

CITY OF ALAMO HEIGHTS, TEXAS



ANALYSIS OF OUTSTANDING DEBT

AS OF:

FISCAL YEAR END 2025

PREPARED BY:





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City of Alamo Heights, Texas

TAB A: Summary of Outstanding Tax Supported Debt

Summary of Outstanding Tax Supported Debt



City of Alamo Heights, Texas

All Outstanding General Obligation Debt - General Fund Portion
As of Fiscal Year End 2025
(000's)

City of Alamo Heights, Texas				
All Outstanding General Obligation Debt - General Fund Portion				
As of Fiscal Year End 2025				
(000's)				
Year Ending September 30	\$13,170,000 General Obligation Bonds Taxable Series 2021		\$4,530,000 General Obligation Refunding Bonds Series 2020	
	Principal	Coupon	Principal	Coupon
2026	680	2.000%	345	3.000%
2027	705	2.000%	355	3.000%
2028	730	2.000%	365	3.000%
2029	755	2.000%	380	3.000%
2030	780	2.000%	390	3.000%
2031	810	1.650%	400	3.000%
2032	835	1.750%	415	3.000%
2033	340	1.850%		
2034	345	1.950%		
2035	355	2.030%		
2036	360	2.130%		
2037	370	2.250%		
2038	375	2.320%		
2039	380	2.370%		
2040	390	2.375%		
2041	400	2.375%		
2042	410	2.625%		
2043	420	2.625%		
2044	430	2.625%		
2045	445	2.625%		
2046	455	2.625%		
TOTALS	10,770		2,650	
Next Call	2/15/2030 @ Par		8/15/2029 @ Par	
Dated Date	7/1/2021		10/15/2020	
Coupon Dates	February 15	August 15	February 15	August 15
Maturity Dates	February 15		August 15	
Insurer	None		None	
Paying Agent	US Bank		US Bank	
Purpose	New Money		Refunding	
Color Legend				
Non-Callable		Callable		

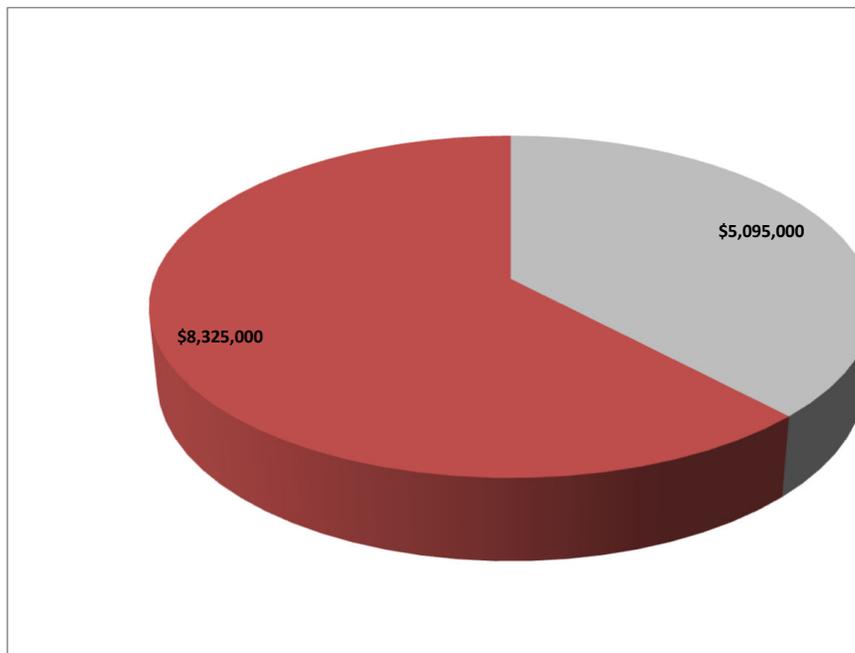
City of Alamo Heights, Texas

Summary of All Outstanding General Obligation Debt - General Fund Portion
As of Fiscal Year End 2025
(000's)

Summary Statistics

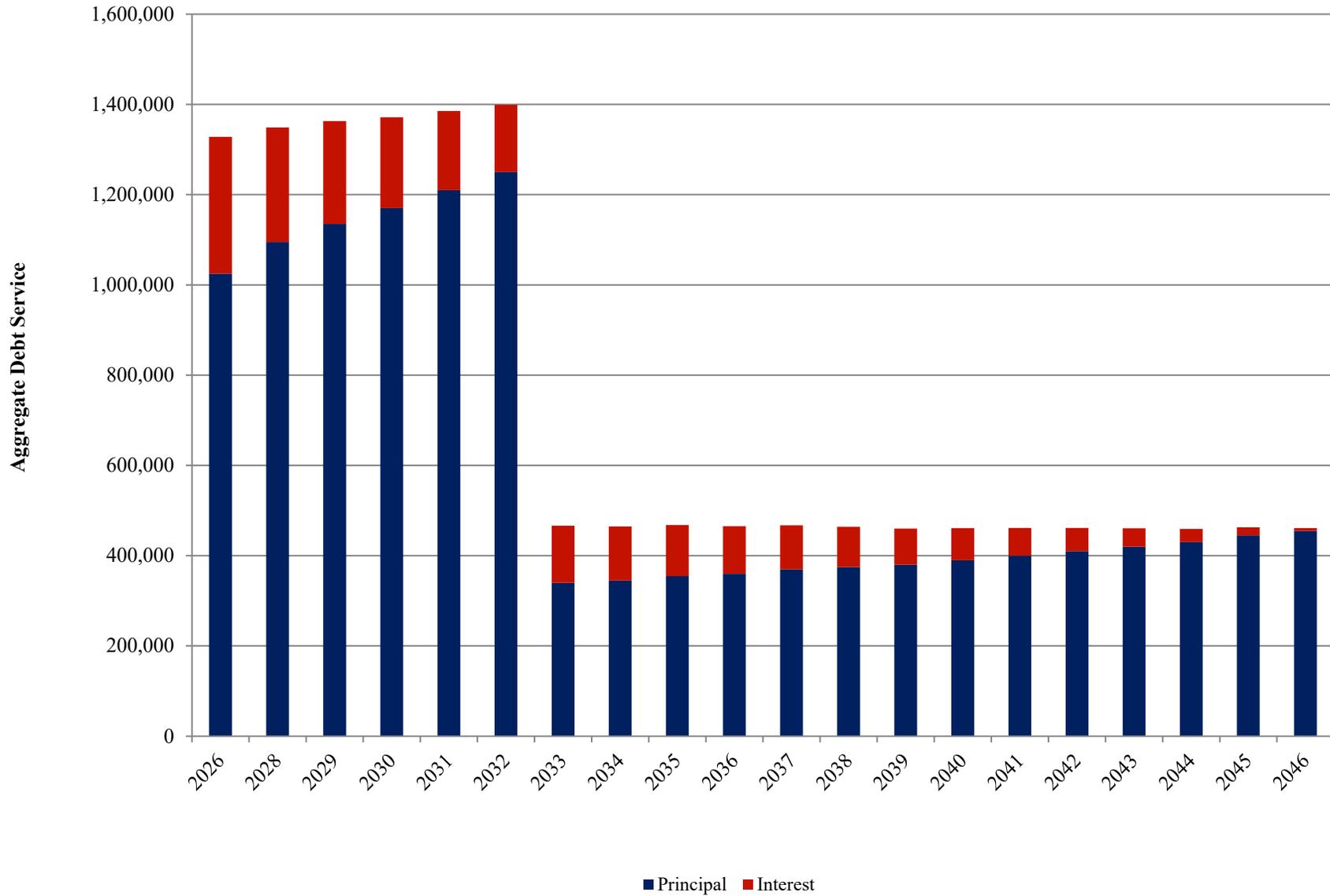
Total Outstanding Principal	\$	13,420,000
<i>Total Fixed Rate</i>	\$	13,420,000
<i>Total Variable Rate</i>	\$	-
Total Interest Payments	\$	2,596,667
Callable Principal (%)		62.034%
Percent of Principal Retired		
Within 5 years		40.872%
Within 10 years		66.952%
Within 15 years		80.924%
Within 20 years		96.610%
Final Maturity		February 15, 2046

Principal Composition



■	Non-Callable	\$	5,095,000
■	Callable	\$	8,325,000

City of Alamo Heights, Texas All Outstanding General Obligation Debt - General Fund Portion As of Fiscal Year End 2025



