

CITY OF ALAMO HEIGHTS  
CITY COUNCIL  
July 30, 2015

A Budget Work Session of the City Council of the City of Alamo Heights, Texas was held in the Council Chambers, located at 6116 Broadway, San Antonio, Texas, at 8:30 a.m. on Thursday, July 30, 2015.

Present and composing a quorum were:  
Mayor Pro-Tempore Lynda Billa Burke  
Councilmember Lawson Jessee  
Councilmember Bobby Rosenthal  
Councilmember Fred Prassel  
Councilmember John Savage

Also attending were:  
City Manager J. Mark Browne  
Fire Chief/Assistant City Manager Buddy Kuhn  
Assistant to the City Manager Marian V. Mendoza  
Finance Director Robert Galindo  
Community Development Services Department Director Jason Lutz  
Human Resources Manager Lori Harris  
City Secretary Jennifer Reyna  
Chief Police Rick Pruitt  
Public Works Director Pat Sullivan

Absent were:  
Mayor Louis Cooper  
City Attorney Mike Brennan

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Mayor Pro Tem Lynda Billa Burke opened the meeting at 1:02 p.m.

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*Item #1* Mayor Cooper read the following caption.

**Discussion of FY2015-2016 Budget**

Finance Director Robert Galindo made a PowerPoint presentation that included a budget overview. Mr. Galindo reviewed the projected general fund revenues/allocations for the current fiscal year highlighting the new facility under the Capital Projects Fund. He briefly reviewed other funds: Comprehensive Fund, Street Maintenance Fund, Capital Projects Fund, and Capital Replacement Fund. Mr. Galindo continued his presentation and explained proposed transfers to the Capital Projects, Street Maintenance Fund, Capital Replacement Fund, and Comprehensive Plan.

Mr. Galindo reviewed the proposed General Fund Unreserved Fund balance. The review included operating revenues, departmental allocations, working capital, proposed transfers to the Capital Replacement Fund and Capital Project Fund. City Manager Mark Browne noted the Capital Project Fund contains the last payment of the new facility that includes a portion of the Community Infrastructure and Economic Development (CIED) Fund. He noted for FY2015-2016, there are no expected transfers to the Street Maintenance Fund. City Manager Mark Browne noted the Street Maintenance fund was lower; however, acknowledged work needs to still be conducted. Public Works Director Pat Sullivan provided an example of striping along Broadway and repair of Tuxedo as potential projects for the Street Maintenance Program in 2016. Operating Reserves (25% of departmental allocations) were also included in the Unreserved Fund balance. Mr. Galindo noted the FY2015/2016 expenditures for governmental funds included tree planting in City right-of-way, and the purchase of two patrol vehicles, utility truck for the Code Enforcement Officer, Sanitation Truck, lease purchase of four heart monitors and an ambulance.

Mr. Galindo presented a chart that displayed the projected beginning balance and noted the unreserved fund balance for the Utility Fund highlighting revenues/allocations. Monies are reserved for the additional contract boring for 4x2 water issues, development and implementation of a sewer infrastructure improvement plan, monies allotted for future equipment purchase, and debt and interest payment.

Mr. Browne provided Council an update on the water meter reading services. He stated SAWS informed the City regarding the termination of the agreement with the intent of month-to-month services through October 2015. He shared with Council that no bids were received for the Water Meter Reads Request for Proposal (RFP) which closed on July 20, 2015. He provided a few options for Council to consider which were the hiring of three additional personnel, automated meter reads (AMR), or contact SAWS about utilizing the meter purchasing contract with their vendor. He provided a few finance options depending what is advantageous to the city. Mr. Browne stated another presentation will be made in August to provide additional information and progress. Mr. Galindo added that he had been in correspondence with a SAWS representative requesting additional time to allow the City of Alamo Heights to address the current situation.

Mr. Browne asked Public Works Director Pat Sullivan if he knew the direction that SAWS was going with their water meter reading services.

Mr. Sullivan responded to the best of his knowledge SAWS will have meters and analog registries. He recommended the AMR system for the City and expressed in his opinion in obtaining a meter and an AMR register at the same time because a contractor is out replacing registers. Mr. Sullivan explained the replacement and reporting process when a meter becomes inefficient.

Mr. Browne asked staff to inquire within the communities of Schertz and Shavano Park to obtain input on their experience and evaluation of AMR.

Mr. Galindo informed Council of the upcoming Council meetings. A presentation of the FY 2015-16 proposed budget is scheduled for August 10<sup>th</sup>. The first public hearing on FY 2016 proposed ad valorem tax rate is scheduled for August 24<sup>th</sup>. The second public hearing for the proposed ad valorem tax rate and proposed budget are scheduled for September 14<sup>th</sup>. On September 28<sup>th</sup>, City Council will consider FY 2015-16 proposed budget and ad valorem tax rate.

Mr. Browne presented sales tax options for municipalities as he was asked if sales tax may be generated for beautification. He informed Council that all the sales tax options must be channeled through the board of citizens who will present items to be voted on for consideration of residents' approval. He briefly explained the sales tax for Economic Development Corporation Type A or Type B, Street Maintenance, and Municipal Development Corporation and provided a few examples of specific projects. Mr. Browne stated the City had elected to renew the street maintenance tax and currently at the maximum level, ¼ cent of sales tax. He provided additional options such as Municipal Development District, Fire Control/Prevention and Emergency Medical District, Sales Tax for Property Tax Relief, Crime Control Prevention Districts, Venue Tax, and Metropolitan and Rapid Transit Authorities. He concluded his presentation that none of these options would be ideal for the City of Alamo Heights as they are not primarily focused on beautification.

There was a brief discussion among Council regarding beautification and CIED monies. Council provided direction to rename the fund that the CIED monies is in rather than Capital Projects Fund as there is not a specific capital project it is designated for. Mr. Browne agreed. He informed Council that a workshop is being planned for August to further discuss CIED monies.

Mayor Pro Tem Billa Burke thanked staff for the presentation.

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There being no further business, Mayor Pro Tem Billa Burke adjourned the meeting at 2:00 p.m.

  
Jennifer Reyna  
City Secretary

  
Lynda Billa Burke  
Mayor Pro Tem