



Comprehensive Annual Financial Report for the Fiscal Years Ended August 31, 2019 and 2018

SABINE RIVER AUTHORITY OF TEXAS





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SRA QUICK REFERENCE

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THIS REPORT PREPARED BY THE AUTHORITY GENERAL OFFICE

The cover features SRA's new raw water conveyance pipeline under construction.

*(For more information about the Sabine River Authority's new pump station
and pipeline under construction, see page 14)*



SABINE RIVER AUTHORITY of Texas

P.O. Box 579
ORANGE, TEXAS
77631

February 1, 2020

President Jeanette Sterner
and Members of the Board of Directors
Sabine River Authority of Texas

Board Members:

It is our pleasure to submit the Comprehensive Annual Financial Report of the Sabine River Authority of Texas (Authority) for the fiscal year ended August 31, 2019. The material aspect of the data is accurate in our opinion and the report discloses results of operations and the financial position of the Authority as recorded by the activity of the eight divisions within the Authority. Necessary information to assist the reader in understanding the financial position of the Authority is included. Narratives applicable to each division, along with financial statements are enclosed to provide complete details concerning the Authority's fiscal year activities and related costs.

Management is responsible for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that have been established for this purpose. Because the cost of internal controls should not exceed the anticipated benefit, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatement.

The Comprehensive Annual Financial Report includes the management's discussion and analysis which can be found in the financial section immediately following the auditors' opinion letter. The management's discussion and analysis provides an overview of the Authority's financial activities and should be read in conjunction with the financial statements. The Statistical Section includes selected financial and demographic information.

The Authority was created in 1949, pursuant to Vernon's Ann. Civ. Stat. Art. 8280-133, as a conservation and reclamation district. The Authority was determined to be necessary in accomplishing the provisions of Article XVI, Section 59, of the Texas Constitution and for the conservation, protection and development of the waters of the Sabine River. The Authority is governed by a nine-member Board of Directors appointed by the Governor and the Board is vested with the management and control of the Authority. Responsibilities of the Authority include municipal, industrial, mining and agricultural raw water supply; hydroelectric generation; wastewater treatment and water quality; management of three major reservoirs, a canal system and recreation facilities; and an initiative to enhance economic growth in the Sabine River Basin.

LONG-TERM FINANCIAL PLANNING

The Authority continues to pursue planning for meeting future water supply needs of the Basin and plays a major part in the State's regional water planning process. The Authority is proceeding with the construction phase of the Gulf Coast Division Pump Station and Pipeline Project with an estimated completion by the end of 2020. The 85 million gallons per day raw water pump station project, funded through the Texas Water Development Board's State Water Implementation Fund for Texas (SWIFT) program, will provide a modernized pumping facility located along the main stem of the Sabine River and will ensure a more reliable water supply for the Authority's customers in the lower basin. Additionally, as approved by the Board, the Authority is pursuing implementation of the Parks and Recreation Master Plan to evaluate and enhance major recreation facilities throughout the Basin with construction on some of the larger parks to begin in 2020.

FINANCIAL INFORMATION

The Authority accounting system consists of two enterprise funds where all financial activities are recorded. Management of the Authority is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Authority are protected. Through an ongoing review process the Authority assures that internal controls are adequate.

Enterprise Operations. Total revenues for all funds for the fiscal year were \$47,296,537 compared to \$35,436,576 for FY2018.

Budget Controls. A budget is prepared annually in accordance with the Water Code Chapter 49, Subchapter G, Sec. 49.199 and, after approval by the Board of Directors, is used in planning and controlling costs. During the year, necessary budget amendments are submitted and approved by the Board prior to implementation.

Debt Administration. Outstanding large debt at August 31, 2019 totaled \$23,371,908 which was attributed to Gulf Coast Division Water Supply System Revenue Bonds. The various bond indentures, resolutions and agreements provide for the establishment of separate restricted accounts for debt service. In fiscal year 2019, the Authority paid off our outstanding long term loan with the Texas Water Development Board associated with the Toledo Bend Reservoir.

OTHER INFORMATION

Independent Auditor. V.T.C.A., Water Code Sec. 49.191 requires an annual audit of the Authority's records by the State Auditor or by an independent accountant. The Board of Directors engaged Axley & Rode, LLP to perform this audit. This report will be filed with the Texas Commission on Environmental Quality, the Orange County Clerk and the Pension Review Board.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its comprehensive annual financial report for the fiscal year ended August 31, 2018. This was the nineteenth consecutive year that the Authority has achieved this prestigious award. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

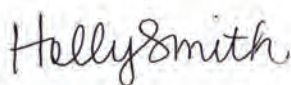
On October 14, 2019, Texas Governor Greg Abbott reappointed Jeff Jacobs of Rockwall, appointed Josh McAdams of Center and Kevin Williams of Orange to the SRA Board of Directors and on November 8, 2019, appointed Cliff Todd of Long Branch to the SRA Board of Directors. On behalf of the Executive Staff, we would like to sincerely thank the Board of Directors, Employees and Consultants for their cooperation and commitment to the projects undertaken by the Authority. The preparation of the Comprehensive Annual Financial Report was achieved through cooperative efforts and dedicated service of the Authority's General Office Staff.

Sincerely yours,

SABINE RIVER AUTHORITY OF TEXAS

A handwritten signature in black ink, appearing to read 'David Montagne'.

David Montagne
Executive Vice President
and General Manager

A handwritten signature in black ink, appearing to read 'Holly Smith'.

Holly Smith
Chief Financial Officer/
Water Resources Manager

BOARD OF DIRECTORS - FY-2019



David Koonce
President
Center, Texas

Mr. Koonce is President/CEO of General Shelters of Texas Ltd., President/CEO of Campbell Portable Buildings, Ltd. and also has partnership interests in three small businesses. He is past president of the Shelby County Chamber of Commerce, past president and treasurer of the Shelby County Bass Anglers, Director for the Houston Livestock Show and Rodeo, member of Shelby County Area Go Texan Committee, member of Shelby County Cookers, past vice chairperson for the Shelby County Historical Commission, and past board member for Center Crime Stoppers. Mr. Koonce received a bachelor's degree from Stephen F. Austin State University. In his spare time he enjoys hunting, fishing, travel and spending time with his grandson. He and his wife, Angela, are members of the First Baptist Church, where he serves as deacon, and reside in Center.

vice president of Greater Hawkins Veterans Memorial Association and president of Holly Lake Ranch Veterans Association and the Women's Auxiliary to Greater Hawkins Memorial Association. Civilian awards include Who's Who in America, Who's Who in the South and Southwest, and Biography of the Directory of Distinguished Americans. Col. Sterner received a Bachelor of Arts from Oklahoma City University, Masters of Science from Trinity University and a master's degree in Strategic Planning for Global Situations from the Army War College. She and her husband, Sven, reside in Holly Lake Ranch.



Cary "Mac" Abney,
Marshall, Texas
Secretary/Treasurer

Mr. Abney is a certified public accountant and president of Abney and Company, PLLC. He is a member of the American Institute of Certified Public Accountants, Texas Society of Certified Public Accountants, and Texas Forestry Association, and a board member of the Marshall Harrison County Joint Airport Zoning Board, the Harrison County Soil and Water Conservation District, USDA, and is in the TSTC Foundation representing East Texas and the Texas Parks and Wildlife Foundation as Co-chair of Region III. Mr. Abney is also past president of the Harrison County Housing Finance Corporation and Harrison County Airport Advisory Committee, director and secretary of the Turney Foundation and the Slaughter Foundation, and secretary of the Fern Lake Club. He received a bachelor's degree from Southern Methodist University and is a graduate of the College of Financial Planning. Mr. Abney and his wife Claudia have two children and five grandchildren and reside in Marshall.



Jeanette Sterner,
Holly Lake Ranch, Texas
Vice President

Col. Jeanette Sterner was honorably discharged from the United States Army and Texas Army National Guard after 30 years of service. While serving in the Texas Army National Guard, she worked for the Veterans Administration Medical Center in Dallas as a vocational rehabilitation counselor and clinical coordinator for the Veterans Homeless Program. She is an active member of the Military Officers Association of America, VFW Mineola, and the Women's Service Guild Holly Lake Ranch. She is



Laurie Woloszyn,
Longview, Texas
Secretary Pro-Tem

Ms. Woloszyn is currently the Gregg County Auditor appointed in 2003. She is the Co-Investment Officer for Gregg County and is a member of the Texas County Auditors Association. Prior to serving as auditor, Ms. Woloszyn served as the elected Gregg County Clerk from 1995-2003. She has worked for Gregg County for over 28 years. Prior to this she worked in both private and public sector positions when the love for public service

BOARD OF DIRECTORS

was first recognized. Ms. Woloszyn graduated from Kilgore College and received a Bachelor of Business Administration from The University of Texas at Tyler in 1982. She has lived in Longview 42 years and has two adult sons. Her hobbies include travel, reading and spending time with her family.

Walenta received a BBA in business management from UT Austin and an MBA from the University of Dallas Graduate School of Management. She is active in the Bay View Century Club and local politics. She and husband Ron enjoy East Texas day trips and reading.



Thomas "Tom" Beall,
Milam, Texas

Tom Beall is the president of Beall's Furniture Inc., and current owner of Cimarron Equipment. Additionally, he is current owner of Red Hill Ranch Cattle and a former owner and manager of several Ashley Furniture Home Stores. Mr. Beall served on the Hemphill Independent School District Board

for 15 years and is a current board member for First State Bank in Hemphill. Mr. Beall received an Associate's degree in management from Tyler Junior College. He and his wife Kelly reside in Milam, Texas.



Jeffrey D. "Jeff" Jacobs,
Kaufman, Texas

Jeff Jacobs is the owner and manager of Jacobs Farms. He is a board member on the Texas A&M Agrilife Extension Service Ag Increment Advisory Board and the Rockwall County Farm Bureau Board of Directors. Jacobs attended Eastfield College in Mesquite where he studied drafting. Jeff and his

wife, Vera, reside in Kaufman, Texas.



Andrew Mills,
Hemphill, Texas

Andrew Mills serves on the Sabine County Appraisal District Board of Directors, Sabine County Economic Development Committee, First Baptist Church Personnel Committee, FBC Budget & Finance Committee, Orange Kid's Program, and is past Area Chairman for Sabine County Ducks Unlimited.

Mr. Mills received a Bachelor of Business Administration in finance from Texas A&M University. He and his wife Ashlee reside in Hemphill, Texas.



Earl Williams,
Orange, Texas

Mr. Williams is CEO of Tool Tech Machining in Beaumont, Texas, and President of Cypress Bayou, Inc. in Orange, Texas. He received a Bachelor of Science degree from Howard Payne University, a Master's degree from Stephen F. Austin State University and completed post graduate work

at Texas A&M University. Mr. Williams was appointed to SRA's Board of Directors by Governor Rick Perry in 2001. He previously served on SRA's Board from 1994 to 1999. Mr. Williams and his wife, Suzanne, have two children and live in the Orange area.



Janie Walenta,
Quitman, Texas

Janie Walenta grew up in Dallas and moved to Quitman in 2006. A Telecom Manager by profession, she retired in 2008 after a 32-year career in telecommunications. In 2010 she was appointed by Governor Rick Perry to the One-Call Board of Texas and reappointed by Governor Greg Abbott in 2015. She holds the office of Board Secretary. Ms.

BOARD OFFICERS - 2019



Jeanette Sterner David Koonce Mac Abney Laurie Woloszyn

Sabine River Authority

Board Officers 2019

President
David Koonce

Vice President
Jeanette Sterner

Secretary/Treasurer
Cary "Mac" Abney

Secretary Pro-Tem
Laurie Woloszyn



Board of Directors 2019

Standing from Left:
Andrew Mills, Tom Beall, Mac Abney,
David Koonce, and Jeff Jacobs.

Seated from Left:
Jeanette Sterner, Earl Williams,
Laurie Woloszyn, and Janie Walenta

BOARD HIGHLIGHTS

The Sabine River Authority of Texas is governed by a nine-member Board of Directors. Each board member serves a six-year term. The Governor of Texas appoints three board members every two years. Directors are required to reside within a county situated wholly or partially within the watershed of the Sabine River. The members of the Board of Directors are leaders in their communities. They are dedicated citizens who are active participants in the water issues being addressed by the Sabine River Authority of Texas.



Janie Walenta, Jeanette Sterner, Tom Beall, David Koonce, Earl Williams, Laurie Woloszyn, Mac Abney, Andrew Mills, and Jeff Jacobs break ground for the new Sabine River Authority of Texas Gulf Coast Division raw water pump station.



Earl Williams presents a Community Assistance grant to Orange County for drainage improvements.



Tom Beall, David Koonce, and Mac Abney present a Community Assistance grant to the Fairplay WSC.



Laurie Woloszyn presents a Community Assistance grant to the Lindale WSC.



Tom Beall, Laurie Woloszyn, Janie Walenta, Jeanette Sterner, Mac and Claudia Abney, and David Koonce with Congressman Louie Gohmert in Washington D.C.

EXECUTIVE STAFF



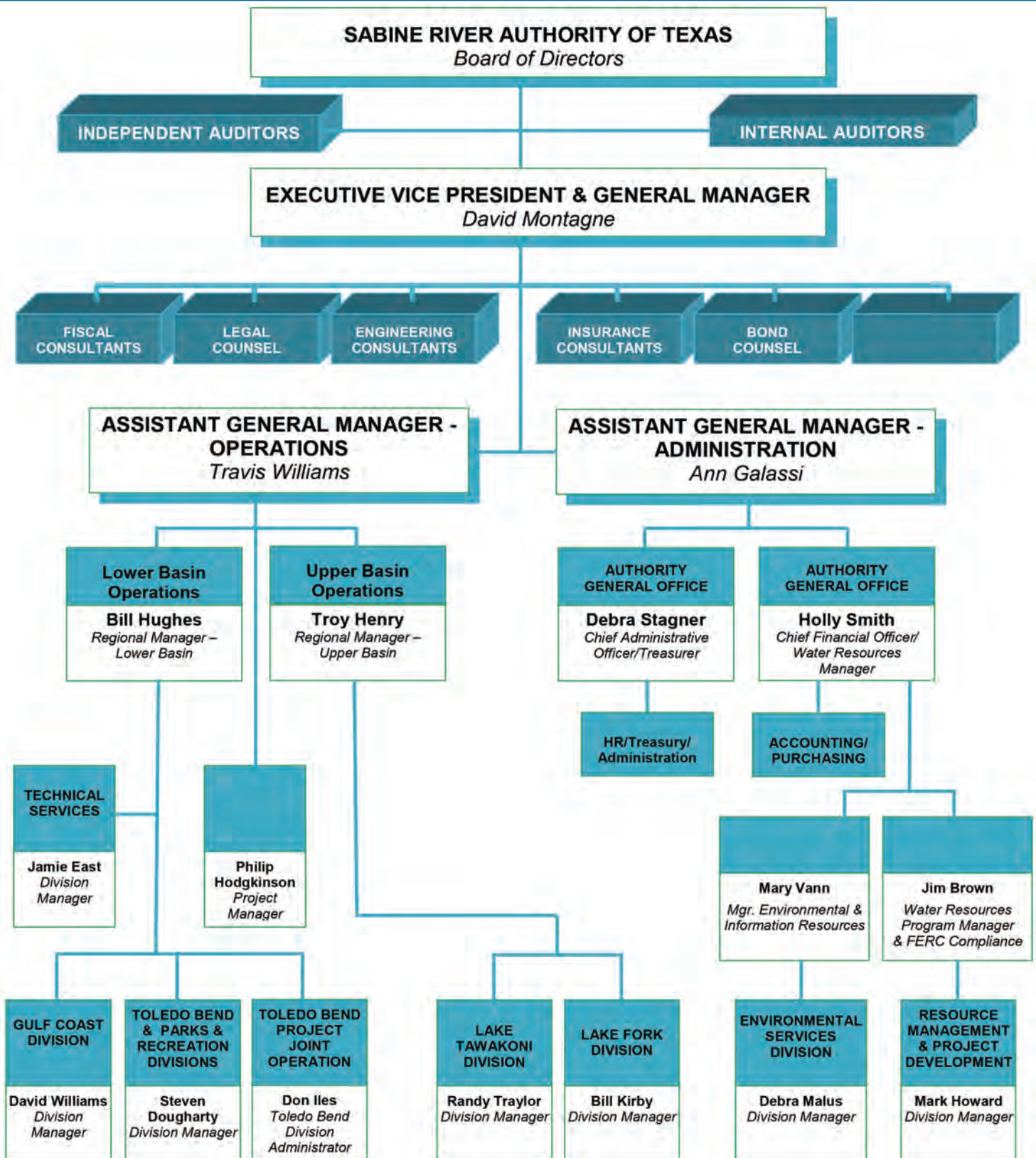
Troy Henry <i>Upper Basin Regional Manager</i>	Bill Hughes, P. E. <i>Lower Basin Regional Manager</i>	David Montagne <i>Executive Vice President and General Manager</i>	Travis Williams, P. E. <i>Asst. General Manager, Operations</i>
Debra Stagner <i>Chief Administrative Officer/Treasurer</i>	Ann Galassi <i>Asst. General Manager, Administration</i>	Holly Smith <i>Chief Financial Officer/ Water Resources Mgr.</i>	



For over 70 years, the Board of Directors and staff of the Sabine River Authority have taken the lead in managing the resources of the Sabine River Basin to meet the long-term water supply needs of the Basin and protect the value of the resources. As the demand for water grows due to increasing population in the State of Texas, SRA will continue to balance and prioritize the use of the water resources in accordance with state laws.

MANAGEMENT STAFF

As of August 31, 2019





Government Finance Officers Association

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

Presented to

Sabine River Authority of Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

August 31, 2018

Christopher P. Morill

Executive Director/CEO



The Sabine River Authority of Texas was created by the Legislature in 1949 as an official agency of the State of Texas. The Authority was created as a conservation and reclamation district with responsibilities to control, store, preserve, and distribute the waters of the Sabine River and its tributary system for useful purposes. The boundaries established by the Act of the Legislature comprise all of the area lying within the watershed of the Sabine River and its tributary streams within the State of Texas. The watershed area in Texas includes all or parts of twenty-one counties.

MANAGING EAST TEXAS WATER

THE SABINE RIVER AUTHORITY OF TEXAS (SRA) is a political subdivision created by the State Legislature. The mission of the SRA is to lead in managing the resources of the Sabine River Basin to meet the long-term water supply needs of the basin, protect the value of the resources, and provide services and economic development through balancing and prioritizing the use of water resources in accordance with State Laws.

David Montagne became Executive Vice President and General Manager of SRA in September 2014. Mr. Montagne is responsible for the overall operations of the Authority. He executes the policy and program directives of the Board of Directors, oversees the budget, and serves as the liaison between the agency, the Legislature, and other governmental agencies. He represents the interests of Texas as Project Supervisor for Toledo Bend Project Joint Operation, serving as a member of the Technical Board and is an ex-officio member of the Operating Board. Mr. Montagne has been with the Authority for over 30 years, previously holding the positions of Assistant General Manager and Controller. From 2004 until 2009, Mr. Montagne served as a Texas Ethics Commissioner. In 2009, he was appointed to the Texas State University System Board of Regents by Governor Rick Perry and in 2015 was reappointed for a six year term by Governor Greg Abbott.

Active in water resource planning efforts, David Montagne serves as President of the Texas Water Conservation Association (TWCA), a statewide organization of water, wastewater and related entities. TWCA works to educate and inform members, the public, and governmental agencies and leaders at all levels regarding water industry issues. Mr. Montagne is also a member of the National Water Resources Association (NWRA), a federation of state organizations working to balance the needs of people and the environment.

Mr. Montagne was elected as a board member of the TWCA Risk Management Fund Board of Trustees and is a

board member for Region I, one of the Regional Water Planning Groups (RWPG) developed from Texas Senate Bill 1 as a "bottom up" water planning process designed to ensure that the water-needs of all Texans are met as Texas enters the 21st century. Each RWPG prepares regional water plans for their respective areas. These plans will map out how to conserve water supplies, meet

future water supply needs, and respond to future droughts in the planning areas.

Ann Galassi, Assistant General Manager, Administration, and Travis Williams, Assistant General Manager, Operations, assist Mr. Montagne in executing the policy and program directives of the Board of Directors.

Ann Galassi has been with the Authority since 2001 and has held positions of Water Resources Manager and Manager of Economic Development/Public Relations. As Assistant General Manager, Administration, she oversees financial and human resources, water resource planning and water quality, economic development and governmental relations. Prior to coming to the Authority, Ms. Galassi worked in corporate management, strategic

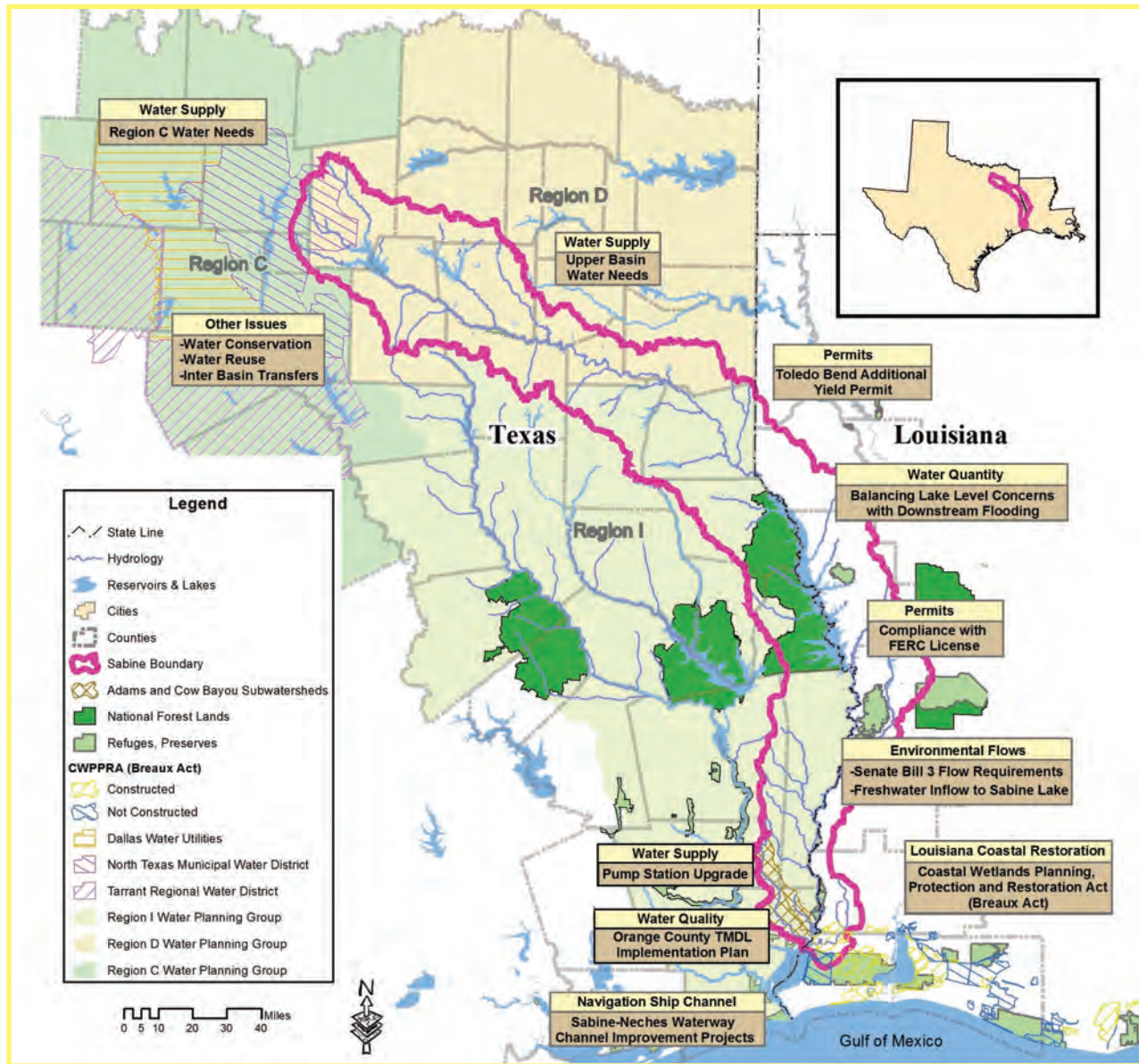
planning and economic development and is a Certified Economic Developer with the International Economic Development Council.

Travis Williams, P.E., has been with the SRA since 2010, serving as Engineer and as manager of the Water Resources Branch. Mr. Williams is a licensed professional engineer and has extensive experience in civil design, water treatment facilities, wastewater treatment facilities, project management, and construction methods. He is an active member of the Texas Society of Professional Engineers (TSPE). As Assistant General Manager, Operations, Mr. Williams is responsible for the operation, maintenance, and safety of all operational facilities. 



David Montagne, Executive Vice President and General Manager

SABINE RIVER BASIN PLANNING ISSUES



SPECIAL CONSULTANTS

The following are retained by the Authority to assist in their special capacities:

ATTORNEYS

Jim Graves (Mehaffy & Weber)
 Charlie Goehring (Germer, PLLC)
 Mike Booth (Booth, Ahrens & Werkenthin)
 Bob Szabo (VanNess Feldman)
 Charles Sensiba (Troutman Sanders, LLP)
 Joe de la Fuente (Lloyd Gosselink)

INDEPENDENT AUDITORS

Axley & Rode, LLP

INTERNAL AUDITOR

James P. Jansen (Jansen & Gregorczyk)

INSURANCE CONSULTANTS

TWCA Risk Management Fund

BOND CONSULTANTS

Financial Advisor – Hilltop Securities, Inc.
 Bond Counsel - McCall, Parkhurst & Horton

ENGINEERING

Freese & Nichols, Inc.
 LJA Engineering, Inc.
 HDR

NEW GULF COAST PUMP STATION/PIPELINE

INITIAL PLANS FOR THE NEW GULF COAST DIVISION PUMP STATION

began in 2011 to ensure a more reliable water supply for SRA's customers. The existing Gulf Coast Division Pump Station is over 85 years old and has experienced electrical and mechanical equipment failures which have caused the loss of 50% of its original pumping capacity. Two of the four original pumps have failed and replacement parts are no longer available. Additionally, natural changes to the river at Cutoff Bayou have reduced the availability of water and the overall reliability of the water supply to the existing Pump Station. Tropical storms and hurricanes caused saltwater intrusion to the existing pump station in 2009 and flooding of the pump station in 2016 and 2017.

