54,210,000	\$ 18,315,000	\$ 2,955,000	\$ 69,570,000	\$ 3,025,000	
Premiums (Discounts)	5,591,671	674,402	364,900	5,901,173	-	
Notes payable	852,811	-	35,235	817,576	28,188	
Compensated absences	202,704	31,761	40,541	193,924	38,784	
Total long-term liabilities	<u>\$ 60,857,186</u>	<u>\$ 19,021,163</u>	<u>\$ 3,395,676</u>	<u>\$ 76,482,673</u>	<u>\$ 3,091,972</u>	

The River Authority liquidates compensated absences during the fiscal year from the General Fund, SARA Wastewater Fund, or Salitrillo Wastewater Fund based on where the employee's pay originates.

SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024

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 fifteen months ended September 30, 2024.

Series	Effective Interest Rate	Range of Maturity	Original Amount	Outstanding July 1, 2023	Additions	Deletions	Outstanding September 30, 2024	Amount Due within One Year
SACIP Improvement Revenue Bonds:								
2015	1.9000%	2017-2028	\$ 8,265,000	\$ 930,000	\$ -	\$ 225,000	\$ 705,000	\$ 230,000
2016	1.7700%	2017-2026	1,200,000	380,000	-	125,000	255,000	125,000
2019	3.1500%	2019-2032	11,530,000	7,570,000	-	845,000	6,725,000	870,000
			<u>20,995,000</u>	<u>8,880,000</u>	<u>-</u>	<u>1,195,000</u>	<u>7,685,000</u>	<u>1,225,000</u>
Texas Water Development Board - Direct Borrowing:								
2013A	2.0000%	2016-2024	4,300,000	455,000	-	455,000	-	-
Public Facilities Corp. Lease Revenue Bonds:								
2014	3.7200%	2016-2035	3,100,000	1,938,000	-	142,000	1,796,000	148,000
2019	1.9700%	2020-2035	10,600,000	8,720,000	-	650,000	8,070,000	665,000
2024	4.0000%	2024-2031	15,000,000	-	15,000,000	-	15,000,000	1,915,000
			<u>28,700,000</u>	<u>10,658,000</u>	<u>15,000,000</u>	<u>792,000</u>	<u>24,866,000</u>	<u>2,728,000</u>
			<u>\$ 53,995,000</u>	<u>\$ 19,993,000</u>	<u>\$ 15,000,000</u>	<u>\$ 2,442,000</u>	<u>\$ 32,551,000</u>	<u>\$ 3,953,000</u>

Business-type Activities

The River Authority has pledged future SARA wastewater customer revenue net of specified operating expenses, to repay an initial principal amount of \$55,435,000 in Wastewater system revenue bonds issued in 2013A, 2017, 2017A, 2021 and 2023. Proceeds from these bonds have provided financing extensions and improvements to the SARA wastewater system including the expansions/improvements to the Martinez II and IV plants. These bonds are payable solely from SARA Wastewater Utilities System customer net revenues and are payable through 2048. Annual principal and interest payments on the bonds are expected to require approximately 7 percent of operating revenues. The total principal and interest remaining to be paid on the bonds is \$68,430,009. Principal and interest paid for the current year and total revenues were \$4,435,074 and \$37,652,978 respectively.

The River Authority has pledged future Salitrillo wastewater customer revenue net of specified operating expenses, to repay an initial principal amount of \$23,535,000 in Wastewater system revenue bonds issued in 2019 and 2020. Proceeds from these bonds have provided financing for the expansion and improvements to the Salitrillo Wastewater treatment plant. These bonds are payable solely from Salitrillo Wastewater Utilities System customer net revenues and are payable through 2045. Annual principal and interest payments on the bonds are expected to require approximately 10 percent of operating revenues. The total principal and interest remaining to be paid on the bonds is \$31,234,047. Principal and interest paid for the current year and total revenues were \$2,048,408 and \$13,020,907, respectively.

**SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

Series		Effective Interest Rate	Range of Maturity	Original Amount	Outstanding			Outstanding 30-Sep-24	Amount Due Within One Year
					1-Jul-23	Additions	Deletions		
SARA Wastewater Utilities System Revenue Refunding	2017A	4.0000%	2019-2031	\$ 6,855,000	\$ 4,865,000	\$ -	\$ 540,000	\$ 4,325,000	\$ 555,000
SARA Wastewater Utilities System Revenue Bonds:	2017	0.7200%	2019-2038	9,500,000	7,330,000	-	445,000	6,885,000	445,000
SARA Wastewater Utilities System Revenue Bonds:	2021	4.0000%	2021-2046	20,765,000	20,080,000	-	565,000	19,515,000	590,000
SARA Wastewater Utilities System Revenue Bonds:	2023	6.0000%	2023-2048	18,315,000	-	18,315,000	700,000	17,615,000	700,000
Salitrillo Wastewater Utility System Revenue Bonds:	2020	5.0000%	2020-2045	21,885,000	20,705,000	-	560,000	20,145,000	590,000
Contract Revenue Bonds:	2019	1.9100%	2020-2031	1,650,000	1,230,000	-	145,000	1,085,000	145,000
				<u>\$ 78,970,000</u>	<u>\$ 54,210,000</u>	<u>\$ 18,315,000</u>	<u>\$ 2,955,000</u>	<u>\$ 69,570,000</u>	<u>\$ 3,025,000</u>

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Various issues	\$ 32,551,000	\$ 69,570,000
Unamortized premiums	171,458	5,901,173
Unamortized (discount)	(112,587)	-
Total bonds payable, net	<u>32,609,871</u>	<u>75,471,173</u>
Less bonds payable within one year	<u>3,953,000</u>	<u>3,025,000</u>
Bonds payable after one year, net	<u>\$ 28,656,871</u>	<u>\$ 72,446,173</u>

**SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

Principal and interest requirements to maturity for all long-term debt of the River Authority as of September 30, 2024 are summarized as follows:

Fiscal Year	Governmental Activities			Business-type Activities			Total Debt
	Principal	Interest	Total	Principal	Interest	Total	
2025	\$ 3,953,000	\$ 788,014	\$ 4,741,014	\$ 3,025,000	\$ 2,582,876	\$ 5,607,876.00	\$ 10,348,890
2026	4,061,000	848,502	4,909,502	2,800,000	2,469,635	5,269,635	10,179,137
2027	4,064,000	717,717	4,781,717	2,915,000	2,356,122	5,271,122	10,052,839
2028	3,952,000	583,489	4,535,489	3,040,000	2,236,786	5,276,786	9,812,275
2029	4,090,000	449,122	4,539,122	3,165,000	2,113,805	5,278,805	9,817,927
2030-2034	11,452,000	617,732	12,069,732	15,010,000	8,744,796	23,754,796	35,824,528
2035-2039	979,000	9,625	988,625	15,475,000	5,965,754	21,440,754	22,429,379
2040-2044	-	-	-	16,055,000	3,129,591	19,184,591	19,184,591
2045-2049	-	-	-	8,085,000	494,691	8,579,691	8,579,691
	<u>\$ 32,551,000</u>	<u>\$ 4,014,201</u>	<u>\$ 36,565,201</u>	<u>\$ 69,570,000</u>	<u>\$ 30,094,056</u>	<u>\$ 99,664,056</u>	<u>\$ 136,229,257</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 September 30, 2024, the River Authority had \$83,073 arbitrage liability for governmental fund and no liability for the proprietary funds.

**SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

Notes Payable

Business-type Activities. As of September 30, 2024, 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 \$592,000.

	Interest Rate	Range of Maturity	Original Amount	Balance 7/1/2023	Additions	Payments	Balance 9/30/2024	Current Portion
Dept of Defense	0.00%	2004-2054	\$ 1,409,524	\$ 852,811	\$ -	\$ 35,235	\$ 817,576	\$ 28,188

Principal and interest requirements to maturity for all notes payable of the River Authority as of September 30, 2024, are as follows:

<u>Fiscal Year</u>	<i>Business-type Activities</i>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 28,188	\$ -	\$ 28,188
2026	28,188	-	28,188
2027	28,188	-	28,188
2028	28,188	-	28,188
2029	28,188	-	28,188
2030-2034	140,940	-	140,940
2035-2039	140,940	-	140,940
2040-2044	140,940	-	140,940
2045-2049	140,940	-	140,940
2050-2054	112,876	-	112,876
	<u>\$ 817,576</u>	<u>\$ -</u>	<u>\$ 817,576</u>

**SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

14. Risk Management

The River Authority is subject to various litigation and claims arising out of the course of its operations. While the results of the lawsuits cannot be predicted with certainty, management does not believe these matters will have an adverse effect on the River Authority's financial position. However, the River Authority is disclosing an unfavorable judgment related to the ongoing litigation with Martinez IV Sewer Plant, Ltd. on June 7, 2024.

On November 9, 2018, Martinez IV Sewer Plant, Ltd. ("M4") filed a lawsuit against the River Authority alleging that the River Authority has taken certain positions and actions that would constitute a breach of the Sewer Reimbursement Agreement (the "Agreement") between M4 and the River Authority dated December 10, 2007, and the August 8, 2008 amendment to the Agreement. The Agreement generally requires that the River Authority deliver certain connection fees, if, as and when received by the River Authority to M4 as pro-rata reimbursement for the improvements constructed by M4. The River Authority opposes the relief requested and has asserted a governmental immunity defense. The parties attempted to mediate this matter but were unsuccessful. This matter was tried to the court non-jury on May 8-10, 2023.

On June 7, 2024, the trial court signed a judgment granting relief to M4. The judgment awards M4 \$712,062 in compensatory damages, \$312,304 in prejudgment interest, \$135,000 in attorney's fees and \$59,446 in expenses. The judgment also awards post-judgment interest at 8.5% per annum and conditional appellate attorney's fees.

Both M4 and the River Authority filed notices of appeal and perfected their appeals to the Fourth Court of Appeals.

The River Authority intends to contest the case vigorously and assert its governmental immunity and the contract language that requires no recovery for M4. The River Authority Board has authorized an appeal of the trial court's final judgment.

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.

**SAN ANTONIO RIVER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

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.

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

Period ended as of	Beginning Liability	Current Year Claims And Changes in Estimates	Claim Payments	Ending Liability	Amount Due Within One Year
30-Jun-23	\$ 437,290	\$ 2,928,510	\$ 3,365,800	\$ -	\$ -
30-Sep-24	-	5,318,025	5,304,896	13,129	13,129

15. Financial Reporting Changes

The reclassification of Major and Nonmajor funds for the fifteen months ended September 30, 2024 was as follows:

	6/30/2023	Changes within SARA's Financial Reporting		9/30/2024
	As Previously Reported	Move from Major to Nonmajor Fund	Move from Nonmajor to Major	As Restated
Governmental Funds				
Major Funds:				
General Fund	\$ 17,600,542	\$ -	\$ -	\$ 17,600,542
San Antonio River Public Facility Corp.	-	-	3,853,039	3,853,039
WC Restoration Bexar County Fund	270,306	-	-	270,306
WC Restoration City of San Antonio Fund	38,199	(38,199)	-	-
SARA Project Fund	18,902,457	-	-	18,902,457
Bexar County Capital Projects Fund	26,721	-	-	26,721
City of San Antonio Fund	-	-	171,879	171,879
Debt Service	(354,937)	-	-	(354,937)
Total Major Funds	36,483,288	(38,199)	4,024,918	40,470,007
Nonmajor Funds	4,943,603	38,199	(4,024,918)	956,884
Total Governmental Funds	\$ 41,426,891	\$ -	\$ -	\$ 41,426,891

Supplementary Information



Photo by Brandi Adams
2024 River Clicks Photo Contest
Recreation Category Winner
San Antonio River Walk, Bexar County



SAN ANTONIO
RIVER AUTHORITY

A POLITICAL SUBDIVISION OF THE STATE OF TEXAS.

Required Supplementary Information

**SAN ANTONIO RIVER AUTHORITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024
(UNAUDITED)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 47,337,996	\$ 47,539,636	\$47,166,700	\$ (372,936)
Investment earnings (loss)	750,000	1,829,066	2,433,387	604,321
Intergovernmental	150,000	600,000	950,241	350,241
Charges for services	429,549	429,549	718,928	289,379
Support Fees	1,896,092	1,896,092	1,896,092	-
Miscellaneous	<u>105,000</u>	<u>105,000</u>	<u>318,522</u>	<u>213,522</u>
Total revenues	<u>50,668,637</u>	<u>52,399,343</u>	<u>53,483,870</u>	<u>1,084,527</u>
EXPENDITURES				
Current:				
General Government:				
Organizational Support:				
Personnel services	1,255,056	23,618	23,638	(20)
Materials and supplies	45,000	27,000	30,408	(3,408)
Other services and charges	<u>966,307</u>	<u>960,274</u>	<u>796,569</u>	<u>163,705</u>
	<u>2,266,363</u>	<u>1,010,892</u>	<u>850,615</u>	<u>160,277</u>
Board of Directors:				
Personnel services	77,100	100,981	78,589	22,392
Materials and supplies	-	924	924	-
Other services and charges	<u>411,200</u>	<u>758,912</u>	<u>749,478</u>	<u>9,434</u>
	<u>488,300</u>	<u>860,817</u>	<u>828,991</u>	<u>31,826</u>
Executive Offices:				
Personnel services	2,870,800	3,072,100	3,093,440	(21,340)
Materials and supplies	650	5,833	6,054	(221)
Other services and charges	<u>649,926</u>	<u>646,824</u>	<u>781,218</u>	<u>(134,394)</u>
	<u>3,521,376</u>	<u>3,724,757</u>	<u>3,880,712</u>	<u>(155,955)</u>
Human Resources:				
Personnel services	562,732	673,603	682,891	(9,288)
Materials and supplies	30,500	21,074	22,674	(1,600)
Other services and charges	<u>268,268</u>	<u>348,194</u>	<u>323,208</u>	<u>24,986</u>
	<u>861,500</u>	<u>1,042,871</u>	<u>1,028,773</u>	<u>14,098</u>