BOND DEBT SERVICE

**City of Alamo Heights
All Outstanding General Obligation Debt
General Fund Portion
As of Fiscal Year End 2025**

Period Ending	Principal	Coupon	Interest	Debt Service
09/30/2026	1,025,000	** %	303,063.00	1,328,063.00
09/30/2027	1,060,000	** %	278,863.00	1,338,863.00
09/30/2028	1,095,000	** %	253,863.00	1,348,863.00
09/30/2029	1,135,000	** %	228,063.00	1,363,063.00
09/30/2030	1,170,000	** %	201,313.00	1,371,313.00
09/30/2031	1,210,000	** %	175,130.50	1,385,130.50
09/30/2032	1,250,000	** %	149,141.75	1,399,141.75
09/30/2033	340,000	1.850%	126,240.50	466,240.50
09/30/2034	345,000	1.950%	119,731.75	464,731.75
09/30/2035	355,000	2.030%	112,764.75	467,764.75
09/30/2036	360,000	2.130%	105,327.50	465,327.50
09/30/2037	370,000	2.250%	97,331.00	467,331.00
09/30/2038	375,000	2.320%	88,818.50	463,818.50
09/30/2039	380,000	2.370%	79,965.50	459,965.50
09/30/2040	390,000	2.375%	70,831.25	460,831.25
09/30/2041	400,000	2.375%	61,450.00	461,450.00
09/30/2042	410,000	2.625%	51,318.75	461,318.75
09/30/2043	420,000	2.625%	40,425.00	460,425.00
09/30/2044	430,000	2.625%	29,268.75	459,268.75
09/30/2045	445,000	2.625%	17,784.38	462,784.38
09/30/2046	455,000	2.625%	5,971.88	460,971.88
	13,420,000		2,596,666.76	16,016,666.76

BOND DEBT SERVICE

**City of Alamo Heights
All Outstanding General Obligation Debt
General Fund Portion
As of Fiscal Year End 2025**

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/15/2026	680,000	2.000%	154,931.50	834,931.50	
08/15/2026	345,000	3.000%	148,131.50	493,131.50	
09/30/2026					1,328,063.00
02/15/2027	705,000	2.000%	142,956.50	847,956.50	
08/15/2027	355,000	3.000%	135,906.50	490,906.50	
09/30/2027					1,338,863.00
02/15/2028	730,000	2.000%	130,581.50	860,581.50	
08/15/2028	365,000	3.000%	123,281.50	488,281.50	
09/30/2028					1,348,863.00
02/15/2029	755,000	2.000%	117,806.50	872,806.50	
08/15/2029	380,000	3.000%	110,256.50	490,256.50	
09/30/2029					1,363,063.00
02/15/2030	780,000	2.000%	104,556.50	884,556.50	
08/15/2030	390,000	3.000%	96,756.50	486,756.50	
09/30/2030					1,371,313.00
02/15/2031	810,000	1.650%	90,906.50	900,906.50	
08/15/2031	400,000	3.000%	84,224.00	484,224.00	
09/30/2031					1,385,130.50
02/15/2032	835,000	1.750%	78,224.00	913,224.00	
08/15/2032	415,000	3.000%	70,917.75	485,917.75	
09/30/2032					1,399,141.75
02/15/2033	340,000	1.850%	64,692.75	404,692.75	
08/15/2033			61,547.75	61,547.75	
09/30/2033					466,240.50
02/15/2034	345,000	1.950%	61,547.75	406,547.75	
08/15/2034			58,184.00	58,184.00	
09/30/2034					464,731.75
02/15/2035	355,000	2.030%	58,184.00	413,184.00	
08/15/2035			54,580.75	54,580.75	
09/30/2035					467,764.75
02/15/2036	360,000	2.130%	54,580.75	414,580.75	
08/15/2036			50,746.75	50,746.75	
09/30/2036					465,327.50
02/15/2037	370,000	2.250%	50,746.75	420,746.75	
08/15/2037			46,584.25	46,584.25	
09/30/2037					467,331.00
02/15/2038	375,000	2.320%	46,584.25	421,584.25	
08/15/2038			42,234.25	42,234.25	
09/30/2038					463,818.50
02/15/2039	380,000	2.370%	42,234.25	422,234.25	
08/15/2039			37,731.25	37,731.25	
09/30/2039					459,965.50
02/15/2040	390,000	2.375%	37,731.25	427,731.25	
08/15/2040			33,100.00	33,100.00	
09/30/2040					460,831.25
02/15/2041	400,000	2.375%	33,100.00	433,100.00	
08/15/2041			28,350.00	28,350.00	
09/30/2041					461,450.00
02/15/2042	410,000	2.625%	28,350.00	438,350.00	
08/15/2042			22,968.75	22,968.75	
09/30/2042					461,318.75
02/15/2043	420,000	2.625%	22,968.75	442,968.75	
08/15/2043			17,456.25	17,456.25	
09/30/2043					460,425.00
02/15/2044	430,000	2.625%	17,456.25	447,456.25	
08/15/2044			11,812.50	11,812.50	
09/30/2044					459,268.75
02/15/2045	445,000	2.625%	11,812.50	456,812.50	
08/15/2045			5,971.88	5,971.88	
09/30/2045					462,784.38
02/15/2046	455,000	2.625%	5,971.88	460,971.88	
09/30/2046					460,971.88
	13,420,000		2,596,666.76	16,016,666.76	16,016,666.76

City of Alamo Heights, Texas

TAB B: Details of Outstanding Tax Supported Debt

Details of Outstanding Tax Supported Debt



BOND DEBT SERVICE

City of Alamo Heights, Texas
\$13,170,000 General Obligation Bonds, Taxable Series 2021
As of Fiscal Year End 2025

Period Ending	Principal	Coupon	Interest	Debt Service
09/30/2026	680,000	2.000%	223,563.00	903,563.00
09/30/2027	705,000	2.000%	209,713.00	914,713.00
09/30/2028	730,000	2.000%	195,363.00	925,363.00
09/30/2029	755,000	2.000%	180,513.00	935,513.00
09/30/2030	780,000	2.000%	165,163.00	945,163.00
09/30/2031	810,000	1.650%	150,680.50	960,680.50
09/30/2032	835,000	1.750%	136,691.75	971,691.75
09/30/2033	340,000	1.850%	126,240.50	466,240.50
09/30/2034	345,000	1.950%	119,731.75	464,731.75
09/30/2035	355,000	2.030%	112,764.75	467,764.75
09/30/2036	360,000	2.130%	105,327.50	465,327.50
09/30/2037	370,000	2.250%	97,331.00	467,331.00
09/30/2038	375,000	2.320%	88,818.50	463,818.50
09/30/2039	380,000	2.370%	79,965.50	459,965.50
09/30/2040	390,000	2.375%	70,831.25	460,831.25
09/30/2041	400,000	2.375%	61,450.00	461,450.00
09/30/2042	410,000	2.625%	51,318.75	461,318.75
09/30/2043	420,000	2.625%	40,425.00	460,425.00
09/30/2044	430,000	2.625%	29,268.75	459,268.75
09/30/2045	445,000	2.625%	17,784.38	462,784.38
09/30/2046	455,000	2.625%	5,971.88	460,971.88
	10,770,000		2,268,916.76	13,038,916.76

BOND DEBT SERVICE

City of Alamo Heights, Texas
\$13,170,000 General Obligation Bonds, Taxable Series 2021
As of Fiscal Year End 2025