Due to the age, location, condition and reliability of the existing pump station, SRA is constructing a new raw water pump station located off of State Highway 12 in Deweyville Texas, 10.5 miles north of the existing pump station. The new Gulf Coast Division Pump Station will provide a modernized pumping facility located on the main stem of the Sabine River, ensuring a more reliable water supply for SRA's customers. The main components of the new project include the construction of a new 85 million gallons per day (MGD) pump station and intake, installation of a 7-



Construction site for the new SRA Gulf Coast Division Pump Station on the Sabine River near State Highway 12

mile, 66-inch pre-stressed concrete pipeline, and termination structure to convey flows from the new Pump Station to the existing canal system. The new Gulf Coast Division Pump Station will initially house three 42-inch vertical turbine pumps and will have space for five additional pumps to meet future demand.

The SRA has completed the purchase of the pump station site, seven-mile pipeline right-of-way, and construction is well underway for the pump station,



Pump Station Wet Well Steel Reinforcement Prior to Concrete Placement



Pump Station Wet Well with Center Section Floor Being Finished



Offloading Concrete Pipe Into the Cleared Right-of-Way

pipeline, and pipeline termination structure. Upon completion, the new pump station will operate on a modernized Supervisory Control and Data Acquisition (SCADA) control system.

The new facility is funded by a \$75 million loan through the State Water Implementation Fund for Texas (SWIFT) as administered by the Texas Water Development Board. In 2013, Texas voters

overwhelmingly approved authorizing this \$2.0 billion program to finance water infrastructure projects. Funds borrowed by the SRA through the SWIFT program will be repaid from SRA's raw water industrial customers located in Orange and Newton County. The new pump station and conveyance system are expected to be completed by the end of calendar year 2020. 🇹🇽



Laying 66-inch Pipe in the 7-Mile Right-of-Way

ADMINISTRATIVE OFFICE AND ACCOUNTING

THE AUTHORITY GENERAL OFFICE (AGO) is located in the southeast corner of the state in Orange County near the city of Orange, Texas, approximately eight miles north of Interstate 10 on State Highway 87. All official activities of the SRA are arranged and coordinated through this office by the General Manager and his Executive Staff. Scheduling of meetings for the Board of Directors and management as well as posting public notices and agendas, disseminating public information and preparation of press releases are handled through the AGO. The General Manager and Executive Staff also consult with attorneys representing SRA concerning contracts and other legal issues and work with the financial advisors and bond counsel concerning bond issues. SRA's strategic planning process is coordinated and communicated to the organization through the AGO.

Debra Stagner, AGO Chief Administrative Officer/Treasurer, has a BBA from Lamar University and has been with SRA since 2000. She has the overall responsibility for management and oversight of all SRA investments, human resources, and risk management. Ms. Stagner is one of SRA's Investment Officers and is the Records Management Officer for SRA. Ms. Stagner is a member of the national and state Government Finance Officers Association (GFOA) and the Southeast Texas Human Resources Association as well as TWCA and NWRA.

Investment of SRA's funds is a very important function to ensure that all investments are made in accordance with the Public Funds Investments Act, Chapter 2256 of the Government Code, and the Board-adopted Flow of Funds Resolution and Investment Policy. Investment reports detailing the investment transactions are prepared quarterly and submitted to the Board of Directors as required in the Public Funds Investment Act. In addition, accounts are monitored daily to ensure all funds are properly collateralized by the financial institutions.

The Human Resources Department maintains personnel files for all employees and provides assistance for healthcare benefit issues. Procurement of health, life, property, and liability insurance coverage for SRA is managed through the AGO. SRA has a partially self-insured medical plan. The purpose of this plan is to pay the medical expenses of SRA's employees and their covered dependents, and to minimize the total cost of the medical insurance. SRA obtains property and liability insurance coverage from the TWCA Risk Management Fund and other carriers.

Holly Smith, Chief Financial Officer and Water Resources Manager, joined the SRA staff in September 2017. Ms. Smith graduated Lamar University in 2001 with a BBA in Accounting and in Finance. Ms. Smith is a CPA, licensed in the State of Texas, member of the Texas



Sabine River Authority General Office

Society of Certified Public Accountants, and member of the GFOA. She has sixteen years prior experience as Controller and financial analyst in large manufacturing companies. As Chief Financial Officer for SRA, Ms. Smith is responsible for the accounting records, financial reporting, and overall fiscal responsibility of SRA, and is an SRA Investment Officer. As Water Resources Manager for SRA, Ms. Smith is responsible for water resource planning and water quality services.

The Accounting Department staff processes accounts receivable, accounts payable and generates

financial statements on a monthly basis. Working closely with the Division Managers, a budget of revenues and expenses is prepared for each fiscal year and is presented to the Board of Directors for approval. Revenues and expenses are then monitored on a monthly basis to ensure SRA is operating within the budget and to ensure that approvals for budget amendments are obtained from the Board as needed.

In accordance with Texas Commission on Environmental Quality (TCEQ) rules, SRA contracts with a certified public accounting firm to employ an internal

auditor who reports directly to the Board of Directors. The role of the internal auditor is to verify that the internal controls SRA has in place are more than adequate to protect the assets of SRA. Additionally, SRA contracts with a separate certified public accounting firm as an independent auditor for the purpose of forming an opinion on whether the financial statements present fairly the results of the operations of SRA. The Accounting Department staff is instrumental in working with the internal and independent auditors to assist in their objectives.

The Asset Management Plan (AMP) for SRA is administered through the Accounting Department. The goal of SRA is to ensure that all assets are accounted for, maintained, and strategically managed to meet the needs of SRA's customers and of the Sabine River Basin, both now and in the future. The AMP is a guideline for identifying, inspecting, maintaining, and repairing these assets in order to achieve this goal. All purchases of vehicles and heavy equipment are coordinated through the AGO. Texas purchasing laws are followed for major purchases to ensure SRA is receiving the most competitive price on these purchases. 🇺🇸



December 2018 Board of Directors Meeting, Orange, Texas



SRA Board President, Jeanette Sterner, receives the GFOA Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended August 31, 2018 from David Montagne, Executive Vice President and General Manager

WATER RESOURCES BRANCH

THE WATER RESOURCES BRANCH (WRB) of the Sabine River Authority directs water resource planning and development, water resource protection, environmental service support, and information resources management efforts that enable SRA to fulfill its mission to control, store, preserve, and distribute the waters of the Sabine River and its tributary system for useful purposes.

In FY-19 Holly Smith, CPA, assumed the duties of Water Resources Manager along with her duties as Chief Financial Officer. Ms. Smith brings fourteen years of managerial experience to the position.

In FY-19 the WRB continued compliance activities associated with the Toledo Bend Project Joint Operation Federal Energy Regulatory Commission (FERC) License issued in August 2014 (FERC No. 2305). In FY-19, the FERC Compliance Team, comprised of personnel from SRA and Sabine River Authority, State of Louisiana, consulted with federal and state resource agencies on implementation of several FERC License articles. The agencies include U.S. Fish and Wildlife Service, National Marine Fisheries Service, Texas Commission on Environmental Quality, Texas Parks and Wildlife Department, Texas Water Development Board, Texas Historical Commission, Louisiana Department of Environmental Quality, Louisiana Department of Wildlife and Fisheries, and Louisiana Office of Cultural Development, Division of Archaeology. The FERC Compliance Team consulted with the resource agencies on Water Quality and

Cofferdam Effectiveness Monitoring (Article 404), Seasonal Powerhouse Operations (Article 405), Programmatic Agreement and Historical Properties Management Plan (Article 412), and Section 18 Prescription for Fishways (Upstream Passage Plan for Passage of Juvenile American Eels).

The FERC Compliance Team also initiated a five-year review of the Shoreline Management Plan (Article 411)



Mary Vann
Manager, Environmental and Information Resources



Jim Brown
Program Manager and FERC Compliance Officer

and hosted FERC for an environmental inspection of the Project.

WRB contracted a Longview, Texas information technology firm to create and implement an updated and more user-friendly web presence for the SRA. The firm

coordinated with the WRB to develop an intuitive format, trained WRB staff on the software, and assisted as WRB staff populated the website with updated content. The new website was online in August 2019.

During FY-19, SRA provided Community Assistance Program (CAP) grants to twenty-eight Sabine Basin applicants for repairs and improvements in areas including wastewater management, water supply, water quality, and water conservation. Applicants that were awarded grants consisted of eleven water supply corporations, three water districts, seven cities and municipalities, three counties, and one grant to

the Texas Parks and Wildlife Department for search and rescue equipment. An additional three grants were provided during FY-19 to assist qualified recipients with emergency tornado damage recovery in San Augustine County. SRA's CAP, part of an Economic Development Initiative SRA initiated in 2002, provides competitive grants intended to complement or leverage local project funds for entities within the Basin. 🇺🇸



SRA's Updated Website (www.sratx.org)



**Mark
Howard**
*RMPD
Division
Manager*

RESOURCE MANAGEMENT AND PROJECT DEVELOPMENT DIVISION

THE RESOURCE MANAGEMENT AND PROJECT DEVELOPMENT DIVISION (RMPD) assists other SRA divisions by providing technical services including data analysis and reporting, field biology expertise, location data and mapping using SRA's geographical information system (GIS), graphic arts, aerial imaging, information technology support, and website content maintenance.

In FY-19, RMPD staff captured aerial imagery to document progress on several SRA construction projects, including recreation project planning, FERC compliance, publications such as this financial report, SRA calendar, SRA informational video, ads published for Ducks Unlimited, the Lake Fork Chamber of Commerce, and a video spot for the Texas Toyota Bass Classic.

RMPD staff coordinated with the United States Geological Survey (USGS) to install eight new stream gages in the Sabine Basin. These gages are being added to help inform the public and emergency coordinators during hurricane tidal surges and rainstorm events. These gages are now operational and publicly available through the USGS and www.setexasrain.org.

As part of the FERC Compliance Team, RMPD assisted with FERC compliance requirements for the

Toledo Bend Project. RMPD staff also coordinates with the Texas Parks and Wildlife Department (TPWD) Aquatic Habitat Enhancement team in nuisance aquatic plant control for giant salvinia on Toledo Bend Reservoir, and water hyacinth and giant salvinia control on Lake Fork Reservoir. The RMPD coordinates with TPWD's zebra mussel and giant salvinia Public Awareness Campaign which informs boaters and anglers about what they can do to help stop the spread of invasive species in Texas and the Sabine River Basin. RMPD also helped to coordinate and participated in fish relocation during the Toledo Bend spillway repairs.

The RMPD completed implementation of the Regional Alerting and Information Network, R.A.I.N. web site (www.setexasrain.org). The RMPD worked with a company, OneRain, that gathers rainfall, stream flow, river and reservoir levels and displays this information directly to the public. RMPD also assisted in the implementation of SRA's new web site (www.sratx.org).



New USGS Gage, Adams Bayou at MLK Drive



New USGS Gage, Sabine River at Morgan's Bluff

ENVIRONMENTAL SERVICES DIVISION

THE ENVIRONMENTAL SERVICES DIVISION (ESD) is comprised of a Water Quality Laboratory and Lower Basin Field Office in Orange, and an Upper Basin Field Office at Lake Fork Reservoir. The ESD provides technical service support to the SRA, such as water quality monitoring and testing, and offers analytical services to governmental entities, industries, municipalities, and the public.

The ESD Water Quality Laboratory is NELAP (National Environmental Laboratory Accreditation Program) accredited and is a Texas Commission on Environmental Quality (TCEQ) approved Drinking Water Laboratory. The laboratory provides metals, inorganic, and bacteriological analyses of potable and non-potable water. In FY-19, the ESD performed a total of 93,124 water quality tests consisting of the following: 50,647 tests for the Sabine Basin water quality monitoring programs, 6,976 tests for 38 industrial customers and 11,203 tests for 59 municipal customers which included 434 tests for 206 private individuals. A total of 24,296 tests were performed for quality assurance/quality control purposes to support the data generated by the laboratory and field offices.

In order to upgrade laboratory instrumentation, SRA purchased a Metrohm Omnis 855 Environmental Analyzer for alkalinity analysis, a Biotage Horizon SPE-DEX 3100 Oil & Grease extractor system and

Debra Malus

*Environmental Services
Division Manager*



Speed-Vap IV evaporator, a Hach® DR3900 spectrophotometer for Chemical Oxygen Demand analysis, and a Genesys 10S UV-VIS spectrophotometer for Chlorophyll-a analysis. In July 2019, the SRA Board of Directors approved a design/build project for a new ESD laboratory. The project is budgeted over a two-year period with an estimated completion during Fall 2021.

Upper and Lower Basin Field Office staff conducted monthly water quality monitoring at 37 fixed stations within the Sabine Basin for the Texas Clean Rivers Program (TCRP). These stations have been monitored for many years and represent water bodies utilized for drinking or

process water supply sources, recreation areas, and areas that receive treated wastewater. In FY-19, monthly stream flow measurements were obtained at two additional stations for TCEQ permit support monitoring. All results are



Texas Clean Rivers Program Steering Committee Meeting, Emory



Laboratory Alkalinity Instrumentation



Monthly Sabine River Basin Water Quality Monitoring

ENVIRONMENTAL SERVICES DIVISION

submitted to the TCEQ Surface Water Quality Monitoring Information System database. Monthly Water Quality Reports are generated by ESD and posted on SRA's website. Annual TCRP stakeholder meetings were held in April 2019 at Emory, Longview, and Orange, Texas. The Sabine River Basin Summary Report 2018, a comprehensive report on water quality within the Sabine Basin, was submitted in June 2019 to the Governor, Lieutenant Governor, Speaker of House of

Representatives, TCEQ, and other agencies.

In FY-19, Upper Basin Field Office staff continued to conduct supplemental monitoring near municipal water intakes at six sites on Lake Fork, six sites on Lake Tawakoni, and one site on the Sabine River. This sampling provided additional data to adequately characterize water quality trends in the Upper Sabine Basin.

ESD personnel interact with local, municipal, state, and federal agencies to investigate incidents that may threaten watersheds within the Sabine Basin. From September 1, 2018 through August 31, 2019, staff investigated two spills, two fish kills, and five miscellaneous environmental reports. Other ESD responsibilities include reviewing notices of new or renewed TCEQ permits within the Sabine Basin, collecting and analyzing samples at selected sites on the SRA canal system in support of water supply contracts, and monitoring the flow of the Sabine River main channel split at Cut-off Bayou. The acoustic doppler current profiler, an instrument used to characterize stream flow, was upgraded in December 2018 to allow more accurate measurements in shallow streams.

In FY-19, ESD personnel participated in other events including assisting with the fish relocation for Toledo Bend spillway repairs, a mussel survey on the SRA canal, Longview Boat Show, the Texas Bass Masters fishing tournament, and water quality presentations at Wills Point Rotary Club and local schools.

The TCEQ is still working to update the Total Maximum Daily Load (TMDL) models for both Adams and Cow Bayou. The annual stakeholder meeting was postponed until the findings are ready to present. Stakeholders continue to report progress on the management measures included in the Orange County TMDL Implementation Plan, a plan that is intended to guide efforts to bring water quality in Adams and Cow Bayous to meet Texas Surface Water Quality Stream Standards. More information can be found at www.sratx.org/srwmp/octmdl/. 



Periodic Sabine River, Cutoff Bayou, Flow Measurement



Monthly Water Quality Monitoring, Lake Fork Reservoir

OPERATIONS BRANCH OPERATING DIVISIONS



Iron Bridge Dam & Lake
Tawakoni Reservoir



Lake Fork Dam &
Reservoir



Willow Oak Recreation
Area



Toledo Bend Dam &
Reservoir



John W. Simmons Gulf
Coast Canal System



TEXAS

ARKANSAS

LOUISIANA

Sabine River Basin

0 5 10 20 30 Miles



OPERATIONS OVERVIEW

OPERATIONS OF THE SABINE RIVER AUTHORITY

began in the lower Sabine River Basin with the purchase of the pump station and canal system owned by the Orange County Water Company in 1954. SRA's canal system, operating first as the Orange County Canal Division and later as the Gulf Coast Division, consisted of a pumping plant on the lower Sabine River and approximately 75 miles of gravity-flow canals throughout Orange County. The John W. Simmons Gulf Coast Canal System originally provided raw water to industries, a municipality, rice farmers and crawfish producers in Orange County. Although water use for rice farming and crawfish producers has greatly been reduced, the canal system continues to provide a reliable and economical source of water to its industrial and municipal customers.

The next SRA operation facility was a water supply reservoir in the upper Sabine River Basin. The Iron Bridge Dam and Lake Tawakoni Reservoir, which lies partially in Hunt, Van Zandt and Rains Counties, began construction in 1958 and was completed in 1960. Construction of the dam and reservoir was funded through a water supply agreement with the City of Dallas to provide water for municipal and industrial purposes.

Toledo Bend Reservoir was the next project undertaken by SRA. Plans to build Toledo Bend Dam and Reservoir proved feasible with an engineering study completed in 1958. The Toledo Bend Project was built for the primary purposes of water supply and hydroelectric power generation, with a secondary benefit of providing opportunities for recreational activities. The Toledo Bend Project is located in Louisiana and Texas on the Sabine River, which forms a portion of the boundary between the two states. Partnering with the Sabine River Authority, State of Louisiana, SRA began construction of the dam, spillway, and power plant in April of 1964. Construction was completed in 1968.

The fourth operation facility and third water supply reservoir built by SRA was the Lake Fork Dam and Reservoir located in the upper Sabine River Basin in Wood, Rains, and Hopkins Counties. Construction of the

dam and reservoir began in 1975 and was completed in 1980. Although the reservoir was initially built to provide water for an electric generating facility, it also provided water for many communities in the Basin. In 1981, it became a water supply source for the City of Dallas when they assumed the electric companies' contractual right to use Lake Fork water. Over the years, Lake Fork Reservoir has also become a premier largemouth bass fishery and a popular recreation site.

Management of the four operational facilities is headed by Travis Williams, P.E., Assistant General Manager, Operations. To assist in Operations, Troy

Henry serves as the Upper Sabine Basin Regional Manager and Bill Hughes, P.E. serves as the Lower Sabine Basin Regional Manager.

Troy Henry is responsible for the operation, maintenance and safety of the facilities at the Lake Tawakoni and Lake Fork Divisions. Mr. Henry has been with the Authority for over 28 years and has worked in Environmental Services and Operations. He is a registered Professional Sanitarian and active in the Texas Environmental Health Association. In July 2018,

the Texas Parks and Wildlife Department appointed Mr. Henry to serve a four-year term on the Texas Freshwater Fisheries Advisory Council.

Bill Hughes, P.E. is responsible for the operation, maintenance and safety of the facilities at the Toledo Bend Division, Parks and Recreation Division, and Gulf Coast Division. Mr. Hughes also oversees the Technical Services Division created to support and enhance operations throughout the basin. Mr. Hughes has been with the Authority since 2003 and was Director of Engineering Services before becoming Lower Basin Regional Manager. Mr. Hughes, a licensed professional engineer, has over 34 years of experience in civil design, concrete structures, steel structures, geotechnical design, project management and construction methods. He is a long-time standing member of the American Society of Civil Engineers (ASCE). 🇺🇸



GULF COAST DIVISION

THE SABINE RIVER AUTHORITY'S GULF COAST DIVISION

(GCD), began with the purchase of the Orange County Water Company in 1954 and is now responsible for SRA water supply and related operations in the Orange and Newton County area. The division office building, pump station, shop, and maintenance facilities are located at 1922 I-P Way, Orange, Texas, approximately eight miles north of Orange. The John W. Simmons Gulf Coast Pump Station and Canal System are operated on a twenty-four hour basis to assure dependable supply of fresh water to customers.

The primary pump station has a capacity of 180 million gallons per day (MGD) and is located on an intake canal off the Sabine River. The station includes a steel structure on a concrete foundation with two 60,000 gallons per minute centrifugal pumps driven by 400 H.P. electric motors with variable speed drives. Additionally, a smaller 24-inch vertical turbine auxiliary pump, with a capacity of 15 MGD, is located immediately adjacent to the main pump station. The plant lifts water approximately 22 feet to the main canal where water is then conveyed through 40 miles of main canal and 35 miles of lateral canals to customers throughout Orange and Newton Counties. The canal system supplies water to a municipality and several industries, including petrochemical plants, pulp and paper mill, steel mill, and two electric generation plants. Water is also supplied for irrigation and other miscellaneous uses. In FY-19, a total of 46,113 acre- feet or 15,026,064,000 gallons of fresh water were delivered to customers on the canal system.

In FY-19 construction began for the new Sabine River Authority Pump Station and Pipeline Project. The new pump station will be located south of Highway 12 on the west bank of the Sabine River in Deweyville Texas, and will have an 85 MGD firm pumping capacity. The new seven mile, 66-inch pipeline, will route water from the new pump station to the GCD main canal in Orange County. Early construction projects in FY-19 included the relocation of Camp House Road, clearing the seven mile pipeline right of way, and the installation of sheet piling along the bank of the Sabine River. Additionally, the GCD constructed a 150 foot by 750 foot earthen canal bypass levee and channel around a section of the existing canal in preparation for construction of the terminus of the new pipeline. The bypass levee and channel will divert the flow of water around the construction of the new Sabine River Authority Pipeline Termination Structure Project. The new Gulf Coast pump station and pipeline project is featured in more detail on pages 14-15.

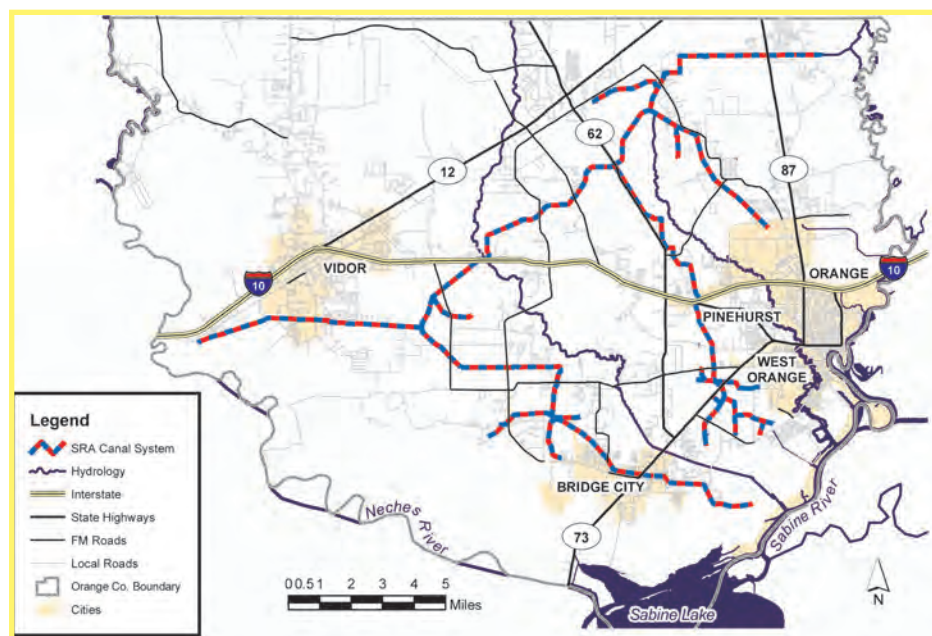
David Williams

*Gulf Coast
Division Manager*



*Construction of canal bypass and new pipeline
termination structure*

GULF COAST DIVISION



John W. Simmons Gulf Coast Canal System - Orange County

In FY-19, GCD personnel continued to assist with the Newton County Flood Hazard Mitigation Project. The GCD furnishes demolition services for homes and structures that qualify under the government-funded buy-out program to flood-prone areas along the Sabine River. Nine properties were demolished and cleared of debris in FY-19 and demolition and removal will continue in FY-20. Other projects include the installation of a new 30-ft by 16-ft pre-manufactured steel bridge. The new bridge

spans over an Orange County drainage ditch within the SRA main canal right-of-way. The bridge was furnished to the Authority by International Paper, Inc. (IP) and will provide long-term access to properties owned and utilized by the SRA and IP. GCD personnel also repaired two canal control gate structures to improve water flow management to industrial customers.

Routine infrastructure maintenance and repairs include inspection of canal levees, removal of floating aquatic plants and accumulated silt, and mowing of the canal rights-of-way. Other routine work includes maintenance of the SH12 boat ramp on the Sabine River in Deweyville, the Blue Bird boat ramp in Orange, and the Cow Bayou boat ramp in Bridge City.

Cumulative daily average flow measured at the USGS Ruliff gage on the Sabine River at SH12 in Deweyville totaled 11,671,780 acre feet of water in FY-19, compared to 8,323,983 acre feet in FY-18. Rain measured as of August 31, 2019 at the GCD office was 84.92 inches in FY-19 compared to 49.40 inches in FY-18. 🇺🇸



New canal right-of-way bridge spanning an Orange County drainage ditch

TOLEDO BEND DIVISION



Steven Dougharty

*Toledo Bend
Division Manager*

TOLEDO BEND RESERVOIR is one of the largest man-made reservoirs in the South, containing 185,000 surface acres and 1,200 miles of shoreline. The reservoir sprawls into parts of Panola, Shelby, Sabine, and Newton Counties in Texas as well as DeSoto and Sabine Parishes in Louisiana and consists of the reservoir, a hydroelectric generating facility, an earthen dam with soil cement facing, and a spillway. The spillway, located at the north end of the dam, is 838 feet wide and includes eleven 40-foot wide by 28-foot tall Tainter gates. The hydroelectric generating facility, located at the south end of the dam, includes two units with a combined capacity of 81-megawatts. Water supply, hydroelectric generation, and recreation are the primary purposes for the reservoir's construction. The Toledo Bend yield of 2,086,600 acre-feet/year is divided evenly between Texas and Louisiana. The Toledo Bend Division (TBD) supplied 7,230 acre-feet of water to sixteen water customers including municipalities and water supply corporations, a gas-fired electrical generation facility, and miscellaneous oil and gas companies. An additional benefit of the Toledo Bend Reservoir is that it provides a backup source of raw water for the Gulf Coast Division Canal System located downstream, enhancing the Authority's ability to ensure a reliable source of raw water during even the most extreme drought.

The TBD has been responsible for management and operation of the Texas side of the reservoir for over

fifty years. This division manages 762 miles of shoreline, 3,144 private limited use permits, twenty-six commercial permits, 4,446 private wastewater facility licenses, 1,400 on-site sewage facility registrations, more than 800 buoys, two recreation areas, ten boat ramps, one sewer plant, and several maintenance facilities.

FERC compliance work and plan development continued this year. Specifically, within TBD, erosion monitoring work and encroachment monitoring work were ongoing. Erosion monitoring involved annual inspection and evaluation of thirteen sites on Federal and non-Federal lands. Encroachment monitoring work involved aerial imagery examination, field investigations, survey work, documentation, and notification.