**SAN ANTONIO RIVER AUTHORITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024
(UNAUDITED)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Government (Continued):				
Facilities:				
Personnel services	823,000	969,709	975,403	(5,694)
Materials and supplies	337,000	556,754	589,015	(32,261)
Other services and charges	902,809	1,037,774	967,341	70,433
Capital outlay	844,275	580,960	553,960	27,000
	<u>2,907,084</u>	<u>3,145,197</u>	<u>3,085,719</u>	<u>59,478</u>
Finance:				
Personnel services	1,623,519	1,724,168	1,736,786	(12,618)
Materials and supplies	4,700	1,124	2,680	(1,556)
Other services and charges	462,684	554,593	509,777	44,816
	<u>2,090,903</u>	<u>2,279,885</u>	<u>2,249,243</u>	<u>30,642</u>
Project Management Office:				
Personnel services	444,204	1,490,729	1,485,157	5,572
Materials and supplies	350	1,696	1,086	610
Other services and charges	100,503	91,841	71,643	20,198
	<u>545,057</u>	<u>1,584,266</u>	<u>1,557,886</u>	<u>26,380</u>
Information Technology:				
Personnel services	1,860,119	2,005,834	2,020,282	(14,448)
Materials and supplies	271,384	221,044	236,037	(14,993)
Other services and charges	2,517,762	2,539,617	1,745,047	794,570
Capital outlay	-	5,983	5,983	-
	<u>4,649,265</u>	<u>4,772,478</u>	<u>4,007,349</u>	<u>765,129</u>
Intergovernmental & Community Relations:				
Personnel services	\$ 1,492,353	\$ 1,729,104	\$ 1,765,911	\$ (36,807)
Materials and supplies	49,750	76,080	75,325	755
Other services and charges	2,141,940	2,134,551	1,981,257	153,294
	<u>3,684,043</u>	<u>3,939,735</u>	<u>3,822,493</u>	<u>117,242</u>
Total Cost Allocations:	<u>(1,077,000)</u>	<u>(1,077,000)</u>	<u>(288,028)</u>	<u>(788,972)</u>
Total General Government	<u>19,936,891</u>	<u>21,283,898</u>	<u>21,023,753</u>	<u>260,145</u>

**SAN ANTONIO RIVER AUTHORITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024
(UNAUDITED)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Operations:				
Watershed and Parks Operations:				
Personnel services	6,341,383	7,870,188	7,793,329	76,859
Materials and supplies	885,775	738,070	766,129	(28,059)
Other services and charges	3,137,392	2,521,937	2,694,611	(172,674)
Capital outlay	457,000	365,442	355,752	9,690
	<u>10,821,550</u>	<u>11,495,637</u>	<u>11,609,821</u>	<u>(114,184)</u>
Total Operations	<u>10,821,550</u>	<u>11,495,637</u>	<u>11,609,821</u>	<u>(114,184)</u>
Technical Services:				
Ecological Engineering:				
Personnel services	2,341,644	5,194,324	5,194,543	(219)
Materials and supplies	1,350	12,018	9,890	2,128
Other services and charges	900,662	856,499	789,042	67,457
Capital outlay	-	73,244	72,487	757
	<u>3,243,656</u>	<u>6,136,085</u>	<u>6,065,962</u>	<u>70,123</u>
Environmental Sciences:				
Personnel services	2,937,924	3,800,026	3,614,597	185,429
Materials and supplies	196,826	223,265	233,292	(10,027)
Other services and charges	365,678	379,672	373,358	6,314
Capital outlay	120,053	127,192	127,192	-
	<u>3,620,481</u>	<u>4,530,155</u>	<u>4,348,439</u>	<u>181,716</u>
Design and Construction:				
Personnel services	2,684,080	-	-	-
Materials and supplies	71,765	-	-	-
Other services and charges	121,870	-	-	-
	<u>2,877,715</u>	<u>-</u>	<u>-</u>	<u>-</u>
Real Estate:				
Personnel services	444,089	443,874	446,879	(3,005)
Materials and supplies	250	122	122	-
Other services and charges	213,470	57,489	32,382	25,107
	<u>657,809</u>	<u>501,485</u>	<u>479,383</u>	<u>22,102</u>
Total Cost Allocations:	<u>(123,000)</u>	<u>(123,000)</u>	<u>(1,008,528)</u>	<u>885,528</u>
Total Technical Services	<u>10,276,661</u>	<u>11,044,725</u>	<u>9,885,256</u>	<u>1,159,469</u>

**SAN ANTONIO RIVER AUTHORITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024
(UNAUDITED)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Debt Service:				
Subscription payment - principal	-	-	667,818	667,818
Subscription payment - interest	-	-	52,282	52,282
Total Debt Service	-	-	720,100	720,100
Total expenditures	41,035,102	43,824,260	43,238,930	585,330
Excess (deficiency) of revenues over (under) expenditures	9,633,535	8,575,083	10,244,940	1,669,857
OTHER FINANCING SOURCES (USES)				
Transfers out	(10,762,921)	(10,765,178)	(10,725,178)	40,000
Total other financing sources and (uses)	(10,762,921)	(10,765,178)	(10,725,178)	40,000
Net change in fund balances	(1,129,386)	(2,190,095)	(480,238)	1,709,857
Fund balance, beginning of year	17,600,542	17,600,542	17,600,542	-
Fund balance, end of year	\$ 16,471,156	\$ 15,410,447	\$ 17,120,304	\$ 1,709,857

**SAN ANTONIO RIVER AUTHORITY
SAN ANTONIO RIVER PUBLIC FACILITY CORPORATION
SPECIAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024
(UNAUDITED)**

	<u>Budgeted Amounts</u>			Variance --
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Positive (Negative)</u>
REVENUES				
Investment earnings (loss)	\$ 35,500	\$ 35,500	\$ 371,953	\$ 336,453
Total revenues	<u>35,500</u>	<u>35,500</u>	<u>371,953</u>	<u>336,453</u>
EXPENDITURES				
Current:				
Operations	-	-	1,454	(1,454)
Debt service:				
Bond principal	774,244	774,244	792,000	(17,756)
Interest on bonds	221,301	223,558	443,138	(219,580)
Capital Outlay				
Operations	<u>6,747,270</u>	<u>4,862,424</u>	<u>2,216,985</u>	<u>2,645,439</u>
Total expenditures	<u>7,742,815</u>	<u>5,860,226</u>	<u>3,453,577</u>	<u>2,406,649</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(7,707,315)</u>	<u>(5,824,726)</u>	<u>(3,081,624)</u>	<u>2,743,102</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	995,545	995,545	995,545	-
Issuance of refunding bonds	<u>-</u>	<u>-</u>	<u>15,000,000</u>	<u>(15,000,000)</u>
Total other financing sources and (uses)	<u>995,545</u>	<u>995,545</u>	<u>15,995,545</u>	<u>(15,000,000)</u>
Net change in fund balance	(6,711,770)	(4,829,181)	(2,086,079)	2,743,102
Fund balance, beginning of year	<u>3,853,039</u>	<u>3,853,039</u>	<u>3,853,039</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ (2,858,731)</u>	<u>\$ (976,142)</u>	<u>\$ 1,766,960</u>	<u>\$ 2,743,102</u>

