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presented by the

*Texas  
Chapter*

**American  
Society of  
Landscape  
Architects**

in recognition of  
outstanding  
professional  
achievement

*John K. Luffman*  
president  
*April 4, 1985*

# merit award

*Johnson Street Pedestrian Bridge*

*San Antonio River Authority  
Ford, Powell & Carson, Inc.  
Landscape Architecture & Planning*

The Johnson Street Pedestrian Bridge  
received recognition and honor from  
the American Society of Landscape Architects.

Cover: **Johnson Street Pedestrian Bridge**  
Photography: **Marco A. Botello**

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*Cecil W. Bain*

Cecil W. Bain  
Chairman

*Fred N. Pfeiffer*

Fred N. Pfeiffer  
General Manager

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# A Letter from the Chairman and the General Manager

The response to the drought-like conditions of early 1984 carried over into 1985 with the completion of Xeriscape Project which was co-sponsored by the San Antonio River Authority and several other governmental entities and private contributors. Located at the San Antonio Botanical Center, the South/Central Texas Xeriscape Garden demonstrates water-saving landscaping techniques.

A surface water project study was instituted by the City of San Antonio, the Guadalupe-Blanco River Authority and SARA to define costs, yields and availability of the Cibolo, Goliad and Cuero I and II reservoirs. Study results, due in 1986, will provide the Authorities accurate and current information for selecting options for future surface water supplies.

Work continued on the San Antonio Channel Improvement Project in San Antonio with the construction of a triple-purpose project consisting of construction of a bridge, controllable in-channel dam and a river maintenance marina at Nueva Street. Surveying and land acquisition began for the flood control tunnels for the San Pedro Creek and the San Antonio River to be bored under downtown San Antonio by the U.S. Army Corps of Engineers. During the year the Corps re-studied the locations and configurations of the tunnel intake and outlet structures. Floodway beautification from South Alamo Street upstream to Arsenal Street was completed and similar work was begun from Arsenal Street upstream to Durango Boulevard.

With eleven floodwater retarding dams already operating in the Salado Creek Watershed, the Soil Conservation Service and U.S. Department of Agriculture commenced construction of Site No. 7 in 1985. These dams not only provide flood protection but also recharge the Edwards Aquifer in northern Bexar County.

In eastern Bexar County, construction began on the Martinez II Sewage outfall line, and engineering plans were completed for a one million gallon per day wastewater treatment plant. Expansion and upgrading of the Martinez I and Salatrillo Wastewater treatment plants were completed. The plants continue to discharge wastewater effluent of exceptionally high quality.

Additional park facilities were completed at Braunig and Calaveras Lakes for the benefit of more than three hundred thousand fishermen who used the Lake Parks during FY 1985. The exceptional fish harvest at these lakes is attributable to the excellent management provided by the personnel of the Texas Parks and Wildlife Department. The Red Drum fishing in Braunig Lake attracted widespread attention in the pages of nationally distributed outdoor magazines.

Water quality concerns dominated much of the Board's attention during the first six months of 1985 when cold and wet weather conditions created operational difficulties at the City of San Antonio sewage treatment plants. SARA actively pursued monitoring of downstream conditions and plant activities and, along with the Texas Department of Water Resources, took corrective action to bring the City operations into compliance with their discharge permits. As a result, the City has made considerable progress in correcting facility deficiencies and has set forth a construction schedule to complete new facilities as quickly as possible.

SARA's Regional Water Quality Laboratory personnel also continued to monitor water quality in the Upper Nueces and Frio Rivers under contract for the Nueces River Authority and the Edwards Underground Water District.

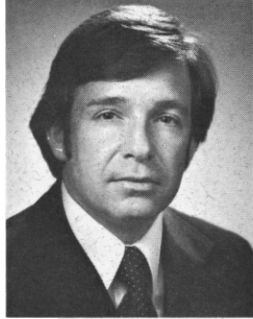
Again, this past year, as in every year since 1980, the San Antonio River Authority was able to undertake its construction activities and operations without the need for a tax levy. SARA activities are either financed by user fees or by intergovernmental contracts.

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# Board of Directors

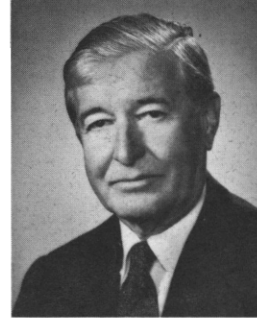
## BEXAR COUNTY



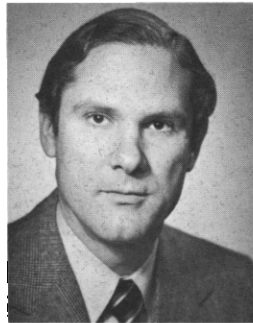
Cecil W. Bain  
Chairman  
(1991)



David Evans  
(1987)



Paul K. Herder  
(1991)



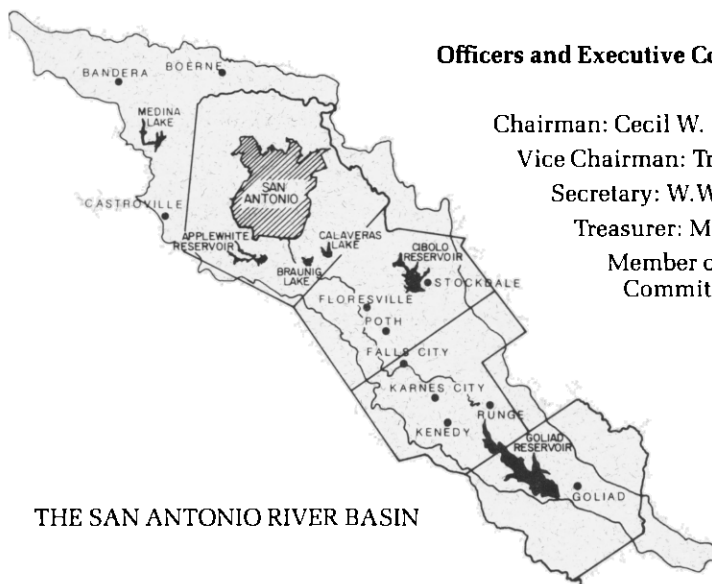
W.W. "Bo" McAllister, III  
(1989)



Martha Clifton McNeel  
(1989)



Allan B. Polunsky  
(1987)



### Officers and Executive Committee

- Chairman: Cecil W. Bain
- Vice Chairman: Truett Hunt
- Secretary: W.W. Lorenz
- Treasurer: Mary McCampbell
- Member of the Executive Committee at large: Allan B. Polunsky

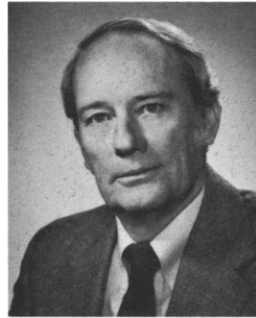
THE SAN ANTONIO RIVER BASIN



## GOLIAD COUNTY



Mary McCampbell  
(1991)

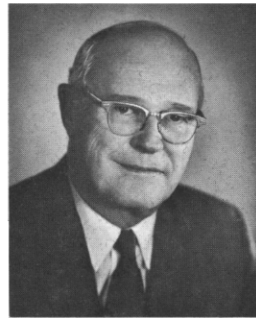


R.H. Ramsey, Jr.  
(1989)

## KARNES COUNTY

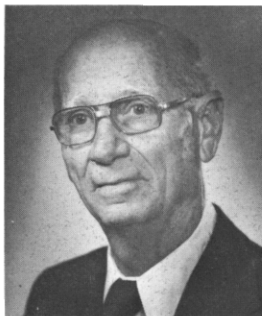


Truett Hunt  
(1989)



Hugh B. Ruckman, Jr.  
(1991)

## WILSON COUNTY



E.A. Flieller  
Chairman  
(Term Expired  
February 1985)



W.W. Lorenz  
(1989)



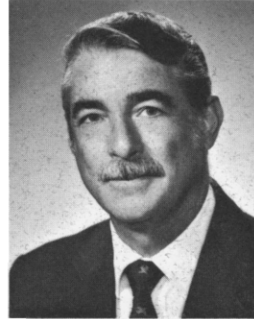
J.C. Turner  
(1991)

# Management

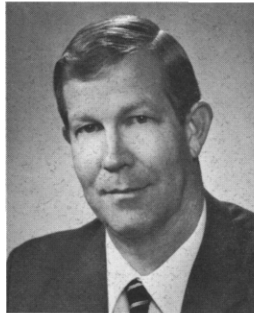
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**Fred N. Pfeiffer**  
General Manager



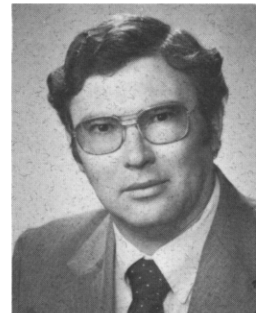
**F. Blair Warren**  
Assistant Manager



**Jim Davidson**  
Chief of  
Administrative Services



**Judith T. Pavlik**  
Controller



**Dorian French**  
Chief Engineer



**Randolph Schwenn**  
Chief, Utilities Division

**James L. Blair**  
Chief, Parks and Field Maintenance

**Steve P. Ramsey**  
Chief, Engineering Division

**James W. Thompson**  
Chief, Real Estate Division

**Mike Gonzales**  
Chief, Environmental Services

# History

In 1917 the voters of Texas, recognizing the necessity of developing and conserving the State's water resources, and inspired by devastating floods of 1913 and 1914, passed a Constitutional amendment allowing the Legislature to create special purpose political subdivisions of the State to serve regional areas generally coincidental with river basins and to be generally known as river authorities.

The San Antonio River Authority, created in 1937, is one of 22 such active organizations in the State. Its jurisdiction covers 3,677 square miles, being all of Bexar, Wilson, Karnes and Goliad Counties, which area substantially represents the watershed of the San Antonio River.

The legislated responsibilities of the San Antonio River Authority, codified in Article 8280-119, V.A.T.S., include flood control, pollution prevention, soil conservation, sewage treatment, water conservation (including storage, procurement, distribution and supply), irrigation, navigation, parks, recreational facilities, fish preservation and forestation measures.

The Authority is governed by a 12 member Board of Directors. Six directors are elected from Bexar County and two are elected from each of the three downstream counties with each member serving for six years. Policies established by the Board are executed by a management organization under the direction of a Manager appointed by the Board.

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# Operations

As the organization primarily responsible for the development and conservation of water resources in the San Antonio River Basin, the San Antonio River Authority has established several long range objectives and devotes its full time to accomplishing these goals:

- Complete the San Antonio Channel Improvement Project and otherwise provide San Antonio with major stormwater conveyance systems to reduce severe flooding which has taken numerous lives and cost the community millions of dollars.
- Improve the quality of water flowing in the San Antonio River and its tributaries through the implementation of an effective stream quality standards program, through the proper operation and maintenance of sewage treatment facilities in the San Antonio River Basin, through basic research and through the implementation of research discoveries.
- Implement and/or coordinate upstream watershed protection and flood prevention projects in six watersheds in the San Antonio River Basin by construction of floodwater retarding structures and necessary flood control channels.
- Support the implementation of a comprehensive State water plan, including the timely development of the Cibolo and Goliad Reservoirs in the San Antonio River Basin.
- Implement a master plan for wastewater treatment under a regional system in the Salatrillo and Martinez watersheds in Bexar County.
- Strive for maximum development of parks, recreational facilities, fishing areas and wildlife preserves when possible in conjunction with the Authority's projects.
- Cooperate with all interested Federal, State, local and municipal entities in the conservation and development of Basin's water resources.

