

AGENDA

MEETING OF THE BOARD OF DIRECTORS' FISCAL COMMITTEE AND/OR OF THE BOARD OF DIRECTORS



SAN ANTONIO RIVER AUTHORITY

February 6, 2012, 12:00 noon

**Estimated Presentation Time: 1.75 Hours*

GENERAL AND CEREMONIAL ITEMS:

Estimated Presentation Time: 5 minutes

1. **CALL TO ORDER BY THE CHAIR, MS. TERRY E. BAIAMONTE**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL BY THE SECRETARY, MR. MICHAEL W. LACKEY, P.E.**

- Terry E. Baiamonte, Chair
- Hector R. Morales, Vice-chair
- Michael W. Lackey, P.E., Secretary
- Darrell T. Brownlow, Ph.D.
- Gaylon J. Oehlke
- Thomas G. Weaver

4. **CERTIFICATION OF A QUORUM BY THE SECRETARY**
5. **INTRODUCTION OF VISITORS**
6. **CITIZENS TO BE HEARD**

**Represents the time staff anticipate that it will take to make presentations or give briefings; does not include an estimate of the time required for discussions generated by Board members.*

7. **APPROVAL OF THE MINUTES OF THE BOARD OF DIRECTORS' FISCAL COMMITTEE MEETING HELD ON DECEMBER 12, 2011**
8. **PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING THE ADOPTION OF A REVISED REAL ESTATE POLICY FOR THE SAN ANTONIO RIVER AUTHORITY AND CONFORMING BYLAW AMENDMENTS**
9. **PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING THE ADOPTION OF A REVISED FUNDS MANAGEMENT POLICY FOR THE SAN ANTONIO RIVER AUTHORITY AND CONFORMING BYLAW AMENDMENTS**
10. **PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING AN ORDINANCE DECLARING SURPLUS PROPERTY**
11. **PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING AN ORDINANCE DECLARING THAT THE SAN ANTONIO RIVER AUTHORITY DOES HEREBY WAIVE THE PAYMENT IN LIEU OF TAXES ON PROPERTY OF THE HOUSING AUTHORITY OF THE CITY OF RUNGE IN THE COUNTY OF KARNES, TEXAS, AND DIRECTING THE GENERAL MANAGER TO TRANSMIT A CERTIFIED COPY OF THIS ORDINANCE TO THE TAX ASSESSOR-COLLECTOR OF SAID COUNTY**
12. **BRIEFING REGARDING FINANCIAL LEVERAGE INDEXES**
13. **REPORT ON THE STATUS AND RESULTS OF KEY ACTIONS AND ACCOUNTABILITIES (KAAs) REGARDING THE SAN ANTONIO RIVER AUTHORITY'S KEY INITIATIVE 1 FOR FISCAL YEAR 2011**
14. **DISCUSSION REGARDING CURRENT ACTIVITIES TO BE PRESENTED AT UPCOMING FISCAL COMMITTEE MEETINGS, INCLUDING ITEMS FOR FUTURE CONSIDERATION**
15. **GENERAL MANAGER'S REPORT**
 - **UPCOMING EVENTS CALENDAR;**
 - **FUTURE BOARD AND/OR COMMITTEE MEETINGS; AND**
 - **MEETINGS INVOLVING THE ATTENDANCE OF ONE OR MORE BOARD MEMBERS**
16. **NEXT MEETING DATE**
17. **ADJOURN**

Estimated Presentation Time: 1.75 Hours

SAN ANTONIO RIVER AUTHORITY
General Statements

This meeting is wheelchair accessible. Accessible parking is located at 100 E. Guenther Street. Requests for an interpreter for the hearing impaired must be received at least 48 hours prior to the meeting, or, to arrange for special assistance to attend this meeting, please call the Operator at 210-227-1373.

The Board of Directors' Fiscal Committee and/or the Board of Directors of the San Antonio River Authority may discuss and/or take action on any item listed in this agenda while convened in open session. The Board of Directors' Fiscal Committee and/or of the Board of Directors of the San Antonio River Authority may also meet in Executive Session, pursuant to Section 551.071 of the Texas Government Code, to receive advice from legal counsel on any item listed in this agenda.

Fiscal Committee

Date: 02/06/2012

Approval of the Minutes

Submitted For: Karen Bishop

Submitted By: Lupe Sanchez

Division: Executive Offices

CAPTION

APPROVAL OF THE MINUTES OF THE BOARD OF DIRECTORS' FISCAL COMMITTEE MEETING HELD ON DECEMBER 12, 2011

Presenter

Terry E. Baiamonte, Committee Chair

Estimated Presentation Time: 5 minutes

Recommendation

Motion to approve the minutes of the Board of Directors' Fiscal Committee meeting held on December 12, 2011, as presented.

Discussion

Vote

Attachments

December 12, 2011, Fiscal Committee Meeting Minutes

MINUTES

**MEETING OF THE BOARD OF DIRECTORS'
FISCAL COMMITTEE**

SAN ANTONIO RIVER AUTHORITY



December 12, 2011, 12:00 noon

GENERAL AND CEREMONIAL ITEMS:

1. **CALL TO ORDER WAS MADE BY THE CHAIR, MS. TERRY E. BAIAMONTE, AT 2:20 P.M.**
2. **PLEDGE OF ALLEGIANCE WAS RECITED**
3. **IN THE ABSENCE OF THE COMMITTEE SECRETARY, THE VICE-CHAIR, MR. HECTOR MORALES, CALLED THE ROLL AND REPORTED THE FOLLOWING COMMITTEE MEMBERS PRESENT:**

- Terry E. Baiamonte, Chair
- Hector R. Morales, Vice-chair
- Michael W. Lackey, P.E., Secretary (Absent)
- Darrell T. Brownlow, Ph.D.
- Gaylon J. Oehlke
- Thomas G. Weaver

4. **CERTIFICATION OF A QUORUM WAS ANNOUNCED BY MR. MORALES**
5. **INTRODUCTION OF VISITORS**

Ms. Sanchez reported that there were none.

6. **CITIZENS TO BE HEARD**

Ms. Sanchez announced that there were no citizens signed up to speak.

7. **PRESENTATION, DISCUSSION AND TRAINING REGARDING THE USAGE OF A MOBILE DIGITAL DEVICE (iPad®)**

There being no action taken on this item, Ms. Baiamonte called for Agenda Item 8.

8. APPROVAL OF THE MINUTES OF THE BOARD OF DIRECTORS' FISCAL COMMITTEE MEETING HELD ON NOVEMBER 7, 2011

Staff recommended a motion to approve the minutes of the Board of Directors' Fiscal Committee meeting held on November 7, 2011, as presented.

Motion made by Gaylon J. Oehlke

Seconded by Thomas G. Weaver

Vote: 5 - 0 Passed

Other: Michael W. Lackey, P.E.
(Absent)

9. PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING A SAN ANTONIO RIVER AUTHORITY EFFORT TO PROVIDE WATER QUALITY LABORATORY SERVICES TO LAND OWNERS AND BUSINESSES LOCATED WITHIN AREAS WHERE HYDRAULIC FRACTURING TECHNIQUES ARE IN USE

There being no action taken on this item, Ms. Baiamonte called for Agenda Item 10.

10. PRESENTATION AND DISCUSSION REGARDING AN OVERVIEW OF THE CALCULATIONS FOR THE SAN ANTONIO RIVER AUTHORITY'S WASTEWATER RATES

There being no action taken on this item, Ms. Baiamonte called for Agenda Item 11.

11. PRESENTATION AND DISCUSSION REGARDING THE REVISED BUDGET PROCESS WITH REGARDS TO STRATEGIC PLANNING

There being no action taken on this item, Ms. Baiamonte called for Agenda Item 12.