**SAN ANTONIO RIVER AUTHORITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2024**

1. Budgeting

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 allocates 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 by the Board of Directors, the General Manager has full authority to expend within the fund 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-allocating 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
SCHEDULE OF CHANGES IN THE TOTAL OPEB
LIABILITY AND RELATED RATIOS
(UNAUDITED)**

	<u>6/30/2018</u>	<u>6/30/2019</u>	<u>6/30/2020</u>	<u>6/30/2021</u>	<u>6/30/2022</u>	<u>6/30/2023</u>	<u>9/30/2024*</u>
Total OPEB Liability:							
Service cost	\$ 2,936	\$ 2,951	\$ 3,109	\$ 3,886	\$ 4,780	\$ 2,558	\$ 2,457
Interest	16,567	16,626	16,486	19,514	15,297	5,733	11,565
Difference btwn expected and actual experience	(30,663)	(16,590)	197,129	(31,645)	(286,704)	(10,234)	34,851
Changes in assumptions	-	(2,116)	(23,728)	64,560	16,392	2,492	(29,566)
Benefit payments	<u>5,149</u>	<u>4,530</u>	<u>(29,841)</u>	<u>(21,626)</u>	<u>(90,924)</u>	<u>(55,680)</u>	<u>(43,256)</u>
Net Change in Total OPEB Liability	(6,011)	5,401	163,155	34,689	(341,159)	(55,131)	(23,949)
Total OPEB Liability - Beginning	<u>467,827</u>	<u>461,816</u>	<u>467,217</u>	<u>630,372</u>	<u>665,061</u>	<u>323,902</u>	<u>268,771</u>
Total OPEB Liability - Ending	<u>\$ 461,816</u>	<u>\$ 467,217</u>	<u>\$ 630,372</u>	<u>\$ 665,061</u>	<u>\$ 323,902</u>	<u>\$ 268,771</u>	<u>\$ 244,822</u>
Covered - Employee Payroll	\$3,101,526	\$3,117,034	\$2,714,671	\$2,728,244	\$1,536,498	\$1,544,180	\$1,498,152
Total OPEB Liability as a							
Percentage of Covered - Employee Payroll	14.9%	15.0%	23.2%	24.4%	21.1%	17.4%	16.3%

* Fifteen months ended September 30, 2024

**SAN ANTONIO RIVER AUTHORITY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN THE TOTAL OPEB
 LIABILITY AND RELATED RATIOS
 (UNAUDITED)**

Notes to Schedule:

Changes of Benefit Terms: None

Changes of Assumptions: In 2020, mortality tables were updated from using the RPH-2014 tables with a generational projection using Projection Scale MP-2018, to using the PubG.H-2010 mortality tables using MP-2019 generational projection. In 2021, mortality tables were updated to using mortality improvement Scale MP-2020. In 2022, mortality tables were updated to using Scale MP-2021.

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

June 30, 2018	3.56%
June 30, 2019	3.62%
June 30, 2020	3.13%
June 30, 2021	2.45%
June 30, 2022	1.92%
June 30, 2023	3.69%
September 30, 2024	4.63%

There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75 to pay related benefits.

GASB Statement No. 75 requires 10 years of data to be provided in the Schedule of Changes of Total Liability. As the Authority adopted GASB 75 in fiscal year 2018, only seven years of data is available. A full 10 years of data will be presented by 2028.



SAN ANTONIO
RIVER AUTHORITY

A POLITICAL SUBDIVISION OF THE STATE OF TEXAS.

Supplemental Statements & Schedules

**SAN ANTONIO RIVER AUTHORITY
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts		Actual	Variance --
	Original	Final		Positive (Negative)
REVENUES				
Investment earnings (loss)	\$ -	\$ -	\$ 128,046	\$ 128,046
Intergovernmental	<u>1,316,178</u>	<u>2,869,179</u>	<u>1,422,881</u>	<u>(1,446,298)</u>
Total revenues	<u>1,316,178</u>	<u>2,869,179</u>	<u>1,550,927</u>	<u>(1,318,252)</u>
EXPENDITURES				
Debt service:				
Bond principal	1,625,000	2,823,062	1,650,000	1,173,062
Interest and fees on bonds	<u>288,269</u>	<u>288,269</u>	<u>267,020</u>	<u>21,249</u>
Total expenditures	<u>1,913,269</u>	<u>3,111,331</u>	<u>1,917,020</u>	<u>1,194,311</u>
Deficiency of revenues under expenditures	<u>(597,091)</u>	<u>(242,152)</u>	<u>(366,093)</u>	<u>(123,941)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>597,091</u>	<u>599,348</u>	<u>599,348</u>	<u>-</u>
Total other financing sources	<u>597,091</u>	<u>599,348</u>	<u>599,348</u>	<u>-</u>
Net change in fund balance	-	357,196	233,255	(123,941)
Fund balance (deficit), beginning of year	<u>(354,937)</u>	<u>(354,937)</u>	<u>(354,937)</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ (354,937)</u>	<u>\$ 2,259</u>	<u>\$ (121,682)</u>	<u>\$ (123,941)</u>

**SAN ANTONIO RIVER AUTHORITY
COMBINING BALANCE SHEET –
NONMAJOR GOVERNMENTAL FUNDS
AS OF SEPTEMBER 30, 2024**

	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS			
Cash	\$ 90,219	\$ 144,236	\$ 234,455
Investments	1,040,280	281,072	1,321,352
Accounts receivable	-	1,386,153	1,386,153
Intergovernmental receivables	776,491	176,976	953,467
Interest receivables	4,323	2,236	6,559
Cash - restricted	-	130,000	130,000
Total assets	<u>\$ 1,911,313</u>	<u>\$ 2,120,673</u>	<u>\$ 4,031,986</u>
LIABILITIES			
Accounts payable	\$ 194,005	\$ 2,523	\$ 196,528
Retainage payable	36,492	662,519	699,011
Unearned revenue - services	24,153	91,948	116,101
Due to other funds of the Authority	559,279	1,195,730	1,755,009
Total liabilities	<u>813,929</u>	<u>1,952,720</u>	<u>2,766,649</u>
FUND BALANCES			
Restricted:			
Construction	-	167,953	167,953
Watershed management	348,594	-	348,594
Water management	225,095	-	225,095
Committed:			
Parks	523,695	-	523,695
Total fund balances	<u>1,097,384</u>	<u>167,953</u>	<u>1,265,337</u>
Total liabilities and fund balances	<u>\$ 1,911,313</u>	<u>\$ 2,120,673</u>	<u>\$ 4,031,986</u>

