

City of Alamo Heights

CITY OF ALAMO HEIGHTS

**2022
1922**

CELEBRATING 100 YEARS

Proposed FY2022-2023 Budget

CITY OF ALAMO HEIGHTS, TEXAS

PROPOSED OPERATING BUDGET OCTOBER 1, 2022 THROUGH SEPTEMBER 30, 2023 FISCAL YEAR 2022-23

AS SUBMITTED TO

THE MAYOR AND THE CITY COUNCIL

MAYOR
BOBBY ROSENTHAL

MAYOR PRO-TEM
LAWSON JESSEE

CITY COUNCIL MEMBERS
WES SHARPLES
BLAKE M. BONNER
LYNDA BILLA BURKE
JOHN SAVAGE

CITY MANAGER
BUDDY KUHN

CITY OF ALAMO HEIGHTS MISSION STATEMENT
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Alamo Heights will continue to be a vibrant village in which to live and work by protecting and enhancing its native beauty, promoting its special sense of community and providing excellent city services.

CITY OF ALAMO HEIGHTS, TEXAS

PROPOSED ANNUAL OPERATING BUDGET FOR FISCAL YEAR 2022-23

This budget will raise more revenue from property taxes than last year's budget by an amount of \$469,130 which is a 6.3% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$50,818. The City of Alamo Heights proposes to use the increase in total tax revenue for the purpose of providing essential services to the community, replacement of capital equipment, maintaining competitive employee compensation and paying debt service on bonds issued for drainage improvements approved by the voters.

Tax Rate	FY 2021-22	FY 2022-23
Property Tax Rate	0.404439	0.392000
No New Revenue Tax Rate	0.379683	0.378140
No New Revenue M&O Tax Rate	0.331416	0.315026
Voter Approval Tax Rate	0.451964	0.410231
Debt Rate	0.068000	0.065949

The total amount of municipal debt obligation, including interest, secured by property taxes for the City of Alamo Heights is \$19,911,956

VISION

To continuously cultivate an efficient and effective customer-driven model city that is innovative and responsive to the needs of the community.

CORE VALUES

- ◆ Safety
The health, safety and general welfare of our citizens, employees and visitors is our utmost concern and highest priority.
- ◆ Service
We constantly endeavor to improve the delivery of consistent and reliable service going beyond customer satisfaction.
- ◆ Integrity
We exhibit the highest levels of honesty and integrity in everything we do.

GOALS

- ◆ Governance and Communication
Promote honest and open government through civic engagement and informative and responsive communication with residents and customers.
- ◆ Infrastructure and Services
Properly maintain and strategically improve infrastructure and provide excellent city services.
- ◆ Neighborhood Character and Commercial Revitalization
Enhance and protect the unique character of neighborhoods and support the development of a vibrant and attractive commercial district.
- ◆ Accountability and Management
Be responsible stewards of public resources and utilize best management practices for our administrative and financial systems.

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CITY OF ALAMO HEIGHTS

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SAN ANTONIO, TEXAS 78209
210-822-3331
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August 8, 2022

City of Alamo Heights
6116 Broadway
Alamo Heights, Texas 78209

To the Honorable Mayor and City Council:

I am pleased to present to the City Council and citizens of the City of Alamo Heights the Fiscal Year 2022-23 Operating Budget. The Budget has been developed to be consistent with the established mission, vision and goals of the City of Alamo Heights and provides a fiscal plan to accomplish the action steps adopted by the City Council in the 2022-2023 Strategic Action Plan.

The FY 2022-23 Budget has been developed to allocate resources by City department to provide excellent municipal services to citizens and visitors. The Budget is organized into a variety of major category sections to provide the reader with a broad overview of the budget and to highlight how the allocation of City financial, human and capital resources are targeted to achieve the established mission, vision and prioritized goals of the City of Alamo Heights.

PRINCIPAL BUDGET ISSUES

The principal budget issues for Alamo Heights relate to the ability of the city to continue its 20-year plan for street infrastructure improvements and reserve funds needed for capital.

Alamo Heights is landlocked and does not benefit from the new development of vacant property. To sustain its tax base, the City depends on continuous rehabilitation and renewal of existing developed properties. Since 83% of the City's property values are residential, the City's tax base benefits most from the regular renovation of existing homes and the construction of new homes. Property valuations this year continue to be on the upswing given the 10% increase in net taxable values for the year 2022. The City also benefits from the improvement and renewal of its established commercial district.

PLANNING PROCESSES

To address its challenges and identify priorities for operating budgets, the City has undertaken a number of planning processes to establish short and long term goals.

Strategic Action Plan - Each year, the City Council and City Management Team create, for consideration and approval, a Strategic Action Plan that establishes action steps that are proposed 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. This year's Strategic Action Plan is included in the Budget Information section of this document.

Capital Improvement Program (CIP) – The City Council approved \$7.5 million in Certificates of Obligation in 2007 to fund a wide variety of critical infrastructure improvements. Approximately \$5.165 million was allocated for the purchase of a new fire ladder apparatus, the repaving of several major streets, facility and drainage improvements and the construction of accessible sidewalks. The balance of approximately \$2.335 million was allocated for the construction of a new elevated water tank and related improvements, the repainting of the existing 300,000 gallon elevated water tank and the replacement of various water and sewer mains. All of these projects were finalized in 2013. The City issued General Obligation Refunding Bonds in 2016 for the remaining portion of the 2007 Certificate of Obligation 2007. The net present value savings from the refunding was \$195,355. The I&S portion of the 2016 Refunding Bond was paid in full this month.

The voters of Alamo Heights approved \$6.3 million General Obligation Bonds (GO's) in 2012 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 and equip new City Hall facilities consisting of Fire/EMS facilities, Police/Dispatch facilities, a community chamber, city service and office facilities, parking, landscaping and other site improvements. This project which is very important to the community was finalized in 2015. In October 2020, the city refunded the remaining portion of these bonds and saved \$265,781.

Alamo Heights voters approved the issuance of \$13,250,000 Taxable Bonds Series 2021 for the city's portion of stormwater drainage improvements along Lower Broadway and Austin Hwy. This project is a collaboration between Texas Department of Transportation, the Metropolitan Planning Organization and San Antonio River Authority. The city continues to meet with Bexar County officials for their possible participation in this important storm water drainage project. City Officials have also coordinated with other entities including City of San Antonio and CPS Energy.

The City established governmental funds in 2011 for street maintenance and capital replacement. Street maintenance projects were funded with a one-quarter cent sales tax and transfers made from the general fund. The voters approved an additional one-quarter cent sales tax for street maintenance in May 2017. The total sales tax dedicated to Street Maintenance will be one-half cent beginning October 2017. Transfers are made to the capital replacement fund from the General Fund for purchases of vehicles, fire trucks, ambulances and heavy equipment.

Comprehensive Plan - The City of Alamo Heights Comprehensive Plan was adopted by the City Council on May 26, 2009. The document was the culmination of a series of public meetings held in each neighborhood and a design workshop where local architects and planners refined the ideas developed in the public meetings and consultants provided expertise and guidance to City staff. The Comprehensive Plan is a collective vision for the future of Alamo Heights. The vision was gathered through a community process and represents a broad range of thoughts and ideas from a diverse group of citizens. The purpose of the plan is to give guidance and direction to City Council on the physical development of the City.

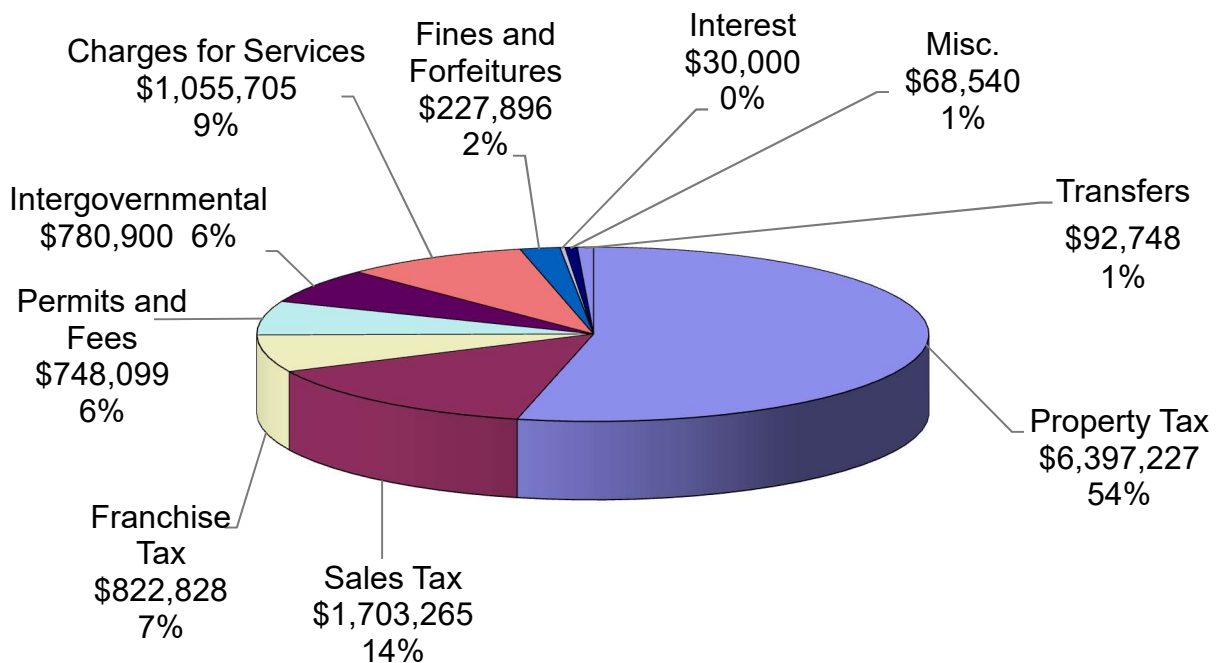
DEBT

The Constitution of the State of Texas limits the total ad valorem taxes levied by a City to \$2.50 for each \$100 of assessed valuation. There is no limitation within the \$2.50 rate specifically for debt service; however, the Texas Attorney General prohibits the issuance of debt if the debt service requirements exceed the amount that can be paid from \$1.50 tax rate calculated at 99% collections. Approximately 17 percent (\$0.065949) of the total property tax rate is currently dedicated for debt service payments. This debt amount is significantly below the state limits. The City's Policy is to limit debt to 1% of its current ad valorem tax valuation.

MAJOR REVENUES

The City derives revenue from a variety of sources to support the provision of municipal services. Major general fund revenues include property taxes, sales taxes, charges for services, permits and fees, intergovernmental, other taxes and fines and forfeitures. Property taxes constitute the majority of general fund revenues, representing 54 percent of the General Fund revenues. Revenue projections for the FY 2022-23 Budget were based on a conservative approach. A further summary and additional detail about each City revenue source is included in the Revenue Section of this document.

FY 2022-23 PROPOSED GENERAL FUND TOTAL REVENUES \$11,927,208



REVENUE TRENDS

General Fund revenues are subject to a number of economic factors. For instance, property taxes are based on the appraised value of real property in the community. A more detailed discussion of property tax is included later in this message.

Permits and fees, sales tax and interest are typically more closely tied to the relative health of the economy. Although interest rates remain low, the credit market is unusually tight and banks are making fewer loans. Being a relatively affluent community, some residents are taking advantage of the economy to make improvements to their homes or building new homes. Sales tax and interest earned on investments are typically a direct result of economic activity and growth, respectively. Both permit and sales tax revenue streams remain stable.

Fortunately, most other tax revenues, charges for services, intergovernmental revenues and fines and forfeitures are largely based on policy changes and tend to remain relatively constant during periods of economic downturn. However, a prolonged economic recession or depression will eventually affect these revenue streams as well.

The City's Utility Fund is an enterprise fund that is operated like a business. As a result, the City Council establishes water and sewer rates to cover the costs of operating and maintaining the water distribution and sanitary sewer systems. A water/sewer rate study was conducted in 2018 to revise rates and provide a viable financial plan to maintain reliable services. The water and sewer rates should be enough for capital replacement of equipment and water/sewer infrastructure. Utility revenue streams are not as affected by the economy but are most affected by the amount of rainfall received throughout the system in a given year. A lack of rainfall will increase water usage, which increases water revenue and typically sewer revenue which is established by water usage in the winter months. More rainfall, conversely, typically leads to more conservation of water but lower water and sewer revenues to support the system. Moreover, the City encourages the conservation of water as a precious resource, but such conservation actually reduces the revenue available to operate and maintain the utility systems and increases such rates over time.

PROPERTY TAX

Property tax revenues comprise the majority of the resources for the General Fund. For this Budget, a projected \$6,397,227 or 54 percent of General Fund revenues come from property taxes. This concentration of revenues from property taxes is consistent with the fact that 83 percent of the city's property values are from residential properties.

The proposed 2022 tax rate is \$0.392000 per one hundred dollars valuation and is composed of the Maintenance and Operating Rate (M & O) of \$0.326051 and Interest and Sinking (I & S) tax rate of \$0.065949.

The City of Alamo Heights voters approved an initiative in November 2007 to freeze property tax values for property owners that are disabled or over 65 years of age. This exemption decreases the amount of property taxes paid by qualifying property owners by freezing the amount of property taxes paid for their property in the year that the owner qualifies for the exemption. The Bexar Appraisal District estimates that 842 property owners will qualify in the 2022 tax year. Properties qualifying for the freeze decreased the total taxable value by \$621,422,027 and the City will forgo approximately \$712,063 in FY 2022-23 as a result of the approved property tax freeze.

The City of Alamo Heights has one of the lowest municipal tax rates in the larger metropolitan area and currently has a relatively low portion of property tax revenue devoted to debt service compared to other area municipalities as demonstrated by the following graph and table:

**PROPERTY TAX RATE FOR ALAMO HEIGHTS
COMPARED TO OTHER AREA MUNICIPALITIES (PER \$100)**

Municipality	2021 Tax Rate	M&O¹ (Operations)	I&S² (Debt)
<i>Alamo Heights</i>	<i>.404439</i>	<i>.336439</i>	<i>.068000</i>
Terrell Hills	.365000	.320112	.044888
Windcrest	.409494	.321494	.088000
Olmos Park	.404922	.359922	.045000
Hollywood Park	.461700	.461700	.000000
Leon Valley	.534099	.481577	.052522
San Antonio	.558270	.346770	.211500
Universal City	.589398	.488861	.100537

¹ Maintenance and Operations Rate – Revenue for General Fund

² Interest and Sinking Rate – Funds for Debt Services

The following sample property tax statement from last year demonstrates the portion of local taxes that are due from a typical resident of City of Alamo Heights. This is a sample statement for a typical taxpayer under the age of 65, compares the current property tax rates for a \$800,384 home, which is the 2022 average homestead market value. City taxes represent \$3,237 or 16 percent of the total property taxes due.

Taxing Unit	Average Market	Homestead Exemption	Taxable Value	2021 Rate per \$100	Tax Levy	% of Total Levy
Alamo Heights I.S.D.	\$800,384	\$25,000	\$775,384	\$1.193400	\$9,253	47%
City of Alamo Heights	\$800,384	N/A	\$800,384	\$0.404439	\$3,237	16%
Alamo Community College Dist.	\$800,384	N/A	\$800,384	\$0.149150	\$1,194	6%
Bexar County	\$800,384	N/A	\$800,384	\$0.276331	\$2,212	11%
University Health System	\$800,384	N/A	\$800,384	\$0.276235	\$2,211	11%
County Road & Flood	\$800,384	\$3,000	\$797,384	\$0.023668	\$189	1%
S.A. River Authority	\$800,384	\$5,000	\$795,384	\$0.185580	\$1,476	7%
Total				\$2.508803	\$19,772	100%

SALES TAX

Sales tax paid by consumers upon the purchase of taxable items within the city limits of Alamo Heights has a strong correlation to local and national economic conditions. The sales tax for Alamo Heights is 8.25 percent since October 2017 and includes one-half (.50) of a cent for street maintenance. Originally it was one-quarter cent sales tax approved by the voters in November 2008 for a period of four years and approved for an additional four-year period ending in 2021. The residents approved an additional one-quarter cent for street maintenance in May 2017. The remainder of the current sales tax rate is divided between the State of Texas at 6.25 cents, the City of Alamo Heights at 1.25 cent and VIA Metropolitan Transit at one-half (.5) of a cent. For this Budget, \$2,555,327 is projected to be collected by the City from sales tax. This total amount

includes \$852,062 for the Street Maintenance Fund and \$1,703,265 for the General Fund which represents 14 percent of the total General Fund revenue.

PROGRAM CHANGES

In an effort to enhance the City's ability to recruit and retain quality employees, the Budget includes a 4% salary adjustment for city staff which is about \$320,000. Health insurance costs are budgeted with a 15% increase in premiums and represents \$23,546.

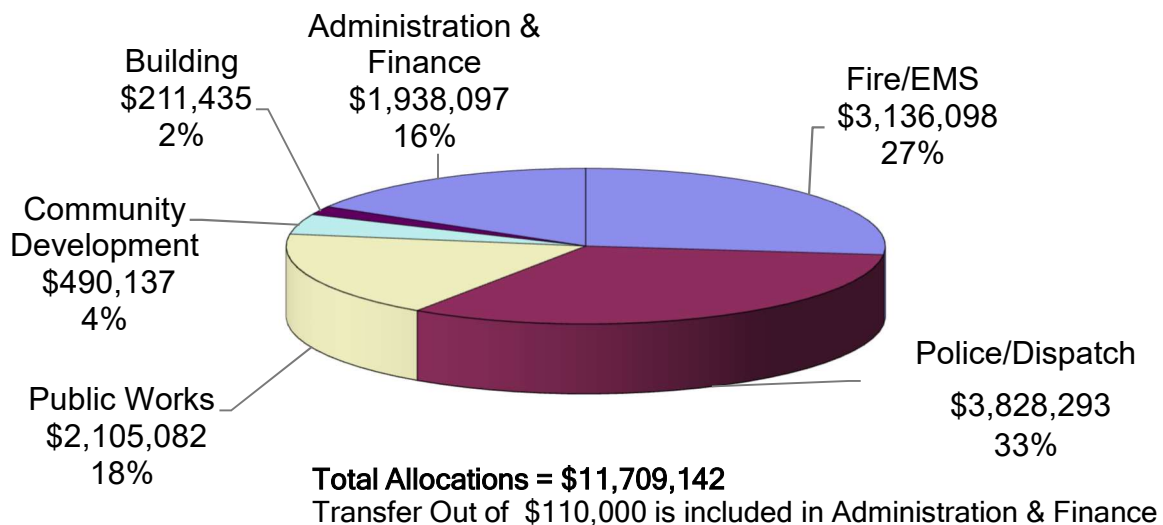
GENERAL FUND

The General Fund departmental allocations including transfers for FY 2022-23 total \$11,709,142 which represents a 4.5 percent increase from the FY 2021-22 Adopted Budget. Total revenues, including transfers, for FY 2022-23 are budgeted for \$11,927,208 which represents a 4 percent increase from the FY 2021-22 Budget.

The General Fund Schedule reflects an estimated ending Fund Balance of \$6,981,514 at the end of FY 2022-23. The Governmental Finance Officers Association (GFOA) recommends an Operating Reserve equivalent to three (3) months of the total departmental allocations which is \$2,927,286.

In addition to accounting of revenues and departmental appropriations, the General Fund budget also includes total transfers out of \$110,000 consisting of \$25,000 to Capital Projects for cleaning of Olmos Basin, \$25,000 to Comprehensive Fund for park improvements and \$60,000 to Capital Replacement for future purchase of an ambulance. The Street Maintenance Fund has a budget of \$1,000,000 for street projects. A transfer from the General Fund to the Street Maintenance Fund will be determined in FY 2022-23.

Public safety represents a top priority for the City of Alamo Heights with 60 percent of the general fund departmental budget being allocated to the Police and Fire/EMS Departments. Public Works represents 18 percent of the general fund budget in FY 2022-23 with Administration and Finance, Municipal Court and Information Technology representing 16 percent, the Community Development Department representing 4 percent and the Administration Building budget representing the remaining 2 percent of the departmental allocations. The departmental allocations in the FY 2022-23 General Fund Budget are represented in the following graph:



INFRASTRUCTURE

Maintenance and improvement of the City's infrastructure is a priority of the City Council and the budget includes funding for the continuation of the 20-year Street Maintenance Plan which will allow for the proper maintenance of every City street over a 20-year period following the completion of the City's current capital improvement program (CIP). Street Projects totaling \$1,000,000 will be budgeted in the Street Maintenance Fund. The Utility Fund Budget includes \$450,000 for the replacement of the water lines along Wildrose, Cloverleaf and Rosemary.

UTILITY FUND

The Utility Fund appropriation for FY 2022-23 is \$4,377,680. Operating Revenues are \$4,532,508. Total ending Utility Fund balance is projected to be \$3,289,246 which represents an increase of \$154,828 from the beginning equity balance.

UTILITY FUND	FY 2022-2023
Beginning Fund Balance	\$3,134,418
Revenues	\$4,532,508
Operating Expenses	<u>- 4,377,680</u>
Working Capital	\$154,828
Projected Fund Balance	\$3,289,246

CAPITAL BUDGET

The City of Alamo Heights has historically had significantly less capital debt than many municipalities its size. In fact, prior to the authorization of \$7,500,000 in Certificates of Obligation in August 2007, the City of Alamo Heights had not issued public debt since the construction of the swimming pool near Olmos Basin Park in the late 1940's. This is largely due to the fact that the City had not previously adopted a comprehensive capital improvement plan. The City's infrastructure responsibilities include the maintenance of public streets and parks areas, as well as, the maintenance and operation of a water distribution system and a sanitary sewer system. The City has done a fair job maintaining its streets and park areas, but the City's water and wastewater infrastructure have aged and will need on-going maintenance or replacement for providing high quality services to its customers. The City utilized the 2007 Certificates of Obligation to undertake a number of public infrastructure projects across the city. The purchase of a new fire and rescue apparatus and a 600,000 gallon elevated water tank was completed in 2012 as required by the Texas Commission on Environmental Quality (TCEQ) along with improvements to the City's sanitary sewer system and street and sidewalk improvements.

Impact of Capital Improvements on Operating Budget – The improvement and replacement of water and sewer infrastructure reduces the cost of maintenance for these mains in the short-term. However, as the majority of the City's utility mains continue to exceed their operational lifespan it becomes increasingly important to maintain a proper replacement program to mitigate the costs of deferred maintenance. Moreover, the Public Works Department has adopted a "pay-as-you-go"

funding methodology and therefore does not anticipate and is not recommending the issuance of debt for future street maintenance or utility improvements.

MAJOR FUTURE INITIATIVES

The City of Alamo Heights has identified several major initiatives which are likely to have significant fiscal impact on the City in the years to come. The scope of these initiatives has not been fully determined and their fiscal impact can only be estimated at this time. The following includes a brief description of each of these initiatives and the potential fiscal impact each initiative could have on the City of Alamo Heights.