A wide variety of work was done in both permitting and maintenance during the year. Shoreline erosion control work continued in various locations within Shelby, Sabine and Newton Counties. Miles of boat lanes were maintained by replacing, repairing, and repositioning buoys. During low water conditions, several boat lanes were widened by stump cutting. Permits were granted for several short-term limited



SRA, Toledo Bend Division Offices

TOLEDO BEND DIVISION

water use contracts, as well as several encroachments and many new construction projects. Numerous inspections were performed on SRA property regarding erosion, hazardous trees, permit lines, and park safety. As TCEQ's designated representative within 2,000 feet of the reservoir, employees performed numerous on-site sewage facility final inspections.

Giant salvinia, which has been an ongoing issue for several years, is problematic in the backs of some of the coves and in the upper reaches of Toledo Bend on the Texas side of the reservoir. The Texas Parks and Wildlife Department has continued its control efforts by applying herbicide. The SRA continues to support TPWD in their efforts to control giant salvinia and other non-native nuisance aquatic plant species. 



Boat Lane Stump-Cutting Operations



Taking Advantage of Low Water Levels for Shoreline Stabilization Work

TOLEDO BEND PROJECT JOINT OPERATION

THE TOLEDO BEND PROJECT is jointly owned by the Sabine River Authority of Texas (SRA) and the Sabine River Authority, State of Louisiana (SRA-LA). The Toledo Bend Reservoir, at 185,000 acres, is one of the largest man-made reservoirs in the South. Toledo Bend has over 1,200 miles of shoreline, 503 miles in Louisiana and 762 miles in Texas. The storage capacity of the reservoir is over 4,477,000 acre-feet. It stretches more than 75 miles from the dam to the upper reach of the reservoir, north of Logansport, Louisiana, and inundates land in four Texas counties (Panola, Shelby, Sabine and Newton) and two Louisiana parishes (DeSoto and Sabine).

Rules, regulations, financial management, and operation of the Project are directed by the Operating Board, which is comprised of two members from the SRA-LA Board of Commissioners and two members from the SRA-TX Board of Directors. The General Manager of SRA and the Executive Director of SRA-LA serve on the Operating Board as ex-officio members.

The costs for construction of the Project were shared equally by the two Authorities, and they continue to share in the operating costs. Each state is entitled to fifty percent of the income from the sale of power generated at the facility, plus the dependable water supply yield is equally divided. Management of matters related to the reservoir, dam, spillway, and power plant are handled jointly, with each state managing its own shoreline and recreation activities.

Don Iles, former City Manager of Hemphill, Texas, joined the SRA team in August 2018 as the Toledo Bend Division Administrator, responsible for the Toledo Bend Project Joint Operation (TBPJO) administration, community relations, and economic development.

Spillway gates were operated to pass-thru rainfall and run-off from mother nature on two occasions during FY-19. The first event occurred from December 20, 2018 to February 1, 2019, spanning forty-five days, and was the third longest in the history of the reservoir. The second event occurred from May 9, 2019 to June 7, 2019. Both events significantly affected the spillway repair project, increasing both time and cost for the repairs.

Don Iles

*Toledo Bend Division
Administrator*



The Toledo Bend Project Joint Operation, at the request of Newton County, is providing assistance in a Flood Hazard Mitigation project downstream of the dam. TBPJO is furnishing funding to assist with local fund matching requirements and in-kind services in the form of demolition of homes and structures along the Sabine River which are being purchased through a Federal Emergency Management Agency (FEMA) flood risk reduction grant program. The first two phases were initiated in 2007. In FY-12 Phase III, IV, and V were implemented. Included in these phases were properties along River Road (directly below the dam), Sabine Sands (Bon Wier area), and the Deweyville area. During FY-19, demolition of Phase V structures was completed. The Joint Operating Board has approved participating in Phase VI, to assist with funding the program for Vernon Parish in Louisiana.

Powerhouse Unit #1 generator had a routine outage for repair and maintenance that started in late August, ended in November, and was completed under budget. Many additional capital improvement projects at the Powerhouse have been completed, including installing new trash racks, new current transformers, new controls



Toledo Bend Powerhouse, New Forebay Trash Racks

TOLEDO BEND PROJECT JOINT OPERATION

on Unit #1 that include overspeed protection, and new station batteries with a climate control system to improve the life of the batteries. Also, two new static excitation systems were purchased and installed to replace an old, unreliable mechanical system. A new station backup generator has been purchased to replace the original backup generator at the plant, and venting of oil storage tanks has been completed. Plans are being developed for the replacement of the main transformer at the powerhouse.

The spillway repair construction project began with a notice to proceed, issued on October 15, 2018, with a planned contract duration of 182 days. Final completion has been delayed until January 13, 2020, due to the two spillway operation events during the year.

The Emergency Action Plan (EAP) revisions required by FERC were completed and approved by the Operating Board and FERC. FERC has notified TBPJO that a

functional test of the EAP must be completed during 2020, and a planning group has been formed.

The Annual FERC Safety Inspection was conducted on September 10th and 11th. FERC engineers inspected the dam, spillway, powerhouse and related facilities to ascertain that all facilities are functioning and maintained in compliance with FERC standards and that the security and integrity of the Project is being enforced. Concurrently, representatives from Freese and Nichols, Inc., the project engineer consulting firm, participated in the inspection and conducted the FERC-required 10th Annual Part 12D Inspection that must occur once every five years. The final report will be delivered to FERC before March 1, 2020.

The fiscal year started with a reservoir elevation of 168.06' mean sea level (MSL) on September 1, 2018 and ended the fiscal year at 165.42' MSL on August 31, 2019. Total rainfall during FY-19 was 69.10 inches compared to

46.63 inches in the previous year.

Total water released during FY-19 was 9,994,840 acre-feet. The power plant generated 525,766,110 kWh this fiscal year and 196,426,000 kWh during FY-18. 🇺🇸



December 2018 (top) and November 2019 (bottom) Spillway Repairs

PARKS AND RECREATION DIVISION

THE PARKS & RECREATION DIVISION (PRD) began operation in 1999 with the primary vision to preserve and expand recreation opportunities throughout the Sabine Basin. For the past twenty years, this division has operated and maintained Haley's Ferry, Ragtown, East Hamilton, Indian Mounds, Lakeview and Willow Oak Recreation Areas which are located in Shelby and Sabine Counties. PRD employees maintain about 200 acres of recreation area which includes five boat ramps, 90 campsites, six restroom buildings, many miles of roads, two hiking trails, two water systems and two dispersed camping areas.

Improvements to the six United States Forest Service (USFS) recreation areas over the past seventeen years include five boat ramp renovations, a boat ramp construction at the Indian Mounds camping area, and a second camping loop opened at Indian Mounds. All parks have been open year-round. Buildings, grounds, amenities and trails have been improved by routine maintenance.

The issuance of the Federal Energy Regulatory Commission (FERC) license on August 1, 2014, initiated a capital improvement plan for the USFS-owned and SRA-operated recreation areas. The plan includes improvements that will make some campsites American Disabilities Act (ADA) accessible, replace current portable restroom facilities with new vault toilet facilities, decommissioning of unused facilities, and

Steven Dougharty

*Parks & Recreation
Division Manager*



construction of several new walkway ramps with boat access. Planning with the USFS is nearly complete on these projects, and design and layout work is continuing. Six precast concrete vault toilet buildings have been installed at Willow Oak, Lakeview, and Indian Mounds. Pathways, parking and access is planned to be completed to these vault toilets in the upcoming year which will allow the opening of the new buildings. Additional capital improvement work is planned for implementation over the next few years.

Numerous maintenance items were completed during this fiscal year. Asphalt repair work was completed for some rough areas on roadways at Indian Mounds, Willow Oak, Ragtown, and East Hamilton recreation areas. Annual mowing of parks, campgrounds, shorelines, and miles of roadways keeps accessways and public use areas beautiful and safe for recreation. Indian Mounds and Lakeview campgrounds have TCEQ-regulated drinking water systems which require employee licenses and continuing education, constant monitoring and reporting, along with routine maintenance and repairs. Entrance gate and fence construction continued during



East Hamilton Boat Ramp

PARKS AND RECREATION DIVISION

this fiscal year.

As approved by the Board of Directors, the Authority is continuing implementation of a Parks and Recreation Master Plan to evaluate and enhance major recreation facilities throughout the Basin. The Master Plan includes enhancements for constructing major

fishing tournament sites, building and improving day-use and camping facilities, and constructing recreation and family-friendly playground facilities. Existing and potential sites throughout the Sabine Basin are being assessed, focusing on those sites having positive economic impact for the region. 🇹🇽



Willow Oak Recreation Facility



Lakeview Recreation Facility Information Kiosk



New Restroom Facility at the Lakeview Recreation Site

LAKE FORK DIVISION

THE LAKE FORK DIVISION of the Sabine River Authority of Texas has been responsible for the operation and maintenance of Lake Fork Dam and Reservoir for 39 years. Final closure of the dam was made in 1980 and the reservoir reached full conservation pool elevation of 403' mean sea level (MSL) in 1985.

Lake Fork Reservoir provides raw water for numerous municipal and industrial customers. The full storage capacity of the reservoir is 675,819 acre feet of water, with an annual dependable yield of 188,660 acre feet. Bright Star-Salem Special Utility District, the City of Quitman, and the City of Dallas have pump stations on the reservoir. Downstream customers include the City of Longview, the City of Kilgore, the City of Henderson, and Eastman Chemical in Longview. These customers receive their water from the Sabine River Authority by way of releases made at the spillway and pump their released water from the river at TCEQ-permitted diversion points.

Bill Kirby

*Lake Fork
Division Manager*



inspection occurring every three years.

The Lake Fork Division has a total of fifteen employees. Lake Fork Division personnel are tasked with managing approximately 315 miles of shoreline in addition to maintaining the dam and spillway. Maintenance and Operations (M&O) personnel handle a wide variety of tasks every year on the dam, reservoir, boat ramps and surrounding lands. Another responsibility of the M&O crew is the Lake Fork buoy program. There are approximately 35 miles of navigation aids on Lake Fork that require regular inspection. Lake Fork M&O personnel are also charged with the upkeep of three boat ramps along the Sabine River. The Sabine River boat ramps at US Highway 69,



Lake Fork Dam and Reservoir

Lake Fork Dam has a controlled spillway with five Tainter gates operated by an electrical cable hoist system. Each gate is 20 feet tall and 40 feet wide. Epoxy coatings and cathodic protection are maintained on the gates to resist corrosion. The earthen embankment is covered in Bermuda grass on the downstream side and is maintained by annual lime and fertilizer applications, weed control, and mowing. Regular maintenance inspections and soil cement repairs have kept the soil cement face of the dam in good condition. The dam and spillway are inspected annually by consulting engineers, with a more in-depth

State Highway 14 and US Highway 271 are cleared of sediment and debris on a regular basis.

FY-19 was a busy year for the Lake Fork Division. In October of 2018, M&O personnel cleaned and repainted the Tainter gates where bubbling under the paint had occurred. M&O personnel also installed a finger drain in the toe of the dam. The finger drain moves excess water from the toe of the dam to the tailrace. Under the recommendation of engineers, divers checked drain covers in the tailrace basin. The covers protect the spillway foundation drainage system cleanouts. The divers inspected and replaced the five

LAKE FORK DIVISION



Tainter Gate Maintenance

underwater covers. Four drain covers above the water were replaced and secured by M&O personnel. Another important task completed in FY-19 was sealing of the dam access road. The dam road acts as a cap that protects the internal structure of the dam from water infiltration.

The Lake Fork Division hosted the Toyota Bassmaster Texas Fest for B.A.S.S. in May of 2019. The tournament, benefiting the Texas Parks and Wildlife Department, included four days of fishing that was live-streamed and broadcast at a later date. Other activities

included a 5-mile Fun Run, a kid zone, and live music. There were many local and national vendors on site selling and displaying their products.

The Sabine River Authority has been delegated administrative oversight of all septic systems adjacent to each of the Authority's reservoirs. The Lake Fork Division reviews all plans for new septic systems, and investigates complaints on malfunctioning systems around the reservoir. The Lake Fork Division staff works with homeowners to ensure that all septic systems function properly to protect human health and water quality. In FY-19 the Lake Fork Division issued 63 licenses for on-site sewage disposal and resolved 14 complaints. Another aspect of managing the floodplain around Lake Fork Reservoir includes oversight and administration of 1,643 Private Limited Use Permits, 49 Commercial Limited Use Permits, and 66 Grazing Permits. These permits allow adjoining landowners access to the reservoir and surrounding Authority lands.

The average rainfall for the Lake Fork area is approximately 48 inches per year. In the twelve months of FY-19, 70.48 inches of rainfall was recorded at the Lake Fork Dam, compared to 32.07 inches in FY-18. The highest and lowest reservoir elevations in FY-19 were 404.40' MSL on June 21st, 2019, and 400.61' MSL on September 21st, 2018. 🇹🇽



Toyota Bassmaster Fishing Tournament Hosted by the Lake Fork Division

LAKE TAWAKONI DIVISION

LAKE TAWAKONI was constructed as a water supply reservoir and was built through a water supply agreement with the City of Dallas. A permit to construct the reservoir was issued in 1955 and completed in 1960. The reservoir reached conservation pool elevation of 437.5' MSL in October of 1965. The 480-foot concrete ogee spillway is located in Van Zandt County and the 5.5-mile-long earthen dam is located in Van Zandt and Rains Counties. The Sabine River Authority (SRA) has twenty percent of the available yield, nearly 47,620 acre-feet per year (42.5 million gallons a day). In

Randy Traylor

*Lake Tawakoni
Division Manager*



received, and daily water and weather accounting. They are responsible for the oversight and administration of over 1,400 Private Limited Use Permits, 33 Commercial Limited Use Permits and 46 Grazing Permits.

LTD Field Department personnel oversee



Lake Tawakoni Dam and Reservoir

addition to the City of Dallas, the reservoir serves twelve other cities and water supply entities. Lake Tawakoni stores 927,440 acre-feet (289 billion gallons) of water at conservation pool elevation. The watershed for the reservoir is 752 square miles and the dependable annual yield of the project is 238,100 acre-feet per year (212 million gallons per day). At conservation pool elevation, Lake Tawakoni inundates 36,700 acres with about 200 miles of shoreline in Hunt, Rains and Van Zandt Counties.

The Lake Tawakoni Division (LTD) has a total of thirteen employees including administrative personnel, field department, and maintenance and operations (M&O) personnel. The administrative personnel perform routine duties such as invoicing, processing payments

construction applications and other permits related to improvements on Authority property such as docks, bathouses and storage buildings. As the Authorized Agent for the Texas Commission on Environmental Quality (TCEQ), the Authority regulates all On-Site Sewage Facilities (OSSF) within 2,000 feet of the project boundary. In this capacity, LTD field personnel review design information submitted for new systems, make inspections, investigate complaints, and work with property owners to resolve violations. LTD issued 42 permits for new OSSFs during FY-19. LTD field personnel also operate Authority owned wastewater treatment plants (WWTPs) at Tawakoni State Park and Wind Point Park. The Tawakoni State Park WWTP also serves the adjacent White Deer Landing Mobile Home

LAKE TAWAKONI DIVISION

Community.

At the request of TCEQ, the Authority agreed to serve as Temporary Manager of a WWTP located on Lake Tawakoni that serves two subdivisions and a RV park. Extensive repairs were made to the WWTP plant in order to bring the facility and effluent into compliance. The Authority began working on a new permit for the plant as well as a Sale/Transfer/Merger of wastewater system with the Public Utility Commission.

LTD M&O personnel are responsible for routine maintenance of Authority facilities, vehicles and

equipment, maintaining buoys, boat ramps, mowing the dam and other Authority property. They assist in monitoring instrumentation and undertake special construction projects related to operation of the reservoir. Replacement of a stem and hoist head at the spillway which controls one of the 4'x5' wet-well gates on the face of the structure was completed by M&O personnel in FY-19.

LTD had several special tasks performed by contractors in FY-19. An important task completed was sealing of the dam access road. The dam road acts as a cap that protects the internal structure of the dam from water infiltration. Several security upgrades were performed at LTD to harden the facilities. Cameras and electronic locks were added to the LTD office along with an improved gate and additional fencing.

The lowest and highest elevations for Lake Tawakoni in FY-19 were 435.08' MSL on September 4, 2018 and 440.42' MSL on October 18, 2018, respectively. Lake Tawakoni discharged for over nine months from October 11, 2018 through July 25, 2019. Rainfall for the fiscal year totaled 66.44 inches compared to 31.46 inches in FY-18. In the month of May alone, the reservoir area received a total of 11.85 inches of rainfall. 🇺🇸



Repairs to Waste Water Treatment Facility



Lake Tawakoni Division Offices Entry Gate Upgrade



SABINE RIVER AUTHORITY OF TEXAS

For the Years Ended
August 31, 2019 and 2018

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Sabine River Authority of Texas
Orange, Texas

Report on the Financial Statements

We have audited the accompanying comparative financial statements of Sabine River Authority of Texas (the "Authority") Operations and Gulf Coast Funds, as of and for the year ended August 31, 2019, and the related notes to the financial statements which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority, as of August 31, 2019, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We did not audit the Toledo Bend - Joint Operation, which represents approximately 0% and 15.4%, respectively, of the revenue and assets of the Authority for the year ended August 31, 2019, and approximately 0.6% and 13%, respectively, of the revenue and assets of the Authority for the year ended August 31, 2018. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the year ended August 31, 2019 and 2018 for Toledo Bend - Joint Operation, is based solely on the reports of the other auditors.

Other Matters

Required Supplementary Information

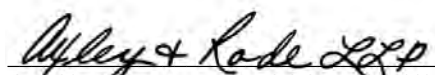
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and Schedule of Changes in Total - Other Post-Employment Benefits, Liability and Related Ratios on pages 6 - 11 and 37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The introductory section, supplementary and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Lufkin, Texas
December 12, 2019


CERTIFIED PUBLIC ACCOUNTANTS



Management's Discussion and Analysis

The following discussion and analysis of the Sabine River Authority of Texas' financial performance provides an overview of the Authority's financial activities for the years ended August 31, 2019 and 2018, in comparison with the prior year financial results. Please read it in conjunction with the financial statements, which follow this section.

Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, and Statements of Cash Flows

The financial report consists of three parts: *Management's Discussion and Analysis* (this section), the basic financial statements, and the notes to the financial statements.

The basic financial statements include the Statements of Net Position, the Statements of Revenue, Expenses and Changes in Net Position, and the Statements of Cash Flows that present information for the Authority as a whole and provide an indication of the Authority's financial health. The financial statements are presented with two major Enterprise Funds using the accrual basis of accounting. The Authority uses enterprise funds to account for its Operations and Gulf Coast Division.

The Statements of Net Position report the current and noncurrent assets and liabilities for the Authority as well as delineating the restricted assets from assets to be used for general purposes. The Statements of Revenue, Expenses and Changes in Net Position report all of the revenues and expenses during the time periods indicated. The Statements of Cash Flows report the cash provided and used by operating activities, as well as other cash sources such as investment income and cash payments for repayment of bonds and capital additions.

Net Position

The net position of the Operations Fund increased during 2019 by \$15.3 million or 8.2% while the net position during 2018 increased by \$7.9 million or 4.16%. Total liabilities decreased during 2019 by \$8.7 million or (10.0%) and increased during 2018 by \$53.1 million, or (9.8)% and 61.3%, respectively. The decrease in total liabilities for 2019 and 2018 is the result of payment of long term debt.

Total Noncurrent Assets decreased by \$65.4 million or 26.0% during 2019 and increased 32.4% in 2018. The decrease in 2019 is the result of paying off debt and converting some long term investments to short term. The increase in 2018 is the result of investment increase due to settlement with City of Dallas.

The net position of the Gulf Coast fund increased during 2019 by \$2.1 million or 42.0% while the net position during 2018 decreased by \$(0.3) million or (6.4)%. Total assets increased during 2019 by \$31 million resulting from an increase in capital assets while total assets increased in 2018 by \$2.7 million. Total liabilities increased during 2019 by \$29.5 million and increased during 2018 by \$2.9 million, or 600.8% and 145%, respectively. The increase in total liabilities for 2019 is the result of an increase in long-term debt.

Total noncurrent assets in the Gulf Coast Fund increased by \$13.9 million during 2019 after an increase of \$3.0 million for 2018.

Current assets in the Gulf Coast Fund increased by \$17.8 million following a decrease of \$(0.3) million for 2018. The increase in 2019 is due to an increase in funds received from bond proceeds. The decrease in 2018 is mainly attributable to a decrease in cash and cash equivalents.

FINANCIAL HIGHLIGHTS

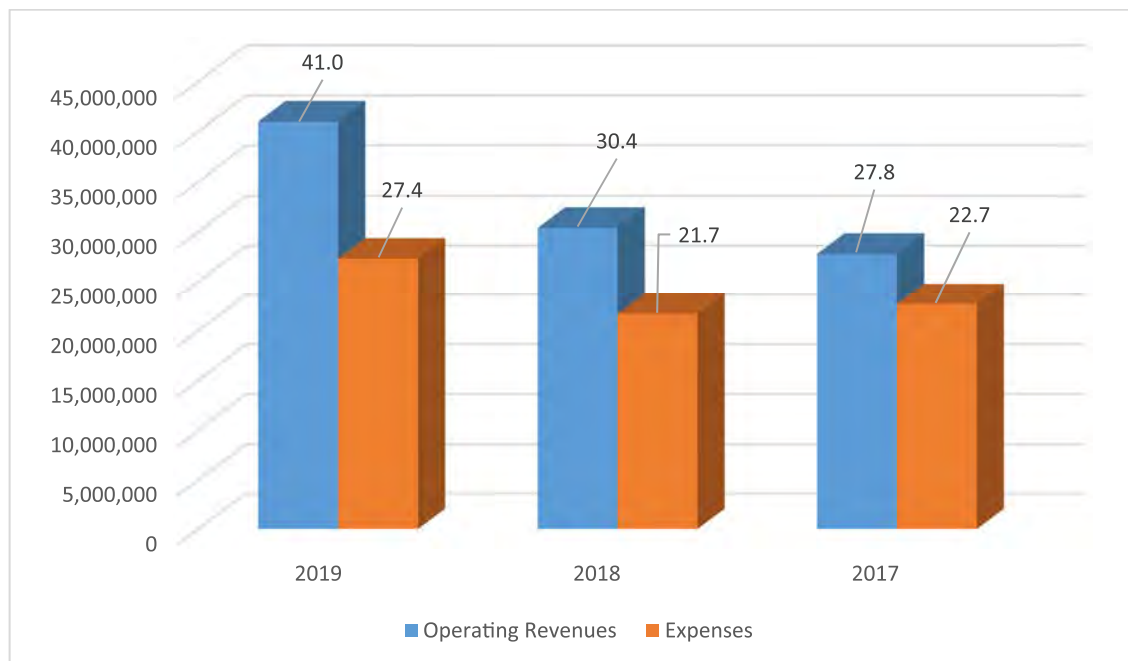
	OPERATIONS		GULF COAST	
	2019	2018	2019	2018
Assets:				
Current assets	\$ 89 631 111	\$ 22 529 056	\$ 17 821 831	\$ 770 941
Restricted cash and investments	32 718 567	98 504 543	600 213	2 046 597
Capital assets, net	152 955 350	152 609 255	22 647 859	7 216 379
TOTAL ASSETS	<u>275 305 028</u>	<u>273 642 854</u>	<u>41 069 903</u>	<u>10 033 917</u>
Deferred outflows	<u>4 728 922</u>	<u>-</u>	<u>560 869</u>	<u>-</u>
Liabilities:				
Current liabilities	12 437 400	3 777 662	8 474 192	283 580
Noncurrent liabilities	65 541 498	82 872 172	25 963 846	4 630 483
TOTAL LIABILITIES	<u>77 978 898</u>	<u>86 649 834</u>	<u>34 438 038</u>	<u>4 914 063</u>
Deferred inflows	<u>694 244</u>	<u>931 768</u>	<u>90 296</u>	<u>118 467</u>
Net Position:				
Net investment in capital assets	152 955 350	134 736 950	(724 049)	5 746 379
Restricted	-	-	600 213	396 597
Unrestricted	48 405 458	51 324 302	7 226 274	(1 141 589)
TOTAL NET POSITION	<u>201 360 808</u>	<u>186 061 252</u>	<u>7 102 438</u>	<u>5 001 387</u>
Change in Net Position:				
Operating Revenues:				
Water sales	28 134 362	22 559 972	6 225 444	5 029 908
Power sales	10 794 714	4 538 691	-	-
Wastewater treatment	161 469	108 559	-	-
Permits	899 412	1 103 557	-	-
Water quality activity	783 067	810 571	-	-
Miscellaneous	251 972	907 537	34 270	33 036
Reservation fee	11 827	344 745	-	-
TOTAL OPERATING REVENUES	<u>41 036 823</u>	<u>30 373 632</u>	<u>6 259 714</u>	<u>5 062 944</u>
Operating Expenses:				
Operation and maintenance	23 761 144	18 091 886	2 485 501	2 488 452
Depreciation	3 608 457	3 596 252	67 731	56 465
TOTAL OPERATING EXPENSES	<u>27 369 601</u>	<u>21 688 138</u>	<u>2 553 232</u>	<u>2 544 917</u>
OPERATING INCOME	<u>13 667 222</u>	<u>8 685 494</u>	<u>3 706 482</u>	<u>2 518 027</u>
Nonoperating Revenues (Expenses):				
Grant program	(419 578)	(536 000)	-	-
Gain on disposition of capital assets	86 101	6 462	-	-
Investment income	2 179 833	198 125	-	-
Interest expense	(214 022)	(379 647)	(1 417 611)	(382 472)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>1 632 334</u>	<u>(711 060)</u>	<u>(1 417 611)</u>	<u>(382 472)</u>
INCOME BEFORE TRANSFERS	<u>15 299 556</u>	<u>7 974 434</u>	<u>2 288 871</u>	<u>2 135 555</u>
Transfer in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	<u>15 299 556</u>	<u>7 974 434</u>	<u>2 288 871</u>	<u>2 135 555</u>
Total net position, beginning	186 061 252	191 804 569	5 001 387	5 347 737
Prior period adjustment	<u>-</u>	<u>(13 717 751)</u>	<u>(187 820)</u>	<u>(2 481 905)</u>
TOTAL NET POSITION, ENDING	<u>\$ 201 360 808</u>	<u>\$ 186 061 252</u>	<u>\$ 7 102 438</u>	<u>\$ 5 001 387</u>

Operating Income

Operations for 2019 Operations Fund resulted in operating income of \$13.7 million, while Operations in 2018 resulted in an income of \$8.7 million. The increased operating income in 2019 resulted from increased water and power sales. Operating expenses increased \$5.7 million in 2019 while operating revenues increased \$10.7 million.