**SAN ANTONIO RIVER AUTHORITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES –NONMAJOR GOVERNMENTAL FUNDS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES			
Investment earnings	\$ 45,933	\$ 2,027	\$ 47,960
Intergovernmental	4,119,309	2,038,448	6,157,757
Charges for services	104,120	-	104,120
Miscellaneous	41,321	-	41,321
Total revenues	<u>4,310,683</u>	<u>2,040,475</u>	<u>6,351,158</u>
EXPENDITURES			
Current:			
Operations	-	301,599	301,599
Technical services	4,117,766	-	4,117,766
Capital outlay:			
Capital projects	-	1,612,427	1,612,427
Technical Services	10,913	-	10,913
Total expenditures	<u>4,128,679</u>	<u>1,914,026</u>	<u>6,042,705</u>
Excess (deficiency) of revenues over (under) expenditures	<u>182,004</u>	<u>126,449</u>	<u>308,453</u>
Fund balances, July 1, as previously reported	<u>4,768,419</u>	<u>175,184</u>	<u>4,943,603</u>
Adjustment - changes from major fund to nonmajor fund	-	38,199	38,199
Adjustment - changes from nonmajor fund to major fund	<u>(3,853,039)</u>	<u>(171,879)</u>	<u>(4,024,918)</u>
Fund balances, July 1, as adjusted	<u>915,380</u>	<u>41,504</u>	<u>956,884</u>
Fund balances, September 30	<u>\$ 1,097,384</u>	<u>\$ 167,953</u>	<u>\$ 1,265,337</u>

**SAN ANTONIO RIVER AUTHORITY
NONMAJOR GOVERNMENTAL FUNDS
FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

Nonmajor Special Revenue Funds

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

Grants Fund – Accounts for all grants funded by local, state, and federal agencies.

Edwards Water Acquisition – Works to collectively purchase Edwards Aquifer water for the area. Revenue comes from water lease and purchase payments from entities that are using the water rights. Additional operating revenue comes from an administrative fee, which is a percentage of the water lease or purchase amount, along with an annual participation fee. Expenditures relate to water rights acquisition and administrative services provided by San Antonio River Authority staff as well as some outside resources that work together to manage the water rights program.

Regional Water Alliance – Used to promote and facilitate the sharing of ideas, knowledge, experience, and resources of twenty-one water purveyors and regional water entities that have joined together to form the Regional Water Alliance. This group seeks out and implements collaborative solutions to effectively meet the region's diverse water needs. Revenue comes from membership dues. Expenditures mainly relate to San Antonio River Authority staff and some outside resources to support the group's activities.

San Antonio Capital Improvement Project (SACIP) Land Sales – Accounts for revenue received for land use activities as authorized in the 1999 amendatory contract with Bexar County. Funds are used to support flood control capital improvement projects.

Park Resources Development Fund – Accounts for revenues received from the sale of nonessential lands or revenues from leases, license agreements and easements. The 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 plans.

**SAN ANTONIO RIVER AUTHORITY
COMBINING BALANCE SHEET –
NONMAJOR SPECIAL REVENUE FUNDS
AS OF SEPTEMBER 30, 2024,
WITH COMPARATIVE TOTALS FOR JUNE 30, 2023**

	Grants	Edwards	Regional	(Previous Year Nonmajor Fund)
	Fund	Water	Water	San Antonio
	<u>Fund</u>	<u>Acquisition</u>	<u>Alliance</u>	<u>River Public Facility Corp.</u>
ASSETS				
Cash	\$ 13,961	\$ 17,043	\$ 125	\$ -
Investments	9,237	182,276	38,900	-
Investments - restricted	-	-	-	-
Intergovernmental receivables	776,491	-	-	-
Interest receivable	<u>817</u>	<u>-</u>	<u>174</u>	<u>-</u>
Total assets	<u>\$ 800,506</u>	<u>\$ 199,319</u>	<u>\$ 39,199</u>	<u>\$ -</u>
LIABILITIES				
Accounts payable	\$ 193,980	\$ 25	\$ -	\$ -
Retainage payable	36,492	-	-	-
Due to other funds of the Authority	559,279	-	-	-
Unearned revenue - services	<u>-</u>	<u>24,153</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>789,751</u>	<u>24,178</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted:				
Debt Service	-	-	-	-
Watershed management	-	-	-	-
Water management	10,755	175,141	39,199	-
Committed:				
Parks	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>10,755</u>	<u>175,141</u>	<u>39,199</u>	<u>-</u>
Total liabilities				
and fund balances	<u>\$ 800,506</u>	<u>\$ 199,319</u>	<u>\$ 39,199</u>	<u>\$ -</u>

**SAN ANTONIO RIVER AUTHORITY
COMBINING BALANCE SHEET –
NONMAJOR SPECIAL REVENUE FUNDS
AS OF SEPTEMBER 30, 2024,
WITH COMPARATIVE TOTALS FOR JUNE 30, 2023**

	SACIP	Park Resources	Total Nonmajor Special Revenue Funds	
	Land Sales	Development	2024	2023
ASSETS				
Cash	\$ 1,313	\$ 57,777	\$ 90,219	\$ 663,623
Investments	345,662	464,205	1,040,280	462,515
Investments - restricted	-	-	-	3,662,516
Intergovernmental receivables	-	-	776,491	1,744,626
Interest receivable	1,619	1,713	4,323	5,514
Total assets	<u>\$ 348,594</u>	<u>\$ 523,695</u>	<u>\$ 1,911,313</u>	<u>\$ 6,538,794</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 194,005	\$ 489,501
Retainage payable	-	-	36,492	87,838
Due to other funds of the Authority	-	-	559,279	909,469
Unearned revenue - services	-	-	24,153	283,567
Total liabilities	<u>-</u>	<u>-</u>	<u>813,929</u>	<u>1,770,375</u>
FUND BALANCES				
Restricted:				
Debt Service	-	-	-	3,853,039
Watershed management	348,594	-	348,594	333,432
Water management	-	-	225,095	227,080
Committed:				
Parks	-	523,695	523,695	354,868
Total fund balances	<u>348,594</u>	<u>523,695</u>	<u>1,097,384</u>	<u>4,768,419</u>
Total liabilities and fund balances	<u>\$ 348,594</u>	<u>\$ 523,695</u>	<u>\$ 1,911,313</u>	<u>\$ 6,538,794</u>

SAN ANTONIO RIVER AUTHORITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS
FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024,
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023