Storm Water Improvements along Broadway, Austin Highway and N. New Braunfels – Built on natural creek beds that have existed for thousands of years, Broadway and N. New Braunfels are two of very few areas in the center of the metropolitan area in which storm water drainage has not yet been adequately addressed. In November 2020, voters approved the issuance of Taxable Bonds to address some of the stormwater drainage issues along lower Broadway and Austin Hwy. City staff continues working with the San Antonio River Authority (SARA), Bexar County and Bexar Regional Watershed Management (BRWM) to explore options to address the drainage issues. Storm water management is a regional issue that most often requires regional resources to fund improvements. This is especially true for Broadway and N. New Braunfels as continued development to the north of Alamo Heights has contributed significantly to the increased flow rates along these rights of way. The City is committed to working closely with other organizations to study, design and eventually construct drainage improvements which will mitigate flooding without negatively impacting our neighbors downstream.

Comprehensive Plan - The FY 2022-23 Budget includes the carryover of \$25,000 for underbrush cleaning to the park by the baseball fields. In 2016, trees were planted on city right of way along Broadway. A tree beautification program for the Broadway and Austin Highway area was developed in 2016 and will be funded by a combination of funds including the Comprehensive Plan and tree mitigation funding.

Every effort has been made within the Budget to allocate resources in a sound manner that enables the effective delivery of municipal services for the safety, health, and welfare of the citizens of the City of Alamo Heights. These recommendations are presented to the Mayor and City Council for your review and consideration.

Finally, I would like to thank my staff for all of their hard work in preparing this Budget, especially the work of Finance Director Robert Galindo and Assistant to the City Manager Jennifer Reyna and extend special thanks to Council Member John Savage for his contributions during this process.

Respectfully submitted,

Buddy Kuhn

Buddy Kuhn
City Manager

BUDGET GUIDE

OVERVIEW

This overview is designed to assist the reader in the use and understanding of the City of Alamo Heights' Budget Document. The Annual Operating Budget serves as a policy document, a financial plan, an operations guide and a communications device for the City. It is the foundation for the City's allocation of resources to deliver quality services, targeted investments and continued improvements. It also encapsulates incremental changes addressing service requirements and builds upon initiatives funded in prior years while establishing new direction for existing programs. The Budget Document is also used to evaluate the effectiveness of City programs and services while providing extensive information on municipal operations.

BUDGET SECTIONS

The budget is arranged in six (6) sections that are separated by the following respective tabs:

Budget Message - This section provides the reader with a summary of the annual budget. The Budget Summary provides the reader with a synopsis of the budget and highlights significant funding changes in the Annual Budget. The Capital Budget includes descriptions of projects in the Capital Improvement Program as well the impact of those projects on the City's infrastructure, operations and operating budget.

Budget Information - This section is intended to provide the reader a guide to what information is contained in the budget document and to serve as a reference for the user on the City of Alamo Heights's fiscal and budgetary policies. This section also contains the Strategic Action Plan adopted by the City Council for the fiscal year and the Budget Calendar, an Organizational Chart, Personnel Schedule and a Summary of Program Changes.

Revenues – The revenue section contains a summary of major revenues and information about each revenue source.

Fund Statements – This section includes all of the fund statements for the annual budget. Fund schedules for the General Fund, Utility Fund, Debt Service Fund, Capital Projects Fund, Capital Replacement Fund and Designated Revenues Fund.

City Departments – All departmental summaries are included in this section. The departmental summaries include program information, goals and objectives, action steps, performance measures, program changes and a summary of expenditures and positions.

Appendix – This section is designed to assist the user in defining information within the document or in obtaining additional information. It contains the Holiday Schedule, a Glossary and Statistical Data.

FISCAL AND BUDGETARY POLICY

INTRODUCTION

Each year, the City of Alamo Heights develops a Balanced Budget with guidance from the Mayor and City Council, City Departments, and its citizens. In accordance with Texas state law and generally accepted accounting standards, the City of Alamo Heights adopts a balanced budget for each fiscal year.¹ The Adopted Budget is required to cover only those expenditures with revenue for which the City has authority to levy therefore creating a Balanced Budget. The Budget process includes multiples phases, each of which requires a joint effort by government leaders and City staff. This section will explain the City's financial and budget policies, including the budget process, timeline, Budget Document, revenues, and expenditures associated with the budget.

BUDGET PROCESS & TIMELINE

The City of Alamo Heights operates in a fiscal year beginning on October 1 and ending on September 30. Each year, the City Manager, following certain required timelines, decides on key dates that will be used for each phase of the budget process. The phases currently include: 1) establishment of new Strategic Action Plan; 2) a proposed budget for the upcoming fiscal year; 3) public hearings on the proposed budget and tax rate; and 4) a final adopted budget for the next fiscal year.

Strategic Action Plan – Each year, the City's Management Team, in association with the City Council Committees, creates and presents to the full City Council, for their consideration and approval, a Strategic Action Plan that establishes action steps that are proposed 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 for City Council review.

Proposed Budget - The City Manager presents the proposed budget to City Council, demonstrating how the Strategic Action Plan has been addressed. Correspondingly, the proposed budget, according to the Texas Local Government Code, must be filed with the City Secretary thirty (30) days before the tax levy is made for the fiscal year.²

Public Hearing - After presenting the proposed budget to City Council, at least one (1) public hearing must be held. The first hearing must be held at least 15 days after the proposed budget was presented, but before the tax levy. Special notice of the public hearing must also be published in the *San Antonio Express-News* no earlier than 30 days and no later than 10 days before the hearing.³ Through the hearing, City Council and City staff are able to receive feedback from the community concerning the proposed budget.

Adopted Budget - Before adopting a final budget, City Council may choose to change any aspect of the proposed budget, as long as the changes result in a balanced budget.

¹ Texas Local Government Code Chapter 102, Subsection 002.

² Texas Local Government Code Chapter 102, Subsection 102.005.

³ Texas Local Government Code Chapter 102, Subsection 102.006.

BUDGET AMENDMENTS

At any time during the fiscal year, upon written recommendation of the City Manager, the City Council may transfer any unencumbered appropriation balance or any portion within a department office or agency to another. The expenditures of the City, by Charter, shall not exceed the total appropriation of the fiscal year. The City Charter also gives the City Manager the authority to transfer appropriations within funds. The budget may also be amended by submitting an ordinance to the City Council for approval.

BUDGET BASIS

The budget of the General Fund is prepared and accounted for on the modified accrual basis which means that revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred. In contrast, the budget of the Utility Fund is prepared and accounted for on the accrual basis of accounting. Under this basis, revenues are recognized when they are earned and expenses are recognized when they are incurred. In addition, capital outlay is treated as an asset and then written off as an expense through depreciation. The Special Revenue Funds are governmental funds used to account for resources which are legally or contractually restricted to specific expenditures.

BUDGET CONTROLS

Budgetary compliance is a significant tool for managing and controlling governmental activities, as well as ensuring conformance with the City's budgetary limits and specifications. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by City Council. Levels of budgetary controls, that is the level at which expenditures cannot legally exceed appropriated amounts, are established by function and activity within individual funds. The City utilizes an encumbrance system of accounting as a mechanism to accomplish effective budgetary controls.

ACCOUNTING BASIS

The Comprehensive Annual Financial Report (CAFR) shows the status of the City's finances on a basis of generally accepted accounting principles (GAAP). In most cases, this conforms to the way the City prepares its budget. The accounts of the City are organized by fund. Each fund is considered a separate accounting entity with its own set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses. Each fund is included in the CAFR.

General Fund - The General Fund is accounted for using the current financial resources measurement focus and the modified accrual basis of accounting which means that only current assets and current liabilities are generally included on their balance sheets. Revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred. However, compensated absences, debt service expenditures, claims and judgments and arbitrage are recorded only when the liability is matured. Those revenues susceptible to accrual under the modified accrual method are property taxes and other taxes, intergovernmental revenue, and interest revenue. Licenses and permits, and fines and forfeitures revenues are not susceptible to accrual because they are generally not measurable until received in cash.

Utility Fund - The Utility Fund is accounted for using the accrual basis of accounting. Revenues are recognized when they are earned, and their expenses and related liabilities, including claims, judgments, and compensated absences, are recognized when they are incurred. In addition, capital outlay is treated as an asset and then written off as an expense through depreciation. These funds are accounted for on a cost of services or “economic resources” measurement focus. Consequently, all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets.

The Utility Fund Balance represents the fund’s equity but includes in its equation of assets less liabilities, non-financial assets and all debt. The fund’s equity is also classified in the same manner as the general fund but includes an adjustment for non-monetary assets and liabilities.

The Utility Fund is an enterprise fund which should be self-supporting with user fees and charges for services associated with direct and indirect costs. Cost of service studies are being done periodically to ensure fund balances are maintained at a level necessary to ensure stability in the event of a decline in revenues dedicated to the Utility Fund.

The Fund Balance is the accumulation of revenues over expenditures and provides an indication of financial position. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be recovered, primarily through user fees.

FUND TYPES

General Fund - The General Fund of the City accounts for all financial resources except those required to be accounted for in another fund. The General Fund is usually referred to as the operating fund and is used to finance the day-to-day operations of the City. It is the largest part of the City’s financial operation. Revenues for this fund are obtained from taxes, licenses and permits, intergovernmental revenue, charges for services, fines, and interest.

Utility Fund - The Utility Fund consists of the operating budgets for Water and Sewer operations in the City. These funds account for the operations of the Utility Division of Public Works as if the Division was a separate, self-supporting business. As a cost of service enterprise fund, the Utility Fund obtains its revenues from the water and sewer services. Water and sewer rates must be sufficiently set to pay the total operations, maintenance, debt, and depreciation of the fund.

Internal Service Funds – Internal Service Funds are used to account for the financing of goods or services provided on a cost-reimbursement basis. The Capital Replacement Fund is an internal service fund that was created as part of the FY 2008-09 Budget to account for the financing of substantial capital equipment and vehicles, with the exception of Fire apparatus which are capitalized over 20 years. Fund revenues will include transfers from the General and Utility Funds as well as the proceeds from the sale of vehicles and capital equipment. The fund represents the most fiscally responsible way for the City to regularly finance and purchase vehicles and other substantial capital equipment over time.

Debt Service Funds – The City’s Debt Service Fund was created as part of the FY 2008-09 Budget and accounts for the accumulation of resources and the payment of general long-term debt principal and interest costs.

Capital Projects Funds – The City’s Capital Projects Fund was created as part of the FY 2008-09 Budget to account for the expenditure of issued certificates of obligation on capital projects specifically described in the issuance language and approved by the City Council. The City’s Capital Project Fund includes capital funds expended on all capital projects except water and sewer projects which are accounted for in the City’s Utility Fund.

Special Revenue Funds - The City has a variety of Special Revenue Funds which account for the proceeds of specific revenue sources (other than expendable trusts and major capital projects) that are legally restricted to expenditures for specified purposes. The City’s Street Maintenance Fund for the recurring maintenance of all City streets is an example of a Special Revenue Fund that is supported by a mixture of general fund dollars and the ¼ cent sales tax approved by the voters in November 2008.

EXPENDITURES

For each year, the department’s actual expenditures, revised budget, estimated budget and adopted budget are compared and tracked in four (4) major spending categories. These categories include:

- **Personnel Services** - This includes the cost of salaries, retirement and health benefits, allowances, insurance and payroll taxes for City employees.
- **Commodities** - This includes the cost of fuel, tires, office supplies, minor equipment, tools, uniforms and protective clothing.
- **Contractual Services** - The cost of travel, storage space rental, purchased utilities and professional services provided by attorneys, consulting engineers, architects, accountants, and other outside firms on a contractual basis. This category does not include purchases of supplies and equipment for which the city enters into contracts on a competitive bid basis.
- **Capital Outlays** - Includes the cost of major equipment, vehicles, and other items, which have a useful life of several years.

Appropriations – The point of budget control is at the department level budget for all funds. Any transfer or appropriation between funds must be approved by the City Council. Transfer of appropriations between departments may be authorized by the City Manager without City Council approval.

Purchasing – All City purchases of goods or services will be made in accordance with the City’s current Purchasing Policy and with State law. State law requires all contracts greater than \$50,000 be approved by the City Council. Materials and other bid items may be purchased up to the \$50,000 limit allowed by State Law without City Council approval.

REVENUES

Services provided by the City of Alamo Heights are funded by a variety of revenue sources, including local, state, federal and grant revenues. The amount of revenue available to the City sometimes depends on economic activity and other factors. The Revenue Section of this Budget Document includes a summary of all revenues and detailed information about each revenue source.

OPERATING RESERVES

The City of Alamo Height policy is to have an operating reserve in the General Fund equal to 35% of departmental operating allocations. This operating reserve accounts for the seasonal nature of property tax which constitutes a large portion of the City's revenue base. The City has established working capital for the Utility Fund equal to 20% of operating allocations.

PROPERTY TAXES & ROLLBACK

Current Tax Rate - Pursuant to current state Truth-In-Taxation guidelines, the No New Revenue, NNR, tax rate is calculated based on generating approximately the same amount of M&O property tax revenue as generated in the prior year on only properties that were on the tax roll in both years (excludes new construction and annexation). Additionally, Truth-In-Taxation guidelines allow a taxing unit to add an additional three and one-half percent (3.5%) to the NNR tax rate. The Voter-Approval tax rate is calculated by adding the No New Revenue Maintenance and Operations tax rate plus three and one-half percent (3.5%), plus the debt service tax rate. If a taxing unit adopts a tax rate that exceeds the Voter-Approval tax rate, the taxing unit must hold an automatic election to approve the adopted tax rate required by Texas Tax Code Sec. 26.07. The city must order its election by the 78th day before the November uniform election date.

DEBT MANAGEMENT

Debt Service - The City issues debt for the purpose of financing long-term infrastructure capital improvements. Some of these projects have multiple sources of funding which include debt financing. 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 issued by the City include ad valorem tax-supported bonds and 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.

Debt Policy – The City's debt policy is to have a maximum ratio of outstanding bond principal to assessed value of 1%. The 1% limit would not include utility revenue bonds.

Debt Limitations - The amount of ad valorem tax-supported debt that the City may incur is limited by the Constitution of the State of Texas. The Constitution of the State of Texas provides that the ad valorem taxes levied by the City for debt service and maintenance and operation purposes shall not exceed \$2.50 for each \$100 of assessed valuation of taxable property. There is no limitation within the \$2.50 rate for interest and sinking fund purposes; however, it is the policy of the Attorney General of the State of Texas to prohibit the issuance of debt by a city if such issuance produces debt service requirements that exceed the amount that can be paid from \$1.50 tax rate calculated at 90% collections.

Long-Term Debt Planning - The City employs a comprehensive multi-year, long-term capital improvement planning program that is updated annually. Debt management is a major component of the financial planning model which incorporates projected financing needs for infrastructure development while at the same time measuring and assessing the cost and timing of each debt issuance.

General Obligation Bonds - The City is authorized to issue bonds payable from ad valorem taxes pursuant to the City Charter, the general laws of the State, and ordinances adopted by the City

Council. Major projects that are financed with ad valorem tax-supported general obligation bonds are presented to the electorate for approval. Upon voter approval, the City is authorized to issue ad valorem tax-supported bonds to finance the approved projects. The process for any debt issuance begins with the budget process and planned improvements to be made during the ensuing fiscal year. An election held November 8, 2011, and passed by a majority of the participating voters; and an ordinance passed by the City Council of the City authorized the issuance of \$6.3 million in General Obligation Bonds, Series 2012. The bonds were issued February 29, 2012, proceeds from the sale were utilized for the purpose of demolishing and replacing, and in certain cases renovating, the City's existing City Hall facilities in order to construct and equip new City Hall facilities.

Certificates of Obligation - The City is authorized to issue certificates of obligation pursuant to the City Charter, applicable State laws, and ordinances adopted by the City Council. Certificates of obligation are typically secured by a pledge of revenues and ad valorem taxes, do not require voter approval, and are issued for programs that support the City's major infrastructure, facilities and certain of its revenue-producing facilities. On September 27, 2007, the City sold \$7,500,000 "City of Alamo Heights, Texas Combination Tax and Revenue Certificates of Obligation, Series 2007," (the "2007 Certificates"). The 2007 Certificates currently represent 100% of the total outstanding ad valorem tax-supported debt and were issued for the purpose of providing funds for the purchase of a fire ladder truck and facility, street and utility improvements. The City issued 2016 Refunding Bonds for the remaining portion of the 2007 Bonds.

Revenue Bonds - The City is authorized to issue revenue bonds under the provisions of the City Charter, applicable State laws, and ordinances adopted by City Council. Revenue bonds are utilized to finance long-term capital improvements for proprietary enterprise and self-supporting operations. Revenue bonds do not require an election and are sold as needed for construction, expansion, and/or renovation of facilities in amounts that are in compliance with revenue bond covenants. Currently, the City has not issued revenue bonds for any purpose.

Refundings - The City reviews the possibility of refunding certain of its outstanding debt to effectuate interest cost savings. The City issued 2016 GO Refunding Bonds for the remaining portion of the 2007 Certificates of Obligation which resulted in savings of \$195,355. In October 2020, the city issued Refunding Bonds Series 2020 for the remaining portion of the 2012 GO bonds which saved the city \$265,781.

OTHER FUNDING ALTERNATIVES

Grants - All potential grants will be examined for any matching requirements and the source of those requirements identified. Grant funding will be reviewed to clearly identify funding sources, outcomes and other relevant information for presentation and approval by the City Council. The City Council must authorize acceptance of any grant awarded.

Use of Reserve Funds - The City may authorize the use of reserve funds to potentially delay or eliminate a proposed bond issue. This may occur due to higher than anticipated fund balances in prior years, thus eliminating or reducing the need for debt proceeds, or postpone a bond issue until market conditions are more beneficial or timing of the related capital improvements does not correspond with the planned bond issue. Reserve funds used in this manner are replenished upon issuance of the proposed debt. A reimbursement ordinance will be adopted to authorize replacement of these reserves.

Leases - The City may authorize the use of lease financing for certain assets when it is determined that such an arrangement is advantageous to the City.

AUDITING AND FINANCIAL REPORTING

Audit of Accounts – In accordance with the City Charter, an independent audit of the City accounts is performed every year. The auditor is retained by and is accountable directly to the City Council.

External Reporting – Upon completion and acceptance of the annual audit by the City’s auditors, the City prepares a written Comprehensive Annual Financial Report, which is presented to the City Council within 180 calendar days of the City’s fiscal year end. It shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and shall be presented annually to the Government Finance Officer Association (GFOA) for evaluation and consideration for the Certificate of Achievement in Financial Reporting.

STRATEGIC ACTION PLAN

Each year, the City develops a Strategic Action Plan including action steps that are 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. The Strategic Action Plan adopted for FY 2022-23 is as follows:

Governance and Communication

- Continue with the School Resource Officer, SRO, cost share agreement with Alamo Heights ISD and coordinate to increase the number of positions from 1 SRO to 3 SROs.
- Continue to develop and expand the City's Wellness Program
- Continue to update the City Personnel Manual to incorporate various law changes to ensure compliance
- Planning for the City's Centennial Celebration Scheduled for October 2022

Infrastructure and Services

- Coordination with several entities for start and completion of the voter approved 2021 Bond Program for Austin Hwy/Lower Broadway Drainage Improvement Project
- Lower Broadway/Austin Hwy. Improvements including design, engineering, landscaping
- Request funds that are available from the American Rescue Plan for city projects
- Planning for Centennial Celebration scheduled for October 2022
- Olmos Basin Clean-up and Maintenance - Continue to clean up the Olmos Basin creek area along Jones Maltsberger with funding for continued cleanup 4 times a year.
- Continue training AHISD students and residents in hands only CPR training
- Continue with tree trimming in right-of-way
- Continue implementation of Texas Fire Chiefs Association Best Practices
- Coordinate with the Fire and Police departments to evaluate two parking issues:
 - Overnight on-street parking for streets primarily consisting of multi-family structures
 - Evaluate roadways in the commercial district having restricted and time limited street parking for future discussion on the need for more or less restrictions
- Stay in communication with A.H.I.S.D. plans for local high school and elementary school bond project renovations, offer assistance and recommendations if requested, determine community impacts
- Continue to manage the agreement for the Swimming Pool
- Street Maintenance Program (SMP) FY 2022-23

Neighborhood Character and Commercial Revitalization

- Commercial District Amendments & Residential Design Standards (SF-AB)
- Building Code Review and Implementation
- Review and Modify existing permitting process
- Review and Modify existing applications

Accountability and Management

- Continue Cyber Security Vulnerability Scans and Pen Test
- Implement a law enforcement internship program with the University of Incarnate Word criminal justice program

- Plan and initiate the process to transition from the Uniform Crime Reporting System to the Texas based Reporting System

Other Initiatives

- Intranet use and capabilities to provide employees with access to updated information
- Continue to develop on-line and mobile applications for internal and external users
- Street Maintenance Plan funding initiative – at least \$1,000,000 annually from dedicated street maintenance sales tax and transfers from the General Fund
- Maintain our S&P AAA Bond Rating
- Maintain property tax rate as low as possible
- Continue funding the Capital Replacement Fund for future capital needs
- Beautify Gateway Areas into the City
- Strategic Economic Development Plan and Marketing
- Continue the neighborhood on-street parking study with the Fire Department
- Develop Civilian Response to Active Shooter Events Program
- Develop and implement Geriatric Emergency Management Program
- Develop and implement Stop the Bleed program
- Develop additional social distancing/web-based fire prevention programs
- Community traffic enforcement initiative to address dangerous driving and bicycle operation behaviors
- Purchase a garbage truck to replace the 2000 garbage truck
- Provide more extensive alley repairs as needed
- Street Maintenance Program (SMP)
- Water main replacement as needed ahead of SMP contracts along with yard piping – in-house cost savings
- Continue to resolve TCEQ's 4 x 2 non-compliance issues by year 2030

BUDGET CALENDAR FY 2022

Budget Estimates	Departments submit current year FY 2021-22 projections	Tuesday, April 19
	Departments send Excel Baseline FY 2022-23 Budget w Detail to City Manager	Friday, April 29
	City Manager reviews FYE 2022-23 baseline budget	Friday, May 6
	Department Directors enter baseline budget into INCODE for FY 2022-23	Friday, May 13
Strategic Action Plan (SAP)	Departments update FY 2021-22 Strategic Action Plan and submit FY 2023 SAP	Friday, May 20
	City Manager reviews FY 2021-22 and proposed FY2022-23 SAPs	Friday, June 3
	City Council Strategic Action Plan work session	Wednesday, June 22
	City Council approval of SAP – To be approved with Budget	Monday, August 22
Budget Development	Departments submit FY 2022-23 program changes and performance measures	Friday, July 8
	City Manager and Department Directors review program changes	Thursday, June 30
	City Council budget work session 8:30 a.m. to 12:30 pm	Wednesday, July 13
Budget Presentation and Consideration	Presentation of FY 2022-23 Proposed Budget and Ad Valorem Tax Rate to City Council; Set Public Hearing Date	Monday, August 8
	Public Hearing for Proposed Budget FY 2022-23 and Public Hearing for 2022 Ad Valorem Tax Rate; After Public Hearing City Council to vote on adoption of the FY 2022-23 Budget and 2022 Ad Valorem Tax Rate	Monday, August 22

CAPITAL REPLACEMENT - USING AMERICAN RESCUE PLAN FUNDS

Department	Year	Manufacturer/Model	Description	Amount
MIS/IT			Network Infrastructure - Servers	\$157,457
Police	2017	Ford	Explorer SUV	\$51,127
Public				
Works	2000	International	Garbage Truck - not to exceed	<u>\$200,000</u>
			Total	\$408,584

SCHEDULE OF AUTHORIZED POSITIONS

Department/Division	FY 2021-22		FY 2022-23	
	Full Time	Part Time	Full Time	Part Time
Administration & Finance	9	-	9	-
Municipal Court	1	3*	1	3*
Community Development	4	-	4	-
Fire	18	-	18	-
EMS	6	1	6	1
Police	23	1	25	1
Communications Center	10	-	10	-
Public Works Administration	1	-	1	-
Parks	4	-	4	-
Streets	5	-	5	-
Solid Waste	10	-	10	-
Utilities (Utility Fund)	10	-	10	-
TOTAL	101	5	103	5

*Two Municipal Court Judges and a Prosecutor

REVENUE SUMMARY AND DETAIL

Services provided by the City of Alamo Heights are funded by a variety of revenue sources. When preparing revenue estimates for the Budget, staff considers the previous history of the revenue and future factors that may affect the revenue stream in the coming fiscal year. Revenues are categorized by type and described as follows:

Revenue Types:

1. Property Taxes
2. Sales Taxes
3. Other Tax Revenue
4. Permits and Fees
5. Intergovernmental
6. Charges for Services
7. Fines and Forfeitures
8. Interest
9. Miscellaneous

1. **Property Taxes** - All property tax revenues, including delinquent tax payments, penalties, and interest.
2. **Sales Tax** - Receipts from the local sales and use tax. The current Sales Tax rate is 8.25%, of which the State retains 6.25%, the San Antonio Municipal Transit Authority receives 0.5 %, 1% is revenue to the City's General Fund and the remaining 0.50% was approved by the voters for an additional four years in May 2021 for street maintenance.
3. **Other Tax Revenue**
 - **Beverage Tax** - Revenues from mixed beverage tax receipts. The current Beverage Tax rate is 14% of gross receipts, of which 10.7143% is revenue to the City.
 -
 - **Franchise Tax/PUC Right of Way Fees** - Revenues from fees imposed on investor-owned electric or gas utilities, telecommunication and cable companies, and other private corporations using the city's streets and other rights-of-way. These fees are in addition to and separate from the property taxes levied against such companies. The fees are based upon a percentage of the company's gross receipts and range from 3% to 6%. These fees currently are collected from CPS Energy, Grande Cable, Time Warner, AT&T, and various phone companies. These revenues are one of the most difficult to project due to a number of variables, which can significantly impact these companies' revenues and, consequently, the City's payment.
4. **Permits and Fees** - Revenues collected from permits and privilege fees required by the City. The categories are building permits, electric permits, plumbing permits, use of City right-of-way, liquor and food licenses, alarm permits, Fire and Life Safety Code fees, certificates of occupancy, contractor's license and registration, garage sale permits, and animal licenses.