Total operating revenues consist primarily of water sales and power sales, with additional operating revenues including waste water treatment, permits, and water quality activity as well as miscellaneous income and reservation fees. The increase in operating revenues during 2019 follows an increase during 2018. Power sales increased for 2019 when compared to 2018. The income recognition of the reservation fee on the NTMWD interim water contributed \$1.0 million to total operating revenues in 2019, 2018 and 2017. Additionally, miscellaneous income of \$0.25 million contributed to operating revenue.

Operating expenses increased \$5.7 million primarily due to repairs on the spillway at Toledo Bend, a 26.2% increase following a \$(1.0) million, or a (4.4)%, decrease in 2018. While the operating expenses decreased in 2019 and 2018, no single category of expenses accounted for the differences.



Operations for 2019 Gulf Coast fund resulted in operating income of \$3.7 million, operations in 2018 results in an income of \$5 million and 2017 resulted in an income of \$1.6 million. The income in 2018 resulted from an increase in water sales. Operating expenses were relatively flat in 2019 while operating revenues increased \$1.2 million.

Total operating revenues consist primarily of water sales. The increase in operating revenues during 2019 follows an increase during 2018. Water sales increased substantially for 2019 when compared to 2018 due to increases in water rates.

Operating expenses increased insignificantly following a \$0.1 million, or 3.0% increase in 2018.

Overall Financial Position

The Authority has sufficient revenues and reserves to pay the expenses and debt service of the Authority.

Significant Capital Assets

Net capital assets for the Authority increased from \$159,825,634 to \$175,603,209, an increase of \$15.8 million or 9.9%. The increase is the result of the increased work in progress. The Authority's projects and a description of each are as follows:

Gulf Coast Division

The Sabine River Authority, having been created by the legislature in 1949, purchased the Orange County Water Company in 1954. The newly acquired canal system, now known as the Gulf Coast Division, provided the initial catalyst for the operations of SRA. The Gulf Coast Division supplies fresh water from the Sabine River to industries, farmers and a municipality in Orange County by way of a canal system. The pumping plant consists of four horizontal centrifugal pumps with 400 horsepower electric motors capable of pumping 60,000 gallons per minute (gpm) each and one vertical auxiliary pump with a 125 horsepower motor capable of pumping 12,000 gpm. The water is lifted approximately 22 feet from an intake channel to a gravity flow canal system through approximately 75 miles of main canal and laterals to supply fresh water from the east side of Orange County to the west side.

The canal system provides fresh water to five petrochemical plants, two electric power plants, a pulp and paper mill and a steel mill, as well as the city of Rose City, Texas. Water sales for Gulf Coast Division were 41.17 million gallons daily (mgd) for 2019 as compared to the 2018 water sales which were 42.27 mgd.

Lake Tawakoni

This water supply project of the Sabine River Authority of Texas is located on the Sabine River immediately above the old Iron Bridge Crossing on FM 47, about 10 miles northeast of Wills Point, Texas. The reservoir inundates land in Hunt, Rains, and Van Zandt Counties. The State Board of Water Engineers issued a permit for project construction on December 20, 1955. Land acquisition was initiated in 1956 and completed in October 1960. Construction on the dam began in January 1958 and was completed in October 1960.

Construction of the Iron Bridge Dam and Reservoir Project was funded through a water supply agreement with the City of Dallas to provide water for municipal and industrial purposes. The reservoir storage capacity at 437.5 feet mean sea level conservation pool level is 926,000 acre-feet (302 billion gallons). The dependable annual yield of the reservoir is approximately 238,100 acre-feet per year (213 million gallons per day).

In 2019, 24.9 mgd of water was delivered to 14 customers including municipalities and water supply corporations compared to 45.37 mgd delivered in 2018.

Toledo Bend Reservoir

The Sabine River Authority of Texas, and the Sabine River Authority, State of Louisiana constructed Toledo Bend Reservoir, primarily for the purposes of water supply, hydroelectric power generation, and recreation.

This project is located in Texas and Louisiana on the Sabine River, which forms a portion of the boundary between the two states. From the dam site the reservoir extends up the river for about 65 miles to Logansport, Louisiana, and inundates land in Sabine, Shelby, Panola, and Newton Counties, Texas, and Sabine and DeSoto Parishes, Louisiana.

Toledo Bend Reservoir is one of the largest man-made bodies of water in the South and one of the largest in surface acres in the United States, with water normally covering an area of 185,000 acres and having a controlled storage capacity of 4,477,000 acre-feet (1,448,934,927,000 gallons). Toledo Bend Reservoir is distinctive in that it is a public water conservation and hydroelectric power project that was undertaken without federal participation in its permanent financing.

The operation of the project for hydroelectric power generation and water supply provides a dependable yield of 1,868 million gallons per day. Most of this water is passed through the turbines for the generation of electric power and is available for municipal, industrial, and agricultural purposes. An indoor type hydroelectric power plant is located in the south abutment of the dam. It consists of two vertical units of equal size utilizing Kaplan turbines, rated at 55,750 hp each at a minimum net head of 60.8 feet, and water-cooled generators of the umbrella type rated at 42,500 KVA at a 0.95 power factor. It is estimated that the power plant will generate an average of 207,000,000-kilowatt hours annually. Entergy Louisiana, Cleco Power and Southwestern Electric Power Company have contracted with the Sabine River Authorities for the purchase of the hydroelectric power.

The yield of Toledo Bend Reservoir is 2,086,600 acre-feet (ac-ft), of which half is allocated to Texas and half to Louisiana. Of the 1,043,300 ac-ft allocated to Texas, the Authority has a permit for 750,000 ac-ft. In 2003, the Authority made application to Texas Commission on Environmental Quality for the unpermitted 293,300 ac-ft of water in Toledo Bend. In 2019, water sales from Toledo Bend totaled 6.45 mgd compared to 5.287 mgd in 2018. Water is delivered to two municipalities and three industrial customers.

Lake Fork

This project is located on Lake Fork Creek, a major tributary of the Sabine River, about 5 miles west of Quitman, Texas. The reservoir, owned and operated by the Sabine River Authority of Texas, inundates land in Wood, Rains, and Hopkins Counties. Preliminary engineering studies for the Lake Fork Reservoir Project were initiated in November 1972. Construction work on the project began in the fall of 1975. Final closure of the dam was made in February 1980, and conservation pool level was reached in December 1985. A total of 41,100 acres of land were acquired for the project. Lake Fork Reservoir has an estimated surface area of 27,690 acres at conservation pool elevation 403.0 feet above mean m.s.l. (mean sea level) and extends up Lake Fork Creek about 15 miles.

Construction of the Lake Fork Reservoir was funded through a water supply agreement with Texas Utilities, Inc. (TXU) to provide water for municipal and industrial uses. The Cities of Dallas, Longview, Kilgore, Henderson and Quitman have contracted for purchase of water from the reservoir. The reservoir's storage capacity at the 403 feet m.s.l. conservation pool level is 675,819 acre-feet with a minimum firm yield of 188,660 acre-feet per year.

Lake Fork is a world-class fishery and has been identified by many outdoor writers as the best "big bass" reservoir in the state and perhaps the nation. This reputation is due in large part to fishery management efforts of the Texas Parks and Wildlife Department who began stocking the reservoir with Florida largemouth bass in 1978. The current state record largemouth bass was caught in Lake Fork.

Lake Fork customers consist of six municipalities, and one industrial customer. In 2019, 58.21 mgd of water was delivered to these customers as compared to 28.75 mgd delivered in 2018.

Environmental Services

The Environmental Services Division is responsible for the Authority's water quality monitoring activities in the Sabine River Basin of Texas. These activities are coordinated with State regulatory agencies and also include the review and evaluation of water quality data collected by other agencies in the Sabine Basin. Further, Environmental Services Division staff conducts the assessment of water quality within the Sabine River Basin, Texas, for the Texas Clean Rivers Program.

Tracking water quality conditions in the reservoirs and the streams in the Basin becomes more important to the Authority each year as the number and size of water users and wastewater dischargers increase. Additionally, the Environmental Services Division assists governmental entities, industries, and municipalities by providing them with water quality information to meet their various needs.

The Authority receives funds from the State of Texas to offset costs for administering the Clean Rivers Program in addition to the fees collected for the water testing performed for industrial and municipal customers. In 2019, Environmental Services Division performed 93,124 tests compared to the 92,090 tests performed in 2018.

Net capital assets for the Operating Fund were relatively flat with an increase from \$152,609,255 to \$152,955,350 or 0.23%.

Net capital assets for Gulf Coast Fund increased from \$7,216,379 to \$22,647,859 or 213.8%. The increase is the result of an increase in the construction in progress relating to the large capital projects for the pipeline and pump station project.

For more detailed information on capital asset activities, please refer to the capital asset section in Note 3 of the Notes to Financial Statements.

Long-Term Debt

The majority of the assets previously discussed were financed by revenue bonds. Principal payments made during 2019 and 2018 were \$17,872,000 and \$963,540, respectively. In 2009, payment was made on the final outstanding hydroelectric revenue bonds leaving the Texas Water Development Board loan as the only outstanding debt on Toledo Bend Reservoir. There are no outstanding bonds on Lake Tawakoni or Lake Fork.

The Authority has drawn \$23,371,908 of \$75,000,000 bonds for the Gulf Coast Fund during 2019.

For more detailed information on long-term debt activities, please refer to the Long-Term Liabilities section in Note 3 of the Notes to Financial Statements as well as the Supplementary Information which follows the Notes to Financial Statements.

Designated and Restricted Funds

The Authority maintains bond reserve funds as required by bond covenants and designated funds are set aside by the Board of Directors for specific purposes such as operating reserve, capital improvement reserve, repair and replacement, basin development, economic development and disaster recovery, and other reserve funds. The Authority receives no state appropriations and has no powers to levy taxes. As such, all expenses associated with the maintenance and operations of existing projects as well as planning for future water needs are the responsibility of the Authority. In order to be a self-sufficient entity, the Authority must maintain adequate reserves to ensure funds are available for ongoing activities as well as meeting the financial needs arising from major repairs on the existing projects and planning for future water needs.

Change in Financial Position

The net position for the Operating Fund has decreased from 2017 to 2018 and increased from 2018 to 2019. Total operating revenues increased from 2017 to 2018 and 2018 to 2019.

The net position for the Gulf Coast Fund has increased from 2017 to 2018 and increased from 2018 to 2019. Total operating revenues increased from 2017 to 2018 and increased from 2018 to 2019.

This report is intended to provide our legislators, state officials, customers, bondholders, citizens of the State of Texas and other interested parties with a general overview of the Authority's financial position and to indicate accountability for the revenues the Authority receives.

Questions about this report or requests for additional financial information should be directed to Holly Smith, Chief Financial Officer/Water Resources Manager, at P. O. Box 579, Orange, Texas 77631, or call 409.746.2192.

SABINE RIVER AUTHORITY OF TEXAS
STATEMENTS OF NET POSITIONS
August 31, 2019 and 2018

	OPERATIONS		GULF COAST	
	2019	2018	2019	2018
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 33 655 028	\$ 12 165 911	\$ 16 880 924	\$ (1 445 113)
Investments	44 825 760	7 222 193	-	-
Accounts receivable	3 251 237	2 545 299	940 907	561 399
Due from other funds	7 113 918	-	-	1 654 655
Accrued interest receivable	389 810	300 426	-	-
Prepaid items	395 358	295 227	-	-
TOTAL CURRENT ASSETS	89 631 111	22 529 056	17 821 831	770 941
Noncurrent Assets:				
Restricted cash and cash equivalents	-	-	600 213	396 597
Investments	32 718 567	98 504 543	-	1 650 000
Capital Assets:				
Land	55 015 507	55 015 507	9 031	9 031
Dams and electric plant	138 996 664	138 980 662	-	-
Water and pumping plant	26 641 081	26 641 081	3 835 386	3 599 898
Buildings	9 032 357	8 406 536	1 041 917	1 008 107
Equipment	7 572 027	7 000 370	2 014 411	1 629 141
Construction in progress	5 053 815	2 960 720	19 545 919	4 701 277
Less accumulated depreciation	(89 356 101)	(86 395 621)	(3 798 805)	(3 731 075)
NET CAPITAL ASSETS	152 955 350	152 609 255	22 647 859	7 216 379
TOTAL NONCURRENT ASSETS	185 673 917	251 113 798	23 248 072	9 262 976
TOTAL ASSETS	275 305 028	273 642 854	41 069 903	10 033 917
Deferred Outflows:				
Deferred outflow - OPEB	4 728 922	-	560 869	-
TOTAL DEFERRED OUTFLOWS	4 728 922	-	560 869	-
LIABILITIES				
Current Liabilities:				
Accounts payable	11 953 903	1 447 275	34 406	258 107
Current portion of long-term liabilities	-	210 000	1 230 000	-
Compensated absences	236 765	243 132	26 795	25 473
Accrued interest payable	-	-	69 073	-
Accrued liabilities	246 732	222 600	-	-
Due to other funds	-	1 654 655	7 113 918	-
TOTAL CURRENT LIABILITIES	12 437 400	3 777 662	8 474 192	283 580
Noncurrent Liabilities:				
TWDB loan	-	17 662 305	-	-
TWDB SWIFT bonds	-	-	22 141 908	1 470 000
Net obligation for post-employment benefits	31 821 004	24 562 234	3 774 094	3 122 881
Compensated absences	422 748	358 904	47 844	37 602
Unearned revenue	33 297 746	40 288 729	-	-
TOTAL NONCURRENT LIABILITIES	65 541 498	82 872 172	25 963 846	4 630 483
TOTAL LIABILITIES	77 978 898	86 649 834	34 438 038	4 914 063
Deferred Inflows:				
Deferred inflow - OPEB	694 244	931 768	90 296	118 467
TOTAL DEFERRED INFLOWS	694 244	931 768	90 296	118 467
Net Position:				
Net investment in capital assets	152 955 350	134 736 950	(724 049)	5 746 379
Restricted for debt service	-	-	600 213	396 597
Unrestricted	48 405 458	51 324 302	7 226 274	(1 141 589)
TOTAL NET POSITION	\$ 201 360 808	\$ 186 061 252	\$ 7 102 438	\$ 5 001 387

The accompanying notes are an integral part of these financial statements.

TOTAL	
2019	2018
\$ 50 535 952	\$ 10 720 798
44 825 760	7 222 193
4 192 144	3 106 698
7 113 918	1 654 655
389 810	300 426
395 358	295 227
<u>107 452 942</u>	<u>23 299 997</u>
600 213	396 597
32 718 567	100 154 543
55 024 538	55 024 538
138 996 664	138 980 662
30 476 466	30 240 979
10 074 274	9 414 643
9 586 438	8 629 511
24 599 734	7 661 997
(93 154 906)	(90 126 696)
<u>175 603 209</u>	<u>159 825 634</u>
<u>209 321 776</u>	<u>260 376 774</u>
<u>316 774 718</u>	<u>283 676 771</u>
<u>5 289 791</u>	<u>-</u>
<u>5 289 791</u>	<u>-</u>
11 988 309	1 705 382
1 230 000	210 000
263 560	268 605
69 073	-
246 732	222 600
7 113 918	1 654 655
<u>20 911 592</u>	<u>4 061 242</u>
-	17 662 385
22 141 908	1 470 000
35 595 098	27 685 115
470 592	396 506
33 297 746	40 288 729
<u>91 505 344</u>	<u>87 502 655</u>
<u>112 416 936</u>	<u>91 563 897</u>
<u>784 540</u>	<u>1 050 235</u>
<u>784 540</u>	<u>1 050 235</u>
152 231 301	140 483 329
600 213	396 597
55 631 732	50 182 713
<u>\$ 208 463 246</u>	<u>\$ 191 062 639</u>

SABINE RIVER AUTHORITY OF TEXAS
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
For the Fiscal Years Ended August 31, 2019 and 2018

	OPERATIONS		GULF COAST	
	2019	2018	2019	2018
Operating Revenues:				
Water sales	\$ 28 134 362	\$ 22 559 972	\$ 6 225 444	\$ 5 029 908
Power sales	10 794 714	4 538 691	-	-
Wastewater treatment	161 469	108 559	-	-
Permits	899 412	1 103 557	-	-
Water quality activity	783 067	810 571	-	-
Miscellaneous	251 972	907 537	34 270	33 036
Reservation fee	11 827	344 745	-	-
TOTAL OPERATING REVENUES	<u>41 036 823</u>	<u>30 373 632</u>	<u>6 259 714</u>	<u>5 062 944</u>
Operating Expenses:				
Operation and maintenance	23 761 144	18 091 886	2 485 501	2 488 452
Depreciation	3 608 457	3 596 252	67 731	56 465
TOTAL OPERATING EXPENSES	<u>27 369 601</u>	<u>21 688 138</u>	<u>2 553 232</u>	<u>2 544 917</u>
OPERATING INCOME (LOSS)	<u>13 667 222</u>	<u>8 685 494</u>	<u>3 706 482</u>	<u>2 518 027</u>
Nonoperating Revenues (Expenses):				
Grant program	(419 578)	(536 000)	-	-
Gain from disposition of capital assets	86 101	6 462	-	-
Investment income	2 179 833	198 125	-	-
Interest expense	(214 022)	(379 647)	(1 417 611)	(382 472)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>1 632 334</u>	<u>(711 060)</u>	<u>(1 417 611)</u>	<u>(382 472)</u>
INCOME (LOSS) BEFORE TRANSFERS	15 299 556	7 974 434	2 288 871	2 135 555
Transfer in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	15 299 556	7 974 434	2 288 871	2 135 555
Total net position, beginning	186 061 252	191 804 569	5 001 387	5 347 737
Prior period adjustment	<u>-</u>	<u>(13 717 751)</u>	<u>(187 820)</u>	<u>(2 481 905)</u>
TOTAL NET POSITION, ENDING	<u>\$ 201 360 808</u>	<u>\$ 186 061 252</u>	<u>\$ 7 102 438</u>	<u>\$ 5 001 387</u>

The accompanying notes are an integral part of these financial statements.

TOTAL	
2019	2018
\$ 34 359 806	\$ 27 589 880
10 794 714	4 538 691
161 469	108 559
899 412	1 103 557
783 067	810 571
286 242	940 573
11 827	344 745
<u>47 296 537</u>	<u>35 436 576</u>
26 246 645	20 580 338
<u>3 676 188</u>	<u>3 652 717</u>
<u>29 922 833</u>	<u>24 233 055</u>
<u>17 373 704</u>	<u>11 203 521</u>
(419 578)	(536 000)
86 101	6 462
2 179 833	198 125
<u>(1 631 633)</u>	<u>(762 119)</u>
<u>214 723</u>	<u>(1 093 532)</u>
17 588 427	10 109 989
<u>-</u>	<u>-</u>
17 588 427	10 109 989
191 062 639	197 152 306
<u>(187 820)</u>	<u>(16 199 656)</u>
\$ <u><u>208 463 246</u></u>	\$ <u><u>191 062 639</u></u>

SABINE RIVER AUTHORITY OF TEXAS
STATEMENTS OF CASH FLOWS
For the Years Ended August 31, 2019 and 2018

	OPERATIONS		GULF COAST	
	2019	2018	2019	2018
Cash Flows from Operating Activities:				
Receipts from customers	\$ 33 064 505	\$ 91 504 065	\$ 5 880 206	\$ 5 296 065
Payments to suppliers	(5 600 488)	(13 170 730)	(578 663)	(1 446 836)
Payments to employees	(5 356 801)	(5 325 599)	(2 056 802)	(1 950 409)
Other receipts	251 972	907 537	-	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	22 359 188	73 915 273	3 244 741	1 898 820
Cash Flows from Noncapital and Related Financing Activities:				
Change in due to/from funds	(8 768 573)	1 444 993	8 768 573	(1 444 993)
Grants	(419 578)	(536 000)	-	-
NET CASH USED BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	(9 188 151)	908 993	8 768 573	(1 444 993)
Cash Flows from Capital and Related Financing Activities:				
Purchases of capital assets	(3 654 800)	(1 327 185)	(15 499 211)	(2 647 034)
Disposal of capital assets	86 101	-	-	-
Proceeds from debt issuance	-	-	21 901 908	1 470 000
Principal paid on capital debt	(17 872 305)	(963 540)	-	-
Interest paid on capital debt	(214 022)	(379 647)	(1 536 358)	(382 472)
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(21 655 026)	(2 670 372)	4 866 339	(1 559 506)
Cash Flows from Investing Activities:				
Proceeds from sell of investments	(8 500 000)	(65 482 243)	-	-
Purchase of investments	36 403 751	-	1 650 000	-
Interest received	2 069 355	97 764	-	-
NET CASH USED BY INVESTING ACTIVITIES	29 973 106	(65 384 479)	1 650 000	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	21 489 117	6 769 415	18 529 653	(1 105 679)
Cash and cash equivalents, beginning	12 165 911	5 396 496	(1 048 516)	57 163
CASH AND CASH EQUIVALENTS, ENDING	\$ 33 655 028	\$ 12 165 911	\$ 17 481 137	\$ (1 048 516)
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating income (loss)	\$ 13 667 222	\$ 8 685 494	\$ 3 706 482	\$ 2 518 027
Noncash Items Included in Operating Income:				
Depreciation	3 608 457	3 596 252	67 731	56 465
Changes in Assets and Liabilities:				
(Increase) decrease in accounts receivable	(705 938)	21 752 063	(379 508)	233 121
(Increase) decrease in deferred outflows	(4 728 922)	-	(560 869)	-
(Increase) decrease in other assets	(100 131)	(24 152)	-	-
Increase (decrease) in accounts payable	10 506 628	(2 105 918)	(223 701)	144 942
Increase (decrease) in deferred inflows	(237 524)	-	(28 171)	118 467
Increase (decrease) in accrued and other liabilities	24 132	(22 932)	-	-
Increase (decrease) in unearned revenue	(6 990 983)	40 285 907	-	-
Increase (decrease) in compensated absences	57 477	4 656	11 564	2 060
Increase in net obligation for post-employment benefits	7 258 770	1 743 903	651 213	(1 174 262)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 22 359 188	\$ 73 915 273	\$ 3 244 741	\$ 1 898 820
Noncash Capital, Financing, and Investing Activities:				
(Loss) gain from disposition of assets	\$ 86 101	\$ 6 462	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

TOTAL	
2019	2018
\$ 38 944 711	\$ 96 800 130
(6 179 151)	(14 617 566)
(7 413 603)	(7 276 008)
251 972	907 537
25 603 929	75 814 093
-	-
(419 578)	(536 000)
(419 578)	(536 000)
(19 154 011)	(3 974 219)
86 101	-
21 901 908	1 470 000
(17 872 305)	(963 540)
(1 750 380)	(762 119)
(16 788 687)	(4 229 878)
(8 500 000)	(65 482 243)
38 1053 751	-
2 069 355	97 764
31 623 106	(65 384 479)
40 018 770	5 663 736
11 117 395	5 453 659
\$ 51 136 165	\$ 11 117 395
\$ 17 373 704	\$ 11 203 521
3 676 188	3 652 717
(1 085 446)	21 985 184
(5 289 791)	-
(100 131)	(24 152)
10 282 927	(1 960 976)
(265 695)	118 467
24 132	(22 932)
(6 990 983)	40 285 907
69 041	6 716
7 909 983	569 641
\$ 25 603 929	\$ 75 814 093
\$ 86 101	\$ 6 462

SABINE RIVER AUTHORITY OF TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Sabine River Authority of Texas ("Authority") have been prepared in conformity with generally accepted accounting principles ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the Authority's accounting policies are described below.

Reporting Entity:

The Sabine River Authority of Texas was created in 1949, pursuant to Vernon's Annotated Civil Statutes Article 8280-133, as a conservation and reclamation district. The Authority was determined to be necessary in accomplishing the provisions of Article XVI, Section 59 of the Texas Constitution and for the conservation, protection and development of the waters of the Sabine River. Responsibilities of the Authority include municipal, industrial and agricultural raw water supply; hydroelectric generation; water and wastewater treatment; water quality and pollution control activities; and recreation facilities.

Management has determined that there are no other entities that meet the criteria for inclusion in the Authority's reporting entity. The Authority is a separate self-supporting governmental unit with no taxing powers covering all or a portion of 21 counties in the Sabine Basin and is administered by a nine-member Board of Directors appointed by the Governor to six-year staggered terms. The Authority is not included in any other governmental reporting entity. The Authority is in compliance with the requirements of Texas Water Codes 49.191, Duty to Audit, and 49.199, Policies and Audits of Districts.

Fund Financial Statements:

GASB 34 requires special purpose governments engaged only in business-type activities to present only the financial statements required for Enterprise Funds. For these governments, basic financial statements and required supplementary information consist of a Management Discussion and Analysis ("MD&A"), Enterprise Fund financial statements, notes to financial statements and required supplementary information other than MD&A, if applicable.

Required fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows.

The Authority reports the following major enterprise funds:

- The *Operations Enterprise Fund* accounts for the acquisition, operation and maintenance of Authority facilities and services.
- The *Gulf Coast Enterprise Fund* accounts for the acquisition, operation and maintenance of the Gulf Coast Division facilities and services.

Basis of Accounting:

The Authority's basic financial statements are presented as two major Enterprise Funds. These Enterprise Funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, liabilities, and deferred inflows and outflows associated with the operation of the funds are included on the Statement of Net Position. The Enterprise Funds are accounted for using the accrual basis of accounting. Their revenue is recognized when it is earned, and its expenses are recognized when they are incurred.

SABINE RIVER AUTHORITY OF TEXAS
NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The Authority distinguishes between operating and non-operating revenues and expenses consistently with the criteria used to identify cash flows from operating activities in the Statement of Cash Flows. Generally, the Authority classifies revenues generated from water sales, power sales, and related activities and services as operating revenues. Operation and maintenance and depreciation are classified as operating expenses. All other income and expenses, including investment income, interest expense, gain/loss on the sale of capital assets and impairment loss are considered non-operating activity.

Assets, Liabilities and Net Assets:

Cash and Cash Equivalents

Cash and cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and so near maturity that there is no significant risk of changes in value due to changes in interest rates. Cash equivalents include investments with original maturities of three months or less. Cash equivalents are stated at cost which approximates fair value.

Investments

Investments with quoted fair values are carried at the reported sales price on the last day of the Authority's year and are recorded at fair value in the statement of net position. Certificates of deposit are stated at cost due to their short-term maturities. Investments in TexPool are stated at cost which approximates fair value. The change in the difference between fair value and cost of investments is reported as a component of investment income. All investments are in accordance with Texas Government Code, Title 10, Chapter 2256 (the Public Funds Investment Act).

Accounts Receivable

The Authority uses the direct charge off method to account for bad debts, directly expensing receivables which management deems uncollectible, or realizable at less than full value. This method provides results similar to the reserve method in all material respects. The Authority considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is recorded.

Interfund Balances

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advance to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." The authority currently has no outstanding "advances to/from other funds".