	<u>Grants</u>	<u>Edwards</u>	<u>Regional</u>	(Previous Year Nonmajor Fund)
	<u>Fund</u>	<u>Water</u>	<u>Water</u>	<u>San Antonio</u>
		<u>Acquisition</u>	<u>Alliance</u>	<u>River Public</u>
				<u>Facility Corp.</u>
REVENUES				
Investment earnings (loss)	\$ -	\$ 1,245	\$ 1,598	\$ -
Intergovernmental	3,881,885	237,424	-	-
Charges for services	-	3,582	-	-
Miscellaneous	<u>-</u>	<u>960</u>	<u>-</u>	<u>-</u>
Total revenues	<u>3,881,885</u>	<u>243,211</u>	<u>1,598</u>	<u>-</u>
EXPENDITURES				
Current:				
Operations	-	-	-	-
Technical Services	3,875,685	242,081	-	-
Debt Service:				
Bond principal	-	-	-	-
Interest and fees on bonds	-	-	-	-
Capital Outlay				
Operations	-	-	-	-
Technical services	<u>10,913</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>3,886,598</u>	<u>242,081</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,713)</u>	<u>1,130</u>	<u>1,598</u>	<u>-</u>
OTHER FINANCING SOURCES				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(4,713)</u>	<u>1,130</u>	<u>1,598</u>	<u>-</u>
Fund balances, July 1, as previously reported	<u>15,468</u>	<u>174,011</u>	<u>37,601</u>	<u>3,853,039</u>
Adjustment - changes from nonmajor fund to major fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,853,039)</u>
Fund balances, July 1, as adjusted	<u>15,468</u>	<u>174,011</u>	<u>37,601</u>	<u>-</u>
Fund balances, September 30	<u>\$ 10,755</u>	<u>\$ 175,141</u>	<u>\$ 39,199</u>	<u>\$ -</u>

SAN ANTONIO RIVER AUTHORITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS
FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024,
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023

	SACIP	Park Resources	Total Nonmajor Special Revenue Funds	
	Land Sales	Development	2024	2023
REVENUES				
Investment earnings (loss)	\$ 14,962	\$ 28,128	\$ 45,933	\$ 6,912
Intergovernmental	-	-	4,119,309	2,776,868
Charges for services	200	100,338	104,120	74,343
Miscellaneous	-	40,361	41,321	55,652
Total revenues	<u>15,162</u>	<u>168,827</u>	<u>4,310,683</u>	<u>2,913,775</u>
EXPENDITURES				
Current:				
Operations	-	-	-	11,862
Technical Services	-	-	4,117,766	2,706,113
Debt Service:				
Bond principal	-	-	-	778,000
Interest and fees on bonds	-	-	-	212,321
Capital Outlay				
Operations	-	-	-	48,970
Technical services	-	-	10,913	77,163
Total expenditures	<u>-</u>	<u>-</u>	<u>4,128,679</u>	<u>3,834,429</u>
Excess (deficiency) of revenues over (under) expenditures	<u>15,162</u>	<u>168,827</u>	<u>182,004</u>	<u>(920,654)</u>
OTHER FINANCING SOURCES				
Transfers in	-	-	-	998,801
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>998,801</u>
Net change in fund balances	<u>15,162</u>	<u>168,827</u>	<u>182,004</u>	<u>78,147</u>
Fund balances, July 1, as previously reported	<u>333,432</u>	<u>354,868</u>	<u>4,768,419</u>	<u>4,690,272</u>
Adjustment - changes from nonmajor fund to major fund	-	-	(3,853,039)	-
Fund balances, July 1, as adjusted	<u>333,432</u>	<u>354,868</u>	<u>915,380</u>	<u>-</u>
Fund balances, September 30	<u>\$ 348,594</u>	<u>\$ 523,695</u>	<u>\$ 1,097,384</u>	<u>\$ 4,768,419</u>

**SAN ANTONIO RIVER AUTHORITY
GRANTS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance --
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
REVENUES				
Intergovernmental	<u>\$6,599,860</u>	<u>\$7,429,935</u>	<u>\$3,881,885</u>	<u>\$(3,548,050)</u>
Total revenues	<u>6,599,860</u>	<u>7,429,935</u>	<u>3,881,885</u>	<u>(3,548,050)</u>
EXPENDITURES				
Current:				
Technical services	6,502,862	7,301,739	3,875,685	3,426,054
Capital outlay:				
Technical services	<u>96,632</u>	<u>116,632</u>	<u>10,913</u>	<u>105,719</u>
Total expenditures	<u>6,599,494</u>	<u>7,418,371</u>	<u>3,886,598</u>	<u>3,531,773</u>
Excess (deficiency) of revenues over (under) expenditures	<u>366</u>	<u>11,564</u>	<u>(4,713)</u>	<u>(16,277)</u>
Net change in fund balances	366	11,564	(4,713)	(16,277)
Fund balance, beginning of year	<u>15,468</u>	<u>15,468</u>	<u>15,468</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ 15,834</u>	<u>\$ 27,032</u>	<u>\$ 10,755</u>	<u>\$ (16,277)</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 FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance --</u>
	<u>Original</u>	<u>Final</u>		<u>Positive</u> <u>(Negative)</u>
REVENUES				
Investment earnings (loss)	\$ -	\$ -	\$ 1,245	\$ 1,245
Intergovernmental	250,732	250,732	237,424	(13,308)
Charges for services	1,200	1,200	3,582	2,382
Miscellaneous	-	-	960	960
Total revenues	<u>251,932</u>	<u>251,932</u>	<u>243,211</u>	<u>(9,681)</u>
EXPENDITURES				
Current:				
Technical Services	<u>427,091</u>	<u>427,091</u>	<u>242,081</u>	<u>185,010</u>
Net change in fund balances	(175,159)	(175,159)	1,130	176,289
Fund balance, beginning of year	<u>174,011</u>	<u>174,011</u>	<u>174,011</u>	-
Fund balance (deficit), end of year	<u>\$ (1,148)</u>	<u>\$ (1,148)</u>	<u>\$ 175,141</u>	<u>\$ 176,289</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 FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>			Variance -- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
REVENUES				
Investment earnings	\$ -	\$ -	\$ 1,598	\$ 1,598
EXPENDITURES				
Current:				
Technical Services	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Net change in fund balances	(3,000)	(3,000)	1,598	4,598
Fund balance, beginning of year	<u>37,601</u>	<u>37,601</u>	<u>37,601</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 34,601</u></u>	<u><u>\$ 34,601</u></u>	<u><u>\$ 39,199</u></u>	<u><u>\$ 4,598</u></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 FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance --</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
REVENUES				
Investment earnings	\$ 800	\$ 800	\$ 14,962	\$ 14,162
Charges for services	-	-	200	200
Total revenues	<u>800</u>	<u>800</u>	<u>15,162</u>	<u>14,362</u>
EXPENDITURES				
Current:				
Technical services	<u>5,466</u>	<u>5,466</u>	<u>-</u>	<u>5,466</u>
Net change in fund balances	(4,666)	(4,666)	15,162	19,828
Fund balance, beginning of year	<u>333,432</u>	<u>333,432</u>	<u>333,432</u>	<u>-</u>
Fund balance, end of year	<u>\$ 328,766</u>	<u>\$ 328,766</u>	<u>\$ 348,594</u>	<u>\$ 19,828</u>

