

CITY OF ALAMO HEIGHTS, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2020



Prepared by:
Administration and Finance Department
Buddy Kuhn, City Manager
Robert Galindo, Director of Finance



CITY OF ALAMO HEIGHTS, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the year ended September 30, 2020

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INTRODUCTORY SECTION





April 12, 2021

To the Honorable Mayor, Members of the City Council, and the Citizens of the City of Alamo Heights, Texas:

The Comprehensive Annual Financial Report (CAFR) of the City of Alamo Heights, Texas (City) for the year ended September 30, 2020 is hereby submitted. The report has been coordinated by the City's Administration and Finance Department. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

ABIP, Certified Public Accountants, have issued an unqualified ("clean") opinion on the City of Alamo Heights financial statements for the year ended September 30, 2020. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this Letter of Transmittal and should be read in conjunction with it.

This report includes all activities, functions, and organizations that relate to the City and are controlled by its governing body, the City Council.

PROFILE OF THE GOVERNMENT

The City of Alamo Heights, incorporated in 1922, operates under a Council-Manager form of government. Policymaking and legislative authority are vested in a governing council consisting of a mayor and five council members. All council members and the mayor are elected-at-large for staggered two-year terms.

Under the council-manager form of government, the city council is responsible for the legislative function of the City such as establishing policy, passing local ordinances, voting appropriations, and developing an overall vision for the City. The city council appoints a professional manager to oversee the administrative operations, implement its policies, and advise it.

The city manager serves as chief executive officer and is responsible for carrying out the policies and ordinances, for overseeing the day-to-day operations of the city government, planning and budgetary management.

The City prides itself on the quality of its service delivery to its residents. In the future, residents can continue to expect to receive prompt, courteous service from city staff.

LOCAL ECONOMY

The City is located within the San Antonio metropolitan area, completely surrounded by the City of San Antonio, the seventh largest city in the country, and other small municipalities. Most of the revenues for the City of Alamo Heights are not from tourism, which is a major revenue source for the San Antonio area. Property taxes constitute the majority of general fund revenues, representing 55 percent of general fund revenues. The City's revenue sources remained strong through the entire Fiscal Year ending September 30, 2020.

Despite its inclusion in such a major urban setting, Alamo Heights has retained its small town charm, recognized for its quiet residential streets and graceful older homes. Due to this factor, as well as the outstanding area schools, the City of Alamo Heights has long been considered one of the most desirable residential locations in the metropolitan area.

Zoning requirements that limit commercial development to two main thoroughfares and adopted Residential Development Standards enhance the primarily residential character of the City. Restrictions are also placed on the types of activities allowed. The most typical commercial activities are specialty retail stores, professional offices, restaurants and banks. The City has no industrial activity.

FINANCIAL INFORMATION

Budgetary Controls

The City adopts a budget for the general fund, debt service fund, capital projects fund, capital replacement fund, street maintenance fund, comprehensive fund and the utility fund on an annual basis. Revenues are budgeted by fund, while expenditures are budgeted by department within the fund. The legal level of budgetary control (i.e., the level at which management must seek the approval of City Council before amending the budget) is the citywide level. This means that the City Manager has the authority to move amounts between line items within a department and from one department to another. These transfers cannot have the net effect of increasing total budgeted expenditures. Each department head is responsible for monitoring departmental expenditures on an ongoing basis. Formal reports with budget to actual comparisons are presented to the city council quarterly.

Financial Policy

The emergency reserve for the General Fund should equal 35% of the departmental operating allocations. For the Utility Fund, working capital should equal 20% of operating allocations. The emergency reserve should only be utilized if the city council deems it absolutely necessary to address some unforeseen and extraordinary occurrence such as a natural disaster, catastrophic loss or significant change in financial position.

Debt

The City issues debt for the purpose of financing long-term infrastructure capital improvements. Infrastructure, as referred to by the City, means economic externalities essentially required to be provided by government to support a community's basic human needs, economic activity, safety, education, and quality of life. Types of debt that can be issued by the City include ad valorem tax-supported bonds and/or certificates of obligation. Adherence to conservative financial management has allowed the City to meet its financing needs while at the same time maintaining its excellent financial reputation. The City debt policy to limit debt to 1% of assessed property valuations.

Certificates of obligation in the amount of \$7.5 million were sold in 2007 at an interest rate of 3.99% to acquire a new firefighting and rescue apparatus; make repairs, extensions and improvements to the City's water system and sanitary sewer system; construct street and sidewalk improvements; fund storm water drainage master plan; repair, modify and renovate various City facilities and pay professional services related to such projects.

In November of 2011, citizens voted to issue \$6.3 million in General Obligation Bonds for the purpose of demolishing and replacing and in certain cases renovating, the City's existing public safety and administrative facilities in order to construct new City Hall facilities. On February 1, 2012 the bonds rated a AA+ were sold at a true interest rate of 2.165%. On April 7, 2014 Standard and Poors upgraded the rating to AAA stable.

In June 2016, the City issued GO Refunding Bonds in the amount of \$2.975 million for the remaining portion of the 2007 Certificates of Obligation callable in August 2017. The interest rates were very low and the City realized net present value savings of \$195,355. The General Fund balance of the outstanding 2016 Refunding was paid off in August of 2020.

Because interest rates were very competitive in late 2020, the City issued 2020 Refunding Bonds for \$4,530,000 of the remaining 2012 G.O. bonds and net present savings were \$265,781. The City maintained its AAA bond rating from Standard and Poors.

Relevant Financial Policies

Maintenance and improvement of the City's infrastructure is a priority of the City Council. A 20-year Street Maintenance Plan was developed which allows for the proper maintenance of every City street over a 20-year period. The City's annual Street Maintenance Plan includes several major street projects.

In November 2008 voters approved a ¼ cent sales tax for a 4-year period to fund street maintenance. A Street Maintenance Fund was created to account for the revenues and expenditures associated with the maintenance of City streets. The voters reauthorized this tax in November 2016. Residents voted to approve an additional ¼ cent sales tax in May 2017 for a total of a ½ cent sales tax dedicated for street maintenance.

In fiscal year 2010 the City established a Capital Replacement Fund to account for all of the revenues and expenditures associated with the replacement of vehicles and major capital equipment purchases. A schedule of equipment needs was established and is reviewed annually along with the budget making any necessary additions or deletions from the schedule.

Long-Term Financial Planning

The City is committed to continue funding its capital program on a pay-as-you-go basis. Transfers to the Street Maintenance Fund and the Capital Replacement Fund from the General Fund play a significant role in short-term and long-term financial strategies. Each year during the budget process the 20-year Street Maintenance Program is reviewed and revised for the coming year along with the 10-year Capital Replacement Program. Revenue and expense projections for the current year provide staff and council with the necessary information to determine the amount to be transferred to these plans for the current year and budgeted transfers for the coming year.

In an effort to provide the high-quality services to our utility customers, an ongoing program in the utility fund provides a minimum of two percent (2%) of the total replacement value of the water distribution system in improvements as well as two percent (2%) of the total replacement of the sanitary sewer system budgeted for improvements. This is done in coordination with the street maintenance program in an effort to minimize traffic disruption and disturbing streets.

MAJOR INITIATIVES

Each year, the City's management team, in association with the city council, creates and presents to the full city council, for their consideration and approval, a Strategic Action Plan that establishes action steps that are adopted to be accomplished during the next fiscal year. The Strategic Action Plan serves as a baseline for the formulation of the Annual Budget and each action step is assigned to individual city departments to be accomplished and to specific city council committees for review.

During the 2019-2020 fiscal year, the City continued a number of strategic initiatives, the most significant of these are:

- Continued funding of street maintenance and sidewalks
- Installation of water mains by City staff to address water and waste water separation compliance mandated by Texas Commission on Environmental Quality (TCEQ)
- Continued study of Economic Development Plans
- Continued collaboration with other agencies for the Austin Highway/Lower Broadway Improvement Project

Further refinement of the plan and implementation will occur in the next fiscal year. Major projects identified in the planning process include infrastructure needs related to water, sewer, streets, drainage and facilities.

AWARDS AND ACKNOWLEDGEMENTS

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Alamo Heights for its comprehensive annual financial report (CAFR) for the twelve months ended September 30, 2019. This was the twenty-third consecutive period that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgements

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the administrative department. I would like to express my sincere appreciation to Robert Galindo, Director of Finance, for his leadership on this project and all members of the leadership team who assisted and contributed to the preparation of this report.

Respectfully submitted,

Buddy Kuhn

Buddy Kuhn
City Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Alamo Heights
Texas**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morill

Executive Director/CEO

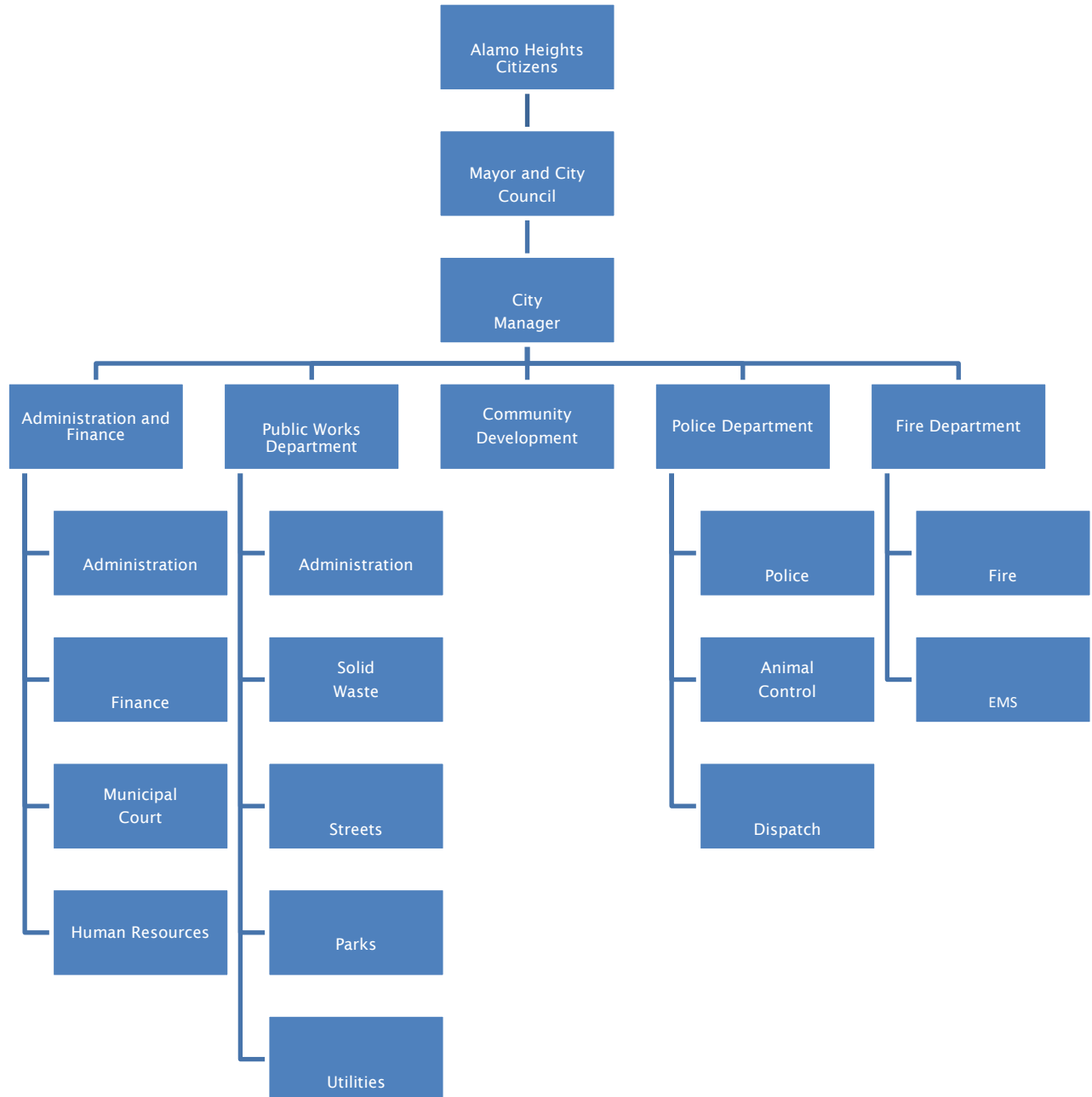
CITY OF ALAMO HEIGHTS, TEXAS
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CITY OFFICIALS

Mayor	Bobby Rosenthal
Council Members	Lawson Jessee Wes Sharples Blake M. Bonner John Savage Lynda Billa Burke
City Manager	Buddy Kuhn
City Attorney - Davidson Troilo Ream and Garza	Frank Garza
Director of Finance	Robert Galindo
Assistant City Manager / Community Development Director	Nina Shealey
Public Works Director	Patrick Sullivan
Fire Chief	Mike Gdovin
Police Chief	Rick Pruitt

CITY OF ALAMO HEIGHTS, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the year ended September 30, 2020

ORGANIZATIONAL CHART





FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
Members of the City Council
City of Alamo Heights, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Alamo Heights, Texas, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Alamo Heights, Texas, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in net pension liability and related ratios, schedule of changes in other postemployment benefits (OPEB) liability and related ratios, and related schedules of contributions for net pensions and OPEB liabilities be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Alamo Heights, Texas's basic financial statements. The introductory section, combining and individual non-major fund financial statements, non-major funds schedule of revenue, expenditures, and changes in fund balance-budget and actual, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and other supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and budgetary comparisons are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

ABIP, PC
San Antonio, Texas
April 12, 2021

CITY OF ALAMO HEIGHTS, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

For the year ended September 30, 2020

As management of the City of Alamo Heights, Texas, (the City), readers are offered the City's financial statements, this narrative overview, and analysis of the City's financial activities for year ending September 30, 2020. The City encourages readers to consider the information presented here in conjunction with additional information that has been furnished in the letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- Property tax revenue was \$6,697,396 and increased by more than 1.5% from last year. The increase was due to an increase in the appraised property values.
- Investments of the City are governed by the Public Funds Investment Act and are limited to interest-earning bank accounts, mutual funds, obligations of the United States government, statewide investment pools, and certificates of deposit. Investment earnings for the year ended September 30, 2020 was \$146,792 as compared to \$282,180 for the year ended September 30, 2019. This decrease was the result of decreasing interest rates.
- The City's change in net position which includes all activity types increased this year by \$1,902,052.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, using accounting methods similar to a private-sector business. These statements include all assets and liabilities on the accrual basis of accounting. All current year revenues and expenses are taken into account regardless of when the cash is received or paid.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements should distinguish functions of the City that are principally supported by the City's taxing units and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, streets, sanitation, planning and development and parks and recreation. The business-type activity of the City is comprised of the utility operations. The City is the primary government and has no component units.

Fund Financial Statements

Traditional users of government financial statements will find the fund financial statement presentation more familiar. Fund financial statements provide more information about the City's most significant funds – not the City as a whole.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statement focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains the following governmental funds: a general fund, eight special revenue funds, three capital projects funds, and a debt service fund. These funds are presented in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances.

The City adopts an annual budget for the general fund, debt service fund, capital projects fund, street maintenance fund, comprehensive plan fund, and capital replacement fund. Budgetary comparison schedules have been provided as supplemental information to demonstrate compliance with this budget.

Proprietary Funds

The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses the enterprise fund to account for its utility operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the City's progress in funding its obligation to provide pension benefits to its employees and a budgetary comparison schedule.

Government-Wide Financial Analysis

Statement of Net Position

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. In the City's case, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$20,422,854 at September 30, 2020. Of this amount, \$4,359,538 or approximately 21% represents unrestricted net position available to the City for operations.

The City's capital assets represent investments in land, buildings and improvements, furniture, office equipment, computers, infrastructure and the utility system. Approximately 63% of total assets represent capital assets. The City uses these capital assets to provide services to the taxing units and the citizens and property owners of Alamo Heights; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Further, at year end, the City ended with \$10,894,065, or approximately 32% of total assets, in unrestricted cash and cash equivalents and investments, which represent adequate liquidity compared to total assets of \$34,397,630. Long-term liabilities amounted to \$11,730,691, which represents net pension liability, other postemployment benefits liability, certificates of obligations, general obligations, premiums on bonds, capital lease, and amounts accrued for compensated absences.