Capital Assets

Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are recorded at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date. Depreciation is provided using the straight-line method at annual rates as follows:

Dams and electric plants	1.50%
Water and pumping plant	1.50 - 5.00%
Buildings	2.00 - 5.00%
Equipment	4.00 - 20.00%

The Authority capitalizes interest on major construction projects.

Restricted Assets

The restricted assets consist of bond reserve funds and sinking funds on various revenue bonds and funds designated by the Board of Directors. The bond reserve and sinking funds are segregated as required by certain bond indentures.

SABINE RIVER AUTHORITY OF TEXAS
NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Sick Leave and Vacation

The Authority allows employees to accumulate sick leave and vacation. Pursuant to Governmental Accounting Standards Board pronouncements, the Authority does not accrue sick leave rights since these rights are nonvesting. The Authority does accrue vacation benefits in its financial statements in accordance with generally accepted accounting principles.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

Subsequent Events:

Management has evaluated subsequent events through December 12, 2019 the date the financial statements were available to be issued.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting:

The Authority prepares a budget in accordance with The Water Code, Chapter 49, Subchapter G, Section 49.199 for use in planning and controlling costs. The budget and any changes are approved by the Board of Directors. Appropriate sections of the budget are reviewed by the City of Dallas and the Toledo Bend Project Joint Operations Board.

Rates and Regulations:

Water rates are established by the Authority's Board of Directors. These contracted rates can be appealed to the Texas Commission on Environmental Quality. On May 16, 2008, the Public Utility Commission of Texas (PUC) approved the Authority's request for registration as a power generation company pursuant to P.U.C. SUBST.R.25.109. As of August 31, 2019 and 2018, the rate was \$0.05400 and \$0.05400, respectively, per KWH.

Other Post-Employment Benefits:

The Authority provides certain healthcare and insurance benefits to its employees after retirement, and prior to fiscal year 2019, accounted for the benefits in accordance with Government Accounting Standards Board Statement No. 45, *Accounting for Post-employment Benefits Other than Pension*. Beginning with the fiscal year ended August 31, 2018, the Authority was required to prospectively adopt Government Accounting Standards Board Statement No. 75 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (see Note 3).

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

SABINE RIVER AUTHORITY OF TEXAS
NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 3 - DETAILED NOTES ON ALL FUNDS

Deposits and Investments:

Interest Rate Risk. In accordance with its investment policy, the Authority manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than five years. Maximum allowable maturity shall be 10 years with the exception of investments made specifically to retire debt.

Credit Risk. The Texas Local Government Investment Pool (TexPool) is a public funds investment pool created pursuant to the Interlocal Cooperation Act of the State of Texas. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. An Advisory Board reviews the investment policy and management fee structure. TexPool is rated AAAM by Standard & Poors. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poors, as well as the Office of the Comptroller of the Public Accounts for review.

TexPool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than fair value to report net assets to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares.

The Board of Directors has authorized the Authority to invest in compliance with V.A.T.C.S. Government Code, Title 10, Chapter 2256 (Public Funds Investment Act of 1993). Money in any fund may be placed in obligations of the United States or its instrumentalities; direct obligations of this state or its agencies; collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; other obligations, the principal and interest of which are unconditionally guaranteed or insured by this state or the United States or its instrumentalities; and obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent, Certificates of Deposit and any other investment authorized in Chapter 2256. Accordingly, cash is invested in money market funds, certificates of deposit, or interest-bearing demand deposits and is stated at fair value.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. As of August 31, 2019, all of the Authority's Operating Fund and Gulf Coast Funds deposit balances of \$50,535,952 exceeding depository insurance limits were collateralized with securities pledged by the financial institutions in the Authority's name and held in safekeeping by a third party. Fair values of pledged securities are monitored on a monthly basis to assure that they are in excess of 100% of the carrying values.

The Entity categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. As of August 31, 2019, the District held the following fair value measurements:

SABINE RIVER AUTHORITY OF TEXAS
NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 3 - DETAILED NOTES ON ALL FUNDS - CONTINUED

	OPERATIONS		GULF COAST	
	2019	2018	2019	2018
Cash and Cash Equivalents:				
Cash - Deposits	\$ 33 655 028	\$ 12 165 911	\$ 16 880 924	\$ (1 445 113)
TOTAL CASH AND CASH EQUIVALENTS	<u>33 655 028</u>	<u>12 165 911</u>	<u>16 880 924</u>	<u>(1 445 113)</u>
Investments:				
Certificates of deposit	<u>44 825 760</u>	<u>7 222 193</u>	<u>-</u>	<u>-</u>
TOTAL INVESTMENTS	<u>44 825 760</u>	<u>7 222 193</u>	<u>-</u>	<u>-</u>
Restricted Cash:				
Cash deposits	<u>-</u>	<u>-</u>	<u>600 213</u>	<u>396 567</u>
TOTAL RESTRICTED CASH	<u>-</u>	<u>-</u>	<u>600 213</u>	<u>396 567</u>
Restricted Investments:				
Investment pools	13 794	22 405	-	-
Debt securities	28 597 663	60 659 685	-	-
Certificates of deposit	<u>4 107 110</u>	<u>37 822 453</u>	<u>-</u>	<u>1 650 000</u>
TOTAL RESTRICTED INVESTMENTS	<u>32 718 567</u>	<u>98 504 543</u>	<u>-</u>	<u>1 650 000</u>
TOTAL CASH AND CASH EQUIVALENTS AND INVESTMENTS	<u>\$ 111 199 355</u>	<u>\$ 117 892 647</u>	<u>\$ 17 481 137</u>	<u>\$ 601 454</u>

	August 31, 2019	FAIR VALUE MEASUREMENT USING			WEIGHTED AVERAGE (DAYS)	CREDIT RATING
		LEVEL 1	LEVEL 2	LEVEL 3		
Investments Measured at Net Asset Value Per Share:						
TexPool Investment Pool	\$ 13 794	\$ -	\$ -	\$ -	30 days	N/A
Investments by Fair Value Level:						
State and Municipal Bonds	-	3 069 367	-	-	1,102 days	N/A
U.S. Treasury Note	-	13 862 851	-	-	343 days	N/A
Federal Farm Credit Bank Bonds	-	3 000 030	-	-	N/A	AA+
Federal National Mortgage Assoc Bonds	-	2 087 429	-	-	N/A	AA+
Federal Home Loan Bank Bonds	-	6 577 986	-	-	N/A	AA+
TOTAL INVESTMENTS	<u>\$ 13 794</u>	<u>\$ 28 597 663</u>	<u>\$ -</u>	<u>\$ -</u>		

	August 31, 2018	FAIR VALUE MEASUREMENT USING			WEIGHTED AVERAGE (DAYS)	CREDIT RATING
		LEVEL 1	LEVEL 2	LEVEL 3		
Investments Measured at Net Asset Value Per Share:						
TexPool Investment Pool	\$ 22 405	\$ -	\$ -	\$ -	32 days	N/A
Investments by Fair Value Level:						
State and Municipal Bonds	-	2 953 896	-	-	1,162 days	N/A
U.S. Treasury Note	-	42 434 641	-	-	508 days	N/A
Federal Farm Credit Bank Bonds	-	2 888 070	-	-	N/A	AA+
Federal National Mortgage Assoc Bonds	-	4 152 496	-	-	N/A	AA+
Federal Home Loan Bank Bonds	-	8 230 582	-	-	N/A	AA+
TOTAL INVESTMENTS	<u>\$ 22 405</u>	<u>\$ 60 659 685</u>	<u>\$ -</u>	<u>\$ -</u>		

Capital Assets:

Capital asset activity for the Operations Fund for the year ended August 31, 2019 was as follows:

	BALANCE 08/31/2018	INCREASES	DECREASES	BALANCE 08/31/2019
Capital Assets Not Being Depreciated:				
Land	\$ 55 015 507	\$ -	\$ -	\$ 55 015 507
Construction in progress	2 960 720	2 093 095	-	5 053 815
TOTAL CAPITAL ASSETS NOT BEING DEPRECIATED	<u>57 976 227</u>	<u>2 093 095</u>	<u>-</u>	<u>60 069 322</u>
Capital Assets Being Depreciated:				
Dams and electric plant	138 980 662	16 002	-	138 996 664
Water and pumping plant	26 641 081	-	-	26 641 081
Buildings	8 406 536	625 821	-	9 032 357
Equipment	7 000 370	571 657	-	7 572 027
TOTAL CAPITAL ASSETS BEING DEPRECIATED	<u>181 028 649</u>	<u>1 213 480</u>	<u>-</u>	<u>182 242 129</u>
Accumulated depreciation	<u>(86 395 621)</u>	<u>(2 960 480)</u>	<u>-</u>	<u>(89 356 101)</u>
TOTAL CAPITAL ASSETS BEING DEPRECIATED, NET	<u>94 633 028</u>	<u>(1 747 000)</u>	<u>-</u>	<u>92 886 028</u>
TOTAL CAPITAL ASSETS	<u>\$ 152 609 255</u>	<u>\$ 346 095</u>	<u>\$ -</u>	<u>\$ 152 955 350</u>

SABINE RIVER AUTHORITY OF TEXAS
NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 3 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Capital asset activity for the Operations Fund for the year ended August 31, 2018 was as follows:

	BALANCE 08/31/2017	INCREASES	DECREASES	BALANCE 08/31/2018
Capital Assets Not Being Depreciated:				
Land	\$ 55 015 507	\$ -	\$ -	\$ 55 015 507
Construction in progress	2 538 238	422 482	-	2 960 720
TOTAL CAPITAL ASSETS NOT BEING DEPRECIATED	57 553 745	422 482	-	57 976 227
Capital Assets Being Depreciated:				
Dams and electric plant	138 980 662	-	-	138 980 662
Water and pumping plant	26 641 081	-	-	26 641 081
Buildings	8 109 307	297 229	-	8 406 536
Equipment	6 592 955	615 608	(208 193)	7 000 370
TOTAL CAPITAL ASSETS BEING DEPRECIATED	180 324 004	912 837	(208 193)	181 028 649
Accumulated depreciation	(83 004 114)	(3 596 252)	204 745	(86 395 621)
TOTAL CAPITAL ASSETS BEING DEPRECIATED, NET	97 319 890	(2 683 415)	(3 448)	94 633 028
TOTAL CAPITAL ASSETS	\$ 154 873 635	\$ (2 260 933)	\$ (3 448)	\$ 152 609 255

Capital asset activity for the Gulf Coast Fund for the year ended August 31, 2019 was as follows:

	BALANCE 08/31/2018	INCREASES	DECREASES	BALANCE 08/31/2019
Capital Assets, Not Being Depreciated:				
Land	\$ 9 031	\$ -	\$ -	\$ 9 031
Construction in progress	4 701 277	14 892 992	(48 350)	19 545 919
TOTAL CAPITAL ASSETS NOT BEING DEPRECIATED	4 710 308	14 892 992	(48 350)	19 554 950
Capital Assets, Being Depreciated:				
Water and pumping plant	3 599 898	235 488	-	3 835 386
Buildings	1 008 107	34 786	(976)	1 041 917
Equipment	1 629 141	451 661	(66 391)	2 014 411
TOTAL CAPITAL ASSETS BEING DEPRECIATED	6 237 146	721 935	(67 367)	6 891 714
Accumulated Depreciation	(3 731 075)	(137 170)	69 439	(3 798 805)
TOTAL CAPITAL ASSETS BEING DEPRECIATED, NET	2 506 071	584 765	2 072	3 092 909
TOTAL CAPITAL ASSETS	\$ 7 216 379	\$ 15 477 757	\$ (46 278)	\$ 22 647 859

Capital asset activity for the Gulf Coast Fund for the year ended August 31, 2018 was as follows:

	BALANCE 08/31/2017	INCREASES	DECREASES	BALANCE 08/31/2018
Capital Assets, Not Being Depreciated:				
Land	\$ 9 031	\$ -	\$ -	\$ 9 031
Construction in progress	2 030 575	2 670 702	-	4 701 277
TOTAL CAPITAL ASSETS NOT BEING DEPRECIATED	2 039 606	2 670 702	-	4 710 308
Capital Assets, Being Depreciated:				
Water and pumping plant	3 639 280	-	(39 382)	3 599 898
Buildings	1 008 107	-	-	1 008 107
Equipment	1 629 141	-	-	1 629 141
TOTAL CAPITAL ASSETS BEING DEPRECIATED	6 276 528	-	(39 382)	6 237 146
Accumulated Depreciation	(3 690 325)	(56 465)	15 715	(3 731 075)
TOTAL CAPITAL ASSETS BEING DEPRECIATED, NET	2 586 203	(56 465)	(23 667)	2 506 071
TOTAL CAPITAL ASSETS	\$ 4 625 809	\$ 2 614 237	\$ (23 667)	\$ 7 216 379

Interfund Receivables, Payables and Transfers

The composition of interfund balances as of August 31, 2019 are as follows:

RECEIVABLE FUND	PAYABLE FUND	AMOUNT
Operations Fund	Gulf Coast Fund	\$ 7 113 918

Balances resulted from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

SABINE RIVER AUTHORITY OF TEXAS
NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 3 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Self-Insurance:

The Authority has established a medical self-insurance plan. The purpose of this plan is to pay the medical expenses of the Authority's employees and their covered dependents, and to minimize the total cost of medical insurance. Cost incurred to provide this plan was \$2,180,064 and \$2,434,109 for the years ended August 31, 2019 and 2018, respectively. Medical claims exceeding \$2,260,551 and \$2,562,744 for 2019 and 2018, respectively, for the group, or \$60,000 per covered individual, were covered through a commercial insurance carrier. The maximum amount of coverage offered through the commercial insurance carrier is \$2,000,000 for a specific incident or \$2,000,000 in the aggregate. The Authority has not exceeded its insurance coverage in the last three years.

Governmental Accounting Standards Board, Statement No. 10 requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. Management has estimated this liability for claims incurred but not reported to be \$175,000, this is included in the accrued liabilities of the Statement of Net Position. As required by this statement, a reconciliation of claims liabilities is shown below:

Reconciliations of Claims Liabilities			
	<u>2019</u>		<u>2018</u>
Claims on liabilities at September 1	\$ 150 000	\$	125 000
Incurred claims	2 205 064		2 459 109
Payments on claims	<u>(2 180 064)</u>		<u>(2 434 109)</u>
CLAIMS ON LIABILITIES AT AUGUST 31	<u>\$ 175 000</u>	\$	<u>150 000</u>

Employee Benefits:

Pension Plan

The Authority has created the Sabine River Authority of Texas Employee Retirement Plan (Plan) by conforming to the requirements of Section 401(a) of the Internal Revenue Code for the exclusive use and benefit of the permanent employees of the Authority and their beneficiaries. The Plan is a qualified plan subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), Tax Equity and Fiscal Responsibility Act of 1982, Tax Reform Act of 1984, and the Retirement Equity Act of 1984; and a letter of favorable determination has been received from the Internal Revenue Service relating to its qualification. The Plan is authorized by Article 8280-133 of Vernon's Texas Civil Statutes as amended. It is a defined contribution pension plan, whereby the Authority contributes an amount equal to 15% of the employees' compensation which is within the limitations as set out in Section 415(c) of the Internal Revenue Code. Full-time employees, after one year of service, are enrolled in the retirement plan, and the employees are fully vested after seven years. Benefits are based on the amounts accumulated from such contributions.

	<u>ACTIVE MEMBER</u>	<u>RETIREE MEMBER</u>	<u>INACTIVE MEMBER</u>	<u>TOTAL</u>
2019	95	15	21	131
2018	90	21	13	124
2017	94	19	12	125

SABINE RIVER AUTHORITY OF TEXAS
NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 3 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Retirement contribution costs, which are included in Statements of Revenues, Expenses, and Changes in Net Position in Operation and Maintenance Expenses, for the current year and two preceding years are as follows:

	EMPLOYER CONTRIBUTIONS REQUIRED	EMPLOYER CONTRIBUTIONS MADE	PERCENTAGE OF CONTRIBUTIONS MADE
2019	\$ 1 084 890	\$ 1 084 890	100%
2018	\$ 1 030 888	\$ 1 030 888	100%
2017	\$ 1 029 127	\$ 1 029 127	100%

Voluntary employee contributions totaled \$23,239 and \$37,415, and forfeitures of \$-0- and \$-0-, for the years ended August 31, 2019 and 2018, respectively.

Retirement contributions are deposited into each employee's individual account at ICMA-RC (International City/County Management Association-Retirement Corporation). ICMA-RC is a not-for-profit corporation that assists in the establishment and maintenance of retirement plans exclusively for State and Local government employees. Through ICMA-RC, each employee manages and invests the funds in their individual accounts.

The asset allocation breakdown is as follows:

FUND	PERCENTAGE INVESTED	FUND BALANCE
VT PLUS Fund	21.88%	\$ 8 964 840
VT Retirement Inc Advantage	11.01%	4 512 426
VT Vantagepoint 500 Stk Idx	7.67%	3 141 474
VT Vantagepoint Growth	5.98%	2 450 409
VT Vantagepoint Aggressive Ops	5.88%	2 408 325
VT Vantagepoint MP Lng-Trm Gr	3.05%	1 247 836
VT Vantagepoint Milestone 2025	2.99%	1 225 636
VT Vantagepoint MP Gbl Eq Gr	2.90%	1 189 233
VT Western Asset Core Plus Bnd	2.86%	1 169 970
VT Vantagepoint Ovr Eq Idx	2.84%	1 164 308
VT Vantagepoint Brd Mkt Idx	2.67%	1 096 030
VT Vantagepoint Equity Income	2.47%	1 012 200
VT Vantagepoint Core Bnd Idx	2.22%	911 218
VT Vantagepoint Growth & Income	1.78%	729 147
VT Oppenheimer Discovery	1.71%	702 707
VT Vantagepoint Milestone 2020	1.57%	641 824
VT Nuveen Real Est Sec	1.48%	605 650
VT Vantagepoint Mid/Sm Co Idx	1.30%	531 725
VT TR Price Growth Stock	1.18%	484 046
VT AMG TimesSquare Mid Cap Gr	1.16%	475 744
VT Vantagepoint Discovery	1.02%	418 033
VT Contrafund	1.01%	415 060
VT Vantagepoint Milestone 2030	<1%	403 406
VT Vantagepoint Inflation Focused	<1%	328 502
VT Victory Sycamore Est Value	<1%	323 020
VT Vantagepoint Milestone 2040	<1%	321 427
VT Carillion Eagle Mid Cap Gr	<1%	314 790
VT PIMCO High Yield	<1%	287 513
VT Vantagepoint International	<1%	284 988
VT Invesco Diversified Div	<1%	235 108
VT Oppenheimer Main Street	<1%	218 090
Vantage Broker	<1%	211 502
Other Funds w/less than \$200,000 (87 funds)		2 551 188
TOTAL ALL FUNDS		\$ 40 977 453

SABINE RIVER AUTHORITY OF TEXAS
NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 3 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Other Post-Employment Benefits:

Plan Description and Funding Policy

In addition to providing pension benefits, the Authority provides post-employment healthcare benefits, in accordance with federal and state statutes and Board resolution, to employees who attain retirement status. Full time employees hired before January 1, 2003 are eligible to receive retiree health care benefits upon reaching retirement status. Employees hired after January 1, 2003 are not eligible for postemployment health benefits. Employees are eligible for retirement status at age 65 or they may also attain early retirement status prior to age 65 provided that for each year of age prior to age 65, the employee shall have completed one year of service such that the employee's age plus years of service must equal 80. The Plan is a defined benefit plan and the cost for each employee is paid on a "pay-as-you-go" basis. The Authority pays the healthcare costs under its medical self-insurance plan described in Note 3. The Plan's provisions and funding requirements are established and can be amended by the Management of the Authority. The plan is a single employer plan.

Employees Covered by Benefit Terms

At August 31, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	50
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	62
	<u>112</u>

The OPEB plan is only provided to employees hired prior to January 1, 2003.

Total OPEB Liability

The Authority's total OPEB liability of \$35,595,098 was measured as of August 31, 2019, and was determined by an actuarial valuation as of December 31, 2018. Update procedures were used to roll forward the total OPEB liability to August 31, 2019.

During the fiscal year ended August 31, 2018, the Authority implemented Government Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75).

Actuarial Assumptions and Methods

Valuation Date:	December 31, 2018
Methods and Assumptions:	
Actuarial Cost Method	Individual Entry-Age Normal
Discount Rate	2.63% as of August 31, 2019
Inflation	2.50%
Salary Increases	3.50% to 12.00%, including inflation
Demographic Assumptions	Due to the size of the plan, the demographic assumptions are not based on formal experience studies. However, gains and losses are monitored during each valuation and adjustments are made to the retirement and withdrawal assumptions as needed.
Mortality	For healthy retirees, the gender-distinct RP-2000 Combined Healthy Mortality Tables are used with male rates set forward one year and no adjustment for female rates. The rates are projected to 2014 with Scale AA. For healthy retirees, the valuation employs fully generational mortality projections based on 110% of the ultimate rates of Scale MP-2014.
Healthcare Trend Rates	Pre 65 - Initial rate of 7.20% declining to an ultimate rate of 6.00% after 7 years; Ultimate trend rate includes a 1.75% adjustment for the excise tax. Post 65 - Initial rate of 5.50% declining to an ultimate rate of 4.25% after 13 years.
Participation Rates	It was assumed that 100% of eligible retirees would choose to receive retiree health care benefits through the employer.
Other Information:	
Notes	The discount rate changed from 3.69% as of August 31, 2018 to 2.63% as of August 31, 2019. Additionally, the healthcare trend rates were updated to reflect the plans anticipated experience.

SABINE RIVER AUTHORITY OF TEXAS
NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 3 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Discount Rate

For plans that do not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this valuation, the municipal bond rate is 2.63% (based on the daily rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"). The discount rate was 3.69% as of the prior measurement date.

Plan Assets

There are no plan assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

**Schedule of Changes in Total OPEB Liability and Related Ratios
Fiscal Year Ending August 31, 2019**

Total OPEB Liability:	
Service cost	\$ 428 536
Interest on the total OPEB liability	1 021 391
Changes of benefit terms	-
Difference between expected and actual experience of the total OPEB liability	815 050
Changes of assumptions	6 083 853
Benefit payments	(438 847)
NET CHANGE IN TOTAL OPEB LIABILITY	<u>7 909 983</u>
Total OPEB liability - Beginning	27 685 115
TOTAL OPEB LIABILITY - ENDING	<u>\$ 35 595 098</u>
 Covered-employee payroll	 \$ 4 779 760
 Total OPEB liability as a percentage of covered-employee payroll	 744.70%

The table above contains information for the RSI section of the financials. The ending total OPEB liability is as of August 31, 2019.

Changes of assumptions reflect a change in the discount rate from 3.69% as of August 31, 2018 to 2.63% as of August 31, 2019.

The benefit payments during the measurement period were determined as follows:

a. Retiree claims paid by the Authority	\$ 65 262
b. Employer costs for retiree life insurance benefits	17 209
c. Fully insured Medicare Supplement	264 054
d. Administrative fees for retirees	9 896
e. Stop-loss premiums	44 402
f. Implicit subsidy for life insurance coverage	38 024
TOTAL BENEFIT PAYMENTS	<u>\$ 438 847</u>

SABINE RIVER AUTHORITY OF TEXAS
NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 3 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Sensitivity of Total OPEB Liability to the Discount Rate Assumption

Regarding the sensitivity of the total OPEB liability to changes in the discount rate, the following presents the plan's total OPEB liability, calculated using a discount rate of 3.69%, as well as what the plan's total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

1% Decrease 1.63%	Current Discount Rate Assumption 2.63%	1% Increase 3.63%
\$ 42 142 813	\$ 35 595 098	\$ 30 383 715

Sensitivity of Total OPEB Liability to the Health Care Cost Trend Rate Assumption

Regarding the sensitivity of the total OPEB liability to changes in the health care cost trend rates, the following presents the plan's total OPEB liability, calculated using the assumed trend rates as well as what the plan's total OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher:

1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
\$ 30 472 401	\$ 35 595 098	\$ 42 174 129

Recognition of Deferred Outflows and Deferred Inflows of Resources

Differences between expected and actual experience and changes in assumptions are recognized in OPEB expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the OPEB plan (active employees and inactive employees) determined as of the beginning of the measurement period.

At the beginning of the current measurement period, the expected remaining service lives of all active employees in the plan was approximately 480 years. Additionally, the total plan membership (active employees and inactive employees) was 112. As a result, the average of the expected remaining service lives for purposes of recognizing the applicable deferred outflows and inflows of resources established in the current measurement period is 4.2874 years.

Statement of Outflows and Inflows Arising from Current Reporting Period

	RECOGNITION PERIOD (OR AMORTIZATION YEARS)	TOTAL (INFLOW) OR OUTFLOW	RECOGNIZED IN CURRENT OPEB EXPENSE	DEFERRED (INFLOW) OR OUTFLOW IN FUTURE EXPENSE
DUE TO LIABILITIES				
Differences in expected and actual experience	4.2874	\$ 815 050	\$ 190 104	\$ 624 946
Assumption changes	4.2874	6 083 853	1 419 008	4 664 845
TOTAL		\$ 6 898 903	\$ 1 609 112	\$ 5 289 791

SABINE RIVER AUTHORITY OF TEXAS
NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 3 - DETAILED NOTES ON ALL FUNDS - CONTINUED

This table is provided to document sources of the new deferred inflows and outflows resulting from the current reporting year.

**Statement of OPEB Expense under GASB Statement No. 75
Fiscal Year Ended August 31, 2019**

Service cost	\$ 428 536
Interest on the total OPEB liability	1 021 391
Recognition of current year outflow/(inflow) due to liabilities	1 609 112
Amortization of prior year outflow/(inflow) due to liabilities	(265 695)
TOTAL OPEB EXPENSE	\$ 2 793 344

Deferred Outflows and Deferred Inflows Related to OPEB

	DEFERRED OUTFLOWS OF RESOURCES	DEFERRED INFLOWS OF RESOURCES
Difference between expected and actual experience	\$ 624 946	\$ 78 613
Changes in assumptions	4 664 845	705 927
TOTAL	\$ 5 289 791	\$ 784 540

Because the measurement date of the total OPEB liability is equal to the last day of the employer's fiscal year, there is no deferred outflow related to the contribution made at the measurement date.