**SAN ANTONIO RIVER AUTHORITY
PARK RESOURCES DEVELOPMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance --
	<u>Original</u>	<u>Final</u>		Positive (Negative)
REVENUES				
Investment earnings (loss)	\$ 4,300	\$ 4,300	\$ 28,128	\$ 23,828
Charges for services	-	-	100,338	100,338
Miscellaneous	-	-	40,361	40,361
Total revenues	<u>4,300</u>	<u>4,300</u>	<u>168,827</u>	<u>164,527</u>
EXPENDITURES				
Capital Outlay				
Operations	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,300</u>	<u>4,300</u>	<u>168,827</u>	<u>164,527</u>
OTHER FINANCING SOURCES				
Sale of capital assets	<u>120,970</u>	<u>120,970</u>	-	<u>(120,970)</u>
Net change in fund balances over (under) expenditures	125,270	125,270	168,827	43,557
Fund balance, beginning of year	<u>354,868</u>	<u>354,868</u>	<u>354,868</u>	<u>-</u>
Fund balance, end of year	<u>\$ 480,138</u>	<u>\$ 480,138</u>	<u>\$ 523,695</u>	<u>\$ 43,557</u>

**SAN ANTONIO RIVER AUTHORITY
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024**

Capital Project Funds

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

The Westside Creek Restoration City of San Antonio Fund 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.

Other Capital Projects Fund accounts for projects funded by entities other than the City of San Antonio and Bexar County. The River Authority is reimbursed for all expenses incurred for projects in this fund.



Project Highlight: San Pedro Creek Culture Park – In collaboration with Bexar County, the City of San Antonio, SAWS, and Union Pacific Railroad the River Authority is restoring San Pedro Creek’s natural environment, creating a world-class linear park, and reducing flooding to this highly urban area. The San Pedro Creek Culture Park will encompass a total of four phases. Phase 1 was complete October 2022. Phases 2 and 4 were complete October 2023 and Phase 3 is expected to be complete spring of 2025.

**SAN ANTONIO RIVER AUTHORITY
COMBINING BALANCE SHEET –
NONMAJOR CAPITAL PROJECT FUNDS
FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024,
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023**

	San Antonio River		Westside		Total Nonmajor	
	Improvement Project		Creek Restoration		Capital Project Funds	
	(Previous Year Nonmajor Fund)		(Previous Year Major Fund)			
	City of San Antonio	City of San Antonio	Other Capital Projects	2024	2023	
ASSETS						
Cash	\$ -	\$ 144,236	\$ -	\$ 144,236	\$ 828,255	
Investments	-	3,037	278,035	281,072	162	
Interest receivable	-	2,236	-	2,236	-	
Intergovernmental receivables	-	176,976	-	176,976	191,394	
Accounts receivable	-	-	1,386,153	1,386,153	55,770	
Cash - restricted	-	-	130,000	130,000	-	
Total assets	<u>\$ -</u>	<u>\$ 326,485</u>	<u>\$ 1,794,188</u>	<u>\$ 2,120,673</u>	<u>\$ 1,075,581</u>	
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ 2,523	\$ 2,523	\$ 499,970	
Retainage payable	-	194,311	468,208	662,519	400,427	
Unearned revenue - services	-	91,948	-	91,948	-	
Due to other funds of the Authority	-	-	1,195,730	1,195,730	-	
Total liabilities	<u>-</u>	<u>286,259</u>	<u>1,666,461</u>	<u>1,952,720</u>	<u>900,397</u>	
FUND BALANCES						
Restricted:						
Construction	-	40,226	127,727	167,953	175,184	
Total fund balances	<u>-</u>	<u>40,226</u>	<u>127,727</u>	<u>167,953</u>	<u>175,184</u>	
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 326,485</u>	<u>\$ 1,794,188</u>	<u>\$ 2,120,673</u>	<u>\$ 1,075,581</u>	

SAN ANTONIO RIVER AUTHORITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – NONMAJOR CAPITAL PROJECT FUNDS
FIFTEEN MONTHS ENDED SEPTEMBER 30, 2024,
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023

	San Antonio River Improvement Project	Westside Creek Restoration	Other Capital Projects	Total Nonmajor Capital Project Funds	
	(Previous Year Nonmajor Fund) City of San Antonio	(Previous Year Major Fund) City of San Antonio		2024	2023
REVENUES					
Investment earnings	\$ -	\$ 2,027	\$ -	\$ 2,027	\$ -
Intergovernmental	-	283,886	1,754,562	2,038,448	1,411,014
Total revenues	<u>-</u>	<u>285,913</u>	<u>1,754,562</u>	<u>2,040,475</u>	<u>1,411,014</u>
EXPENDITURES					
Current:					
Operations	-	283,886	17,713	301,599	1,271,337
Capital projects	-	-	1,612,427	1,612,427	139,677
Total expenditures	<u>-</u>	<u>283,886</u>	<u>1,630,140</u>	<u>1,914,026</u>	<u>1,411,014</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>2,027</u>	<u>124,422</u>	<u>126,449</u>	<u>-</u>
Fund balances, July 1, as previously reported	<u>171,879</u>	<u>-</u>	<u>3,305</u>	<u>175,184</u>	<u>175,184</u>
Adjustment - changes from major fund to nonmajor fund	-	38,199	-	38,199	-
Adjustment - changes from nonmajor fund to major fund	<u>(171,879)</u>	<u>-</u>	<u>-</u>	<u>(171,879)</u>	<u>-</u>
Fund balances, July 1, as adjusted	<u>-</u>	<u>38,199</u>	<u>3,305</u>	<u>41,504</u>	<u>-</u>
Fund balances, September 30	<u>\$ -</u>	<u>\$ 40,226</u>	<u>\$ 127,727</u>	<u>\$ 167,953</u>	<u>\$ 175,184</u>

Single Audit



Photo by James Garza
2024 River Clicks Photo Contest
Judge's Choice – Bexar County

**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***

Independent Auditors' Report

To the Board of Directors of
San Antonio River Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the San Antonio River Authority (the River Authority), as of and for the period ended September 30, 2024, 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 February 14, 2025. Our report includes an emphasis of matter paragraph related to the change in fiscal year ends from June 30th to September 30th, resulting in 15-months being reported as of September 30, 2024 for the Authority. Our report also includes an emphasis of matter paragraph in relation to changes in the presentation of the San Antonio River Public Facility Corporation fund, the City of San Antonio Westside Creek Restoration fund, and the City of San Antonio River Improvement Project fund within the financial statements had occurred in the reporting period and adjustments were made to the beginning fund balances. Our opinions are not modified with respect to these matters.

Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Baker Tilly US, LLP

Austin, Texas
February 14, 2025

**Report on Compliance
for Each Major Federal and Major State Program and
Report on Internal Control Over Compliance Required by the
Uniform Guidance and the *Texas Grant Management Standards***

Independent Auditors' Report

To the Board of Directors of
San Antonio River Authority

Report on Compliance for Each Major Federal and Major State Program

Opinion on Each Major Federal and Major State Program

We have audited the San Antonio River Authority's (the River Authority) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *Texas Grant Management Standards* (the *TGMS*) that could have a direct and material effect on each of the River Authority's major federal and major state programs for the period ended September 30, 2024. The River Authority's major federal and major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the River Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and major state programs for the period ended September 30, 2024.