5. **Intergovernmental** - Revenue from outside sources, including dispatch and EMS service contracts with City of Terrell Hills and City of Olmos Park, and periodically state and federal grants.
6. **Charges for Services** - Revenues generated by various services performed by City staff. The significant portion of this revenue type is from the sale of potable water, charges for sanitary sewer operations and solid waste collection. Other services include Rescue Response fees, EMS services, revenue from the recycling program, and municipal court and administration fees.
7. **Fines and Forfeitures** - Funds received from payments of traffic fines and other fines for violations of City laws or ordinances.
8. **Interest** - Income from interest paid on deposits of City funds.
9. **Miscellaneous** - Revenues from collection of other fees such as vehicle wrecker/impound fees, police auction, return check fees, animal impound fees and leases.

**COMBINED SUMMARY OF REVENUES AND EXPENDITURES
ALL FUNDS SUBJECT TO APPROPRIATION**

Description:

The Combined Summary of Revenues and Expenditures is a fund statement first included in FY 2011-12 to account for combined revenues and expenditures, excluding transfers, associated with all City funds subject to appropriation.

	ACTUAL FY 2020-2021	ADOPTED FY 2021-2022	PROJECTION FY 2021-2022	PROPOSED FY 2022-2023
AVAILABLE FUNDS				
Beginning Balance	\$ 10,322,455	\$ 11,863,985	\$ 27,247,951	\$ 25,704,847
REVENUES				
General Fund Revenue	\$ 11,046,977	\$ 11,352,126	\$ 11,427,187	\$ 11,927,208
Utility Fund Revenue	4,392,382	4,614,353	4,465,618	4,532,509
Debt Service Tax Revenue	890,515	1,243,864	1,243,492	1,231,251
Capital Projects Revenue	14,300,080	25,000	25,000	25,000
Capital Replacement Fund	366,651	334,526	354,076	60,000
Street Maintenance Sales Tax	731,526	657,860	829,257	852,062
Comprehensive Plan Revenue	16,000	0	0	25,000
Designated Revenue	56,493	38,900	52,326	40,900
Total Revenues	\$ 31,800,624	\$ 18,266,629	\$ 18,396,956	\$ 18,693,930
TOTAL AVAILABLE FUNDS	\$ 42,123,079	\$ 30,130,614	\$ 45,644,907	\$ 44,398,777
APPROPRIATIONS				
ALLOCATIONS				
General Fund Departmental Allocations	\$ 10,930,055	\$ 11,201,191	\$ 10,360,199	\$ 11,709,142
Water and Sewer Expenditures	3,548,351	4,410,597	3,794,088	4,377,680
Capital Projects	181,812	25,000	30,743	25,000
Debt Service Payments	670,873	1,259,183	1,259,183	1,279,513
Capital Replacement Purchases	333,201	407,526	1,436,079	0
Street Maintenance Projects	107,312	1,850,000	1,994,401	1,000,000
Comprehensive Plan Projects	96	105,000	7,250	75,000
Designated Revenue Expenditures	44,416	115,000	102,369	115,000
TOTAL APPROPRIATIONS	\$ 15,816,116	\$ 19,373,497	\$ 18,984,312	\$ 18,581,335
GROSS AVAILABLE BALANCE	\$ 26,306,963	\$ 10,757,117	\$ 26,660,595	\$ 25,817,442

**GENERAL FUND
SUMMARY OF ADOPTED BUDGET**

	ACTUAL FY 2020-2021	ADOPTED FY 2021-2022	PROJECTION FY 2021-2022	PROPOSED FY 2022-2023
AVAILABLE FUNDS				
Beginning Fund Balance	\$ 5,735,656	\$ 7,045,757	\$ 6,763,448	\$ 6,763,448
REVENUES				
Property Tax	\$ 6,003,359	\$ 6,210,900	\$ 6,171,784	\$ 6,397,227
Sales Tax	1,463,050	1,586,762	1,650,000	1,703,265
Other Tax Revenue	747,572	782,721	738,327	822,828
Permits and Fees	854,100	724,331	865,555	748,099
Intergovernmental	477,826	519,874	524,712	780,900
Charges for Services	1,118,478	1,138,930	1,053,700	1,055,705
Fines and Forfeitures	224,972	234,267	214,391	227,896
Interest	12,881	15,000	20,123	30,000
Miscellaneous	73,937	68,540	117,794	68,540
Total Revenues	\$ 10,976,176	\$ 11,281,325	\$ 11,356,386	\$ 11,834,460
OTHER FUNDING SOURCES				
Proceeds from sale of easements	0	0	0	0
Proceeds from sale of assets	0	0	0	0
Transfer from Utility Fund ¹	\$ 70,801	\$ 70,801	\$ 70,801	\$ 92,748
Total Other Funding Sources	\$ 70,801	\$ 70,801	\$ 70,801	\$ 92,748
Total Operating Revenues	11,046,977	11,352,126	11,427,187	11,927,208
TOTAL AVAILABLE FUNDS	\$ 16,782,633	\$ 18,397,883	\$ 18,190,635	\$ 18,690,656
APPROPRIATIONS				
DEPARTMENTAL ALLOCATIONS				
Police	\$ 2,319,669	\$ 2,652,270	\$ 2,456,072	\$ 3,024,342
Police Dispatch	697,842	769,768	711,391	803,951
Fire	2,023,220	2,207,972	2,207,630	2,332,655
EMS	664,861	756,295	624,658	803,443
Public Works Administration	98,598	117,695	91,624	119,491
Streets	586,322	637,239	613,145	695,690
Solid Waste	767,308	813,180	744,758	909,871
Parks	299,673	371,667	321,656	380,030
Community Development	575,320	488,589	383,286	490,137
Administration	910,676	1,259,368	1,092,151	1,227,217
Municipal Court	210,146	221,766	208,446	229,890
Information Technology (MIS)	284,185	334,900	334,900	370,990
Administration Building Maintenance	206,407	210,956	210,956	211,435
Total Operating Allocations	\$ 9,644,224	\$ 10,841,665	\$ 10,000,673	\$ 11,599,142
Revenues Over (Under) Allocations	1,402,753	510,461	1,426,514	328,066
TRANSFERS				
Transfer to Street Maintenance Fund	\$ 0	\$ 0	\$ 0	\$ 0
Transfer to Capital Replacement Fund	340,831	359,526	359,526	60,000
Transfer to Comprehensive Plan	0	0	0	25,000
Transfer to Capital Projects	945,000	0	0	25,000
Total Transfers	\$ 1,285,831	\$ 359,526	\$ 359,526	\$ 110,000
TOTAL APPROPRIATIONS	\$ 10,930,055	\$ 11,201,191	\$ 10,360,199	\$ 11,709,142
Ending Balance	\$ 5,852,578	\$ 7,196,692	\$ 7,830,436	\$ 6,981,514

EXPLANATORY NOTES:

¹ Transfer from Utility Fund consists of 25% of Information Technology departmental allocation.

**UTILITY FUND
SUMMARY OF ADOPTED BUDGET**

Description:

The Utility Fund is a self-sufficient enterprise fund established to account for all of the revenues and expenditures associated with the operations and maintenance of the City's water distribution and sanitary sewer systems.

	ACTUAL FY 2020-2021	ADOPTED FY 2021-2022	PROJECTION FY 2021-2022	PROPOSED FY 2022-2023
AVAILABLE FUNDS				
Beginning Balance	\$ 1,559,023	\$ 1,364,355	\$ 2,462,898	\$ 3,134,418
REVENUES				
Water Revenue	\$ 1,777,353	\$ 1,887,524	\$ 1,755,397	1,803,955
Water Conservation Fee	67,573	70,348	62,524	68,852
Aquifer Management Fee	218,356	226,580	226,580	226,580
Meter Connections	14,985	18,070	10,260	10,260
Late Penalties	11,488	35,984	35,984	41,099
Return Check Fees	420	400	480	1,020
Service Charges	4,545	8,000	2,591	2,591
Federal Stormwater Fees	1,423	1,428	1,398	1,414
Interest	2,512	5,000	2,512	2,512
Miscellaneous	6,361	2,000	6,583	6,574
Total Water Revenue	\$ 2,105,016	\$ 2,255,334	\$ 2,104,309	\$ 2,164,857
Sewer Revenue	\$ 2,263,987	\$ 2,335,394	\$ 2,335,394	\$ 2,340,334
Sewer Surcharge	23,379	23,625	25,915	27,318
Total Sewer Revenue	\$ 2,287,366	\$ 2,359,019	\$ 2,361,309	\$ 2,367,652
Total Operating Revenues	4,392,382	4,614,353	4,465,618	4,532,509
TOTAL AVAILABLE FUNDS	\$ 5,951,405	\$ 5,978,708	\$ 6,928,516	\$ 7,666,927
APPROPRIATIONS				
OPERATING EXPENSES				
Personnel Services	\$ 862,621	1,173,316	935,475	1,235,952
Commodities	464,693	498,700	464,041	553,700
Contractual Services	309,873	491,000	287,684	525,500
Total Water Expenditures	\$ 1,637,187	\$ 2,163,016	\$ 1,687,200	\$ 2,315,152
Commodities	\$ 34,758	\$ 38,000	\$ 20,704	\$ 48,000
Contractual Services	1,519,371	1,471,780	1,470,383	1,471,780
Total Sewer Expenditures	\$ 1,554,129	\$ 1,509,780	\$ 1,491,087	\$ 1,519,780
Total Operating Expenditures	3,191,316	3,672,796	3,178,287	3,834,932
Retained Earnings (Loss) Operations	1,201,066	941,557	1,287,331	697,577
CAPITAL EXPENDITURES				
Utility Capital Projects	\$ 71,151	\$ 535,000	\$ 413,000	\$ 450,000
Capital Equipment (Replacement)	215,083	132,000	132,000	0
Total Capital Projects and Transfers	\$ 286,234	\$ 667,000	\$ 545,000	\$ 450,000
TRANSFERS TO				
Transfer to General Fund	\$ 70,801	\$ 70,801	\$ 70,801	\$ 92,748
TOTAL APPROPRIATIONS	\$ 3,548,351	\$ 4,410,597	\$ 3,794,088	\$ 4,377,680
GROSS AVAILABLE BALANCE	\$ 1,559,023	\$ 1,414,957	\$ 3,134,428	\$ 3,453,447
OPERATING RESERVE	\$ 804,751	\$ 612,133	\$ 529,715	\$ 639,155
CAPITAL REPLACEMENT	\$ 0	\$ 0	\$ 0	\$ 0
NET AVAILABLE BALANCE	\$ 754,273	\$ 802,824	\$ 2,604,714	\$ 2,814,292

**DEBT SERVICE FUND
SUMMARY OF ADOPTED BUDGET**

Description:

The Debt Fund was established in FY 2008-09 to account for the accumulation of ad valorem taxes and/or pledged revenues designated for payment of principal and interest on debt issued by the city.

	ACTUAL FY 2020-2021	ADOPTED FY 2021-2022	PROJECTION FY 2021-2022	PROPOSED FY 2022-2023
AVAILABLE FUNDS				
Beginning Balance	\$ 149,737	\$ 362,476	\$ 369,380	\$ 352,489
TAX REVENUE				
Current Property Tax	\$ 883,352	\$ 1,243,864	\$ 1,224,883	\$ 1,231,251
Delinquent Property Tax	7,210	0	4,973	0
Penalty and Interest on Delinquent Taxes	(47)	0	(1,042)	0
Miscellaneous Revenue	0	0	14,678	0
Total Tax Revenue	\$ 890,515	\$ 1,243,864	\$ 1,243,492	\$ 1,231,251
TOTAL AVAILABLE FUNDS	\$ 1,040,252	\$ 1,606,340	\$ 1,612,872	\$ 1,583,740
APPROPRIATIONS				
ALLOCATIONS				
Debt Principal and Interest	\$ 670,473	\$ 1,259,183	\$ 1,259,183	\$ 1,279,513
Paying Agent/Registrar Fees	400	800	1,200	1,600
TOTAL APPROPRIATIONS	\$ 670,873	\$ 1,259,983	\$ 1,260,383	\$ 1,281,113
GROSS AVAILABLE BALANCE	\$ 369,380	\$ 346,357	\$ 352,489	\$ 302,627

**CAPITAL PROJECTS FUND
SUMMARY OF ADOPTED BUDGET**

Description:

The Capital Projects Fund was established in FY 2008-09 to account for capital projects constructed with the proceeds of long-term debt issued by the city.

	ACTUAL FY 2020-2021	ADOPTED FY 2021-2022	PROJECTION FY 2021-2022	PROPOSED FY 2022-2023
AVAILABLE FUNDS				
Beginning Balance	\$ 178,282	\$ 156,815	\$ 14,312,350	\$ 14,306,607
REVENUES				
Bond Proceeds	13,355,080	0	0	0
Transfers from General Fund	945,000	25,000	25,000	25,000
Total Revenue	\$ 14,300,080	\$ 25,000	\$ 25,000	\$ 25,000
TOTAL AVAILABLE FUNDS	\$ 14,478,362	\$ 181,815	\$ 14,337,350	\$ 14,331,607
APPROPRIATIONS				
CAPITAL PROJECTS				
Olmos Basin Cleanup	\$ 22,200	\$ 25,000	\$ 0	\$ 25,000
Interest and Fiscal Charges	105,080	0	0	0
Swimming Pool & Restrooms Renovation	52,442	0	0	0
Nature Trails Building	2,090	0	0	0
Broadway Road TxDot Project	0	0	30,743	0
Total Capital Projects	\$ 181,812	\$ 25,000	\$ 30,743	\$ 25,000
TOTAL APPROPRIATIONS	\$ 181,812	\$ 25,000	\$ 30,743	\$ 25,000
GROSS AVAILABLE BALANCE	\$ 14,296,549	\$ 156,815	\$ 14,306,607	\$ 14,306,607

**CAPITAL REPLACEMENT FUND
SUMMARY OF ADOPTED BUDGET**

Description:

The Capital Replacement Fund is an internal service fund established in FY 2008-09 to assist in long term planning for large purchases of vehicles and capital equipment.

	ACTUAL FY 2020-2021	ADOPTED FY 2021-2022	PROJECTION FY 2021-2022	PROPOSED FY 2022-2023
AVAILABLE FUNDS				
Beginning Balance	\$ 1,547,856	\$ 1,211,000	\$ 1,547,856	\$ 578,303
REVENUES				
Contributions from General Fund	340,831	334,526	334,526	60,000
Sale of Assets	16,320	0	19,550	0
Other Financing Sources Capital Lease	9,500	0	0	0
Total Revenue and Transfers	\$ 366,651	\$ 334,526	\$ 354,076	\$ 60,000
TOTAL AVAILABLE FUNDS	\$ 1,914,507	\$ 1,545,526	\$ 1,901,932	\$ 638,303
APPROPRIATIONS				
CAPITAL PURCHASES				
MIS	\$ 19,331	\$ 14,000	\$ 0	\$ 0
EMS	0	0	39,192	0
Fire	0	0	865,064	0
Police	98,787	49,638	114,351	0
Police Dispatch	0	169,888	135,043	0
Public Works - Solid Waste	0	42,000	104,534	0
Public Works - Parks	\$ 0	\$ 0	\$ 45,895	\$ 0
TOTAL APPROPRIATIONS	\$ 118,118	\$ 275,526	\$ 1,304,079	\$ 0
GROSS AVAILABLE BALANCE	\$ 1,796,389	\$ 1,270,000	\$ 597,853	\$ 638,303

**STREET MAINTENANCE FUND
SUMMARY OF ADOPTED BUDGET**

Description:

The Street Maintenance Fund is a special revenue fund established in FY 2009-10 to account for all of the revenues and expenditures associated with the maintenance of city streets. Appropriations are funded through a transfer from the general fund and a 1/2 cent sales tax approved for a 4-year period by the voters being October 2017.

	ACTUAL FY 2020-2021	ADOPTED FY 2021-2022	PROJECTION FY 2021-2022	PROPOSED FY 2022-2023
AVAILABLE FUNDS				
Beginning Balance	\$ 801,478	\$ 1,364,767	\$ 1,425,692	\$ 260,548
REVENUES				
Street Maintenance Sales Tax ¹	\$ 731,526	\$ 657,860	\$ 829,257	\$ 852,062
Transfer In from General Fund	0	0	0	0
Sale of Right of Way	0	0	0	0
Total Revenue	\$ 731,526	\$ 657,860	\$ 829,257	\$ 852,062
TOTAL AVAILABLE FUNDS	\$ 1,533,004	\$ 2,022,627	\$ 2,254,949	\$ 1,112,610
APPROPRIATIONS				
CAPITAL PROJECTS				
Street Maintenance Projects	\$ 107,312	\$ 1,850,000	\$ 1,994,401	\$ 1,000,000
TOTAL APPROPRIATIONS	\$ 107,312	\$ 1,850,000	\$ 1,994,401	\$ 1,000,000
GROSS AVAILABLE BALANCE	\$ 1,425,692	\$ 172,627	\$ 260,548	\$ 112,610

EXPLANATORY NOTES:

¹ A 1/2 cent street maintenance sales tax was re-authorized by the voters in May 2021. The original dedicated sales tax began with the voter approved 1/4 cent sales tax in November 2008. An additional 1/4 cent street maintenance sales tax was approved in May 2017 by the voters.

**COMPREHENSIVE PLAN FUND
SUMMARY OF ADOPTED BUDGET**

Description:

The Comprehensive Plan Fund is a special revenue fund established in FY 2009-10 to account for all of the revenues and expenditures associated with the implementation of the Comprehensive Plan which was adopted by the City Council on May 26, 2009.