# Flood Control

In Bexar County, the 1921 flood was the catalyst for the City of San Antonio's adoption of a flood control plan. Olmos Dam was built in 1926, at a cost of \$1.5 million, to retain flood waters from the northern portion of the City. Additionally, cutoff channels and widening and deepening of specific sections of the San Antonio River and its four tributary creeks were accomplished at a cost slightly over \$3.5 million.

However, this work was not sufficient as extensive property damage and loss of lives occurred again as a result of the 1946 flood. Following this flood, the U.S. Army Corps of Engineers completed a comprehensive flood control examination and survey of the San Antonio River and its tributaries. This report, entitled the "San Antonio Channel Improvement Project," which included the deepening, widening and straightening of 31 miles of the San Antonio River and its

tributary creeks within the City, was submitted to Congress for approval and authorization. The Channel Improvement Project was authorized in 1954 and the San Antonio River Authority was designated the "local interest" participant.

The Authority's responsibility as local sponsor in the San Antonio Channel Improvement Project (SACIP) includes right-of-way acquisition, utility relocations and construction of bridges and in-channel dams, mainly financed by the Bexar County Flood Control Tax. The Corps of Engineers designs and constructs the channel project. The City of San Antonio finances segments not covered by the County Tax and operates and maintains the completed segments.

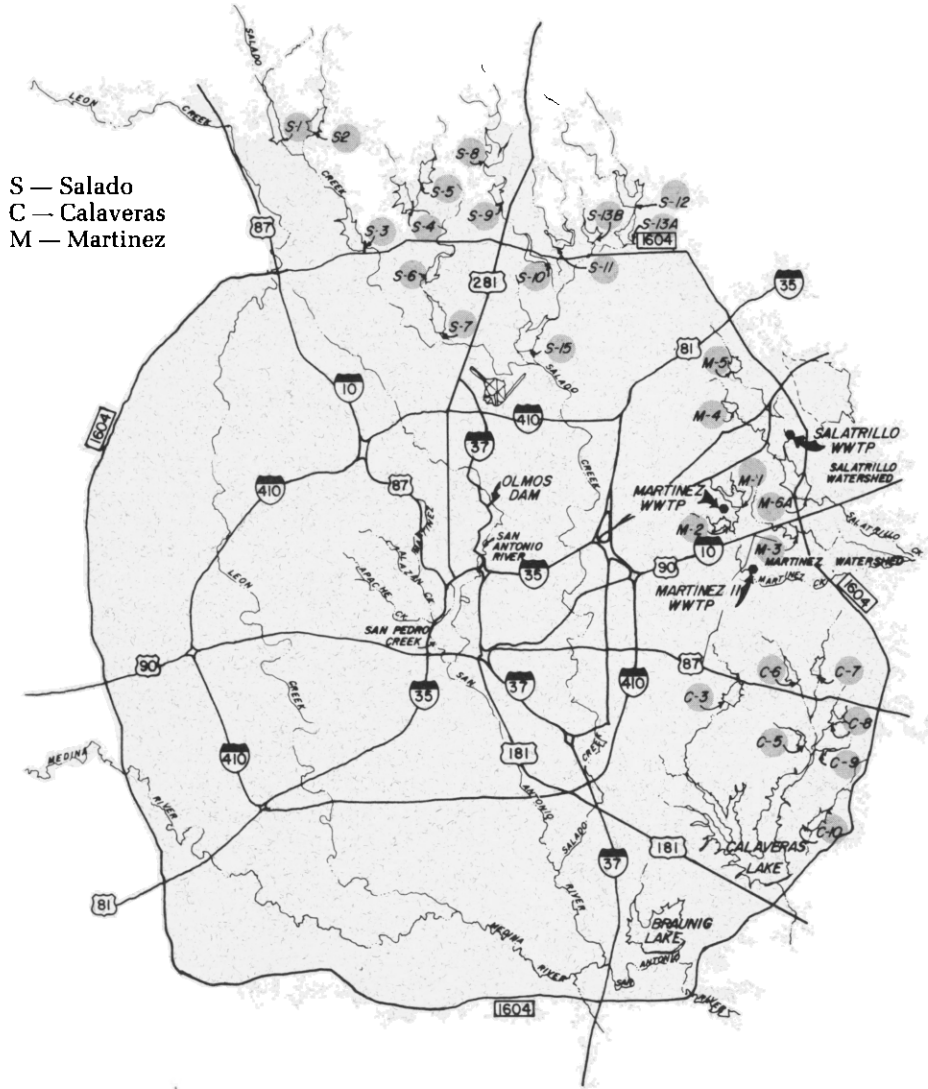
The Berg's Mill Channel Improvement Project, a 1.75 mile downstream extension of the SACIP, authorized and funded by the 1967 contract amendment with Bexar County, has been completed and is being maintained by the Authority.

Also included in the 1967 Bexar County flood contract amendment is the Salado Creek Watershed Protection and Flood



Winter scene of the San Antonio Channel Improvements project, South Alamo to Arsenal Street.

## FLOOD CONTROL STRUCTURES IN BEXAR COUNTY



S — Salado  
 C — Calaveras  
 M — Martinez



## FLOOD CONTROL STRUCTURES IN KARNES COUNTY

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Prevention Project, located in northern Bexar County. This project consists of building fifteen flood control dams on the Salado Creek and its tributaries to prevent downstream flooding rather than perform extensive channelizations of individual creeks. These dams also provide recharge water to the Edwards Aquifer. There are now eleven dams in operation, another is under construction, and land rights have been substantially acquired for two other sites.

The 1976 agreement amended the flood control contract to include work not previously authorized, including (1) modifications to Olmos Dam, (2) detention dams and reservoirs or downtown bypass, (3) San Antonio River channel modifications from Nueva to 8th Street, (4) reconstruction of San Juan Dam, (5) Six Mile Creek channel improvement, (6) San Pedro Creek channel improvements from Travis to Myrtle and (7) channel dams from Nueva to Brackenridge Park.

The estimated cost of these projects is \$30 million, and the contract calls for the work to be done at cost rather than for a fixed sum as in the original and 1967 contract.

Improvements on the San Antonio River from Johnson to Nueva and from Eighth to Hildebrand and on San Pedro Creek from Durango to Travis could not be included in the 1976 County-SARA contract and must be funded by the City of San Antonio. The operation and maintenance of the projects completed under the County-SARA contract is the responsibility of the City of San Antonio by previous City ordinance.

In suburban and rural areas throughout the San Antonio River Basin, the Authority's approach to flood control is through development of numerous small flood control dams on tributary streams as opposed to extensive channel improvement measures. The U.S. Soil Conservation Service designs and constructs these floodwater retention dams by agreement with the Authority under the terms of the Small Watershed Protection and Flood Prevention Act, Public Law 566. The Authority and other local sponsors of these projects obtain rights-of-way and maintain the works of improvement upon completion.

Throughout the District, the Authority now operates and maintains 41 flood control structures constructed under P.L. 566 or its predecessor pilot act. In Bexar County the number of completed dams is as follows: Salado 11, Calaveras 7 and Martinez 6. In Karnes County: 13 dams on Escondido Creek, 3 dams on Hondo Creek and 2.07 miles of channel on Nichols Creek are complete.

## Water Supply

Two proposed reservoir projects are sponsored by the San Antonio River Authority. The Cibolo Project is to be located near Stockdale on the Cibolo Creek in Wilson County. Its purpose would be to supplement San Antonio's future water supply and serve as a staging reservoir for moving bulk raw water from proposed major reservoirs in the Guadalupe River Basin near Cuero into the San Antonio metropolitan area.

The Goliad Reservoir planned for the San Antonio River near Goliad could serve municipal and industrial needs in the Corpus Christi area and increase the yield of the proposed reservoirs near Cuero by furnishing their portions of the freshwater inflow requirements to the bay and estuarine system.

In 1985 the City of San Antonio joined the San Antonio River Authority and the Guadalupe-Blanco River Authority in financing comprehensive new studies to provide updated cost, yield and availability information on the Cuero I and II Reservoirs as well as the Cibolo and Goliad Reservoirs.

# Wastewater Treatment

In 1961 the Authority was directed by the Texas Legislature to "study, correct and control" water pollution in the San Antonio River Basin and to construct, operate and maintain sewage treatment plants. In 1962 the Authority took its first steps toward this end by initiating the San Antonio River Authority Water Treatment Report which was completed in 1964. The following recommendations in that report were basically adopted by the Authority's Board of Directors in January 1965:

- Improve the operation and maintenance of existing waste treatment facilities in the basin.
- Strive for the consolidation of waste treatment facilities wherever practical, particularly in Bexar County.

Long range planning called for development of a regional sewerage system in eastern Bexar County to keep the Cibolo Creek clean. The system began in 1966, when the Authority contracted with the City of Converse to treat its wastewater at the Salatrillo Creek Wastewater Treatment Plant.

Wastewater treatment initially was provided by a .5 million gallons daily (MGD) "Walker Process" contact stabilization plant. Processed sludge was placed on drying beds, and then removed to a remote site for land disposal. Wastewater from Bexar County Water Control and Improvement District No. 13 and from Booker Public Utility District was routed to the Salatrillo Creek Plant by 1968. These special-purpose districts lost their identities as the Cities of Live Oak and Universal City replaced them. By 1970 the Salatrillo Creek Plant and its major sewer outfall lines made up a growing regional sewerage system serving three cities. By 1974 the capacity of the plant had increased to 1.5 MGD by the addition of a 1.0 MGD extended aeration "oxidation ditch." A similar expansion the following year brought total treatment capacity to 2.5 MGD.

In the watershed contiguous to and west of the Salatrillo Creek watershed, the San Antonio River Authority constructed the Upper Martinez Creek Wastewater Treatment Plant in 1970. The initial plant was an "oxidation ditch" extended aeration process plant rated at .3 MGD. Sludge was dried on drying beds and hauled to a remote site for land disposal. Wastewater was piped to the Upper Martinez site from new development occurring outside the corporate jurisdictions of any city but within the extraterritorial jurisdiction of the City of San Antonio.

During the decade of the 1970's personnel of the San Antonio River Authority Utilities Operations Division designed and built equipment and perfected techniques for applying aerobically digested liquid sludge to the land for irrigation of animal feed crops. So successful was this effort that the United States Environmental Protection Agency accepted its use as the primary sludge disposal method for sludges generated by the most recent expansion facilities at both the Upper Martinez and Salatrillo Plants.