Deferred Outflows and Deferred Inflows to be Recognized in Future OPEB Expense

YEAR ENDING AUGUST 31,	NET DEFERRED OUTFLOWS/ (INFLOWS)
2020	\$ 1 343 417
2021	1 343 417
2022	1 355 962
2023	462 455
2024	-
Thereafter	-
TOTAL	\$ 4 505 251

Long-Term Liabilities:

Outstanding long-term liabilities as of 2019 consist of the following (in thousands):

	Date of Issue	Date of Maturity	Interest Rates	Original Amount	Out- standing August 31, 2018	Added	Retired	Out- standing August 31, 2019	Current Portion
Operations Fund:									
Series 1964	1964	2034	6.54%	\$ 15 000	\$ 17 872	\$ -	\$ (17 872)	\$ -	\$ -
Compensated absences	-	-	-	\$ -	602	428	(371)	659	237
Gulf Coast Fund:									
Series 2017	2017	2047	1.50-3.01%	\$ 18 825	1 470	14 339	-	15 809	480
Series 2018	2018	2048	1.50-3.01%	\$ 33 310	-	7 563	-	7 563	750
Compensated absences	-	-	-	\$ -	63	57	(46)	74	27
TOTAL					\$ 20 007	\$ 22 387	\$ (18 289)	\$ 24 105	\$ 1 494

SABINE RIVER AUTHORITY OF TEXAS
NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 3 - DETAILED NOTES ON ALL FUNDS - CONTINUED

During 2019, the Authority drew \$14,339,320 of the \$18,825,000 Gulf Coast Fund Series 2017 Bond and \$7,562,588 of the Gulf Coast Series 2018.

Outstanding long-term liabilities as of 2018 consist of the following (in thousands):

	Date of Issue	Date of Maturity	Interest Rates	Original Amount	Out- standing August 31, 2017	Added	Retired	Out- standing August 31, 2018	Current Portion
Operations Fund: Series 1964 Compensated absences	1964	2034	6.54%	\$ 15 000	\$ 18 836	\$ -	\$ 964	\$ 17 872	\$ 210
Gulf Coast Fund: Series 2017 Compensated absences	-	-	-	\$ -	597	139	134	602	243
	2017	2047	1.50-3.01%	\$ 18 825	-	1 470	-	1 470	-
	-	-	-	\$ -	61	17	15	63	25
TOTAL					\$ 19 494	\$ 1 626	\$ 1 113	\$ 20 007	\$ 478

The Texas Water Development Board Series 1964 total amount outstanding at August 31, 2018, of \$17,872,305 includes \$5,610,000 of principal and \$12,262,305 of deferred interest.

During 2018, the Authority drew \$1,470,000 of the \$18,825,000 Gulf Coast Fund Series 2017 Bond.

Future debt service requirements are as follows:

YEAR ENDED AUGUST 31,	OUTSTANDING LONG-TERM DEBT		
	PRINCIPAL	INTEREST	TOTAL
2020	\$ 1 230 000	\$ 1 588 670	\$ 2 818 670
2021	1 255 000	1 563 470	2 818 470
2022	1 280 000	1 536 161	2 816 161
2023	1 310 000	1 506 949	2 816 949
2024	1 340 000	1 475 687	2 815 687
2025 - 2029	7 210 000	6 834 789	14 044 789
2030 - 2034	8 270 000	5 741 754	14 011 754
2035 - 2039	9 610 000	4 362 435	13 972 435
2040 - 2044	11 240 000	2 706 172	13 946 172
2045 - 2049	9 390 000	786 915	10 176 915
TOTAL	\$ 52 135 000	\$ 28 103 002	\$ 80 238 002

The various bond indentures, resolutions and agreements provide for the establishment of separate restricted accounts for debt service. The required accounts have been established on the books of the Authority and are reported as restricted assets in the financial statements

Gulf Coast Fund Bonds:

During 2019, the Authority issued the Sabine River Authority of Texas Gulf Coast Division Water Supply System Revenue Bonds, Taxable Series 2018, for \$33,310,000 to be repaid over 30 years with interest of 2.40 to 3.51%. As of August 31, 2019, the Authority has drawn \$7,562,588 of these bonds.

During 2018, the Authority issued the Sabine River Authority of Texas Gulf Coast Division Water Supply System Revenue Bonds, Taxable Series 2017, for \$18,825,000 to be repaid over 30 years with interest of 1.5 to 3.01%. As of August 31, 2018 and 2019, the Authority has drawn \$1,470,000 and \$14,333,320 of these bonds in each period respectively.

SABINE RIVER AUTHORITY OF TEXAS
NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 3 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Commitments and Contingencies:

TWDB Loan:

During 2018, the Authority was notified by the TWDB that funds loaned during the 1992 Trans-Texas Water Program of \$1,440,000 would be due and payable 2025. The Authority became involved in the Trans-Texas Water Program, which through multiple phases designed to develop a plan to transport water from East to West Texas. The Program involved numerous participants, including the Authority, the TWDB, City of Houston, and several other water authorities being the primary participants. Phase 1 of the plan involved conceptual planning and program formulation by utilizing existing water studies on the region to determine water needs and resources available to meet such demands. Phase 2 of the plan involved a feasibility study for a potential project construction to satisfy regional water needs based on 50 year projections.

The TWDB contributed \$700,000 to fund the \$1.1 million budget for Phase 1, with the Authority funding the remaining \$400,000 portion. The agreements with TWDB cite the \$700,000 will be considered an additional operating cost associated with the TWDB's ownership to be repaid by the Authority to TWDB along with the 1964 bonds. The TWDB also contributed \$740,000 to fund the \$2.385 million budget for Phase 2, along with a grant of \$1.2 million (not requiring repayment). The Authority was tasked by TWDB to secure matching funds for the \$740,000 from City of Houston, Brazos River Authority, and Lower Neches River Authority. These funds, according to the agreement with TWDB, along with local agreements separately signed with City of Houston, Brazos River Authority, and Lower Neches River Authority, would provide the Authority with the funds necessary to repay TWDB should the Trans-Texas Water Program not result in a project to be constructed via funding from a bond issuance of at least \$30 million within 30 years from the agreement. Funding from each party per the agreements is as follows: City of Houston - \$576,680, Brazos River Authority - \$84,700, and Lower Neches River Authority - \$78,620 (Total \$740,000).

The Authority contends that the TWDB loan of \$1,440,000 was forgiven when the bonds were not issued and the project was converted into a project to update the regional water plan, and that is more likely than not that the loan will not be repaid. Therefore, no liability has been recorded at this time pending further investigation by both parties.

Construction:

The Authority has various ongoing construction contracts for several projects as of August 31, 2019.

SABINE RIVER AUTHORITY OF TEXAS
NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 3 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Pollution Control Bonds:

In conformity with the State of Texas Auditors' Report dated October 6, 1986, Pollution Control Bonds have been removed from the Statement of Net Position and are disclosed instead in the Notes to Financial Statements. The Attorney General has ruled that the Authority is not liable for any of the following bonds:

	Date of Issue	Date of Maturity	Interest Rate	Amount Authorized And Issued	Cumulative Amount Retired	Balance August 31, 2019
Texas Utilities Electric Company:						
Series 2000A - Construction of solid waste disposal facility at the Martin Lake Station in Rusk County.	2000	2021	6.45%	\$ 51 000 000	\$ -	\$ 51 000 000
Series 2001A - Construction and improvement of a solid waste disposal facility and air and water pollution control at the Martin Lake and Monticello Stations in Rusk and Titus Counties, Texas.	2001	2022	5.50%	91 460 000	-	91 460 000
Series 2001B - Construction and improvement of a solid waste disposal facility and air and water pollution control at the Martin Lake and Monticello Stations in Rusk and Titus Counties, Texas.	2001	2030	5.55%	106 900 000	-	106 900 000
Series 2001C - Construction and improvement of a solid waste disposal facility and air and water pollution control at the Martin Lake and Monticello Stations in Rusk and Titus Counties, Texas.	2001	2028	5.20%	70 000 000	-	70 000 000
Series 2003A - Construction and improvement of a solid waste disposal facility and air and water pollution control at the Martin Lake and Monticello Stations in Rusk and Titus Counties, Texas.	2003	2022	5.80%	12 390 000	-	12 390 000
Series 2003B - Construction and improvement of a solid waste disposal facility and air and water pollution control at the Martin Lake and Monticello Stations in Rusk and Titus Counties, Texas.	2003	2036	Flexible	44 615 000	-	44 615 000
American Electric Power:						
Series 2006 - Construction and improvements of air and water pollution control including solid waste disposal facilities at the generating plant in Harrison County, Texas.	2006	2018	Variable	81 700 000	-	81 700 000
TOTAL				\$ 458 065 000	\$ -	\$ 458 065 000

Concentrations:

During the years ended August 31, 2019 and 2018, respectively, approximate 45.9% and 54.3% of water sales were to Dallas Water Utilities. The agreement for water sales for Lake Tawakoni is in perpetuity while the Lake Fork agreement remained in effect until 2015. On October 19, 2017, settlement documents were executed for the Lake Fork contract with a renewal period of 40 years.

SABINE RIVER AUTHORITY OF TEXAS
NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 3 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Joint Operations:

The Authority has a 50% interest in the Toledo Bend Project Joint Operation (TBPJO). The TBPJO is a joint operation between the Sabine River Authority of Texas and Sabine River Authority, State of Louisiana, and was established by joint resolution of the Texas and Louisiana Sabine River Authority in 1955. TBPJO was formed for the purpose of constructing the dam, reservoir, structures, and hydroelectric generating station at Toledo Bend Reservoir. The operation is administered by an Operating Board composed of three members appointed by the Texas Authority and three members appointed by the Louisiana Authority. Sabine River Authority of Texas is responsible for administration of the reservoir and the Texas shoreline. Sabine River Authority, State of Louisiana is responsible for engineering aspects and the Louisiana shoreline.

The Authority's investment in the net assets of the TBPJO is reflected on the Authority's financial statements as capital assets and investments. Capital contributions are made by the Authority to TBPJO to cover operating costs; the contributions are reflected on the Authority's financial statements as operating expenses.

The audited financial statements of TBPJO are on file at the administrative offices of Sabine River Authority of Texas.

Prior Period Adjustments:

During 2019, the Authority determined that fees for bond issue had been withdrawn from the available Gulf Coast bond issue in the previous period. The change in the debt payable resulted in a prior period adjustment of \$187,820.

During 2018, the Authority was required by Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits other than Pensions (GASB 75)* to change the method of accounting for and estimating the liabilities associated with the post-employment benefit. The change resulted in a prior period adjustment of \$16,199,656.

REQUIRED SUPPLEMENTARY INFORMATION

SABINE RIVER AUTHORITY OF TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
Last Ten Years Ending August 31, *

	2019	2018
Total OPEB Liability:		
Service cost	\$ 428 536	\$ 490 866
Interest on the total OPEB liability	1 021 391	959 109
Changes of benefit terms	-	-
Difference between expected and actual experience of the total OPEB liability	815 050	(131 861)
Changes of assumptions	6 083 853	(1 184 069)
Benefit payments	(438 847)	(495 263)
NET CHANGE IN TOTAL OPEB LIABILITY	7 909 983	(361 218)
Total OPEB liability - Beginning	27 685 115	28 046 333
TOTAL OPEB LIABILITY - ENDING	\$ 35 595 098	\$ 27 685 115
OPEB Fiduciary Net Position (Plan Assets)	\$ -	\$ -
Covered-employee payroll	\$ 4 779 760	\$ 4 781 634
Total OPEB liability as a percentage of covered-employee payroll	744.70%	578.99%
OPEB Fiduciary Net Position as a percentage of total OPEB liability	0.00%	0.00%

Changes of assumptions reflect a change in the discount rate from 3.69% as of August 31, 2018 to 2.63% as of August 31, 2019.

The benefit payments during the measurement period were determined as follows:

	2019	2018
a. Retiree claims paid by the Authority	\$ 65 262	\$ 132 088
b. Employer costs for retiree life insurance benefits	17 209	16 379
c. Fully insured Medicare Supplement	264 054	269 995
d. Administrative fees for retirees	9 896	10 933
e. Stop-loss premiums	44 402	34 089
f. Stop-loss reimbursements	-	(4 188)
g. Implicit subsidy for life insurance coverage	38 024	35 967
TOTAL BENEFIT PAYMENTS	\$ 438 847	\$ 495 263

* This schedule illustrates the requirement to show information for 10 years. However, until a full 10 year trend is compiled, this schedule provides information only for those years for which information is available.

See independent auditors' report.

SUPPLEMENTARY INFORMATION

SABINE RIVER AUTHORITY OF TEXAS
SCHEDULE OF INSURANCE IN FORCE
August 31, 2019
(Unaudited)

Name of Company	Policy Number	Policy Period	Details of Coverage	Liability Limits	Annual Premium
Texas Water Conservation Association Risk Management Fund	022	07/01/19 - 07/01/20	General Liability	\$ 1 000 000	\$ 27 627
Texas Water Conservation Association Risk Management Fund	022	07/01/19 - 07/01/20	Automobile Liability	1 000 000	32 152
Texas Water Conservation Association Risk Management Fund	022	07/01/19 - 07/01/20	Auto Physical Damage	Scheduled	32 103
Texas Water Conservation Association Risk Management Fund	022	07/01/19 - 07/01/20	Property	10 814 341	59 749
Texas Water Conservation Association Risk Management Fund	022	07/01/19 - 07/01/20	Errors and Omissions	1 000 000	25 773
Texas Water Conservation Association Risk Management Fund	022	07/01/19 - 07/01/20	Excess Liability	9 000 000	13 695
Zurich American Insurance Company	GTU6548008	07/01/19 - 07/01/20	Travel Accident	500 000	1 000
Travelers Casualty & Surety Co.	105648039	07/01/19 - 07/01/20	Blanket Public Official Bond	1 000	100
Travelers Lloyd's Insurance Company	QT660272D7866	07/01/19 - 07/01/20	Lake Ford dam, watercraft radio tower, and base station, and Kilgore/ Henderson Weir	Scheduled	197 208
Deep East Texas Workers' Compensation Insurance Fund	76-134	07/01/97- (Until cancelled)	Worker's compensation	500 000	36 511
					<u>\$ 425 918</u>

See independent auditors' report.

STATISTICAL SECTION

SABINE RIVER AUTHORITY OF TEXAS
STATISTICAL SECTION
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SABINE RIVER AUTHORITY OF TEXAS
NET POSITION BY COMPONENT
Last Ten Fiscal Years

EXHIBIT 1

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Primary										
Government:										
Net investment in capital assets	\$ 152 231 301	\$ 140 483 329	\$ 140 661 825	\$ 140 384 719	\$ 141 541 440	\$ 143 052 238	\$ 143 540 306	\$ 143 503 128	\$ 144 580 865	\$ 121 968 213
Restricted	600 213	396 597	801 921	800 203	800 079	800 017	825 016	825 016	846 350	847 586
Unrestricted	55 631 732	50 182 713	55 688 560	34 581 131	31 632 384	27 494 552	27 390 431	29 326 965	31 880 623	34 879 808
TOTAL PRIMARY GOVERNMENT NET ASSETS	\$ 208 463 246	\$ 191 062 639	\$ 197 152 306	\$ 175 766 053	\$ 173 973 903	\$ 171 346 807	\$ 171 755 753	\$ 173 655 109	\$ 177 307 838	\$ 157 695 607

SABINE RIVER AUTHORITY OF TEXAS
CHANGES IN NET POSITION
Last Ten Fiscal Years

EXHIBIT 2

FISCAL YEAR	OPERATING REVENUES	OPERATING EXPENSES	OPERATING INCOME/(LOSS)	TOTAL NONOPERATING REVENUES/(EXPENSES)	INCOME/(LOSS) BEFORE CAPITAL CONTRIBUTIONS	EXTRAORDINARY ITEMS/ CAPITAL CONTRIBUTIONS	CHANGE IN NET POSITION
2010	\$ 21 874 597	\$ 20 575 593	\$ 1 299 004	\$ (80 947)	\$ 1 218 057	\$ -	\$ 1 218 057
2011	\$ 18 271 927	\$ 21 802 675	\$ (3 530 748)	\$ (1 328)	\$ (4 859 401)	\$ 24 471 632	\$ 19 612 231
2012	\$ 17 493 956	\$ 20 958 358	\$ (3 464 402)	\$ (188 327)	\$ (3 652 729)	\$ -	\$ (3 652 729)
2013	\$ 19 371 952	\$ 20 864 854	\$ (1 492 902)	\$ (406 454)	\$ (1 899 356)	\$ -	\$ (1 899 356)
2014	\$ 20 500 460	\$ 20 704 342	\$ (203 882)	\$ (205 064)	\$ (408 946)	\$ -	\$ (408 946)
2015	\$ 24 127 984	\$ 21 241 917	\$ 2 886 067	\$ (258 971)	\$ 2 627 096	\$ -	\$ 2 627 096
2016	\$ 25 040 858	\$ 23 522 112	\$ 1 518 746	\$ 273 404	\$ 1 792 150	\$ -	\$ 1 792 150
2017	\$ 31 853 041	\$ 25 130 411	\$ 6 722 630	\$ (145 129)	\$ 6 577 501	\$ -	\$ 6 577 501
2018	\$ 35 436 576	\$ 24 233 055	\$ 11 203 521	\$ (1 093 532)	\$ 10 109 989	\$ -	\$ 10 109 989
2019	\$ 47 296 537	\$ 29 922 833	\$ 17 373 704	\$ 214 723	\$ 17 588 427	\$ -	\$ 17 588 427

SABINE RIVER AUTHORITY OF TEXAS
OPERATING REVENUES BY SOURCE
Last Ten Fiscal Years

EXHIBIT 3

FISCAL YEAR	WATER SALES	POWER SALES	WASTE WATER TREATMENT	PERMITS	WATER QUALITY ACTIVITY	MISCELLANEOUS	BOND ISSUE FEES	RESERVATION FEE	TOTAL
2010	\$ 12 924 928	\$ 6 018 152	\$ 50 411	\$ 810 474	\$ 823 269	\$ 595 661	\$ -	\$ 651 702	\$ 21 874 597
2011	\$ 13 968 823	\$ 557 506	\$ 47 353	\$ 840 931	\$ 844 315	\$ 1 361 197	\$ -	\$ 651 702	\$ 18 271 827
2012	\$ 12 923 569	\$ 1 215 429	\$ 39 934	\$ 867 681	\$ 756 362	\$ 1 039 279	\$ -	\$ 651 702	\$ 17 493 956
2013	\$ 14 593 165	\$ 1 514 146	\$ 46 265	\$ 851 074	\$ 816 696	\$ 898 904	\$ -	\$ 651 702	\$ 19 371 952
2014	\$ 14 493 602	\$ 2 599 284	\$ 70 650	\$ 986 570	\$ 834 104	\$ 864 548	\$ -	\$ 651 702	\$ 20 500 460
2015	\$ 14 484 783	\$ 6 381 340	\$ 67 290	\$ 921 476	\$ 773 787	\$ 847 606	\$ -	\$ 651 702	\$ 24 127 984
2016	\$ 15 209 745	\$ 6 066 553	\$ 54 344	\$ 952 896	\$ 801 770	\$ 1 317 833	\$ -	\$ 637 717	\$ 25 040 858
2017	\$ 26 458 972	\$ 2 455 352	\$ 50 803	\$ 969 781	\$ 862 367	\$ 404 064	\$ -	\$ 651 702	\$ 31 853 041
2018	\$ 27 589 880	\$ 4 538 691	\$ 108 559	\$ 1 103 557	\$ 810 571	\$ 940 573	\$ -	\$ 344 745	\$ 35 436 576
2019	\$ 34 359 806	\$ 10 794 714	\$ 161 469	\$ 899 412	\$ 783 067	\$ 286 242	\$ -	\$ 11 827	\$ 47 296 537

SABINE RIVER AUTHORITY OF TEXAS
OPERATING EXPENSES
Last Ten Fiscal Years

EXHIBIT 4

FISCAL YEAR	OPERATION AND MAINTENANCE	DEPRECIATION	TOTAL OPERATING EXPENSES
2010	\$ 17 626 268	\$ 2 949 325	\$ 20 575 593
2011	\$ 18 084 046	\$ 3 718 629	\$ 21 802 675
2012	\$ 17 363 254	\$ 3 595 104	\$ 20 958 358
2013	\$ 17 284 765	\$ 3 580 089	\$ 20 864 854
2014	\$ 17 036 591	\$ 3 667 751	\$ 20 704 342
2015	\$ 17 527 226	\$ 3 714 691	\$ 21 241 917
2016	\$ 19 982 119	\$ 3 539 993	\$ 23 522 112
2017	\$ 21 557 094	\$ 3 573 317	\$ 25 130 411
2018	\$ 20 580 338	\$ 3 652 717	\$ 24 233 055
2019	\$ 26 246 645	\$ 3 676 188	\$ 29 922 833

SABINE RIVER AUTHORITY OF TEXAS
NONOPERATING REVENUES AND EXPENSES
Last Ten Fiscal Years

EXHIBIT 5

FISCAL YEAR	GAIN/LOSS ON DISPOSAL OF CAPITAL ASSETS	GRANT PROGRAM	GRANT REVENUES	INVESTMENT INCOME	INSURANCE PROCEEDS	INTEREST EXPENSE	BAD DEBT EXPENSE	TOTAL NONOPERATING REVENUES (EXPENSES)
2010	\$ (12 257)	\$ (149 100)	-	\$ 555 499	\$ -	\$ (475 089)	-	\$ (80 947)
2011	\$ (967 005)	\$ (169 533)	-	\$ 482 909	\$ -	\$ (458 152)	(216 872)	\$ (1 328 653)
2012	\$ (6 832)	\$ (120 000)	-	\$ 380 266	\$ -	\$ (441 761)	-	\$ (188 327)
2013	\$ 76	\$ (100 000)	-	\$ 134 120	\$ -	\$ (432 948)	(7 702)	\$ (406 454)
2014	\$ (663)	\$ (77 995)	-	\$ 297 059	\$ -	\$ (423 465)	59 292	\$ (145 772)
2015	\$ -	\$ (81 000)	-	\$ 235 684	\$ -	\$ (413 655)	-	\$ (258 971)
2016	\$ 97 773	\$ (293 000)	-	\$ 390 437	\$ 481 385	\$ (403 191)	-	\$ 273 404
2017	\$ 58 675	\$ (157 500)	4 331	\$ 271 357	\$ 69 754	\$ (391 746)	-	\$ (145 129)
2018	\$ 6 462	\$ (536 000)	-	\$ 198 125	\$ -	\$ (762 119)	-	\$ (1 093 532)
2019	\$ 86 101	\$ (419 578)	-	\$ 2 179 833	\$ -	\$ (1 631 633)	-	\$ 214 723

EXHIBIT 6

Notes: Water supplied is presented in million gallons daily (MGD).

EXHIBIT 7

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SABINE RIVER AUTHORITY OF TEXAS
FIVE LARGEST CUSTOMERS
Current Year and Nine Years Ago
(Unaudited)

EXHIBIT 8

CUSTOMER	FISCAL YEAR 2019 WATER REVENUE				FISCAL YEAR 2018 WATER REVENUE		
	AMOUNT	PERCENTAGE	RANK		AMOUNT	PERCENTAGE	RANK
Dallas Water Utilities	\$ 15 787 689	45.95%	1	\$	14 814 567	53.70%	1
Rockcliff Entergy Mgmt	2 739 459	7.97%	2		-	-	-
International Paper	2 300 785	6.70%	3		1 827 346	6.62%	2
North Texas Municipal Water District	1 651 997	4.81%	4		1 615 603	5.86%	3
Performance Materials	1 578 731	4.59%	5		-	-	-
Dupont	-	-	-		1 277 122	4.63%	4
City of Greenville	-	-	-		1 043 790	3.78%	5
SUBTOTAL (5 LARGEST)	24 058 661	70.02%			20 578 428	74.59%	
Balance from other customers	10 301 145	29.98%			7 011 452	25.41%	
GRAND TOTALS	\$ 34 359 806	100.00%		\$	27 589 880	100.00%	

CUSTOMER	FISCAL YEAR 2017 WATER REVENUE				FISCAL YEAR 2016 WATER REVENUE		
	AMOUNT	PERCENTAGE	RANK		AMOUNT	PERCENTAGE	RANK
Dallas Water Utilities	\$ 16 785 823	63.43%	1	\$	6 785 290	44.61%	1
North Texas Municipal Water District	2 216 177	8.37%	2		1 510 928	9.93%	2
International Paper	1 312 527	4.96%	3		1 190 810	7.83%	3
City of Greenville	1 003 214	3.79%	5		973 831	6.40%	4
Dupont	1 031 727	3.90%	4		-	- %	-
E. I. Dupont DeNemours	-	- %	-		945 720	6.22%	5
SUBTOTAL (5 LARGEST)	22 349 468	84.45%			11 406 579	75.00%	
Balance from other customers	4 113 835	15.55%			3 803 166	25.00%	
GRAND TOTALS	\$ 26 463 303	100.00%		\$	15 209 745	100.00%	

CUSTOMER	FISCAL YEAR 2015 WATER REVENUE				FISCAL YEAR 2014 WATER REVENUE		
	AMOUNT	PERCENTAGE	RANK		AMOUNT	PERCENTAGE	RANK
Dallas Water Utilities	\$ 6 246 262	43.12%	1	\$	6 580 627	45.40%	1
North Texas Municipal Water District	1 454 722	10.04%	2		1 213 049	8.37%	2
International Paper	-	-	-		-	-	-
Inland Orange, Inc.	1 047 938	7.23%	3		1 028 505	7.10%	3
City of Greenville	952 843	6.58%	5		905 931	6.25%	4
E. I. Dupont DeNemours	954 695	6.59%	4		954 695	6.59%	5
SUBTOTAL (5 LARGEST)	10 656 460	73.57%			10 621 023	73.28%	
Balance from other customers	3 828 323	26.43%			3 872 579	26.72%	
GRAND TOTALS	\$ 14 484 783	100.00%		\$	14 493 602	100.00%	

SABINE RIVER AUTHORITY OF TEXAS
FIVE LARGEST CUSTOMERS - CONTINUED
Current Year and Nine Years Ago
(Unaudited)

EXHIBIT 8

CUSTOMER	FISCAL YEAR 2013 WATER REVENUE			FISCAL YEAR 2012 WATER REVENUE		
	AMOUNT	PERCENTAGE	RANK	AMOUNT	PERCENTAGE	RANK
Dallas Water Utilities	\$ 6 825 000	46.77%	1	\$ 5 587 070	43.23%	1
North Texas Municipal Water District	1 491 168	10.22%	2	1 056 393	8.17%	2
Inland Orange, Inc.	915 493	6.27%	3	836 081	6.47%	5
City of Greenville	863 995	5.92%	4	839 509	6.50%	4
E. I. Dupont DeNemours	848 957	5.82%	5	868 305	6.72%	3
SUBTOTAL (5 LARGEST)	10 944 613	75.00%		9 187 358	71.09%	
Balance from other customers	3 648 552	25.00%		3 736 211	28.91%	
GRAND TOTALS	\$ 14 593 165	100.00%		\$ 12 923 569	100.00%	