	ACTUAL FY 2020-2021	ADOPTED FY 2021-2022	PROJECTION FY 2021-2022	PROPOSED FY 2022-2023
AVAILABLE FUNDS				
Beginning Balance	\$ 150,789	\$ 168,789	\$ 166,693	\$ 159,443
REVENUES				
Contributions from General Fund	\$ 0	\$ 0	\$ 0	\$ 25,000
Tree Mitigation Fees	16,000		0	
Other Sources/Donations	0	0	0	0
Total Revenue	\$ 16,000	\$ 0	\$ 0	\$ 25,000
TOTAL AVAILABLE FUNDS	\$ 166,789	\$ 168,789	\$ 166,693	\$ 184,443
APPROPRIATIONS				
ALLOCATIONS				
Comprehensive Plan Expenses	\$ 96	\$ 105,000	\$ 7,250	\$ 75,000
TOTAL APPROPRIATIONS	\$ 96	\$ 105,000	\$ 7,250	\$ 75,000
GROSS AVAILABLE BALANCE	\$ 166,693	\$ 63,789	\$ 159,443	\$ 109,443

DESIGNATED REVENUE FUNDS

The Designated Revenue Funds are a combination of several special revenues received from a variety of sources but restricted by law or purpose to be spent only on designated expenditures. Designated Revenue Funds include:

Community Benefit - Revenue received from child safety fees assessed on certain court fines to be utilized to fund programs designed to enhance child safety, health, or nutrition, including fire prevention, child abuse prevention and intervention and drug and alcohol abuse prevention

Confiscated Property - Revenue obtained as a result of a seizure of property used in a crime, or purchased with dollars obtained from a crime which by law may only be used for police expenditures (except personnel costs) above and beyond the normal budget

Court Security - Revenue available from court fines, specifically restricted by law to provide protection and security to the Municipal Court or the Court Office

Court Technology - Revenue available from court fines designed to help keep Texas courts current with technology and specifically restricted by law for upgrades to software, purchase/maintenance of computer equipment

Public Safety and Service - Revenue received from several sources restricted by law for items that are above and beyond the normal budget:

- Funds seized by the police department and/or property forfeitures awarded to the police department by the courts for specific expenditures (equipment, training, technology, etc.)
- State of Texas LEOSE, the Law Enforcement Officers Standard & Education Fund – for public safety officer educational needs
- STRAC, the South Texas Regional Advisory Council – for improvements or upgrades to EMS
- Texas Department of Health Grants
- Homeland Security Grants

Alamo Heights Rotary designated for Police Department Programs such as the DARE Program, Explorer Post, Risk Watch, Red Ribbon and Youth Academy

Private Contributions - Revenue received by the City and designated for project such as animal services, disaster relief, beautification of traffic islands or hike & bike trail development

**DESIGNATED REVENUE FUNDS
SUMMARY OF ADOPTED BUDGET**

Description:

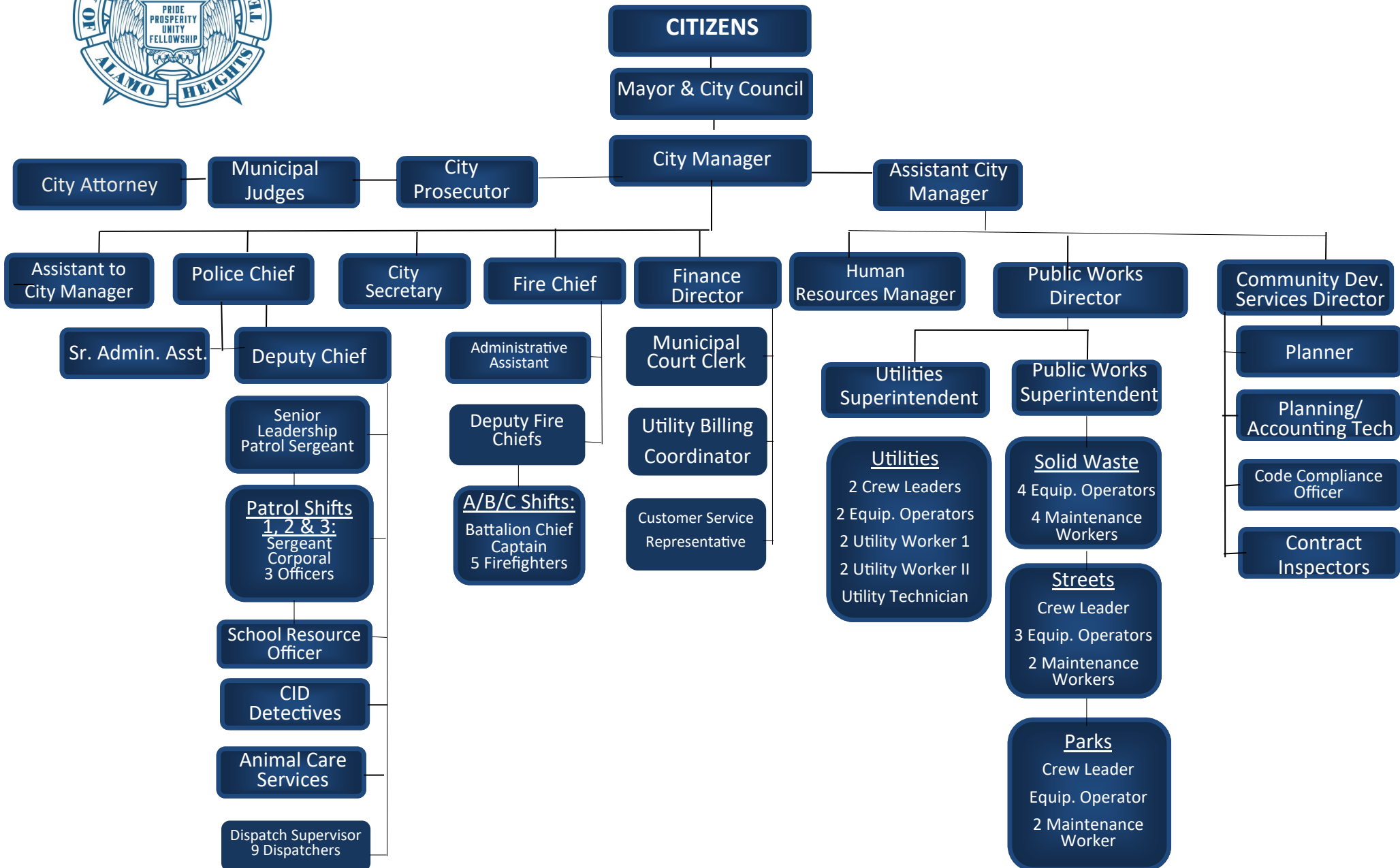
Designated Revenue Funds are special revenue funds established to account for all of the revenues and expenditures associated with a variety of sources. Expenditures are restricted by law or purpose.

	ACTUAL FY 2020-2021	ADOPTED FY 2021-2022	PROJECTION FY 2021-2022	PROPOSED FY 2022-2023
AVAILABLE FUNDS				
BEGINNING BALANCES				
Community Benefit	\$ 33,263	\$ 40,563	\$ 33,263	\$ 14,763
Confiscated Property	24,289	30,795	24,289	18,101
Court Security	74,665	61,046	74,665	58,143
Court Technology	25,927	17,702	25,927	19,640
Public Safety and Service (LEOSE)	33,387	30,154	33,387	34,069
Private Contributions	8,103	9,766	8,103	4,875
<i>Total Beginning Balances</i>	\$ 199,634	\$ 190,026	\$ 199,634	\$ 149,591
REVENUES				
Community Benefit Child Safety	\$ 12,365	\$ 11,500	\$ 12,500	\$ 11,500
Confiscated Property	8,242	0	3,158	0
Court Security	9,782	6,400	12,262	6,400
Court Technology	9,355	8,000	10,729	10,000
Public Safety and Service (LEOSE)	4,171	2,000	1,881	2,000
Private Contributions	12,578	11,000	11,795	11,000
<i>Total Revenues</i>	\$ 56,493	\$ 38,900	\$ 52,326	\$ 40,900
TOTAL AVAILABLE FUNDS	\$ 256,127	\$ 228,926	\$ 251,960	\$ 190,491
APPROPRIATIONS				
ALLOCATIONS				
Community Benefit	\$ 25,392	\$ 25,000	\$ 31,000	\$ 25,000
Confiscated Property	6,323	5,000	9,346	5,000
Court Security	0	50,000	28,784	50,000
Court Technology	4,790	15,000	17,017	15,000
Public Safety and Service (LEOSE)	4,615	5,000	1,199	5,000
Private Contributions	3,296	15,000	15,023	15,000
TOTAL APPROPRIATIONS	\$ 44,416	\$ 115,000	\$ 102,369	\$ 115,000
ENDING BALANCES				
Community Benefit	\$ 20,236	\$ 27,063	\$ 14,763	\$ 1,263
Confiscated Property	26,208	25,795	18,101	13,101
Court Security	84,447	17,446	58,143	14,543
Court Technology	30,492	10,702	19,640	14,640
Public Safety and Service (LEOSE)	32,943	27,154	34,069	31,069
Private Contributions	17,385	5,766	4,875	875
GROSS AVAILABLE BALANCE	\$ 211,711	\$ 113,926	\$ 149,591	\$ 75,491





CITY OF ALAMO HEIGHTS ORGANIZATIONAL CHART



DEPARTMENTAL SUMMARIES

Department summaries consist of a description of services in the form of program information and goals and objectives, departmental action steps derived from the Strategic Action Plan, performance measures, program changes and a summary of expenditures and positions.

Mission Statement – The Mission Statement declares the mission and primary purpose of the department.

Program Information - The Program Information Section provides a brief description of the responsibilities of the department.

Goals and Objectives - The Goals and Objectives Section outlines the key goals and objectives for which the department is responsible.

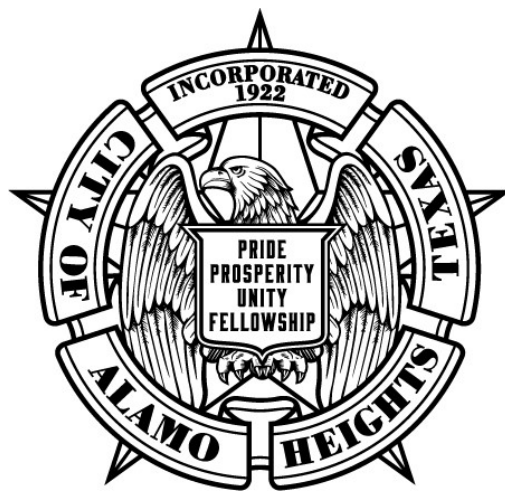
Action Steps - The Action Steps Section is a listing of the adopted action steps from the Strategic Action Plan approved by City Council for which the department is responsible.

Performance Measures - The Performance Measures Section includes input, output, outcome and efficiency measures adopted by each department to measure their progress in providing the community with the services listed in their program information and goals and objectives.

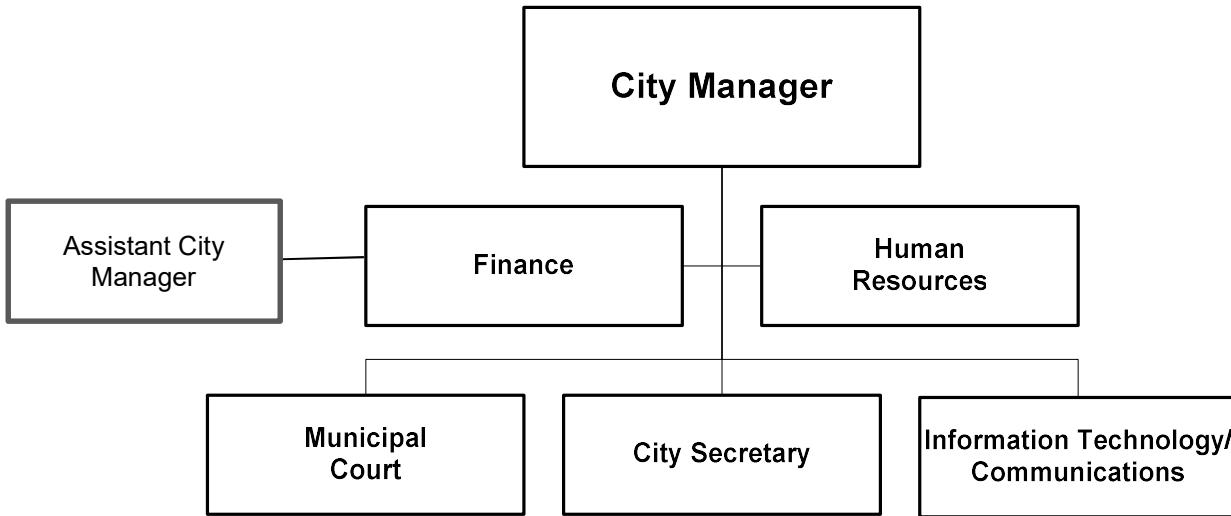
- *Input measures* show the amount of resources, either financial or otherwise, used for a specific service or program. Input measures include labor, materials, equipment and supplies. Demand for governmental services may also be considered an input indicator.
- *Output measures* show units produced or services provided by a service or program. Output measures include the amount of products or services provided, the number of customers served, and the level of activity to provide services.
- *Outcome measures* show results of the services provided. Outcome measures assess program impact and effectiveness and show whether expected results are achieved.
- *Efficiency measures* reflect the cost per unit of output or outcome.

Program Changes - A brief description and dollar amount for each of the department's mandates, improvements, reductions or redirections for the fiscal year are listed in the Program Changes Section.

Summary of Expenditures and Positions - Finally, a table detailing a summary of the department's operating expenditures and staffing levels over a three-year period is provided in the Summary of Expenditures and Positions Section. Included in this table are the department's actual expenditures for the previous year, the budget adopted for current year, an estimate of department expenditure levels in relation to what was budgeted for the current year budget, and the proposed or adopted budget, which includes all of the program changes for the coming fiscal year. The department's actual expenditures, adopted budget, estimate, and proposed or adopted budget are compared and tracked in the four major expenditure categories. In addition, the table also shows the number of authorized positions and full-time-equivalent positions in the department's operating budget.



ADMINISTRATION AND FINANCE



APPROPRIATIONS BY DIVISION	ASSIGNED FTE	BUDGET FY 2023
Administration and Finance	8.00	\$1,337,217
Municipal Court	2.50	229,890
MIS Information Technology	0.00	370,990
Administration Building	0.00	211,435
Total Funding	10.50	\$2,149,532

MISSION STATEMENT

The Administration and Finance Department provides exemplary customer service to citizens and minimizes liability through the professional management of city departments and employees, the responsible oversight of fiscal and human resources, the effective administration of city projects and meetings, timely communication with the community and the implementation of cost-effective technology.

PROGRAM INFORMATION

The Administration and Finance Department is responsible for the management of the City's financial assets and resources, the levy and collection of city taxes, administration of the municipal court, utility billing and collections, communications and technological support, administration of elections, City Council meetings, minutes and agendas, the preservation of the City's official papers, records and documents, supervision of the official publication of ordinances, notices and other matters requiring publication, open records requests and provides centralized direction and leadership for the effective administration and operation of the municipal government.

GOALS & OBJECTIVES

- Coordination with several entities for the start and completion of the voter approved 2021 Bond Program for Austin Hwy/Lower Broadway Drainage Improvement Project
- Lower Broadway/Austin Hwy. Improvements include design, engineering, landscaping
- Manage the effective and efficient delivery of municipal services to the citizens of Alamo Heights
- Plan and coordinate replacement of the city's network infrastructure
- Planning, coordinating and executing the Centennial Celebration in October 2022
- Management and reporting of the American Rescue Plan Funds
- Provide financial information and timely reports to the City Council and City departments
- Coordinate the annual Audit and complete the Annual Comprehensive Financial Report
- Process payments, purchase orders, requests for payment, payroll, utility bills, oversee collection of city taxes in accordance with applicable laws and any other account receivables as required in a timely and efficient manner
- Provide a courteous, impartial and expeditious resolution of all municipal court matters
- Increase cross-training to maximize the utilization of staff and improve customer service
- Conduct all municipal elections in accordance with applicable laws, and prepare public notices for elections and certify election results
- Manage and support the direction of City Council meetings in accordance with the Texas Open Meetings Act
- Provide administrative direction for City-wide records management practices in accordance with policy and applicable state laws
- Manage and complete open records requests by processing, retrieving and distributing data and documents in the mandated time frame set by state law

- Provide high-quality administrative services to the organization through researching, analyzing and developing employee policies
- Organize new hire processing, investigate and respond to employee complaints and grievances and coordinate employee appeals process
- Provide consulting services for directors and managers concerning policies, procedures and employment laws
- Coordinating, responding and managing unemployment claims, EEOC claims, and Department of Labor investigations
- Provide remote working capabilities for staff as needed
- Provide communication to the public and staff through the City newsletter, website and by email blast notifications
- Maintain the city's network infrastructure for data, voice communications and audio/visual services

ACTION STEPS

- Continue to explore comprehensive salary surveys using outside sources
- Update the City's Personnel Manual to ensure compliance with legislative changes and best practices
- Continue to review job descriptions to ensure compliance with labor laws
- Continue to provide leadership and training opportunities to staff
- Continue to develop and expand the City's Wellness Program
- Continue with the employee newsletter
- Implement document scanning to provide digital record files
- Continue to explore furniture and artworks purchases for City Hall Public Areas
- Explore maximization of existing and new revenue resources
- Continue with Olmos Basin clean-up

OTHER INITIATIVES

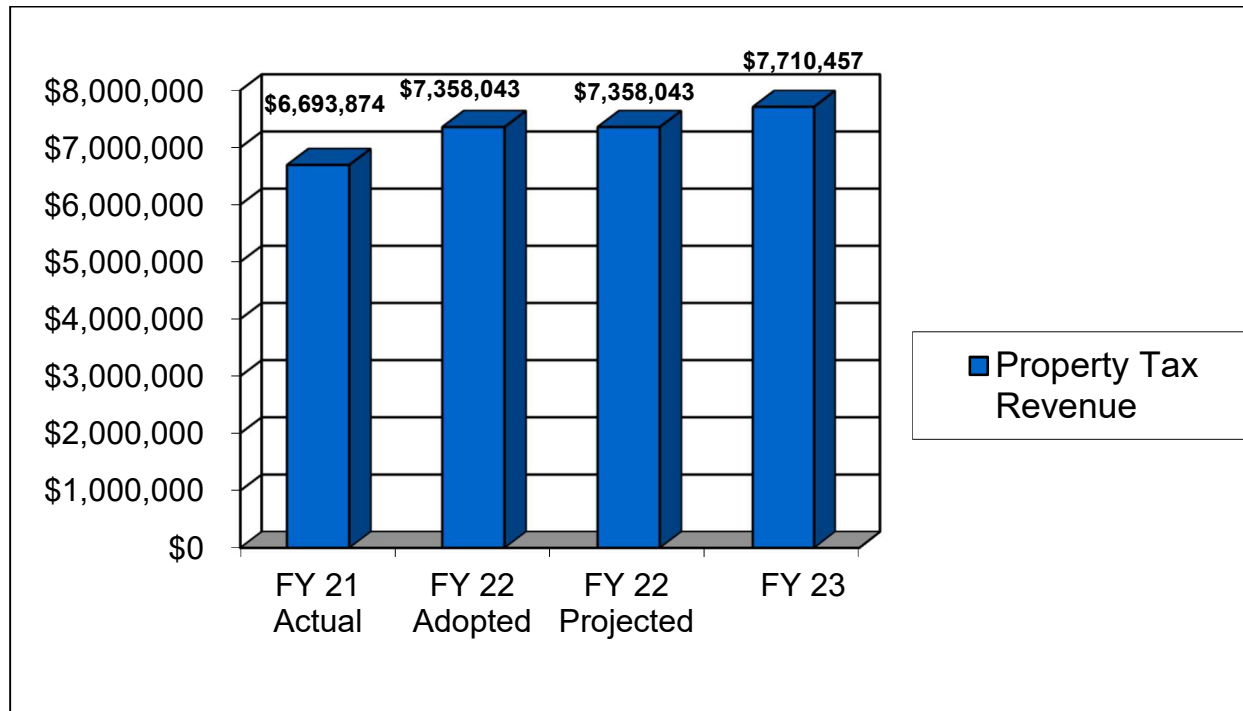
- Intranet use and capabilities to provide employees with 24/7 access to updated information
 - Continue to develop on-line and mobile applications for internal and external users
 - On-line internal employee evaluation system
 - Street Maintenance Plan funding goal is \$1 million annually from dedicated street maintenance sales tax and General Fund transfers
 - Continue to obtain funding sources for Broadway TxDOT road and drainage improvements
 - Explore redesign of traffic around high school
 - Maintain the Capital Replacement Fund for replacing the city's capital assets
 - Maintain our S&P AAA Bond Rating
 - Maintain the property tax rate as low as possible
 - Improve park areas within the city and provide community beautification
 - Keep improving cybersecurity improvements and malware updates
-

ADMINISTRATION**GENERAL FUND****PERFORMANCE MEASURES**

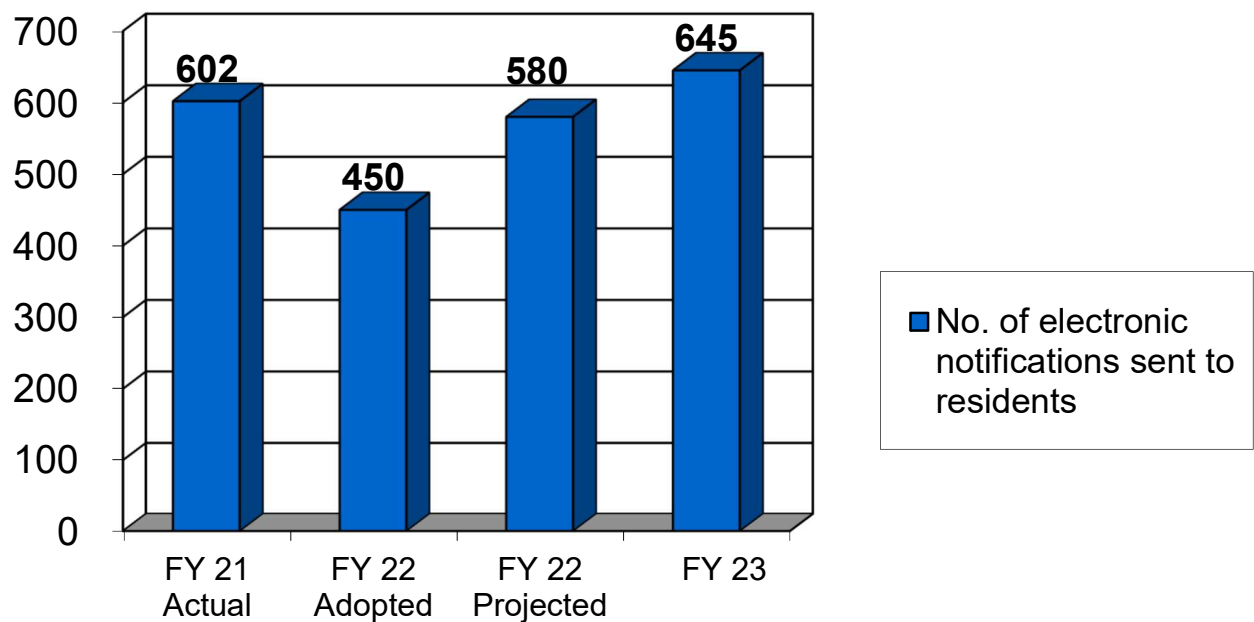
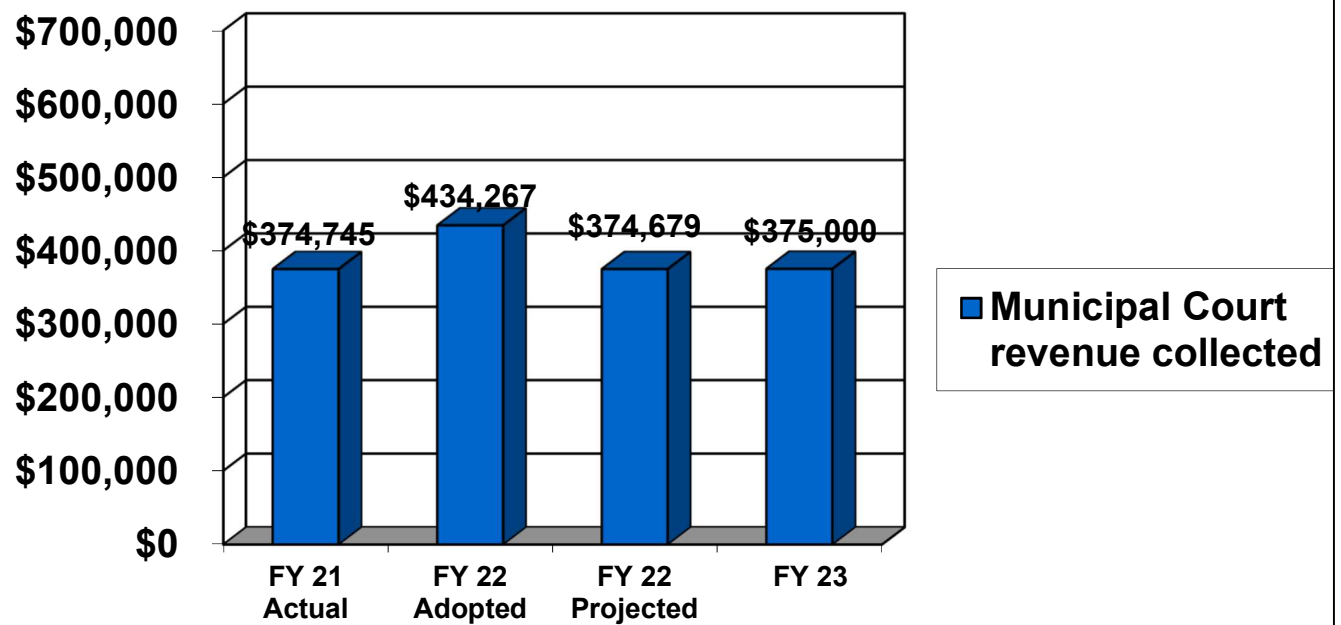
	ACTUAL FY 2020-21	ADOPTED FY 2021-22	PROJECTED FY 2021-22	PROPOSED FY 2022-23
<u>Inputs:</u>				
No. of full-time city employees	101	101	101	103
Number of properties	3,506	3,535	3,506	3,506
No. of water customers	3,123	3,130	3,113	3,115
No. of City Council meetings	24	22	23	24
No. of City Council work sessions	3	3	3	4
No. of citations processed	2,234	4,800	4,057	4,100
Water/Sewer revenues	\$4,392,383	\$4,614,353	\$4,465,608	\$4,532,509
<u>Output:</u>				
No. of City Council agenda items	234	170	140	145
No. of open records requests	188	215	260	275
No. of new employees processed	16	20	20	25
No. of injury reports processed	22	25	28	28
No. of vehicle accident reports	11	8	4	6
No. of payroll checks processed	2,626	3,050	2,548	3,050
No. of accounts payable checks processed	2,430	2,550	2,410	2,410
Property Tax revenue collected	\$6,893,874	\$7,358,043	\$7,358,043	\$7,710,457
Municipal courts revenue collected	\$374,745	\$434,267	\$374,679	\$375,000
No. of staff requests for IT assistance	540	550	680	1070
No. of electronic notifications sent	602	450	580	645
No. of newsletters published	12	12	12	12
No. of new website users	371	400	300	600
No. of workstations managed	55	63	63	60
No. of servers managed	9	12	11	12
<u>Efficiency:</u>				
Avg. no. of agenda items per City Council meeting	8.6	7.7	6.6	6.4
No. of injuries per city employee	.22	.25	.28	.27
No. of vehicle accidents per city employee	.11	.08	.04	.06
Avg. amount of revenue collected per citation	\$103	\$146	\$86	\$103
% of water revenue collected	93%	95%	95%	95%
% of tax revenue collected	99%	99%	99%	99%
% of accounts payable invoices processed within 30 days	99%	99%	98%	99%

