

CITY OF ALAMO HEIGHTS  
CITY COUNCIL  
December 11, 2023

A regular meeting of the City Council of the City of Alamo Heights, Texas was held at the Council Chamber, located at 6116 Broadway, San Antonio, Texas, at 5:30 p.m. on Monday, December 11, 2023. A teleconference was held via Zoom; staff and meeting attendees were welcomed in the Council Chamber.

Composing a quorum were:  
Mayor Bobby Rosenthal  
Mayor Pro Tem Blake M. Bonner  
Councilmember Lawson Jessee  
Councilmember Karl P. Baker  
Councilmember Lynda Billa Burke  
Councilmember John Savage

Also attending were:  
City Manager Buddy Kuhn  
Assistant City Manager Phil Laney  
City Attorney Frank J. Garza  
Assistant to City Manager Jennifer Reyna  
Director of Finance Robert Galindo  
Police Chief Rick Pruitt  
Deputy Police Chief Cindy Pruitt  
Community Development Services Director Lety Hernandez  
Public Works Director Pat Sullivan  
Deputy Fire Chief Allen Ottmers

Not attending:  
City Secretary Elsa T. Robles  
Fire Chief Michael Gdovin  
Human Resources Manager Brenda Jimenez

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Mayor Bobby Rosenthal opened the meeting at 5:30 p.m. He welcomed Boy Scouts who were in attendance.

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*Item # 1      Approval of Minutes*

Mayor Rosenthal asked City Council for a motion on the November 13, 2023 City Council Meeting minutes. Councilmember Lawson Jessee moved to approve the minutes as presented. The motion was seconded by Councilmember Lynda Billa Burke and passed by a 4-0 vote.

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*Item # 2      Citizens to be Heard*

No comments made.

\* \* \*

Consent Agenda

*Item # 3      Mayor Rosenthal read the following caption.*

**RESOLUTION NO. 2023R-172**

**A RESOLUTION CASTING THE VOTES OF THE CITY FOR THE ELECTION TO THE BEXAR APPRAISAL DISTRICT BOARD OF DIRECTORS**

Councilmember Billa Burke moved to approve Resolution No. 2023R-172 as presented. The motion was seconded by Councilmember Jessee and passed by a 4-0 vote.

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*Councilmember John Savage arrived at 5:33 p.m. and voted for the remainder of the agenda items.*

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Items for Individual Consideration

*Item # 4      Mayor Rosenthal read the following caption.*

**Architectural Review Board Case No. 908F, request of Elizabeth Haynes of Elizabeth Haynes Architect, applicant, representing Andrew Holzmann, owner, for the significance review of the existing main structure and compatibility review of the proposed design located at 330 Argo Ave in order to demolish 100% of the existing residence and construct a new single-family residence with detached garage**

Community Development Services Department Director Lety Hernandez stated the Single-Family B property is located at 330 Argo Ave, on the south side between Imlay St and Arbutus St. The applicant requests approval for the significance review of the existing main structure for 100% demolition and compatibility review of the proposed design in order to construct a new single-family residence with detached garage.

Ms. Hernandez stated a significance review was required due to the 100% demolition. She reviewed existing and proposed site plans. She noted there were two trees on the lot that will be removed. She presented the proposed site/roof plans, elevations, and floor/roof plans. The proposed main structure elevation is 27ft – 4-3/8 inches with metal panel & stucco siding and a standing seam metal roof. The proposed accessory structure is a detached garage with a height of 13ft – 10-1/4 inches, also with metal panel & stucco siding and a standing seam metal roof to match the main structure.

In terms of policy analysis, Ms. Hernandez noted the proposed lot coverage is 38% of the maximum allowed of 40% in a SF-B zone. Due to the one-story detached garage, applicant would be allowed a .47.

The project is currently completing the plan review process. On November 21, 2023, the Architectural Review Board (ARB) conducted a significance and compatibility review. The motion to declare the existing main structure as not significant recommending approval of the demolition as requested and proposed design as compatible did not receive the four (4) affirmative votes as required per Section 2-48 of the City's Code of Ordinances. They voted 3 in favor and 2 against.