Statement of Net Position

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2020	2019	2020	2019	2020	2019
Assets						
Other assets	\$ 10,174,888	\$ 10,306,134	\$ 2,590,420	\$ 2,203,202	\$ 12,765,308	\$ 12,509,336
Capital assets	<u>12,448,530</u>	<u>10,993,694</u>	<u>9,183,792</u>	<u>9,101,289</u>	<u>21,632,322</u>	<u>20,094,983</u>
Total assets	<u>22,623,418</u>	<u>21,299,828</u>	<u>11,774,212</u>	<u>11,304,491</u>	<u>34,397,630</u>	<u>32,604,319</u>
Deferred outflows of resources	<u>683,011</u>	<u>1,691,565</u>	<u>115,773</u>	<u>227,350</u>	<u>798,784</u>	<u>1,918,915</u>
Liabilities						
Long-term liabilities	10,204,575	12,162,688	1,526,116	1,846,872	11,730,691	14,009,560
Other liabilities	<u>1,412,924</u>	<u>1,257,308</u>	<u>519,280</u>	<u>388,688</u>	<u>1,932,204</u>	<u>1,645,996</u>
Total liabilities	<u>11,617,499</u>	<u>13,419,996</u>	<u>2,045,396</u>	<u>2,235,560</u>	<u>13,662,895</u>	<u>15,655,556</u>
Deferred inflows of resources	<u>999,599</u>	<u>312,189</u>	<u>111,066</u>	<u>34,687</u>	<u>1,110,665</u>	<u>346,876</u>
Net position						
Net investment in capital assets	7,539,445	5,348,886	8,174,500	7,959,240	15,713,945	13,308,126
Restricted	349,371	369,015	-	-	349,371	369,015
Unrestricted	<u>2,800,515</u>	<u>3,541,307</u>	<u>1,559,023</u>	<u>1,302,354</u>	<u>4,359,538</u>	<u>4,843,661</u>
Total net position	<u>\$ 10,689,331</u>	<u>\$ 9,259,208</u>	<u>\$ 9,733,523</u>	<u>\$ 9,261,594</u>	<u>\$ 20,422,854</u>	<u>\$ 18,520,802</u>

Statement of Activities

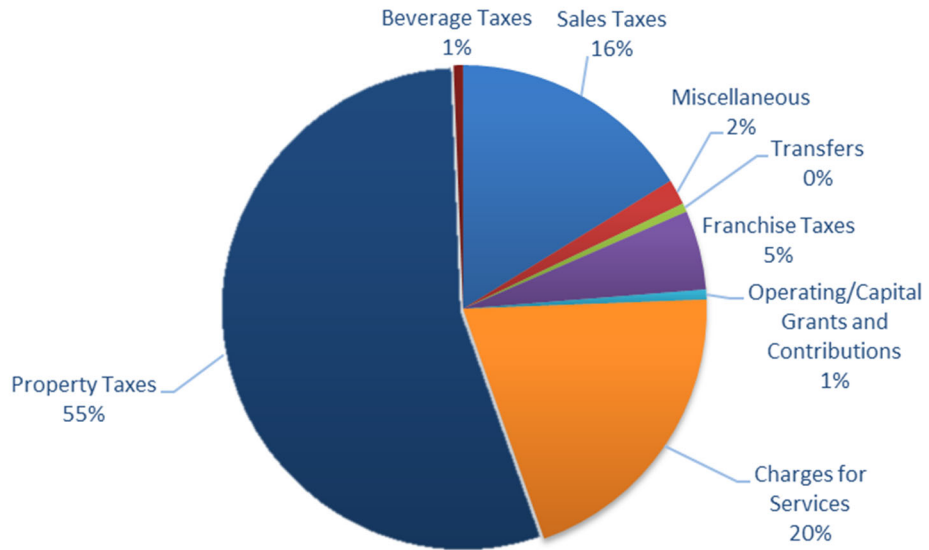
At September 30, 2020, the governmental activities ended with an overall increase in net position of \$1,430,123. Property taxes account for approximately 55% of governmental activities revenues and increased in the current year due to increase property tax valuations.

The net position in the business-type activities increased by \$471,929. The net position provides for the operation and maintenance of the City's water distribution and sanitary sewer systems and for the provision of water and sewer services to its customers.

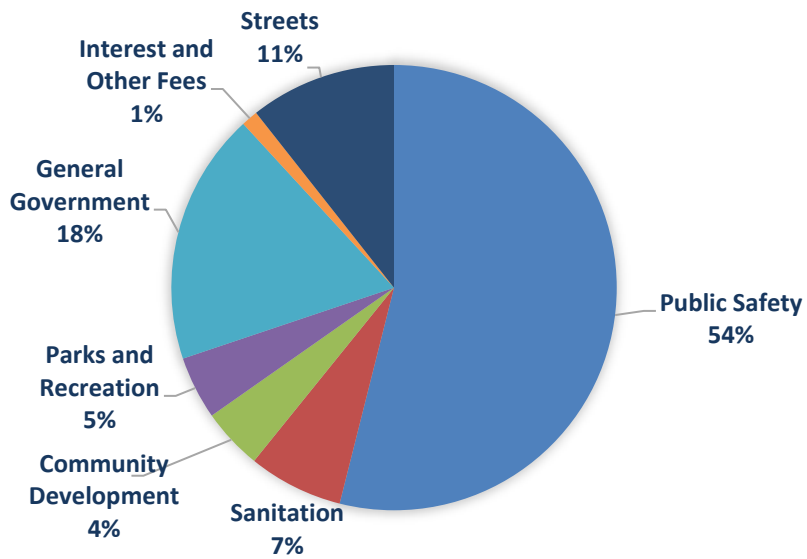
Changes in Net Position

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2020	2019	2020	2019	2020	2019
REVENUES						
Program revenues:						
Charges for services	\$ 2,470,453	\$ 2,946,297	\$ 3,736,134	\$ 3,495,304	\$ 6,206,587	\$ 6,441,601
Operating grants and contributions	80,525	49,255	-	-	80,525	49,255
General revenues:						
Property taxes	6,697,396	6,596,419	-	-	6,697,396	6,596,419
Sales taxes	1,981,009	1,787,661	-	-	1,981,009	1,787,661
Franchise taxes	643,265	675,578	-	-	643,265	675,578
Beverage taxes	76,441	94,204	-	-	76,441	94,204
Unrestricted investment earnings	125,524	245,377	21,268	36,803	146,792	282,180
Miscellaneous	81,246	136,212	2,977	14,648	84,223	150,860
Total revenues	<u>12,155,859</u>	<u>12,531,003</u>	<u>3,760,379</u>	<u>3,546,755</u>	<u>15,916,238</u>	<u>16,077,758</u>
EXPENSES						
General government	1,977,702	2,028,929	-	-	1,977,702	2,028,929
Public safety	5,823,235	5,933,177	-	-	5,823,235	5,933,177
Streets	1,147,982	1,411,531	-	-	1,147,982	1,411,531
Sanitation	742,724	837,197	-	-	742,724	837,197
Community development	480,802	423,144	-	-	480,802	423,144
Parks and recreation	494,042	344,389	-	-	494,042	344,389
Interest and other fees	130,050	129,228	-	-	130,050	129,228
Utility	-	-	3,217,649	3,328,956	3,217,649	3,328,956
Total expenses	<u>10,796,537</u>	<u>11,107,595</u>	<u>3,217,649</u>	<u>3,328,956</u>	<u>14,014,186</u>	<u>14,436,551</u>
Increase (decrease) in net position before transfers	1,359,322	1,423,408	542,730	217,799	1,902,052	1,641,207
TRANSFERS	<u>70,801</u>	<u>70,801</u>	<u>(70,801)</u>	<u>(70,801)</u>	<u>-</u>	<u>-</u>
Change in net position	1,430,123	1,494,209	471,929	146,998	1,902,052	1,641,207
NET POSITION - BEGINNING	<u>9,259,208</u>	<u>7,764,999</u>	<u>9,261,594</u>	<u>9,114,596</u>	<u>18,520,802</u>	<u>16,879,595</u>
NET POSITION - ENDING	<u>\$ 10,689,331</u>	<u>\$ 9,259,208</u>	<u>\$ 9,733,523</u>	<u>\$ 9,261,594</u>	<u>\$ 20,422,854</u>	<u>\$ 18,520,802</u>

Revenues by Source – Governmental Activities



Expenses by Function – Governmental Activities



Financial Analysis of the Governmental Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

The City reported the general fund, the capital replacement fund, the capital projects fund, and the streets maintenance fund as major governmental funds. The general fund is the chief operating fund of the City. The primary source of revenue in the general fund consists of property taxes. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$5,653,691 compared to \$5,374,977 in 2019, an increase of \$278,714. This change was due to the increase in ad valorem collections, sales, and franchise tax revenues during the year. The fund balance reflects a point in time and the effect of the tax cycle. At the end of the current fiscal year, the fund balance in the capital replacements fund was \$1,299,322 compared to \$1,382,447 in 2019, a decrease of \$83,125 due to purchases of capital assets exceeding what the City transferred in from the City's other funds.

Proprietary Funds

As reported earlier, the primary function of the proprietary funds of the City is the utility operation. Revenues for proprietary funds amounted to \$3,760,379 and expenses were \$3,217,649. This resulted in a \$471,929 increase in net position. Primary cause of the increase in net position was due to an increase in charges for services as a result of an increase in consumption. Net position at year end was \$9,733,523.

General Fund Budgetary Highlights

The revision in the budget were amounts to be transferred to the Street Maintenance Fund, Capital Replacement Fund, and Capital Projects Fund.

Revenues were under budget by \$240,847 and expenditures were under budget by \$1,011,111. The savings in expenditures are across departments and mainly attributable to personnel turnover. Significant budgetary variances during the period ended September 30, 2020 included the following:

- A majority of the negative revenue budget variance was attributed to franchise tax, court fines, and investment earnings which were under budget by \$240,847 in the negative.
- A majority of the positive expense budget variance was attributed to personnel expense.

Capital Assets

At the end of 2020, the City's investment in capital assets for its governmental and business-type activities was (net of accumulated depreciation) \$12,448,530 and \$9,183,792, respectively. This investment in capital assets includes land, construction in progress, buildings and improvements, furniture, office equipment, computers, infrastructure and the utility system. Depreciation expense for the year was \$1,372,788 and \$372,504 for governmental and business-type activities, respectively. For more detail on capital assets, refer to note 3 of the financial statements.

Schedule of Change in Capital Assets

Capital Assets (Net of Depreciation)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2020	2019	2020	2019	2020	2019
Land	\$ 1,479,580	\$ 1,479,580	\$ -	\$ -	\$ 1,479,580	\$ 1,479,580
Buildings	6,798,530	7,032,793	-	-	6,798,530	7,032,793
Infrastructure	2,101,374	1,946,706	-	-	2,101,374	1,946,706
Improvements other than buildings	1,566,936	164,821	-	-	1,566,936	164,821
Furniture, fixtures, and equipment	502,110	369,796	184,543	30,896	686,653	400,692
Utility system	-	-	8,999,249	9,070,393	8,999,249	9,070,393
Totals	<u>\$ 12,448,530</u>	<u>\$ 10,993,696</u>	<u>\$ 9,183,792</u>	<u>\$ 9,101,289</u>	<u>\$ 21,632,322</u>	<u>\$ 20,094,985</u>

Long-Term Debt

The City's long-term debt consists of tax and revenue certificates of obligation, capital leases, and compensated absences.

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2020	2019	2020	2019	2020	2019
Certificates of obligation	\$ 4,895,000	\$ 5,615,000	\$ 990,000	\$ 1,120,000	\$ 5,885,000	\$ 6,735,000
Capital leases	-	26,600	-	-	-	26,600
Bond premium	14,085	58,836	59,175	67,629	73,260	126,465
Compensated absences	456,350	365,612	27,925	26,995	484,275	392,607
Total debt	<u>\$ 5,365,435</u>	<u>\$ 6,066,048</u>	<u>\$ 1,077,100</u>	<u>\$ 1,214,624</u>	<u>\$ 6,442,535</u>	<u>\$ 7,280,672</u>

Additional details about the City's long-term debt can be found in note 3 of the financial statements.

Economic Factors

The economy in Alamo Heights, Texas is very stable because property tax and sales tax revenue make up 67% of the General Fund revenue. Property valuations have steadily increased and sales taxes are stable.

Request for Information

This comprehensive annual financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning this report or requests for additional financial information should be directed to Robert Galindo, Director of Finance, 6116 Broadway, San Antonio, Texas, 78209.



BASIC FINANCIAL STATEMENTS



CITY OF ALAMO HEIGHTS, TEXAS

STATEMENT OF NET POSITION

September 30, 2020

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and cash equivalents	\$ 8,978,368	\$ 1,447,635	\$ 10,426,003
Investments	-	468,062	468,062
Receivables - net of allowances for uncollectibles:			
Taxes	173,835	-	173,835
Accounts	940,720	620,567	1,561,287
Prepays	81,965	603	82,568
Restricted assets:			
Cash and cash equivalents	-	53,553	53,553
Capital assets not being depreciated			
Land	1,479,580	-	1,479,580
Capital assets - net of: Accumulated depreciation			
Buildings	6,798,530	-	6,798,530
Infrastructure	2,101,374	-	2,101,374
Improvements other than buildings	1,566,936	-	1,566,936
Utility system	-	8,999,249	8,999,249
Furniture, fixtures, and equipment	502,110	184,543	686,653
Total assets	22,623,418	11,774,212	34,397,630
DEFERRED OUTFLOW OF RESOURCES			
Deferred outflows - loss on refunding	-	39,883	39,883
Deferred outflows related to TMRS pension	626,911	69,657	696,568
Deferred outflows related to TMRS OPEB	56,100	6,233	62,333
Total deferred outflows of resources	683,011	115,773	798,784
LIABILITIES			
Accounts payable	843,463	283,363	1,126,826
Other payables	-	31,011	31,011
Accrued payroll	95,012	12,521	107,533
Due to other governments	15,792	-	15,792
Accrued interest	42,722	3,950	46,672
Payable from restricted assets:			
Customer deposits	-	53,553	53,553
Long-term liabilities:			
Due within one year	415,935	134,882	550,817
Due in more than one year	4,949,500	942,218	5,891,718
Net pension liability	4,903,520	544,836	5,448,356
OPEB liability	351,555	39,062	390,617
Total liabilities	11,617,499	2,045,396	13,662,895
DEFERRED INFLOW OF RESOURCES			
Deferred inflows related to TMRS pension	958,636	106,515	1,065,151
Deferred inflows related to TMRS OPEB	40,963	4,551	45,514
Total deferred inflows of resources	999,599	111,066	1,110,665
NET POSITION			
Net investment in capital assets	7,539,445	8,174,500	15,713,945
Restricted for:			
Confiscated property	24,289	-	24,289
Court security	74,665	-	74,665
Community programs	33,263	-	33,263
Police training	33,387	-	33,387
Court technology	25,927	-	25,927
Animal services	8,103	-	8,103
Debt service	149,737	-	149,737
Unrestricted	2,800,515	1,559,023	4,359,538
Total net position	\$ 10,689,331	\$ 9,733,523	\$ 20,422,854

(The accompanying notes are an integral part of these financial statements)

CITY OF ALAMO HEIGHTS, TEXAS

STATEMENT OF ACTIVITIES

Year ended September 30, 2020

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES	
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS
Primary government			
Governmental activities:			
General government	\$ 1,977,702	\$ 1,382,521	\$ 78,117
Public safety	5,823,235	723,564	2,408
Streets	1,147,982	-	-
Sanitation	742,724	364,368	-
Community			
Development	480,802	-	-
Parks and recreation	494,042	-	-
Interest and other fees	<u>130,050</u>	<u>-</u>	<u>-</u>
Total governmental activities	10,796,537	2,470,453	80,525
Business-type activities:			
Utility	<u>3,217,649</u>	<u>3,736,134</u>	<u>-</u>
Total government	<u>\$ 14,014,186</u>	<u>\$ 6,206,587</u>	<u>\$ 80,525</u>

General revenues

- Taxes:
 - Property taxes
 - Sales taxes
 - Franchise taxes
 - Beverage taxes
- Unrestricted investment earnings
- Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

NET POSITION AT BEGINNING OF YEAR

NET POSITION AT END OF YEAR

(The accompanying notes are an integral part of these financial statements)

NET (EXPENSES) REVENUES AND
CHANGE IN NET POSITION

GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTAL
\$ (517,064)	\$ -	\$ (517,064)
(5,097,263)	-	(5,097,263)
(1,147,982)	-	(1,147,982)
(378,356)	-	(378,356)
(480,802)	-	(480,802)
(494,042)	-	(494,042)
<u>(130,050)</u>	<u>-</u>	<u>(130,050)</u>
(8,245,559)	-	(8,245,559)
<u>-</u>	<u>518,485</u>	<u>518,485</u>
<u>(8,245,559)</u>	<u>518,485</u>	<u>(7,727,074)</u>
6,697,396	-	6,697,396
1,981,009	-	1,981,009
643,265	-	643,265
76,441	-	76,441
125,524	21,268	146,792
81,246	2,977	84,223
<u>70,801</u>	<u>(70,801)</u>	<u>-</u>
<u>9,675,682</u>	<u>(46,556)</u>	<u>9,629,126</u>
1,430,123	471,929	1,902,052
<u>9,259,208</u>	<u>9,261,594</u>	<u>18,520,802</u>
<u>\$ 10,689,331</u>	<u>\$ 9,733,523</u>	<u>\$ 20,422,854</u>

CITY OF ALAMO HEIGHTS, TEXAS

BALANCE SHEET – GOVERNMENTAL FUNDS

September 30, 2020

	GENERAL FUND	STREET MAINTENANCE	CAPITAL REPLACEMENT FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS						
Cash and cash equivalents	\$ 5,674,776	\$ 1,220,808	\$ 1,392,524	\$ 178,282	\$ 511,978	\$ 8,978,368
Receivables - net of allowances for uncollectibles						
Taxes, net	151,389	-	-	-	22,446	173,835
Accounts, net	829,366	111,354	-	-	-	940,720
Prepays	81,965	-	-	-	-	81,965
Total assets	<u>\$ 6,737,496</u>	<u>\$ 1,332,162</u>	<u>\$ 1,392,524</u>	<u>\$ 178,282</u>	<u>\$ 534,424</u>	<u>\$ 10,174,888</u>
LIABILITIES						
Accounts payable	\$ 206,020	\$ 530,684	\$ 93,202	\$ -	\$ 13,557	\$ 843,463
Accrued liabilities	171,073	-	-	-	-	171,073
Due to other governments	15,792	-	-	-	-	15,792
Total liabilities	<u>392,885</u>	<u>530,684</u>	<u>93,202</u>	<u>-</u>	<u>13,557</u>	<u>1,030,328</u>
DEFERRED INFLOWS OF RESOURCES						
Unearned revenues - taxes	138,284	-	-	-	20,427	158,711
Unearned revenues - warrants	470,671	-	-	-	-	470,671
Total deferred inflows of resources	<u>608,955</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,427</u>	<u>629,382</u>
FUND BALANCES						
Non-spendable - prepaids	81,965	-	-	-	-	81,965
Restricted for:						
Confiscated property	-	-	-	-	24,289	24,289
Court security	-	-	-	-	74,665	74,665
Community programs	-	-	-	-	33,263	33,263
Police training	-	-	-	-	33,387	33,387
Court technology	-	-	-	-	25,927	25,927
Animal services	-	-	-	-	8,103	8,103
Debt service	-	-	-	-	149,737	149,737
TNR Foster	-	-	-	-	280	280
Committed for:						
Capital replacement	-	-	1,299,322	-	-	1,299,322
Street maintenance	-	801,478	-	-	-	801,478
Comprehensive plan	-	-	-	-	150,789	150,789
Assigned						
Capital projects	-	-	-	178,282	-	178,282
Unassigned	5,653,691	-	-	-	-	5,653,691
Total fund balances	<u>5,735,656</u>	<u>801,478</u>	<u>1,299,322</u>	<u>178,282</u>	<u>500,440</u>	<u>8,515,178</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 6,737,496</u>	<u>\$ 1,332,162</u>	<u>\$ 1,392,524</u>	<u>\$ 178,282</u>	<u>\$ 534,424</u>	<u>\$ 10,174,888</u>