ADMINISTRATION**GENERAL FUND****SUMMARY OF EXPENDITURES AND POSITIONS**

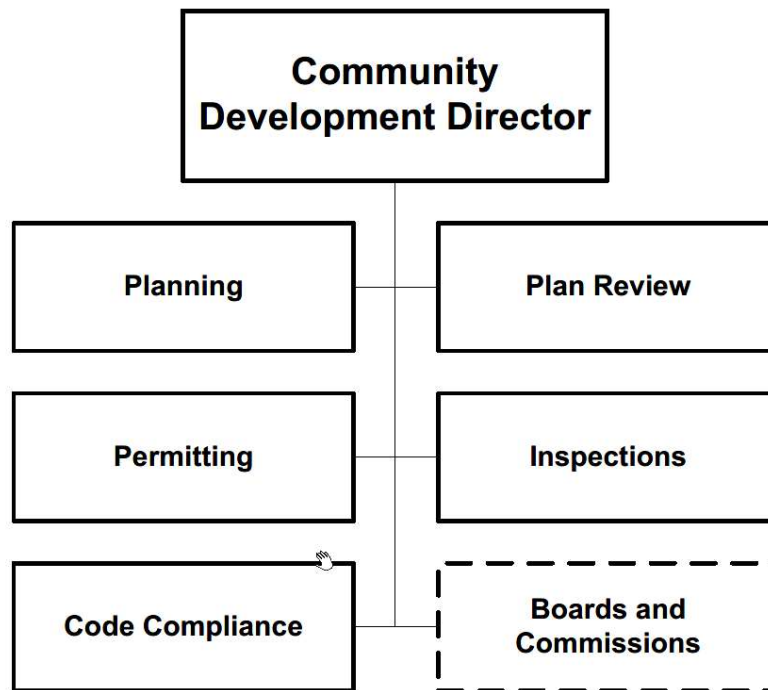
	ACTUAL FY 2020-21	ADOPTED FY 2021-22	PROJECTED FY 2021-22	PROPOSED FY 2022-23
PERSONNEL SERVICES	\$711,497	\$959,278	\$969,518	\$1,056,559
COMMODITIES	363,343	541,233	460,534	461,850
CONTRACTUAL SERVICES	434,602	476,479	413,190	471,123
TRANSFERS OUT	1,285,831	359,526	359,526	110,000
CAPITAL OUTLAY	13,936	50,000	3,211	50,000
TOTAL EXPENDITURES	\$2,809,209	\$2,386,516	\$2,205,979	\$2,149,532
AUTHORIZED POSITIONS	11	11	11	12
FULL-TIME EQUIVALENTS	9.50	9.50	9.50	10.50

PERFORMANCE MEASURE HIGHLIGHTS

PERFORMANCE MEASURE HIGHLIGHTS (CONTINUED)



COMMUNITY DEVELOPMENT SERVICES



APPROPRIATIONS BY DIVISION	ASSIGNED FTE	BUDGET FY 2023
Community Development Services	4.00	\$490,137
Total Funding		\$490,137

MISSION STATEMENT

The Community Development Services Department is committed to community-based planning founded on public participation, maintaining the beauty and charm of our natural and developed environment and promoting a livable and sustainable community through the fair and efficient administration of our codes and ordinances.

PROGRAM INFORMATION

The Community Development Services Department is responsible for the regulation of land use, development and construction through planning, plan review, permitting, inspections and code compliance activities.

GOALS & OBJECTIVES

To provide quality customer service by facilitating the development process in an efficient and effective manner while protecting the health, safety and public welfare of the community

- Facilitate the implementation of the Comprehensive Plan
- Review all submitted plans and provide customers with feedback within twenty one (21) working days
- Provide all requested inspections within one (1) working day
- Actively maintain compliance with federal, state and city laws to protect the health, safety and public welfare of the community
- Expedite commercial code compliance actions through the proactive issuance of notices of violation or citations
- Provide administrative and technical support to boards and commissions to facilitate the expeditious review of cases

ACTION STEPS

- Evaluate Economic Development opportunities
 - Explore revisions to Chapter 3, Zoning Code
 - Explore revisions to Chapter 17, Subdivision Code
 - Digitize Plan Review Process
 - Update & Simplify Permit Applications
-

COMMUNITY DEVELOPMENT**GENERAL FUND****PERFORMANCE MEASURES**

	ACTUAL FY 2020-21	ADOPTED FY 2021-22	PROJECTED FY 2021-22	PROPOSED FY 2022-23
<u>Input:</u>				
No. of single-family residential properties (1)	2,676	2,680	2,682	2,686
No. of multi-family residential properties (1)	93	85	95	95
No. of commercial/institutional properties (1)	115	111	115	115
<u>Output:</u>				
No. of permits issued	1,902	1,300	1,700	1,500
No. of plans reviewed	178	125	170	150
No. of inspections conducted	2,422	2,000	2,200	2,200
Avg no. of working days for plan review	21	21	15	15
Total value of commercial improvements for permits issued (2)	\$2,412,624*	\$5,000,000*	\$2,000,000*	\$3,000,000*
No. of Board of Adjustment cases	25	20	25	25
No. of Architectural Review Board	47	40	35	40
No. of Planning and Zoning Commission cases	5	5	12	5
Total revenue collected for permits/fees	\$854,100	\$724,331	\$865,555	\$748,099
<u>Outcome:</u>				
% of plans reviewed within 10 working days	95%	95%	95%	95%
% of inspections provided within 1 working day	98%	98%	98%	98%

(1) Data from Certified Tax Roll

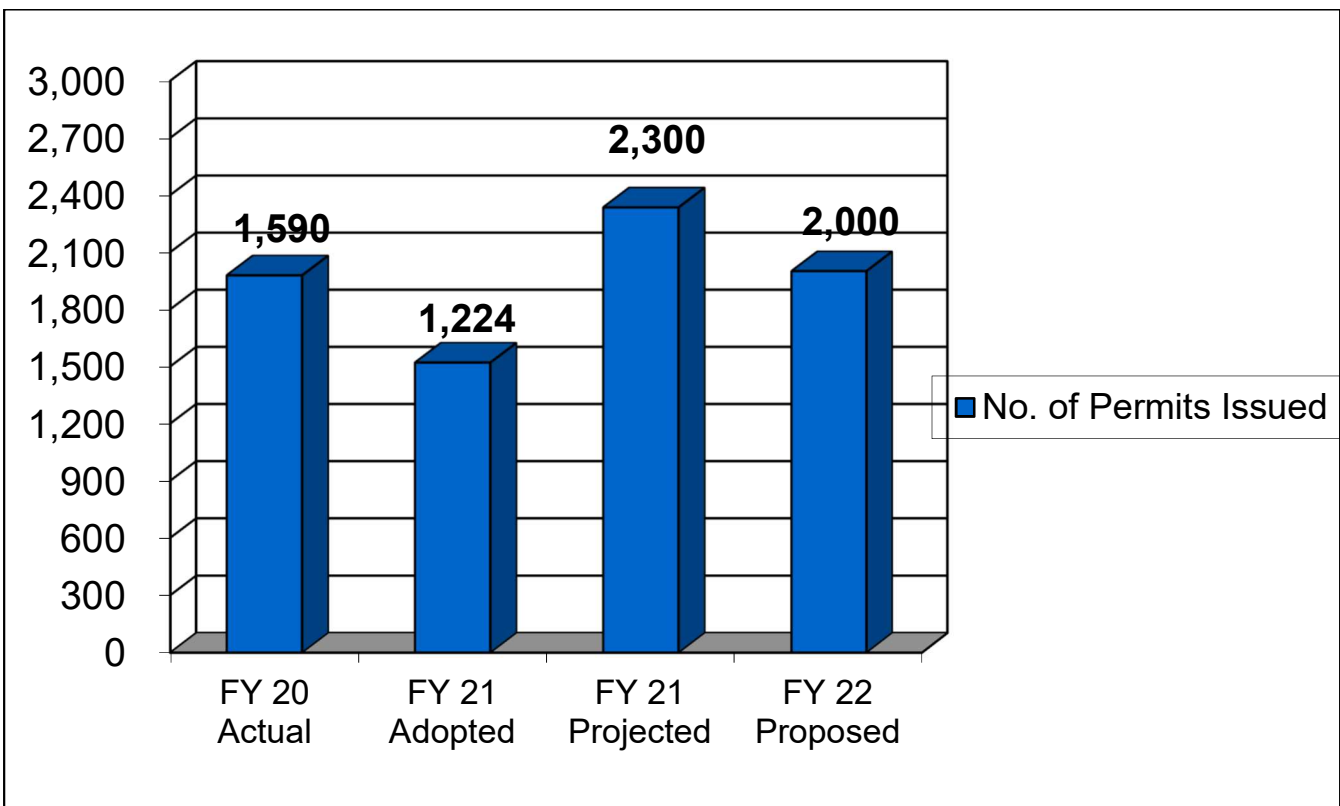
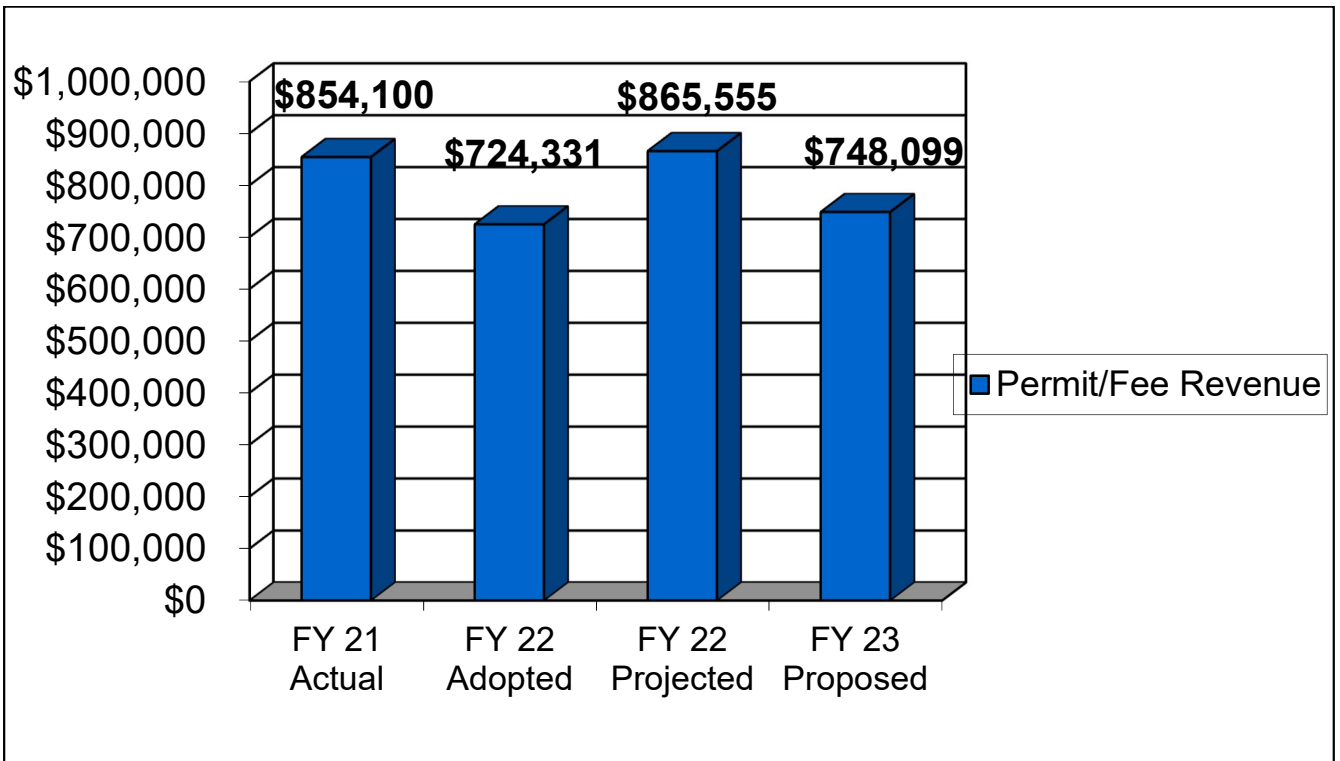
(2) Incode BP Valuation Report

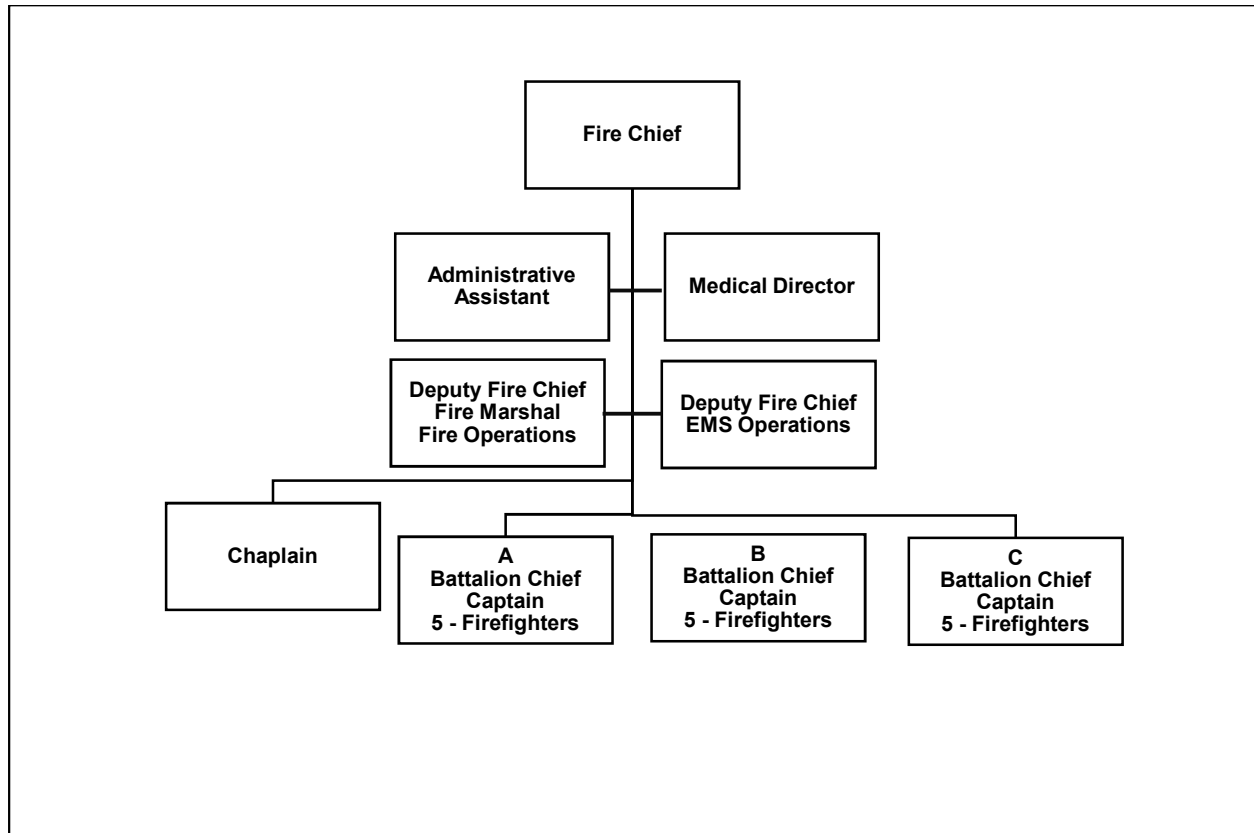
*Only Commercial building permits are calculated based on value of improvements

SUMMARY OF EXPENDITURES AND POSITIONS

	ACTUAL FY 2020-21	ADOPTED FY 2021-22	PROJECTED FY 2021-22	PROPOSED FY 2022-23
PERSONNEL SERVICES	\$445,842	\$450,219	\$360,709	\$451,272
COMMODITIES	9,362	12,920	6,090	11,165
CONTRACTUAL SERVICES	120,116	25,450	16,487	27,700
CAPITAL OUTLAY	0	0	0	0
TOTAL EXPENDITURES	\$575,320	\$488,589	\$383,286	\$490,137
AUTHORIZED POSITIONS	5	5	4	4
FULL-TIME EQUIVALENTS	5.00	5.00	4.00	4.00

PERFORMANCE MEASURE HIGHLIGHTS





FIRE/EMS

APPROPRIATIONS BY DIVISION	ASSIGNED FTE	BUDGET FY 2023
Fire	18.3	\$2,332,655
Emergency Medical Services (EMS)	6.7	\$803,443
Total Funding Fire/EMS	25.00	\$3,136,098

MISSION STATEMENT

The Fire/EMS Department is committed to minimizing and preventing injury and property loss through the provision of quality professional fire, rescue, emergency medical, fire prevention, educational and safety services to the community.

PROGRAM INFORMATION

The Fire/EMS Department provides fire protection for the City; basic and specialized rescue operations that includes swift water, high angle, automobile extrication, structural collapses and cave-ins; fire prevention inspections; planning surveys; fire and safety public education presentations, courtesy home safety surveys, smoke detector and carbon monoxide detector installations, and other public assistance and community service programs. All firefighters are also cross-trained and assist the EMS Division in patient care and transport when needed.