Ms. Hernandez stated public notifications were mailed to property owners within a 200-foot radius. Notices were posted on the City's website and on the property. Staff received no responses in support and four in opposition.

After a brief discussion, Councilmember Jessee moved to approve ARB Case No. 908F as presented. The motion was seconded by Councilmember John Savage and passed by unanimous vote.

*Item # 5* Mayor Rosenthal read the following caption.

**Architectural Review Board Case No. 910F, request of Easton McNab, owner, for the significance review of the existing main structure located at 215 Argyle Ave in order to demolish 100% of the existing single-family residence**

Ms. Hernandez stated the Single-Family A property is located at 215 Argyle Ave, on the north side between Patterson Ave. and Morton Ave. The applicant requests approval for the significance review of the existing main structure for 100% demolition.

Ms. Hernandez stated a significance review was required due to the 100% demolition. She reviewed a survey of the existing residence and pictures of the existing exterior & interior conditions. She stated a replacement structure is not proposed at this time; however, future construction of a single-family residence would be subject to Compatibility Review by the ARB and approval by Council.

The ARB considered the request at their November 21, 2023 meeting and voted unanimously to declare the existing main structure as not significant and recommended approval of the demolition as requested.

Ms. Hernandez stated public notifications were mailed to property owners within a 200-foot radius. Notices were posted on the City's website and on the property. Staff received thirteen responses in support and none in opposition.

Councilmember Billa Burke moved to approve ARB Case No. 910F as presented. The motion was seconded by Mayor Pro Tem Bonner and passed by unanimous vote.

*Item # 6* Mayor Rosenthal read the following caption.

**Architectural Review Board Case No. 909F, request of Brad Pease, Director of Architecture, representing HEB, LP., owner, for the final design review of the proposed expansion of the existing commercial use building and reconstruction of the existing parking lot located at 4821 Broadway St (HEB Central Market)**

Ms. Hernandez stated this case was for final architectural review. The applicant is seeking to repair the existing parking areas to improve parking lot flow and operational efficiency of produce receiving area and adding a dedicated produce truck dock to the south of the existing commercial use structure. The property is located at 4821 Broadway Street on the west side, south of Patterson Ave.

Ms. Hernandez stated a Notice of Intent was conducted at the September 11, 2023 Council Meeting. The case went before the ARB on September 19, 2023 for a preliminary review and final review on November 21, 2023. She reviewed pictures of the current location and building/parking lot conditions. Ms. Hernandez also reviewed the existing upper/lower level parking, landscape designs, and existing and proposed elevations.

The applicant has not formally submitted their request for a building permit. A plan review will be required to ensure compliance with zoning regulations and adopted building codes prior to approval of a building permit.

Ms. Hernandez reiterated the ARB considered the request at their November 21, 2023 meeting and voted unanimously to recommend approval of the proposed improvements as presented.

Ms. Hernandez stated public notifications were mailed to property owners within a 200-foot radius. Notices were posted on the City's website and on the property. Staff received one response in support, one in opposition, and one neutral response.

Councilmember Billa Burke moved to approve ARB Case No. 909F as presented. The motion was seconded by Councilmember Jessee and passed by unanimous vote.

*Item # 7* Mayor Rosenthal read the following caption.

**ORDINANCE NO. 2217**

**AN ORDINANCE AMENDING CHAPTER 19 – WATER AND SEWERS, ARTICLE III – CONSERVATION OF GROUNDWATER TO INCLUDE STAGE INDICATORS FOR GROUNDWATER USE REDUCTION PROGRAM AND GROUNDWATER USE REDUCTION MEASURES, AND ADOPT GROUNDWATER USE SURCHARGES; AND ESTABLISHING AN EFFECTIVE DATE.**

Assistant City Manager Phil Laney stated the proposed ordinance is an amendment to Chapter 19 – Water & Sewer to consider the addition of a groundwater use surcharge fee. He stated there have been several public discussions before Council on groundwater use reduction proposals throughout 2023. Some of these proposals have been adopted and/or incorporated into current policy. The water surcharge fee being proposed is an updated of the proposals presented in August & September.