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/15/2026	680,000	2.000%	115,181.50	795,181.50	
08/15/2026			108,381.50	108,381.50	
09/30/2026					903,563.00
02/15/2027	705,000	2.000%	108,381.50	813,381.50	
08/15/2027			101,331.50	101,331.50	
09/30/2027					914,713.00
02/15/2028	730,000	2.000%	101,331.50	831,331.50	
08/15/2028			94,031.50	94,031.50	
09/30/2028					925,363.00
02/15/2029	755,000	2.000%	94,031.50	849,031.50	
08/15/2029			86,481.50	86,481.50	
09/30/2029					935,513.00
02/15/2030	780,000	2.000%	86,481.50	866,481.50	
08/15/2030			78,681.50	78,681.50	
09/30/2030					945,163.00
02/15/2031	810,000	1.650%	78,681.50	888,681.50	
08/15/2031			71,999.00	71,999.00	
09/30/2031					960,680.50
02/15/2032	835,000	1.750%	71,999.00	906,999.00	
08/15/2032			64,692.75	64,692.75	
09/30/2032					971,691.75
02/15/2033	340,000	1.850%	64,692.75	404,692.75	
08/15/2033			61,547.75	61,547.75	
09/30/2033					466,240.50
02/15/2034	345,000	1.950%	61,547.75	406,547.75	
08/15/2034			58,184.00	58,184.00	
09/30/2034					464,731.75
02/15/2035	355,000	2.030%	58,184.00	413,184.00	
08/15/2035			54,580.75	54,580.75	
09/30/2035					467,764.75
02/15/2036	360,000	2.130%	54,580.75	414,580.75	
08/15/2036			50,746.75	50,746.75	
09/30/2036					465,327.50
02/15/2037	370,000	2.250%	50,746.75	420,746.75	
08/15/2037			46,584.25	46,584.25	
09/30/2037					467,331.00
02/15/2038	375,000	2.320%	46,584.25	421,584.25	
08/15/2038			42,234.25	42,234.25	
09/30/2038					463,818.50
02/15/2039	380,000	2.370%	42,234.25	422,234.25	
08/15/2039			37,731.25	37,731.25	
09/30/2039					459,965.50
02/15/2040	390,000	2.375%	37,731.25	427,731.25	
08/15/2040			33,100.00	33,100.00	
09/30/2040					460,831.25
02/15/2041	400,000	2.375%	33,100.00	433,100.00	
08/15/2041			28,350.00	28,350.00	
09/30/2041					461,450.00
02/15/2042	410,000	2.625%	28,350.00	438,350.00	
08/15/2042			22,968.75	22,968.75	
09/30/2042					461,318.75
02/15/2043	420,000	2.625%	22,968.75	442,968.75	
08/15/2043			17,456.25	17,456.25	
09/30/2043					460,425.00
02/15/2044	430,000	2.625%	17,456.25	447,456.25	
08/15/2044			11,812.50	11,812.50	
09/30/2044					459,268.75
02/15/2045	445,000	2.625%	11,812.50	456,812.50	
08/15/2045			5,971.88	5,971.88	
09/30/2045					462,784.38
02/15/2046	455,000	2.625%	5,971.88	460,971.88	
09/30/2046					460,971.88
	10,770,000		2,268,916.76	13,038,916.76	13,038,916.76

BOND DEBT SERVICE

City of Alamo Heights, Texas
\$4,530,000 General Obligation Refunding Bonds, Series 2020
As of Fiscal Year End 2025

Period Ending	Principal	Coupon	Interest	Debt Service
09/30/2026	345,000	3.000%	79,500	424,500
09/30/2027	355,000	3.000%	69,150	424,150
09/30/2028	365,000	3.000%	58,500	423,500
09/30/2029	380,000	3.000%	47,550	427,550
09/30/2030	390,000	3.000%	36,150	426,150
09/30/2031	400,000	3.000%	24,450	424,450
09/30/2032	415,000	3.000%	12,450	427,450
	2,650,000		327,750	2,977,750

BOND DEBT SERVICE

City of Alamo Heights, Texas
\$4,530,000 General Obligation Refunding Bonds, Series 2020
As of Fiscal Year End 2025

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/15/2026			39,750	39,750	
08/15/2026	345,000	3.000%	39,750	384,750	
09/30/2026					424,500
02/15/2027			34,575	34,575	
08/15/2027	355,000	3.000%	34,575	389,575	
09/30/2027					424,150
02/15/2028			29,250	29,250	
08/15/2028	365,000	3.000%	29,250	394,250	
09/30/2028					423,500
02/15/2029			23,775	23,775	
08/15/2029	380,000	3.000%	23,775	403,775	
09/30/2029					427,550
02/15/2030			18,075	18,075	
08/15/2030	390,000	3.000%	18,075	408,075	
09/30/2030					426,150
02/15/2031			12,225	12,225	
08/15/2031	400,000	3.000%	12,225	412,225	
09/30/2031					424,450
02/15/2032			6,225	6,225	
08/15/2032	415,000	3.000%	6,225	421,225	
09/30/2032					427,450
	2,650,000		327,750	2,977,750	2,977,750

City of Alamo Heights, Texas

TAB C: Summary of Outstanding Utility System Revenue Supported Debt

Summary of Outstanding Utility System Supported Debt

City of Alamo Heights, Texas
All Outstanding General Obligation Debt - Utility Fund Portion
As of Fiscal Year End 2025
(000's)

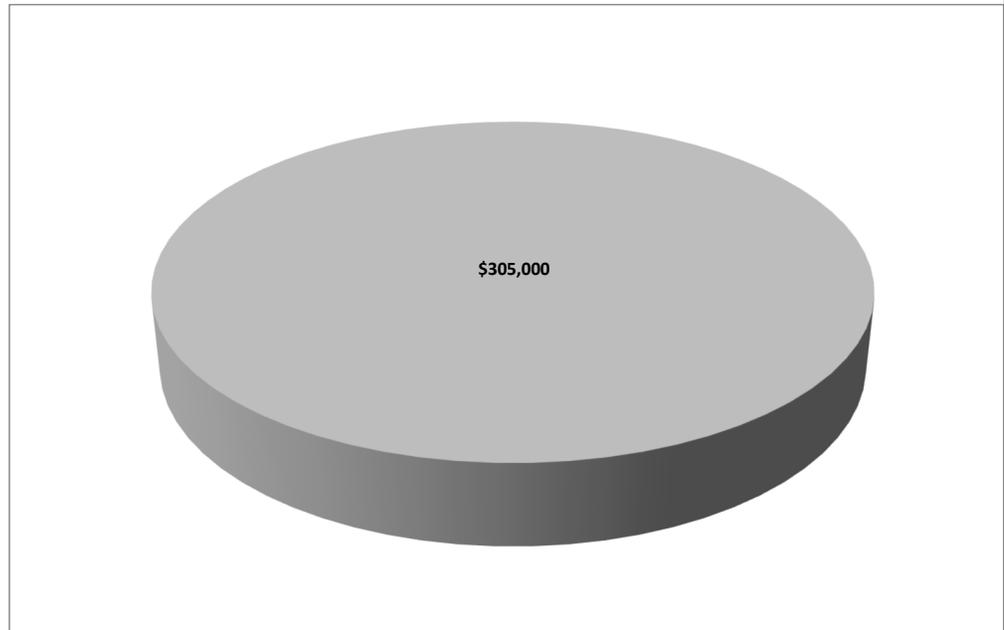
\$2,975,000 General Obligation Refunding Bonds Series 2016		
Year Ending September 30	Principal	Coupon
2026	150	4.000%
2027	155	4.000%
TOTALS	305	
Next Call	Non-Callable	
Dated Date	6/1/2016	
Coupon Dates	February 15	August 15
Maturity Dates	August 15	
Insurer	None	
Paying Agent	US Bank	
Purpose	Refunding	
	Color Legend	
	Non-Callable	Callable

City of Alamo Heights, Texas
Summary of All Outstanding General Obligation Debt - Utility Fund Portion
As of Fiscal Year End 2025
(000's)

Summary Statistics

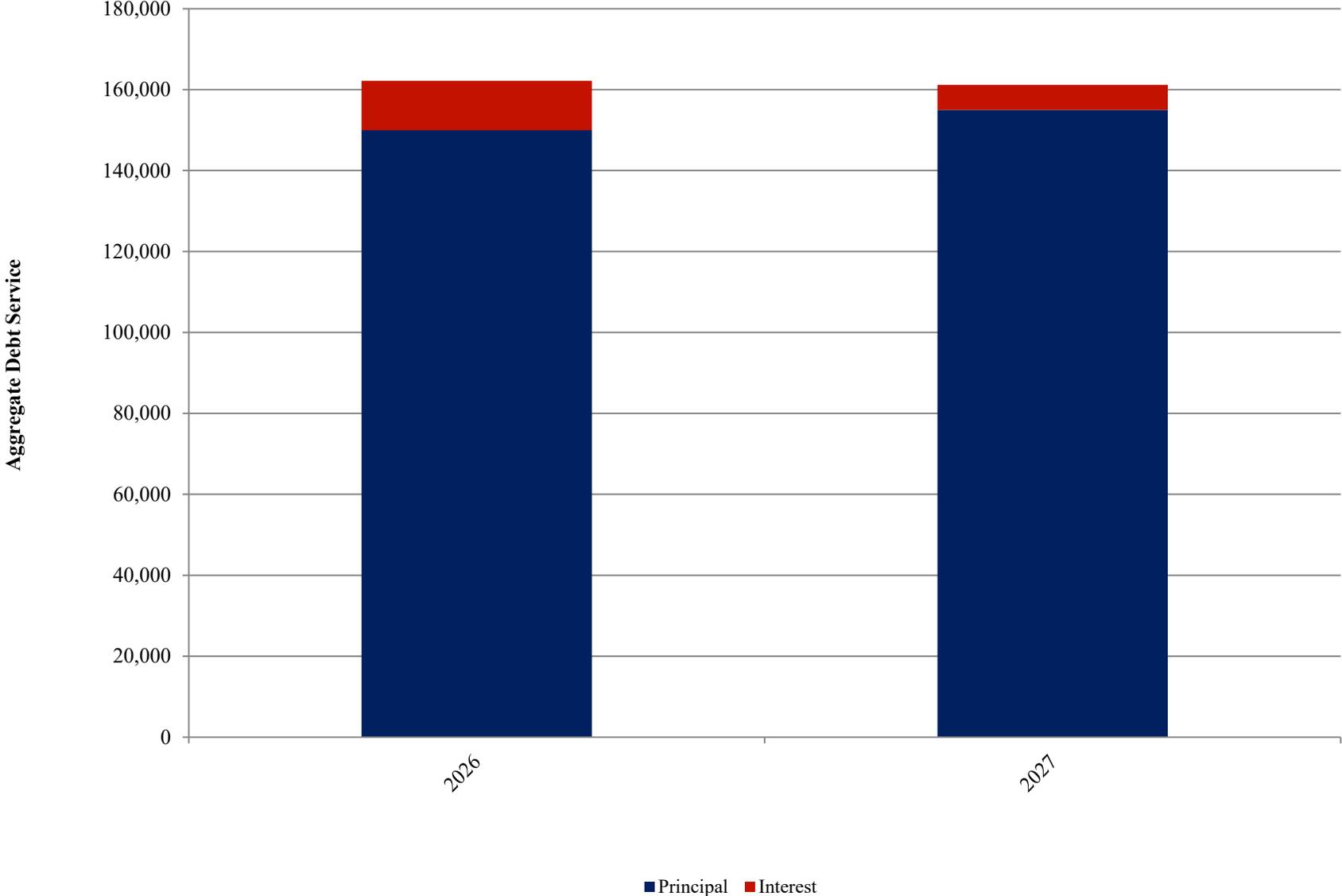
Total Outstanding Principal	\$	305,000
<i>Total Fixed Rate</i>	\$	305,000
<i>Total Variable Rate</i>	\$	-
Total Interest Payments	\$	18,400
Callable Principal (%)		0.000%
Percent of Principal Retired		
w/in 5 years		100.000%
Final Maturity		August 15, 2027