GOALS & OBJECTIVES

To continuously provide high quality fire, rescue, fire prevention and safety services to the community:

- Focus on long range planning in order to ensure that the highest possible level of fire services are provided to the community
- Optimize the area of coverage and respond under the eight (8) minute national standard for fire response
- Maintain and strive to enhance the departments coordination with cities included in the City's Mutual Aid Agreements
- Actively pursue improvement of the city's insurance services office (ISO) rating – maintain current insurance rating to ensure that homeowners receive maximum insurance discounts
- Ensure appropriate staffing levels are maintained
- Enhance department operations with new and existing technologies
- Provide for the safety and welfare of the community through educational and code enforcement efforts
- Promote the safety and welfare of uniformed firefighting personnel

ACTION STEPS

- Continue tree trimming to accommodate the safe passage of Fire / EMS apparatus as well as other city vehicles (\$15K)
- Continue accreditation phase of Texas Fire Chief Association "Best Practices" Program
- Continue Smoke Detector Awareness Program
- Continue Home Fire Safety Surveys

IMPROVEMENTS

- Continue to evaluate staff benefits for recruitment and retention efforts
- Continue "Best Practices" accreditation
- Develop additional social distancing / web-based fire prevention programs
- Upgrade fire data software
- Update Emergency Management Annexes (7 of 23) in Texas All Hazards Planning Systems Program
- Revision of Bexar County OEM Hazard Plan
- Develop Personnel Wills
- Develop Benevolence Committee
- Pursue personnel development to obtain Texas Commission on Fire Protection certifications

FIRE PERFORMANCE MEASURES

	ACTUAL FY 2020-21	ADOPTED FY 2021-22	PROJECTED FY 2021-22	ADOPTED FY 2022-23
<u>Input:</u>				
No. of firefighter positions	18.3	18.3	18.3	18.3
No. of addressed structures in city	3,400	3,400	3,400	3,400
National average for fire response time	6 min.	6 min.	6 min.	6 min.
<u>Output:</u>				
Structure fire responses in city	5	5	4	5
Structure fire responses outside city	4	4	4	4
Non-structure fire responses	10	10	8	10
Rescue responses	18	18	18	18
Hazardous material responses	36	32	30	32
Fire/smoke alarm responses	125	125	120	122
Medical assist responses with EMS in Alamo Heights	197	225	507	336
Other emergency and non-emergency fire responses	109	110	105	107
Avg. fire response time ¹	3 min 48 Sec	3 min 48 Sec	3 min 55 Sec	3 min 48 Sec
No. of initial fire inspections	550	550	575	550
No. of follow-up fire inspections	154	160	150	160
No. of fire hydrants inspected and pressure tested	443	430	430	430
No. of fire hydrants flow tested	219	215	215	215
No. of feet of fire hose inspected and pressure tested	9310	9310	9310	9310
No. of fire prevention programs conducted	85	85	5	85
No. of Home Safety Surveys	25	25	10	25
No. of Safety in the Workplace training courses	15	15	5	15
Hours of training provided to fire personnel	4975	5337	5832	5584
<u>Outcome:</u>				
% of fire responses in Alamo Heights under national avg.	100%	100%	100%	100%
% of Alamo Heights structures involved in fire incidents ²	0.08%	0.08%	0.08%	0.08%
<u>Efficiency:</u>				
Avg. hours of training per firefighter	259	280	309	280

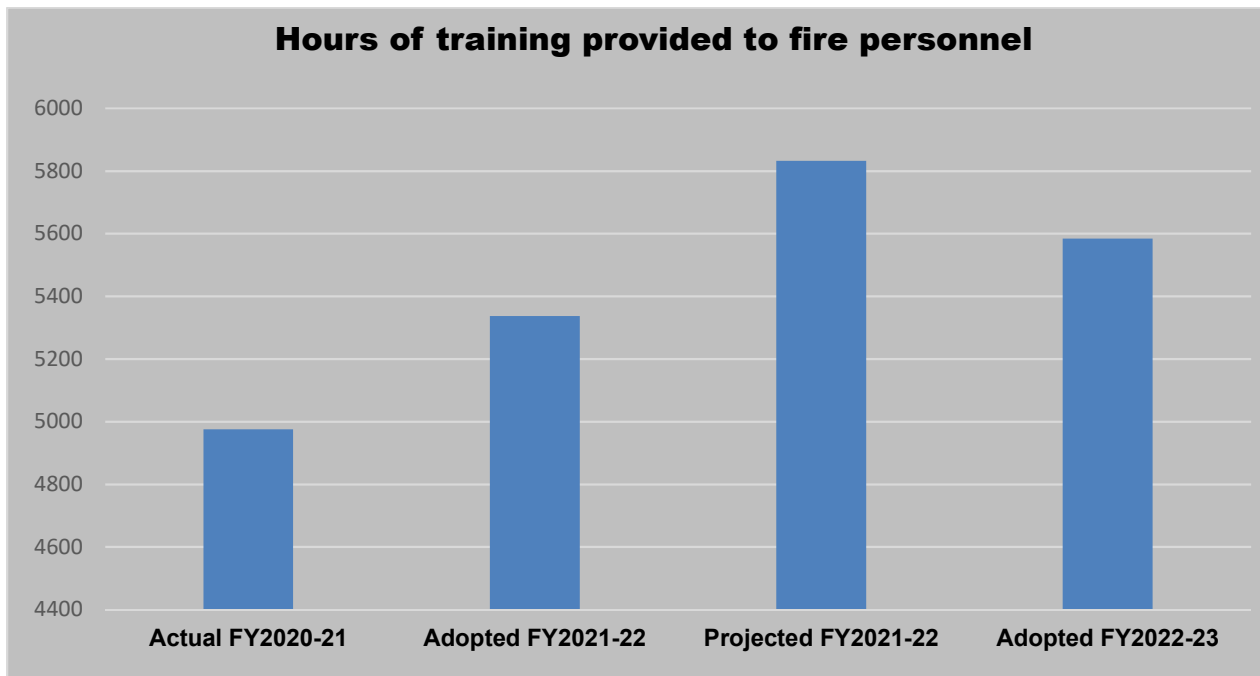
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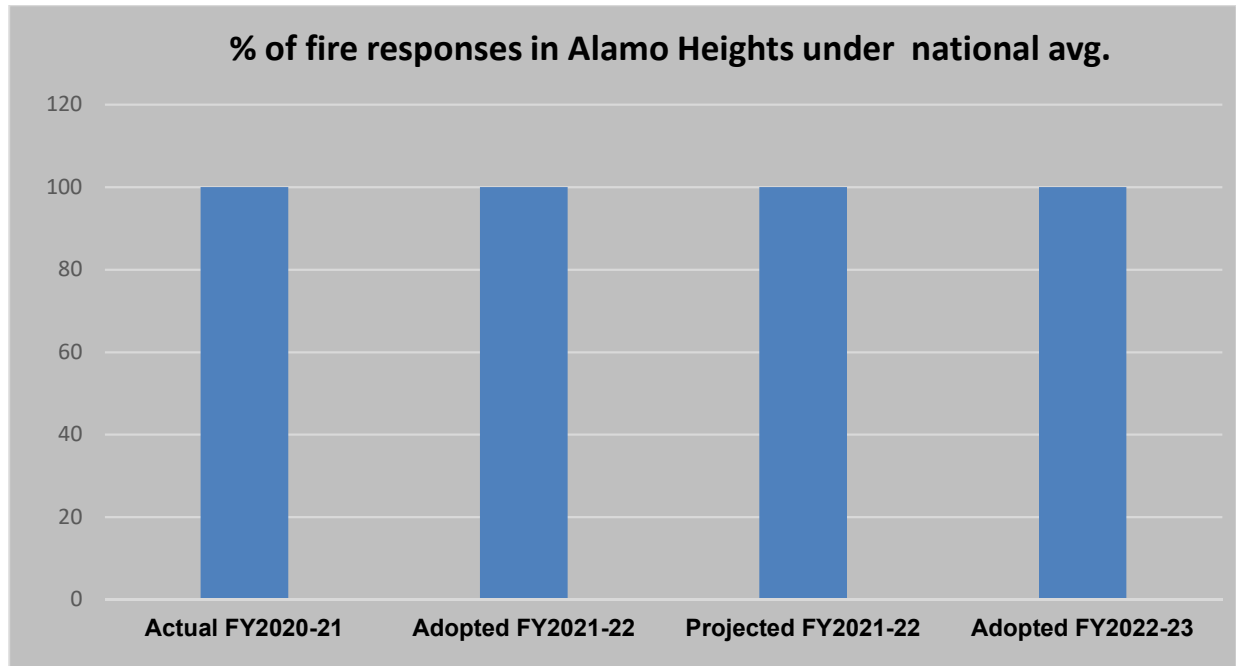
¹ Response time is calculated from the time call is received from dispatch until the arrival of fire apparatus at the scene of the incident.

² Based on 2019 census data of 3164 housing units and 4 projected fires.
US data from 2019 Census does not include updated total housing units

SUMMARY OF EXPENDITURES AND POSITIONS

	ACTUAL FY 2020-21	ADOPTED FY 2021-22	PROJECTED FY 2021-22	ADOPTED FY 2022-23
PERSONNEL SERVICES	\$2,023,546	\$2,087,124	\$2,103,441	\$2,223,609
COMMODITIES	\$75,019	\$71,469	\$73,401	\$76,981
CONTRACTUAL SERVICES	\$31,130	\$31,130	\$31,130	\$32,065
CAPITAL OUTLAY	0	0		0
TOTAL EXPENDITURES	\$2,129,695	\$2,189,723	\$2,207,972	\$2,332,655
AUTHORIZED POSITIONS	18	18	18	18
FULL-TIME EQUIVALENTS	18.50	18.3	18.3	18.3

PERFORMANCE MEASURE HIGHLIGHTS



** AHFD current average Fire response time is 3 minutes, 55 seconds
(10-01-2021 through 05-15-2022)*

EMS PROGRAM INFORMATION

The Emergency Medical Service (EMS) Division is responsible for responding to 911 medical emergencies in cities of Alamo Heights, Terrell Hills and Olmos Park and provides injury prevention and health awareness programs for the community.

GOALS & OBJECTIVES

To continuously provide high quality emergency medical services to the community:

- Address the emergency medical needs of the community
- Optimize the area of coverage and respond well under the 6 minute national standard for EMS response
- Enhance department operations by applying new and existing technologies
- Provide for the safety and welfare of the community
- Promote the safety and welfare of uniformed EMS personnel
- Recruit and maintain a highly skilled EMS staff

ACTION STEPS

- Train an additional 5% of the community in hands only CPR
- Continue quarterly First Aid / CPR training for citizens and the school setting
- Focus on community education

IMPROVEMENTS

- EMS Integration with Alamo Area Metro SWAT RTF
- Renew DSHS CE Program
- Renew Clinical Laboratory Improvement Amendment (CLIA) Program: add blood draws for septic patients:
- Add an EMS SMOP Application for cell phone access
- Obtain ultrasound technology
- Bexar County Mental Health integration with EMS system
- Draft new EMS Billing contract for Tri-Cities

EMS PERFORMANCE MEASURES

	ACTUAL FY 2020-21	ADOPTED FY 2021-22	PROJECTED FY 2021-22	ADOPTED FY 2022-23
<u>Input:</u>				
No. of EMS personnel	6.5	6.7	6.7	6.7
No. of EMS units	3	3	3	3
Population of Alamo Heights, Terrell Hills and Olmos Park ¹	16468	16468	16468	16468
National average for EMS collections	60%	60%	60%	60%
National average for EMS response	10 min.	10 min.	10 min.	10 min.
<u>Output:</u>				
EMS calls in Alamo Heights	747	652	736	712
EMS calls in Olmos Park	106	137	148	130
EMS calls in Terrell Hills	154	186	160	167
EMS calls involving transport	444	519	502	521
EMS calls response with aid only	563	457	542	521
EMS services invoiced	\$324,014	\$350,499	\$399,870	\$358,127
Revenues received for EMS services	\$205,965	\$231,460	\$203,334	\$213,586
Avg. response time - Alamo Heights	3min, 16 sec	3min, 21 sec	3min, 08sec	3min, 15sec
Avg. response time - Olmos Park	5 min, 30 sec	5 min, 43 sec	5min, 21sec	5min, 31sec
Avg. response time - Terrell Hills	5 min, 22 sec	5 min, 7 sec	5min, 14sec	5min ,14 sec
Hours of training provided to EMS personnel	1311	1447	1740	1499
<u>Outcome:</u>				
No. of responses per EMS unit	335	325	348	336
% of EMS responses under national avg.	100%	100%	100%	100%
% of EMS revenue collected	64%	66%	51%	60%
<u>Efficiency:</u>				
Avg. no. of hours of training per EMS personnel	201	221	267	229

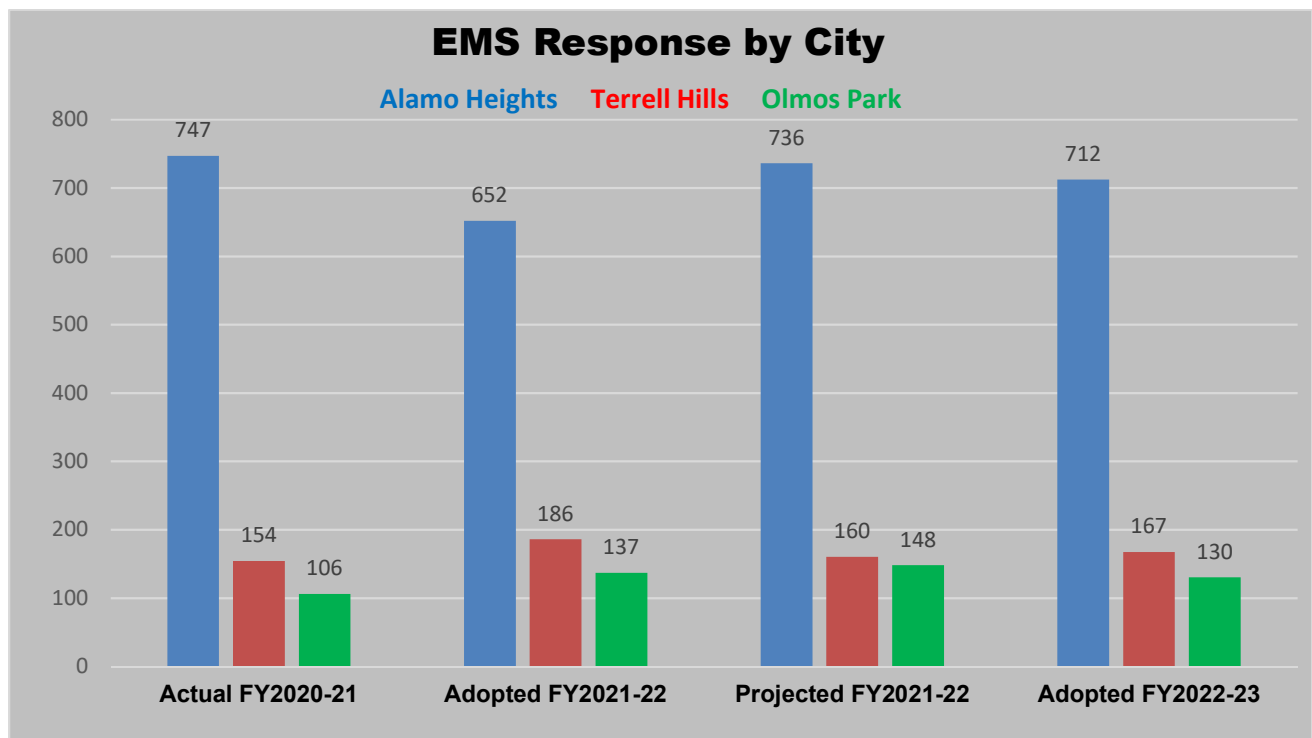
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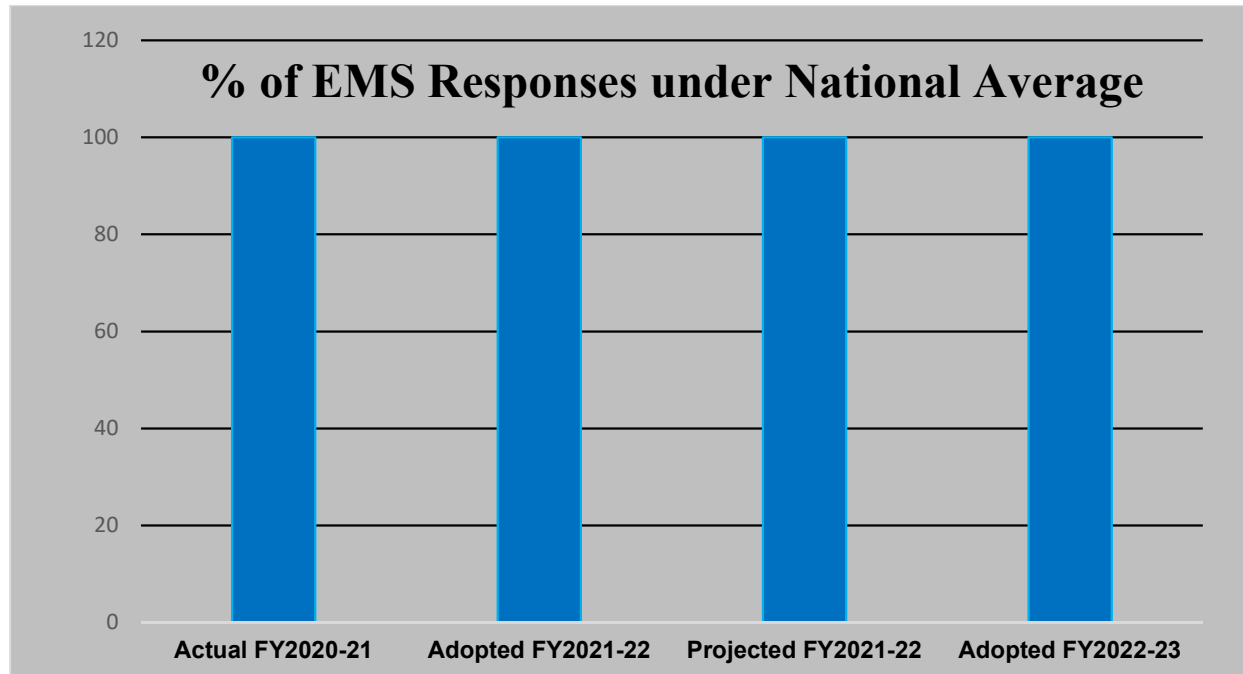
¹ Population of cities from the 2019 U.S. Census.

SUMMARY OF EXPENDITURES AND POSITIONS

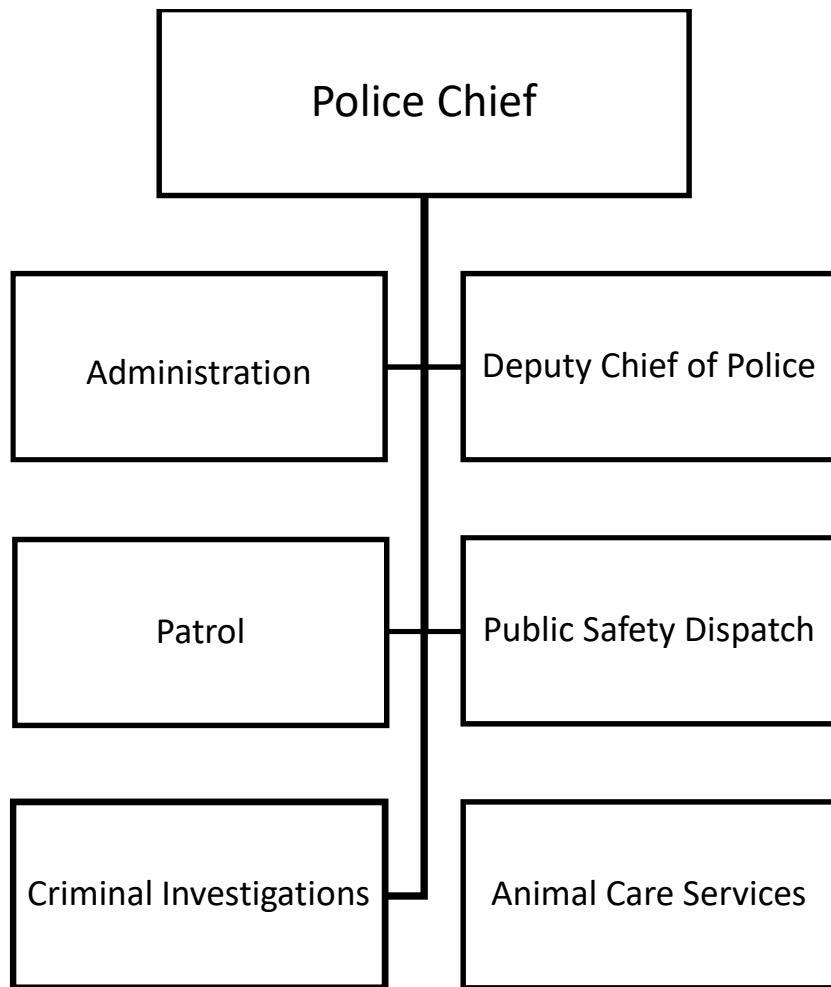
	ACTUAL FY 2020-21	ADOPTED FY 2021-22	PROJECTED FY 2021-22	ADOPTED FY 2022-23
PERSONNEL SERVICES	\$647,596	\$652,596	\$664,071	\$704,993
COMMODITIES	\$68,074	\$67,174	\$67,174	\$71,845
CONTRACTUAL SERVICES	\$25,350	\$25,050	\$25,050	\$26,605
CAPITAL OUTLAY	0	0		0
TOTAL EXPENDITURES	\$741,020	\$744,820	\$756,295	\$803,443
AUTHORIZED POSITIONS	7	7	7	7
FULL-TIME EQUIVALENTS	6.5	6.7	6.7	6.7

PERFORMANCE MEASURE HIGHLIGHTS





** Current average EMS response time in Alamo Heights is 3 minutes, 14 seconds (10-01-2021 through 05-15-2022)*



POLICE/DISPATCH

APPROPRIATIONS BY DIVISION	ASSIGNED FTE	BUDGET FY 2023
Police	25.5	\$3,024,342
Communications Center	10.0	803,951
Total Funding	35.5	\$3,828,293

MISSION STATEMENT

The Alamo Heights Police Department is committed to developing a community partnership with an emphasis on integrity, fairness and professionalism to positively impact the quality of life and promote a safe environment by resolving problems, reducing fear, enforcing the law and preserving the peace.

PROGRAM INFORMATION

The Police Department is responsible for the enforcement of the law in a fair and consistent manner, recognizing both the statutory and judicial limitations of its authority and constitutional rights of all persons. The Department presents a deterrent to criminal activities, protects the public, apprehends offenders, recovers and returns stolen property, oversees the safe movement of vehicular traffic within jurisdictional boundaries and addresses domestic and non-domestic animal concerns.

GOALS & OBJECTIVES

To continuously maintain and improve police services through a proactive police presence, heightened patrol availability, and the timely dispatch of professional police officers trained to respond in an effective and efficient manner.

- Improve community relations through positive police/citizen interaction and community crime deterrent strategies
- Receive, process, and prioritize calls for service promptly in the communications center and dispatch police officers or other emergency service providers
- Provide a police response to calls for service and other public needs promptly to resolve problems and protect citizens and property
- Conduct criminal investigations in such a manner as to enhance criminal awareness that the commission of a crime would result in their apprehension and prosecution
- Provide for the safe and lawful movement of vehicular traffic and exercise responsibility for traffic law enforcement in all areas where high levels of vehicular traffic is experienced or citizen concerns are heightened due to unsafe driver behavior
- Develop community based programs urging citizen and business community members to partner with the Police Department to help themselves become less vulnerable targets for criminals
- Work closely with the Alamo Heights Independent School District and other child learning and development institutions to reduce incidents of juvenile crime

POLICE**GENERAL FUND**

- Provide specialized training opportunities for all police personnel as an investment in the department, as well as to increase staff capabilities and promote professionalism

ACTION STEPS

- Seek an alarm permit tracking software program compatible with the Tyler Public Safety Records Management System and Incode Financial program.
- Propose an amendment to City Code Chapter 10, Section 10-8 Noise Nuisance, to apply decibel readings to determine allowable noise in the community.
- Consider police academy sponsorship, including employment while recruit candidates are participating in the TCOLE mandated Basic Police training program.
- Upgrade department issued police handguns by adding optic aiming systems.
- Add two School Resource Officers to expand full time police coverage to an elementary and junior high school campus in the Alamo Heights Independent School District.

OTHER INITIATIVES

- Continue to monitor police reform mandates and adjust operations accordingly; maintain accreditation standards.
- Progressive approach to resolving current and anticipated parking issues.
- Expand non-enforcement driver safety awareness efforts utilizing electronic messaging signs.
- Improve police preparedness for response to critical, life-threatening situations.

PERFORMANCE MEASURES

	ACTUAL FY 2020-21	ADOPTED FY 2021-22	PROJECTED FY 2021-22	ADOPTED FY 2022-23
<u>Input:</u>				
No. of sworn officer positions	21	21	21	23
No. of civilian positions	2.5	2.5	2.5	2.5
No. of patrol vehicles	8	8	8	9
No. of calls for service (CFS) generated ¹	5,439	5,564	5,936	5,923
<u>Output:</u>				
No. of officer initiated calls ¹	1,742	1,379	1,448	1,737
No. of custodial arrests ²	255	201	208	250
No. of police reports prepared	2,685	2,319	2,304	2,765
No. of court citations issued	2,644	2,167	1,774	2,128
No. of warning citations issued	3,757	2,397	3,066	3,679
No. crime prevention contacts ³	8,334	8,400	8,626	8,796
Patrol mileage	84,693	111,784	86,626	105,784
No. of violent crimes reported ⁴	9	16	18	20
No. of property crimes reported ⁵	206	175	242	285
No. of training hours for all personnel	1,577	2,250	3,112	3,200

POLICE**GENERAL FUND****PERFORMANCE MEASURES
(CONTINUED)**

	ACTUAL FY 2020-21	ADOPTED FY 2021-22	PROJECTED FY 2021-22	ADOPTED FY 2022-23
<u>Outcome:</u>				
% of sworn personnel assigned to patrol	76%	76%	76%	76%
% of CFS resulting in written reports	49%	45%	48%	45%
<u>Efficiency:</u>				
% of reports encoded or expedited ⁶	51%	55%	52%	56%
% of calls initiated by officers	31%	41%	39%	41%

EXPLANATORY INFORMATION

- ¹ Includes calls dispatched and officer initiated activities; does not include crime prevention contacts, business checks, vacation watch or other miscellaneous activities.
- ² Changed calculation in FY11 to not include citation and release arrests
- ³ Crime prevention contacts include residential close-patrol, business checks, crime prevention surveys, school education contacts, and community group contacts.
- ⁴ Violent crimes include criminal homicide, forcible rape, robbery, and aggravated assault.
- ⁵ Property crimes include burglary, theft, motor vehicle theft, and arson.
- ⁶ Police reports that are encoded or expedited are common incidents reported in the form of a code rather than a computerized report negating the need for an officer to be off the street entering reports thereby increasing patrol availability.