Mr. Laney stated the feedback received in those discussions was critical to this proposal, as well as subsequent conversations with Mayor Pro Tem Bonner & Councilmember Baker, who formed a Council Committee and provided further direction on the proposed water surcharge fee. He advised, if adopted, the ordinance would establish a groundwater use surcharge fee for each of the five drought stages recognized by the Edwards Aquifer Authority. The proposed surcharge fee has a qualifying threshold – how much water a user has to consume in a month before the surcharge fee kicks in – that applies to approximately the top 25% of users for each account type (residential, commercial/multifamily & institutional), except for irrigation-only accounts.

Mr. Laney reviewed details on the latest drought conditions and data. The Edwards Aquifer has been in some drought stage since May 2022 (580 days ago). The entirety of 2023 has been in at least stage 2, with almost 90% of the year in Stages 3 or 4. The Edwards is currently in Stage 3, with the 10-day average at just under 638'. We have been in Stage 3 for 60% of the year & about 30% of the year in the punishing Stage 4. With November data just released, we're about even with last year's consumption amount, which was over 2,100 AF.

The City is on track to consume between 2,100 to 2,200 AF, about 16% to 22% more than the revised allotment of 1,811 AF. This revised allotment takes into consideration of the reduction requirements when under critical drought stages.

Mr. Laney shared, staff engaged in direct conversations with the Edwards this year who stated fines are possible if the City did not expand its capacity. However, based on additional conversations, the Edwards is encouraging customers to lease additional water rights to mitigate any potential over-pumping penalties. If the City increases its overall capacity, it could minimize or eliminate what is paid out in fines. The City is currently exploring this option and has until the end of January to be able to apply the additional water to its 2023 consumption capacity.

Council has instituted a number of groundwater use reduction strategies this year to address the ongoing drought conditions. In September, Stage 5 was incorporated into the City Code. Guidance was given to have stricter enforcement of violations associated with landscape watering on the wrong time of day, wrong day, or wrong week. Customers observed watering on the wrong day or time of day would have two warnings before citations would be issued. To date, AHPD has issued 73 citations (58-1st; 12-2nd; 2-3rd; 1-4th).

Mr. Laney stated the latest reduction strategy is a proposal for a revised groundwater use surcharge fee, with changes to the qualifying thresholds and fees from what was previously presented. The qualifying threshold in the revised proposal is unique for each account type and reflects the average monthly use of the 25% of users for residential, commercial/MF & institutional users. Irrigation accounts are not tied to the top 25% of users, as these accounts are not used for human consumption or daily living needs.

Mr. Laney reviewed the proposed Groundwater Surcharge Fee schedule. He stated the groundwater surcharge fees are proposed at the following qualifying thresholds & rates. Similar to previous fee proposals, the fees increase as the drought stage increases & the reduction amounts get more severe. The fees at each stage are the same across each of the account types or user category. He noted the key difference with this proposal is the unique qualifying threshold for each account type. Residential customers would be subject to the surcharge fee if they consume 2,500 cf or more in a month (a little less than 19,000 gallons). Any water consumed above that threshold would be assessed the fee. He stated, if the proposed groundwater surcharge fee is adopted & implemented, these could be some projected monthly costs for customers, depending on the drought stage: Stage 1: \$0.25; Stage 3: \$1.25; Stage 5: \$3.00. Without change, the average annual fee per residential user is between \$360 to \$600 & \$1,600 to \$2,600 for commercial/MF users.

Mr. Laney commented, if adopted, and if there isn't a change in behavior in the high-consumption users, revenues could be up to \$375K in Stage 3 & \$600K in Stage 4; however, if there are multiple stages, or no drought stages in effect, this would impact the amount of revenue collected. All surcharge fees collected would be deposited in the Utility Fund, which supports the operations and capital expenses for the City's water and sewer systems. Any funds collected would be used for expenses associated with the City's water system, which could include, fines or penalties for over-consumption of the City's allocation; additional water rights; drought management & water conservation measures; other water-related purposes.