Principal Composition



■	Non-Callable	\$	305,000
■	Callable	\$	-

**City of Alamo Heights, Texas
All Outstanding General Obligation Debt - Utility Fund Portion
As of Fiscal Year End 2025**



BOND DEBT SERVICE

**City of Alamo Heights
All Outstanding General Obligation Debt
Utility Fund Portion
As of Fiscal Year End 2025**

Period Ending	Principal	Coupon	Interest	Debt Service
09/30/2026	150,000	4.000%	12,200	162,200
09/30/2027	155,000	4.000%	6,200	161,200
	305,000		18,400	323,400

BOND DEBT SERVICE

**City of Alamo Heights
All Outstanding General Obligation Debt
Utility Fund Portion
As of Fiscal Year End 2025**

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/15/2026			6,100	6,100	
08/15/2026	150,000	4.000%	6,100	156,100	
09/30/2026					162,200
02/15/2027			3,100	3,100	
08/15/2027	155,000	4.000%	3,100	158,100	
09/30/2027					161,200
	305,000		18,400	323,400	323,400

City of Alamo Heights, Texas

TAB D: Details of Outstanding Utility System Revenue Supported Debt

Details of Outstanding Utility System Revenue Supported Debt



BOND DEBT SERVICE

City of Alamo Heights, Texas
\$2,975,000 General Obligation Refunding Bonds, Series 2016
As of Fiscal Year End 2025

Period Ending	Principal	Coupon	Interest	Debt Service
09/30/2026	150,000	4.000%	12,200	162,200
09/30/2027	155,000	4.000%	6,200	161,200
	305,000		18,400	323,400

BOND DEBT SERVICE

City of Alamo Heights, Texas
\$2,975,000 General Obligation Refunding Bonds, Series 2016
As of Fiscal Year End 2025

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/15/2026			6,100	6,100	
08/15/2026	150,000	4.000%	6,100	156,100	
09/30/2026					162,200
02/15/2027			3,100	3,100	
08/15/2027	155,000	4.000%	3,100	158,100	
09/30/2027					161,200
	305,000		18,400	323,400	323,400

City of Alamo Heights, Texas

TAB E: Miscellaneous

Miscellaneous



City of Alamo Heights, Texas

TAB E1: Rating Reports

Rating Reports



RatingsDirect®

Summary:

Alamo Heights, Texas; General Obligation

Primary Credit Analyst:

Alex Louie, Centennial + 1 (303) 721 4559; alex.louie@spglobal.com

Secondary Contact:

Joshua Travis, Farmers Branch + 1 (972) 367 3340; joshua.travis@spglobal.com

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Rating Action

Stable Outlook

Summary:

Alamo Heights, Texas; General Obligation

Credit Profile

US\$13.25 mil GO bnds (taxable) ser 2021 dtd 06/01/2021 due 02/15/2046

Long Term Rating AAA/Stable New

Alamo Heights GO bnds

Long Term Rating AAA/Stable Affirmed

Rating Action

S&P Global Ratings assigned its 'AAA' long-term rating to the City of Alamo Heights, Texas' \$13,250,000 taxable general obligation (GO) bonds. At the same time, S&P Global Ratings affirmed its 'AAA' long-term rating on the city's previously issued GO debt. The outlook is stable.

The series 2021 bonds, as well as the city's GO debt outstanding, constitute direct obligations of the city, payable from the proceeds of a continuing, direct annual ad valorem tax, within the limits prescribed by law, on all taxable property within its borders. Despite state statutory tax rate limitations, we make no distinction between the city's limited-tax debt rating and its general creditworthiness because the ad valorem taxes are collected from a broad tax base, and because there are no restrictions on what the limited tax can be used for, which supports our view of the city's overall ability and willingness to pay debt service. State statutes limit the ad valorem tax rate for cities to \$2.50 per \$100 of taxable assessed value (AV) for all purposes. In addition, the Texas attorney general will permit the allocation of \$1.50 of the \$2.50 maximum tax rate for ad valorem tax debt service. In fiscal 2020, the city's total levy was well below the maximum at 38.6 cents per \$100 of AV, 5 cents of which is dedicated to debt service. Bond proceeds will be used for drainage projects in the city.

Alamo Heights' GO bonds are eligible to be rated above the sovereign because we believe the city can maintain better credit characteristics than the U.S. in a stress scenario. Under our criteria "Ratings Above The Sovereign: Corporate And Government Ratings--Methodology And Assumptions," published Nov. 19, 2013 on RatingsDirect, the city has predominantly (96%) locally derived general fund revenue sources with independent taxing authority and independent treasury management from the federal government.

Credit overview

The city features very strong economic wealth and income metrics comparable with other 'AAA' credits, historically strong budgetary performance, and large reserves approaching 60% of expenditures. Sales taxes remain stable, despite the COVID-19 pandemic, due in part to the city's largest sales tax remitter, which is a grocery store. Although Bexar county and San Antonio rely heavily on tourism, which was materially affected during the pandemic, Alamo Heights has maintained stable revenue, and conservative budget assumptions have kept operations balanced. The city's total direct debt burden has increased to \$18,770,000, but the city increased the debt service millage with voter approval by two cents to adjust for higher debt service, and given historical budgetary performance, we believe the city will

maintain its very strong reserves moving forward.

The rating reflects our view of the city's:

- Very strong economy, with access to a broad and diverse metropolitan statistical area (MSA);
- Very strong management, with strong financial policies and practices under our Financial Management Assessment (FMA) methodology;
- Strong budgetary performance, with operating results that we expect could weaken in the near term relative to fiscal 2020, which closed with operating surpluses in the general fund and at the total governmental fund level in fiscal 2020;
- Very strong budgetary flexibility, with an available fund balance in fiscal 2020 of 58% of operating expenditures;
- Very strong liquidity, with total government available cash at 103.0% of total governmental fund expenditures and 12.0x governmental debt service, and access to external liquidity we consider strong;
- Weak debt and contingent liability profile, with debt service carrying charges at 8.6% of expenditures and net direct debt that is 144.6% of total governmental fund revenue; and
- Strong institutional framework score.

Environment, social, and governance factors

We analyzed the district's environmental, and risks relative to its credit factors, and we determined that all are in line with our view of the sector standard. We view the city's governance risks as slightly lower than its peers given its formalized policies and proactive measures such as increasing the debt service millage.

Stable Outlook

Downside scenario

We could consider a lower rating if the city's reserves materially decline, or if unexpected debt issuances worsen the city's debt profile.

Very strong economy

We consider Alamo Heights's economy very strong. The city, with an estimated population of 7,232, is located in Bexar County in the San Antonio-New Braunfels MSA, which we consider to be broad and diverse. The city has a projected per capita effective buying income of 211% of the national level and per capita market value of \$264,829. Overall, the city's market value grew by 2.3% over the past year to \$1.9 billion in 2021. The county unemployment rate was 3.1% in 2019.