CUSTOMER	FISCAL YEAR 2011 WATER REVENUE			FISCAL YEAR 2010 WATER REVENUE		
	AMOUNT	PERCENTAGE	RANK	AMOUNT	PERCENTAGE	RANK
Dallas Water Utilities	\$ 5 552 885	39.75%	1	\$ 5 480 438	42.40%	1
North Texas Municipal Water District	1 186 871	5.26%	2	961 961	7.44%	2
City of Longview	-	-	-	651 703	5.04%	5
Inland Orange, Inc.	904 842	6.01%	3	871 879	6.75%	3
E. I. Dupont DeNemours	734 422	5.26%	5	-	- %	-
City of Greenville	839 509	8.50%	4	863 843	6.68%	4
SUBTOTAL (5 LARGEST)	9 218 529	65.99%		8 829 824	68.32%	
Balance from other customers	4 750 394	34.01%		4 095 104	31.68%	
GRAND TOTALS	\$ 13 968 923	100.00%		\$ 12 924 928	100.00%	

SABINE RIVER AUTHORITY OF TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(Unaudited)

EXHIBIT 9

FISCAL YEAR	REVENUE BONDS	TEXAS WATER DEVELOPMENT BOARD LOAN	TOTAL AMOUNT	PERSONAL INCOME ^b	PERCENTAGE OF OUTSTANDING DEBT TO PERSONAL INCOME	POPULATION ^a	TOTAL DEBT PER CAPITA
2010	\$ 164 000	\$ 25 260 105	\$ 25 424 105	\$ 24 244 457 000	-	564 591	45
2011	-	\$ 24 397 085	\$ 24 397 085	\$ 26 041 053 000	-	571 948	43
2012	-	\$ 23 493 545	\$ 23 493 545	\$ 27 674 087 000	-	574 750	41
2013	-	\$ 22 580 005	\$ 22 580 005	\$ 24 500 368 000	-	577 383	39
2014	-	\$ 21 661 465	\$ 21 661 465	\$ 25 237 703 000	-	583 619	37
2015	-	\$ 20 732 925	\$ 20 732 925	\$ 25 728 303 000	-	590 740	35
2016	-	\$ 19 789 385	\$ 19 789 385	\$ 25 925 334 000	-	597 978	33
2017	-	\$ 18 835 846	\$ 18 835 846	\$ 26 852 960 000	-	603 934	31
2018	\$ 1 470 000	\$ 17 872 305	\$ 17 872 305	\$ 28 330 504 500	-	615 173	29
2019	\$ 23 371 908	-	\$ 23 371 908	\$ N/A	N/A	N/A	N/A

Sources:

- ^a U. S. Census Bureau through the Labor Market & Career Information Department (LMCI) of the Texas Workforce Commission website: <http://www.tracer2.com>
- ^b Bureau of Economic Analysis through the LMCI website: <http://www.tracer2.com>

SABINE RIVER AUTHORITY OF TEXAS
PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years
(Unaudited)

EXHIBIT 10

FISCAL YEAR	OPERATING REVENUES	LESS: OPERATING EXPENSES		NET AVAILABLE FUNDS	DEBT SERVICE		COVERAGE RATIO
		(DEPRECIATION)	PRINCIPAL		INTEREST	TOTAL	
2010	\$ 21 874 597	\$ 17 626 268	\$ 4 248 329	\$ 372 000	\$ 1 245 040	\$ 1 617 040	2.63
2011	\$ 18 271 927	\$ 18 084 046	\$ 187 881	\$ 1 027 021	\$ 458 152	\$ 1 485 173	0.13
2012	\$ 17 493 956	\$ 17 363 254	\$ 130 702	\$ 903 540	\$ 441 777	\$ 1 345 317	0.10
2013	\$ 19 371 952	\$ 17 284 765	\$ 2 087 187	\$ 913 540	\$ 432 948	\$ 1 346 488	1.55
2014	\$ 20 500 460	\$ 17 036 591	\$ 3 463 869	\$ 918 540	\$ 423 465	\$ 1 342 005	2.58
2015	\$ 24 127 984	\$ 17 527 226	\$ 6 600 758	\$ 928 540	\$ 413 655	\$ 1 342 195	4.92
2016	\$ 25 040 858	\$ 19 982 119	\$ 5 058 739	\$ 943 540	\$ 403 191	\$ 1 346 731	3.76
2017	\$ 31 853 041	\$ 21 557 094	\$ 10 295 947	\$ 953 540	\$ 391 746	\$ 1 345 286	7.65
2018	\$ 35 436 576	\$ 20 580 338	\$ 14 856 238	\$ 963 540	\$ 379 647	\$ 1 343 187	11.06
* 2019	\$ 6 259 714	\$ 2 485 501	\$ 3 774 213	\$ -	\$ 1 417 611	\$ 1 417 611	2.66

* Beginning in 2019, pledged revenue coverage only relates to the Gulf Coast revenues for the TWDB SWIFT bonds upon payoff of the Toledo Bend TWDB loan by Operations.

SABINE RIVER AUTHORITY OF TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years
(Unaudited)

EXHIBIT 11

CALENDAR YEAR	POPULATION ^a	PERSONAL INCOME ^b (thousands of dollars)	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE		LABOR FORCE ^c	TOTAL HOUSING UNITS ^e
				BASIN ^c	STATE ^d		
2010	564 591	\$ 24 244 457	\$ 42 942	8.5%	8.2%	281 524	244 163
2011	571 948	\$ 26 041 053	\$ 45 530	8.2%	7.9%	286 940	246 284
2012	574 750	\$ 27 674 087	\$ 48 150	7.1%	6.8%	289 735	246 749
2013	577 383	\$ 24 500 368	\$ 42 433	6.8%	6.3%	289 712	247 444
2014	583 619	\$ 25 237 703	\$ 43 711	5.6%	5.1%	276 381	250 497
2015	590 740	\$ 25 728 303	\$ 44 560	5.0%	4.5%	272 245	252 606
2016	597 978	\$ 25 925 334	\$ 44 901	5.3%	4.6%	272 735	254 942
2017	603 934	\$ 26 852 960	\$ 46 508	4.8%	4.3%	276 620	258 906
2018	615 173	\$ 28 330 504	\$ 49 067	4.2%	3.9%	281 273	261 980
2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A

N/A = not available.

Note: Statistics for counties partially in the Sabine Basin have been adjusted to better reflect the geographic portion of the county within the basin.

Sources:

- ^a U. S. Census Bureau through the Labor Market & Career Information Department (LMCI) of the Texas Workforce Commission website: <http://www.tracer2.com>
- ^b Bureau of Economic Analysis through the LMCI website: <http://www.tracer2.com>
- ^c Local Area Unemployment Statistics through the LMCI website: <http://www.tracer2.com>
- ^d State unemployment rate obtained from the U. S. Department of Labor Bureau of Labor Statistics, www.bls.gov
- ^e U. S. Census Bureau website: <http://www.census.gov/housing>

SABINE RIVER AUTHORITY OF TEXAS
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago
(Unaudited)

EXHIBIT 12

	2019			2018			2017			2016		
	Employer	City	Employees	Percentage of Total	Employees	Percentage of Total	Employees	Percentage of Total	Employees	Percentage of Total	Employees	Percentage of Total
	L-3 Communications Integrated Systems	Greenville	N/A	N/A	6 500	2.39%	6 500	2.35%	6 500	2.35%	6 500	2.35%
	Good Shepard Medical Center	Longview	N/A	N/A	2 630	0.97%	2 630	0.91%	2 529	0.91%	2 529	0.93%
	Eastman Chemicals	Longview	N/A	N/A	1 502	0.55%	1 502	0.55%	1 463	0.53%	1 463	0.54%
	Trinity Rail	Longview	N/A	N/A	1 553	0.37%	1 553	0.37%	972	0.36%	972	0.36%
	Tyson Foods	Center	N/A	N/A	1 400	0.51%	1 400	0.51%	1 600	0.58%	1 600	0.59%
	Longview ISD	Longview	N/A	N/A	1 348	0.50%	1 348	0.47%	1 288	0.47%	1 288	0.47%
	Texas Utilities/Luminant	Henderson	N/A	N/A	896	0.33%	896	0.09%	290	0.09%	896	0.33%
	DuPont Sabine River Works	Orange	N/A	N/A	900	0.33%	900	0.33%	900	0.33%	900	0.33%
	Greenville ISD	Greenville	N/A	N/A	1 120	0.41%	1 255	0.45%	1 255	0.45%	1 255	0.46%
	Mundy Industrial Contractors	Orange	N/A	N/A	77	0.03%	111	0.04%	67	0.02%	67	0.02%
	Invista Petrochemical	Orange	N/A	N/A	100	0.04%	100	0.04%	100	0.04%	100	0.04%
	Inland Paperboard/International Paper	Orange	N/A	N/A	450	0.17%	450	0.16%	450	0.17%	450	0.17%
	TOTAL		N/A	N/A	17 418	6.79%	17 418	6.30%	18 020	6.62%	18 020	6.62%
	2015			2014			2013			2012		
	Employer	City	Employees	Percentage of Total	Employees	Percentage of Total	Employees	Percentage of Total	Employees	Percentage of Total	Employees	Percentage of Total
	L-3 Communications Integrated Systems	Greenville	6 500	2.39%	5 700	2.06%	5 700	1.97%	5 700	1.97%	5 700	1.97%
	Good Shepard Medical Center	Longview	2 630	0.97%	3 260	1.18%	2 607	0.90%	3 500	1.21%	3 500	1.21%
	Eastman Chemicals	Longview	1 502	0.55%	1 500	0.54%	1 530	0.53%	1 549	0.53%	1 549	0.53%
	Trinity Rail	Longview	1 553	0.57%	1 856	0.67%	1 875	0.65%	1 160	0.40%	1 160	0.40%
	Tyson Foods	Center	1 400	0.51%	1 400	0.51%	1 400	0.48%	1 000	0.35%	1 000	0.35%
	Longview ISD	Longview	1 348	0.50%	1 170	0.42%	1 352	0.47%	1 312	0.45%	1 312	0.45%
	Texas Utilities/Luminant	Henderson	896	0.33%	896	0.32%	896	0.31%	896	0.31%	896	0.31%
	DuPont Sabine River Works	Orange	900	0.33%	900	0.33%	920	0.32%	866	0.30%	866	0.30%
	Greenville ISD	Greenville	1 120	0.41%	741	0.27%	810	0.28%	810	0.28%	810	0.28%
	Newell Rubbermaid	Greenville	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
	Mundy Industrial Contractors	Orange	77	0.03%	124	0.04%	275	0.09%	275	0.09%	275	0.09%
	Invista Petrochemical	Orange	100	0.04%	500	0.18%	732	0.25%	400	0.14%	400	0.14%
	Inland Paperboard/International Paper	Orange	450	0.17%	425	0.15%	412	0.14%	500	0.17%	500	0.17%
	TOTAL		18 476	6.79%	18 472	6.68%	18 509	6.39%	17 968	6.20%	17 968	6.20%
	2011			2010			2010			2010		
	Employer	City	Employees	Percentage of Total	Employees	Percentage of Total	Employees	Percentage of Total	Employees	Percentage of Total	Employees	Percentage of Total
	L-3 Communications Integrated Systems	Greenville	5 700	1.99%	5 750	2.04%	5 750	2.04%	5 750	2.04%	5 750	2.04%
	Good Shepard Medical Center	Longview	3 000	1.05%	2 743	0.97%	2 743	0.97%	2 743	0.97%	2 743	0.97%
	Eastman Chemicals	Longview	1 477	0.51%	1 410	0.50%	1 410	0.50%	1 410	0.50%	1 410	0.50%
	Trinity Rail	Longview	1 143	0.40%	600	0.21%	600	0.21%	600	0.21%	600	0.21%
	Tyson Foods	Center	1 000	0.35%	1 000	0.36%	1 000	0.36%	1 000	0.36%	1 000	0.36%
	Longview ISD	Longview	1 239	0.43%	1 263	0.45%	1 263	0.45%	1 263	0.45%	1 263	0.45%
	Texas Utilities/Luminant	Henderson	896	0.31%	896	0.32%	896	0.32%	896	0.32%	896	0.32%
	DuPont Sabine River Works	Orange	866	0.30%	866	0.31%	866	0.31%	866	0.31%	866	0.31%
	Greenville ISD	Greenville	810	0.28%	810	0.29%	810	0.29%	810	0.29%	810	0.29%
	Newell Rubbermaid	Greenville	490	0.17%	650	0.23%	650	0.23%	650	0.23%	650	0.23%
	Mundy Industrial Contractors	Orange	275	0.10%	275	0.10%	275	0.10%	275	0.10%	275	0.10%
	Invista Petrochemical	Orange	400	0.14%	200	0.07%	200	0.07%	200	0.07%	200	0.07%
	Inland Paperboard/International Paper	Orange	500	0.17%	500	0.18%	500	0.18%	500	0.18%	500	0.18%
	TOTAL		17 796	6.20%	16 963	6.03%	16 963	6.03%	16 963	6.03%	16 963	6.03%

N/A = not available

Source: Community Profiles and
Websites from Counties and
Communities within the Sabine River
Basin

SABINE RIVER AUTHORITY OF TEXAS
NUMBER OF EMPLOYEES BY IDENTIFIABLE ACTIVITY
Last Ten Fiscal Years
(Unaudited)

EXHIBIT 13

	FULL-TIME-EQUIVALENT EMPLOYEES AS OF AUGUST 31,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Administration:										
Management	20	18	20	20	20	20	20	21	19	20
Administrative Asst/Secretary	15	13	13	14	14	14	14	16	16	15
Accounting	4	3	3	3	3	3	3	3	3	3
GIS	1	1	1	1	1	1	1	1	1	1
Engineer	1	1	1	1	1	1	1	1	2	1
MIS	-	-	-	-	-	1	1	1	1	1
Special Projects	1	1	1	1	1	1	2	2	3	3
Water:										
Environmental Agent/Tech	-	-	-	-	-	-	4	4	3	3
Pumper	3	3	3	3	3	3	3	3	3	3
Equipment Oilier/Operator	20	19	17	16	16	17	19	19	17	20
Mechanic	1	1	1	1	1	1	1	1	1	1
M&O/Field Supervisor	7	8	8	8	8	7	7	7	7	6
Canal Foreman/Crewman	2	1	1	1	1	1	1	1	1	2
Electrician	-	1	1	1	1	1	1	1	1	1
Project Inspector	6	5	6	5	5	6	1	1	2	1
Surveyor/Survey Tech	3	2	2	2	2	2	2	2	6	2
Maintenance Tech	7	3	3	5	5	5	6	6	6	7
Water and Sewer Tech	-	-	-	-	-	1	1	1	3	1
Laboratory:										
Section Leader	1	1	1	1	1	1	1	1	1	1
Laboratory Analyst/Tech	9	8	7	7	7	7	7	7	6	5
Biomonitoring Coordinator	-	-	-	-	-	1	1	1	1	1
Field Coordinator	2	2	2	2	2	2	2	2	2	2
Chemist	-	-	-	-	-	-	-	-	1	1
Quality Assurance Officer	1	2	1	1	1	-	1	1	1	1
Biologist	1	1	1	2	2	2	2	2	2	2
LIMS Administrator	-	1	1	1	1	1	-	-	1	1
Sample Custodian	1	1	1	1	1	1	1	1	1	1
TOTAL EMPLOYEES	106	96	95	97	97	100	103	106	106	106

SABINE RIVER AUTHORITY OF TEXAS
OPERATING AND CAPITAL INDICATORS
(Unaudited)

EXHIBIT 14

Gulf Coast Division Canal System:

Pumping capacity	195 million gallons per day
Canal system length	75 miles
Permitted water rights	147,100 acre-feet per year

Lake Tawakoni (Iron Bridge Dam):

Capacity	927,440 acre-feet
Surface area	36,700 acres
Elevation	437.5 feet mean sea level
Yield	238,100 acre-feet per year

Toledo Bend Reservoir:

Capacity	4,477,000 acre-feet
Surface area	185,000 acres
Elevation	172.0 feet mean sea level
Yield	2,086,600 acre-feet per year*
Hydroelectric capacity	81 megawatt hours

*Half of the yield is allocated to Texas and half is allocated to Louisiana.

Lake Fork Reservoir:

Capacity	675,819 acre-feet
Surface area	27,690 acres
Elevation	403.0 feet mean sea level
Yield	188,660 acre-feet per year

Note: Canal system and reservoir information applicable to all years from 2010 through 2019.

SABINE RIVER AUTHORITY OF TEXAS

Historical Data through
August 31, 2019

SRA QUICK REFERENCE

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WATER SUPPLY SCHEDULE • GULF COAST DIVISION

For the fiscal years ending August 31. Supplied in Million Gallons Daily (MGD)

YEAR	TOTAL	DOW	HONEY- WELL	EN- TERGY	LION ELAS- TOMERS	INT'L PAPER	CHEVRON PHILLIPS	A. SCHUL- MAN INC.	AR- LANEXO, INC.	OPTIMUS STEEL	CITY OF ROSE CITY	NRG INTER- GEN	CRAWFISH & RICE FARMING (IRRIGATION)	MISC. USAGE
1949	43.10	8.60											34.50	
1950	54.47	9.69											44.78	
1951	66.14	10.53											55.61	
1952	48.25	12.61											35.64	
1953	41.06	10.60											30.46	
1954	41.57	0.50	.15										40.92	
1955	40.08	10.30	.30					.05					29.43	
1956	36.30	9.88	1.44		.54			.05					24.39	
1957	35.10	10.20	1.44		1.36			.05					22.10	
1958	35.09	9.48	1.44		1.03								23.14	
1959	43.86	9.28	1.44		1.11			.04					31.99	
1960	35.37	9.94	1.44		1.11			.21					22.67	
1961	43.89	10.34	1.44	.14	1.34			.21					30.42	
1962	38.95	10.39	.72	.27	1.34			.21					26.02	
1963	36.18	11.11	.37	.25	1.24			.21					23.00	
1964	36.23	11.38	.47	.25	1.45			.21					22.47	
1965	34.51	12.37	.52	.25	1.65			.21					19.51	
1966	42.95	13.00	.49	.25	1.77			.21					27.23	
1967	49.68	14.00	.38	.24	1.94	6.07		.21					26.84	
1968	49.03	12.32	.40	.25	2.00	8.85		.21					25.00	
1969	47.94	12.30	.38	.25	2.08	7.60		.21					25.12	
1970	46.62	15.17	.40	.25	1.78	9.33		.21					19.48	
1971	46.61	15.17	.40	.25	1.77	9.33		.21					19.48	
1972	49.27	16.37	.45	.25	1.58	9.80		.21					20.61	
1973	45.91	12.91	.40		2.09	11.78	.90						17.83	
1974	50.63	11.26	.25		1.77	10.64	1.36						25.35	
1975	50.15	11.95	.38		1.70	11.24	1.25						23.63	
1976	49.69	14.14	.34		1.93	8.77	1.15			.04			23.32	
1977	53.42	15.84	.39		1.68	7.44	1.17			.04			26.86	
1978	37.16	15.23	.32	.25	1.53	11.88	1.17	.09		.80			5.89	
1979	36.85	14.98	.37	.25	1.82	11.07	1.35	.10		.97			5.94	
1980	41.37	14.61	.40	3.27	1.60	12.65	1.29	.10		1.01	.01		6.14	
1981	47.76	16.65	.27	6.38	1.68	12.27	1.58	.10		1.58	.06		6.63	
1982	41.57	13.84	.42	4.49	1.33	11.09	1.58	.08		1.51	.08		7.13	
1983	36.86	12.96	.48	4.76	.16	10.31	1.74	.01		1.63	.08		4.68	
1984	40.38	15.17	.53	5.40	.26	11.76	1.63	.01		1.48	.09		4.00	
1985	40.63	16.65	.58	4.29	.27	13.37	1.78	.01		1.24	.08		2.27	
1986	39.19	15.94	.62	3.84	.27	13.12	1.83	.002		1.14	.08		2.31	
1987	45.02	18.62	.79	3.77	.32	14.45	1.80	.002		1.55	.08		3.58	
1988	50.53	19.93	.98	4.33	.30	17.09	1.99	.002		1.54	.08		4.28	
1989	52.23	19.29	.91	4.72	.34	16.34	2.04	.20		1.46	.09		6.81	
1990	50.08	20.85	.68	4.97	.35	15.18	1.78	.23		1.21	.09		4.72	

Continued on the next page

WATER SUPPLY SCHEDULE • GULF COAST DIVISION (Cont.)

For the fiscal years ending August 31. Supplied in Million Gallons Daily (MGD)

YEAR	TOTAL	DOW	HONEY- WELL	EN- TERGY	LION ELAS- TOMERS	INT'L PAPER	CHEVRON PHILLIPS	A. SCHUL- MAN INC.	AR- LANXEO, INC.	OPTIMUS STEEL	CITY OF ROSE CITY	NRG INTER- GEN	CRAWFISH & RICE FARMING (IRRIGATION)	MISC. USAGE
1991	47.49	19.03	.57	4.49	.33	14.81	1.49	.007	1.30	1.40	.08		4.81	
1992	48.10	19.62	.61	4.12	.32	15.35	1.90	.001	1.41	1.20	.08		2.73	
1993	46.73	19.29	.69	4.02	.33	14.91	1.97	.001	1.78	1.15	.08		2.51	
1994	47.57	18.91	.71	4.47	.44	14.14	2.04	.001	1.79	1.52	.08		3.47	
1995	49.23	19.10	.78	5.44	.69	15.41	2.27	.001	1.93	1.64	.12		1.92	
1996	50.43	20.48	.76	4.56	.62	15.71	2.28	.001	2.07	1.65	.11		2.27	
1997	52.27	22.33	.73	4.77	.70	15.82	2.53	.001	2.11	1.20	.07		2.01	
1998	53.26	23.03	.73	4.26	.72	17.44	2.40	.001	2.15	1.23	.07		2.23	
1999	50.97	22.32	.55	4.34	.73	15.57	2.00	.005	2.64	.93	.07		5.82	
2000	50.79	20.29	.64	5.22	.63	16.40	2.00	.005	3.03	.95	.08		1.54	
2001	36.73	9.06	.70	4.31	.60	16.18	1.46	.004	2.89	.86	.08		1.08	.37
2002	40.21	14.61	.61	3.43	.65	13.98	1.88	.007	2.91	.71	.08		1.09	.27
2003	48.26	16.44	.71	3.25	.95	19.39	.97	.010	3.89	.76	.09	1.30	.02	.48
2004	48.03	16.38	1.03	3.65	.84	16.98	.98		3.97	.83	.15	1.98	.09	1.15
2005	41.72	16.03	1.31	2.18	1.04	14.27	.85		3.20	.72	.08	1.90	.009	.13
2006	39.75	13.51	1.25	3.31	1.17	14.39	.78		2.87	.38	.09	1.75	.21	.04
2007	39.64	13.85	.68	2.67	1.15	14.69	.94		2.70	.41	.09	2.33		.13
2008	42.06	13.54	.57	2.64	1.66	15.70	.96		2.94	.58	.07	2.99	.40	.01
2009	37.99	12.10	.70	2.50	1.00	14.90	.70		2.50	.70	.09	2.50	.20	.10
2010	42.74	11.20	.71	2.80	1.16	17.10	.82		3.60	1.00	.07	2.58	1.10	.60
2011	42.96	14.17	.55	2.67	.84	14.89	.86		3.54	.73	.07	2.84	1.12	.68
2012	43.75	15.25	.56	1.15	.56	15.38	.68		3.44	.66	.07	5.06	.94	.00
2013	45.80	14.11	.63	2.46	.64	16.63	.82		3.53	1.10	.07	4.13	1.51	.17
2014	42.11	14.09	.88	2.01	.56	15.55	.84		3.10	.49	.07	3.84	.68	.00
2015	43.93	13.69	.54	2.87	.82	15.52	.90		3.16	.65	.07	4.57	1.14	.00
2016	39.83	11.92	.70	2.97	1.17	14.49	.93		3.00	.75	.07	3.54	.29	.00
2017	40.02	10.60	.57	2.29	.45	15.43	1.03		2.81	.87	.07	5.69	.21	.00
2018	42.27	10.93	.91	1.67	.74	17.35	.97		3.06	.72	.05	5.46	.41	.00
2019	41.17	10.96	.92	1.57	.44	16.95	.97		2.95	.69	.04	5.55	.13	.00

WATER SUPPLY SCHEDULE • TOLEDO BEND DIVISION

For the fiscal years ending August 31. Supplied in Million Gallons Daily (MGD)

YEAR	TOTAL	CITY OF HUXLEY	CITY OF HEMPHILL	G-M WSC	TENASKA OPERATIONS, INC.	MINING CLASSIC, XTO	MISCELLANEOUS WATER USAGE
1972	.02						.02
1973	.03						.03
1974	.04						.04
1975	.06	.02					.04
1976	.11	.05					.06
1977	.35	.06	.19				.10
1978	.37	.09	.20				.08
1979	.34	.08	.19				.07
1980	.48	.09	.27				.12
1981	.54	.11	.34				.09
1982	.62	.12	.42				.08
1983	.59	.13	.38				.08
1984	.72	.15	.56				.11
1985	.84	.16	.57				.11
1986	.95	.15	.70				.10
1987	.99	.15	.72				.12
1988	.96	.16	.70				.10
1989	.92	.17	.66				.09
1990	.97	.18	.69				.10
1991	.98	.20	.70				.09
1992	.98	.23	.67				.08
1993	1.14	.31	.70				.12
1994	1.04	.18	.72				.14
1995	1.04	.17	.72				.15
1996	1.38	.16	1.02				.20
1997	1.25	.17	.96				.13
1998	1.34	.22	.96				.16
1999	1.25	.22	.88				.15
2000	1.36	.24	.96				.16
2001	2.40	.24	.85		1.16		.15
2002	4.21	.25	1.02		2.82		.13
2003	4.41	.24	.83		3.28		.06
2004	4.07	.22	.75		3.04		.06
2005	3.95	.22	.84		2.84		.05
2006	4.62	.22	.79		3.55		.06
2007	3.77	.22	.65		2.84		.06
2008	3.88	.19	.60		3.03		.07
2009	2.70	.18	.59		1.88		.05
2010	3.32	.17	.64		2.46		.05
2011	3.42	.17	.70		2.36	.13	.06
2012	4.56	.16	.59		3.29	.47	.05
2013	4.22	.17	.59		3.14	.28	.04
2014	4.18	.20	.61		2.81	.52	.04
2015	4.46	.19	.40	.18	3.24	.43	.02
2016	4.94	.19	.33	.31	3.46	.56	.09
2017	3.19	.22	.38	.35	2.07	.09	.08
2018	5.28	.19	.38	.36	2.47	1.81	.07
2019	6.45	.20	.35	.34	2.81	2.73	.02