Staff developed the proposed groundwater surcharge fees due to feedback received from Council meeting discussions in August & September. In September, Council recommended a Council Committee be established to develop a final proposal that could be considered. This committee included Councilmembers Bonner and Baker, who provided important recommendations that were incorporated into the proposal. Additionally, the City Attorney and the City Manager have also been involved in the proposal's development.

Mr. Laney stated, if Council elects to move forward with the proposal, public notification would be a critical task that would take place before penalties would be assessed. The adopted fines would be published twice in the *San Antonio Express-News*. Customers would also receive a notification on the water/sewer bill arriving in January. Any fees would be implemented on the following billing cycle for usage beginning in February. The earliest users would see the surcharge fee on their bill is the bill delivered in March, but would only apply to those customers who exceed the qualifying threshold for their account type.

In closing, Mr. Laney shared if adopted, the ordinance creating a groundwater use surcharge fee would not have any fiscal impact to City expenditures. He reiterated any revenues collected from groundwater use surcharge fees would be deposited in the Utility Fund. The use of proceeds from the surcharge fees would be authorized by Council, when appropriate.

Mayor Pro Tem Bonner discussed possibly setting up a separate interest bearing account for depositing any collected surcharge fees should this be implemented. City Manager Buddy Kuhn stated this could be an option and staff would research this further.

After some discussion, Mr. Kuhn stated staff may explore leasing additional water rights early next year. Councilmember Jessee moved to approve Ordinance No. 2217 as presented. The motion was seconded by Councilmember Billa Burke and passed by unanimous vote.

Item # 8 Mayor Rosenthal read the following caption.

**RESOLUTION NO. 2023 - 173**

**A RESOLUTION APPROVING AN INTERLOCAL AGREEMENT FOR EMERGENCY MEDICAL SERVICES (EMS) AMONG THE CITIES OF ALAMO HEIGHTS, TERRELL HILLS AND OLMOS PARK FOR A PERIOD NOT TO EXCEED SEPTEMBER 30, 2026 AND AUTHORIZING THE MAYOR TO EXECUTE INTERLOCAL AGREEMENT WITH SAID CITIES AND SETTING AN EFFECTIVE DATE.**

City Manager Buddy Kuhn stated he would be presenting Items 8 & 9 together, but advised Council would need to vote separately on each item. He stated the City of Terrell Hills had recently voted in favor of the proposed agreement. The proposed resolution would allow for the City Manager to execute a new interlocal agreement between the cities of Alamo Heights, Olmos Park, and Terrell Hills to provide emergency medical services (EMS) and Emergency Dispatching / 911 services. He stated Chapter 791 of the Texas Government Code authorizes local government to enter into such agreements. The Tri-Cities have participated in interlocal agreements for these services since 1982. The current EMS agreement expired on September 30, 2023. The Cities have agreed to two (2) extensions since then with the current to expire on December 21, 2023. Mr. Kuhn noted Olmos Park will consider the agreement on December 20, 2023. The Emergency Dispatch / 911 service agreement expires on September 30, 2024. If adopted by Council, both agreements will renew and expire on September 30, 2026.

Mr. Kuhn shared key points in keeping the interlocal agreements with the neighboring cities.

- Cost sharing assures that quality Emergency Medical Services and 911 dispatching is achieved at a low cost to its' citizens.
- Citizens are assured quick access to 911 and emergency medical care and transport to area hospital.
- With a single dispatch answering point, residents of the tri-cities can call in with requests for extra patrols, notice for out of town information and other more personalized services.
- The City of Alamo Heights remains the owner of both the 911 call center and EMS division and is the managing partner - will work with each community on an annual basis to negotiate budgets, equipment upgrades, etc.
- The Dispatch contract will now expire concurrently with the EMS and Medical Director agreements.
- Cancellation is a one year notice by any city on a rolling 12 month basis. (new to agreement)
- Both the EMS and Emergency Dispatching agreement are binding to each other and will not be considered as stand-alone for purposes of the term and cancellation / termination provisions contained therein.
- If either Olmos Park or Terrell Hills withdraws from the agreement(s), then Alamo Heights may continue with a new agreement for Dispatching and EMS services with the remaining city. (new to agreement)

Mr. Kuhn stated staff has coordinated with the cities of Olmos Park and Terrell Hills who have no opposition to the proposed contracts. The City Managers, Police and Fire Chiefs in also agree with the new proposed contracts. City Attorneys from all cities have reviewed and approved agreements.