The city is an affluent residential bedroom community located just 4.5 miles north of downtown San Antonio and just to the north of the San Antonio Zoo. Although the city does have a modest commercial presence, along two main thoroughfares, the tax base largely reflects the residential nature; 87% of values come from single-family homes. Additionally, the city is fully encapsulated by the city of San Antonio, with no room for expansion. Given this built out status, the city relies on redevelopment of existing properties and appreciation of values. Two projects recently were completed, Magnolia Heights, a mixed-housed development, and a four-story office building. Management reports

there are inquiries into further infill developments for both residential and office at this time, but all of these projects are early in the planning phase.

Given the largely residential nature of the city, officials report minimal impact as a result of the pandemic. The city's largest taxpayer, both property and sales, is a HEB grocery store that has benefitted from stay-at-home orders. Assessed values continue to steadily grow, with management expecting approximately 3%-3.5% increase in the next year.

Very strong management

We view the city's management as very strong, with strong financial policies and practices under our FMA methodology, indicating financial practices are strong, well embedded, and likely sustainable.

The city bases its revenue and expenditure assumptions on an analysis of historical data and consultations with the appraisal district. Detailed budgetary performance reports are presented to elected officials quarterly, along with a report on investment holdings and earnings. As part of the annual budget process, the city updates its five-year projections for the general and utility funds, which it uses to identify potential shortfalls or budget gaps in out years. The city also maintains a five-year capital improvement plan that is also updated as part of the budget process, with projects primarily funded with operating revenues. This is because the city also has a formal debt management policy, that not only outlines the types and purposes of debt that can be issued, but also limits the city's debt to no more than 1% of assessed values. With regards to its minimum fund balance, the city has also adopted a general fund target of not less than 25% of expenditures, a level that it has remained in compliance with.

Strong budgetary performance

Alamo Heights's budgetary performance is strong in our opinion. The city had operating surpluses of 9.7% of expenditures in the general fund and 21.5% across all governmental funds in fiscal 2020. While we expect Alamo Heights to have at least balanced operating results, we do not expect results to be as favorable as they had been in 2020.

Our view of the city's budgetary performance includes adjustments made to account for recurring transfers in and out, as well as to adjust for a non-recurring transfer to the capital projects fund in fiscal 2020. The city has historically maintained strong budgetary performance, driven largely by assessed valuation (AV) growth. Given that property taxes are the largest revenue stream, accounting for around 52% of general fund resources, this growth is the primary driver behind the strong results. Additionally, the city's sales tax revenues continue to grow, though they comprise a much more modest share of the budget (at just 11%).

Fiscal 2020 results continued this trend, with a \$900,000 operating surplus when accounting for the aforementioned one-time transfer. Coming into fiscal 2020, with the onset of the pandemic beginning in March, the city has faced increasing expenses in the form of personal protective equipment purchases and employee overtime costs. However, the city expects to be fully reimbursed from federal relief funds for the expenses that have been incurred. Officials attribute the sales tax growth in fiscal 2020 to the fact that HEB is the largest sales tax remitter and sales at the grocery store are up as residents have been working from home or were quarantined over the last six months.

Entering fiscal 2021, the city's proposed budget reflects another anticipated surplus. Officials state that property tax

revenue is on track to meet budget estimates, and sales tax revenues is 3% over budget as of May 2021. Expenditures are well within budgeted parameters as well and officials expect another surplus. Given the city's consistent track record, we also believe that performance will remain strong in the near term, especially since the city increased its debt service tax rate by two cents to accommodate the series 2021 issue, an increase approved by voters. Officials may spend down \$800,000 for a one-time capital project which could result in a slight spenddown, but aside from this one project, management has no plans to spend down reserves in the future.

Very strong budgetary flexibility

Alamo Heights's budgetary flexibility is very strong, in our view, with an available fund balance in fiscal 2020 of 58% of operating expenditures, or \$5.7 million. We expect the available fund balance to remain above 30% of expenditures for the current and next fiscal years, which we view as a positive credit factor.

The city has historically maintained very strong budgetary flexibility, above 30% of expenditures, over the years. Surpluses in each of the last three fiscal years has driven reserves well in excess of 50% and approaching 60% in fiscal 2020. Officials report that they may spend approximately \$800,000 to augment bond proceeds for a drainage and storm water project within the next two years. Management reports no plans to spend down reserves and no indication from city council to spend down.

Very strong liquidity

In our opinion, Alamo Heights's liquidity is very strong, with total government available cash at 103.0% of total governmental fund expenditures and 12.0x governmental debt service in 2020. In our view, the city has strong access to external liquidity if necessary.

The city has demonstrated its access to external liquidity through its somewhat infrequent debt issuances over the past two decades. As of Sept. 30, 2020, investments were primarily held in various local government investment pools, with the remainder in certificates of deposit. We do not consider these investments to be aggressive. We understand that the city does not have any privately placed debt or other contingencies that would weaken our assessment of the city's liquidity profile.

Weak debt and contingent liability profile

In our view, Alamo Heights's debt and contingent liability profile is weak. Total governmental fund debt service is 8.6% of total governmental fund expenditures, and net direct debt is 144.6% of total governmental fund revenue.

Following this issuance, the city will have just \$5.4 million in debt outstanding. However, officials are calling an election to authorize the issuance of up to \$13.3 million to fund storm water and drainage improvements. The city will leverage grant funding to complete the project, combined with the GO issuance and \$2.1 million in certificates of obligation. While the potential issuance will result in an elevated debt load, we don't expect it to materially weaken our view of the city's debt profile.

Alamo Heights's combined required pension and actual other postemployment benefit (OPEB) contributions totaled 9.6% of total governmental fund expenditures in 2020. The city made its full required pension contribution in 2020.

We do not view pension and OPEB liabilities as an immediate source of credit pressure, as required contributions represent an affordable share of total governmental expenditures. Alamo Heights's combined required pension and

actual other postemployment benefits (OPEB) contributions totaled 9.6% of total governmental fund expenditures in 2020. The city made its full annual required pension contribution in 2020.

The city participated in the following plans as of Dec. 31, 2019:

- Texas Municipal Retirement System (TMRS): 81% funded with a net pension liability of \$5.4 million
- TMRS Supplemental Death Benefit OPEB Plan: unfunded with a net OPEB liability of \$319,000

TMRS' actuarially determined contributions fell short of our minimum funding progress (MFP) metric. The MFP metric assesses whether the most recent employer and employee contributions cover total service cost, plus unfunded interest cost, plus one-30th of the principal. When MFP is achieved, this indicates that an issuer has strong funding discipline that aims to ensure timely progress on reducing its plans' liabilities. Given that this is an agent plan, assets are jointly managed. The plan uses certain assumptions that could increase contribution volatility, including a 6.75% discount rate, though there are offsetting factors. For more information, see "Pension Spotlight: Texas," published Feb. 25, 2020.

The city also participates in the cost-sharing, multiple-employer defined-benefit group-term life insurance coverage operated by TMRS, known as the Supplemental Death Benefits Fund. The city may terminate coverage and discontinue participation by adopting an ordinance before Nov. 1 of any year to be effective the following Jan. 1. It has historically contributed 100% of the contractually required rate as determined by an annual actuarial valuation.

Strong institutional framework

The institutional framework score for Texas municipalities is strong.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

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City of Alamo Heights, Texas

TAB E2: Financial Advisory Team Contact Information

Financial Advisory Team Contact Information





FINANCIAL ADVISORY TEAM CONTACT INFORMATION

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City of Alamo Heights, Texas

TAB E3: Texas Municipal Reports

Texas Municipal Reports





FINANCIAL STATEMENT

FINANCIAL STATEMENT (As of April 30, 2021)

Net Taxable Assessed Valuation ("A.V."), 2020	\$1,915,242,101
New Debt	\$13,170,000
Outstanding Debt	5,520,000

Total General Obligation Debt	\$18,690,000
Less: Self-Supporting (a)	
Water & Sewer	990,000

GO Debt payable from Ad Valorem Taxes	\$17,700,000
Less: I&S Fund	921,638

Net Debt	\$16,778,362
	=====

(a) The June 14, 2021 Official Statement reports the following General Obligation Debt being paid from revenues other than ad valorem taxes; thus considered self-supporting.

Net Debt Per Net Taxable Assessed Valuation - 0.88%
Net Debt Per Sq mile - \$9,118,675.00
Net Debt Per Capita - \$1,947.80

Net Taxable Assessed Valuation Per Capita - \$222,340.62

Bureau of Census Pop: 2000 - 7,319
Bureau of Census Pop: 2010 - 7,031
2020 Estimated Population - 8,614
Area: 1.84 Sq mile

PAYMENT RECORD

Never Defaulted.