12. GENERAL MANAGER'S REPORT

- **UPCOMING EVENTS CALENDAR;**
- **FUTURE BOARD AND/OR COMMITTEE MEETINGS; AND**
- **MEETINGS INVOLVING THE ATTENDANCE OF ONE OR MORE BOARD MEMBERS**

There being no action taken on this item, Ms. Baiamonte called for Agenda Item 13.

13. ITEMS FOR FUTURE CONSIDERATION

There being no action taken on this item, Ms. Baiamonte called for Agenda Item 14.

14. NEXT MEETING DATE

The next Fiscal Committee meeting will be Monday, February 6, 2012, at 12:00 p.m. In addition, the full Board will meet on Wednesday, January 18, 2012, for a Special meeting regarding Budget and Strategic planning.

15. ADJOURN

There being nothing further to report, Ms. Baiamonte called the meeting adjourned at 2:03 p.m.

PREPARED AND RECOMMENDED FOR COMMITTEE APPROVAL BY THE MANAGER.

SUZANNE B. SCOTT, General Manager

APPROVED BY THE BOARD OF DIRECTORS' FISCAL COMMITTEE AT THE MEETING HELD ON FEBRUARY 6, 2012.

TERRY E. BAIAMONTE, Committee Chair

ATTEST:

MICHAEL W. LACKEY, P.E., Committee Secretary

Fiscal Committee

Date: 02/06/2012

Revised Real Estate Policy

Submitted For: Gilbert Jimenez

Submitted By: Yolanda McGinnis

Division: Technical Services

CAPTION

PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING THE ADOPTION OF A REVISED REAL ESTATE POLICY FOR THE SAN ANTONIO RIVER AUTHORITY AND CONFORMING BYLAW AMENDMENTS

Presenter

Claude Harding

Estimated Presentation Time: 10 minutes

Due to recent changes in the Texas Property Code and the influence of the oil industry on property values across South Texas, staff from the Real Estate Department recommend revisions to the current Real Estate policy. Revisions will reflect the changes to the Texas Property Code brought on by the passage of Senate Bill 18 which took effect September 1, 2011. The amended code gives specific instructions for the process of initiating eminent domain proceedings.

Staff also recommend a revision to the administration fee schedule currently applied to land-use requests. The administration fee assessed by the San Antonio River Authority (SARA) is meant to cover the costs associated with the internal review of plans and the site inspection of all land use permits requested by public and/or private entities. The revised administration fee schedule will be reviewed annually and presented to the Board of Directors for approval as part of SARA's overall budget process.

Staff will present the conforming bylaws amendments to the Executive Committee for approval at its February 2012 meeting.

Recommendation

Motion indicating Fiscal Committee support for presenting to the San Antonio River Authority Board of Directors a recommendation to adopt a revised real estate policy.


Discussion

Vote

Attachments

Draft RE Policy

Draft Administrative Fee Schedule

	SAN ANTONIO RIVER AUTHORITY	POLICY & PROCEDURE	POLICY NUMBER: RE 0001
SUBJECT: REAL ESTATE POLICY		REAL ESTATE	REPLACING POLICY NUMBER: EO 0011
RESPONSIBLE MANAGER: REAL ESTATE MANAGER		EFFECTIVE DATE: March 22, 2006 REVISED DATE: March 17, 2010 February 15, 2012	
		PAGE: 1 of 8	

POLICY

The San Antonio River Authority (SARA) will acquire, develop, protect, preserve, use, manage, operate and dispose of its land resources to fulfill its essential purposes and responsibilities prescribed by SARA enabling legislation and Board's Policies.

Under the provisions of SARA's enabling legislation and other applicable laws and regulations, SARA will effectuate flood control; the conservation and use for all beneficial purposes of the ground, storm, flood and ~~inappropriate~~ **unappropriated** flow waters in the District; irrigation; soil conservation; sewage treatment; pollution prevention; forestation and reforestation; and the preservation of fish. As stewards of the San Antonio River Basin and in accordance with SARA's environmental mission, SARA will effectuate these services in a manner that promotes the protection and preservation of the basin, its environment, and its natural, historical, and cultural resources.

SARA may participate with other state and local governments to encourage and develop parks, conservation use areas, and other public recreational facilities within the SARA four-county statutory district wherever feasible for the public benefit. SARA may enter into contractual arrangements with private, public and non-profit entities for the development, use, operation and management of its lands and public recreational facilities.

SARA may dispose of land that has been declared by the Board to be "surplus" (not necessary or convenient or of beneficial use to the **business mission** of SARA). Some projects require the proceeds from the sale of surplus lands and revenue from SARA lands be used for that project. In all other cases, the proceeds from the sale of surplus lands may be used to acquire additional lands, to develop any project included in SARA's San Antonio River Basin Plan for Nature-Based Park Resources or subsequent regional park and recreational plan, or for such other purposes as may be determined by the Board.

PURPOSE

This policy establishes guidelines for the acquisition, disposition, environmental preservation and protection, use and management of all SARA lands.

PROCEDURES

1. **Land and Water Rights Acquisition.** SARA will acquire sufficient land and water rights to complete approved programs and projects for its statutory responsibilities including but not limited to flood control, water supply, utilities, and parks and recreation. Mineral rights may be acquired for the protection of the improvements to be constructed or to prevent interference with the surface use.

In acquiring land rights, SARA will attempt to minimize adverse effects upon property owners. Property owners contacted by representatives of SARA will be treated courteously and in a forthright manner. Contacts and negotiations will be initiated in a timely fashion to allow the property owner to consult with legal, tax and other advisors as may be necessary. In the event of an emergency, SARA may acquire such land rights as are necessary to protect the public health and welfare or the properties of SARA.

- a. Board Authorization: The General Manager, or designee, is specifically authorized to acquire such land or water rights as may be purchased or leased for \$50,000 or less per parcel and/or permit, where the purchase or lease price is within the amount budgeted for the project or program, without Board action. However, staff shall notify the Board of the purchase or lease of land or water rights under these conditions. Acquisitions of land or water rights that have a purchase price or lease price exceeding \$50,000 per parcel and/or permit require the Board's specific prior approval.
- b. Method of Acquisition: Staff will determine whether acquisition of particular land or water rights is necessary. An environmental due diligence assessment will be prepared on all land considered for acquisition. Information obtained during the due diligence and on-site assessments will be evaluated prior to final acquisition.

In determining the method of land acquisition, staff will consider (a) the purpose, type and life of the facilities to be located on the land, (b) how the surface of the land will be used, (c) significance of mineral rights to the integrity of the facility, and (d) the present or future use of the land by the property owner.

Consideration paid by SARA to secure a purchase or lease option may not exceed \$10,000 per parcel, tract, or interest nor may the term of the option exceed one year, unless the Board specifically provides advance approval. Such payment may be applied toward the purchase or lease price if the purchase or lease is consummated.

- c. Appraisals: SARA may engage an independent appraiser to provide an opinion of fair market value as a basis for negotiations on all sales or exchanges of land or water rights; however, in instances where SARA is acquiring land or water rights from, or disposing of land or water rights to, another governmental entity, staff shall have the discretion to determine whether an appraisal is necessary.

Any independent appraiser engaged by SARA must be licensed by the State of Texas and will hold one or more current professional appraisal designations from an appraisal foundation, society or organization.

- d. Eminent Domain: The Board may authorize initiation of eminent domain proceedings for acquisition of specific land rights. If the owners have been unable to agree with SARA upon the fair market value of the land rights, good faith negotiations have been exhausted, further negotiations for settlement have become futile, the title cannot be conveyed without a court judgment, if there is a conflict of interest of the owner(s), **or if possession of the property is necessary for completion of the project**, SARA may initiate eminent domain proceedings. **SARA will comply with all applicable laws concerning eminent domain proceedings, including Chapter 21 of the Texas Property Code and Chapter 2206 of the Texas Government Code and any amendments thereto.**
- e. Utility Dedications: The General Manager or designee is specifically authorized to accept utility dedications without Board action. The acceptance of such utility dedications may be conditioned upon construction of the proposed utilities to SARA standards, conveyance of ingress and egress easements, noting such utility dedication on a plat of the subject property or recording a separate dedication instrument.