Basis for Opinion on Each Major Federal and Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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); and the *TGMS*. Our responsibilities under those standards, the Uniform Guidance, and the *TGMS* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the River Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and major state program. Our audit does not provide a legal determination of the River Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the River Authority's federal and state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the River Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the *TGMS* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the River Authority's compliance with the requirements of each major federal and major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the *TGMS*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the River Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the River Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *TGMS*, but not for the purpose of expressing an opinion on the effectiveness of the River Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a 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 or state 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 or state 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 and the *TGMS*. Accordingly, this report is not suitable for any other purpose.



Austin, Texas
February 14, 2025

San Antonio River Authority

Schedule of Expenditures of Federal and State Awards
 Period Ended September 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title Grantor/Program Title	Federal Assistance Listing Number	Grant/Contract Number	Disbursements/ Expenditures
United States Department of Homeland Security/Federal Emergency Management Agency/Cooperating Technical Partners (LOMR)	97.045	EMT-2021-CA-00027	\$ 144,935
United States Department of Homeland Security/Federal Emergency Management Agency/Cooperating Technical Partners (LOMR)	97.045	EMT-2022-CA-00024	66,299
United States Department of Homeland Security/Federal Emergency Management Agency/Cooperating Technical Partners (CTP Risk Map)-Lower SA Watershed II	97.045	EMT-2022-CA-00026	332,579
United States Department of Homeland Security/Federal Emergency Management Agency/Cooperating Technical Partners (CTP Risk Map)-Special Project/Westside Creek FFRD	97.045	EMT-2022-CA-00027	111,640
United States Department of Homeland Security/Federal Emergency Management Agency/Cooperating Technical Partners (CTP Risk Mgt) - FY23 Grant award	97.045	EMT-2023-CA-05017	121,321
United States Department of Homeland Security/Federal Emergency Management Agency/Cooperating Technical Partners (CTP Risk Mgt) - FY23 Special Project Grant award	97.045	EMT-2023-CA-05018	3,782
United States Department of Homeland Security/Federal Emergency Management Agency/Cooperating Technical Partners (CTP Risk Map)-Lower Cibolo and Lower Medina	97.045	EMT-2020-CA-00022	221,892
United States Department of Homeland Security/Federal Emergency Management Agency/Cooperating Technical Partners (CTP Risk May)-Lower SA Watershed	97.045	EMT-2021-CA-00024	624,515
Total Assistance Listing Number 97.045			<u>1,626,963</u>
United States Department of Agriculture/Natural Resources Conservation Service/Water Rehabilitation/Escondido Creek Site 1 Retarding Structure	10.916	NR237442XXXXC002	339,591
United States Department of Agriculture/Natural Resources Conservation Service/Water Rehabilitation/Escondido Creek Site 4 Retarding Structure	10.916	NR237442XXXXC003	354,049
United States Department of Agriculture/Natural Resources Conservation Service/Water Rehabilitation/Escondido Creek Site 12 Retarding Structure	10.916	NR237442XXXXC004	348,417
Total Assistance Listing Number 10.916			<u>1,042,057</u>
United States Department of the Interior/National Park Service Conservation, Protection, Outreach, and Education/ San Antonio Missions World Heritage Site FY22	15.954	P22AC01503-00	22,553
Total Assistance Listing Number 15.954			<u>22,553</u>
United States Environmental Protection Agency/Texas A&M AgriLife Research/Medina River Below Medina Diversion Lake Watershed Protection Plant Development	66.000	M2301175	1,179
Total Assistance Listing Number 66.000			<u>1,179</u>
Total federal expenditures			<u>\$ 2,692,752</u>
State Grantor/Grantor Program Title	Assistance Listing Number	Grant Number	Disbursements/ Expenditures
Texas Commission on Environmental Quality/Texas Clean Rivers Program (CRP)	N/A	582-22-30076	\$ 68,352
Texas Commission on Environmental Quality/Texas Clean Rivers Program (CRP)	N/A	582-24-50119	290,393
Total TCEQ			<u>358,745</u>
Texas Water Development Board/Water Supply Planning	N/A	2148302564	483,136
Texas Water Development Board/Flood Planning	N/A	2101792497	281,599
Total TWDB			<u>764,735</u>
Total state expenditures			<u>\$ 1,123,480</u>

See notes to schedule of expenditures of federal and state awards

San Antonio River Authority

Schedule Notes to Schedule of Expenditures of Federal and State Awards
Period Ended September 30, 2024

1. Basis of Presentation

The Authority changed fiscal year ends from June 30th to September 30th, resulting in 15-months being reported as of September 30, 2024.

The accompanying Schedule of Expenditures of Federal and State Awards (the Schedule) includes the federal award activity of the River Authority under programs of the federal government for the period ended September 30, 2024. The information in this Schedule is presented in accordance with the 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). The Schedule also includes the state grant activity of the River Authority under programs of the state government for the period ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of the *Texas Grant Management Standards*.

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 position or cash flows of the River Authority.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual or modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, when shown on the Schedule, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

The underlying accounting records for some grant programs are maintained on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred. The accounting records for other grant programs are maintained on the accrual basis, i.e., when the revenue has been earned and the liability is incurred.

3. Indirect Cost Rate

The River Authority has elected to use the 10% de minimis indirect cost rate as covered in 2 CFR section 200.714 for grant submissions.

4. Subrecipients

Of the expenditures presented in the Schedule, the River Authority did not provide any awards to subrecipients.

San Antonio River Authority

Schedule of Findings and Questioned Costs
 Period Ended September 30, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes X no

Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal and State Awards

Internal control over major programs:

	<u>Federal Programs</u>	<u>State Programs</u>
Material weakness(es) identified?	<u> </u> yes <u> X </u> no	<u> </u> yes <u> X </u> no
Significant deficiencies identified that are not considered to be material weakness(es)?	<u> </u> yes <u> X </u> none reported	<u> </u> yes <u> X </u> none reported
Type of auditor's report issued on compliance for major programs:	Unmodified	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance or the <i>Texas Grant Management Standards</i> ?	<u> </u> yes <u> X </u> no	<u> </u> yes <u> X </u> no
Auditee qualified as low-risk auditee?	<u> X </u> yes <u> </u> no	<u> X </u> yes <u> </u> no
Dollar threshold used to distinguish between type A and type B programs:	<u> \$750,000 </u>	<u> \$750,000 </u>

Identification of major federal programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
10.916	Watershed Rehabilitation Program

Identification of major state programs:

<u>State Number</u>	<u>Name of State Program</u>
2148302564	Water Supply Planning

San Antonio River Authority

Schedule of Findings and Questioned Costs
Period Ended September 30, 2024

Section II - Financial Statement Findings Required to be Reported in Accordance with *Government Auditing Standards*

No matters were reported

Section III - Federal and State Awards Findings and Questioned Costs

No matters were reported

Section IV - Other Issues

No matters reported