TAX DATA

Tax Year	A.V.	Tax Rate	Adjusted Levy	% Collected within FY	Total % Collected as of 09/30/2020*
2015	\$1,588,149,606	0.3903	\$5,875,000	99.05	99.74
2016	1,677,002,125	0.3899	6,160,000	99.27	99.72
2017	1,731,176,388	0.3899	6,291,000	99.32	99.65
2018	1,827,485,095	0.3864	6,593,000	99.32	99.61
2019	1,870,067,485	0.3864	6,727,000	99.30	99.30
2020	1,915,242,101	0.3864	7,400,495	91.39**	91.39**

* Delinquent tax collections are allocated to the respective years in which the taxes are levied.

** Collections as of April 2021.

Tax Rate Distribution	2020	2019	2018	2017
Maintenance and Operations	\$0.3364	\$0.3364	\$0.3364	\$0.3329
Interest and Sinking	0.0500	0.0500	0.0500	0.0570
	-----	-----	-----	-----
Totals	0.3864	0.3864	0.3864	0.3899

TAX RATE LIMITATION

Article XI, Section 5 of Texas Constitution, applicable to cities of more than 5,000 population: \$2.50 per \$100 assessed valuation. City operates under a Home Rule Charter which adopts constitutional provisions.

SALES TAX

Municipal Sales Tax: The City has adopted the provisions of Municipal Sales and Use Tax Act V.T.C.A, Tax Code, Chapter 321, which grants the City power to impose and levy a 1% Local Sales and Use Tax within the City; the proceeds are credited to the General Fund and are not pledged to the payment of the bonds in this report. Voters approved an additional sales and use tax of 1/4 of 1% for street maintenance and repair, effective April of 2009. Voters approved an additional sales and use tax of 1/2 of 1% for street maintenance and repair, effective October of 2017. Net allocations on calendar year basis are as follows:

Calendar Year	Rate	Total Collected	% of Ad Val Tax Levy	Equiv of Ad Val Tax Rate
2017	1.500%	\$1,302,175	20.69%	\$0.08
2018	1.500	1,736,275	26.33	0.10
2019	1.500	1,780,113	26.46	0.10
2020	1.500	1,985,051	26.82	0.10

DETAILS OF OUTSTANDING DEBT

Details of Limited Tax Debt (Outstanding 4/30/2021)

GO Ref Bds Ser 2016

Tax Treatment: Bank Qualified
Original Issue Amount \$2,975,000.00
Dated Date: 06/01/2016
Sale Date: 05/25/2016
Delivery Date: 06/28/2016
Sale Type: Competitive
TIC: 1.3980%
Record Date: MSRB
Bond Form: BE
Denomination \$5,000
Interest pays Semi-Annually: 08/15, 02/15
1st Coupon Date: 02/15/2017

Paying Agent: U.S. Bank N.A., Dallas, TX
Bond Counsel: McCall, Parkhurst & Horton L.L.P., San Antonio, TX
Financial Advisor: FirstSouthwest, a Division of Hilltop Securities Inc., San Antonio, TX
Lead Manager: Raymond James

Water & Sewer 100.00%

Use of Proceeds: Refunding.

Refunding Notes: This bond refunded maturities from the following issues:
Comb Tax & Rev C/O Ser 2007

Refunded Amount	Mat Date	Coupon	Price	Sched Call
3,010,000.00*	08/15/2027	3.990	Par	08/15/2017

* Partial Maturity

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
08/15/2021	130,000.00	2.0000%	1.150%
08/15/2023T	270,000.00	2.0000%	1.450%
08/15/2025T	285,000.00	4.0000%	1.700%
08/15/2027T	305,000.00	4.0000%	1.850%
			-----\$990,000.00

Call Option: Non Callable

Term Call: Term bonds maturing on 08/15/2023:

Mandatory Redemption Date	Principal Amount
08/15/2022	\$135,000
08/15/2023	\$135,000

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\$270,000

Term bonds maturing on 08/15/2025:

Mandatory Redemption Date	Principal Amount
08/15/2024	\$140,000
08/15/2025	\$145,000

	\$285,000

Term bonds maturing on 08/15/2027:

Mandatory Redemption Date	Principal Amount
08/15/2026	\$150,000
08/15/2027	\$155,000

	\$305,000

GO Ref Bds Ser 2020

Tax Treatment: Bank Qualified
 Original Issue Amount \$4,530,000.00
 Dated Date: 10/15/2020
 Sale Date: 09/21/2020
 Delivery Date: 10/21/2020
 Sale Type: Negotiated
 NIC: 1.1927%
 Record Date: MSRB
 Bond Form: BE
 Denomination: \$5,000
 Interest pays: Semi-Annually: 08/15, 02/15
 1st Coupon Date: 02/15/2021

Paying Agent: U.S. Bank N.A., Dallas, TX
 Bond Counsel: McCall, Parkhurst & Horton L.L.P., San Antonio, TX
 Financial Advisor: Hilltop Securities Inc., San Antonio, TX
 Lead Manager: Frost Bank
 Underwriter's Counsel: Locke Lord LLP, Austin, TX

Use of Proceeds: Refunding.

Refunding Notes: This bond refunded maturities from the following issues:

GO Bds Ser 2012

Refunded Amount	Mat Date	Coupon	Price	Sched Call
355,000.00	08/15/2021	2.000	Par	10/27/2020
365,000.00	08/15/2022	2.000	Par	10/27/2020
375,000.00	08/15/2023	2.000	Par	10/27/2020
380,000.00	08/15/2024	2.000	Par	10/27/2020
390,000.00	08/15/2025	2.000	Par	10/27/2020
400,000.00	08/15/2026	2.000	Par	10/27/2020
410,000.00	08/15/2027	2.125	Par	10/27/2020
420,000.00	08/15/2028	2.125	Par	10/27/2020
430,000.00	08/15/2029	2.250	Par	10/27/2020
445,000.00	08/15/2030	2.375	Par	10/27/2020
455,000.00	08/15/2031	2.500	Par	10/27/2020
470,000.00	08/15/2032	2.625	Par	10/27/2020

4,895,000.00

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
08/15/2021	565,000.00	3.0000%	0.220%
08/15/2022	315,000.00	3.0000%	0.300%
08/15/2023	325,000.00	3.0000%	0.350%
08/15/2024	335,000.00	2.0000%	0.450%
08/15/2025	340,000.00	2.0000%	0.550%
08/15/2026	345,000.00	3.0000%	0.640%
08/15/2027	355,000.00	3.0000%	0.790%
08/15/2028	365,000.00	3.0000%	0.940%
08/15/2029	380,000.00	3.0000%	1.050%
08/15/2032T	1,205,000.00	3.0000%	1.260%
	-----		\$4,530,000.00

Call Option: Term bonds maturing on 08/15/2032 callable in whole or in part on any date beginning 08/15/2029 @ par.

Term Call: Term bonds maturing on 08/15/2032 subject to mandatory redemption as follows:

Redemption Date	Principal Amount
08/15/2030	\$390,000
08/15/2031	\$400,000
08/15/2032	\$415,000

	\$1,205,000

GO Bds Taxable Ser 2021

Tax Treatment: Taxable
 Original Issue Amount \$13,170,000.00
 Dated Date: 07/01/2021
 Sale Date: 06/14/2021
 Delivery Date: 07/14/2021
 Sale Type: Competitive
 TIC: 2.0913%
 Record Date: MSRB
 Bond Form: BE
 Denomination: \$5,000
 Interest pays: Semi-Annually: 08/15, 02/15
 1st Coupon Date: 02/15/2022

Paying Agent: U.S. Bank N.A., Houston, TX
 Bond Counsel: McCall, Parkhurst & Horton L.L.P., San Antonio, TX
 Financial Advisor: Hilltop Securities Inc., San Antonio, TX
 Lead Manager: Frost Bank

Use of Proceeds: Road & Utilities.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2022	535,000.00	2.0000%	0.140%
02/15/2023	590,000.00	2.0000%	0.190%
02/15/2024	625,000.00	2.0000%	0.370%
02/15/2025	650,000.00	2.0000%	0.640%
02/15/2026	680,000.00	2.0000%	0.900%
02/15/2027	705,000.00	2.0000%	1.130%
02/15/2028	730,000.00	2.0000%	1.350%
02/15/2029	755,000.00	2.0000%	1.450%
02/15/2030	780,000.00	2.0000%	1.550%
02/15/2031	810,000.00	1.6500%	100.00%
02/15/2032	835,000.00	1.7500%	100.00%
02/15/2033	340,000.00	1.8500%	100.00%
02/15/2034	345,000.00	1.9500%	100.00%
02/15/2035	355,000.00	2.0300%	100.00%
02/15/2036	360,000.00	2.1300%	100.00%
02/15/2037	370,000.00	2.2500%	100.00%
02/15/2038	375,000.00	2.3200%	100.00%
02/15/2039	380,000.00	2.3700%	100.00%
02/15/2040	390,000.00	2.3750%	2.420%
02/15/2041	400,000.00	2.3750%	2.500%
02/15/2046T	2,160,000.00	2.6250%	100.00%
	-----		\$13,170,000.00

Call Option: Bonds maturing on 02/15/2031 to 02/15/2041 and term bonds maturing on 02/15/2046 callable in whole or in part on any date beginning 02/15/2030 @ par.