2. Land Use, Development, Conservation and Management. SARA owns real estate interests throughout Bexar, Wilson, Karnes and Goliad counties, varying from specific minimum use easements or leases to total fee ownership. For example, as a result of the Act of the Legislature which created SARA, the State of Texas granted to SARA such rights, title, and interest as the State of Texas had of the bed and banks of the entire length of the San Antonio River and all of its tributaries within its district. SARA issues permits for both public and private projects that involve real estate owned or controlled by SARA.

- a. Fees: Many of SARA's projects involve cooperation and/or contracts using federal, state or local funds and a review of proposed permits is required by the respective federal, state or local entities. In conjunction with an application to receive a permit involving use of SARA land rights, a non-refundable application fee must be submitted. **Below is the schedule of application fees is adopted as part of the annual operating budget.:**

Public or non-profit entities funded projects	\$ 750
Public or non-profit entities' projects which require review and approval by the U.S. Army Corps of Engineers, Natural Resources Conservation Service or any other city, state or federal agency	\$3,000
Non-publicly funded projects	\$1,500
Non-publicly funded projects that require review and approval by the U.S. Army Corps of Engineers, Natural Resources Conservation Service or any other city, state or federal agency	\$3,750

- b. Land Use Application: SARA establishes design criteria and requirements for submittal that ~~is~~ **are** outlined in its Land Use Application found on the official SARA website. Each application is reviewed by SARA's internal Technical Services Division to ensure the applicant's proposed plan includes reasonable efforts to maximize the protection of the ecosystem and water quality are made. In addition, SARA maintains all rights to inspect and monitor the various land uses on SARA owned property.
- c. Land Use Agreements: SARA may enter into permits, leases, easements, development agreements or other legally binding agreements with public, private or non-profit entities.
 - i. Land use agreements will conform to the following criteria:
 - A. Monetary consideration for the following uses will be full fair market value: agriculture/grazing, commercial (recreation or non-recreation) and private uses. SARA's leases for agricultural/grazing uses will be managed to conserve, protect and maintain SARA's land resources.
 - B. Land use agreements may be granted for less than full fair market value to governmental entities or non-profit organizations subject to the Board's prior approval, when the use of the property furthers SARA's ability to meet its statutory responsibilities or is deemed to be in SARA's best interest.
 - C. Land use agreements require the user to undertake full financial responsibility for proper maintenance and use of the land and/or facility. Such financial responsibility may include liability insurance coverage protecting SARA.
 - D. Land use agreements will include provisions allowing periodic adjustments of monetary consideration.
 - E. The term of any land use agreement will be commensurate with the use of the land, the purposes of the agreement, the amount of capital to be invested by SARA and/or the user, the anticipated capital payback period, and the projected revenue to SARA.
 - F. Land use agreements will contain, as appropriate and necessary, provisions for environmental protection and compliance with applicable laws and regulations, including but not limited to SARA ordinances and policies for water quality, nonpoint source pollution prevention and other environmental quality considerations, such as impacts to cultural resources, wetlands, and threatened or endangered species and their habitats.
 - ii. The General Manager, or designee, is specifically authorized to execute the following types of land use agreements listed below, without SARA Board approval. All other land use agreements must be specifically approved by the SARA Board.
 - A. Leases, temporary use permits, utility dedications, rights of entry, licenses and construction permits with terms of fifteen (15) years or less.

- B. Plats and consent and indemnity agreements.
 - C. Joint Use Agreements for the co-location of utilities or other improvements on SARA land, easements, or leases.
 - D. ~~Short term leases~~ Leases that may be canceled upon thirty (30) days' notice.
 - E. Easements across SARA's bed and banks of the San Antonio River and its tributaries.
- iii. Agreements with private entities for commercial recreation project development, operation and management will conform to the following criteria:
- A. Private development, operation and management of SARA land shall provide public access for recreational and conservation use of SARA land.
 - B. A request for proposals (RFP) must be issued to solicit bids for any such development, operation and management agreement. The RFP process shall be designed to encourage local participation. Staff must obtain Board authorization prior to issuance of an RFP.
 - C. Staff must obtain Board approval of the selection of the successful ~~bidder~~ proposer and the terms of the agreement.

This paragraph does not apply to any lease or land use agreement where the other party to the lease agreement is the owner of property adjoining SARA land, and SARA land could not reasonably be independently developed.

- d. Special Provisions for Easements: SARA may grant easements or leases across land it owns, may permit easements to occupy the same easement corridor it has acquired, and may release its easement rights or portions of land from easements.
- i. ~~Easements must be specifically approved by the SARA Board except easements which cross the bed and banks of the San Antonio River and its tributaries as noted in Section 2(C)(ii)(E) above. The General Manager or designee is authorized to approve easements which cross the bed and banks.~~ Easements across SARA land including its bed and banks will conform to the following criteria:
 - A. Monetary consideration for easements or leases that serve a private or commercial use will be the full fair market value. An appraisal may be used as a basis for negotiations. If an appraisal is used tThe requesting entity shall provide the appraisal subject to SARA staff approval. ~~as determined by an appraisal obtained by or provided to and approved by SARA, and negotiated by SARA Staff.~~
 - B. Requests for an easement or lease to cross the San Antonio River or its tributaries shall comply with the requirements for other easements and be accompanied with design plans that

detail the proposed crossing. SARA staff will review the plans and may require additional information, if necessary.

- C. The river crossing easement or lease instrument will contain provisions that require the removal of all improvements upon termination or abandonment of the river crossing.
- D. Monetary consideration for easements that serve a public or non-profit use may be less than full fair market value at the discretion of the SARA Board of Directors, such other terms as are determined by the SARA Board of Directors to be in the best interests of SARA.

ii. The General Manager, or designee, is authorized to approve requests to occupy a portion of a SARA easement across lands that are not owned by SARA, if they meet the following criteria:

- A. The requesting entity first will obtain the written statement of SARA's non-objection to the proposed easement/use. Such statement of non-objection only will be granted if the proposed joint use of the easement corridor will not interfere with SARA's superior easement rights, safety, and efficient operations within the easement area.
- B. The requesting entity may be required to obtain the easement rights and to subordinate these easement rights to SARA's superior easement rights.
- C. No consideration will be required for a joint use agreement, unless existing or proposed uses by SARA are diminished or impaired.

iii. The General Manager is specifically authorized to release SARA's easements on private lands that are not necessary to the operation of SARA. The General Manager is specifically authorized to make the determination if an existing easement on private land is or is not necessary to the operation of SARA. Requests of SARA to release its easement rights will conform to the following criteria:

- A. Staff will determine that SARA has no further or anticipated need for easement rights in the area to be released.
- B. Any processing costs, including the cost of a survey, if required, will be at the expense of the property owner or party requesting the release.
- C. Easement rights which are considered unnecessary due to an abandonment of a line or facility by SARA may be released to the current landowner(s).
- D. In the event the easement to be released was acquired through eminent domain, and the determination that the easement is not necessary to the operation of SARA is made before the 10th anniversary of the date of the acquisition of the easement, SARA will comply with the provisions of Subchapter E of Chapter 21 of the Texas Property Code.