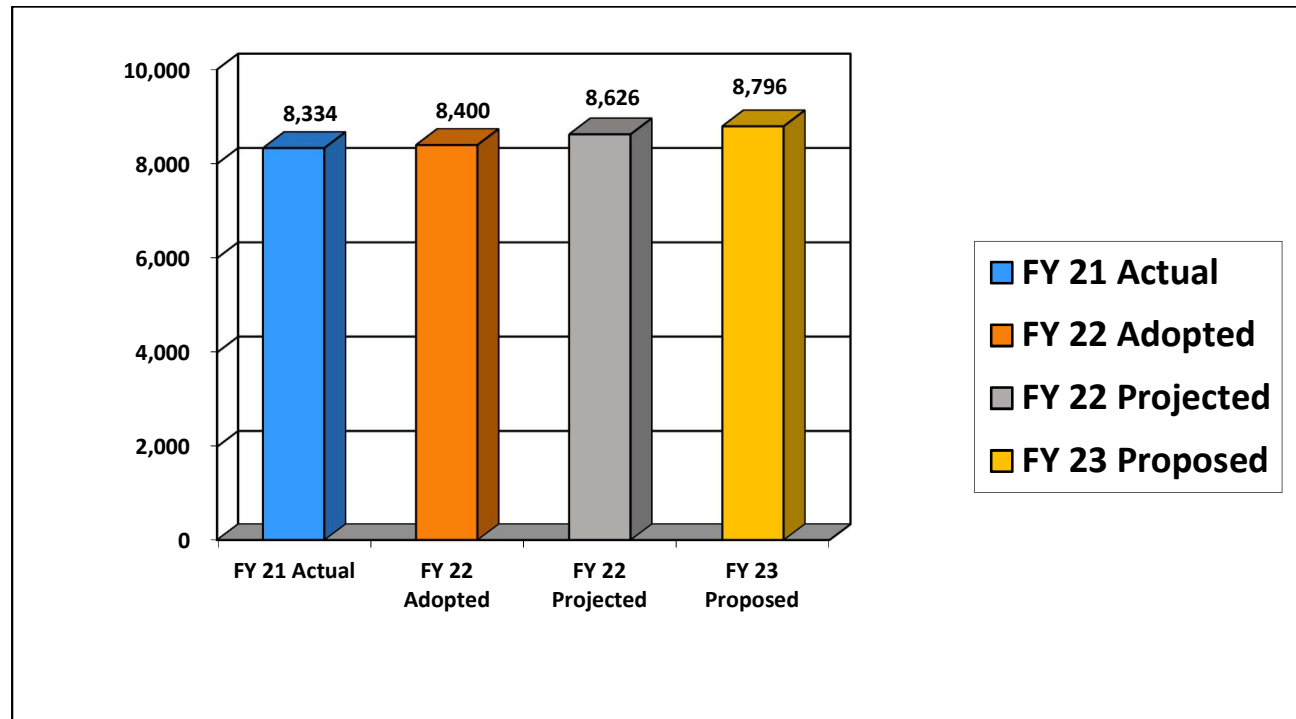
PROGRAM CHANGES**◆ IMPROVEMENTS*****CAPITAL REPLACEMENT* \$51,127**

- One Interceptor SUV police vehicle (\$39,501)
- Related police vehicle equipment needs (\$11,626)

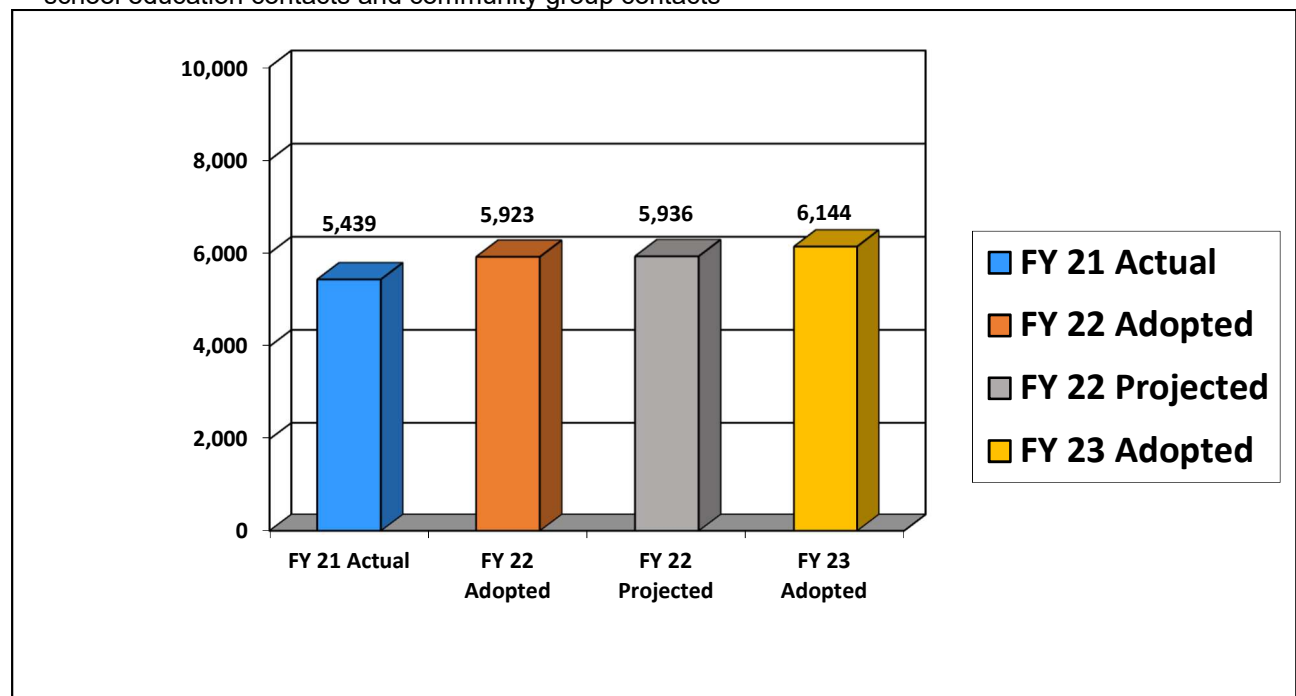
SUMMARY OF EXPENDITURES AND POSITIONS

	ACTUAL FY 2020-21	ADOPTED FY 2021-22	PROJECTED FY 2021-22	ADOPTED FY 2022-23
PERSONNEL SERVICES	\$2,119,235	\$2,406,415	\$2,228,497	2,740,313
COMMODITIES	121,540	145,406	138,980	166,785
CONTRACTUAL SERVICES	78,894	100,349	88,595	100,408
CAPITAL OUTLAY	0	0	0	16,836
TOTAL EXPENDITURES	\$2,319,669	\$2,652,270	\$2,456,072	\$3,024,342
AUTHORIZED POSITIONS	23	24	24	26
FULL-TIME EQUIVALENTS	23	23	23	25

PERFORMANCE MEASURE HIGHLIGHTS



* Crime prevention contacts include residential close-patrol, business checks, crime prevention surveys, school education contacts and community group contacts



* Includes calls dispatched and officer initiated activities; does not include crime prevention contacts, business checks, vacation watch or other miscellaneous activities.

PROGRAM INFORMATION

The Public Safety Dispatch Division is responsible for receiving both emergency and non-emergency calls and effectively dispatching the appropriate departments from the cities of Alamo Heights, Terrell Hills and Olmos Park to respond.

GOALS & OBJECTIVES

To continuously provide high quality emergency communication services to the community:

- Receive, process, and prioritize calls for service promptly in the communications center and dispatch police officers or other emergency service providers
- Maintain a public safety answering point

PERFORMANCE MEASURES

	ACTUAL FY 2020-21	ADOPTED FY 2021-22	PROJECTED FY 2021-22	ADOPTED FY 2022-23
<u>Input:</u>				
No. of dispatcher full-time equivalents	10.0	10.0	10.0	10.0
No. of calls received ¹	6,615	5,918	5,616	6,216
No. of self-initiated calls ²	2,730	1,758	2,115	2,319
No. of 911 (emergency) calls received ³	5,338	4,725	5,072	5,277
<u>Output:</u>				
No. of calls dispatched to Police	5,327	4,534	3,866	4,380
No. of 911 calls dispatched to Police	1,043	900	890	900
No. of calls dispatched to Fire	473	780	806	830
No. of 911 calls dispatched to Fire	165	356	310	356
No. of calls dispatched to EMS	815	930	944	1,006
No. of 911 calls dispatched to EMS	798	460	460	483
<u>Outcome:</u>				
% of 911 (emergency) calls dispatched ⁴	37%	34%	37%	33%
% of calls disp. PD	45%	38%	35%	30%
% of calls disp. FD/EMS	25%	24%	32%	30%

EXPLANATORY INFORMATION

¹ Calls for service received for all services.

² Does not include traffic enforcement contacts or security checks.

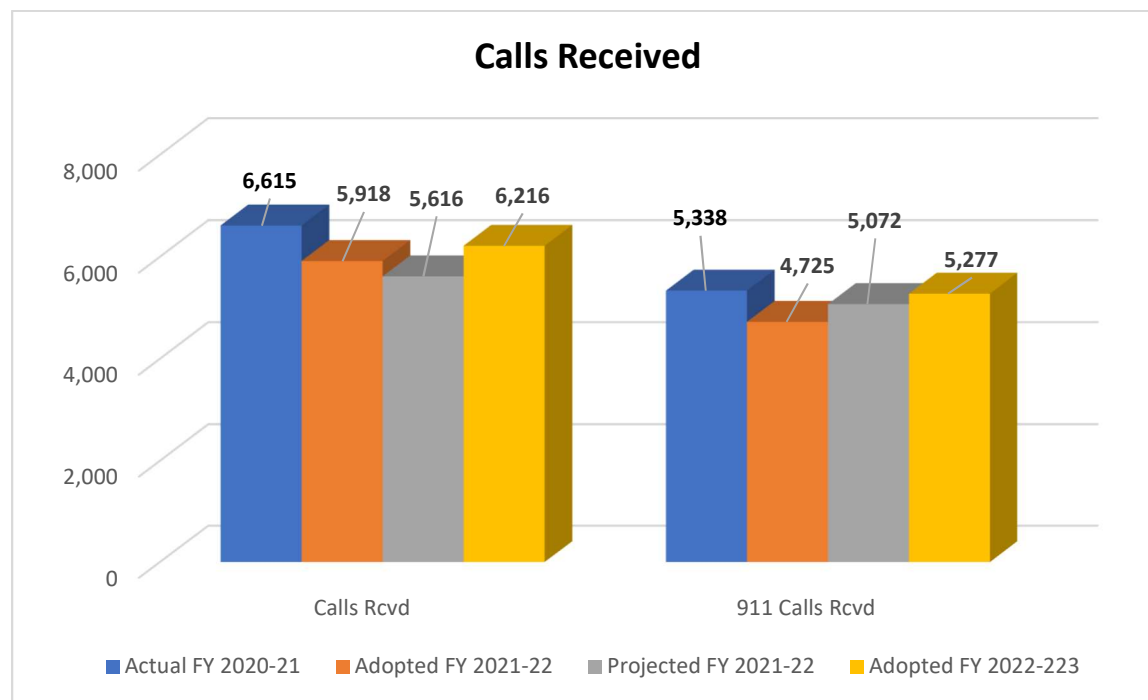
³ Includes misdials, duplicate calls, and transfers to other agencies.

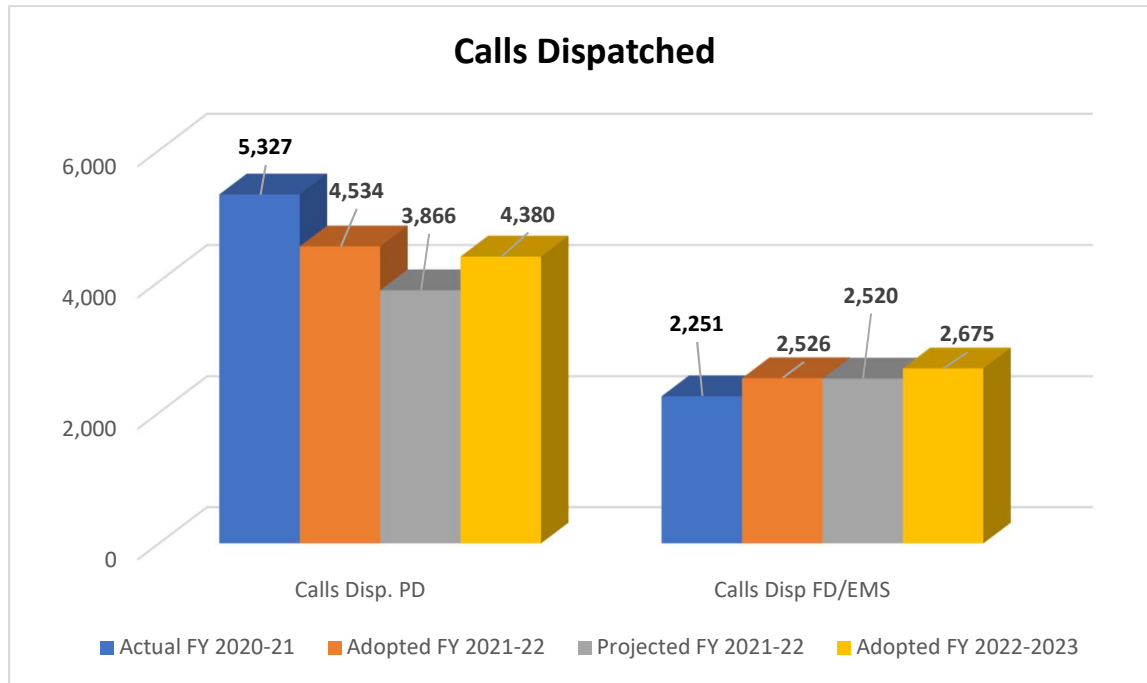
⁴ Represents only 911 calls dispatched to Alamo Heights.

SUMMARY OF EXPENDITURES AND POSITIONS

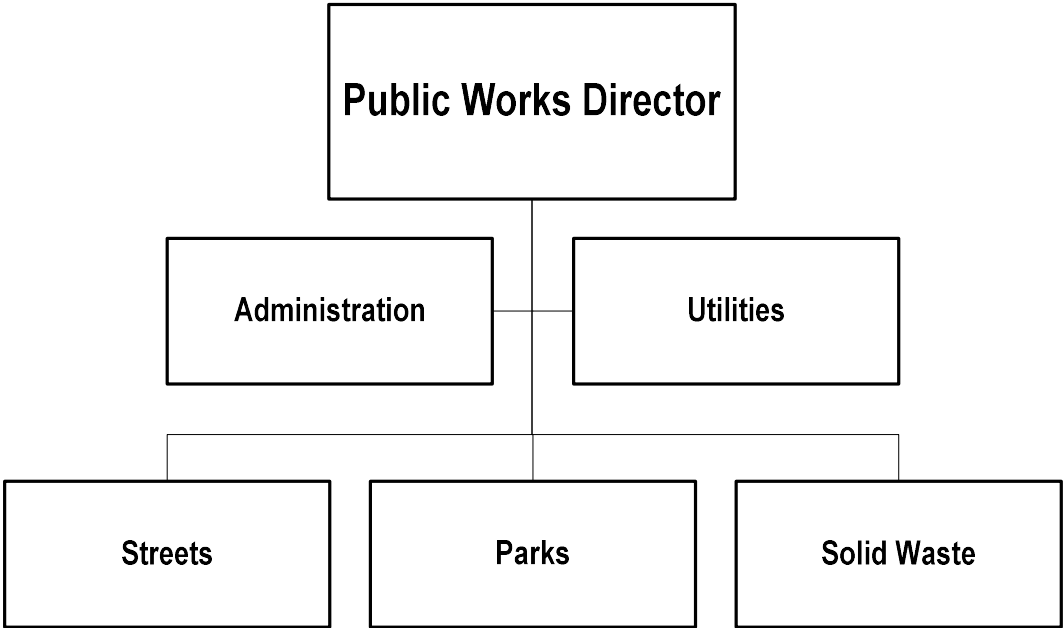
	ACTUAL FY 2020-21	ADOPTED FY 2021-22	PROJECTED FY 2021-22	ADOPTED FY 2022-23
PERSONNEL SERVICES	\$687,128	\$743,498	\$688,387	\$762,873
COMMODITIES	8,710	24,446	21,000	29,254
CONTRACTUAL SERVICES	2,004	1,824	2,004	1,824
CAPITAL OUTLAY	0	0	0	0
TOTAL EXPENDITURES	\$697,842	\$769,768	\$711,391	\$803,951
AUTHORIZED POSITIONS	10	10	10	10
FULL-TIME EQUIVALENTS	10	10	10	10

PERFORMANCE MEASURE HIGHLIGHTS





* Includes calls received for all services. Does not include self-initiated activity or special assignments.



PUBLIC WORKS

APPROPRIATIONS BY DIVISION	ASSIGNED FTE	BUDGET FY 2023
Administration	1.00	\$119,491
Streets	5.00	695,690
Solid Waste	10.00	909,871
Parks	4.00	380,030
Water	10.00	2,857,900
Sewer	0.00	1,519,780
Total Funding	30.00	\$6,482,762

MISSION STATEMENT

The Public Works Department is committed to providing high quality, well planned, environmentally responsible, cost effective infrastructure and services to promote public health, personal safety, transportation, economic growth and civic vitality.

PROGRAM INFORMATION

The Public Works Department is responsible for the operation and maintenance of the City's street and drainage infrastructure, traffic signals, public signage, park areas and facilities; and for the provision of solid waste, recycling services to its customers.

GOALS & OBJECTIVES

To properly maintain and strategically improve public infrastructure and provide excellent services to our customers in an effective and efficient manner

- Effectively manage the street, drainage and facility improvements in the City's Capital Improvement Program (CIP)
- Resurface approximately four percent (4%) of the City's streets each year through the oversight of the Street Maintenance Program (SMP)
- Properly maintain the City's traffic signals, signage, storm water lines and facilities
- Coordinate the implementation of the City's Storm Water Management Plan
- Continuously improve and regularly maintain the City's green spaces
- Provide high quality, cost effective solid waste services at a competitive rate
- Provide the highest level of customer service to our customers

ACTION STEPS

- Work to limit numerous utility cuts throughout the City to improve ride is ongoing
- Work toward solutions to street drainage improvements which have been identified ahead of Street Maintenance Program (SMP)

OTHER INITIATIVES

- Work with community partners to implement various beautification & quality of life projects

VEHICLE/EQUIPMENT REPLACEMENT (CAPITAL)

- Replace 2000 International model garbage truck with like model

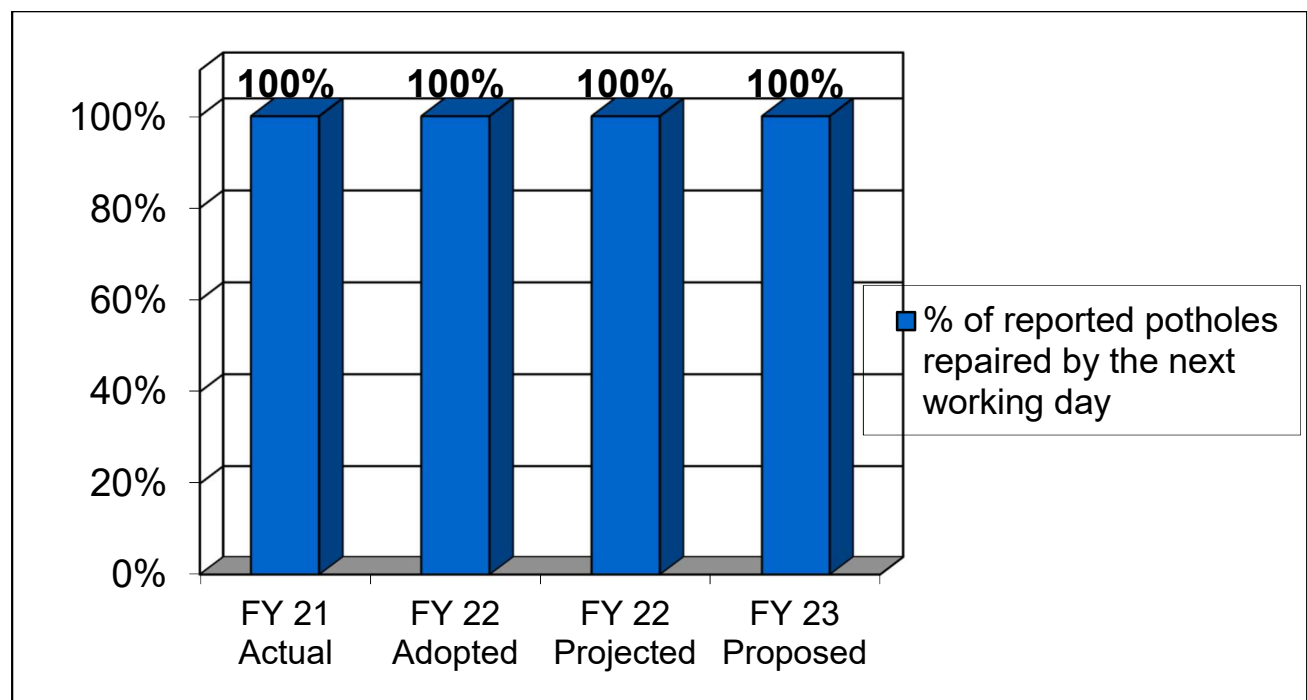
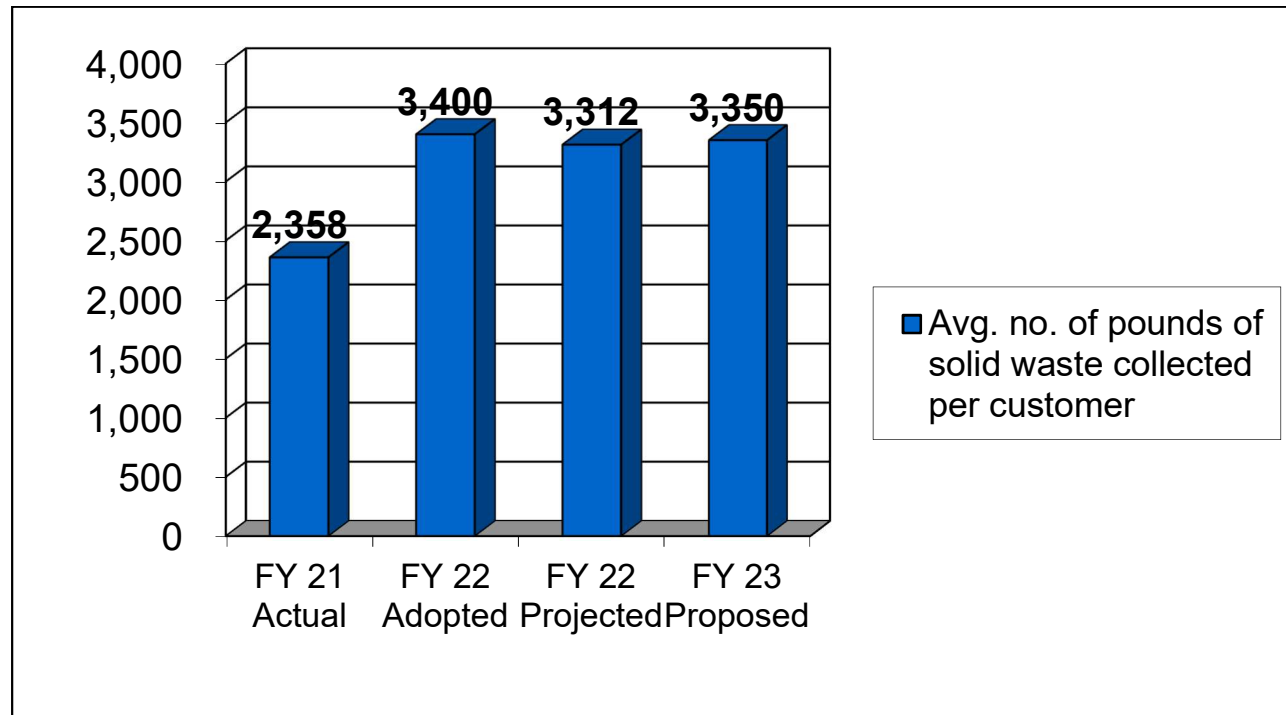
PUBLIC WORKS**GENERAL FUND****PERFORMANCE MEASURES**