(The accompanying notes are an integral part of these financial statements)

CITY OF ALAMO HEIGHTS, TEXAS

**RECONCILIATION OF BALANCE SHEET –
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION**

September 30, 2020

TOTAL FUND BALANCES – TOTAL GOVERNMENTAL FUNDS \$ 8,515,178

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 12,448,530

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds. 629,382

Accrued vacation leave payable is not due and payable in the current period and, therefore not reported in the funds. (380,289)

Long-term liabilities, which includes certificates of obligation bonds, general obligation bonds, premiums and capital lease payable, are not due and payable in the current period and, therefore, not reported in the funds. (4,909,085)

Net pension liability, other postemployment benefit liability, and related deferred inflows and outflows of resources are not due and payable in the current period and, therefore, not reported in the funds. (5,571,663)

Accrued interest payable on certificates of obligation are not due and payable in the current period and, therefore, not reported in the funds. (42,722)

Net position of governmental activities - statement of net position \$ 10,689,331

(The accompanying notes are an integral part of these financial statements)

CITY OF ALAMO HEIGHTS, TEXAS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS**

Year ended September 30, 2020

	GENERAL FUND	STREET MAINTENANCE	CAPITAL REPLACEMENT FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Taxes	\$ 7,898,090	\$ 660,336	\$ -	\$ -	\$ 866,057	\$ 9,424,483
Licenses and permits	750,769	-	-	-	-	750,769
Intergovernmental	469,132	-	-	-	40,047	509,179
Charges for services	1,084,287	-	-	-	-	1,084,287
Fines	217,045	-	-	-	2,663	219,708
Investment earnings	125,524	-	-	-	-	125,524
Miscellaneous	70,121	29,840	-	-	10,638	110,599
Total revenues	<u>10,614,968</u>	<u>690,176</u>	<u>-</u>	<u>-</u>	<u>919,405</u>	<u>12,224,549</u>
EXPENDITURES						
General government	1,613,386	-	28,022	10,676	32,608	1,684,692
Public safety	5,492,646	-	-	-	22,057	5,514,703
Streets	514,674	-	-	-	-	514,674
Sanitation	722,133	-	-	-	-	722,133
Planning and development	476,206	-	-	-	3,005	479,211
Parks and recreation	311,440	-	-	-	-	311,440
Capital outlay	-	779,790	440,860	1,579,298	27,674	2,827,622
Debt service:						
Principal	-	-	26,600	-	720,000	746,600
Interest and fiscal charges	-	-	692	-	122,094	122,786
Total expenditures	<u>9,130,485</u>	<u>779,790</u>	<u>496,174</u>	<u>1,589,974</u>	<u>927,438</u>	<u>12,923,861</u>
Excess of revenues over expenditures	<u>1,484,483</u>	<u>(89,614)</u>	<u>(496,174)</u>	<u>(1,589,974)</u>	<u>(8,033)</u>	<u>(699,312)</u>
OTHER FINANCING SOURCES (USES)						
Sale of assets	1,125	-	10,000	-	-	11,125
Transfer out	(1,285,329)	-	-	-	-	(1,285,329)
Transfer in	70,801	150,000	403,049	675,000	57,280	1,356,130
Total other financing sources (uses)	<u>(1,213,403)</u>	<u>150,000</u>	<u>413,049</u>	<u>675,000</u>	<u>57,280</u>	<u>81,926</u>
Net change in fund balances	271,080	60,386	(83,125)	(914,974)	49,247	(617,386)
FUND BALANCES - BEGINNING	<u>5,464,576</u>	<u>741,092</u>	<u>1,382,447</u>	<u>1,093,256</u>	<u>451,193</u>	<u>9,132,564</u>
FUND BALANCES - ENDING	<u>\$ 5,735,656</u>	<u>\$ 801,478</u>	<u>\$ 1,299,322</u>	<u>\$ 178,282</u>	<u>\$ 500,440</u>	<u>\$ 8,515,178</u>

(The accompanying notes are an integral part of these financial statements)

CITY OF ALAMO HEIGHTS, TEXAS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES

Year ended September 30, 2020

NET CHANGE IN FUND BALANCES – TOTAL GOVERNMENTAL FUNDS \$ (617,386)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense (\$1,372,786) was less than capital outlay (\$2,827,622). 1,454,836

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (79,815)

The repayment of the principal of long-term debt consumes the current financial resources of governmental funds but has no effect on net position. 746,600

The amortization of bond premium and losses on refunding do not require the use of current financial resources, and therefore, are not reported in the funds. (10,877)

Change in net pension liability, other postemployment benefits liability, and related deferred inflows and outflows do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. 8,764

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (71,999)

Change in net position of governmental activities \$ 1,430,123

(The accompanying notes are an integral part of these financial statements)

CITY OF ALAMO HEIGHTS, TEXAS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

September 30, 2020

ASSETS

Current assets:

Cash and cash equivalents	\$	1,447,635
Investments		468,062
Receivables - net of allowance for uncollectibles		620,567
Restricted cash and cash equivalents:		
Customer deposits - restricted		53,553
Prepays		<u>603</u>
Total current assets		<u>2,590,420</u>

Noncurrent assets:

Capital assets:

Utility system		14,814,266
Furniture, fixtures, and equipment		<u>752,902</u>
Totals		15,567,168
Less: accumulated depreciation		<u>(6,383,376)</u>
Total capital assets - net of accumulated depreciation		<u>9,183,792</u>

Total noncurrent assets 9,183,792

Total assets 11,774,212

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflow - loss on refunded debt		39,883
Deferred outflow - pension		69,657
Deferred outflow - OPEB		<u>6,233</u>
Total deferred outflows of resources		<u>115,773</u>

Total assets and deferred outflows of resources \$ 11,889,985

(The accompanying notes are an integral part of these financial statements)

CITY OF ALAMO HEIGHTS, TEXAS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

September 30, 2020

LIABILITIES

Current liabilities:

Accounts payable	\$	283,363
Other payables		31,011
Accrued payroll		12,521
Customer deposits payable - restricted		53,553
Accrued interest payable		3,950
Compensated absences		4,882
Bonds payable due within one year		<u>130,000</u>
Total current liabilities		519,280

Noncurrent liabilities:

Net pension liability		544,836
OPEB liability		39,062
Compensated absences		23,043
Bonds payable due after one year		<u>919,175</u>
Total noncurrent liabilities		1,526,116

Total liabilities		<u>2,045,396</u>
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DEFERRED INFLOWS OF RESOURCES

Deferred inflow - pension		106,515
Deferred inflow - OPEB		<u>4,551</u>
Total inflows of resources		<u>111,066</u>

NET POSITION

Net investment in capital assets		8,174,500
Unrestricted		<u>1,559,023</u>
Total net position		<u>9,733,523</u>

Total liabilities, deferred inflows of resources, and net position	\$	<u>11,889,985</u>
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(The accompanying notes are an integral part of these financial statements)

CITY OF ALAMO HEIGHTS, TEXAS

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS**

Year ended September 30, 2020

OPERATING REVENUES	
Charges for services	\$ 3,736,134
Miscellaneous revenues	<u>2,977</u>
Total operating revenues	<u>3,739,111</u>
OPERATING EXPENSES	
Costs of sales and services	2,814,026
Administration	-
Depreciation	<u>372,504</u>
Total operating expenses	<u>3,186,530</u>
Operating income	<u>552,581</u>
NONOPERATING REVENUES (EXPENSES)	
Investment earnings	21,268
Interest expense	<u>(31,119)</u>
Total nonoperating revenues (expenses)	<u>(9,851)</u>
Income before transfers	542,730
TRANSFER OUT	<u>(70,801)</u>
Change in net position	471,929
NET POSITION - BEGINNING	<u>9,261,594</u>
TOTAL NET POSITION - ENDING	<u><u>\$ 9,733,523</u></u>

(The accompanying notes are an integral part of these financial statements)

CITY OF ALAMO HEIGHTS, TEXAS

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

Year ended September 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 3,703,300
Cash paid to suppliers	(1,728,393)
Cash paid to employees	<u>(953,809)</u>
Net cash provided by operating activities	<u>1,021,098</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Cash paid to other funds	<u>(70,801)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	(455,007)
Payment of interest on debt	(34,201)
Payments on debt	<u>(130,000)</u>
Net cash used in financing activities	<u>(619,208)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from investment interest	21,268
Purchase of investments	<u>(468,062)</u>
Net cash provided in investing activities	<u>(446,794)</u>
Net increase in cash and cash equivalents	(115,705)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>1,616,893</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,501,188</u>
CASH AND CASH EQUIVALENTS - UNRESTRICTED	\$ 1,447,635
CASH AND CASH EQUIVALENTS - RESTRICTED	<u>53,553</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,501,188</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	
Operating income	<u>\$ 552,581</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	372,504
Increase in accounts receivable	(34,861)
Increase in prepaids	
Increase in accounts payable	129,759
Increase in compensated absences	930
Decrease in accrued payroll	2,108
Change in net pension liability	(4,154)
Change in OPEB liability	3,181
Increase in customer deposits payable	<u>(950)</u>
Total adjustments	<u>468,517</u>
Net cash provided by operating activities	<u>\$ 1,021,098</u>
SCHEDULE OF NONCASH CAPITAL ACTIVITIES	
Actuarially determined change in:	
Net pension liability	\$ (185,695)
Other postemployment benefit liability	3,436

(The accompanying notes are an integral part of these financial statements)



NOTES TO BASIC FINANCIAL STATEMENTS



CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(1) Summary of significant accounting policies

Reporting entity

The City of Alamo Heights, Texas, (the City) was incorporated in 1922 and adopted its home rule charter in 1954, pursuant to the laws of the State of Texas. The City operates under a mayor-council form of government with a mayor and five council members.

The financial statements of the City have been prepared in conformance with accounting principles generally accepted in the United States of America (GAAP). The recognized standard setting body for governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

Government-Wide and Fund Financial Statements

The government-wide financial statements report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement focus, basis of accounting, and financial statement presentation

Government-wide financial statements: These financial statements are reported using the economic resources measurement focus. They are reported using the accrual basis of accounting as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenues in the year for which they are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds financial statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available.

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(1) Summary of significant accounting policies (continued)

Measurement focus, basis of accounting, and financial statement presentation (continued)

The City considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year end. Property and sales taxes, utility franchises, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the City. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the utility enterprise fund charges customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When expenditures or expenses for which both restricted and unrestricted resources are available, the City considers restricted funds to have been spent first. In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

The City reports the following major governmental funds:

General fund: The general fund is the City's primary operating fund. It is used to account for all activity not required to be accounted for in another type of governmental fund.

Capital replacement fund: The capital replacement fund, a capital projects fund, accounts for the long term planning for large purchases of vehicles and capital equipment.

Street maintenance fund: The street maintenance fund, a capital projects fund, accounts for the recurring maintenance of all City streets that is supported by a mixture of general fund dollars and the ¼ cent sales tax approved by the voters in November 2008.

Capital projects fund: The capital projects fund accounts for financial resources to be used for the acquisition and construction of major capital facilities and is financed by transfers and other non-restricted revenue sources council has set aside for capital projects.

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(1) Summary of significant accounting policies (continued)

Measurement focus, basis of accounting, and financial statement presentation (continued)

The City reports the following major proprietary fund:

Utility fund: The utility fund accounts for business-type activities of the City, where cost recovery and determination of net income are useful or necessary for sound fiscal management.

For valuation purposes, investments with remaining maturities of one (1) year or less at time of purchase are accounted for at amortized cost. All other investments are reported on the financial statements at fair value. Fair value is defined as the price at which a security would be exchanged in a current transaction between willing parties. The City uses market values as quoted in *The Wall Street Journal* or a comparable nationally recognized publication to determine fair value.

Cash and cash equivalents

The City's cash and cash equivalents are considered to be cash on hand and demand deposits.

Receivables and payables

Allowance for doubtful accounts: The allowance for doubtful accounts is established as losses are estimated to have occurred through a provision for bad debts charged to earnings. Losses are charged against the allowance when management believes the uncollectibility of a receivable is confirmed. Subsequent recoveries, if any, are credited to the allowance. The allowance for doubtful accounts is evaluated on a regular basis by management and is based on historical experience and specifically identified questionable receivables. The evaluation is inherently subjective, as it requires estimates that are susceptible to significant revision as more information becomes available.

Property taxes: The City levies its property taxes on October 1 of each year based upon the assessed value as of January 1 (the lien date) of that year for all real and personal property located in the City. Taxes are due on October 1 (the statement and levy date) and become delinquent on February 1 of the subsequent year.

Other assets

Restricted assets: Cash received as security deposits from customers for utility service is reported as a restricted asset. These funds are maintained in a separate account with the City's depository and are not available for appropriation.

Capital assets

Capital assets used by the primary government are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two (2) years. Such assets are recorded at cost, or estimated historical cost if actual cost is not available. Donated capital assets are recorded at estimated acquisition value at the date of donation. Capital lease assets are recorded at the present value of their future minimum lease payments as of the inception date. Capital assets include land, buildings and improvements, furniture and equipment, infrastructure, and the utility system.

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(1) Summary of significant accounting policies (continued)

Capital assets (continued)

Infrastructure assets are those public domain assets that are immovable and have value only to the City, e.g., streets, sidewalks, traffic signs, and lights.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Assets acquired are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Records of all capital assets, including infrastructure capital assets, are maintained for both management and accountability purposes.

Depreciation of capital assets is charged as an expenditure/expense against operations. Accumulated depreciation is reported on the statement of net position. Depreciation is generally recorded on the straight-line basis over the estimated life of the assets. The estimated useful lives are as follows:

<u>ASSET</u>	<u>YEARS</u>
Buildings	40 years
Improvements other than buildings	40 years
Infrastructure	40 years
Furniture, fixtures, and equipment	3-10 years
Utility system	40 years

Compensated absences

Each eligible, full-time City employee accrues vacation on his or her anniversary date. This vacation time must be taken prior to the employee's next anniversary date. The amount of time the employee accrues depends upon the employee's length of service as follows:

1-10 years	2 weeks
10-20 years	3 weeks
Over 20 years	4 weeks

The City also permits all nonexempt employees to accrue compensatory time at a rate of 1.5 hours for each hour over the standard number of hours in the employee's pay cycle. The majority of these have typically been liquidated from the general fund in previous years.

Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are reported as prepaid items in both government-wide and fund financial statements. Prepaids of governmental funds are recorded as expenditures when consumed rather than when purchased.

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(1) Summary of significant accounting policies (continued)

Deferred inflows/outflows of resources

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's fiduciary net position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefits payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other postemployment benefits

The other postemployment benefit liability of the Texas Municipal Retirement System (TMRS) Supplemental Death Benefit Plan (SDBF) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the other postemployment benefit (OPEB) liability and deferred outflows of resources related to the other postemployment benefits, (OPEB) expense. Benefit payments are recognized when due and payable in accordance with the benefit terms. Contributions are utilized to fund active member deaths on a pay-as-you-go basis; any excess contributions and investment income over payments then become net position available for benefits.

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

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

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(1) Summary of significant accounting policies (continued)

Fund balance

The City implemented GASB Statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions”. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance – amounts that can be used only for specific purposes determined by a formal action of the City’s highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. The City Council has by resolution (Fund Balance Policy) authorized the finance director to assign fund balance. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.
- Unassigned fund balance – amounts that are available for any purpose, positive amounts are reported only in the general fund.

In the general fund, the City strives to maintain an unassigned fund balance equal to 25% of expenditures. The City considers a balance of less than 15% to be cause for concern, barring unusual or deliberate circumstances.

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(2) Budgetary and legal compliance

An annual budget is legally adopted for the general fund, street maintenance fund, capital projects fund, comprehensive plan fund, capital replacement fund, and the debt service fund on a basis consistent with GAAP. All annual appropriations lapse at fiscal year end.

The budget preparation process begins in the last quarter of the fiscal year when the department heads meet with the city manager to discuss departmental needs. The city manager prepares a proposed budget for preliminary review by the mayor or his designee prior to the end of the fiscal year. After the mayor has approved the proposed budget, it is submitted to the city council for approval. The budget is legally enacted by city council through passage of an ordinance.

Formal budgetary account integration is used to facilitate managerial control over expenditures during the course of the year. Expenditures are monitored at the department line item level for ongoing control purposes. On a monthly basis, comparative revenue and expenditure statements are presented to the city council.

The city manager is authorized to transfer budgeted amounts between accounts within a department and from one department to another. These transfers cannot increase the overall budgeted expenditures.

(3) Detailed notes for all funds

Cash and cash equivalents

Deposits: The City uses a pooled cash system that is available for use by all funds. City monies are deposited in demand accounts. Each fund's portion of pooled cash is reflected on the statement of net position in "cash and cash equivalents". This amount also includes all highly liquid investments with original maturities of 90 days or less.

The City's deposits are held in a Federal Deposit Insurance Corporation (FDIC) insured bank. The City's depository agreement requires collateralization of all deposits with U.S. Government securities. The market value of the collateral must be greater than the total amount on deposit.

The carrying amount of the City's deposits with financial institutions was \$465,646 and the bank balance was \$928,196. The deposits were fully collateralized by securities pledged in the name of the City. The City maintains \$4,550 of cash-on-hand at September 30, 2020.

Investments: The City may invest its excess funds in any instruments authorized by the Public Funds Investment Act of Texas (the Act). Investments authorized under this Act include, but are not limited to, the following: Obligations of the United States or its agencies and instrumentalities; direct obligations of the State of Texas or its agencies and instrumentalities; collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States; other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities; certificates of deposit issued by a state or financial institution domiciled in the State of Texas which is guaranteed or insured by the FDIC or otherwise secured; and certain repurchase agreements.