TOLEDO BEND RESERVOIR DATA • For the fiscal years ending August 31

YEAR	MEGAWATT HOURS POWER GENERATED			WATER RELEASES AT DAM (1,000 AC-FT) FOR THRU			LAKE ELEVATION LAST DAY OF YEAR FT. M.S.L.	ANNUAL RAINFALL INCHES
	PRIME	SECONDARY	TOTAL	POWER	SPILLWAY	TOTAL		
1970	51,554	65,614	117,168	1,741.69	242.68	1,984.37	169.9	43.29
1971	14,804	39,158	53,962	780.35	72.64	852.99	168.9	43.22
1972	34,048	128,087	162,135	2,381.49	68.46	2,449.95	168.3	57.63
1973	156,052	183,192	339,244	5,130.22	820.21	5,950.43	170.2	72.13
1974	72,058	280,924	352,982	5,371.21	993.71	6,364.92	168.1	52.66
1975	72,781	366,032	438,813	6,559.87	726.80	7,286.67	169.6	79.44
1976	131,543	47,487	179,030	2,547.69	61.56	2,609.25	168.9	53.87
1977	75,494	118,336	193,830	2,788.76	44.03	2,832.79	168.2	44.74
1978	48,558	37,571	86,129	1,280.88	58.98	1,339.86	168.1	40.72
1979	72,249	286,500	358,749	5,339.78	779.75	6,119.53	169.9	63.79
1980	59,348	183,336	242,684	3,661.29	640.26	4,301.55	168.6	55.37
1981	63,307	10,036	73,343	1,099.35	136.72	1,236.07	168.6	40.90
1982	67,958	-0-	67,958	1,032.06	899.69	1,931.75	168.9	51.34
1983	53,149	228,286	281,435	4,312.85	1,001.45	5,314.30	169.0	75.63
1984	29,873	131,653	161,526	2,463.50	131.84	2,595.34	168.2	53.62
1985	54,561	145,226	199,787	2,904.88	129.84	3,034.72	168.3	46.64
1986	108,129	123,824	231,953	3,365.58	302.14	3,667.72	169.4	52.10
1987	48,548	235,861	284,409	4,229.98	122.64	4,352.62	166.0	61.79
1988	25,045	180,262	205,307	3,045.76	130.73	3,176.49	167.5	48.96
1989	53,044	251,347	304,391	4,637.04	1,778.49	6,415.53	170.3	60.23
1990	69,344	280,797	350,141	5,190.33	798.41	5,988.74	167.8	47.89
1991	44,110	293,719	337,829	5,115.02	1,535.43	6,650.45	169.8	64.80
1992	62,728	313,553	376,281	5,580.32	667.36	6,247.68	169.1	55.40
1993	57,949	296,233	354,182	5,333.34	351.44	5,684.78	167.9	52.72
1994	54,236	161,145	215,381	3,382.03	133.37	3,515.40	170.3	52.60
1995	80,189	405,194	485,383	5,720.85	665.16	6,386.01	167.8	54.38
1996	26,053	7,290	33,343	442.54	145.10	587.64	165.2	42.02
1997	52,491	186,648	239,139	3,438.93	1,795.45	5,234.38	170.3	58.90
1998	55,330	241,396	296,727	4,278.58	705.40	4,983.98	164.5	54.44
1999	70,156	249,573	319,729	4,719.81	882.64	5,602.45	168.0	76.83
2000	62,892	17,789	80,681	1,121.24	127.19	1,248.43	168.8	42.25
2001	66,639	248,714	315,353	4,713.73	1,862.62	6,576.35	168.2	59.91
2002	64,021	169,904	233,925	3,372.89	1,613.49	4,986.38	167.5	49.96
2003	61,690	127,106	188,796	2,653.30	1,125.52	3,778.82	167.8	61.93
2004	71,428	114,101	185,529	2,623.94	1,110.80	3,734.74	169.2	61.70
2005	65,674	210,600	276,274	4,126.21	128.78	4,254.99	164.3	52.12
2006	62,016	8,354	70,370	1,043.84	138.19	1,182.03	164.2	41.10
2007	56,762	116,194	172,956	2,629.63	306.76	2,936.39	171.0	69.82
2008	64,003	132,662	196,665	2,863.27	577.21	3,440.48	168.1	41.24
2009	52,913	83,631	136,544	1,934.87	137.63	2,072.50	168.5	51.06
2010	38,270	266,757	305,027	4,343.56	1,139.70	5,483.26	167.3	51.67
2011	8,579	29,780	38,359	589.73	153.51	743.24	161.3	28.05
2012	19,618	40,991	60,609	907.01	232.49	1,139.50	168.6	65.82
2013	19,216	53,662	72,878	1,091.95	139.63	1,231.58	167.6	39.81
2014	38,539	84,177	122,716	1,797.93	136.53	1,934.46	170.7	52.55
2015	79,272	214,308	293,580	4,299.79	1,605.82	5,905.61	169.6	55.37
2016	43,960	233,973	277,933	4,096.53	5,577.79	9,674.32	170.2	77.85
2017	56,609	55,800	112,409	1,655.67	336.87	1,992.54	173.5	71.09
2018	67,691	128,735	196,426	3,044.40	1,566.20	4,610.60	168.1	45.56
2019	189,999	335,767	525,766	7,425.28	2,569.56	9,994.84	165.5	69.10

WATER SUPPLY SCHEDULE • LAKE TAWAKONI DIVISION

For the fiscal years ending August 31. Supplied in Million Gallons Daily (MGD)

YEAR	TOTAL	DALLAS	GREEN-VILLE	POINT	WILLS POINT	EMORY	CASH	TERRELL	WEST TAWAKONI	COM-MERCE	MAC BEE W.S.C.	EDGE-WOOD	COMBINED CONSUMER SUD	SOUTH TAWAKONI W.S.C.	ABLE SPRINGS W.S.C.	NTMWD INTERIM	MISC. USAGE
1964	42.33	42.20		0.03													0.10
1965	32.38	30.86	1.29	0.03	0.06												0.14
1966	30.11	26.71	3.01	0.03	0.20												0.16
1967	33.44	30.54	2.38	0.03	0.24												0.25
1968	35.77	35.17	0.17	0.03	0.30												0.10
1969	43.63	42.96	0.21	0.03	0.27												0.16
1970	43.81	41.99	1.29	0.05	0.30												0.18
1971	57.10	53.00	3.39	0.06	0.33		0.10										0.22
1972	48.87	45.39	2.24	0.07	0.41	0.06	0.42										0.28
1973	47.01	43.79	1.73	0.07	0.41	0.24	0.46		0.03								0.28
1974	39.08	37.55	- 0 -	0.07	0.48	0.27	0.47		0.07								0.17
1975	18.84	17.13	- 0 -	0.06	0.52	0.30	0.61		0.07								0.15
1976	26.72	21.36	3.69	0.07	0.50	0.31	0.52		0.14								0.13
1977	29.25	25.59	1.75	0.07	0.60	0.38	0.57		0.17								0.12
1978	50.97	45.55	2.73	0.09	0.63	0.37	0.71		0.23	0.59							0.07
1979	64.13	59.35	1.88	0.09	0.55	0.37	0.68		0.36	0.73							0.12
1980	45.55	38.88	3.43	0.08	0.58	0.47	0.79		0.35	0.84							0.13
1981	52.15	45.23	3.85	0.08	0.65	0.51	0.74		0.31	0.65							0.13
1982	23.41	19.02	1.34	0.09	0.61	0.45	0.71		0.19	0.82							0.18
1983	39.18	35.01	1.44	0.09	0.68	0.49	0.71		0.23	0.30							0.23
1984	67.93	59.33	2.80	0.12	0.77	0.49	1.12	0.002	0.27	0.89							0.41
1985	53.32	48.31	1.06	0.13	0.83	0.55	0.73	- 0 -	0.24	1.16							0.31
1986	98.41	94.00	1.30	0.20	0.78	0.48	0.59	- 0 -	0.22	0.57							0.27
1987	82.80	78.81	0.53	0.17	0.83	0.44	0.61	- 0 -	0.47	0.69							0.25
1988	118.35	109.93	2.90	0.15	0.96	0.61	0.67	- 0 -	0.22	0.80							0.34
1989	103.52	98.52	1.45	0.16	0.94	0.65	0.57	- 0 -	0.19	0.77							0.27
1990	102.11	96.02	2.22	0.17	0.99	0.59	0.67	0.003	0.18	0.97							0.30
1991	99.56	93.38	2.02	0.14	0.95	0.54	0.70	0.005	0.25	1.25							0.28
1992	82.38	77.18	1.34	0.15	0.91	0.47	0.66	- 0 -	0.23	1.18							0.26
1993	108.49	102.40	1.98	0.17	0.95	0.52	0.66	0.009	0.23	1.22							0.35
1994	83.41	77.00	2.18	0.14	0.86	0.51	0.63	- 0 -	0.30	1.15	0.18				0.004		0.46
1995	47.06	40.65	1.05	0.14	0.82	0.59	0.73	0.003	0.30	1.34	0.36		0.12		0.19		0.46
1996	132.56	118.77	7.47	0.11	0.85	0.63	0.82	0.55	0.26	1.10	0.36	0.27	0.41		0.18		0.19
1997	86.75	77.86	2.68	0.12	0.77	0.64	0.74	0.59	0.31	1.05	0.45	0.003	0.56		0.15		0.12
1998	129.63	119.35	3.99	0.16	0.65	0.82	0.92	0.007	0.33	1.39	0.52	0.003	0.85	0.30	0.19		0.15
1999	127.18	119.09	2.10	0.14	0.61	0.77	0.92	0.003	0.31	1.42	0.51	<0.001	0.72	0.28	0.20		0.11
2000	121.88	111.05	4.40	0.15	0.66	0.75	1.11	0.005	0.31	1.47	0.53	0.008	0.63	0.28	0.30		0.11
2001	161.31	152.95	1.84	0.18	0.69	0.92	1.02	0.003	0.34	1.50	0.46	- 0 -	0.69	0.32	0.28		0.11
2002	126.17	118.91	1.05	0.18	0.56	0.72	0.92	0.002	0.57	1.58	0.40	- 0 -	0.60	0.32	0.26		0.09
2003	76.26	67.15	3.02	0.21	0.57	0.87	0.97	- 0 -	0.41	1.35	0.44	- 0 -	0.66	0.30	0.26		0.05
2004	38.44	28.51	3.71	0.20	0.56	0.79	1.01	0.002	0.40	1.55	0.44	- 0 -	0.61	0.32	0.25		0.08

Continued on the next page

WATER SUPPLY SCHEDULE • LAKE TAWAKONI DIVISION (Cont.)

For the fiscal years ending August 31. Supplied in Million Gallons Daily (MGD)

YEAR	TOTAL	DALLAS	GREEN-VILLE	POINT	WILLS POINT	EMORY	CASH	TERRELL	WEST TAWAKONI	COM-MERCE	MAC BEE W.S.C.	EDGE-WOOD	COMBINED CONSUMER SUD	SOUTH TAWAKONI W.S.C.	ABLE SPRINGS W.S.C.	NTMWD INTERIM	MISC. USAGE
2005	131.65	119.74	2.82	0.24	0.52	0.94	1.10	2.55	0.38	1.41	0.52	0.03	0.64	0.35	0.27	- 0 -	0.14
2006	165.92	146.49	7.31	0.19	0.59	0.94	1.37	5.21	0.39	1.20	0.57	0.17	0.69	0.37	0.26	- 0 -	0.17
								NTMWD/TERRELL									
2007	127.89	117.05	3.73	0.17	0.48	0.79	1.06	1.34	0.72	0.88	0.47	0.04	0.54	0.28	0.21	- 0 -	0.13
2008	80.44	68.12	4.59	0.15	0.23	0.76	1.13	2.04	0.23	1.21	0.52	0.003	0.64	0.32	0.23	- 0 -	0.27
2009	140.70	81.15	5.88	0.15	0.46	0.83	1.12	16.05	0.21	1.28	0.50	0.003	0.63	0.31	0.23	31.65	0.24
2010	37.20	4.65	1.85	0.19	0.64	0.80	1.27	9.00	0.22	1.37	0.58	<0.001	0.65	0.39	0.26	15.17	0.17
2011	86.68	42.13	6.00	0.16	0.75	0.91	1.32	9.00	0.22	1.83	0.66	0.30	0.68	0.41	0.20	21.96	0.15
2012	70.41	31.59	5.41	0.18	0.62	0.81	1.28	9.00	0.22	1.22	0.84	0.20	0.60	0.36	- 0 -	17.94	0.13
															NTMWD/ABLE SPRINGS W.S.C.		
2013	131.03	84.19	5.42	0.16	0.59	0.82	1.07	9.00	0.23	0.84	0.62	0.03	0.64	0.30	- 0 -	27.00	0.12
2014	141.32	104.90	3.77	0.16	0.60	0.90	1.12	9.00	0.22	0.75	0.56	0.19	0.66	0.29	- 0 -	18.12	0.08
2015	56.69	26.23	3.32	0.17	0.49	0.90	1.32	9.00	0.20	0.43	0.54	0.14	0.70	0.31	- 0 -	12.88	0.06
2016	47.44	23.94	2.86	0.23	0.58	0.83	1.27	9.00	0.22	0.78	0.52	0.11	0.74	0.39	0.30	5.60	0.07
2017	63.54	16.83	4.66	0.24	0.52	0.74	1.10	8.94	0.19	0.80	0.55	0.23	0.68	0.33	0.17	27.46	0.10
2018	45.37	7.05	8.94	0.20	0.77	0.86	1.26	8.98	0.23	1.04	0.65	0.25	0.76	0.33	0.59	13.36	0.10
2019	24.90	0.36	1.80	0.21	0.71	0.83	1.35	7.48	0.21	1.02	0.56	0.22	0.72	0.27	0.66	8.42	0.08

WATER SUPPLY SCHEDULE • LAKE FORK DIVISION

For the fiscal years ending August 31. Supplied in Million Gallons Daily (MGD)

YEAR	TOTAL	CITY OF DALLAS	CITY OF LONGVIEW	CITY OF KILGORE	CITY OF HENDERSON	CITY OF QUITMAN	BRIGHT STAR SALEM	EASTMAN CHEMICAL	MISC. USAGE
1986	6.65		6.65			- 0 -			
1987	6.02		6.02			- 0 -			
1988	6.66		6.66			- 0 -			
1989	6.13		6.13			- 0 -			
1990	11.46		8.13			0.21		3.12	
1991	3.25		2.96			0.29		- 0 -	
1992	4.29		4.00			0.29		- 0 -	
1993	4.08		3.77			0.31		- 0 -	
1994	4.44		4.12			0.32		- 0 -	
1995	6.57		5.45	0.79		0.33		- 0 -	
1996	11.95		9.66	2.00		0.29		- 0 -	
1997	9.72		7.41	2.00		0.31		- 0 -	
1998	7.24		4.93	2.00		0.31		- 0 -	
1999	8.39		6.03	2.00		0.36		- 0 -	
2000	13.40		10.84	2.00	0.19	0.37		- 0 -	
2001	15.52		12.14	2.00	1.04	0.34		- 0 -	
2002	16.83		13.00	2.00	1.50	0.33		- 0 -	
2003	18.01		14.68	2.00	1.00	0.33		- 0 -	
2004	18.07		14.74	2.00	1.00	0.33		- 0 -	
2005	18.35		15.00	2.00	1.00	0.35		- 0 -	
2006	11.52		7.69	2.00	1.10	0.40		0.33	
2007	12.59		6.50	2.00	1.01	0.31		2.77	
2008	5.67		2.51	2.00	0.86	0.30		- 0 -	
2009	6.98	0.22	3.51	2.00	0.96	0.29		- 0 -	
2010	24.70	18.80	2.50	2.00	1.00	0.30		- 0 -	
2011	33.50	26.50	3.80	2.00	0.90	0.30		- 0 -	
2012	30.39	20.03	7.09	2.00	0.99	0.28		- 0 -	
2013	21.79	12.53	5.68	2.00	1.15	0.26		- 0 -	0.17
2014	28.41	19.06	4.65	2.00	1.21	0.24	0.02	- 0 -	0.00
2015	76.27	68.91	4.14	2.00	0.88	0.26	0.08	- 0 -	0.00
2016	65.61	58.11	4.32	2.00	0.77	0.27	0.14	- 0 -	0.00
2017	51.62	42.34	6.00	2.00	0.90	0.25	0.13	- 0 -	0.00
2018	28.75	18.81	6.2	2.00	1.30	0.27	0.17	- 0 -	0.00
2019	58.21	50.22	4.26	2.00	1.30	0.25	0.18	- 0 -	0.00

LABORATORY SAMPLES ANALYZED • For the fiscal years ending August 31

YEAR	INDUSTRIAL	MUNICIPAL	GULF COAST DIVISION	IRON BRIDGE DIVISION	LAKE FORK DIVISION	TOLEDO BEND DIVISION	OTHER	TOTAL	NUMBER OF TESTS
1973	457	204	194	45		17	28	945	
1974	790	233	201	53		28	76	1,381	
1975	856	303	182	61	48	21	411	1,882	11,525
1976	1,063	344	236	58	84	31	774	2,590	16,603
1977	1,455	392	456	28	84	40	931	3,386	20,700
1978	1,582	303	475	29	131	79	982	3,581	21,977
1979	3,211	248	472	66	154	106	670	3,345	22,324
1980	1,590	328	473	60	151	91	762	3,455	24,381
1981	1,909	266	483	55	126	53	938	3,830	24,685
1982	1,414	336	451	57	94	89	851	3,292	19,936
1983	1,622	271	477	104	98	100	644	3,300	19,775
1984	1,230	285	436	81	122	85	752	2,991	18,483
1985	992	331	249	58	87	125	737	2,579	16,914
1986	774	465	239	87	118	140	93	1,916	14,391
1987	1,126	245	263	90	100	205	96	3,125	14,645
1988	1,519	2,412	205	115	114	120	93	4,578	17,835
1989	1,325	2,665	220	113	84	119	652	5,178	17,451
1990	2,426	2,463	211	97	113	120	820	6,278	19,934

NUMBER OF TESTS PERFORMED

YEAR	INDUSTRIAL	MUNICIPAL	WATERSHED MONITORING PROGRAM	QUALITY ASSURANCE	TOTAL
1991	3,173	4,630	12,338	2,298	22,439
1992	6,360	4,276	13,919	2,512	27,067
1993	8,908	4,716	14,317	3,640	31,581
1994	9,516	4,774	21,969	8,555	44,923
1995	9,183	4,228	19,172	14,948	47,532
1996	8,225	4,819	16,023	15,333	44,400
1997	9,525	5,308	21,771	15,431	52,035
1998	7,205	5,699	24,293	11,526	48,723
1999	9,999	7,265	43,509	16,033	76,806
2000	8,159	6,019	24,094	15,504	53,776
2001	9,595	6,494	25,882	14,995	56,966
2002	9,134	6,285	22,231	16,101	53,751
2003	9,796	5,996	21,195	15,845	52,832
2004	9,052	6,977	39,269	20,396	75,714
2005	8,984	7,039	32,463	23,716	72,202
2006	8,665	7,488	40,120	26,793	83,066
2007	8,412	7,490	29,341	23,256	68,499
2008	8,621	8,244	24,244	24,197	65,306
2009	6,419	8,186	23,143	19,463	57,211
2010	5,662	9,509	23,909	24,145	63,225
2011	8,081	8,851	24,486	26,622	68,040
2012	7,124	7,154	23,726	22,751	60,755
2013	8,327	6,428	26,600	25,366	66,721
2014	8,253	6,681	24,433	25,955	65,322
2015	7,742	7,241	39,692	30,691	85,366
2016	9,347	8,849	44,191	28,043	90,430
2017	10,550	10,503	48,770	27,267	97,090
2018	8,628	10,806	48,183	24,473	92,090
2019	6,978	11,203	50,647	24,296	93,124

In 1991 the Water Quality Monitoring programs were combined into a single Watershed Monitoring Program. The charts now indicate the number of tests performed rather than the number of samples analyzed.

MISCELLANEOUS STATISTICAL DATA

Authority Created Under.....	Vernon's Civil Statutes, Article 8280-133
Year Created	1949
Domicile	Orange, Texas
Last Revision of Enabling Act.....	1991
Population of District (2018 Est.).....	615,000
Area of District	7,426 sq.mi.
Average Annual Rainfall of District	50" for Sabine Basin
Number of Employees	106

OFFICES:

General Office	Orange, Texas
Gulf Coast Division (John W. Simmons Gulf Coast Canal System)	Orange, Texas
Toledo Bend Division & Parks and Recreation Division (Toledo Bend Reservoir)	Burkeville, Texas
Lake Fork Division (Lake Fork Reservoir)	Quitman, Texas
Lake Tawakoni Division (Lake Tawakoni Reservoir)	Point, Texas
Environmental Services Division (Basinwide Water Quality Protection)	Orange, Texas

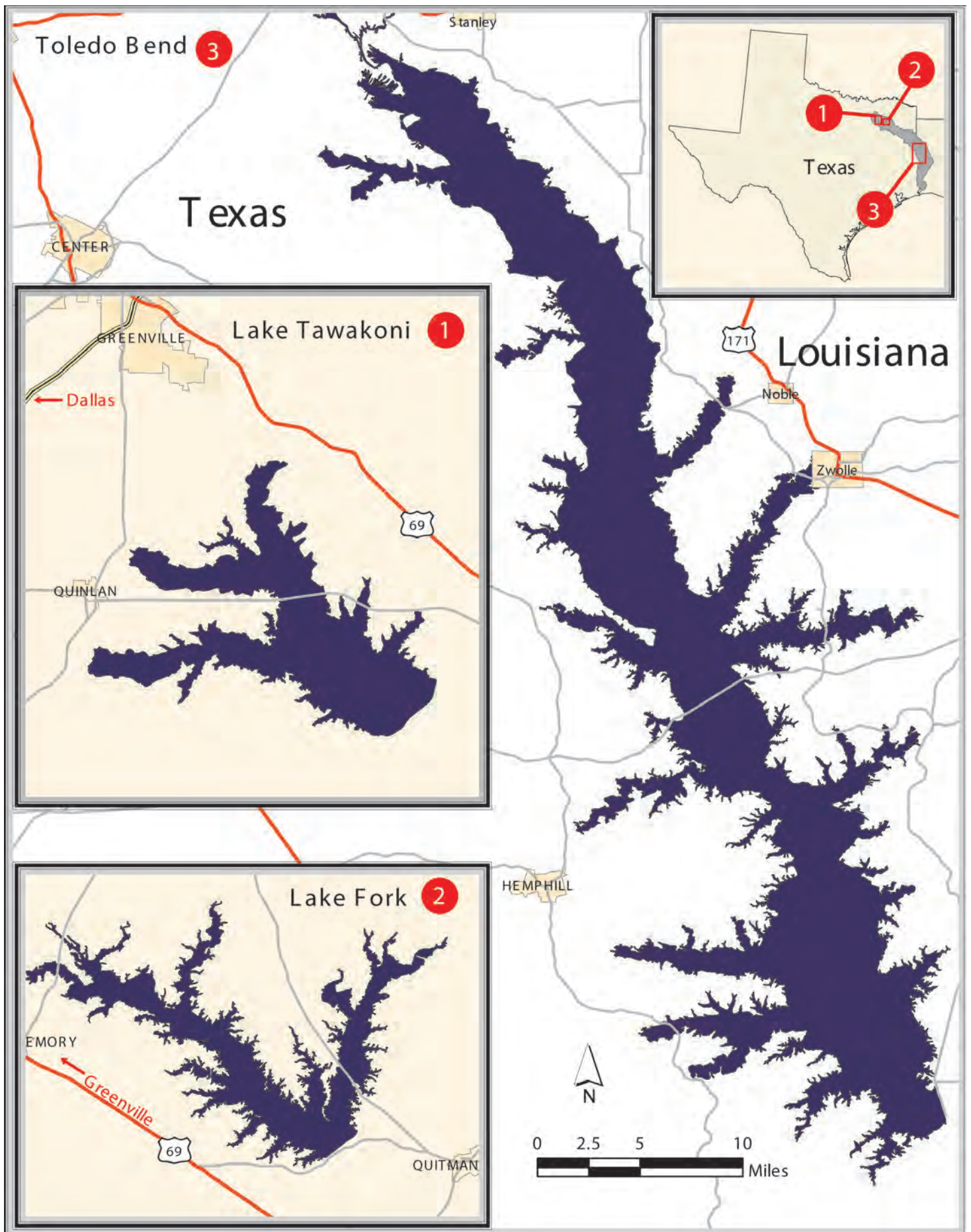
RIVERS:

Sabine	
Total River Miles	580
Average Annual Flow (40 years at Ruliff)	6,027,076 acre-feet/year

DAMS AND RESERVOIRS:

Toledo Bend Reservoir	
Conservation Pool	
Capacity	4,477,000 acre-feet
Surface Area.....	185,000 acres
Elevation	172.0 ft. (MSL)
Yield*	2,086,600 acre-feet/year
Hydroelectric Information	
Capacity	81 megawatts
Average Annual Production (50 years)	224,115 megawatt hours
Lake Fork Reservoir	
Conservation-Pool	
Capacity	675,819 acre-feet
Surface Area.....	27,690 acres
Elevation	403.0 ft. (MSL)
Yield	188,660 acre-feet/year
Lake Tawakoni Reservoir	
Conservation-Pool	
Capacity	927,440 acre-feet
Surface Area.....	36,700 acres
Elevation	437.5 (MSL)
Yield	238,100 acre-feet/year
Gulf Coast Division Canal System	
Pumping Capacity.....	195 million gallons/day
Canal System Length	75 miles
Permitted Water Rights	147,100 acre-feet/year

* Toledo Bend Reservoir yield is evenly allocated to the states of Texas and Louisiana



Sabine River Basin





**Authority General Office-
Main Office**

P.O. Box 579
Orange, TX 77631
(409) 746-2192
(409) 746-3780 fax

**Toledo Bend Division &
Parks and Recreation Division
Toledo Bend Reservoir**

450 Spur 135
Burkeville, TX 75932
(409) 565-2273
(409) 565-2338 fax

**Lake Fork Division-
Lake Fork Reservoir**

353 PVT Rd 5183
Quitman, TX 75783
(903) 878- 2262
(903) 878- 2416 fax

**Lake Tawakoni Division-
Lake Tawakoni Reservoir**

169 RS CR 1480
Point, TX 75472
(903) 598-2216
(903) 598-2992 fax

**Gulf Coast Division-
Pumping Plant**

1922 I-P Way
Orange, TX 77632
(409) 746-2111
(409) 746-9151 fax

**Environmental Services Division-
Lower Basin Laboratories
and Field Office**

1895 I-P Way
Orange, TX 77632
(409) 746-3284
(409) 746- 2249 fax

**Environmental Services Division-
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Field Office**

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