The Salatrillo and Martinez Wastewater Treatment Plants have again been expanded. The Salatrillo and Upper Martinez sites have treatment capacities up to 3.52 MGD and 2.21 MGD, respectively. Designed by the Authority's own engineering staff, the new wastewater facilities represent state-of-the-art technology. Each plant utilizes center-pivot irrigation systems for the land application of liquid sludge to grow animal feed crops. This environmentally-sound system to recycle the by-product of wastewater treatment earned an additional 10 percent in "alternative technology" federal construction grants.

Responding to development needs in the watershed downstream of the existing Upper Martinez plant, the Authority commenced construction of its third wastewater transportation, treatment and disposal system in the summer of 1985. The first phase of this new system named "Martinez II" will consist of approximately 4 miles of sewer outfall line, a 1.0 MGD Carrousel-type extended aeration wastewater treatment plant, and related sludge disposal facilities. The new system is planned to be on line by March 1986.

# Parks and Recreation

The Authority first began operation of fee-supported recreational projects with the opening of Braunig Lake Park to the public in 1967. The Authority's only prior experience had been in the development of small scale neighborhood parks on surplus lands adjoining urban flood control projects. In 1970 the Authority began its second fee-supported project with the opening of Calaveras Lake Park for public outdoor recreation. Both lakes, lying only four miles apart and being within 15 miles of the urban center of San Antonio, offer a wide variety of water oriented recreational activities to all the people of South Texas. The projects are located on steam-electric power plant cooling reservoirs, and are made possible by long term leases between the City Public Service Board of San Antonio and the Authority.

Calaveras Lake Park and Braunig Lake Park are open to the public 24 hours a day. However, Braunig Lake closes during the months of December and January. Both parks offer complete concession facilities including bait, tackle, supplies and boat rentals. These lakes provide superb fishing for bass, channel and blue catfish as well as adaptive saltwater fish species.



Relaxation is part of recreation enjoyed at Braunig and Calaveras Lakes.

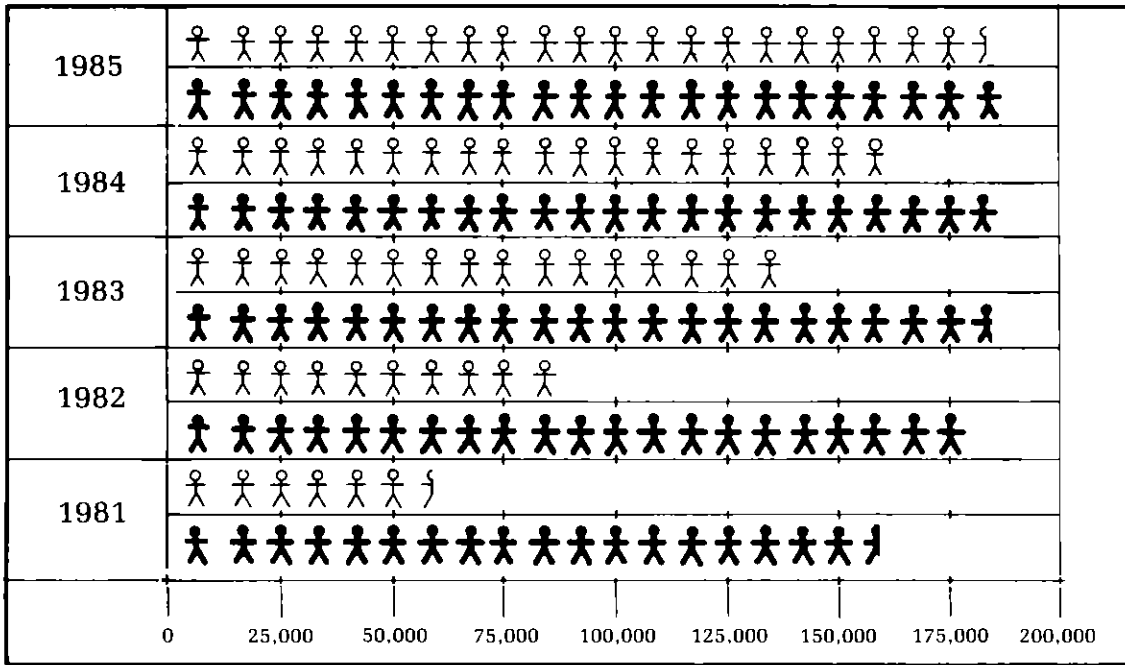
The Texas Parks and Wildlife Department stocks both lakes with native and adaptive saltwater fish in accordance with a fisheries management program. This program has resulted in the highly successful stocking of the saltwater Red Drum (redfish) which is adding an exciting new dimension for the area's freshwater sports fishermen. The current Texas freshwater record Red Drum of 27 pounds came from Braunig Lake. Several other saltwater fish species are now showing promise of further enhancing the local sport of fishing.





Successful catch of saltwater redfish at Braunig Lake.




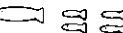

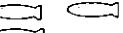
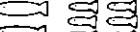


## LAKE ADMISSIONS





 = Braunig Lake Admissions  
 = Calaveras Lake Admissions

## FISH COUNT

BRAUNIG LAKE			CALAVERAS LAKE		
	FISH COUNT	%		FISH COUNT	%
BASS		1.0			54.0
HYBRIDS		31.0			16.0
CATFISH		42.0			30.0
REDFISH		27.0			

### LEGEND

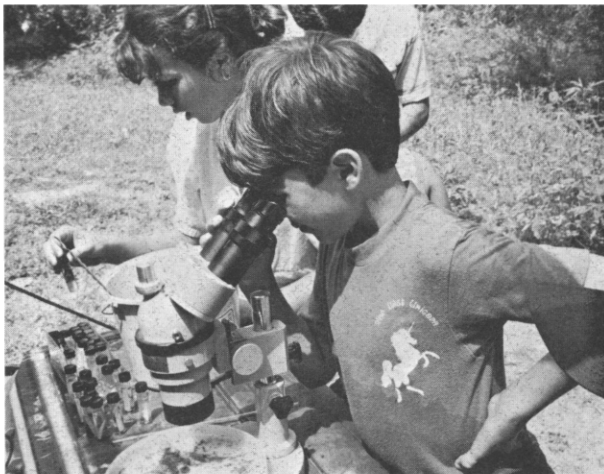
 = 10%  
 = 1%

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# Environmental Services

In response to a directive from the State Legislature, the San Antonio River Authority Board of Directors in 1962 created the San Antonio River Basin Pollution Prevention Project which initially included a stream water quality monitoring program of eleven selected sampling stations. That program has been expanded, and in 1984 eighty locations within the Basin, including Calaveras, Braunig, and Medina Lakes, were being sampled.

Collected samples are tested at the Authority's regional water quality laboratory which began operation in 1966. The laboratory supports the Authority's monitoring program and its wastewater treatment plants, and provides analytical services to the Texas Department of Water Resources and Edwards Underground Water District. Wastewater effluents are tested in the laboratory for ten municipalities and two commercial activities whose concern is to regularly comply with state and federal wastewater discharge permits.



SARA Environmental Services personnel provided children in the Witte Museum's "Chasing Tracks" program a hands-on look at aquatic biology.

The Environmental Services Division was also involved in a special intensive monitoring survey of the San Antonio River with the Texas Department of Water Resources and the City of San Antonio. Additionally, the Authority is continuing special on-going studies of biological nitrification in the San Antonio River and parameter correlations in wastewater effluents.



SARA Biologists introduce participants in the Ecology of a River program to the "living river."

The Authority during FY 1985 continued its long-standing practice of pollution complaint and fish-kill investigations within the Basin and assisted the Texas Department of Water Resources, Texas Parks and Wildlife Department and San Antonio Metropolitan Health District in those investigations.

As a long term aid to pollution abatement in the basin, the Authority has taken a more active role promoting public awareness of aquatic ecology, water pollution, conservation, and resource protection. Environmental Services personnel make themselves available for presentations and talks to school groups, fishing clubs, museum groups, and civic organizations.

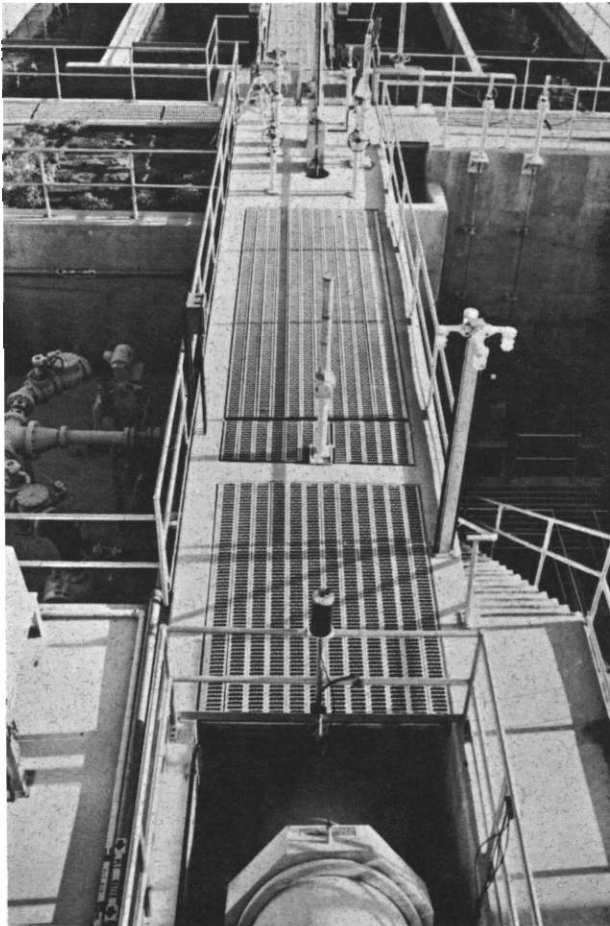
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# Major Capital Improvement Projects

## Salatrillo Creek Wastewater Project

This project serves the sanitary sewerage requirements of the cities of Live Oak, Converse and Universal City, and the development outside these cities which is within the gravity drainage basin of the treatment plant. Begun in 1983 the Project consists of the rehabilitation and repair of wastewater collection and transportation pipelines to minimize the undesirable entry of extraneous water into those lines. The Project also includes plant additions and changes for the purpose of providing both



Salatrillo Creek Wastewater Treatment Plant

additional capacity and better treatment for sewage from the area. Construction plans and specifications for the Project were prepared by the engineering staff of the San Antonio River Authority. Line rehabilitation in the Salatrillo system was completed in 1983. Construction work at the plant site and at its remote sludge irrigation site was completed in FY1985. The Authority's engineering staff performed all required construction administration and quality control functions during the year. The Project is funded by customers of the system. Seventy-five percent of eligible costs of the project were reimbursed by a P.L. 92-500 EPA construction grant.

## Martinez Creek Wastewater System Project

The Martinez Creek Wastewater System provides sanitary sewerage service to residential and commercial development in an unincorporated area between the City of San Antonio and the Salatrillo system area in northeastern Bexar County. The Project, like the Salatrillo Project, consists of necessary sewer pipeline rehabilitation to reduce the extraneous water in the sanitary sewers. It also includes work at the wastewater treatment plant site and the adjoining sludge irrigation site for the purpose of providing additional capacity and better treatment for sewage from the service area. Line repairs and rehabilitation were completed for the Martinez Creek system in 1983. Construction work at the plant site and on the adjoining sludge irrigation site was completed in FY1985. All required construction administration and quality control functions were carried out by the engineering staff of the San Antonio River Authority. The Project is funded by customers of the Martinez system. Seventy-five percent of eligible costs of the Project were reimbursed by a P.L. 92-500 EPA construction grant.