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(3) Detailed notes for all funds (continued)

Cash and cash equivalents (continued)

The method used to value investments for financial reporting purposes is dependent upon the type of investment and the time remaining to maturity. Investments are valued at amortized cost if they have a remaining maturity at the time of purchase of one (1) year or less and the fair value of the investments is not affected by the impairment or the credit standing of the issuer or by other factors. All other investments are valued at fair value.

Local government investment pools in Texas are established under the government of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and are subject to the provisions of the Act, Chapter 2256 of the Texas Government Code. In addition, to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires pools to (1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; (2) maintain a continuous rating of no lower than AAA or AAAM or an equivalent rating by at least one nationally recognized rating service; and (3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares.

The pools operate in a manner consistent with the Securities and Exchange Commission's (SEC) Rule 2a7 of the Investment Company Act of 1940 but are not registered with the SEC as investment companies. The pools use amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in this pool is the same as the value of the shares in the pool.

Texpool and Logic are both external investments tailored to meet the investment needs of Texas local governments and are valued at amortized cost. They do not have any minimum or maximum transaction or balance amounts and the investment balances are accessible on the same day as the request pending end of business time constraints. There are no limitations or restrictions on withdrawals from the pools.

The City utilizes the Texas Short Term Asset Reserve Program (TexSTAR). JPMorgan Investment Management Inc. and Hilltop Securities Inc. serve as co-administrators under an agreement with the TexSTAR board of directors to provide investment and participant services for the pool. JPMorgan Chase Bank or its subsidiaries provides custodial, fund accounting, and depository services. Boston Financial Data Services serves as the transfer agent to TexSTAR.

TexStar is a local government investment pool created under the Interlocal Cooperation Act specifically tailored to meet Texas state and local government investment objectives of preservation of principal, daily and competitive yield. The fund is rated AAAM by Standard and Poor's and maintains a maturity of 60 days or less, with a maximum maturity of 13 months for any individual security. The fund seeks to maintain a constant dollar objective and fulfills all requirements of the Texas PFIA for local government investment pools. The portfolio is a government-repurchase agreement pool (REPO), utilizing primarily U.S. Treasury securities, U.S. agency securities, and REPO collateralized obligations, the principal and interest of which are unconditionally guaranteed or insured by the full faith and credit of the US or its agencies or its instrumentalities. The fair values of the investments in this type have been determined using the NAV per share of the investments.

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(3) Detailed notes for all funds (continued)

Cash and cash equivalents (continued)

The City utilizes the Lone Star Investment Pool sponsored by the Texas Association of School Boards (TASB). First Public, LLC serves as the administrator under an agreement with the Lone Star board of directors to provide or contract investment and participant services for the pool. American Beacon Advisors and Mellon Investments Corp provide investment management services. State Street Bank and Trust serves as the custodian bank for the pool.

Lone Star Liquidity Fund is a local government investment pool created under the Interlocal Cooperation Act specifically tailored to meet Texas state and local government investment objectives of preservation of principal and providing the highest possible rate of return for invested funds. The fund is rated AAAM by Standard and Poor's and maintains a maturity of 60 days or less, with a maximum maturity of 13 months for fixed rate securities and 24 months for variable rate securities. The fund seeks to maintain a constant dollar objective and fulfills all requirements of the Texas PFIA for local government investment pools. The portfolio of the pool are considered marketable and very liquid, utilizing primarily U.S. Treasury securities, U.S. agency securities, and reverse repurchase agreements, no-load money markets regulated by the SEC, the principle and interest of which are unconditionally guaranteed or insured by the full faith and credit of the US or its agencies or its instrumentalities. The fair values of the investments in this type have been determined using the NAV per share of the investments.

Credit risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. However, investments issued or explicitly guaranteed by the United States government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement. Presented below is the minimum rating required by (where applicable) the City's investment policy and the Act and the actual rating as of September 30, 2020 for each investment:

DESCRIPTION	INVESTMENT POLICY MINIMUM RATING	INVESTMENT RATING	RATING ORGANIZATION	CARRYING/FAIR VALUE	WEIGHTED AVERAGE MATURITY (YEARS)
Investments:					
Certificate of Deposit	AAA	AAA	Standard & Poor's	\$ 478,343	0.37
Total investments				<u>\$ 478,343</u>	
Cash and cash equivalents:					
TexPool	AAA	AAAM	Standard & Poor's	\$ 155,402	0.11
Lone Star Liquidity Fund	AAA	AAA	Standard & Poor's	4,960,199	0.11
Logic	AAA	AAA	Standard & Poor's	4,851,332	0.14
TexStar	AAA	AAAM	Standard & Poor's	32,146	0.07
Total cash equivalents				<u>\$ 9,999,079</u>	
Portfolio weighted average maturity					0.14

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(3) Detailed notes for all funds (continued)

Cash and cash equivalents (continued)

Concentration of credit risk: Disclosure is required for investments in any one issuer that represent 5% or more of total investment. However, investments issued or explicitly guaranteed by the United States government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement. The City's investments in external investment pools exceeding 5% are excluded from this requirement.

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturing of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting the City's exposure to fair value losses arising from interest rate risk, the City's investment policy limits the maximum weighted average maturity for its portfolio as a whole to 365 days. Maximum allowable stated maturities are limited by investment type as follows:

<u>INVESTMENT TYPE</u>	<u>MAXIMUM MATURITIES</u>
United States Treasury Securities	Two years
Certificates of Deposit	One year
No-Load Money Market Mutual Funds	90 days

Custodial credit risk: For an investment, this is the risk that, in the event of the failure of counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investments are not exposed to custodial credit risk as they are held by financial institutions in the City's name.

Investment valuation: The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation input used to measure the fair value of the asset.

- Level 1 inputs are quoted prices in active markets for identical assets.
- Level 2 inputs are significant other observable inputs which include quoted prices for similar assets in active markets; quoted prices for identical or similar assets in markets that are not active; or other observable inputs such as interest rates and yield curves at commonly quoted intervals, implied volatilities, and credit spreads; or market-corroborated inputs.
- Level 3 inputs are significant unobservable inputs.

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(3) Detailed notes for all funds (continued)

Cash and cash equivalents (continued)

At September 30, 2020, the City had the following investments:

	BALANCE	LEVEL 1	LEVEL 2	LEVEL 3
Investments by fair value level:				
Certificate of Deposit	\$ 478,343	\$ -	\$ 478,343	\$ -
Total investments at fair value:	478,343	\$ -	\$ 478,343	\$ -
Investments measured at amortized cost:				
TexPool	155,402			
Logic	4,851,332			
Total investments measured at amortized cost	5,006,734			
Investments measured at net asset value:				
TexStar	32,146			
Lone Star Liquidity Fund	4,960,199			
Total investments measured at net asset value	4,992,345			
Total investments	\$ 10,477,422			

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Investments measured at net asset value:				
TexStar	\$ 32,146	N/A	Daily	N/A
Lone Star liquidity fund	4,960,199	N/A	Daily	N/A
Total investmetns measured at NAV	\$ 4,992,345			

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(3) Detailed notes for all funds (continued)

Receivables

The following is a summary of the receivable and the allowances for uncollectible accounts:

	TAXES	ALLOWANCE FOR UNCOLLECTIBLE TAXES	NET TAXES	WARRANTS AND OTHER	ALLOWANCE FOR UNCOLLECTIBLE WARRANTS	NET WARRANTS AND OTHER
General fund	\$ 168,210	\$ (16,821)	\$ 151,389	\$ 1,300,037	\$ (470,671)	\$ 829,366
Street maintenance	-	-	-	111,354	-	111,354
Other funds	<u>24,940</u>	<u>(2,494)</u>	<u>22,446</u>	-	-	-
	<u>\$ 193,150</u>	<u>\$ (19,315)</u>	<u>\$ 173,835</u>	<u>\$ 1,411,391</u>	<u>\$ (470,671)</u>	<u>\$ 940,720</u>

Property tax

Property taxes are levied on October 1 of each fiscal year based upon the assessed value as of January 1 (the lien date) for all real and personal property located in the City. Taxes are due on October 1 (the statement and levy date) and become delinquent on February 1 of the next year.

The appraisal of property within the City is the responsibility of the Bexar Appraisal District, which is required by state statute to assess all property within the appraisal district at 100% of its appraised value and is prohibited from applying any assessment ratios.

The total assessed value on January 1, 2019, upon which the 2020 fiscal year levy was based, is \$1,870,067,485. Tax collections during the year ended September 30, 2020, for the 2019 tax levy, were 99.31% of the total tax levy for that year. General property taxes for cities are limited by the Texas Constitution to \$2.50 per \$100 of assessed valuation. The City's tax rate for this fiscal period was \$0.386439 per \$100 of assessed valuation.

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(3) Detailed notes for all funds (continued)

Capital assets

Capital asset activity for the year ended September 30, 2020 was as follows:

	BALANCE AT OCTOBER 1, 2019	INCREASES	DECREASES	BALANCE AT SEPTEMBER 30, 2020
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,479,580	\$ -	\$ -	\$ 1,479,580
Capital assets being depreciated:				
Buildings	8,222,225	-	-	8,222,225
Infrastructure	13,512,301	779,790	-	14,292,091
Improvements other than buildings	319,017	1,579,298	-	1,898,315
Furniture, fixtures, and equipment	<u>5,929,650</u>	<u>468,534</u>	<u>(199,200)</u>	<u>6,198,984</u>
Total capital assets being depreciated	<u>27,983,193</u>	<u>2,827,622</u>	<u>(199,200)</u>	<u>30,611,615</u>
Less accumulated depreciation for:				
Buildings	(1,189,432)	(234,263)	-	(1,423,695)
Infrastructure	(11,565,595)	(625,122)	-	(12,190,717)
Improvements other than buildings	(154,196)	(177,183)	-	(331,379)
Furniture, fixtures, and equipment	<u>(5,559,854)</u>	<u>(336,220)</u>	<u>199,200</u>	<u>(5,696,874)</u>
Total accumulated depreciation	<u>(18,469,077)</u>	<u>(1,372,788)</u>	<u>199,200</u>	<u>(19,642,665)</u>
Total capital assets being depreciated - net	<u>9,514,116</u>	<u>1,454,834</u>	<u>-</u>	<u>10,968,950</u>
Governmental activities capital assets-net	<u>\$ 10,993,696</u>	<u>\$ 1,454,834</u>	<u>\$ -</u>	<u>\$ 12,448,530</u>
Business-type activities:				
Capital assets being depreciated:				
Utility system	\$ 14,564,178	\$ 250,088	\$ -	\$ 14,814,266
Furniture, fixtures, and equipment	<u>547,983</u>	<u>204,919</u>	<u>-</u>	<u>752,902</u>
Total capital assets being depreciated	<u>15,112,161</u>	<u>455,007</u>	<u>-</u>	<u>15,567,168</u>
Less accumulated depreciation for:				
Utility system	(5,493,785)	(321,232)	-	(5,815,017)
Furniture, fixtures, and equipment	<u>(517,087)</u>	<u>(51,272)</u>	<u>-</u>	<u>(568,359)</u>
Total accumulated depreciation	<u>(6,010,872)</u>	<u>(372,504)</u>	<u>-</u>	<u>(6,383,376)</u>
Total capital assets being depreciated - net	<u>9,101,289</u>	<u>82,503</u>	<u>-</u>	<u>9,183,792</u>
Business-type activities capital assets-net	<u>\$ 9,101,289</u>	<u>\$ 82,503</u>	<u>\$ -</u>	<u>\$ 9,183,792</u>

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(3) Detailed notes for all funds (continued)

Capital assets (continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 279,449
Public safety	264,839
Streets	631,372
Sanitation	15,833
Parks and recreation	<u>181,295</u>

Total depreciation expense - governmental activities \$ 1,372,788

Business-type activities:

Utility	<u>\$ 372,504</u>
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Total depreciation expense - business-type activities \$ 372,504

Interfund transfers

TRANSFER OUT	TRANSFER IN					TOTALS
	GENERAL FUND	STREET MAINTENANCE FUND	CAPITAL REPLACEMENT FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	
General fund	\$ -	\$ 150,000	\$ 403,049	\$ 675,000	\$ 57,280	\$ 1,285,329
Utility fund	<u>70,801</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70,801</u>
Totals	<u>\$ 70,801</u>	<u>\$ 150,000</u>	<u>\$ 403,049</u>	<u>\$ 675,000</u>	<u>\$ 57,280</u>	<u>\$ 1,356,130</u>

Interfund transfers are for future capital replacements, street improvement projects, and public realm improvements.

Long-term liabilities

In fiscal year 2008 the City issued combination tax and revenue bonds in both the governmental and business-type activities to acquire, construct and/or equip the following projects: (i) acquire a new firefighting and rescue apparatus; (ii) make repairs, extensions and improvements to the City’s water system; (iii) make repairs, extensions and improvements to the City’s sanitary sewer system (iv) construct street and sidewalk improvements (and related pedestrian amenities); (v) fund a storm water drainage master plan; (vi) repair, modify and renovate various City facilities, and (vii) pay professional services related to such projects and pay costs of issuance, acquisition and construction of capital projects. In 2016, the City refunded the 2008 bonds. In 2012, the City issued general obligation bonds for construction of administration and public safety facilities. In 2020 the City paid off the general obligation refunding bonds series 2016.

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(3) Detailed notes for all funds (continued)

Long-term liabilities (continued)

The City imposed a legal debt limit of 1% of assessed property valuations.

At September 30, 2020, the City's long-term debt consisted of the following:

Governmental Activities:	Range of Interest Rates	Unpaid Principal	Current Maturities	Long-Term Maturities
General Obligations, Bonds Series 2012	2-2.625%	\$ 4,895,000	\$ 355,000	\$ 4,540,000
Business-type activities:	Range of Interest Rates	Unpaid Principal	Current Maturities	Long-Term Maturities
General Obligations, Refunding Bonds Series 2016	2-4.00%	\$ 990,000	\$ 130,000	\$ 860,000

Changes in the City's long-term liabilities during the fiscal year ended September 30, 2020:

	ORIGINAL AMOUNT	OUTSTANDING OCTOBER 1, 2019	ISSUED	RETIRED	BALANCE SEPTEMBER 30, 2020	AMOUNTS DUE IN ONE YEAR
GOVERNMENTAL ACTIVITIES						
Long-term debt:						
General Obligations, Bonds Series 2012	\$ 6,300,000	\$ 5,080,000	\$ -	\$ (185,000)	\$ 4,895,000	\$ 355,000
General Obligations, Refunding Bonds Series 2016	1,605,000	535,000	-	(535,000)	-	-
Bond premiums, net		58,836	-	(44,751)	14,085	-
Capital leases (direct borrowing)	629,772	26,600	-	(26,600)	-	-
Total long-term debt		5,700,436	-	(791,351)	4,909,085	355,000
Other long-term liabilities:						
Compensated absences		365,612	151,673	(60,935)	456,350	60,935
Total governmental activities		<u>6,066,048</u>	<u>151,673</u>	<u>(852,286)</u>	<u>5,365,435</u>	<u>415,935</u>
BUSINESS-TYPE ACTIVITIES						
Long-term debt:						
General Obligations, Refunding Bonds Series 2016	1,370,000	1,120,000	-	(130,000)	990,000	130,000
Bond premium, net		67,629	-	(8,454)	59,175	-
Total long-term debt		1,187,629	-	(138,454)	1,049,175	130,000
Other long-term liabilities:						
Compensated absences		26,995	5,812	(4,882)	27,925	4,882
Total business-type activities		<u>1,214,624</u>	<u>5,812</u>	<u>(143,336)</u>	<u>1,077,100</u>	<u>134,882</u>
Total changes in long-term liabilities		<u>\$ 7,280,672</u>	<u>\$ 157,485</u>	<u>\$ (995,622)</u>	<u>\$ 6,442,535</u>	<u>\$ 550,817</u>

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(3) Detailed notes for all funds (continued)

Long-term liabilities (continued)

The compensated absences attributable to the governmental activities will be liquidated primarily by the general fund.

Annual debt service requirements as of September 30, 2020, for revenue bonds are as follows:

FISCAL YEAR	GOVERNMENTAL ACTIVITIES			BUSINESS-TYPE ACTIVITIES		
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
2021	\$ 355,000	\$ 106,894	\$ 461,894	\$ 130,000	\$ 31,600	\$ 161,600
2022	365,000	99,794	464,794	135,000	29,000	164,000
2023	375,000	92,494	467,494	135,000	26,300	161,300
2024	380,000	84,994	464,994	140,000	23,600	163,600
2025	390,000	77,394	467,394	145,000	18,000	163,000
2026-2030	2,105,000	262,306	2,367,306	305,000	18,400	323,400
2031-2032	925,000	36,050	961,050	-	-	-
Totals	<u>\$ 4,895,000</u>	<u>\$ 759,926</u>	<u>\$ 5,654,926</u>	<u>\$ 990,000</u>	<u>\$ 146,900</u>	<u>\$ 1,136,900</u>

(4) Other information

Risk management

The City is exposed to various risks of loss related to torts; theft of, damages to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from the City provide its employees with health and life insurance coverage purchased from independent third parties. The City also maintains a cafeteria plan in accordance with Internal Revenue Code Section 125. This plan enables employees to add dependent coverage to their health insurance, as well as select additional types of insurance coverage. The costs of these benefits are recovered through payroll deductions. In the last three years the amount of settlement did not exceed insurance coverage.

(5) Employee retirement system

Plan description

The City participates as one of 888 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.tmr.com.

All eligible employees of the City are required to participate in TMRS.

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(5) Employee retirement system (continued)

Benefits provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a partial lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Members are eligible to retire at age sixty (60) and above with five (5) or more years of service or with twenty (20) years of service regardless of age. A member is vested after five (5) years. The contribution rate for the employees is 7%, and the City matching percent is currently 2 to 1.