Term Call: Term bonds maturing on 02/15/2046 subject to mandatory redemption as follows:

Redemption Date	Principal Amount
02/15/2042	\$410,000
02/15/2043	\$420,000
02/15/2044	\$430,000

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02/15/2045	\$445,000
02/15/2046	\$455,000

	\$2,160,000

Grand Total =====> \$18,690,000.00

Bond Debt Service

Period Ending	Principal	Interest	Debt Service
09/30/21	695,000.00	137,072.50	832,072.50
09/30/22	985,000.00	438,183.13	1,423,183.13
09/30/23	1,050,000.00	390,813.00	1,440,813.00
09/30/24	1,100,000.00	366,213.00	1,466,213.00
09/30/25	1,135,000.00	341,163.00	1,476,163.00
09/30/26	1,175,000.00	315,263.00	1,490,263.00
09/30/27	1,215,000.00	285,063.00	1,500,063.00
09/30/28	1,095,000.00	253,863.00	1,348,863.00
09/30/29	1,135,000.00	228,063.00	1,363,063.00
09/30/30	1,170,000.00	201,313.00	1,371,313.00
09/30/31	1,210,000.00	175,130.50	1,385,130.50
09/30/32	1,250,000.00	149,141.75	1,399,141.75
09/30/33	340,000.00	126,240.50	466,240.50
09/30/34	345,000.00	119,731.75	464,731.75
09/30/35	355,000.00	112,764.75	467,764.75
09/30/36	360,000.00	105,327.50	465,327.50
09/30/37	370,000.00	97,331.00	467,331.00
09/30/38	375,000.00	88,818.50	463,818.50
09/30/39	380,000.00	79,965.50	459,965.50
09/30/40	390,000.00	70,831.25	460,831.25
09/30/41	400,000.00	61,450.00	461,450.00
09/30/42	410,000.00	51,318.75	461,318.75
09/30/43	420,000.00	40,425.00	460,425.00
09/30/44	430,000.00	29,268.75	459,268.75
09/30/45	445,000.00	17,784.38	462,784.38
09/30/46	455,000.00	5,971.88	460,971.88
	-----	-----	-----
	18,690,000.00	4,288,511.39	22,978,511.39

COMPUTED ON BASIS OF MANDATORY REDEMPTION

Debt Amortization Rates

Period Ending	Principal	% of Principal Retired
09/30/2021	695,000.00	03.72%
09/30/2022	985,000.00	08.99%
09/30/2023	1,050,000.00	14.61%
09/30/2024	1,100,000.00	20.49%
09/30/2025	1,135,000.00	26.57%
09/30/2026	1,175,000.00	32.85%
09/30/2027	1,215,000.00	39.35%
09/30/2028	1,095,000.00	45.21%
09/30/2029	1,135,000.00	51.28%
09/30/2030	1,170,000.00	57.54%
09/30/2031	1,210,000.00	64.02%
09/30/2032	1,250,000.00	70.71%
09/30/2033	340,000.00	72.53%
09/30/2034	345,000.00	74.37%
09/30/2035	355,000.00	76.27%
09/30/2036	360,000.00	78.20%
09/30/2037	370,000.00	80.18%
09/30/2038	375,000.00	82.18%
09/30/2039	380,000.00	84.22%
09/30/2040	390,000.00	86.30%

09/30/2041	400,000.00	88.44%
09/30/2042	410,000.00	90.64%
09/30/2043	420,000.00	92.88%
09/30/2044	430,000.00	95.18%
09/30/2045	445,000.00	97.57%
09/30/2046	455,000.00	100.00%

DEBT SERVICE FUND MANAGEMENT INDEX

G.O. Debt Service Requirements for fiscal year-ending 09/30/2021		\$832,073
I&S Fds all G.O. issues 09/30/2020	\$149,737	
2020 I&S Fund Tax Levy @ 90%	861,859	
Water & Sewer	161,600	

Total		1,173,196

OPERATING STATEMENT

WATERWORKS & SEWER SYSTEM OPERATING EXPERIENCE The following condensed statements have been compiled using accounting principles customarily employed in the determination of net revenues available for debt service, and in all instances exclude depreciation, transfers, debt service payments and expenditures identified as capital.

	Fiscal Year Ended			
	09-30-2020	09-30-2019	09-30-2018	09-30-2017
Revenues:				
Charges for Services	\$3,736,134	\$3,495,304	\$3,523,432	\$3,378,349
Other	24,245	51,451	141,696	0
	-----	-----	-----	-----
Total Revenues	\$3,760,379	\$3,546,755	\$3,665,128	\$3,378,349
Expenses	\$2,814,026	\$2,956,597	\$2,968,092	\$2,853,093
Available For Debt Service	\$946,353	\$590,158	\$697,036	\$525,256

OPERATING DATA

	Fiscal Year Ended			
	9-30-20	9-30-19	9-30-18	9-30-17
CUSTOMER COUNT:				
Sewer	2,648	2,766	2,784	2,772
Water	3,058	3,131	3,077	3,037

SYSTEM DESCRIPTION

UTILITY SERVICE The City of Alamo Heights treats and delivers water through its own water system. Sewer is provided through San Antonio Water System.

RATES AND FEES

Water Rates

Old Rates (Effective as of March 1, 2020)

Monthly Meter Charge-	
Meter	
Size	Net
5/8"	\$ 3.31
3/4"	9.92
1 "	16.54
1 1/2"	41.34
2 "	66.15
3 "	165.38

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4	"	248.06		
Monthly Volume Charge - Residential Commercial				
Volume in Cubic Feet		Rate per 100 Cubic Feet	Rate per 100 Cubic Feet	
		Standard	Standard	
First	500	\$0.92	\$1.30	
Next	500	1.25	1.63	
Next	1,300	1.80	2.18	
Over	2,300	3.05	3.43	

New Rates (Effective as of September 30, 2020)

Monthly Meter Charge-

Meter Size	Net
5/8"	\$ 3.47
3/4"	10.42
1 "	17.36
1 1/2"	43.41
2 "	69.46
3 "	173.64
4 "	260.47

Monthly Volume Charge - Residential Commercial				
Volume in Cubic Feet		Rate per 100 Cubic Feet	Rate per 100 Cubic Feet	
		Standard	Standard	
First	500	\$0.96	\$1.37	
Next	500	1.31	1.71	
Next	1,300	1.89	2.29	
Over	2,300	3.20	3.61	

Sewer/Wastewater Rates

Old Rates (Effective as of July 1, 2020)

General Sewer Inside City Limits		
Cubic Feet		
First	500	\$23.53(Min)
Over	500	3.93/ccf

New Rates (Effective as of September 30, 2020)

General Sewer Inside City Limits		
Cubic Feet		
First	500	\$25.88(Min)
Over	500	4.32/ccf

AUTHORIZED BUT UNISSUED

GENERAL OBLIGATION BONDS AUTHORIZED BUT UNISSUED None.

PENSION FUND LIABILITY

All qualified employees of the City are members of the Texas Municipal Retirement System. The City employees also participate in the U.S. Social Security program.

The City participates as one of 872 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.TMRS.com.