## Martinez II Wastewater Treatment Plant

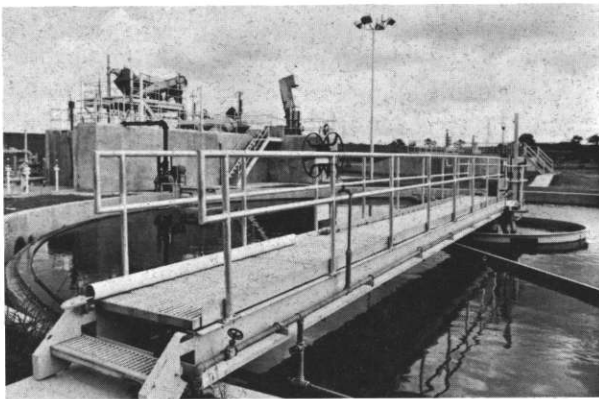
The Martinez II Wastewater Treatment Plant project is an extension of the Martinez Creek Wastewater System and will provide sewerage service to development downstream of the existing Martinez Creek Plant. Construction plans and specifications for the new 1.0 MGD treatment plant and sludge disposal facilities were prepared and the project was bid in FY1985 with construc-

tion of the plant starting in August 1985. The plant is scheduled for completion in April 1986.

The Martinez II Wastewater Treatment Plant project is funded by customers of the Martinez Creek Wastewater System. Plant design and construction administration functions are performed by the River Authority's engineering staff.

### **Martinez II Outfall Line**

This project consists of design and construction of approximately 4 (four) miles of sanitary sewer outfall line to connect the new watershed development to the Martinez II Wastewater Treatment Plant. Construction plans and specifications were prepared by the River Authority. Construction of the outfall line was started in May 1985 and is scheduled for completion in February 1986. All construction administration functions are performed by River Authority personnel. The Martinez II Outfall Line project is funded by customers of the Martinez Creek Wastewater System.



**Martinez Sewage Treatment Plant**

### **Braunig and Calaveras Lake Park Improvements**

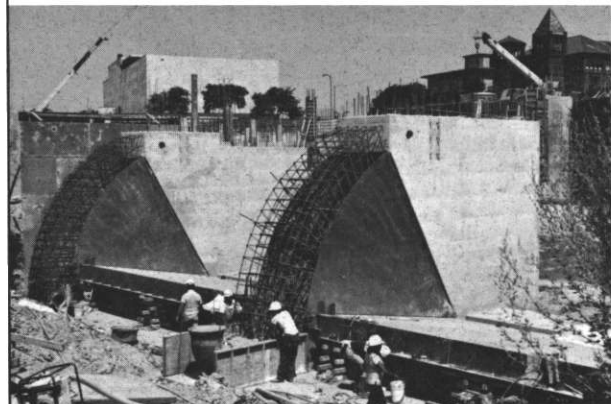
Capital Improvement at the Parks during fiscal year 1985 included the installation of 12,000 feet of pipeline to supply potable water to the Braunig Lake Park facilities. Additionally, the two original restrooms were replaced and a patio cover added at the concession building. The restrooms at Calaveras Lake Park were also replaced with better facilities. Park user fees funded these improvement projects.

**Total family enjoyment is available at Braunig and Calaveras Lakes.**



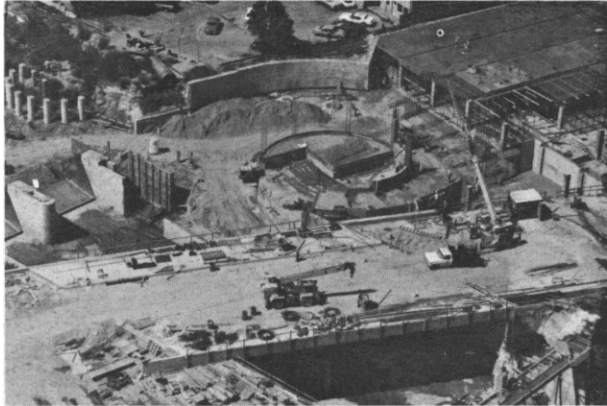
### **Nueva Street Bridge, Dam, and Marina Project**

This complex project includes the installation of a new dam in the San Antonio River immediately downstream of Nueva Street in downtown San Antonio, a new vehicular bridge across the river at Nueva Street, and the construction of a marina at the same location to be used for river maintenance activities by the City of San Antonio. The new vehicular bridge will carry four lanes of traffic instead of the two lanes carried by the original bridge which was demolished to allow construction of the Project. The dam will serve to regulate the water level in the downtown river loop under normal as well as flooding conditions. On-site construction administration and quality control functions for this project are provided by the Authority's engineering staff. Construction on this Project began in 1984 and completion of construction is



**Dam floodgates and side seal plates at the Nueva Street Bridge, Dam, and Marina Capital Improvement Project.**

**Aerial view of the Nueva Street Bridge, Dam and Marina project.**



anticipated in June 1986. The City of San Antonio will pay all project costs associated with the Marina, while the San Antonio River Authority will pay for the balance of the Project out of bonds secured by the Bexar County Flood Control Tax.

**Municipal Auditorium River Maintenance Ramp and Retaining Wall Project**

This project is to provide necessary access for maintenance equipment, barges, and pedestrians from Lexington Street to the San Antonio River behind the Municipal Auditorium. Retaining wall work associated with the Project will insure stability of the river bank and maintain a pleasing appearance in this area where the river level is about 15 feet below street level. On-site construction administration and quality control functions on this project are being performed by the Authority's engineering staff. Construction began in 1984 and was completed in 1985. The Project is funded by bonds secured by the Bexar County Flood Control Tax.

**San Antonio River Betterments I Project — South Alamo Street to Arsenal Street**

Completed during 1985, this project consisted of the installation of sidewalks, retaining walls, pedestrian walk lights, selected plantings and other landscaping amenities in the improved floodway of the San Antonio River in the King William Historic area. The Project was designed and field construction administration and quality control functions were provided by the Authority's engineering staff. Costs of the Project were paid by the City of San Antonio.



**Capital Improvements contribute to the lighting, landscaping and walkways along the River.**

**San Antonio River Betterments II Project — Arsenal Street to Durango Blvd.**

This project consists of the installation of sidewalks, retaining walls, pedestrian walk lights, selected plantings and other landscaping amenities in the improved floodway of the San Antonio River in the King William Historic Area. The Project was designed and field construction administration and quality control functions were provided by the Authority's engineering staff. Costs of the Project are paid by the City of San Antonio and H.E. Butt Grocery Co.



**Channel Improvements Project — Betterments II presently under construction in front of the new H.E.B. Corporate Headquarters.**

**San Antonio River Tunnel Flood Control Project — U.S. 281 to Lone Star Blvd.**

Planning began in 1984 with the U.S. Army Corps of Engineers for the construction of two major underground conduits to carry part of the surface floodwaters beneath rather than through the central business district of San Antonio. The Authority provided essential land rights and permits to enable core drilling by the Corps for subsurface geologic data for the San Antonio River tunnel. Advice and assistance from the Authority were used by the Corps to select the sites for the tunnel inlet and outlet structures.

With construction planned to begin in 1986, this tunnel will provide flood relief to downtown San Antonio without the requirements for major and disruptive reconstruction of streets, bridges, utilities, and the river channel itself.

Federal appropriations to the Corps will fund construction of the tunnel, while the Authority will pay right-of-way and other local interest costs from bonds secured by the Bexar County Flood Control Tax.

**San Pedro Creek Tunnel Project, El Paso to Quincy Street**

In 1984 and 1985 the Authority also provided land rights for core drilling by the Corps for this flood control tunnel which is planned for construction beginning in 1986. Made possible only because of economies achieved with tunneling the San Antonio River, the San Pedro Creek tunnel will also eliminate substantial surface disruption in the central business district of San Antonio. Local interest costs including right-of-way acquisition and utility relocations are being borne by the City of San Antonio.

# Financial Statements

**1985**

**ANNUAL  
FINANCIAL  
REPORT**

**1985**

**ANNUAL  
FINANCIAL  
REPORT**



# Ernst & Whinney

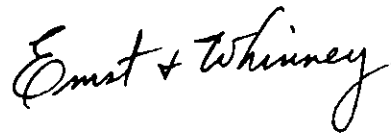
1900 Frost Bank Tower  
San Antonio, Texas 78205

512/228-9696

Board of Directors  
San Antonio River Authority  
San Antonio, Texas

We have examined the combined financial statements of the San Antonio River Authority as of and for the year ended June 30, 1985, as listed in the table of contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the combined financial statements referred to above present fairly the financial position of the San Antonio River Authority at June 30, 1985, and the results of its operations and the changes in financial position of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.



San Antonio, Texas  
September 12, 1985

**1985**  
**ANNUAL**  
**FINANCIAL**  
**REPORT**

# Financial Statements

- Combined Balance Sheet  
*All Fund Types and Account Groups*
- Combined Statement of Revenues, Expenditures and Changes in Fund Balances  
*All Governmental Fund Types*
- Combined Statement of Revenues, Expenditures and Changes in Fund Balances  
*Budget and Actual, General and Special Revenue Fund Types*
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*All Proprietary Fund Types*
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*All Proprietary Fund Types*
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*All Proprietary Fund Types*

## Combined Balance Sheet

*All Fund Types and Account Groups  
June 30, 1985*

### Assets

Cash .....	
Investments .....	
Receivables:	
Accounts .....	
Interest .....	
Taxes .....	
Allowances for Delinquent Taxes (Deduction) .....	
Total Receivables .....	
Due from Other Funds of the Authority — Note B .....	
Prepayments and Other Assets .....	
Concession Inventory .....	
Investments by Agent to Fund Deferred Compensation Annuities .....	
Restricted Assets — Notes E and F:	
Cash .....	
Accounts Receivable .....	
Investments .....	
Bond Sale Expense — Net of Amortization .....	
Office Furniture, Fixtures and Equipment .....	
Other Machinery and Equipment .....	
Automobiles and Trucks .....	
Buildings .....	
Improvements Other Than Buildings .....	
Sewage Treatment Facilities .....	
Construction in Progress .....	
Allowances for Depreciation (Deduction) .....	
Land .....	
Soil Conservation Service Projects	
Model Cities Project	
Flood Control Projects — Note G .....	
Amount Available in Debt Service Funds .....	
Amount to be Provided for Retirement of General Long-Term Obligation .....	
<b>Total Assets</b>	

### Liabilities and Fund Equity

Liabilities:	
Accounts Payable .....	
SCS Performance Deposit .....	
Amounts Held in Custody for Other Taxing Units .....	
Payroll Deductions .....	
Sales Tax Payable .....	
Employees' Deferred Compensation .....	
Due to Other Funds of the Authority — Note B .....	
Other .....	
Liabilities of Restricted Assets:	
Accounts Payable .....	
Accrued Bond Interest Payable .....	
Bonds Payable Within One Year .....	
Matured Interest Coupons Payable .....	
Bonds Payable After One Year — Notes D, E, F, and K .....	
Connection Fees — Deferred Income .....	
<b>Total Liabilities</b>	