Employees covered by benefit terms

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	78
Inactive employees entitled to but not yet receiving benefits	88
Active employees	<u>97</u>
	<u>263</u>

Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the City matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the entry age normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 16.91% and 16.84% for calendar years 2020 and 2019 respectively. The City's contributions to TMRS for the year ended September 30, 2020 were \$962,071 and were equal to the required contributions.

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(5) Employee retirement system (continued)

Net pension liability

The City's net pension liability of \$ 5,448,356 was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.65% per year
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB (10) mortality tables with the Public Safety table used for males and the general employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 through December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for healthy annuitants and annuity purchase rates (APRs) are based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive).

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(5) Employee retirement system (continued)

Net pension liability (continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Global Equity	30.00%	5.30%
Core Fixed Income	10.00%	1.25%
Non-Core Fixed Income	20.00%	4.14%
Real Return	10.00%	3.85%
Real Estate	10.00%	4.00%
Absolute Return	10.00%	3.48%
Private Equity	10.00%	7.75%
Total	<u>100.00%</u>	

Discount rate

The discount rate used to measure the total pension asset was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the net pension liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at December 31, 2018	\$ 27,188,597	\$ 19,841,746	\$ 7,346,851
Changes for the year:			
Service cost	965,347	-	965,347
Interest	1,829,540	-	1,829,540
Change of benefit terms	-	-	-
Difference between expected and actual experience	(283,325)	-	(283,325)
Changes of assumptions	3,866	-	3,866
Contributions - employer	-	963,058	(963,058)
Contributions - employee	-	400,322	(400,322)
Net investment income	-	3,068,397	(3,068,397)
Benefit payments, including refunds of employee contributions	(1,133,936)	(1,133,936)	-
Administrative expense	-	(17,333)	17,333
Other changes	-	(521)	521
Net changes	<u>1,381,492</u>	<u>3,279,987</u>	<u>(1,898,495)</u>
Balance at December 31, 2019	<u>\$ 28,570,089</u>	<u>\$ 23,121,733</u>	<u>\$ 5,448,356</u>

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(5) Employee retirement system (continued)

Net pension liability (continued)

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

<u>1% Decrease in Discount Rate (5.75%)</u>	<u>Discount Rate (6.75%)</u>	<u>1% Increase in Discount Rate (7.75%)</u>
\$ <u>9,591,799</u>	\$ <u>5,448,356</u>	\$ <u>2,070,598</u>

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions

For the year ended September 30, 2020, the City recognized a pension expense of \$920,117.

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual economic experience	\$ 8,321	\$ 367,628
Changes in actuarial assumptions	2,726	-
Differences between projected and actual investment earnings	-	697,523
Contributions subsequent to the measurement date	<u>685,521</u>	<u>-</u>
Total	<u>\$ 696,568</u>	<u>\$ 1,065,151</u>

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(5) Employee retirement system (continued)

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions (continued)

The City reported \$685,521 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Plan Year September 30,	Amortization Expense
2021	\$ (400,679)
2022	(325,793)
2023	18,183
2024	(345,815)
2025	-
Thereafter	-
Total	<u>\$ (1,054,104)</u>

(6) Other postemployment benefits

Plan description

The City participates in the single-employer defined benefit group-term life insurance plan operated by TMRS known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

Benefits provided

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); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit" or OPEB. 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).

CITY OF ALAMO HEIGHTS, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(6) Other postemployment benefits (continued)

Contributions

The 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.

The contribution rates for the City were 0.22% and 0.21% for calendar years 2020 and 2019, respectively. The City's contributions to TMRS for the year ended September 30, 2020 were \$12,367 and were equal to the required contributions.

Employees covered by benefit terms

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits	59
Inactive employees entitled to but not yet receiving benefits	16
Active employees	<u>97</u>
	<u>172</u>

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(6) Other postemployment benefits (continued)

Other postemployment benefits (OPEB) liability

The City's total OPEB liability of \$390,617 was measured as of December 31, 2019, and was determined by an actuarial valuation as of that date.

Actuarial assumptions

The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	3.50% to 11.5% including inflation
Discount rate *	2.75%
Retirees' share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates - service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality rates - disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by scale UMP to account for future mortality improvements subject to the floor.

* The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2019.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

CITY OF ALAMO HEIGHTS, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(6) Other postemployment benefits (continued)

Changes in the total OPEB liability:

Balance at December 31, 2018	\$ 324,454
Changes for the year:	
Service cost	14,297
Interest on the total OPEB liability	12,228
Changes of benefit terms	-
Difference between expected and actual experience	(16,207)
Change of assumptions	59,848
Benefit payments	<u>(4,003)</u>
Net changes	<u>66,163</u>
Balance at December 31, 2019	<u>\$ 390,617</u>

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability of the City, calculated using the discount rate of 2.75%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.75%) or 1-percentage-point higher (3.75%) than the current rate:

	<u>1% Decrease in Discount Rate (1.75%)</u>	<u>Discount Rate (2.75%)</u>	<u>1% Increase in Discount Rate (3.75%)</u>
City's OPEB liability	<u>\$ 468,712</u>	<u>\$ 390,617</u>	<u>\$ 329,349</u>

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2020

(6) Other postemployment benefits (continued)

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB

For the year ended September 30, 2020, the City recognized OPEB expense of \$30,091.

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	\$ -	\$ 31,504
Changes in actuarial assumptions	59,901	14,010
Difference between projected and actual investment earnings	-	-
Contributions subsequent to the measurement date	2,432	-
Total	\$ 62,333	\$ 45,514

The City reported \$2,432 as deferred outflows of resources related to the total OPEB liability resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to the total OPEB liability will be recognized in pension expense as follows:

Plan Year September 30,	Amortization Expense
2021	\$ 3,566
2022	3,566
2023	(658)
2024	6,397
2025	1,516
Thereafter	-
Total	\$ 14,387

(7) Subsequent event

In November of 2020, the citizens of the City of Alamo Heights, Texas approved the issuance of \$13.25 million in bonds for the Austin Highway/Lower Broadway improvement project.



REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ALAMO HEIGHTS, TEXAS

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

Year ended September 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Taxes:				
Property	\$ 5,927,724	\$ 5,927,724	\$ 5,827,051	\$ (100,673)
Sales	1,203,889	1,203,889	1,320,673	116,784
Beverage	80,769	80,769	76,441	(4,328)
Franchise	745,945	745,945	643,265	(102,680)
PUC right of way fees	11,658	11,658	30,660	19,002
Total taxes	<u>7,969,985</u>	<u>7,969,985</u>	<u>7,898,090</u>	<u>(71,895)</u>
Licenses and permits:				
Building	276,600	276,600	427,446	150,846
Electric	35,000	35,000	51,570	16,570
Liquor and food	17,000	17,000	20,673	3,673
Planning and zoning	10,000	10,000	10,100	100
Plumbing	30,000	30,000	82,376	52,376
Signs	3,000	3,000	2,620	(380)
Permits	98,700	98,700	107,082	8,382
Certificate of occupancy	3,000	3,000	5,450	2,450
Other	23,000	23,000	43,452	20,452
Total licenses and permits	<u>496,300</u>	<u>496,300</u>	<u>750,769</u>	<u>254,469</u>
Intergovernmental:				
Dispatch	270,174	270,174	257,194	(12,980)
EMS	205,176	205,176	198,996	(6,180)
Student resource officer	59,743	59,743	12,942	(46,801)
Total intergovernmental	<u>535,093</u>	<u>535,093</u>	<u>469,132</u>	<u>(65,961)</u>
Charges for services:				
EMS	226,000	226,000	251,769	25,769
Court	250,000	250,000	153,516	(96,484)
Garbage	360,000	360,000	364,368	4,368
Telecom lease	393,460	393,460	314,634	(78,826)
Total charges for services	<u>1,229,460</u>	<u>1,229,460</u>	<u>1,084,287</u>	<u>(145,173)</u>
Fines	<u>290,000</u>	<u>290,000</u>	<u>217,045</u>	<u>(72,955)</u>
Investment earnings	<u>245,098</u>	<u>245,098</u>	<u>125,524</u>	<u>(119,574)</u>
Miscellaneous	<u>89,879</u>	<u>89,879</u>	<u>70,121</u>	<u>(19,758)</u>
Total revenues	<u>10,855,815</u>	<u>10,855,815</u>	<u>10,614,968</u>	<u>(240,847)</u>

(continued)

CITY OF ALAMO HEIGHTS, TEXAS

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

Year ended September 30, 2020

EXPENDITURES	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
General government				
Public works administration:				
Personnel	\$ 87,872	\$ 87,872	\$ 83,663	\$ 4,209
Commodities	9,620	9,620	7,357	2,263
Contractual	16,050	16,050	1,282	14,768
Total public works administration	113,542	113,542	92,302	21,240
Court:				
Personnel	129,322	129,322	104,114	25,208
Commodities	5,382	5,382	2,984	2,398
Contractual	80,352	80,352	80,960	(608)
Total court	215,056	215,056	188,058	26,998
Administration:				
Personnel	697,282	697,282	594,997	102,285
Commodities	268,479	268,479	259,953	8,526
Contractual	218,428	218,428	158,942	59,486
Total administration	1,184,189	1,184,189	1,013,892	170,297
Information systems:				
Commodities	182,334	182,334	155,716	26,618
Contractual	159,616	159,616	163,418	(3,802)
Total information systems	341,950	341,950	319,134	22,816
Total general government	1,854,737	1,854,737	1,613,386	241,351
Public safety				
Police:				
Personnel	2,249,371	2,249,371	2,024,883	224,488
Commodities	151,922	151,922	108,101	43,821
Contractual	90,454	90,454	81,005	9,449
Total police	2,491,747	2,491,747	2,213,989	277,758
Police dispatch:				
Personnel	688,270	688,270	627,832	60,438
Commodities	6,524	6,524	4,792	1,732
Contractual	1,824	1,824	1,952	(128)
Total police dispatch	696,618	696,618	634,576	62,042

(continued)

CITY OF ALAMO HEIGHTS, TEXAS

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

Year ended September 30, 2020

EXPENDITURES (CONTINUED)	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Public safety (continued):				
Fire:				
Personnel	\$ 1,969,524	\$ 1,969,524	\$ 1,912,152	\$ 57,372
Commodities	84,381	84,381	45,256	39,125
Contractual	<u>35,080</u>	<u>35,080</u>	<u>29,371</u>	<u>5,709</u>
Total fire	<u>2,088,985</u>	<u>2,088,985</u>	<u>1,986,779</u>	<u>102,206</u>
EMS:				
Personnel	610,281	610,281	584,714	25,567
Commodities	70,610	70,610	56,213	14,397
Contractual	<u>24,174</u>	<u>24,174</u>	<u>16,375</u>	<u>7,799</u>
Total EMS	<u>705,065</u>	<u>705,065</u>	<u>657,302</u>	<u>47,763</u>
Total public safety	<u>5,982,415</u>	<u>5,982,415</u>	<u>5,492,646</u>	<u>489,769</u>
Streets:				
Personnel	392,242	392,242	338,286	53,956
Commodities	226,800	226,800	173,708	53,092
Contractual	<u>18,500</u>	<u>18,500</u>	<u>2,680</u>	<u>15,820</u>
Total streets	<u>637,542</u>	<u>637,542</u>	<u>514,674</u>	<u>122,868</u>
Sanitation:				
Personnel	493,851	493,851	414,462	79,389
Commodities	121,100	121,100	110,855	10,245
Contractual	<u>150,000</u>	<u>150,000</u>	<u>196,816</u>	<u>(46,816)</u>
Total sanitation	<u>764,951</u>	<u>764,951</u>	<u>722,133</u>	<u>42,818</u>
Planning and development				
Personnel	432,638	432,638	413,455	19,183
Commodities	13,000	13,000	7,234	5,766
Contractual	<u>119,000</u>	<u>119,000</u>	<u>55,517</u>	<u>63,483</u>
Total planning and development	<u>564,638</u>	<u>564,638</u>	<u>476,206</u>	<u>88,432</u>

(continued)

CITY OF ALAMO HEIGHTS, TEXAS

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

Year ended September 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
EXPENDITURES (CONTINUED)				
Parks and recreation:				
Personnel	\$ 271,193	\$ 271,193	\$ 258,616	\$ 12,577
Commodities	37,200	37,200	27,717	9,483
Contractual	<u>28,920</u>	<u>28,920</u>	<u>25,107</u>	<u>3,813</u>
Total parks and recreation	<u>337,313</u>	<u>337,313</u>	<u>311,440</u>	<u>25,873</u>
Total expenditures	<u>10,141,596</u>	<u>10,141,596</u>	<u>9,130,485</u>	<u>1,011,111</u>
Excess of revenue over expenditures	714,219	714,219	1,484,483	770,264
OTHER FINANCING SOURCES (USES)				
Sale of assets	1,125	1,125	1,125	-
Transfer in	70,801	70,801	70,801	-
Transfer out	<u>(410,049)</u>	<u>(1,285,049)</u>	<u>(1,285,329)</u>	<u>(280)</u>
Total other financing sources (uses)	<u>(338,123)</u>	<u>(1,213,123)</u>	<u>(1,213,403)</u>	<u>(280)</u>
Net change in fund balance	<u>\$ 376,096</u>	<u>\$ (498,904)</u>	271,080	769,984
FUND BALANCE AT OCTOBER 1, 2019			<u>5,464,576</u>	
FUND BALANCE AT SEPTEMBER 30, 2020			<u>\$ 5,735,656</u>	
SUMMARY OF GENERAL FUND				
EXPENDITURES BY COST CATEGORY				
Personnel	\$ 8,021,846	\$ 8,021,846	\$ 7,357,174	\$ 664,672
Commodities	1,177,352	1,177,352	959,886	217,466
Contractual	<u>942,398</u>	<u>942,398</u>	<u>813,425</u>	<u>128,973</u>
Total expenditures	<u>\$ 10,141,596</u>	<u>\$ 10,141,596</u>	<u>\$ 9,130,485</u>	<u>\$ 1,011,111</u>

CITY OF ALAMO HEIGHTS, TEXAS

**TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

September 30, 2020

***For the last 10 fiscal years**

	For the measurement year ended			
	2019	2018	2017	2016
Total Pension Liability				
Service cost	\$ 965,347	\$ 914,894	\$ 903,080	\$ 868,087
Interest (on the total pension liability)	1,829,540	1,744,593	1,659,113	1,535,466
Changes of benefit terms	-	-	311,550	-
Difference between expected and actual experience	(283,325)	(279,511)	(185,041)	159,597
Change of assumptions	3,866	-	-	-
Benefit payments, including refunds of employee contributions	<u>(1,133,936)</u>	<u>(1,159,507)</u>	<u>(1,073,882)</u>	<u>(1,046,879)</u>
Net change in total pension liability	1,381,492	1,220,469	1,614,820	1,516,271
Total pension liability - beginning	<u>27,188,597</u>	<u>25,968,128</u>	<u>24,353,308</u>	<u>22,837,037</u>
Total pension liability - ending (a)	<u>\$ 28,570,089</u>	<u>\$ 27,188,597</u>	<u>\$ 25,968,128</u>	<u>\$ 24,353,308</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 963,058	\$ 918,155	\$ 953,702	\$ 900,335
Contributions - employee	400,322	380,526	338,009	317,206
Net investment income	3,068,397	(608,873)	2,448,963	1,108,388
Benefit payments, including refunds of employee contributions	(1,133,936)	(1,159,507)	(1,073,882)	(1,046,879)
Administrative expense	(17,333)	(11,766)	(12,692)	(12,521)
Other	<u>(521)</u>	<u>(615)</u>	<u>(643)</u>	<u>(675)</u>
Net change in plan fiduciary net position	3,279,987	(482,080)	2,653,458	1,265,854
Plan fiduciary net position - beginning	<u>19,841,746</u>	<u>20,323,826</u>	<u>17,670,368</u>	<u>16,404,514</u>
Plan fiduciary net position - ending (b)	<u>\$ 23,121,733</u>	<u>\$ 19,841,746</u>	<u>\$ 20,323,826</u>	<u>\$ 17,670,368</u>
Net pension liability (a) - (b)	<u>\$ 5,448,356</u>	<u>\$ 7,346,851</u>	<u>\$ 5,644,302</u>	<u>\$ 6,682,940</u>
Plan fiduciary net position as a percentage of total pension liability	80.93%	72.98%	78.26%	72.56%
Covered payroll	<u>\$ 5,718,879</u>	<u>\$ 5,436,088</u>	<u>\$ 5,520,051</u>	<u>\$ 5,286,764</u>
Net pension liability as a percentage of total covered payroll	95.27%	135.15%	102.25%	126.41%

*GASB 68 requires 10 fiscal years of data to be provided in this schedule. This is the sixth year of implementation of GASB 68. The City will develop the schedule prospectively.

December 31,

<u>2015</u>	<u>2014</u>
-------------	-------------

\$ 861,551	\$ 761,031
1,497,685	1,441,488
-	-
(129,805)	(515,272)
104,869	-
<u>(923,983)</u>	<u>(945,389)</u>

1,410,317	741,858
-----------	---------

<u>21,426,720</u>	<u>20,684,862</u>
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<u>\$ 22,837,037</u>	<u>\$ 21,426,720</u>
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\$ 924,993	\$ 736,438
319,883	290,127
23,719	865,999
(923,983)	(945,389)
(14,447)	(9,041)
<u>(714)</u>	<u>(743)</u>

329,451	937,391
---------	---------

<u>16,075,063</u>	<u>15,137,672</u>
-------------------	-------------------

<u>\$ 16,404,514</u>	<u>\$ 16,075,063</u>
----------------------	----------------------

<u>\$ 6,432,523</u>	<u>\$ 5,351,657</u>
---------------------	---------------------

71.83%	75.02%
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<u>\$ 5,331,379</u>	<u>\$ 4,835,449</u>
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120.65%	110.68%
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CITY OF ALAMO HEIGHTS, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS – PENSION

For the year ended September 30, 2020

***For the last 10 fiscal years**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contributions	\$ 962,071	\$ 948,916	\$ 920,196	\$ 945,091
Contributions in relation to the actuarially determined contributions	<u>962,071</u>	<u>948,916</u>	<u>920,196</u>	<u>945,091</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 5,696,162</u>	<u>\$ 5,626,955</u>	<u>\$ 5,444,475</u>	<u>\$ 5,575,888</u>
Contributions as a percentage of covered payroll	16.89%	16.86%	16.90%	16.95%

*GASB 68 requires 10 fiscal years of data to be provided in this schedule. This is the sixth year of implementation of GASB 68. The City will develop the schedule prospectively.