Required Contribution Rates (Percentage of gross covered salary)

	2022	2021
Employee:	7.00%	7.00%
City:	16.84%	16.71%
Actuarial Valuation as of		
Assets	12/31/2020	12/31/2019
	\$24,084,981	\$22,501,474
Accrued Liabilities	\$29,953,155	\$28,570,089

(Unfunded)/Overfunded Liab.	(\$5,868,174)	(\$6,068,615)
Funded Ratio		
	80.41%	78.76%
Annual Covered Payroll	\$5,650,683	\$5,718,879
(Unfunded)/Overfunded Liability as a % of Covered Payroll	(103.85)%	(106.12)%
Pension Liability - Beginning		
	\$28,570,089	\$27,188,597
Pension Liability - Ending (a)	\$29,953,155	\$28,570,089

Contributions Employer	\$955,530	\$963,058
Contributions Employee	\$395,548	\$400,322

Plan Fiduciary Net Position Beg	\$23,121,733	\$19,841,746
Plan Fiduciary Net Position End (b)	\$24,870,375	\$23,121,733
Net Pension Liability (a) - (b)		
(Pension Liab - Fiduciary Position)	\$6,831,422	\$5,448,356
Plan Fiduciary Net Position as a % of Total Pension Liability		
	83.03%	80.93%
Covered Employee Payroll	5,650,683	5,718,879
Net Pension Liability as a % of Covered Payroll		
	89.95%	95.27%
Membership Data		
Inactive employees or beneficiaries currently receiving benefits	86	78
Inactive employees entitled to but not yet receiving benefits	88	88
Active employees	96	97

Total	270	263

Source: Texas Municipal Retirement System

PENSION FUND OPEB LIABILITY

OPEB Benefits - Supplemental Death Benefits Fund
Texas Municipal Retirement System ("TMRS") administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund ("SDBF"). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings for the 12-month period preceding the month of death). The death benefit for retirees is considered an other postemployment benefit ("OPEB") and is a fixed amount of \$7,500. As the SDBF covers both active and retiree participants with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e. no assets are accumulated). The member city contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employees' entire careers.

12/31/2020 12/31/2019

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Covered Payroll	\$5,650,683	\$5,718,879
Changes in the Total OPEB Liability		
Total OPEB Liability - BOY	\$390,617	\$324,454
Changes for the year		
Service Cost	\$14,692	\$14,297
Interest on Total OPEB Liability	\$10,897	\$12,228
Changes of benefit terms including		
TMRS plan participation	\$0	\$0
Differences between expected		
and actual experience	(\$21,304)	(\$16,207)
Changes in assumptions		
or other inputs	\$54,960	\$59,848
Benefit payments	(\$3,390)	(\$4,003)
	-----	-----
Net changes	\$55,855	\$66,163
	-----	-----
Total OPEB Liability - EOY	\$446,472	\$390,617
Total OPEB Liability as a		
Percentage of Covered Payroll	7.9012%	6.8300%
OPEB Expense (Benefit)	35,505	30,091
Number of		
Inactive employees currently receiving		
benefits	62	59
Inactive employees entitled to but		
not yet receiving benefits	13	16
Active employees	96	97
	-----	-----
Total	171	172

Source: Texas Municipal Retirement System

NON FUNDED DEBT

NON-FUNDED DEBT PAYABLE (As of September 30, 2020)

The City reports additional debt in the principal amount of \$5,711,425 under Govt Activities and \$611,823 under W&S Fund as follows:

	Amount Reported	Outstanding Under
Pension Liability*	\$4,903,520	Govt Activities
OPEB*	\$351,555	Govt Activities
Compensated Absences	\$456,350	Govt Activities
Compensated Absences	\$27,925	W&S Fund
Pension Liability*	\$544,836	W&S Fund
OPEB*	\$39,062	W&S Fund

* See PENSION FUND LIABILITY section for details of this obligation.

OVERLAPPING DEBT

ESTIMATED OVERLAPPING DEBT STATEMENT

Taxing Body	Debt Amount	As Of	%Ovlp	Ovlp Amt
Alamo CCD	\$576,183,842	12/31/20	0.97	\$5,588,983
Alamo Heights ISD	182,780,000	* 07/31/21	23.76	43,428,528
Bexar Co	1,521,792,615	09/30/20	0.97	14,761,388
Bexar Co Hosp Dist	886,420,540	05/31/21	0.97	8,598,279

Total Overlapping Debt:				\$72,377,179
Alamo Heights, City of		04/30/21		\$16,778,362

Total Direct and Overlapping Debt:	\$89,155,541
Total Direct and Overlapping Debt % of A.V.:	4.66%
Total Direct and Overlapping Debt per Capita:	\$10,350

* Gross Debt

ECONOMIC BACKGROUND

The City of Alamo Heights is located adjacent to the Cities of Terrell Hills and Olmos Park and is completely surrounded by the City of San Antonio. The City is approximately 4.5 miles north of downtown San Antonio. The City's 2010 census was 7,031, a 3.93% decrease since 2000. The economy is intermingled with that of San Antonio, with manufacturing, military, finance and tourism being the largest industries.

COUNTY CHARACTERISTICS

Bexar County was created in 1836. The south central Texas county is the major component of the San Antonio Metropolitan Statistical Area and is traversed by Interstate Highways 10 and 35, four U.S. Highways, and two State Highways.

COUNTY SEAT: San Antonio

2020 census: 2,009,324 increasing 17.2% since 2010
 2010 census: 1,714,773 increasing 23.1% since 2000
 2000 census: 1,392,931

ECONOMIC BASE

Mineral: sand, limestone and gravel.

Industry: tourism, military bases, medical/biomedical research & services, government and education center.

Agricultural: nursery crops, hay, grain sorghum, corn and beef cattle.

OIL AND GAS - 2024

The county ranks 167 out of all the counties in Texas for oil production.

OIL PRODUCTION (Texas Railroad Commission)

Year	Description	Volume	% Change From Previous Year
2021	Oil	50,678 BBL	-25.45
2022	Oil	40,771 BBL	-19.55
2023	Oil	46,279 BBL	13.51
2024	Oil	49,042 BBL	5.97

CASINGHEAD (Texas Railroad Commission)

Year	Description	Volume	% Change From Previous Year
2021	Casinghead	11 MCF	-38.89
2022	Casinghead	9 MCF	-18.18
2023	Casinghead	11 MCF	22.22
2024	Casinghead	11 MCF	0.00

PARKS (Texas Parks & Wildlife)

Year	Description	Volume
2023	Government Canyon State Natural Area	79,999 Visitors

EMPLOYMENT DATA (Texas Workforce Commission)

	2025	2024	2023	
	Employed	EarningsEmployed	Employed Earnings	
1st Q:	933,108	\$16.4B	920,941 \$15.8B	908,656 \$15.1B
2nd Q:	N/A	N/A	929,849 \$14.7B	918,788 \$13.8B
3rd Q:	N/A	N/A	930,479 \$15.0B	922,648 \$14.3B
4th Q:	N/A	N/A	940,401 \$15.9B	937,302 \$15.2B

Starting Q4 2021 includes Federal Data

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MAJOR COLLEGES AND UNIVERSITIES: University of the Incarnate Word, Trinity University, The University of Texas Health Science Center at San Antonio, The University of Texas at San Antonio, Texas A&M University - San Antonio, St. Mary's University, Our Lady of the Lake University, Alamo Community College District

COLLEGES AND UNIVERSITIES

Year	Total	Fall Enrollment
2023	8	131,833
2022	8	125,367

TOP TAXPAYERS

Principal Taxpayers	2020 A.V.	% of A.V.
1. HEB Grocery Co. LP Commercial - Grocery Store	\$17,589,260	0.92%
2. Alamo Heights Urban LP Residential - Apartments	17,060,440	0.89%
3. Alamo Heights Treehouse Ltd. Residential - Apartments	9,130,520	0.48%
4. H. Glenn Huddleston Residential - Developer	8,196,200	0.43%
5. Stewart Center Inc. Commercial - Shopping Center/Mall	6,885,150	0.36%
6. George A. Geis Residential - Developer	6,595,210	0.34%
7. Christopher Goldsberry Jr. Residential - Individual Residence	6,595,000	0.34%
8. AT&T Utility - Telephone Utility	6,089,622	0.32%
9. Bexar Diversified MF-1 LLC Residential - Apartments	5,302,730	0.28%
10. William Michael Barnes Residential - Individual Residence	5,242,100	0.27%
Total:	\$88,686,232	4.63%

FINANCE CONNECTED OFFICIALS

Mayor
Bobby Rosenthal
6116 Broadway
San Antonio, TX 78209
Phone: 210-882-1511
brosenthal@alamoheightstx.gov

City Manager
Buddy Kuhn
6116 Broadway
San Antonio, TX 78209
Phone: 210-882-2209
bkuhn@alamoheightstx.gov

City Secretary
Elsa T. Robles
6116 Broadway
San Antonio, TX 78209
Phone: 210-832-1508
erobles@alamoheightstx.gov

Finance Director
Kristine Horton
6116 Broadway
San Antonio, TX 78209
Phone: 210-882-1502
khorton@alamoheightstx.gov

Tax Assessor/Collector
Albert Uresti

Bexar County Tax Office
233 N. Pecos La Trinidad
San Antonio, TX 78207
Phone: 210-335-2251
albert.uresti@bexar.org

Chief Appraiser
Rogelio Sandoval
Bexar County Appraisal District
411 N. Frio
San Antonio, TX 78207
Phone: 210-224-2432
cs@bcad.org

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