### Fund Equity:

Contributed Capital .....	
Investment in Fixed Assets:	
From Revenues .....	
From Contributions .....	
Retained Earnings .....	
Fund Balances:	
Reserved for Flood Control	
Administration — Note H .....	
Reserved for Encumbrances .....	
Unreserved:	
Designated for Debt Service .....	
Undesignated .....	
<b>Total Fund Equity</b>	

### Total Liabilities and Fund Equity

**1985**  
**ANNUAL**  
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**REPORT**

Governmental Fund Types				Proprietary Fund Types	Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
General	Special Revenue	Debt Service	Capital Projects	Enterprise—Note J	Agency	General Fixed Assets—Note I	General Long-Term Obligations	
\$ 126,280	\$ 3,066	\$1,596,135	\$ 5,087	\$ 42,773	\$ 6,764	\$ —	\$ —	\$ 1,780,105
5,851,400	2,921,300	3,679,700	10,776,300	2,994,800	71,737			26,295,237
85,132	54,366			266,769	734,650			1,140,917
88,568				11,488	183			100,239
12,134								12,134
(12,134)								(12,134)
173,700	54,366	—	—	278,257	734,833	—	—	1,241,156
1,748,158			2,300	16				1,750,474
3,000				3,600				6,600
				10,259				10,259
					61,387			61,387
				215,893				215,893
				369,901				369,901
				1,590,140				1,590,140
				39,832				39,832
				53,427		526,058		579,485
				256,171		577,796		833,967
				202,054		227,161		429,215
				505,764		413,428		919,192
				758,005		70,041		828,046
				3,001,022				3,001,022
				9,161,310				9,161,310
				(1,476,554)				(1,476,554)
				1,377,212		90,318		1,467,530
						11,049,696		11,049,696
						9,109,195		9,109,195
						71,199,524		71,199,524
							2,765,463	2,765,463
							25,429,537	25,429,537
<u>\$7,902,538</u>	<u>\$2,978,732</u>	<u>\$5,275,835</u>	<u>\$10,783,687</u>	<u>\$19,383,882</u>	<u>\$874,721</u>	<u>\$93,263,217</u>	<u>\$28,195,000</u>	<u>\$168,657,612</u>
\$ 48,347	\$ 596	\$ —	\$ 88,485	\$ 47,569	\$736,485	\$ —	\$ —	\$ 921,482
1,500								1,500
977	35		3	531	244			244
				8,037				1,546
					61,387			8,037
11	7,005	1,285,891	62,567	318,395	76,605			61,387
7,074				2,000				1,750,474
				452,361				9,074
				82,666				452,361
				120,000				82,666
		1,224,481						120,000
								1,224,481
				2,990,000			28,195,000	31,185,000
				308,380				308,380
57,909	7,636	2,510,372	151,055	4,329,939	874,721	—	28,195,000	36,126,632
				8,285,572				8,285,572
						26,664,796		26,664,796
				6,768,371		66,598,421		66,598,421
								6,768,371
79,399								79,399
55,840	442		2,014,809					2,071,091
		2,765,463						2,765,463
7,709,390	2,970,654		8,617,823					19,297,867
7,844,629	2,971,096	2,765,463	10,632,632	15,053,943	—	93,263,217	—	132,530,980
<u>\$7,902,538</u>	<u>\$2,978,732</u>	<u>\$5,275,835</u>	<u>\$10,783,687</u>	<u>\$19,383,882</u>	<u>\$874,721</u>	<u>\$93,263,217</u>	<u>\$28,195,000</u>	<u>\$168,657,612</u>

# Combined Statement of Revenues, Expenditures, and Changes in Fund Balances

All Governmental Fund Types Year Ended June 30, 1985	Governmental Fund Types				Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
<b>Revenues and Other Financing Sources:</b>					
Revenues:					
Ad Valorem Taxes .....	\$ 801	\$ —	\$ —	\$ —	\$ 801
Bexar County Flood Control Tax .....		2,943,640			2,943,640
Interest Income .....	2,215,678	62,232			2,277,910
Soil Conservation Service Contracts .....	59,126				59,126
Sale of Assets .....	9,122				9,122
Sale of Hay .....	10,171				10,171
TDWR Laboratory Services Contract .....	26,134				26,134
Laboratory Sampling .....	19,468				19,468
Vehicle Usage .....	37,189	2,747			39,936
Materials Testing .....	11,880				11,880
Computer Usage .....	39,300				39,300
Miscellaneous .....	13,175		678	35,394	49,247
Administrative Fee for Pollution Bonds .....	8,906				8,906
<b>Total Revenues</b>	<b>2,450,950</b>	<b>3,008,619</b>	<b>678</b>	<b>35,394</b>	<b>5,495,641</b>
Other Financing Sources:					
Interfund Transfer .....			2,816,900	2,300	2,819,200
<b>Total Revenues and Other Financing Sources</b>	<b>2,450,950</b>	<b>3,008,619</b>	<b>2,817,578</b>	<b>37,694</b>	<b>8,314,841</b>
<b>Expenditures and Other Financing Uses:</b>					
Expenditures:					
Current:					
Regular Salaries .....	1,130,544	37,124			1,167,668
Part-Time Salaries .....	6,551				6,551
Directors Compensation .....	13,900				13,900
Expense Allowance .....	6,600				6,600
Retirement — Note C .....	75,364	2,621			77,985
Employer FICA and Insurance .....	137,667	5,227			142,894
Educational Allowance .....	2,977				2,977
Office Supplies .....	11,648				11,648
Operating and Maintenance Supplies .....	117,127	8,979			126,106
Operating Supplies — Vehicles .....	27,368				27,368
Photographic Supplies .....	1,785				1,785
Commissions and Discounts on Taxes .....	142				142
Professional Services .....	173,530				173,530
Communications .....	20,543	346			20,889
Janitorial Services .....	6,704				6,704
Travel .....	32,253				32,253
Vehicle Usage .....	11,036	6,743			17,779
Advertising .....	2,454				2,454
Binding and Printing .....	23,732				23,732
Dues and Subscriptions .....	15,764				15,764
General Insurance .....	34,318				34,318
Utilities .....	26,367	609			26,976
Repairs and Maintenance Contracts .....	37,915				37,915
Leases .....	20,212				20,212
Rentals .....	4,027				4,027
Election Costs .....	45,722				45,722
Miscellaneous .....	5,099				5,099
Allocation of Administrative Expenses .....	(955,916)	9,247			(946,669)
<b>Total Current Expenditures</b>	<b>1,035,433</b>	<b>70,896</b>	<b>—</b>	<b>—</b>	<b>1,106,329</b>
Capital Outlay:					
Utilities Relocation .....				1,234	1,234
Land .....				40,850	40,850
Improvements Other Than Buildings .....				1,652,144	1,652,144
Other Machinery and Equipment .....	408,874				408,874
<b>Total Capital Outlay</b>	<b>408,874</b>	<b>—</b>	<b>—</b>	<b>1,694,228</b>	<b>2,103,102</b>
Debt Service:					
Bond Principal .....			280,000		280,000
Interest on Bonds .....			2,448,941		2,448,941
<b>Total Expenditures</b>	<b>1,444,307</b>	<b>70,896</b>	<b>2,728,941</b>	<b>1,694,228</b>	<b>5,938,372</b>
Other Financing Uses:					
Miscellaneous .....	2,500				2,500
Transfers to Interest and Redemption Fund .....		2,816,900			2,816,900
Transfers to Capital Projects Fund .....		2,300			2,300
<b>Total Expenditures and Other Financing Uses</b>	<b>1,448,807</b>	<b>2,890,096</b>	<b>2,728,941</b>	<b>1,694,228</b>	<b>8,760,072</b>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	1,004,143	118,523	88,637	(1,656,534)	(445,231)
Fund Balances, July 1, 1984 .....	6,840,486	2,852,573	2,676,826	12,289,166	24,659,051
<b>Fund Balances, June 30, 1985</b>	<b>\$7,844,629</b>	<b>\$2,971,096</b>	<b>\$2,765,463</b>	<b>\$10,632,632</b>	<b>\$24,213,820</b>

# Combined Statement of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual, General and Special Revenue Fund Types  
Year Ended June 30, 1985

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance— Favorable (Unfavorable)	Budget	Actual	Variance— Favorable (Unfavorable)
<b>Revenues and Other Financing Sources:</b>						
Revenues:						
Ad Valorem Taxes .....	\$ 1,000	\$ 801	\$ (199)	\$ —	\$ —	\$ —
Bexar County Flood Control Tax .....				2,750,000	2,943,640	193,640
Interest Income .....	1,704,700	2,215,678	510,978	50,000	62,232	12,232
Soil Conservation Service Contracts .....	55,170	59,126	3,956			
Sale of Assets .....	10,000	9,122	(878)			
Sale of Hay .....	12,500	10,171	(2,329)			
TDWR Laboratory Services Contract .....	35,000	26,134	(8,866)			
Laboratory Sampling .....	24,930	19,468	(5,462)			
Vehicle Usage .....	24,000	37,189	13,189	100	2,747	2,647
Materials Testing .....	49,000	11,880	(37,120)			
Computer Usage .....	9,000	39,300	30,300			
Miscellaneous .....	2,775	13,175	10,400			
Administrative Fee for Pollution Bonds .....	8,906	8,906				
<b>Total Revenues and Other Financing Sources</b>	<b>1,936,981</b>	<b>2,450,950</b>	<b>513,969</b>	<b>2,800,100</b>	<b>3,008,619</b>	<b>208,519</b>
<b>Expenditures and Other Financing Uses:</b>						
Expenditures:						
Current:						
Regular Salaries .....	1,196,797	1,130,544	66,253	35,175	37,124	(1,949)
Part-Time Salaries .....	9,600	6,551	3,049			
Directors Compensation .....	14,400	13,900	500			
Expense Allowance .....	6,600	6,600				
Retirement — Note C .....	76,336	75,364	972	2,680	2,621	59
Employer FICA and Insurance .....	149,430	137,667	11,763	5,608	5,227	381
Educational Allowance .....	5,000	2,977	2,023			
Office Supplies .....	12,777	11,648	1,129			
Operating and Maintenance Supplies .....	124,187	117,127	7,060	10,000	8,979	1,021
Operating Supplies — Vehicles .....	33,000	27,368	5,632			
Photographic Supplies .....	2,350	1,785	565			
Commissions and Discounts on Taxes .....	600	142	458			
Professional Services .....	229,735	173,530	56,205	500		500
Communications .....	20,617	20,543	74	300	346	(46)
Janitorial Services .....	8,250	6,704	1,546			
Travel .....	40,650	32,253	8,397	50		50
Vehicle Usage .....	16,950	11,036	5,914	7,000	6,743	257
Advertising .....	3,450	2,454	996			
Binding and Printing .....	26,135	23,732	2,403			
Dues and Subscriptions .....	18,143	15,764	2,379			
General Insurance .....	36,050	34,318	1,732			
Utilities .....	27,450	26,367	1,083	700	609	91
Repairs and Maintenance Contracts .....	50,710	37,915	12,795			
Leases .....	70,990	20,212	50,778			
Rentals .....	9,730	4,027	5,703	50		50
Election Costs .....	49,350	45,722	3,628			
Miscellaneous .....	16,250	5,099	11,151			
Allocation of Administrative Expenses .....	(1,194,559)	(955,916)	(238,643)	9,084	9,247	(163)
<b>Total Current Expenditures</b>	<b>1,060,978</b>	<b>1,035,433</b>	<b>25,545</b>	<b>71,147</b>	<b>70,896</b>	<b>251</b>
<b>Capital Outlay:</b>						
Improvements Other Than Buildings .....	2,900		2,900			
Other Machinery and Equipment .....	426,696	408,874	17,822			
<b>Total Capital Outlay</b>	<b>429,596</b>	<b>408,874</b>	<b>20,722</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total Expenditures</b>	<b>1,490,574</b>	<b>1,444,307</b>	<b>46,267</b>	<b>71,147</b>	<b>70,896</b>	<b>251</b>
<b>Other Financing Uses:</b>						
Miscellaneous .....	2,500	2,500				
Transfers to Interest and Redemption Fund .....				2,728,941	2,816,900	(87,959)
Transfers to Capital Projects Funds .....					2,300	(2,300)
<b>Total Expenditures and Other Financing Uses</b>	<b>1,493,074</b>	<b>1,446,807</b>	<b>46,267</b>	<b>2,800,088</b>	<b>2,890,096</b>	<b>(90,008)</b>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	443,907	1,004,143	560,236	12	118,523	118,511
Fund Balances, July 1, 1984 .....	6,840,486	6,840,468		2,852,573	2,852,573	
<b>Fund Balances, June 30, 1985</b>	<b>\$7,284,393</b>	<b>\$7,844,629</b>	<b>\$560,236</b>	<b>\$2,852,585</b>	<b>\$2,971,096</b>	<b>\$118,511</b>