~~iv. Consideration for requests to cross the San Antonio River or its tributaries with an easement or lease where SARA owns the bed and banks shall be for fair market value, computed in the following manner:~~

~~A. A fixed payment of fifteen dollars (\$15.00) per linear foot or seventy five cents (\$0.75) per square foot, whichever is greater, of the proposed project installation in, upon, over, under and across SARA real estate.~~

~~BA. Monetary consideration for easements or leases that serve a private or commercial use and cross the San Antonio River will be the full fair market value as determined by an appraisal obtained by or provided to and approved by SARA, and negotiated by SARA Staff. For proposed projects where the standard payment does not apply, consideration to be paid for this type of real estate use agreement will be determined by a real estate appraisal prepared by SARA staff or by an independent appraiser. The cost of the independent appraisal will be paid by the applicant.~~

~~CB. Requests for an easement or lease to cross the San Antonio River or its tributaries shall comply with the requirements for other easements and be accompanied with design plans that detail the proposed crossing. SARA staff will review the plans and may request additional information, if necessary.~~

~~C. The river crossing easement or lease instrument will contain provisions that require the removal of all improvements upon termination or abandonment of the river crossing.~~

e. Encroachments: Public or private use of (including aerial use above or over) SARA land, except where expressly authorized by SARA, will be considered an encroachment. Those encroaching under, over or across SARA lands will be required to either remove the encroachment as well as any constructed improvements or to secure rights to use the land by entering into an acceptable land use agreement with SARA. Refer to Sections 2 a – c above for information about acceptable land use agreements with SARA. The General Manager, or designee, may initiate appropriate legal action to remove any non-conforming encroachments.

f. Mitigation: Any use of land for mitigation purposes under the Endangered Species Act and associated regulations must be specifically approved by the SARA Board. Staff shall notify the Board upon receipt of any request for use of SARA land for mitigation purposes or any proposal to donate land to SARA for mitigation purposes.

3. Land Disposition.

Non-essential Lands: Lands identified as non-essential may be sold, traded or exchanged if declared by the SARA Board to be not necessary, convenient or of beneficial use to SARA and surplus to SARA's needs. Staff must obtain such declaration, as well as the terms of any such sale or exchange, through the affirmative vote of a majority vote of a quorum present at any meeting of the Board.

An environmental due diligence assessment may be prepared on all land considered for disposition. Information obtained during the due diligence and on-site assessments will be evaluated prior to final disposition.

The proceeds from the sale of non-essential lands will be deposited into the Park Resources Development Fund (PRDF) unless otherwise directed by the General Manager, except for proceeds that are required to be returned to the a specific project. ~~will may be used when required to fund land acquisition or improvements to projects to develop any SARA project included in SARA's San Antonio River Basin Plan for Nature-Based Park Resources or subsequent regional park and recreation plan, or for such other purposes as may be determined by the Board.~~

4. Park Resources Development Fund.

SARA will establish a Park Resources Development Fund (PRDF) to be used for land acquisition and/or the development of any project included in SARA's San Antonio River Basin Plan for Nature-Based Park Resources or subsequent regional park and recreation plan.

- a. Accounting: The PRDF is a restricted SARA fund and will be accounted for separately. Interest earnings from this fund will be recorded in the PRDF. The Board must approve all expenditures from the PRDF. ~~The PRDF Administrator will be appointed by the General Manager or designee.~~
- b. Sources: The monies for the PRDF may come from the following sources:
 - i. Proceeds from the sale of non-essential SARA lands or revenues from the leases, license agreements and easements on SARA owned property unless encumbered by bonds or otherwise dedicated to other funds;
 - ii. Loans, grants, or gifts allocated to the acquisition of SARA park, conservation, or recreation lands;
 - iii. Other sources as approved by the Board.

Notwithstanding the foregoing, the Board shall have full authority to expend PRDF funds as may be necessary and prudent at the time.

Approved

Suzanne B. Scott, General Manager

Date

ADMINISTRATIVE FEE SCHEDULE

Administrative Fee Schedule			
Current		Proposed	
	<u>Fee</u>		<u>Fee</u>
Publicly funded projects	\$750	Publicly and Non-publicly funded projects	\$5,000
Public projects which require US Corps review/approval	\$3,000	Public and Non-public projects which SARA is the local sponsor for a federal agency.	\$7,250
Non-publicly funded projects	\$1,500		
Non-publicly funded projects which require US Corps review/approval	\$3,750		

This schedule will be reviewed and if necessary revised as part of the annual budget process.

Fiscal Committee

Date: 02/06/2012

Fund Balance Policy

Submitted By: Sharon McCoy-Huber

Division: Support Services

Department: Finance

CAPTION

PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING THE ADOPTION OF A REVISED FUNDS MANAGEMENT POLICY FOR THE SAN ANTONIO RIVER AUTHORITY AND CONFORMING BYLAW AMENDMENTS

Presenter

Larry Anderson and Sharon McCoy-Huber

Estimated Presentation Time: 15 minutes

Staff will review the Funds Management Policy FN 0002 with the Committee to give members an opportunity to recommend and vote on any language and/or substantive changes they deem appropriate. Staff will also make recommended changes to the current Funds Management Policy FN 0002 to allow for designations of fund balance. The current Funds Management Policy FN 0002 is attached.

The Governmental Accounting Standards Board (GASB) Statement 54 standards apply to and influence the Fund Balance Policy language. The Fund Balance Policy FN 0002 with recommended revisions is also attached.

During the February 8, 2012, Executive Committee meeting, staff will present conforming bylaws amendments to the Executive Committee for review and approval.

Recommendation

Motion indicating Fiscal Committee support for presenting to the San Antonio River Authority Board of Directors a recommendation to approve the revised Fund Balance Policy FN 0002.


Discussion

Vote

Attachments

Current Funds Management Policy FN 0002

New Fund Balance Policy FN 0002

	<p style="text-align: center;">SAN ANTONIO RIVER AUTHORITY</p>	<p style="text-align: center;">POLICY & PROCEDURE</p>	<p style="text-align: center;">POLICY NUMBER: FN 0002</p>
<p>SUBJECT: Funds Management</p>			<p>REPLACING POLICY NUMBER: EO 0008</p>
<p>RESPONSIBLE MANAGER: Financial Services Manager</p>		<p>EFFECTIVE DATE: 08/15/2001</p>	
		<p>REVISED DATE: 11/17/2010</p>	<p>PAGE(S): 1 of 3</p>

PURPOSE

The purpose of this policy is to establish guidelines for the maintenance and use of San Antonio River Authority (River Authority) fund balances net of fixed assets, i.e. cash balances.

FUND TYPES

The River Authority maintains five major types of funds. They are Operating, Debt Service, Reserve, Special Revenue and Capital Project Funds. Each is described below.

Operating Funds: These funds are used for purposes of supporting the ongoing operations of the River Authority. Revenues consist of customer revenue, interest earnings and charges for services rendered. Uses of these funds include operating expenses and capital purchases and improvements.

Debt Service Funds: These funds are established from funding sources as required by bond covenants. Monies flow through these funds in prescribed amounts from funding sources for purposes of payments of principal and interest on debt.

Reserve Funds: These funds are also required by bond covenants to maintain specified amounts of funds in reserve to support bond management.

Special Revenue Funds: These funds are set up to support special projects. Revenues typically include grants or other special sources of revenue received by the River Authority. These funds are designated for operations, studies or reports. Laws and/or contracts with others govern the use of these funds.

Capital Project Funds: These funds are designated to support construction of capital projects. The use of a particular capital project fund is limited to the capital project for which it is formed. Funding sources are typically bonds, impact fees or monies received from another entity for purposes of constructing a designated facility or project.

FUND MANAGEMENT

The policy for the management of the River Authority funds is:

Operating Funds – Operating Funds will be managed to meet the following objectives.