<u>2016</u>	<u>2015</u>
\$ 905,858	\$ 850,395
<u>905,858</u>	<u>850,395</u>
<u>\$ -</u>	<u>\$ -</u>
<u>\$ 5,290,913</u>	<u>\$ 5,023,828</u>
17.12%	16.93%

CITY OF ALAMO HEIGHTS, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN OTHER POSTEMPLOYMENT BENEFITS LIABILITY
(OPEB) AND RELATED RATIOS

September 30, 2020

***Last 10 fiscal years**

For the measurement year ended December 31,

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability			
Service cost	\$ 14,297	\$ 13,590	\$ 12,144
Interest on the total OPEB liability	12,228	11,927	11,796
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(16,207)	(29,942)	-
Change of assumptions	59,848	(22,766)	27,438
Benefit payments	<u>(4,003)</u>	<u>(3,805)</u>	<u>(3,864)</u>
Net change in total OPEB liability	66,163	(30,996)	47,514
Total OPEB liability - beginning	<u>324,454</u>	<u>355,450</u>	<u>307,936</u>
Total OPEB liability - ending	<u>\$ 390,617</u>	<u>\$ 324,454</u>	<u>\$ 355,450</u>
Covered payroll	<u>\$ 5,718,879</u>	<u>\$ 5,436,088</u>	<u>\$ 5,520,051</u>
Total OPEB liability as a percentage of covered payroll	6.83%	5.97%	6.44%

GASB 75 requires 10 fiscal years of data to be provided in this schedule. This is the third year of implementation of GASB 75. The City will develop the schedule prospectively.

CITY OF ALAMO HEIGHTS, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

For the year ended September 30, 2020

***Last 10 fiscal years**

	2020	2019	2018
Actuarially determined contributions	\$ 12,367	\$ 11,099	\$ 10,733
Contributions in relation to the actuarially determined contributions	12,367	11,099	10,733
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll	\$ 5,696,162	\$ 5,626,955	\$ 5,444,475
Contributions as a percentage of covered payroll	0.22%	0.20%	0.20%

GASB 75 requires 10 fiscal years of data to be provided in this schedule. This is the third year of implementation of GASB 75. This City will develop the schedule prospectively.

CITY OF ALAMO HEIGHTS, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

September 30, 2020

(1) Budgetary information

The budget for the general fund is adopted on a basis consistent with generally accepted accounting principles. Annual appropriations lapse at fiscal year end.

Budgetary preparation and control is exercised at the fund level. The city manager is authorized to transfer budget amounts between accounts within a department and from one department to another. These transfers cannot increase the overall budgeted expenditures.

(2) Schedule of contributions

Valuation date:

Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

Methods and assumptions used to determine contribution rates:

Valuation date:

Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

Methods and assumption used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	26 years
Asset valuation method	10 year smoothed market, 12% soft corridor
Actuarial assumption:	
Inflation	2.50%
Salary increases	3.5% to 11.50% including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB (10) mortality tables, with the public safety table used for males and the general employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other information:

There were no benefit changes during the year.

OTHER SUPPLEMENTARY INFORMATION

CITY OF ALAMO HEIGHTS, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

September 30, 2020

	SPECIAL REVENUE				
	CONFISCATED PROPERTY	COURT SECURITY	COMMUNITY BENEFIT	LEOSE EMPLOYEE CENTER EDUCATION	COURT TECHNOLOGY
ASSETS					
Cash	\$ 24,289	\$ 88,502	\$ 33,263	\$ 33,387	\$ 25,927
Receivables - net of allowances for uncollectibles	-	-	-	-	-
Other receivables					
Total assets	\$ 24,289	\$ 88,502	\$ 33,263	\$ 33,387	\$ 25,927
LIABILITIES					
Accounts payable	\$ -	\$ 13,837	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-
Total liabilities	-	13,837	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Unearned revenue - taxes	-	-	-	-	-
FUND BALANCES					
Restricted for:					
Confiscated property	24,289	-	-	-	-
Court security	-	74,665	-	-	-
Community programs	-	-	33,263	-	-
Police training	-	-	-	33,387	-
Court technology	-	-	-	-	25,927
TNR Foster	-	-	-	-	-
Debt service	-	-	-	-	-
Animal services	-	-	-	-	-
Committed for:					
Comprehensive plans	-	-	-	-	-
Assigned:					
Capital projects	-	-	-	-	-
Total fund balances	24,289	74,665	33,263	33,387	25,927
Total liabilities, deferred inflows of resources, and fund balances	\$ 24,289	\$ 88,502	\$ 33,263	\$ 33,387	\$ 25,927

FUNDS					TOTAL NONMAJOR GOVERNMENTAL FUNDS
COMPREHENSIVE PLAN	PRIVATE CONTRIBUTIONS	TNR GRANT	DEBT SERVICE		
\$ 150,789	\$ 8,103	\$ -	\$ 147,718	\$	511,978
-	-	-	22,446		22,446
<u>\$ 150,789</u>	<u>\$ 8,103</u>	<u>\$ -</u>	<u>\$ 170,164</u>	<u>\$</u>	<u>534,424</u>
\$ -	\$ -	\$ (280)	\$ -	\$	13,557
-	-	-	-		-
-	-	(280)	-		13,557
-	-	-	20,427		20,427
-	-	-	-		24,289
-	-	-	-		74,665
-	-	-	-		33,263
-	-	-	-		33,387
-	-	-	-		25,927
-	-	280	-		280
-	-	-	149,737		149,737
-	8,103	-	-		8,103
<u>150,789</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u></u>	<u>150,789</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u></u>	<u>-</u>
<u>150,789</u>	<u>8,103</u>	<u>280</u>	<u>149,737</u>	<u></u>	<u>500,440</u>
<u>\$ 150,789</u>	<u>\$ 8,103</u>	<u>\$ -</u>	<u>\$ 170,164</u>	<u>\$</u>	<u>534,424</u>

CITY OF ALAMO HEIGHTS, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS**

Year ended September 30, 2020

	SPECIAL REVENUE				
	CONFISCATED PROPERTY	COURT SECURITY	COMMUNITY BENEFIT	LEOSE EMPLOYEE CENTER EDUCATION	COURT TECHNOLOGY
REVENUES					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	6,456	11,472	2,408	7,711
Property forfeitures	2,663	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>2,663</u>	<u>6,456</u>	<u>11,472</u>	<u>2,408</u>	<u>7,711</u>
EXPENDITURES					
Current					
General government	-	21,262	-	175	3,870
Public safety	9,785	-	12,272	-	-
Planning and development	-	-	-	-	2,616
Capital outlay	-	27,674	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>9,785</u>	<u>48,936</u>	<u>12,272</u>	<u>175</u>	<u>6,486</u>
Excess (deficiency) of revenues over (under) expenditures	(7,122)	(42,480)	(800)	2,233	1,225
OTHER FINANCING SOURCES (USES)					
Transfer in	-	-	-	-	-
Total other financing sources and (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(7,122)	(42,480)	(800)	2,233	1,225
FUND BALANCES AT BEGINNING OF YEAR	<u>31,411</u>	<u>117,145</u>	<u>34,063</u>	<u>31,154</u>	<u>24,702</u>
FUND BALANCES AT END OF YEAR	<u>\$ 24,289</u>	<u>\$ 74,665</u>	<u>\$ 33,263</u>	<u>\$ 33,387</u>	<u>\$ 25,927</u>

F U N D S

COMPREHENSIVE PLAN	PRIVATE CONTRIBUTIONS	TNR GRANT	DEBT SERVICE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
\$ -	\$ -	\$ -	\$ 866,057	\$ 866,057
12,000	-	-	-	40,047
-	-	-	-	2,663
-	10,638	-	-	10,638
<u>12,000</u>	<u>10,638</u>	<u>-</u>	<u>866,057</u>	<u>919,405</u>
-	7,301	-	-	32,608
-	-	-	-	22,057
389	-	-	-	3,005
-	-	-	-	27,674
-	-	-	720,000	720,000
-	-	-	122,094	122,094
<u>389</u>	<u>7,301</u>	<u>-</u>	<u>842,094</u>	<u>927,438</u>
11,611	3,337	-	23,963	(8,033)
<u>57,000</u>	<u>-</u>	<u>280</u>	<u>-</u>	<u>57,280</u>
<u>57,000</u>	<u>-</u>	<u>280</u>	<u>-</u>	<u>57,280</u>
68,611	3,337	280	23,963	49,247
<u>82,178</u>	<u>4,766</u>	<u>-</u>	<u>125,774</u>	<u>451,193</u>
<u>\$ 150,789</u>	<u>\$ 8,103</u>	<u>\$ 280</u>	<u>\$ 149,737</u>	<u>\$ 500,440</u>

CITY OF ALAMO HEIGHTS, TEXAS

**STREET MAINTENANCE FUND
SCHEDULE OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**

Year ended September 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUE				
Sales taxes	\$ 601,945	\$ 601,945	\$ 660,336	\$ 58,391
Miscellaneous	<u> -</u>	<u> -</u>	<u>29,840</u>	<u>29,840</u>
Total revenues	<u>601,945</u>	<u>601,945</u>	<u>690,176</u>	<u>88,231</u>
EXPENDITURES				
Capital outlay	<u>1,200,000</u>	<u>1,200,000</u>	<u>779,790</u>	<u>420,210</u>
Excess (deficiency) of revenues over (under) expenditures	(598,055)	(598,055)	(89,614)	508,441
OTHER SOURCES (USES)				
Transfer in	<u> -</u>	<u>150,000</u>	<u>150,000</u>	<u> -</u>
Net change in fund balance	<u><u>\$ (598,055)</u></u>	<u><u>\$ (448,055)</u></u>	60,386	<u><u>\$ 508,441</u></u>
FUND BALANCE AT OCTOBER 1, 2019			<u>741,092</u>	
FUND BALANCE AT SEPTEMBER 30, 2020			<u><u>\$ 801,478</u></u>	

CITY OF ALAMO HEIGHTS, TEXAS

**CAPITAL PROJECTS FUND
SCHEDULE OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**

Year Ended September 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
EXPENDITURES				
General government	25,000	25,000	10,676	14,324
Capital outlay	<u>818,000</u>	<u>1,493,000</u>	<u>1,579,298</u>	<u>(86,298)</u>
Total expenditures	<u>843,000</u>	<u>1,518,000</u>	<u>1,589,974</u>	<u>(71,974)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(843,000)</u>	<u>(1,518,000)</u>	<u>(1,589,974)</u>	<u>71,974</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfer in	<u>-</u>	<u>675,000</u>	<u>675,000</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>675,000</u>	<u>675,000</u>	<u>-</u>
Net change in fund balance	<u>\$ (843,000)</u>	<u>\$ (1,518,000)</u>	(914,974)	<u>\$ 71,974</u>
FUND BALANCE AT OCTOBER 1, 2019			<u>1,093,256</u>	
FUND BALANCE AT SEPTEMBER 30, 2020			<u>\$ 178,282</u>	

CITY OF ALAMO HEIGHTS, TEXAS

**COMPREHENSIVE PLAN FUND
SCHEDULE OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**

Year ended September 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUE				
Intergovernmental	\$ -	\$ -	\$ 12,000	\$ 12,000
EXPENDITURES				
Planning and development	<u>57,000</u>	<u>57,000</u>	<u>389</u>	<u>56,611</u>
Total expenditures	<u>57,000</u>	<u>57,000</u>	<u>389</u>	<u>56,611</u>
Excess (deficiency) of revenues over (under) expenditures	(57,000)	(57,000)	11,611	(44,611)
OTHER SOURCES (USES)				
Transfer in	<u>57,000</u>	<u>57,000</u>	<u>57,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	68,611	<u>\$ 68,611</u>
FUND BALANCE AT OCTOBER 1, 2019			<u>82,178</u>	
FUND BALANCE AT SEPTEMBER 30, 2020			<u>\$ 150,789</u>	

CITY OF ALAMO HEIGHTS, TEXAS

**CAPITAL REPLACEMENT FUND
SCHEDULE OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**

Year ended September 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUE				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
General government	-	-	28,022	(28,022)
Capital outlay	562,586	562,586	440,860	121,726
Debt service:				
Principal payment	-	-	26,600	(26,600)
Interest expense	-	-	692	(692)
Total expenditures	<u>562,586</u>	<u>562,586</u>	<u>496,174</u>	<u>66,412</u>
Excess (deficiency) of revenues over (under) expenditures	(562,586)	(562,586)	(496,174)	(66,412)
OTHER SOURCES (USES)				
Sale of assets	-	-	10,000	10,000
Transfer in	<u>353,049</u>	<u>403,049</u>	<u>403,049</u>	<u>-</u>
Total other sources (uses)	<u>353,049</u>	<u>403,049</u>	<u>413,049</u>	<u>10,000</u>
Net change in fund balance	<u>\$ (209,537)</u>	<u>\$ (159,537)</u>	(83,125)	<u>\$ 76,412</u>
FUND BALANCE AT OCTOBER 1, 2019			<u>1,382,447</u>	
FUND BALANCE AT SEPTEMBER 30, 2020			<u>\$ 1,299,322</u>	

CITY OF ALAMO HEIGHTS, TEXAS

**DEBT SERVICE FUND
SCHEDULE OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**

Year ended September 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUE				
Property taxes	\$ 882,111	\$ 882,111	\$ 866,057	\$ (16,054)
EXPENDITURES				
Principal payment	720,000	720,000	720,000	-
Interest and fiscal charges	122,094	122,094	122,094	-
Total expenditures	<u>842,094</u>	<u>842,094</u>	<u>842,094</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 40,017</u>	<u>\$ 40,017</u>	23,963	<u>\$ (16,054)</u>
FUND BALANCE AT OCTOBER 1, 2019			<u>125,773</u>	
FUND BALANCE AT SEPTEMBER 30, 2020			<u>\$ 149,736</u>	

CITY OF ALAMO HEIGHTS, TEXAS

STATISTICAL SECTION

This part of the City of Alamo Heights comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Tables</u>
Financial Trends These tables contain trend information to help readers understand how the City's financial performance and well-being have changed over time.	1 through 4
Revenue Capacity These tables contain information to help readers assess the City's most significant local revenue source – its property tax.	5 through 8
Debt Capacity These tables present information to help readers assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	9 through 11
Demographic and Economic Information These tables offer demographic and economic indicators to help readers understand the environment within which the City's financial activities take place.	12 through 13
Operating Information These tables contain service and infrastructure data to help readers understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	14 through 16

Except where noted, the information in these tables is derived from the City of Alamo Heights comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2005; tables presenting government-wide information include information beginning that year.

CITY OF ALAMO HEIGHTS, TEXAS

NET POSITION, BY COMPONENT
LAST TEN FISCAL PERIODS
(ACCRUAL BASIS OF ACCCOUNTING)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
GOVERNMENTAL ACTIVITIES:				
Net investment in capital assets	\$ 7,539,445	\$ 5,348,886	\$ 3,795,534	\$ 3,840,789
Restricted	349,371	369,015	1,375,530	340,397
Unrestricted	<u>2,800,515</u>	<u>3,541,307</u>	<u>2,593,935</u>	<u>2,143,435</u>
Total governmental activities net position	<u>\$ 10,689,331</u>	<u>\$ 9,259,208</u>	<u>\$ 7,764,999</u>	<u>\$ 6,324,621</u>
BUSINESS-TYPE ACTIVITIES:				
Net investment in capital assets	\$ 8,174,500	\$ 7,959,240	\$ 8,137,876	\$ 8,092,277
Unrestricted	<u>1,559,023</u>	<u>1,302,354</u>	<u>976,720</u>	<u>799,592</u>
Total business-type activities net position	<u>\$ 9,733,523</u>	<u>\$ 9,261,594</u>	<u>\$ 9,114,596</u>	<u>\$ 8,891,869</u>
PRIMARY GOVERNMENT:				
Net investment in capital assets	\$ 15,713,945	\$ 13,308,126	\$ 11,933,410	\$ 11,933,066
Restricted	349,371	369,015	1,375,530	340,397
Unrestricted	<u>4,359,538</u>	<u>4,843,661</u>	<u>3,570,655</u>	<u>2,943,027</u>
Total primary government net position	<u>\$ 20,422,854</u>	<u>\$ 18,520,802</u>	<u>\$ 16,879,595</u>	<u>\$ 15,216,490</u>

Note:

* In fiscal year September 30, 2015, the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27", resulted in a significant decrease in unrestricted net position in Business-type and Governmental activities.