See notes to financial statements.

**Combined Statement of Changes in Reserves, Contributed Capital,  
and Retained Earnings**

*All Proprietary Fund Types  
Year Ended June 30, 1985*

	<u>Parks and Recreation Fund</u>		<u>Sewage Treatment Funds</u>		<u>Pollution Control Con- tract Fund</u>	<u>Combined Totals</u>	
	<u>Retained Earnings</u>	<u>Contributed Capital</u>	<u>Retained Earnings</u>	<u>Contributed Capital</u>	<u>Retained Earnings</u>	<u>Retained Earnings</u>	<u>Contributed Capital</u>
<b>Balances at July 1, 1984</b> .....	\$1,359,237	\$114,963	\$3,487,127	\$7,260,459	\$ —	\$4,846,364	\$7,375,422
Additions:							
Net Income .....	298,626		1,623,381			1,922,007	
Federal Grants .....				272,480			272,480
Developer Contracts .....				637,670			637,670
<b>Balances at June 30, 1985</b>	<u>\$1,657,863</u>	<u>\$114,963</u>	<u>\$5,110,508</u>	<u>\$8,170,609</u>	<u>\$ —</u>	<u>\$6,768,371</u>	<u>\$8,285,572</u>

See notes to financial statements.

# Combined Statement of Income

All Proprietary Fund Types  
Year Ended June 30, 1985

	Enterprise Funds			Combined Total
	Parks and Recreation Fund	Sewage Treatment Funds	Pollution Control Contract Fund	
<b>Operating Revenues:</b>				
Concession Sales .....	\$490,275	\$ —	\$ —	\$ 490,275
Less Cost of Goods Sold .....	287,370			287,370
	<u>202,905</u>	<u>—</u>	<u>—</u>	<u>202,905</u>
<b>Gross Profit on Sales</b>				
Entrance Fees .....	579,718			579,718
Annual Permits .....	81,786			81,786
Connection Fees .....		1,098,330		1,098,330
Sewer Service Charges .....		1,179,610		1,179,610
Sale of Hay .....		13,548		13,548
Administrative Fees .....			730	730
Sundry .....	7,201			7,201
<b>Total Operating Revenues</b>	<u>871,610</u>	<u>2,291,488</u>	<u>730</u>	<u>3,163,828</u>
<b>Operating Expenses:</b>				
Regular Salaries .....	354,255	241,958		596,213
Part-Time Salaries .....	3,163			3,163
Retirement — Note C .....	17,866	11,914		29,780
Employer FICA, Unemployment, and Insurance .....	52,546	36,523		89,069
Operating and Maintenance Supplies .....	29,566	57,431		86,997
Operating and Maintenance — Motor Vehicles .....	5,225	12,754		17,979
Photographic .....	550	5,819		6,369
Communications .....	938	3,483		4,421
Professional Services .....	48	15,971		16,019
Laboratory Services .....		10,431		10,431
Travel .....	105	906		1,011
Vehicle Usage .....	12,326	2		12,328
Binding and Printing .....	1,312	202		1,514
Dues, Subscriptions, and Advertising .....	46	1,631		1,677
General Insurance .....	20,131	16,087		36,218
Utilities .....	15,087	186,749		201,836
Repair and Maintenance Contracts .....	1,402	860		2,262
Rentals and Leases .....	214	286		500
Allocation of Administrative Expenses .....	77,466	88,826	730	167,022
Depreciation .....	44,687	117,816		162,503
Miscellaneous .....	1,652			1,652
<b>Total Operating Expenses</b>	<u>638,585</u>	<u>809,649</u>	<u>730</u>	<u>1,448,964</u>
<b>Operating Income</b>	<u>233,025</u>	<u>1,481,839</u>	<u>—</u>	<u>1,714,864</u>
<b>Nonoperating Revenues:</b>				
Interest Income .....	69,526	308,100	19,710	397,336
Fiscal Agent Fees .....			325	325
Gain (Loss) on Disposal of Assets .....	(2,925)	(5,968)		(8,893)
<b>Total Nonoperating Revenues</b>	<u>66,601</u>	<u>302,132</u>	<u>20,035</u>	<u>388,768</u>
<b>Nonoperating Expenses:</b>				
Interest .....		155,530	19,710	175,240
Amortization of Bond Sale Expenses .....		3,356		3,356
Miscellaneous .....	1,000			1,000
Fiscal Agent Fees .....		1,704	325	2,029
<b>Total Nonoperating Expenses</b>	<u>1,000</u>	<u>160,590</u>	<u>20,035</u>	<u>181,625</u>
<b>Net Income</b>	<u>\$298,626</u>	<u>\$1,623,381</u>	<u>\$ —</u>	<u>\$1,922,007</u>

See notes to financial statements.

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## Combined Statement of Changes in Financial Position

All Proprietary Fund Types  
Year Ended June 30, 1985

	Enterprise Funds		
	Parks and Recreation Fund	Sewage Treatment Funds	Combined Total
<b>Sources of Funds:</b>			
Net Income .....	\$298,626	\$1,623,381	\$1,922,007
Add Expenses Not Requiring Working Capital:			
Depreciation Expense .....	44,687	117,816	162,503
Amortization Expense .....		3,356	3,356
Funds Provided From Operations	343,313	1,744,553	2,087,866
Net Book Value of Fixed Assets Disposed of .....	3,976	5,968	9,944
Federal Grants .....		272,480	272,480
Developer Contracts .....		637,670	637,670
Increase in Liabilities of Restricted Assets .....		36,225	36,225
Increase in Deferred Income .....		271,350	271,350
<b>Total Sources of Funds</b>	<b>347,289</b>	<b>2,968,246</b>	<b>3,315,535</b>
<b>Applications of Funds:</b>			
Increase in Restricted Assets .....		537,302	537,302
Reduction in Long-Term Debt .....		120,000	120,000
Buildings .....	212,804	978	213,782
Furniture and Fixtures .....	5,545	4,500	10,045
Other Machinery and Equipment .....	12,148	14,116	26,264
Sewage Treatment Facilities .....		26,575	26,575
Automobiles and Trucks .....		24,658	24,658
Improvements Other Than Buildings .....	118,704		118,704
Land .....		889,588	889,588
Construction in Progress .....	2,149	1,162,196	1,164,345
<b>Total Funds Applied</b>	<b>351,350</b>	<b>2,779,913</b>	<b>3,131,263</b>
<b>Increase (Decrease) in Working Capital</b>	<b>\$ (4,061)</b>	<b>\$ 188,333</b>	<b>\$ 184,272</b>
<b>Elements of Increase (Decrease) in Working Capital:</b>			
<b>Current Assets:</b>			
Cash .....	\$ 4,366	\$ 2,775	\$ 7,141
Investments .....	1,000	558,300	559,300
Accounts Receivable .....		(217,413)	(217,413)
Interest Receivable .....	(3,672)	4,320	648
Prepayments .....	600		600
Due From Other Funds of the Authority .....	4	(34)	(30)
Inventory .....	(6,208)		(6,208)
<b>Total Increase (Decrease) in Current Assets</b>	<b>(3,910)</b>	<b>347,948</b>	<b>344,038</b>
<b>Current Liabilities:</b>			
Accounts Payable .....	10,214	19,495	29,709
Payroll Deductions .....	(29)	(26)	(55)
Sales Tax Payable .....	375		375
Due to Other Funds of the Authority .....	(11,409)	140,146	128,737
Other .....	1,000		1,000
<b>Total Increase in Current Liabilities</b>	<b>151</b>	<b>159,615</b>	<b>159,766</b>
<b>Increase (Decrease) in Working Capital</b>	<b>\$ (4,061)</b>	<b>\$ 188,333</b>	<b>\$ 184,272</b>

See notes to financial statements.



# Notes to Financial Statements

*All Fund Types and Account Groups  
June 30, 1985*

## **Note A — Reporting Entity and Significant Accounting Policies**

**Financial Reporting Entity:** For financial reporting purposes, the San Antonio River Authority includes all funds and account groups that are controlled by, or dependent on, the Authority. Control by or dependence on the Authority was determined on the basis of budget adoption, taxing authority, outstanding debt secured by revenues or general obligations of the Authority, obligation of the Authority to finance any deficits that may occur, or receipt of significant subsidies from the Authority.

Based on the foregoing criteria, the San Antonio River Industrial Development Authority (the Corporation) is not part of the San Antonio River Authority; therefore, it is excluded from the accompanying financial statements. The Corporation was formulated under the provisions of the Development Corporation Act of 1979, for the purpose of promoting industrial growth within the four county area serviced by the San Antonio River Authority. Eligible applicants are furnished financial assistance through the sale of tax-free industrial development bonds. The River Authority has no contingent liability for these bonds. Assets and revenue of the Corporation may ultimately be transferred to the River Authority through passage of a resolution by the directors of the Corporation.

**Basis of Presentation:** The financial statements of the Authority are prepared in conformity with generally accepted accounting principles for local governmental units. The financial transactions of the Authority are recorded in individual funds and account groups. The various funds and account groups are reported by type in the financial statements. Amounts in the "Totals (Memorandum Only)" columns in the combined financial statements represent a summation of the combined financial statement line items of the fund types and account groups and are presented only for

analytical purposes. Consequently, amounts shown in the "Totals (Memorandum Only)" columns are not comparable to a consolidation and do not represent the total resources available or total revenues and expenditures/expenses of the Authority.