1. Maintenance of Adequate Reserves. Sufficient fund balances will be maintained to:
 - a. Unassigned fund balance - Maintain appropriate reserves to fund operating expenses where funding sources are variable throughout the annual fiscal cycle.
 - b. Assigned fund balance - Maintain appropriate reserves to meet emergency expenses and interruptions in revenue sources. Approximately three months of critical operating expenses will be maintained in reserve including but not limited to personnel, utilities, and telephone expenses. The reserve will be replenished at least annually when sufficient funds are available.
 - c. Committed fund balance - Provide and protect the River Authority's ability to borrow funds to construct new capital projects. The River Authority will maintain operating fund balances and take other actions necessary to maintain an appropriate bond rating to support future bond issues.
 - d. Unassigned fund balance - Provide funds for planning the expansion of existing projects or the development of new projects that are forecast to meet growth of a particular operation.
2. Utilization of Fund Balances: Fund balances available after meeting the requirements for reserves in (1) above will be used to:
 - a. Committed fund balance - Invest in the River Authority's human and physical resources to provide a sound functional organization that is able to respond to opportunities to provide services to its constituents consistent with the River Authority's mission, purpose, and enabling legislation.
 - b. Committed fund balance - Support and generate new projects where the Board of Directors determine that investment is necessary and desirable and is consistent with the River Authority's mission, purpose, and enabling legislation.
3. Reports and Budgets: The General Manager will report to the Board of Directors as a part of the annual budget process on the fund balances. The report will include the proposed use of the fund balances, including reserve requirements, in the budget being proposed.


Debt Service, Reserve, Special Revenue and Capital Project Funds – Each of these funds will be independently managed to conform to the particular requirements associated with each contract, project, bond issue or other purpose for which they are specifically established.

Approved:

Suzanne B. Scott, General Manager

11/17/2010

Date

	<p align="center">SAN ANTONIO RIVER AUTHORITY</p>	<p align="center">POLICY & PROCEDURE</p>	<p align="center">POLICY NUMBER: FN 0002</p>
<p>SUBJECT: Fund Balance Policy</p>		<p>REPLACING POLICY NUMBER: EO 0008</p>	
<p>RESPONSIBLE MANAGER: Financial Services Manager</p>		<p>EFFECTIVE DATE: 08/15/2001</p>	
		<p>REVISED DATE: 2/15/2012</p>	<p>PAGE(S): 1 of 3</p>

PURPOSE

The purpose of this policy is to establish guidelines for the maintenance and use of San Antonio River Authority (River Authority) fund balances.

FUND CATEGORIES

Business-type Activity Funds: Funds that are financed in whole or in part by fees charged to external parties for goods or services. These activities are usually known as enterprise funds and internal service funds. There are four types of fund balances for enterprise funds;

- Invested in capital assets,
- Restricted for debt service,
- Restricted for construction and
- Unrestricted.

Governmental-type Activity Funds: Funds that are financed through taxes, intergovernmental revenues, and other non-exchange revenues. There are five categories of fund balances for governmental funds;

- Non-spendable,
- Restricted,
- Committed,
- Assigned, and
- Unassigned.

The governmental-type activity funds usually include the general fund, debt service fund, special revenue funds and capital project funds.

FUND BALANCE POLICY

The Fund Balance Policy is intended to provide guidelines during the preparation and execution of the annual budget to ensure that sufficient reserves are maintained for unanticipated expenditures or revenue shortfalls. It also in intended to preserve flexibility throughout the fiscal year to make adjustments in funding for programs approved in connection with the annual budget. The Fund Balance Policy should be established based upon a long-term perspective recognizing that stated thresholds are considered minimum balances. The main objective of

establishing and maintaining a Fund Balance Policy is to insure the River Authority is in a strong fiscal position and able to weather negative economic trends.

- Non-spendable Fund Balance consists of funds that cannot be spent due to their form (i.e. inventory, prepaid, notes receivable) or funds that legally or contractually must be maintained intact.
- Restricted Fund Balance consists of funds that are mandated for a specific purpose by external parties (i.e. grantors, contributors, creditors, laws, regulations, or other governments), constitutional provisions or enabling legislation.
- Committed Fund Balance consists of funds that are set aside for a specific purpose by the River Authority's Board of Directors. Formal action must be taken prior to the end of the fiscal year. The same formal action must be taken to remove or change the limitations placed on the funds.
- Assigned Fund Balance consists of funds that are set aside with the intent to be used for a specific purpose by the River Authority's Board of Directors or General Manager (or designee) that has been given the authority to assign funds. Assigned funds cannot cause a deficit in unassigned fund balance.
- Unassigned Fund Balance consists of excess funds that have not been classified in the previous four categories. All funds in this category are considered spendable resources. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls.

Non-spendable and Restricted Funds

It is the responsibility of the Financial Services Manager to report all Non-spendable and Restricted Funds appropriately in the River Authority's Audited Financial Statements. The Financial Services Manager must also report Non-spendable and Restricted Funds in the Quarterly Financial Report.

Authority to Commit Funds

The River Authority's Board of Directors has the authority to set aside funds for a specific purpose and to establish a Committed Fund Balance. The formal action of the River Authority Board of Directors that commits fund balance to a specific purpose should occur prior to the end of the reporting period, but the amount, if any, which will be subject to the constraint, may be determined in the subsequent period.

Authority to Assign Funds

Upon passage of the Fund Balance Policy, authority is given to the River Authority's General Manager or designee to assign funds for specific purposes. Any funds set aside as Assigned Fund Balance must be reported to the River Authority's Board of Directors in the Quarterly Financial Report.

Unassigned Fund Balance

Unassigned Fund Balance is the amount of Fund Balance in the General Fund that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. It also represents the resources available or needed to be allocated to the Reserve Account or the Operating Reserve Account.

Unassigned Fund Balance (Reserve Account)

An Unassigned Reserve Account is established for the purpose of providing funds as needed per Board direction. The River Authority wants to maintain funds that can be used for purposes that assist the River Authority’s mission. These funds can be used to purchase assets that produce assets; loans to move projects forward sooner and other items as required by the River Authority Board of Director action for the usage of these funds.

Unassigned Fund Balance (Operating Reserve Account)

Another Unassigned Fund Balance is the Operating Reserve Account which represents the resources available for future spending from taxes collected and shall only be used for purposes as defined in the River Authority Statute. An appropriate level of Unassigned-Operating Reserve Fund Balance should be maintained in the General Fund in order to cover unexpected expenditures and revenue shortfalls.

The River Authority’s Board of Directors has the authority to establish an Unassigned-Operating Reserve Account. An Unassigned-Operating Reserve Account is established for the purpose of providing funds to enable the Authority to maintain operations when there is a business interruption or for other appropriate needs as determined by the Board of Directors. The minimum level for the Unassigned-Operating Reserve Account is approximately three months of critical operating expenses including but not limited to personnel, utilities and telephone expenses. The Unassigned-Operating Reserve Account will be replenished at least annually when sufficient funds are available.

Unassigned Fund Balance (Undistributed Account)

Unassigned Fund Balance-Undistributed Account is the amount of Fund Balance in the General Fund that remains at the end of the fiscal year. It represents the resources available or needed to be allocated to the Unassigned-Reserve Account or the Unassigned-Operating Reserve Account.

The River Authority’s Board of Directors may take action annually after the approval of the audit to move the Unassigned Fund Balance–Undistributed Account to or from the Unassigned Fund Balance-Reserve Account or Unassigned Fund Balance-Operating Reserve Account.

Approved:

Suzanne B. Scott, General Manager

2/15/2012
Date

Fiscal Committee

Date: 02/06/2012

Surplus Property

Submitted By: Sharon McCoy-Huber

Division: Support Services

Department: Finance

CAPTION

PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING AN ORDINANCE DECLARING SURPLUS PROPERTY

Presenter

Sharon McCoy-Huber

Estimated Presentation Time: 10 minutes

The Board of Directors of the San Antonio River Authority may declare that articles of personal property owned by the River Authority are not convenient to the business of the authority and are surplus; declare the appraised value of each of said articles to be less than five thousand dollars (\$5,000); and authorize and direct the General Manager to dispose of said properties.