TABLE 1

2016	2015*	2014	2013	2012	2011
\$ 3,346,580	\$ 3,385,358	\$ 2,011,074	\$ 1,638,290	\$ 1,638,290	\$ 2,407,064
369,349	331,787	780,392	933,600	933,600	1,178,883
<u>1,728,809</u>	<u>881,015</u>	<u>6,137,390</u>	<u>5,804,824</u>	<u>5,804,824</u>	<u>4,164,359</u>
<u>\$ 5,444,738</u>	<u>\$ 4,598,160</u>	<u>\$ 8,928,856</u>	<u>\$ 8,376,714</u>	<u>\$ 8,376,714</u>	<u>\$ 7,750,306</u>
\$ 8,072,064	\$ 8,292,081	\$ 7,480,502	\$ 6,486,583	\$ 6,486,583	\$ 6,681,531
<u>748,423</u>	<u>414,360</u>	<u>1,897,524</u>	<u>2,060,818</u>	<u>2,060,818</u>	<u>1,500,778</u>
<u>\$ 8,820,487</u>	<u>\$ 8,706,441</u>	<u>\$ 9,378,026</u>	<u>\$ 8,547,401</u>	<u>\$ 8,547,401</u>	<u>\$ 8,182,309</u>
\$ 11,418,644	\$ 11,677,439	\$ 9,491,576	\$ 8,124,873	\$ 8,124,873	\$ 9,088,595
369,349	331,787	780,392	933,600	933,600	1,178,883
<u>2,477,232</u>	<u>1,295,375</u>	<u>8,034,914</u>	<u>7,865,642</u>	<u>7,865,642</u>	<u>5,665,137</u>
<u>\$ 14,265,225</u>	<u>\$ 13,304,601</u>	<u>\$ 18,306,882</u>	<u>\$ 16,924,115</u>	<u>\$ 16,924,115</u>	<u>\$ 15,932,615</u>

CITY OF ALAMO HEIGHTS, TEXAS

**CHANGE IN NET POSITION
LAST TEN FISCAL PERIODS
(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
EXPENSES				
Governmental activities:				
General government	\$ 1,977,702	\$ 2,028,929	\$ 1,961,412	\$ 1,895,152
Public safety	5,823,235	5,933,177	5,742,935	5,647,734
Streets	1,147,982	1,411,531	1,013,595	1,218,412
Sanitation	742,724	837,197	831,282	823,454
Planning and development	480,802	423,144	400,675	387,742
Parks and recreation	494,042	344,389	333,293	334,285
Interest on debt	<u>130,050</u>	<u>129,228</u>	<u>127,671</u>	<u>158,604</u>
Total governmental activities	<u>10,796,537</u>	<u>11,107,595</u>	<u>10,410,863</u>	<u>10,465,383</u>
Business-type activities:				
Utility	<u>3,217,649</u>	<u>3,328,956</u>	<u>3,352,294</u>	<u>3,236,496</u>
Total business-type activities	<u>3,217,649</u>	<u>3,328,956</u>	<u>3,352,294</u>	<u>3,236,496</u>
Total primary government expenses	<u>14,014,186</u>	<u>14,436,551</u>	<u>13,763,157</u>	<u>13,701,879</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for service				
General government	1,382,521	1,868,754	1,430,445	1,624,767
Public safety	723,564	714,163	709,102	655,989
Streets	-	-	-	-
Sanitation	364,368	363,380	361,944	362,903
Planning and development	-	-	-	-
Parks and recreation	-	-	-	-
Capital grants and contributions:			-	
General government	-	-	553,374	40,000
Operating grants and contributions:				
General government	<u>80,525</u>	<u>49,255</u>	<u>49,261</u>	<u>86,395</u>
Total governmental activities program revenues	<u>2,550,978</u>	<u>2,995,552</u>	<u>3,104,126</u>	<u>2,770,054</u>
Business-type activities:				
Charges for service				
Utility	<u>3,736,134</u>	<u>3,495,304</u>	<u>3,523,432</u>	<u>3,378,349</u>
Total business-type activities program revenues	<u>3,736,134</u>	<u>3,495,304</u>	<u>3,523,432</u>	<u>3,378,349</u>
Total primary government program revenues	<u>6,287,112</u>	<u>6,490,856</u>	<u>6,627,558</u>	<u>6,148,403</u>

TABLE 2

2016	2015	2014	2013	2012	2011
\$ 1,837,698	\$ 1,812,948	\$ 1,549,460	\$ 1,480,953	\$ 1,600,557	\$ 1,583,220
5,538,340	5,194,754	5,344,641	4,886,648	4,944,862	4,948,153
1,155,238	1,506,114	1,267,014	1,548,142	1,420,341	1,391,017
723,504	717,951	704,509	676,655	645,802	706,945
366,567	308,311	282,541	297,919	301,920	291,935
295,882	272,363	248,282	247,616	277,653	266,450
234,167	243,462	263,262	321,589	245,713	177,687
<u>10,151,396</u>	<u>10,055,903</u>	<u>9,659,709</u>	<u>9,459,522</u>	<u>9,436,848</u>	<u>9,365,407</u>
3,063,239	3,154,421	2,977,031	2,782,642	2,846,898	2,470,981
<u>3,063,239</u>	<u>3,154,421</u>	<u>2,977,031</u>	<u>2,782,642</u>	<u>2,846,898</u>	<u>2,470,981</u>
<u>13,214,635</u>	<u>13,210,324</u>	<u>12,636,740</u>	<u>12,242,164</u>	<u>12,283,746</u>	<u>11,836,388</u>
1,777,644	1,467,061	905,045	1,524,322	1,500,258	1,494,897
685,288	685,288	672,670	614,482	667,720	743,118
-	-	-	216,597	209,469	197,883
364,221	360,087	390,448	358,913	337,969	341,803
-	-	609,163	-	-	-
-	-	-	45,380	36,040	31,043
-	-	415,005	-	-	-
<u>68,757</u>	<u>328,437</u>	<u>48,733</u>	<u>-</u>	<u>1,050,935</u>	<u>-</u>
<u>2,895,910</u>	<u>2,840,873</u>	<u>3,041,064</u>	<u>2,759,694</u>	<u>3,802,391</u>	<u>2,808,744</u>
<u>3,223,824</u>	<u>3,084,542</u>	<u>3,203,337</u>	<u>3,507,512</u>	<u>3,269,362</u>	<u>3,579,509</u>
<u>3,223,824</u>	<u>3,084,542</u>	<u>3,203,337</u>	<u>3,507,512</u>	<u>3,269,362</u>	<u>3,579,509</u>
<u>6,119,734</u>	<u>5,925,415</u>	<u>6,244,401</u>	<u>6,267,206</u>	<u>7,071,753</u>	<u>6,388,253</u>

(continued)

CITY OF ALAMO HEIGHTS, TEXAS

**CHANGE IN NET POSITION (CONTINUED)
LAST TEN FISCAL PERIODS
(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Net (expense) revenues				
Governmental activities	\$ (8,245,559)	\$ (8,112,043)	\$ (7,306,737)	\$ (7,695,329)
Business-type activities	<u>518,485</u>	<u>166,348</u>	<u>171,138</u>	<u>141,853</u>
Total primary government net expenses	<u>(7,727,074)</u>	<u>(7,945,695)</u>	<u>(7,135,599)</u>	<u>(7,553,476)</u>
 GOVERNMENTAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property taxes	6,697,396	6,596,419	6,292,204	6,177,119
Sales taxes	1,981,009	1,787,661	1,687,696	1,274,518
Other taxes	719,706	769,782	804,079	796,226
Unrestricted investment earnings	125,524	245,377	156,228	57,456
Miscellaneous	81,246	136,212	73,777	94,553
Proceeds from sale of assets	-	-	6,508	-
Special item	-	-	-	-
Transfers	<u>70,801</u>	<u>70,801</u>	<u>66,246</u>	<u>70,471</u>
Total governmental activities	<u>9,675,682</u>	<u>9,606,252</u>	<u>9,086,738</u>	<u>8,470,343</u>
Business-type activities:				
Interest and investment earnings	21,268	36,803	23,451	-
Miscellaneous	2,977	14,648	118,245	-
Transfers	<u>(70,801)</u>	<u>(70,801)</u>	<u>(66,246)</u>	<u>(70,471)</u>
Total business-type activities	<u>(46,556)</u>	<u>(19,350)</u>	<u>75,450</u>	<u>(70,471)</u>
 CHANGES IN NET POSITION				
Governmental activities	1,430,123	1,494,209	1,780,001	775,014
Business-type activities	<u>471,929</u>	<u>146,998</u>	<u>246,588</u>	<u>71,382</u>
Total primary government	<u>\$ 1,902,052</u>	<u>\$ 1,641,207</u>	<u>\$ 2,026,589</u>	<u>\$ 846,396</u>

TABLE 2

2016	2015	2014	2013	2012	2011
\$ (7,263,846)	\$ (7,215,630)	\$ (6,618,645)	\$ (6,699,828)	\$ (5,634,457)	\$ (6,556,663)
<u>160,585</u>	<u>(69,879)</u>	<u>226,306</u>	<u>724,870</u>	<u>422,464</u>	<u>1,108,528</u>
<u>(7,103,261)</u>	<u>(7,285,509)</u>	<u>(6,392,339)</u>	<u>(5,974,958)</u>	<u>(5,211,993)</u>	<u>(5,448,135)</u>
5,870,136	5,455,046	5,259,723	5,174,711	4,646,692	4,668,446
1,262,914	946,872	940,436	864,538	835,133	772,815
790,662	806,607	733,572	620,797	621,035	642,184
26,569	24,742	26,225	30,244	23,530	16,612
93,897	82,606	113,682	84,222	77,093	36,060
-	-	-	-	-	-
-	(56,776)	-	-	-	-
<u>66,246</u>	<u>66,246</u>	<u>59,662</u>	<u>56,518</u>	<u>57,382</u>	<u>51,992</u>
<u>8,110,424</u>	<u>7,325,343</u>	<u>7,133,300</u>	<u>6,831,030</u>	<u>6,260,865</u>	<u>6,188,109</u>
-	-	-	-	-	5,952
19,707	13,354	1,751	4,306	10	-
<u>(66,246)</u>	<u>(66,246)</u>	<u>(59,662)</u>	<u>(56,518)</u>	<u>(57,382)</u>	<u>(51,992)</u>
<u>(46,539)</u>	<u>(52,892)</u>	<u>(57,911)</u>	<u>(52,212)</u>	<u>(57,372)</u>	<u>(51,992)</u>
846,578	109,713	514,655	131,202	626,408	(368,554)
<u>114,046</u>	<u>(122,771)</u>	<u>168,395</u>	<u>672,658</u>	<u>365,092</u>	<u>1,062,488</u>
<u>\$ 960,624</u>	<u>\$ (13,058)</u>	<u>\$ 683,050</u>	<u>\$ 803,860</u>	<u>\$ 991,500</u>	<u>\$ 693,934</u>

CITY OF ALAMO HEIGHTS, TEXAS

**FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL PERIODS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
GENERAL FUND				
Non-spendable - prepaids	\$ 81,965	\$ 89,599	\$ 89,599	\$ 85,601
Unassigned	5,653,691	5,374,977	4,487,739	3,830,544
Reserved	-	-	-	-
Unreserved	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total general fund	 <u>\$ 5,735,656</u>	 <u>\$ 5,464,576</u>	 <u>\$ 4,577,338</u>	 <u>\$ 3,916,145</u>
 ALL OTHER GOVERNMENTAL FUNDS				
Restricted for:				
Confiscated property	\$ 24,289	\$ 31,411	\$ 26,071	\$ 10,688
Court security	74,665	117,145	114,808	106,438
Community programs	33,263	34,063	25,237	65,041
Police training	33,387	31,154	31,667	32,483
Court technology	25,927	24,702	11,868	15,709
Comprehensive plan	-	-	-	-
Street maintenance	-	-	1,039,019	-
TNR foster	8,383	4,766	9,336	4,687
Debt service	149,737	125,774	117,524	105,351
Capital projects	-	-	-	-
Committed for:				
Capital replacement	1,299,322	1,382,447	1,112,340	872,058
Street maintenance	801,478	741,092	869,536	569,536
Comprehensive plans	150,789	82,178	80,077	72,114
Private contributions	-	-	-	-
Assigned				
Capital projects	178,282	1,093,256	866,083	908,077
Unassigned	-	-	-	-
Reserved	-	-	-	-
Unreserved, reported In:				
Special revenue funds	-	-	-	-
Capital project funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total all other governmental funds	 <u>\$ 2,779,522</u>	 <u>\$ 3,667,988</u>	 <u>\$ 4,303,566</u>	 <u>\$ 2,762,182</u>

Note: *In 2011 the City adopted GASB No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement establishes new categories for reporting fund balances.

TABLE 3

2016	2015	2014	2013	2012	2011*
\$ 86,642	\$ 78,982	\$ 87,663	\$ 86,209	\$ 75,920	\$ 75,920
3,545,922	3,257,254	3,341,248	3,142,289	3,045,170	3,108,664
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 3,632,564</u>	<u>\$ 3,336,236</u>	<u>\$ 3,428,911</u>	<u>\$ 3,228,498</u>	<u>\$ 3,121,090</u>	<u>\$ 3,184,584</u>
\$ 11,977	\$ 12,654	\$ 31,083	\$ 27,177	\$ 29,077	\$ 21,341
97,208	86,406	121,374	112,123	101,870	91,490
96,233	110,074	101,110	100,452	91,169	89,893
31,403	30,777	32,739	30,738	30,738	32,863
27,806	18,592	19,732	34,541	21,080	19,887
9,743	9,393	17,136	23,539	31,080	31,618
9,868	-	284,795	91,605	522,216	130,272
12,034	8,035	5,834	7,917	89	5,183
73,077	55,856	166,589	186,690	106,281	91,053
-	-	613,859	6,315,190	6,787,194	665,283
659,640	527,378	440,692	595,448	532,004	360,407
396,763	26,763	765,000	565,000	265,000	265,000
20,000	20,000	20,000	20,000	72,114	20,000
-	-	-	-	-	1,669
961,694	955,423	1,050,936	1,050,936	262,734	-
-	-	3,426	2,042	(71)	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 2,407,446</u>	<u>\$ 1,861,351</u>	<u>\$ 3,674,305</u>	<u>\$ 9,163,398</u>	<u>\$ 8,852,575</u>	<u>\$ 1,825,959</u>

CITY OF ALAMO HEIGHTS, TEXAS

**CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL PERIODS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
REVENUES				
Taxes	\$ 9,424,483	\$ 9,159,134	\$ 8,834,234	\$ 8,264,472
Licenses and permits	750,769	959,826	652,681	640,550
Intergovernmental	509,179	465,276	500,077	554,490
CIED revenue	-	-	-	-
Charges for services	1,084,287	1,294,874	1,237,709	1,223,119
Fines	219,708	288,131	279,653	284,287
Property forfeitures	-	-	-	-
Investment earnings	125,524	245,377	156,228	57,456
Miscellaneous	110,599	144,960	618,541	103,519
Total revenues	<u>12,224,549</u>	<u>12,557,578</u>	<u>12,279,123</u>	<u>11,127,893</u>
EXPENDITURES				
General government	1,684,692	1,731,575	1,699,236	1,714,263
Public safety	5,514,703	5,512,769	5,307,108	5,283,630
Streets	514,674	493,911	495,929	487,630
Sanitation	722,133	802,680	780,094	786,960
Planning and development	479,211	412,467	388,666	379,662
Parks and recreation	311,440	313,016	296,819	302,840
Capital outlay	2,827,622	2,181,720	260,318	870,337
Debt service:				
Principal	746,600	789,660	767,711	742,690
Interest and fiscal charges	122,786	138,921	154,583	174,367
Bond issuance cost	-	-	-	-
Total expenditures	<u>12,923,861</u>	<u>12,376,719</u>	<u>10,150,464</u>	<u>10,742,379</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(699,312)</u>	<u>180,859</u>	<u>2,128,659</u>	<u>385,514</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	(1,285,329)	(1,094,409)	(780,254)	(830,000)
Transfers out	1,356,130	1,165,210	846,500	900,471
Capital lease obligation	11,125	-	-	77,463
Bond proceeds	-	-	-	-
Bond premiums issued	-	-	-	-
Proceeds from insurance settlement	-	-	-	-
Payment to escrow agent	-	-	-	-
Total other financing sources (uses)	<u>81,926</u>	<u>70,801</u>	<u>66,246</u>	<u>147,934</u>
Net change in fund balances	<u>\$ (617,386)</u>	<u>\$ 251,660</u>	<u>\$ 2,194,905</u>	<u>\$ 533,448</u>
Debt service as a percentage of noncapital expenditures	8.61%	9.11%	9.33%	9.29%

TABLE 4

2016	2015	2014	2013	2012	2011
\$ 7,962,696	\$ 7,326,071	\$ 6,875,122	\$ 6,658,836	\$ 6,103,019	\$ 6,088,227
557,398	538,131	609,163	681,468	662,687	512,904
501,461	740,041	900,143	640,877	656,151	690,788
-	-	-	788,202	262,734	-
1,400,679	1,184,844	1,186,961	1,188,092	1,179,384	1,175,542
300,570	270,080	229,579	257,425	270,141	293,518
-	-	-	-	-	-
26,569	24,742	26,225	30,244	23,530	16,612
106,847	89,804	89,286	84,222	77,093	74,518
<u>10,856,220</u>	<u>10,173,713</u>	<u>9,916,479</u>	<u>10,329,366</u>	<u>9,234,739</u>	<u>8,852,109</u>
1,615,661	1,604,852	1,502,037	1,401,356	1,492,486	1,526,938
5,222,337	5,005,896	4,844,906	4,577,375	4,656,160	4,594,071
527,469	475,997	381,888	359,306	406,039	348,415
677,438	690,782	653,466	653,829	622,976	669,803
360,546	310,386	282,541	299,420	304,561	291,935
280,127	263,406	237,043	238,372	268,689	248,308
527,414	2,864,168	6,911,167	1,533,213	384,076	2,506,894
645,000	625,000	600,000	505,000	335,000	300,000
191,655	248,325	268,014	347,668	164,272	176,358
38,625	-	-	-	73,476	-
<u>10,086,272</u>	<u>12,088,812</u>	<u>15,681,062</u>	<u>9,915,539</u>	<u>8,707,735</u>	<u>10,662,722</u>
<u>769,948</u>	<u>(1,915,099)</u>	<u>(5,764,583)</u>	<u>413,827</u>	<u>527,004</u>	<u>(1,810,613)</u>
(823,082)	(797,191)	(536,008)	(706,007)	(548,653)	(604,628)
889,328	863,437	595,670	762,525	606,035	656,620
-	-	360,000	-	-	-
1,605,000	-	-	-	6,323,476	-
108,941	-	-	-	-	-
-	(56,776)	56,241	-	-	-
<u>(1,707,712)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>72,475</u>	<u>9,470</u>	<u>475,903</u>	<u>56,518</u>	<u>6,380,858</u>	<u>51,992</u>
<u>\$ 842,423</u>	<u>\$ (1,905,629)</u>	<u>\$ (5,288,680)</u>	<u>\$ 470,345</u>	<u>\$ 6,907,862</u>	<u>\$ (1,758,621)</u>
8.75%	9.47%	9.90%	10.17%	6.00%	5.84%

CITY OF ALAMO HEIGHTS, TEXAS

**ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL PERIODS**

TABLE 5

	TAXABLE ASSESSED VALUE PERSONAL PROPERTY	TAXABLE ASSESSED VALUE REAL PROPERTY	TOTAL TAXABLE ASSESSED VALUE	TOTAL DIRECT TAX RATE
Year ended September 30, 2020	\$ 27,821,192	\$ 1,842,246,293	\$ 1,870,067,485	0.386439
Year ended September 30, 2019	27,682,663	1,799,802,432	1,827,485,095	0.386439
Year ended September 30, 2018	38,867,712	1,692,308,676	1,731,176,388	0.386439
Year ended September 30, 2017	38,406,710	1,638,595,415	1,677,002,125	0.389900
Year ended September 30, 2016	36,295,321	1,551,854,285	1,588,149,606	0.390262
Year ended September 30, 2015	34,135,262	1,421,781,934	1,455,917,196	0.390262
Year ended September 30, 2014	33,326,092	1,395,181,683	1,428,507,775	0.390262
Year ended September 30, 2013	30,592,813	1,369,899,848	1,400,492,661	0.390262
Year ended September 30, 2012	29,760,154	1,322,404,572	1,352,164,726	0.355662
Year ended September 30, 2011	27,831,103	1,321,653,792	1,349,484,895	0.355662

Notes:

Source: Bexar County Appraisal District

Property in the City of Alamo Heights is reassessed every year at estimated actual value. For this reason, assessed value is equal to estimated actual value. Tax rates are per \$100 of assessed value.