	ACTUAL FY 2020-21	ADOPTED FY 2021-22	PROJECTED FY 2021-22	PROPOSED FY 2022-23
<u>Input:</u>				
No. of lane miles of paved streets and alleys	110	110	110	110
No. of linear miles of City storm drains	2	2	2	2
No. of solid waste effective customers	2,571	2,905	2,570	2,560
No. of staff assigned to patching potholes	2	2	2	2
No. of staff collecting solid waste and recyclable materials	9	9	9	9
No. of staff assigned to maintaining park space	4	4	4	4
Total park acreage maintained	69	69	69	69
No. of street signs maintained	1,620	1,645	1,630	1,645
No. of traffic signals maintained	74	74	74	74
<u>Output:</u>				
No. of square yards of street repaired	70,000	55,000	50,000	55,000
Tons of solid waste collected	4,200	5,000	6,800	5,000
Tons of materials recycled	752	715	750	715
<u>Outcome:</u>				
% of reported potholes repaired by the next working day	100%	100%	100%	100%
<u>Efficiency:</u>				
Avg. no. of square yards patched per staff per working day (248 days)	55	45	15	45
Avg. no. of pounds of solid waste collected per effective customer	2,358	3,400	3,312	3,350
Avg. no. of pounds of materials recycled per effective customer	578	490	560	590

SUMMARY OF EXPENDITURES AND POSITIONS

	ACTUAL FY 2020-21	ADOPTED FY 2021-22	PROJECTED FY 2021-22	PROPOSED FY 2022-23
PERSONNEL SERVICES	\$1,183,473	\$1,330,894	\$1,223,441	\$1,479,772
COMMODITIES	355,625	377,417	379,435	376,317
CONTRACTUAL SERVICES	212,800	231,470	168,307	248,993
CAPITAL OUTLAY	0	0	0	0
TOTAL EXPENDITURES	\$1,751,898	\$1,939,781	\$1,771,183	\$2,105,082
AUTHORIZED POSITIONS	20	20	20	20
FULL-TIME EQUIVALENTS	20.00	20.00	20.00	20.00

PERFORMANCE MEASURE HIGHLIGHTS



PROGRAM INFORMATION

The Utilities Division of the Public Works Department is responsible 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.

GOALS & OBJECTIVES

To continuously maintain and improve public infrastructure and provide the high-quality services to our customers in an effective and efficient manner.

- Maintain the required quality, volume and pressure of the water distribution system
- Routine cleaning of the City's sewer system
- Provide high quality, cost effective water and sewer services at a competitive rate
- Meet all federal, state and local testing and reporting requirements
- Provide the highest level of customer service to our customers
- Explore and enact resiliency measures to maintain high-quality water and sewer service

ACTION STEPS

- Effectively manage the water main installation on Wildrose, Cloverleaf & Rosemary to enhance regulatory compliance
- Implement preparation measures for potential Lower Broadway improvements

OTHER INITIATIVES

- Respond and repair emergency main breaks within 3 hours of initial call.
 - Install third emergency water supply back up motor (natural gas) on well #3 at City Hall
 - Implement water tank maintenance measures
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PUBLIC WORKS**UTILITY FUND****PERFORMANCE MEASURES**

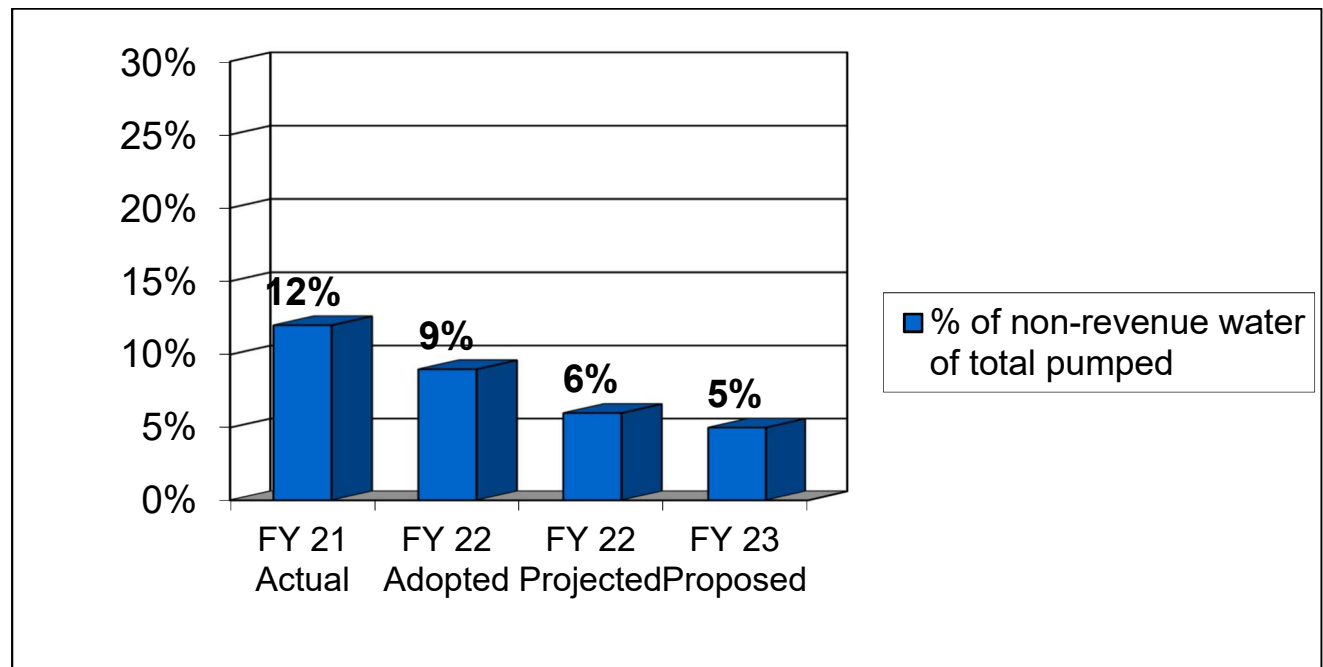
	ACTUAL FY 2020-21	ADOPTED FY 2021-22	PROJECTED FY 2021-22	PROPOSED FY 2022-23
<u>Input:</u>				
No. of linear miles of water mains	48	48	48	48
No. of linear miles of sewer mains	33	33	33	33
No. of ground water wells	6	6	6	6
Total water pumping capacity in gallons per minute	5,565	5,800	5,740	5,800
No. of effective water connections	3,123	3,170	3,120	3,120
<u>Output:</u>				
No. of gallons storage provided	1,050,000	1,050,000	1,050,000	1,050,000
No. of gallons of water pumped	664,000,000	620,000,000	610,613,000	620,000,000
No. of gallons of water billed	644,666,000	610,000,000	483,127,530	610,000,000
No. of linear feet of water lines replaced	2,100	1,200	2,000	1,200
No. of linear feet of sewer lines replaced	1,000	1,000	250	1,000
No. of water mains leaks repaired	10	18	10	18
No. of water service line leaks repaired	40	70	60	70
No. of sewer line leaks repaired	3	3	2	3
<u>Outcome:</u>				
No. of gallons of non-revenue water ¹	58,000,000	110,000,000	114,513,562	110,000,000
% of reported water leaks repaired within 3 working days	95%	98%	93%	98%
<u>Efficiency:</u>				
Avg. no. of gallons of water pumped per effective connection	195,000	195,000	180,006	183,000
Avg. no. of gallons of water billed per effective connection	214,889	192,000	151,449	200,000
Gallons of water storage per effective connection	350	330	343	350
% of non-revenue water of total pumped	12%	2%	6%	5%

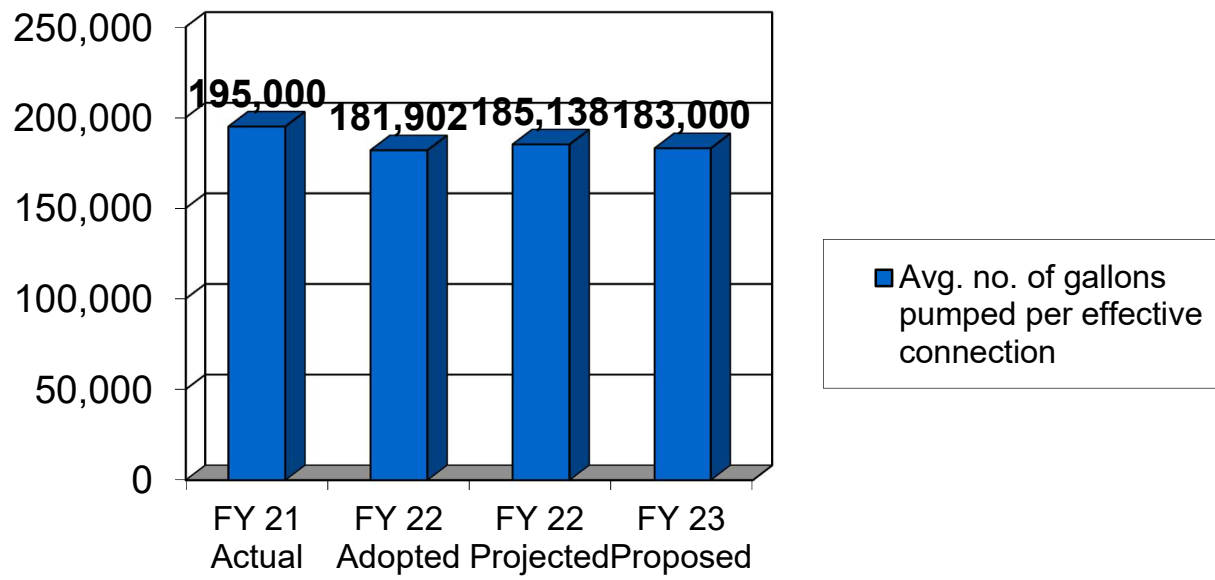
EXPLANATORY INFORMATION:

¹ Non-Revenue Water (NRW) is defined by the IWA/AWWA as the difference between the volume input to the water supply system (system input volume) and the volume of metered and/or unmetered water taken by registered customers, the water supplier and others who are authorized to do so (authorized consumption).

PUBLIC WORKS**UTILITY FUND****SUMMARY OF EXPENDITURES AND POSITIONS**

	ACTUAL FY 2020-21	ADOPTED FY 2021-22	PROJECTED FY 2021-22	PROPOSED FY 2022-23
PERSONNEL SERVICES	\$862,621	\$1,173,316	\$935,475	\$1,235,952
COMMODITIES	499,451	536,700	484,745	601,700
CONTRACTUAL SERVICES	1,829,244	1,962,780	1,758,067	1,997,280
OPERATING TRANSFER OUT	452,463	70,801	70,801	92,748
CAPITAL OUTLAY	0	667,000	545,000	450,000
TOTAL EXPENDITURES	\$3,643,779	\$4,410,597	\$3,794,088	\$4,377,680
AUTHORIZED POSITIONS	10	10	10	10
FULL-TIME EQUIVALENTS	10.00	10.00	10.00	10.00

PERFORMANCE MEASURE HIGHLIGHTS





CITY HOLIDAY SCHEDULE

The City Council has approved 14 holidays.

HOLIDAY	DATE
Veteran's Day	Friday, November 11, 2022
Thanksgiving Day	Thursday, November 24, 2022
Day after Thanksgiving	Friday, November 25, 2022
Christmas Eve (Observed)	Friday, December 23, 2022
Christmas Day (Observed)	Monday, December 26, 2022
New Year's Day (Observed)	Monday, January 2, 2023
Martin Luther King Day	Monday, January 16, 2023
President's Day	Monday, February 20, 2023
Good Friday	Friday, April 7, 2023
Battle of Flowers	Friday, April 28, 2023
Memorial Day	Monday, May 29, 2023
Juneteenth	Monday, June 19, 2023
Independence Day	Tuesday, July 4, 2023
Labor Day	Monday, September 4, 2023



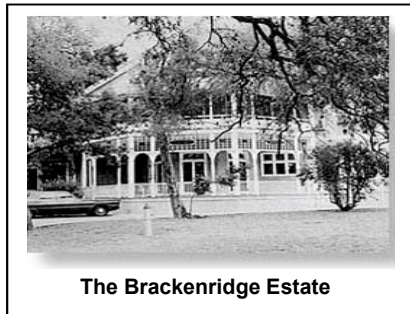
HISTORY OF ALAMO HEIGHTS

“No one who has lived in Alamo Heights will deny that the mystique exists.”

--T.R. Fehrenbach, Historian

The headwaters of the San Antonio River that attracted early nomadic Texas Indians also beckoned two early settlers: George Washington Brackenridge and Charles Anderson in the mid-1800s. Brackenridge acquired an earlier homestead, the Sweet Homestead, on land that had been part of San Antonio and built the mansion Fernridge on his estate that he called Alamo Heights.

Charles Anderson, a Kentucky resident, built the headquarters for his sprawling horse ranch on the Olmos Bluffs where the view of the natural beauty extended in all directions. Later the Anderson mansion became the Argyle Hotel, a place of charm and hospitality and the oldest surviving structure in the city.



From these two early endeavors, fueled by their desire to live in an environment of natural beauty, Brackenridge and Anderson set the stage for a city that even today places emphasis on its scenic vistas, towering trees and quiet environment.

The building of Alamo Heights began in the 1890s when the family that had purchased the Anderson ranch property sold it to the Chamberlain Investment Company of Denver. During the same time, the Brackenridge properties were sold to the Order

of the Sisters of Charity of the Incarnate Word on the condition that they buy all 280 acres in “Alamo Heights” and preserve the house and grounds.

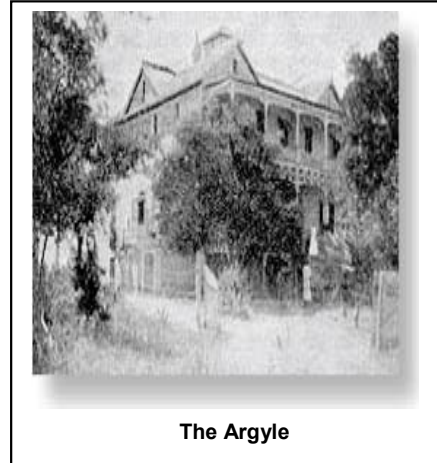
Brackenridge loved the natural beauty of the area and insisted that it be preserved. Records detail that he frequently visited the property to make sure the sisters did not cut down any shrubs or trees.

The Denver Company planned a suburban residential development, turning the Anderson-McLane mansion into the Argyle Hotel and staking out large lots nearby for homesites. Their development plan sited streets that followed the contours of the land, preserved the centuries-old trees even in the middle of streets and retained the headwaters of the river with its associated lake. Beauty and natural charm described their efforts.

But the plans were ahead of their time. Only dusty roads that could be traveled by horseback or carriage connected Alamo Heights to San Antonio. River canoe provided the other transportation alternative at a time when San Antonio’s gentry lived south of Commerce Street.

The answer was a road—River Avenue that later became Broadway—and a rail line. But, while those improvements came too late to save Chamberlain Investment Company from financial disaster, the company had left its imprint on Alamo Heights.

Following lawsuits, the company was reorganized as the Alamo Heights Company. Owners Judge M.H. Townsend and W.B. Willim decided to open the acreage beyond the original development to other companies. By 1908, building began on more modest homes in Montclair, east of Broadway. Madeleine Terrace, farther south, quickly became the home of sculptor Pompeo Coppini and was better known than the original development around the Argyle. The pattern of scattered building by different developers continued, with the result that Alamo Heights' character emerged. It became a community of varied architectural styles that attracted people of different income groups and ages.



The Argyle

By 1921, the auto had left its mark in many ways, including successful development of Alamo Heights as a residential community.

Earlier desires to be annexed by San Antonio, desires that were rebuffed, turned to fear in 1922 that San Antonio wanted to annex Alamo Heights to increase its tax base without providing services. Community leaders called a citizens' meeting on June 4 and residents voted 289 to 8 to petition Bexar County Judge McCloskey for a city government.

Alamo Heights became a municipality on June 20, 1922, but with no city charter and a government that consisted of a mayor, five aldermen and a town marshal. The population stood at about 3,000 in an area that extended only as far north as Tuxedo Avenue. Bluebonnet Hills was annexed in 1928 and Sylvan Hills completed the current northern boundary when it was annexed in 1944.

From its earliest days, the city government focused on providing modern services without destroying the character of Alamo Heights as a residential area. Ordinances restricted business activity to those that provided convenience for residents and limited businesses to defined districts. Building and zoning codes restricted buildings to two stories and assured open spaces, natural light and greenery.

In 1927, the City Council recommended a \$350,000 bond issue to provide modernization. Alamo Heights became the only municipality in the county with all paved streets. The city connected sewer lines to the San Antonio system and purchased the old waterworks and expanded it. Finally, the city officers moved from meeting in the Argyle Hotel to the current building on Broadway.

Later years saw the expansion of recreational facilities with the construction of the swimming pool in 1947 and addition of nature trails in Olmos Basin in 1965. But throughout its development, Alamo Heights maintained its character as a residential community that changed gracefully.

Historian T.R. Fehrenbach characterized the city by saying, "Alamo Heights, whatever else it is, reflects three qualities: good government, stable neighborhoods and a feeling of intimacy." It has a character that goes back to its beginning as the home of George Brackenridge and Charles Anderson who loved its hills, beautiful trees and twisting roads.



GLOSSARY

Accrual Basis Accounting - The basis of accounting whereby revenue projections are developed recognizing revenues expected to be earned in the period, and expenditure estimates are developed for all expenses anticipated to be incurred during the last fiscal year. The budget for the City's proprietary fund type – the Utility Fund uses this basis of accounting.

Appropriation - A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in the amount and as to the time when it may be expended.

Assessed Valuation - A valuation set upon real estate and certain personal property by the appraisal district as a basis for levying property taxes.

Assets - Resources owned or held by a government which has monetary value.

Basis of Accounting - The timing method used in the recognition of revenues and expenditures for financial reporting purposes.

Budget Document - The official written statement prepared by the City's staff and approved by the City Council to serve as a financial and operation guide for the fiscal year end in which it was adopted.

Budgetary Control - The control or management of government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

Capital Assets - Resources having a value of \$1,000 or more and a useful life of more than one (1) year.

Capital Outlays - Expenditures which result in the acquisition of or addition of fixed assets.

Cash - Includes currency on hand and demand deposits with banks or other financial institutions.

Cash Basis Accounting - The method of accounting under which revenues are recorded when received and expenditures are recorded when paid.

Current Assets - Cash and other assets or reserves which are reasonably expected to be realized in cash or consumed within one (1) year.

Current Liabilities - Liabilities that must be paid within one (1) year.

Fixed Assets - Resources of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery, and equipment.

Fund - An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

Fund Balance - The excess of fund assets over liabilities. A negative fund balance is sometimes called a deficit.

General Fund - General Operating Fund of the City, accounting for the resources and expenditures related to the generally recognized governmental services provided.

Governmental Funds - Accounting segregation of financial resources for a governmental entity. The City's General and Capital Projects Funds are governmental funds.

Infrastructure - Public domain fixed assets such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems and similar assets that are immovable and of value only to the government unit.

Liabilities - Probable future sacrifices of economic benefits, arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.

Modified Accrual Basis - Under the basis of accounting, revenues are estimated for the fiscal year if they are susceptible to accrual, e.g. amounts can be determined and will be collected within the current period. Principal and interest on general long-term debt are budgeted as expenditures when due, whereas other expenditures are budgeted for liabilities expected to be incurred during the current period. The budget for the City's General Fund is developed using this accounting basis.

Net Working Capital - The excess of current assets over current liabilities.

Operational Capital - Capital outlays of less than \$100,000 included in the operating budget.

Operational Surplus - The excess of revenues over expenditures, less encumbered funds (encumbrances).

Operating Budget - A plan of financial operation embodying an estimate of expenditures for the calendar year and the proposed means of financing them (revenue estimates).

Ordinance - A formal legislative enactment by the governing body of municipality.

Performance Pay - A component of the City's pay plan that recognizes and financially rewards employees in the performance of assigned job duties and achieving departmental goals and objectives.

Retained Earnings - An equity account reflecting the accumulated earnings of the City's Utility Fund (proprietary).

Revenues - The term designates an increase to a fund's assets which does not represent: 1) a liability increase (e.g. proceeds from a loan); 2) a repayment of an expenditure already made; 3) a cancellation of certain liabilities; or 4) an increase in contributed capital.

Special Revenue Fund - A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specific purposes. GAAP only require the use of special revenue funds when legally mandated.

Tax Levy - The total amount of taxes imposed by the City of taxable property within its boundaries.

Tax Rate - The dollar rate for taxes levied for each \$100 of assessed valuation.

Transfer - The movement of monies from one fund, activity, department, or account to another. This includes budgetary funds and/or movement of assets.

Utility Fund - The proprietary, or enterprise, fund used to account for the provision of water, sewer and sanitation services to the City's residents on a cost recovery basis through user charges.