Articles of personal property listed on the attached Exhibit A have been identified as being obsolete and not serviceable and are, therefore, surplus to the operational needs of the River Authority.

Staff will be publishing the bid on Thursday, February 16, 2012. The preview of items will be held on March 19th and 20th; and the bids are due into the River Authority on March 23, 2012.

Recommendation

Motion indicating Fiscal Committee support for presenting to the Board of Directors of the San Antonio River Authority Ordinance O-1358 declaring that articles of personal property listed in Exhibit A, attached hereto and made a part hereof, and owned by the San Antonio River Authority are not convenient to the business of the authority and are surplus; declaring the appraised value of each of said articles to be less than five thousand dollars (\$5,000); and authorizing and directing the General Manager to proceed to dispose of said properties upon the terms deemed appropriate and to execute on behalf of the authority such instruments as are necessary to effectuate such disposition.

Discussion

Vote

Attachments

O-1358 - Surplus Ordinance

Exhibit A - Surplus List

ORDINANCE NO. O-1358

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE SAN ANTONIO RIVER AUTHORITY DECLARING THAT SEVERAL ARTICLES OF PERSONAL PROPERTY LISTED IN "EXHIBIT A", ATTACHED HERETO AND MADE A PART HEREOF, OWNED BY THE SAN ANTONIO RIVER AUTHORITY ARE NOT CONVENIENT TO THE BUSINESS OF THE AUTHORITY AND ARE SURPLUS; AND AUTHORIZING AND DIRECTING THE GENERAL MANAGER TO PROCEED TO DISPOSE OF SAID PROPERTIES UPON THE TERMS DEEMED APPROPRIATE AND TO EXECUTE, ON BEHALF OF THE AUTHORITY, SUCH INSTRUMENTS AS ARE NECESSARY TO EFFECTUATE SUCH DISPOSITION

Preamble

WHEREAS, the SAN ANTONIO RIVER AUTHORITY has heretofore acquired title to the articles of personal property listed in "Exhibit A"; and

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE SAN ANTONIO RIVER AUTHORITY THAT:

1. The hereinabove described articles of personal property owned by the SAN ANTONIO RIVER AUTHORITY are not convenient to the business of the AUTHORITY and are surplus.
2. It is necessary and in the public interest to dispose of said articles.
3. The Management of the AUTHORITY is hereby authorized and directed to dispose of said property upon the terms deemed appropriate and to execute on behalf of the AUTHORITY such instruments as are necessary to effectuate such disposition.

PASSED AND APPROVED this the 15th day of February 2012.

GAYLON J. OEHLKE, Chairman

ATTEST:

ROBERTO G. RODRÍGUEZ, Secretary

ACKNOWLEDGEMENT OF CHAIRMAN

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

BEFORE ME, the undersigned authority on this day personally appeared Gaylon Oehlke, Chairman of the Board of Directors of the SAN ANTONIO RIVER AUTHORITY, a political subdivision of the State of Texas known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said political subdivision.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 15th day of February, 2012.

Lupe Sanchez, Notary Public
In and for the State of Texas
My commission expires: 11/14/2012

**San Antonio River Authority
Surplus List 2012**

Description	Quantity	Minimum Bid
40' Trusses	4	\$ -
60" Bobcat Bucket		\$ -
A/C Unit	5	\$ -
Backhoe, Ford 555E		\$ -
Badge Printer, Fargo DTC300		\$ -
Bale Carrier, 3 point		\$ -
Binding Machine, Ibico E Kombo		\$ -
Bookcase		\$ -
Bookcase, Steel	3	\$ -
Buffer, Koblenz TP-1715		\$ -
Cabinet, Small Metal		\$ -
Chair, Guest	4	\$ -
Chair, Humanscale Freedom	2	\$ -
Chairs, Stacking		\$ -
Chisel Plow w/Colters, John Deere		\$ -
Chisel Plow, 9 Shank, Shop Made		\$ -
Computer, ACS		\$ -
Computer, Apple Power Mac G4		\$ -
Computer, Dell Optiplex GX260T	5	\$ -
Computer, Dell Precision 340	7	\$ -
Computer, Dell Precision 670		\$ -
Computer, Dell Precision 690	2	\$ -
Computer, MPC Client Pro 345E	6	\$ -
Computer, MPC Client Pro 365	3	\$ -
Computer, MPC Client Pro 385	13	\$ -
Computer, MPC Client Pro 565 Mid Tower		\$ -
Computer, Pentium 4 Processor		\$ -
Credenza		\$ -
Desk with Return		\$ -
Desk, Wooden Computer	2	\$ -
Digital Phone System, Mitel SX200		\$ -
Disc Harrow, John Deere 425		\$ -
Disc Harrow, Taylor Way, 7ft		\$ -
Drafting Table	3	\$ -
Drill Bit Sharpener, Black and Decker		\$ -
Drill Press, Delta, 3/4hp		\$ -
Dry Keeper		\$ -
DVD Recorder, Phillips		\$ -
Engine Stand, Full Swivel		\$ -
Fax Machine, Xerox F12		\$ -

**San Antonio River Authority
Surplus List 2012**

Description	Quantity	Minimum Bid
Fax Machine, Xerox M151		\$ -
Fiber Glass Tank, 1000 gallon w/5hp pump		\$ -
File Cabinet, Metal, 2 drawer	2	\$ -
File Cabinet, Metal, 4 drawer	6	\$ -
File Cabinet, Wooden, 2 drawer		\$ -
Floor Crane, Blue		\$ -
Folding/Inserting Machine, Neopost		\$ -
Fork Lift, Shop Built		\$ -
Freezer, Frigidaire, Upright		\$ -
Grass Edger, 3hp 127cc		\$ 75.00
Harddrives, Dell PowerVault 220S		\$ -
Heater, Modine PD 2000	2	\$ -
Hose Reel, Rainbow		\$ -
Hydraulic Press, Shop Made		\$ -
Jack, Hein Werner, 1.5 ton, Floor		\$ -
Jack, Hein Werner, Bumper		\$ -
Jack, Hein Werner, Transmission		\$ -
Keyboards and Mouse	7	\$ -
KVM, Rose UltraLink		\$ -
Laptop, Dell Latitude C610	2	\$ -
Laptop, Dell Latitude D820	12	\$ -
Laptop, IBM Thinkpad T23		\$ -
Lateral File Cabinet, 2 drawer, wooden		\$ -
Lawn Mower, self propelled, John Deere, HD45		\$ -
Microwave, Montgomery Ward		\$ -
Monitor		\$ -
Monitor, CTX 17"		\$ -
Monitor, Dell - not flat screen	2	\$ -
Monitor, Dell 19"	8	\$ -
Monitor, Dell 2000FP		\$ -
Monitor, Dell Ultrasharp 17"	9	\$ -
Monitor, MPC 17"	13	\$ -
Monitor, Samsung 17"		\$ -
Oil Storage Tank, 500gallon		\$ -
Overhead Crane, 2ton, Chain Hoist		\$ -
Peanut Digger/Inverter, Lilliston		\$ -
Plans Holder, Metal		\$ -
Plotter 42", HP Design Jet 5500 with supplies		\$ -
Printer, HP Color Laserjet 4600		\$ -
Printer, HP Laserjet 4050		\$ -