The Authority uses the following fund categories, fund types, and account groups:

### **Governmental Fund Types:**

**General Fund** — To account for all financial resources except those required to be accounted for in another fund. The General Fund is the Authority's operating fund.

**Special Revenue Funds** — To account for the proceeds of specific revenue sources (other than fiduciary or major capital projects) that are legally restricted to expenditures for a specific purpose.

**Capital Project Funds** — To account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary and fiduciary funds).

**Debt Service Funds** — To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

### **Proprietary Fund Types:**

**Enterprise Funds** — To account for operations (a) that are financed and operated in a manner similar to private business enterprises — where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

### **Fiduciary Fund Types:**

**Trust and Agency Funds** — To account for assets held by the Authority in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

**Account Groups:**

**General Fixed Assets Account Group —**

To account for all fixed assets of the Authority, except those accounted for in the proprietary funds.

**General Long-Term Obligations Account Group —**

To account for all long-term obligations of the Authority, except those accounted for in proprietary funds.

**Basis of Accounting:** The modified accrual basis of accounting has been utilized in all funds of the Authority, with the exception of the enterprise funds. Under the modified accrual basis, revenues are recognized in the accounting period in which they become available and measurable, and expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. Interest due July 1, 1985, on general bonded debt has been accrued in the Debt Service Fund.

The accrual basis of accounting has been utilized in the enterprise funds. Under the accrual basis, revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized in the period incurred, if measurable.

**Budgeting:** By-laws of the Authority require the Board of Directors to adopt an annual budget in which is estimated the amount of funds available from all sources and to allocate the amount of funds which may be expended during the forthcoming fiscal year. Such allocation vests in the manager of the Authority the full authority to expend funds but not to exceed the amounts so allocated. 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 and is on the same modified accrual basis used to reflect revenues and expenditures of the General Fund and Special Revenue Funds.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures are recorded in order to reserve that portion of the applicable appropriation, is used for formal budgetary control.

Unencumbered appropriations lapse at the end of the fiscal year. Encumbrances outstanding at year end are reported as reservations of fund balances of the governmental fund types.

**Investments:** All funds available for investment are invested in certificates of deposit. Certificates of deposit as purchased from local banking institutions are secured by a pledge of Federal, State or Municipal securities at an equal market value.

**Fixed Assets and Depreciation:** All fixed assets purchased or constructed for general purposes are recorded as expenditures in the fund that finances the asset acquisition. Such assets are capitalized at cost in the General Fixed Assets group of accounts. Gifts or contributions are recorded in General Fixed Assets at fair market value at the time received. It is the Authority's policy to report public domain or infrastructure fixed assets which include dams, river and creek channel improvements, bridges, curbs, gutters, and similar assets that are immovable. In some cases, the fixed assets have been constructed or installed on sites owned by other governments, such as streets and rights-of-way of the City of San Antonio. Records of all fixed assets, including these infrastructure fixed assets, are maintained for both management and accountability purposes.

All fixed assets of the enterprise funds are recorded in those funds at cost or at fair market value in the case of contributed or donated assets. Depreciation is provided using the straight-line method over the estimated useful lives of the assets of the enterprise funds. The Authority's policy is to expense interest on proprietary fund construction projects as incurred due to the immateriality of amounts involved.

**Amortization of Bond Sale Expenses:** Bond sale expenses related to enterprise funds are amortized using the straight-line method over the life of the bonds.

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**Ad Valorem Tax:** In 1961, an ad valorem tax of two cents per one hundred dollars assessed valuation was approved by District 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 evaluation by action of the Authority. Use of this tax income is limited to general administration, maintenance of completed projects and updating of the 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, and it is anticipated that no tax will be levied in future years; however, the authority to levy the tax is being retained for usage if required.

**Allocation of Administrative Expenses:** An allocation plan is utilized to cross charge the various operating divisions for administrative costs recorded in the General Fund. The allocation is recorded as a negative expenditure in the General Fund and as expenditures/expenses in each fund receiving an allocation.

**Deferred Compensation Trust Fund:** On September 2, 1975, the Authority established a deferred compensation plan for employees. This plan allows employees to participate on a voluntary basis and is funded entirely by employee contributions based on individual contracts. Contributions to the plan are handled on a payroll deduction basis and are remitted to a trustee monthly. The fund is reported as a fiduciary fund.

**Note B — Interfund Receivables and Payables**

The interfund receivables and payables consist primarily of \$1,285,891 due from the Debt Service Fund to the General Fund. An advance was made to avoid redemption of investments of the Debt Service Fund in order to continue earning favorable yields on Debt Service Fund investments until their scheduled maturities.

Other interfund receivables and payables consist largely of items arising from the

allocation of administrative costs for the year. Significant interfund amounts due to the General Fund from other funds for this allocation consist of \$226,041 due from Martinez/Salatrillo Sewage System Fund, \$11,966 due from the SACIP Phase III Fund, and \$53,021 due from the Parks and Recreation Fund.

**Note C — Pension Plan**

The Authority has a defined contribution (money purchase) pension plan which was adopted in 1979. To be eligible for the plan, a participant must be a full-time employee for at least one year. The plan allows for early and late retirement. The total retirement plan expense was \$107,765 and \$104,408 for the fiscal years 1985 and 1984, respectively.

**Note D — San Antonio Channel Improvement Project (SACIP) Funds**

A 1955 contract and amendments with Bexar County, Texas, have provided to the Authority all proceeds from a flood control tax levied by the County. The last amendment to the contract, referred to as The 1979 Amendatory Contract, provides that the County will set a tax rate which, at 90% current collections, will provide revenues sufficient to pay each year's requirements for principal and interest of Authority bonds which are payable from the proceeds of the County flood control tax. The tax is levied against all taxable property in Bexar County, and the tax rate set by the County may not exceed 15¢ per \$100 assessed valuation.

SACIP Improvement Bonds Series 1957 through Series 1977 were issued pledging revenues of the Bexar County flood control tax for retirement of the bonds. Effective January 1, 1980, all outstanding SACIP bonds in the amount of \$17,135,000 were defeased by issuance of \$13,045,000 in San Antonio River Authority Channel Improvement Refunding Revenue Bonds, Series 1980. The defeased bonds have a final maturity date of July 1, 2013. Proceeds from

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the refunding bonds were placed in escrow for the payment of all future principal and interest of the refunded bonds. The refunding bonds provided for issuance of additional bonds which are payable from revenues derived from the contract with Bexar County, particularly the 1976 and 1979 amendments.

In order to comply with the contract and bond resolutions authorizing the Refunding Bonds and additional bonds issued thereunder, the Authority has established various funds, as follows:

**Capital Projects Funds:** These funds were created for projects designated in the 1955 contract and amendments. They received proceeds from the various Channel Improvement Bonds. Individual funds are as follows:

**Original SACIP** — Channel improvements of the San Antonio River and Alazan, Apache, San Pedro, and Martinez Creeks.

**SACIP Phase II** — Improvements to Berg's Mill section of the San Antonio River and development of the Salado Creek Watershed and Flood Prevention Project.

**SACIP Phase III** — Various additional flood control projects in Bexar County.

**Special Revenue Fund — Improvement Bonds Revenue Fund:** This fund is the "Gross Revenue Fund" designated by the bond resolutions. It receives all revenues from the contract with Bexar County. From it deposits are made to the debt service funds required by the bond resolutions. Any surplus amounts in the Gross Revenue Fund may be used for any lawful purpose.

**Debt Service Fund:** The bond resolutions require accounts (called funds) to be established, as follows, and they are accounted for in the Debt Service Fund:

The Channel Improvement Revenue Bonds Interest and Sinking Fund (the "Interest and Sinking Fund") — Established for the purpose of paying the principal and interest on all bonds. Deposits from the Gross Revenue Fund to the Interest and Sinking Fund are made on or before each December 31 and June 30 in amounts sufficient to pay the principal and interest coming due on the bonds on the next succeeding interest payment date.

The Channel Improvement Revenue Bonds Reserve Fund (the "Reserve Fund") — Established to pay the principal and interest on any bonds to the extent the amounts in the Interest and Sinking Fund are not sufficient for such purpose. No additional deposits are to be made into the Reserve Fund as long as the market value of investments and money is at least equal to the average annual principal and interest requirements on all outstanding bonds, which was \$2,385,618 at June 30, 1985.

Money in the Interest and Sinking Fund and in the Reserve Fund may be invested in direct obligations of, or obligations the principal and interest on which are guaranteed by, the United States of America, provided that maturities of these investments are adequate to meet all payments required for principal and interest.

At June 30, 1985, the balances of cash and certificates of deposit in the required funds were: Interest and Sinking Fund, \$1,594,325; and Reserve Fund, \$2,395,619.

**Channel Improvement Revenue Bonds:** In addition to the Refunding Revenue Bonds, Series 1980, issued in the amount of \$13,045,000 under provisions of The 1979 Amendatory Contract, additional Channel Improvement Revenue Bonds were issued in series and amounts as follows: Series 1980 — \$4,000,000; Series 1982 — \$6,000,000; and Series 1983 — \$6,000,000. These bonds are reported in the General Long-Term Obligations group of accounts.

The Channel Improvement Revenue Bonds are due serially through 2014, with interest rates of 7.8% to 10.0%. Annual requirements for principal and interest range from a high of \$2,800,821 in fiscal year 1986 to a low of \$1,356,386 in fiscal year 2014.

**Note E — Revenue Bonds Payable —  
Martinez/Salatrillo Sewage System**

The Authority has issued revenue bonds for the purpose of constructing sewage facilities and improvements to the Martinez/Salatrillo Creeks Sewage System. At June 30, 1985, bonds have been issued in the aggregate amount of \$3,210,000 consisting of Series 1969, 1972, 1974 and 1982. The bond covenants authorizing issuance of these bonds provide for creation and maintenance of separate accounts which are accounted for within an enterprise fund as follows:

1. **Revenue Fund:** All gross revenues of the system must be deposited into this account, from which disbursements for current expenses of the system are made. After all required deposits have been made to the Interest and Sinking Fund and Reserve Fund, at the end of each fiscal year one-half of the money remaining in the Revenue Fund must be deposited into the Contingency and Improvement Fund.
2. **Interest and Sinking Fund:** This account is to be used only for the payment of principal and interest on outstanding bonds. On or before the fifteenth day of each month, in equal monthly installments, an amount must be deposited as is necessary for the payment of principal and interest on the next interest and/or principal payment date.
3. **Reserve Fund:** The minimum amount to be in this account, by June 1987, is an amount equal in market value to the average annual principal and interest requirements of all outstanding sewage system revenue bonds. The 1982 bond resolution requires equal monthly deposits into the fund until the minimum amount is on deposit. The Reserve Fund complied with this requirement for fiscal 1985. The Fund may be used only to pay principal of and interest on the bonds for which the Interest and Sinking Fund is not adequate.
4. **Contingency and Improvement Fund:** This account is used only for making replacements that are not considered as current expenses; improvements, additions, and extensions to the System; payment of principal and interest on

bonds if the Interest and Sinking Fund and Reserve Fund are insufficient; and for the purchase of outstanding bonds for redemption.