With the new agreements, negotiations for a new three-year EMS contract have concluded with all parties in agreement with fixed percentages. Fringe and other costs will be adjusted annually during the budget cycle. The cost share arrangement changes for the next 3-year term are as follows, based on the total number of EMS calls per city in the prior three year period January 01, 2020 – December 31, 2022.

City	2020-2023 %	2023-2026 %	Difference	Cost
Alamo Heights	64.61%	69.11 %	+4.5	\$496,937
Terrell Hills	20.62%	18.49%	-2.13	\$132,953
Olmos Park	14.77%	12.40%	-2.37	\$89,163

Negotiations for a new three-year Dispatch / 911 contract have concluded with all parties in agreement with fixed percentages. Fringe and other costs will be adjusted annually during the budget cycle. The cost share arrangement changes for the next 3 year term are as follows, based on based on Alamo Heights at 60% and Olmos Park and Terrell Hills at 20% each respectively.

City	2021-2024 %	2023-2026 %	Difference	Cost FY 24
Alamo Heights	60%	60 %	2.4%	\$497,869
Terrell Hills	20%	20%	2.4%	\$165,957
Olmos Park	20%	20%	2.4%	\$165,957

Mr. Kuhn advised the City has not assessed the bill for the first quarter and will not do so until the contracts get resolved. He stated staff planned to bring it back to Council on December 11th. Mr. Kuhn commented he and the City Attorney are talking frequently with the other Cities and the extension will provide time for their legal counsel to review and proposes any changes.

In closing, Mr. Kuhn thanked all the cities for their help in coordinating the new agreements.

Council briefly discussed the difference in cost share percentages with COAH being the highest. Mr. Kuhn advised this was because the COAH received the most calls out of the three cities.

Councilmember Jessee moved to approve Resolution No. 2023R - 173 as presented. The motion was seconded by Mayor Pro Tem Bonner and passed by unanimous vote.

Item # 9 Mayor Rosenthal read the following caption.

**RESOLUTION NO. 2023 - 174**

**A RESOLUTION APPROVING AN INTERLOCAL AGREEMENT FOR EMERGENCY DISPATCH SERVICES AMONG THE CITIES OF ALAMO HEIGHTS, TERRELL HILLS AND OLMOS PARK FOR A PERIOD NOT TO EXCEED**



**SEPTEMBER 30, 2026 AND AUTHORIZING THE MAYOR TO EXECUTE INTERLOCAL AGREEMENT WITH SAID CITIES AND SETTING AN EFFECTIVE DATE.**

Councilmember Jessee moved to approve Resolution No. 2023R - 174 as presented. The motion was seconded by Councilmember Billa Burke and passed by unanimous vote.

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Staff Reports

*Item # 10* Mayor Rosenthal read the following caption.

**Staff report on potential pedestrian improvements on Townsend and Ogden**

Mr. Laney stated he was presenting a staff report on potential pedestrian improvements on Townsend and Ogden, near Cambridge Elementary. In September of 2023, a citizen-initiated request was submitted to City Council to consider making some pedestrian improvements on Townsend near Cambridge Elementary. There is an existing mid-block crosswalk from the school that crosses Townsend. The sidewalk on the other side of the street extends south of the crosswalk, but not north. The petition requested improvements north of the crosswalk.

Staff investigated potential improvements to complete the sidewalk network immediately around the school's property on the west side. The estimated cost for the potential pedestrian improvements range from \$25k to \$45K. There is a proposal to split the project & its costs over two fiscal years, beginning this year and finishing in FY 2025.