**San Antonio River Authority
Surplus List 2012**

Description	Quantity	Minimum Bid
Propane Tank, 250 Gallon		\$ -
Pump Wagon, 12V		\$ -
Refrigerator, Revco, 3-Door		\$ -
Scanner, HP6390C		\$ 100.00
Server, Dell PowerEdge 4600		\$ -
Server, Cisco MCS 7815		\$ -
Server, Dell PowerEdge 1650		\$ -
Server, Dell PowerEdge 1650		\$ 70.00
Server, Dell PowerEdge 2550		\$ 100.00
Server, Dell PowerEdge 2550		\$ 70.00
Server, Dell PowerEdge 2550		\$ 70.00
Server, Dell PowerEdge 2550		\$ 70.00
Server, Dell PowerEdge 2550		\$ 75.00
Server, Dell PowerEdge 2550		\$ -
Server, Dell PowerEdge 4600		\$ 100.00
Server, Dell PowerEdge 4600		\$ 150.00
Server, Dell PowerEdge 4600		\$ 100.00
Server, Dell PowerEdge 4600		\$ 150.00
Server, Dell PowerEdge 4600		\$ -
Shelving Unit		\$ -
Skid Steer Loader, Bobcat, 853B		\$ 6,000.00
Soil Aerator Machine, Ryan Renovaire		\$ -
Submersible Pumps, 95HP (2)		\$ -
Submersible Well Pumps (3)		\$ -
Switch, 3COM 3824		\$ -
Switch, Rose KVM with cables	2	\$ -
Table, wood top and metal bottom	3	\$ -
Tape Deck, Tascam		\$ -
Tire, Small Tractor Tire w/Rims (16.1)		\$ -
Tire, Small Tractor Tire w/Rims (18.4)		\$ -
Toolbox, Craftsman, 22 drawer		\$ -
Transcriber, Lanier Advocate		\$ -
Transfer Switch, Generac		\$ -
Trash Pump, Honda, 11HP (not working)		\$ -
Turbidmeter, Obico Helbig 96		\$ -
TV, Samco		\$ -
TV, Sony 24"		\$ -
TV/VCR		\$ -
TV/VCR, Symphonic 14" with remote		\$ -
Typewriter Stand		\$ -

**San Antonio River Authority
Surplus List 2012**

Description	Quantity	Minimum Bid
Utility Bed Crane, Lift Moore		\$ -
VCR, Quasar		\$ -
VCR, Sony VHS		\$ -
Vehicle, 1990 GMC Vandura (9001)		\$ 1,000.00
Vehicle, 2001 Chevy 1500 4x4 P/U (0109)		\$ 1,250.00
Vehicle, 2001 Chevy 1500 4X4 P/U (0110)		\$ 1,500.00
Vehicle, 2001 Dodge Ram 1500 (0108)		\$ 1,000.00
Vehicle, 2002 Chevy 1500 P/U (0208)		\$ 1,000.00
Vehicle, 2003 Ford Escape (0601)		\$ 1,000.00
Vehicle, 2003 Ford F150 P/U (0307)		\$ 1,000.00
Vehicle, 2003 Ford F350 Utility Bed (0304)		\$ 2,250.00
Vehicle, 2004 Ford F150 P/U (0410)		\$ 1,500.00
Water Cooler, Sunbeam		\$ -
Water Pump, 2" w/cart, 3.5HP Motor		\$ -
Water Pump, 2" w/cart, 3.5HP Motor		\$ -
Welder, Lincoln A/C		\$ -

DRAFT

Fiscal Committee

Date: 02/06/2012

Authorization of Tax Exemption for Runge Housing Authority

Submitted By: Sharon McCoy-Huber

Division: Support Services

Department: Finance

CAPTION

PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING AN ORDINANCE DECLARING THAT THE SAN ANTONIO RIVER AUTHORITY DOES HEREBY WAIVE THE PAYMENT IN LIEU OF TAXES ON PROPERTY OF THE HOUSING AUTHORITY OF THE CITY OF RUNGE IN THE COUNTY OF KARNES, TEXAS, AND DIRECTING THE GENERAL MANAGER TO TRANSMIT A CERTIFIED COPY OF THIS ORDINANCE TO THE TAX ASSESSOR-COLLECTOR OF SAID COUNTY

Presenter

Sharon McCoy-Huber

Estimated Presentation Time: 5 minutes

The San Antonio River Authority received a letter from the Housing Authority of the City of Runge requesting to be granted a waiver from payment in lieu of taxes. A copy of the letter is attached.

The Housing Authority of the City of Runge owns property in Karnes County, Texas, and is exempt from ad valorem taxes. Federal law requires Housing Authorities to make payment in lieu of taxes to the taxing entities in Karnes County, Texas and is generally 10% of the sum of the rents received.

Staff is recommending that San Antonio River Authority waive the payment in lieu of taxes for the Housing Authority of the City of Runge.

Recommendation

Motion indicating Fiscal Committee support for presenting to the San Antonio River Authority Board of Directors a recommendation to pass an Ordinance to waive the payment in lieu of taxes on property of the Housing Authority of the City of Runge in the County of Karnes, Texas and directing the General Manager to transmit a certified copy of this ordinance to the tax assessor-collector of said county.

Discussion

Vote

Attachments

Waiver Request Letter

O-1357



HOUSING AUTHORITY OF THE CITY OF RUNGE



P.O. Box 127 ♦ 406 North Helena ♦ Runge, Texas 78151
Phone (830) 239-4691 ♦ Fax (830) 239 -4764 ♦ email: rha @ kamesec.net

5 January 2012

San Antonio River Authority
P.O. Box 839980
San Antonio, Texas 78283-9980

RE: Payment In Lieu of Taxes (PILOT)

The Runge Housing Authority operates a tax exempt housing project that provides adequate housing to low and very low income families and uses modest rent funds and HUD funds for financing the operations and maintenance.

HUD regulations require Housing Authorities to make Payment in Lieu of Taxes (PILOT) based on a formula of gross income from rents less utilities. HUD regulations also permit a PILOT waiver by the taxing entity.

Respectfully request that your taxing entity grant PILOT waiver to the Runge Housing Authority. The enclosed form is provided to expedite the process if the waiver is approved

Thank you for your anticipated favorable response to this request.

Sincerely,

Pablo Núñez

Pablo Núñez
Executive Director

Board of Commissioners

Henry Janssen, Jr.
Chairman

Margie Tamez
ViceChairman

Christine Ramirez
Commissioner

Patsy Green
Commissioner

Dawn Waddle
Tenant Commissioner

ORDINANCE NO. O-1357

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE SAN ANTONIO RIVER AUTHORITY DECLARING THAT THE SAN ANTONIO RIVER AUTHORITY DOES HEREBY WAIVE THE PAYMENT IN LIEU OF TAXES ON PROPERTY OF THE HOUSING AUTHORITY OF THE CITY OF RUNGE IN THE COUNTY OF KARNES, TEXAS

Preamble

WHEREAS, the Housing Authority of the City of Runge owns property in Karnes County, Texas that is exempt from ad valorem taxation and is required by federal law to make a payment in lieu of taxes to the taxing entities of Karnes County, Texas; and

WHEREAS, the Housing Authority of the City of Runge has requested that the San Antonio River Authority waive the payment in lieu of taxes; and

WHEREAS, the Board of Directors finds that it is in the public interest to waive the payment of in lieu of taxes of the Housing Authority of the City of Runge;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE SAN ANTONIO RIVER AUTHORITY THAT:

The payment in lieu of taxes by the Housing Authority of the City of Runge on property located in Karnes County, Texas is waived.

PASSED AND APPROVED this the 15th day of February, A.D., 2012.

GAYLON J. OEHLKE, Chairman

ATTEST:

ROBERTO G. RODRÍGUEZ, Secretary

ACKNOWLEDGEMENT OF CHAIRMAN

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

BEFORE ME, the undersigned authority on this day personally appeared GAYLON J. OEHLKE, Chairman of the Board of Directors of the SAN ANTONIO RIVER AUTHORITY, a political subdivision of the State of Texas known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said political subdivision.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 15th day of February, 2012.