5. **Construction Fund:** Moneys in this account are used only for paying the cost of constructing improvements to the System.

Money in these accounts may be invested in direct obligations of, or obligations the principal and interest on which are guaranteed by, the United States of America, provided that maturities of these investments are adequate to meet all payments required for principal and interest.

Interest expense on bonded debt and inter-fund loans for the Martinez/Salatrillo System is apportioned based on the ratio of the net book values of noncontributed assets. The interest earned on investments from the Construction Fund and Reserve Fund accounts is apportioned based on the same ratio. Other interest income is apportioned based on the ratio of the prior year's revenues for the Martinez/Salatrillo System.

The Martinez/Salatrillo Creeks Sewage System Revenue Bonds are due serially through the year 2000, with interest rates of 5.4% to 6.5%. Annual requirements of principal and interest range from a high of \$287,000 in fiscal year 1996 to a low of \$242,940 in fiscal year 1991.

Additional bonds on a parity with all outstanding bonds may be issued when the net revenues of the System are (1) 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 ninety 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. Subsequent to year end additional bonds in the amount of \$4,750,000 were issued. See Note L.

**Note F — Pollution Control Contract Fund — City of Kenedy**

On May 15, 1974, the Authority entered into an agreement with the City of Kenedy, Texas, whereby the Authority would issue revenue bonds for the purpose of constructing sewage facilities for the City of Kenedy. On April 1, 1974, the Authority issued bonds in the amount of \$365,000 for this purpose. The bond resolution authorizing the issuance of these bonds provides for the creation of a Revenue Fund to account for all revenues received by the Authority under the contract with the City and an Interest and Sinking Fund which can only be used for the payment of principal and interest on outstanding bonds. On or before March 25 and September 25 of each year, as long as bonds are outstanding, deposits must be made to the Interest and Sinking Fund for the interest and principal due. The Authority has established the Pollution Control Contract Fund as an enterprise fund to account for the requirements.

The City of Kenedy Waste Disposal Contract Revenue Bonds are due serially from fiscal year 1994 through fiscal year 2002, with interest of 5.4%. Annual interest requirements through 1993 are \$19,710.00; thereafter, principal and interest requirements range from a high of \$53,765 in fiscal year 1994 to a low of \$48,640 in fiscal year 1999.

**Note G — Participation In Federal Construction Projects**

The Authority and the United States Army Corps of Engineers have entered into an agreement which provides that the agencies will cooperate in improving the channel of the San Antonio River and its four tributaries within the City of San Antonio. The agreement further provides that the Authority will pay 2.65% of actual federal costs. Cash payments to June 30, 1985, amounted to \$755,000. Pursuant to the agreement, the Corps transfers to the Authority all improvements as they are completed, and the cost to the Corps of Engineers is used as the basis of the additions to the Authority's General Fixed Assets group of accounts.

**Note H — State-Donated Taxes — General Fund**

In prior years, the Legislature of the State of Texas donated certain ad valorem taxes to the San Antonio River Authority. At June 30, 1985, the fund balance of the General Fund included \$79,399 of these State-donated taxes which are restricted for the construction of improvements, structures, dams, reservoirs, and other works suitable for use in connection with flood control, for the employment of necessary personnel, maintenance of offices, financial aid to the U.S. Army Corps of Engineers and other governmental agencies.

### Note I — Fixed Assets

The following table summarizes the changes in the components of the General Fixed Assets Account Group:

	Balance July 1, 1984	Additions— Net	Balance June 30, 1985
Office Furniture, Fixtures and Equipment	\$ 309,856	\$ 216,202	\$ 526,058
Other Machinery and Equipment	520,227	57,569	577,796
Automobiles and Trucks	200,960	26,201	227,161
Buildings	413,428		413,428
Improvements Other Than Buildings	70,041		70,041
Land	90,318		90,318
Soil Conservation Service Projects	11,049,620	76	11,049,696
Model Cities Project	9,109,195		9,109,195
Flood Control Projects	65,396,362	5,803,162	71,199,524
	<u>\$87,160,007</u>	<u>\$6,103,210</u>	<u>\$93,263,217</u>

### Note J — Segment Information for Enterprise Funds

The significant portion of the Authority's enterprise funds consists of the Sewage Treatment Funds and the Parks and Recreation Fund. Segment information for the year ended June 30, 1985, is as follows:

	Sewage Treatment Funds	Parks and Recreation Fund	Other Funds	Total Enterprise Funds
Property, Plant and Equipment	\$13,957,903	\$1,357,062	\$ —	\$15,314,965
Accumulated Depreciation	1,163,354	313,200		1,476,554
Working Capital	2,224,210	728,964	(1)	2,953,173
Property Additions	2,122,611	351,350		2,473,961
Total Equity	13,281,117	1,772,826		15,053,943
Total Assets	17,153,671	1,860,308	369,903	19,383,882
Long-Term Liabilities:				
Payable From Operating Revenues	\$2,625,000	\$ —	\$ —	\$2,625,000
Payable From Other Sources			365,000	365,000
Operating Revenues	2,291,488	871,610	730	3,163,828
Depreciation	117,816	44,687		162,503
Operating Income	1,481,839	233,025		1,714,864
Net Income	1,623,381	298,626		1,922,007
Current Capital Contributions and Equity Transfers	910,150			910,150

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**Note K — Long-Term Debt Maturities**

Principal and interest requirements (not including the issuance of \$4,750,000 Sewage System Revenue Bonds effective July 1, 1985) to maturity for all long-term debt of the River Authority as of June 30, 1985 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<b>General Long-Term Obligations Group</b>			
Channel Improvement Bonds —			
Note D			
1986	\$ 370,000	\$ 2,430,821	\$ 2,800,821
1987	405,000	2,392,861	2,797,861
1988	445,000	2,351,201	2,796,201
1989	490,000	2,306,089	2,796,089
1990	535,000	2,258,374	2,793,374
1991-1995	3,475,000	10,423,606	13,898,606
1996-2000	5,385,000	8,442,043	13,827,043
2001-2005*	8,255,000	5,451,576	13,706,576
2006-2010*	4,160,000	2,710,186	6,870,186
2011-2014*	4,675,000	771,164	5,446,164
TOTAL	<u>\$28,195,000</u>	<u>\$39,537,921</u>	<u>\$67,732,921</u>

**Enterprise Funds**

Martinez/Salatrillo Creeks Sewage System Bonds —

Note E			
1986	\$ 120,000	\$ 152,140	\$ 272,140
1987	120,000	145,360	265,360
1988	145,000	137,893	282,893
1989	150,000	129,603	279,603
1990	155,000	121,015	276,015
1991-1995	850,000	472,003	1,322,003
1996-2000	1,205,000	176,938	1,381,938
TOTAL	<u>\$2,745,000</u>	<u>\$1,334,952</u>	<u>\$4,079,952</u>

City of Kenedy Waste Disposal Contract Bonds —

Note F			
1986		\$ 19,710	\$ 19,710
1987		19,710	19,710
1988		19,710	19,710
1989		19,710	19,710
1990		19,710	19,710
1991-1995	\$ 70,000	94,770	164,770
1996-2000	200,000	53,730	253,730
2001-2002	95,000	5,265	100,265
TOTAL	<u>\$ 365,000</u>	<u>\$ 252,315</u>	<u>\$ 617,315</u>

\* Series 1980 Refunding Bonds covenants require mandatory early redemption of fixed amounts of bonds through random selection of bonds each year. The fixed amount of required redemption for bonds with July 1, 2013 maturity are included for years 2001 through 2013.



San Antonio River Authority Pollution Control Revenue Bonds totaling \$7,535,000 have also been issued by the River Authority pursuant to applicable laws including the Texas Clean Air Financing Act. The purpose of these bonds is the construction of pollution control facilities on premises of various local corporations. The River Authority has entered into installment sales agreements which provide for funding of these bonds from the various corporations. The bonds are special revenue obligations of the River Authority, and the principal, redemption premium, and interest on the bonds are payable solely from and secured by a first lien on the pledge of the payments from the installment sale agreements. The corporations are absolutely and unconditionally obligated to the River Authority to pay each installment.

The River Authority has assigned and transferred to a Trustee all payments under the installment sales agreements. The Trustee has agreed to hold debt service funds and construction funds required by the bond resolutions and to administer such funds in accordance with the bond resolutions and trust indentures. As a result of these agreements, the obligations for these bonds have not been recorded in the financial statements of the River Authority.

**Note L — Subsequent Event**

On July 19, 1985, the Authority issued Martinez/Salatrillo Creeks Sewage System Revenue Bonds with a face value of \$4,750,000 dated July 1, 1985. These revenue bonds are due serially through the year 2006, with an interest rate of 9.14%. Annual maturities of principal and interest range from \$216,993 in fiscal year 1986 to \$536,887 in fiscal year 2006. Total principal and interest requirements over the life of the bonds is \$10,498,364. The bonds were issued for the purpose of continuing construction of sewage facilities and improvements to the Martinez/Salatrillo Creeks Sewage System.

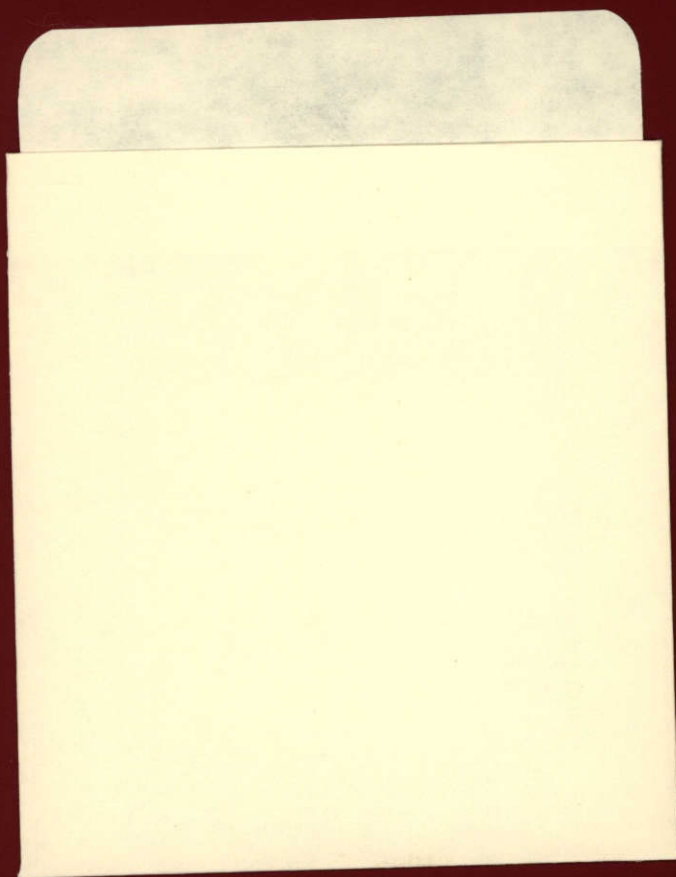
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