CITY OF ALAMO HEIGHTS, TEXAS

**DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL PERIODS**

TABLE 6

FISCAL PERIOD	CITY DIRECT RATES			OVERLAPPING RATES					
	M & O	I & S	TOTAL CITY	ALAMO HEIGHTS ISD	BEXAR COUNTY	COMMUNITY COLLEGE DISTRICT	HOSPITAL	OTHER	TOTAL
2020	0.336439 %	0.050000 %	0.386439 %	1.1964 %	0.27743 %	0.14915 %	0.276235 %	0.04225 %	2.32790 %
2019	0.336439	0.050000	0.386439	1.1950	0.27743	0.14915	0.276235	0.04225	2.32650
2018	0.336439	0.050000	0.386439	1.2550	0.27743	0.14915	0.276235	0.04225	2.38650
2017	0.332900	0.057000	0.389900	1.1950	0.29325	0.14915	0.276235	0.03299	2.33653
2016	0.330762	0.059500	0.390262	1.1950	0.29750	0.14915	0.276235	0.03429	2.34244
2015	0.336486	0.053776	0.390262	1.1950	0.29750	0.14915	0.276235	0.04820	2.35635
2014	0.325762	0.064500	0.390262	1.2050	0.28380	0.14915	0.276235	0.04820	2.35265
2013	0.319454	0.070808	0.390262	1.2180	0.29620	0.14915	0.276235	0.04805	2.37790
2012	0.316157	0.039505	0.355662	1.2180	0.29620	0.14915	0.276235	0.04805	2.34330
2011	0.325127	0.030535	0.355662	1.1980	0.29620	0.14160	0.276200	0.04800	2.31566

Notes:

Source: Bexar County Appraisal District

Overlapping rates are those of local and county governments that apply within the City of Alamo Heights.

CITY OF ALAMO HEIGHTS, TEXAS

**PRINCIPAL PROPERTY TAXPAYERS
CURRENT PERIOD AND NINE PERIODS AGO**

TABLE 7

TAXPAYERS	2020			2011		
	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL CITY TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL CITY TAXABLE ASSESSED VALUE
HEB GROCERY COMPANY LP	\$ 17,589,260	1	0.92%	\$ 12,165,380	1	0.86%
ALAMO HEIGHTS URBAN LP	17,060,440	2	0.89%	N/A	N/A	N/A
ALAMO HEIGHTS TREEHOUSE LTD	9,130,520	3	0.48%	6,000,400	4	0.42%
GLENN H HUDDLESTON	8,196,200	4	0.43%	4,346,990	7	0.31%
STEWART CENTER INC	6,885,150	5	0.36%	N/A	N/A	N/A
GEORGE A GEIS	6,595,210	6	0.34%	4,832,613	6	0.34%
CHRISTOPHER GOLDSBURY JR	6,595,000	7	0.34%	7,897,840	3	0.56%
SOUTHWESTERN BELL TELEPHONE	6,089,622	8	0.32%	8,917,530	2	0.63%
BEXAR DIVERSIFIED INC MF-1 LLC	5,302,730	9	0.28%	N/A	N/A	N/A
WILLIAM MICHAEL BARNES	5,242,100	10	0.27%	5,103,337	5	0.36%
PAUL AND MARGARET PACE	-		-	3,470,000	8	0.25%
JEFFERY A. and ANNE Z. ROCHELLE	-		-	3,300,000	9	0.23%
LYNDA G. MCCOMBS	-		-	3,300,000	10	0.77%
TOTAL	<u>\$ 88,686,232</u>		<u>4.63%</u>	<u>\$ 59,334,090</u>		<u>4.73%</u>

Note:

Source: Bexar County Appraisal District

CITY OF ALAMO HEIGHTS, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL PERIODS
(IN THOUSANDS)

TABLE 8

	TAXES LEVIED FOR THE FISCAL PERIOD	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
		AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
2020	\$ 6,727	\$ 6,680	99.30%	\$ -	\$ 6,680	99.30%
2019	6,593	6,548	99.32%	19	6,567	99.32%
2018	6,291	6,248	99.32	21	6,269	99.60
2017	6,160	6,115	99.27	28	6,143	99.72
2016	5,875	5,819	99.05	41	5,860	99.74
2015	5,449	5,415	99.38	19	5,434	99.72
2014	5,208	5,123	98.37	75	5,198	99.81
2013	5,122	5,089	99.36	24	5,113	99.82
2012	4,619	4,582	99.20	29	4,611	99.83
2011	4,619	4,584	99.24	29	4,613	99.87

Note:

Source: Bexar Appraisal District

CITY OF ALAMO HEIGHTS, TEXAS

**RATIOS OF OUTSTANDING DEBT
LAST TEN FISCAL PERIODS**

TABLE 9

FISCAL PERIOD	GOVERNMENTAL ACTIVITIES ^a			BUSINESS-TYPE ACTIVITIES ^a		TOTAL PRIMARY GOVERNMENT	PERCENTAGE	
	COMBINATION TAX AND REVENUE BONDS CO's ^b	GENERAL OBLIGATION BONDS ^c	CAPITAL LEASES	COMBINATION TAX AND REVENUE BONDS CO's ^b	GENERAL OBLIGATION BONDS ^c		OF PERSONAL INCOME ^d	PER CAPITA ^d
	2020	\$ -	\$ 4,909,085	\$ -	\$ -		\$ 1,049,175	\$ 5,958,260
2019	-	5,673,836	26,600	-	1,187,629	6,888,065	0.89%	802
2018	-	6,401,798	111,260	-	1,321,083	7,834,141	1.22%	975
2017	-	7,114,760	165,574	-	1,449,536	8,729,870	1.54	1,086
2016	490,000	7,337,722	231,544	110,000	1,462,990	9,632,256	1.65	1,160
2015	2,575,000	5,799,158	214,352	1,610,000	-	10,198,510	1.85	1,306
2014	3,010,000	5,990,332	323,894	1,715,000	-	11,039,226	2.42	1,570
2013	3,415,000	6,186,506	-	1,815,000	-	11,416,506	2.50	1,624
2012	3,785,000	6,322,680	-	1,910,000	-	12,017,680	2.63	1,706
2011	4,120,000	-	-	2,000,000	-	6,120,000	1.34	870

Notes:

- a. Details regarding the City's outstanding debt can be found in note 3 in the financial statements.
- b. The City issued \$6,300,000 of Tax and Revenue Bonds Certificates of Obligation in 2012.
- c. The City refunded \$2,850,000 of the Combination Tax and Revenue Certificates of Obligations, Series 2007 in 2016.
- d. See Table 11 for personal income and population data for the City. These ratios are calculated only using personal income and population for the year.

CITY OF ALAMO HEIGHTS, TEXAS

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL PERIODS**

TABLE 10

<u>FISCAL YEAR</u>	<u>GENERAL OBLIGATION BONDS</u>	<u>LESS: AMOUNTS AVAILABLE IN DEBT SERVICE FUND</u>	<u>TOTAL</u>	<u>PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE OF PROPERTY</u>	<u>PER CAPITA</u>
2020	\$ 4,909,085	\$ 149,737	\$ 4,759,348	0.32%	\$ 553
2019	5,673,836	125,774	5,548,062	0.32%	646
2018	6,401,798	117,524	6,284,274	0.38	782
2017	7,114,760	105,351	7,009,409	0.41	872
2016	7,827,722	73,077	7,754,645	0.48	993
2015	8,374,158	55,856	8,318,302	0.57	1,035
2014	9,000,332	166,589	8,833,743	0.62	1,132
2013	9,601,506	186,690	9,414,816	0.67	1,339
2012	10,107,680	106,281	10,001,399	0.74	1,422
2011	4,120,000	91,053	4,028,947	0.30	573

CITY OF ALAMO HEIGHTS, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AS OF

September 30, 2020

TABLE 11

GOVERNMENTAL UNIT	DEBT OUTSTANDING	AS OF	ESTIMATED PERCENTAGE APPLICABLE	ESTIMATED SHARE OF OVERLAPPING DEBT
Debt repaid with property taxes				
Alamo Community College District	\$ 437,790,000 *	9/30/2020	0.97 %	\$ 4,246,563
Alamo Heights Independent School District	173,280,000 *	9/30/2020	23.76	41,171,328
Bexar County	1,944,900,000 *	9/30/2020	0.97	18,865,530
Bexar County Hospital District	932,030,000 *	9/30/2020	0.97	<u>9,040,691</u>
Total Overlapping Debt:				<u>73,324,112</u>
City of Alamo Heights				<u>5,885,000</u>
TOTAL DIRECT AND OVERLAPPING DEBT				<u>\$ 79,209,112</u>
TOTAL DIRECT AND OVERLAPPING DEBT % OF A.V.:				4.14%
TOTAL DIRECT AND OVERLAPPING DEBT PER CAPITA:				\$ 8,833

* Gross Debt

The overlapping debt was received from the Municipal Advisory Council of Texas, except the Alamo Heights Independent School District which was obtained directly. Details regarding the City's outstanding debt can be found in note 3 to the current financial statements.

CITY OF ALAMO HEIGHTS, TEXAS

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL PERIODS**

TABLE 12

<u>YEAR</u>	<u>POPULATION</u>	<u>PERSONAL INCOME</u>	<u>PER CAPITA PERSONAL INCOME</u>	<u>MEDIAN AGE</u>	<u>EDUCATION LEVEL IN YEARS OF SCHOOLING</u>	<u>SCHOOL ENROLLMENT</u>	<u>UNEMPLOYMENT RATE</u>
2020	8,614	\$ 802,316,574	\$ 93,141	44	74.40%	4,917	7.70%
2019	8,593	778,061,778	90,546	43	70.50	4,786	2.90
2018	8,038	643,562,470	80,065	44	73.60	4,808	3.10
2017	8,038	566,687,038	70,501	44	73.60	4,808	3.20
2016	8,038	566,687,038	70,501	45	71.40 *	4,808	3.80
2015	7,806	550,018,566	70,461	44	15.70	4,800	3.70
2014	7,031	456,916,566	64,986	40	15.73	4,800	4.30
2013	7,031	456,916,566	64,986	40	15.73	4,800	5.30
2012	7,031	456,916,566	64,986	40	15.73	4,793	6.00
2011	7,031	456,916,566	64,986	40	15.73	4,750	7.30

Notes:

* In fiscal year 2016, City started to use percentage of persons with a bachelor's degree.

Sources: Various city departments, Alamo Heights Independent School District, and Texas Workforce Commission.

CITY OF ALAMO HEIGHTS, TEXAS

**PRINCIPAL EMPLOYERS
CURRENT PERIOD AND NINE YEARS AGO**

TABLE 13

EMPLOYER	2020			2011		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY EMPLOYMENT (1)	EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY EMPLOYMENT (2)
Lackland Air Force Base	37,097	1	3.10%	28,100	2	3.29%
Fort Sam Houston	32,000	2	2.67%	30,793	1	3.61%
United Services Automobile Assoc	18,305	3	1.53%	14,582	3	1.74%
H.E.B. Food Stores	17,079	4	1.43%	14,588	4	1.71%
Northside Independent School Dist	13,977	5	1.17%	12,597	5	1.48%
City of San Antonio	13,881	6	1.16%	9,000	8	1.05%
Randolph Air Force Base	11,068	7	0.92%	10,700	6	1.25%
Methodist Healthcare System	11,020	8	0.92%	7,013	10	0.82%
North East Independent School Dist	8,763	9	0.73%	10,223	7	1.20%
Baptist Health System	6,383	10	0.53%	N/A	N/A	N/A
San Antonio Independent School District				7,581	9	0.89%
Totals	<u>169,573</u>		<u>14.16%</u>	<u>145,177</u>		<u>17.04%</u>

Notes:

Statistics for the San Antonio Metropolitan area are relevant to the City of Alamo Heights which is landlocked by the City of San Antonio.

Source: Economic Development Division, City of San Antonio, Texas, Greater San Antonio Chamber of Commerce, Economic Development Foundation, and San Antonio Business Journal Book of Lists.

CITY OF ALAMO HEIGHTS, TEXAS

**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL PERIODS**

TABLE 14

<u>FUNCTION/PROGRAM</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General government										
Administration	7	7	7	7	7	8	8	9	9	9
Municipal court	1	1	1	1	1	1	1	1	1	1
Planning and development	5	5	4	4	4	3	3	3	3	3
Public safety										
Police	23	23	23	23	25	24	24	24	24	23
Communications center	10	10	10	10	10	10	9	9	9	9
Fire	18	18	18	18	20	20	20	20	20	20
EMS	6	6	6	6	8	8	9	9	9	9
Public works										
Public works administration	1	1	1	1	1	1	1	1	1	2
Parks	4	4	4	4	4	4	4	4	4	4
Streets	5	5	5	5	5	4	4	4	4	4
Solid waste	10	10	10	10	10	10	10	10	10	10
Utilities	10	10	10	10	10	8	8	8	8	8
Totals	100	100	99	99	105	101	101	102	102	102

Note:

Source: Fiscal years 2009 through current are authorized positions adopted with the City Budget. Prior years are obtained from Texas Workforce Commission worksite quarterly reports as of March 31 and is a cumulative total of employees for that quarter.

CITY OF ALAMO HEIGHTS, TEXAS

**OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL PERIODS**

FUNCTION/PROGRAM	2020	2019	2018	2017
General government				
Building permits issued	421	244	249	242
Police				
Arrests	187	368	282	379
Parking violations	223	371	361	357
Traffic violations	1,335	5,168	5,552	4,246
Fire				
Number of calls answered	1,367	1,663	1,406	1,399
Number of fire responses	484	614	489	452
Number of EMS responses	883	1,049	917	947
Number of inspections	160	288	284	209
Number of training classes	857	713	531	708
Water				
New connections	22	18	29	22
Water main breaks	23	15	13	11
Total consumption (gallons)	652,249,000	606,513,000	579,934,834	593,338,470
Daily average consumption (gallons)	1,786,984	1,661,679	1,588,863	1,625,585
Number of service connections	3,058	3,131	3,077	3,037
Average daily use per connection	584	531	516	535
Sewer				
Total customers	2,648	2,766	2,784	2,772

Note:

Source: Various City Departments

TABLE 15

2016	2015	2014	2013	2012	2011
172	132	267	298	360	343
249	249	205	224	261	280
428	428	303	269	528	579
5,538	5,392	6,169	5,622	5,964	8,831
1,502	1,400	1,500	1,255	1,495	1,433
581	526	652	483	587	562
921	874	848	772	908	871
190	372	484	414	824	862
899	1009	752	725	376	993
9	25	23	2	3	1
6	11	8	6	8	11
660,050,100	552,095,866	644,466,602	682,036,363	564,345,957	646,653,046
1,808,356	1,512,591	1,765,662	1,868,592	1,567,628	1,796,258
3,055	3,046	2,963	2,940	2,938	2,979
592	497	596	636	534	603
2,755	2,746	2,688	2,686	2,686	2,711

CITY OF ALAMO HEIGHTS, TEXAS

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL PERIODS**

<u>FUNCTION/PROGRAM</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Police				
Stations	1	1	1	1
Patrol units	8	8	7	7
Fire				
Stations	1	1	1	1
Training facility	2	2	2	2
Fire apparatus	2	2	2	2
EMS				
Ambulance	3	3	3	3
Sanitation				
Garbage trucks	6	6	6	6
Streets				
Streets paved (miles)	41.40	41.40	41.40	41.40
Lane miles	1,048.00	1,048.00	1,048.00	1,048.00
Parks				
Swimming pools	1	1	1	1
Baseball/softball diamonds	2	2	2	2
Animal control				
Control vehicle	1	1	1	1
Water				
Number of reservoirs	1	1	1	1
Number of pump stations	6	6	6	6
Number of water mains (miles)	44	44.2	44.2	44.2
Sewer				
Sanitary sewers (miles)	32	32	32	32

Note:

Source: City asset listing and various City departments

TABLE 16

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
1	1	1	1	1	1
7	7	7	7	7	7
1	1	1	1	1	1
2	2	2	2	2	2
2	2	2	2	2	
3	3	3	3	3	3
6	6	6	6	6	6
41.40	40.25	40.25	40.25	40.25	40.25
1,048.00	1,018.90	1,018.90	1,018.90	1,018.90	1,018.90
1	1	1	1	1	1
2	2	2	2	2	2
1	1	1	1	1	1
1	1	1	1	1	1
6	6	6	6	6	6
44.2	44.2	44.2	44.2	44.2	44.2
32	32	32	32	32	32