Lupe Sanchez, Notary Public
In and for the State of Texas
My commission expires: 11/14/2012

Fiscal Committee

Date: 02/06/2012

Financial Leverage Indicator

Submitted For: Larry Anderson

Submitted By: Sharon McCoy-Huber

Division: Support Services

Department: Finance

CAPTION

BRIEFING REGARDING FINANCIAL LEVERAGE INDEXES

Presenter

Larry Anderson and Sharon McCoy-Huber

Estimated Presentation Time: 10 minutes

In an effort to measure the River Authority's performance in obtaining its goals and long-term thrusts, several Key Performance Indicators (KPI's) have been developed. One is the Financial Leverage Index (FLI) and another is the Project Index (PI).

The FLI and the PI are designed to provide information indicating the extent to which the financial resources of the San Antonio River Authority (SARA) are being leveraged. Part of being prudent financial managers is making sure that we generate the maximum amount of funding from our available resources. The FLI focuses on that portion of our funding over which the staff exerts the greatest influence. The PI includes revenue from external sources.

Staff will provide a review of the Financial Leverage Indexes.

Discussion

Fiscal Committee

Date: 02/06/2012

Status of KAAs

Submitted For: Rudy Farias

Submitted By: Linda Whitaker

Division: Support Services

Department: Project Management

CAPTION

REPORT ON THE STATUS AND RESULTS OF KEY ACTIONS AND ACCOUNTABILITIES (KAAs) REGARDING THE SAN ANTONIO RIVER AUTHORITY'S KEY INITIATIVE 1 FOR FISCAL YEAR 2011

Presenter

Rudy Farias

Estimated Presentation Time: 15 minutes

A detailed briefing will be given on the results and the Key Actions and Accountabilities (KAAs) of various departments, programs and efforts to accomplish SARA's FY12 Key Initiative No. 1 (Increase non-O&M tax revenues by 5% and develop an action plan for incremental increases through FY 2015).

Discussion

Fiscal Committee

Date: 02/06/2012

Current Activities

Submitted By: Sharon McCoy-Huber

Division: Support Services

Department: Finance

CAPTION

DISCUSSION REGARDING CURRENT ACTIVITIES TO BE PRESENTED AT UPCOMING FISCAL COMMITTEE MEETINGS, INCLUDING ITEMS FOR FUTURE CONSIDERATION

Presenter

Sharon McCoy-Huber and Larry Anderson

Estimated Presentation Time: 15 minutes

Staff will be updating the Fiscal Committee on events that are currently being undertaken:

- Submitting the Depository Contract for bid: The current depository contract was issued in 2007 with Frost Bank. State law mandates that governmental entities go out for bid for depository services every two to five years. Staff will be bringing a recommendation to the Fiscal Committee in May 2012.
- Management Audit: Texas Commission on Environmental Quality mandates that a management audit be performed for all River Authorities every five years, TAC 292.13(6)(a). The last management audit was filed in 2007. Staff and the auditing firm will be bringing the report to the Fiscal Committee in June 2012.
- IRS Audit: The Internal Revenue Service (IRS) contacted the River Authority on January 18, 2012 to advise us they will be performing an examination of the 2009 tax returns filed by the River Authority (see attached letter). Staff will update the Fiscal Committee on any comments.

Staff will also seek input on other items for future consideration.

Discussion

Attachments

IRS Letter

Internal Revenue Service
Tax Exempt and Government Entities Division
Federal, State and Local Governments
300 E. 8th St
STOP 4099 AUS
Austin, TX 78701

Department of the Treasury

San Antonio River Authority
PO Box 839980
San Antonio, TX 78283
Attn: Sharon McCoy-Huber

Date:
January 23, 2012
Taxpayer Identification Number:
74-6011311
Form:
941
Tax Period(s) Ended:
2009
Name of Examiner:
Todd Weidner
Person to Contact/ID Number:
Todd R Weidner
1000245744
Contact Telephone Number:
512-499-5285
Location Symbol:
S:T:GE:FSL:7252

Dear Ms. McCoy-Huber:

I am writing to confirm our appointment to discuss the examination of your federal tax returns for the above referenced tax period(s). The appointment will be as follows:

Date: February 6, 2012

Day: Monday

Time: 9:00 am

Location: 100 E. Guenther St., San Antonio, Texas

The purpose of this initial appointment is to meet with you and any officials you designate, to discuss the purpose and scope of the examination, and gather information about your government entity.

The Federal, State and Local Government (FSLG) function of the Internal Revenue Service is responsible for the education and compliance of all governmental entities. Information about the FSLG function can be found at <http://www.irs.gov/govt/fslg/index.html>. We realize that some government entities are concerned about an examination of their federal tax returns. We want to relieve any concerns you may have by briefly explaining the examination process and discussing your appeal rights. We will also answer any questions you may have regarding the federal employment tax responsibilities of governmental entities. Our goal is to ensure compliance with tax laws in the most efficient manner possible. Communication and cooperation between all parties will be extremely beneficial in the examination process.

In order to examine your documents and records, we will provide you with written requests for these items on Form 4564, *Information Document Request*. Form 4564 identifies the books and records that should be available for our inspection. The initial Form 4564 is enclosed and will be discussed during our initial appointment. In the normal course of any examination, it is often necessary to request additional records to obtain a better understanding of an issue.

You may have someone represent you during any part of this examination by providing me a completed Form 2848, *Power of Attorney and Declaration of Representative*. You can obtain Form 2848 from me, from the Internal Revenue Service website at <http://www.irs.gov/formspubs/> or by calling 1-800-829-3676 (1-800-TAX-FORM). If you decide that you wish to have representation after the examination has started, then we will reasonably delay further examination activity until a duly authorized Form 2848 is provided.

During the course of the examination, and at its conclusion, we will explain our adjustments and how they may affect your tax liability. Please do not hesitate to ask questions about any adjustment that is not clear to you. You have the right to appeal any proposed changes to your tax liability and may contact my manager at any time during the examination. If you agree to the proposed changes, then you will need to sign an agreement (Form 2504) to acknowledge your acceptance of our adjustments. Publication 3498, *The Examination Process*, explains the examination and appeals procedures and will be provided to you with our examination report.

We encourage you to read the enclosed Publication 1, *Your Rights as a Taxpayer*, which discusses your rights as a taxpayer, as well as the examination, appeals, collection and refund processes. If you wish to contact me before our appointment, I can be reached at the telephone number or address shown at the top of this letter.

Thank you for your cooperation.

Sincerely,



Todd Weidner
FSLG Specialist
Federal, State and Local Governments

Enclosures:
Form 4564
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Notice 609

Fiscal Committee

Individual Items #: 15. - 17.

Date: 02/06/2012

GM's Report / Next Meeting Date / Adjourn

Submitted For: Suzanne B. Scott

Submitted By: Lupe Sanchez

Division: Executive Offices

15.

CAPTION

GENERAL MANAGER'S REPORT CONCERNING THE FOLLOWING:

- **UPCOMING EVENTS CALENDAR,**
- **FUTURE BOARD AND/OR COMMITTEE MEETINGS, AND**
- **MEETINGS INVOLVING THE ATTENDANCE OF ONE OR MORE BOARD MEMBERS**

Presenter

Suzanne B. Scott

Estimated Presentation Time: 10 minutes

Discussion

16.

CAPTION

NEXT MEETING DATE

Presenter

Ms. Baiamonte, Committee Chair

Estimated Presentation Time: 5 minutes

Unless otherwise decided by the Committee, the next Fiscal Committee meeting will be Monday, March 12, 2012, at 12:00 p.m. Should the Committee decide not to hold a meeting in March, then the next Fiscal Committee meeting will be Monday, April 9, 2012, at 12:00 p.m.

Discussion

17.

Information

CAPTION

ADJOURN

Presenter

Ms. Baiamonte, Committee Chair