Mr. Laney discussed the current conditions on the west side of Townsend. Only half the block has sidewalks between Cambridge Oval to the south & Harrison to the north; the sidewalks at the middle of block at the crosswalk only extend south. Traveling north on the west side of Townsend, there are no sidewalks on the next block, between Harrison & Ogden. Additionally, staff observed there are no sidewalks west on Ogden, which is a heavily used by pedestrians to access the Cottage District.

Townsend serves as a pick-up area for car-riders at Cambridge Elementary, resulting in heavy traffic on the street a couple times a day during school year. Townsend becomes a one-way during drop-off & pick up areas. If traveling west of the school, there are limited stretches with sidewalks.

To determine the feasibility of the petition request, the City located the Right-of-Way (ROW) boundaries in the area via a new survey, assessed the current conditions of Townsend & nearby pedestrian network, and devised some potential improvements to enhance safety & accessibility.

Mr. Laney reviewed pictures of the current conditions in the area by section. He discussed potential improvements. He stated the City had contracted for a survey to be done for each of the three sections and determined the ROW is large enough for sidewalks and ADA

improvements. Based on the petition request, the current conditions and current funding, the work could be completed in 2 phases.

Phase 1 would consist of Sections A & B on Townsend, starting at the crosswalk and extending north to Harrison & then to Ogden. Improvements would include sidewalks, ADA improvements, curb alignment for the section between Harrison & Ogden, and creation of a right-turn only markings on the south-bound lane at Ogden. This right-turn only helps ensure that the new curb alignment south of Ogden isn't run-over by south-bound traffic.

Phase 2 would consist of Section C on Ogden between Townsend & Columbine. Improvements would include sidewalks & ADA improvements.

Mr. Laney stated the estimated cost for the potential pedestrian improvements is \$45,000. Funds are currently unbudgeted in the FY 2024 budget; however, if Council wishes to pursue these improvements, staff proposes completing Phase 1 in the current fiscal year. Phase 1 includes the two sections on Townsend, which are specific to the request made by the citizen petition. Phase 1 improvements are estimated to be \$25K and would be funded by existing operating funds. These sections would take 2-3 months to complete.

If Phase 1 is completed in FY 2024, Phase 2 – the section on Ogden – could be completed in FY 2025, next fiscal year. Phase 2 improvements are estimated to be \$20K & would utilize operating funds. This section would take approximately 1-2 months to complete.

Mr. Laney noted this was a staff report on potential pedestrian improvements near Cambridge Elementary, no action by Council is required.

Mayor Rosenthal thanked staff for researching and providing information for potential improvements to this area.

Council discussed doing all the improvements at the same time. Mr. Kuhn advised funds were not available at this time to do so which is why two phases were suggested.

Mayor Rosenthal asked to hear citizens comments on this item.

Ms. Nicole Hudson, resident, stated she had submitted the petition for sidewalk improvements in this area. She thanked Council and staff for readily providing information to her on the subject. Ms. Hudson agreed with each improvement discussed except for the block north on Townsend, between Harrison & Ogden. She stated this was a dangerous area and the school discouraged children from crossing at this intersection.

Mayor Rosenthal thanked Ms. Hudson for sharing her comments. Mr. Kuhn stated staff would continue to research potential improvements to propose to Council in the near future.

*Item # 11* Mayor Rosenthal read the following caption.

**Presentation of Financial and Investment Report for the fourth quarter ending September 30, 2023**

Finance Director Robert Galindo presented the fourth quarter financial and investment report ending September 30, 2023. The report focused on the General Fund Revenues & Expenditures, Utility Fund Revenues & Expenditures, Capital Projects Fund, Investment Portfolio Update, and Summary of City's Financial Position. The General Fund total revenue ended at \$12,618,522, equal to 105% of the budget. Mr. Galindo noted revenues are stable and doing well. The property tax revenues are currently at 100%. The sales tax revenues are positive for the year at 104%. He noted franchise and other taxes are at 103%. The biggest revenue was interest earned making a positive impact on the city's financial balance.

Mr. Galindo reviewed the property taxes totaling \$7,715,430 for the year or 99.8% of the budget. He reviewed sales taxes and stated they had been steady, but slightly less than the previous year.

The Utility Fund total revenues were \$4,576,608 or 91% of the budget. Total expenditures were \$7,737,704 or 97% of the budget with an overbudget of \$161,096 for the Utility Fund. This included carryovers into FY 2022-23 for the sewer project on Ogden and the purchase of a work truck and SCADA system.

The Capital Projects Fund beginning balance for the fiscal year was \$14,668,140 which includes the proceeds from the 2021 Bond Issuance of \$13,250,000 and a transfer in of \$25,000 from the General Fund for the Olmos Basin. There are expenditures of \$42,321 for the lower Broadway project, \$20,559 for swimming pool repairs, and \$6,563 for the Olmos Basin clean-up, ending the fund balance at \$15,282,104.

Mr. Galindo reviewed the investment portfolio which includes \$234,346 or 0.8% of funds in a CD with Jefferson Bank which will mature on December 28, 2023 and a small savings account with Jefferson Bank of \$1,222. He stated the City has to federal callable bonds at \$5M each from Federal Home Bank which can be redeemed for a specific call price before its maturity date. They are earning 5.625% and 5.50% respectively.

Mr. Galindo continued to review the investment pools equal to \$18,754,757 or 63% of the fund. He noted a Generations CD account with a balance of \$7.03 and stated this was remaining interest after closing a CD with Generations. Mr. Galindo advised he would be closing the CD at the end of December and collecting the remaining funds on behalf of the City.

Included in the investment portfolio equaling 3%, is a non-interest bearing operating account with Frost Bank with a total of \$794,729. To comply with the Public Funds Investment Act, Frost Bank pledges securities in the name of the City to cover balances which are over the FDIC limit of \$250,000.

The beginning investment portfolio balance was \$28,943,472. The ending balance for the quarter was \$29,785,054. There was a decrease to the investment pool accounts of \$8,966,948 and a decrease to CD's of \$244,097 after cashing in the Generations CD.

The average yield for the investment portfolio was 5.35% and is in line with the 90-Day U.S. Treasury benchmark of 5.29%. Mr. Galindo stated the report complies with the investment strategies as established by the City of Alamo Heights Investment Policy and the Public Funds Investment Act (Chapter 2256).

In closing, Mr. Galindo reviewed the 4th Quarter Performance Summary:

<b>PERFORMANCE THROUGH 100% OF BUDGET</b>			
	% of Budget	Current Quarter	YTD Quarter
<b>GENERAL FUND</b>			
Total Revenues	105%	Positive	Positive
Total Expenditures	92%	Positive	Positive
Total Property Tax Collections	99%	Positive	Positive
Sales Tax Revenues	104%	Positive	Positive
<b>ENTERPRISE FUND</b>			
Utility Fund Revenues	91%	Negative	Positive
Utility Fund Expenditures	97%	Positive	Positive

Mr. Galindo advised, the Utility Fund Revenues was negative due to a needed funds transfer from the Equity Fund Balance, normally done at the end of the year to decrease the fund balance. Overall, it was a positive year.

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Closed Session

*Item # 12* Mayor Rosenthal read the following caption.

**Executive Session as authorized by the Texas Government Code Section 551.071 (consultation with attorney) to discuss Broadway Infrastructure construction.**

The City Council of the City of Alamo Heights convened into Closed Executive Session at 6:40 p.m. and reconvened in Open Session at 7:15 p.m. in accordance with the Texas Open Meetings Act, Texas Government Code, *Section §551.071 (Consultation with Attorney)*.

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Open Session

*Item # 13* Mayor Rosenthal read the following caption.

**Discussion and possible action resulting from Executive Session**

No action taken.

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With no further business to consider, Mayor Pro Tem Bonner moved to adjourn the meeting at 7:16 p.m. The motion was seconded by Councilmember Baker and passed by unanimous vote.

**PASSED AND APPROVED THIS 8<sup>th</sup> DAY OF JANUARY, 2024.**



Elsa T. Robles, TRMC  
City Secretary



Bobby Rosenthal  
Mayor