



# City of San Antonio

## Agenda Memorandum

**File Number:** 14-2152

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**Agenda Item Number:** 4F.

**Agenda Date:** 9/18/2014

**In Control:** City Council A Session

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**DEPARTMENT:** Office of Management and Budget

**DEPARTMENT HEAD:** Maria Villagomez (OMB)

**COUNCIL DISTRICTS IMPACTED:** City Wide

### **SUBJECT:**

FY 2014 Closing Ordinance

### **SUMMARY:**

This item authorizes several financial transactions to be completed prior to the close of FY 2014 including carrying forward planned, yet undesignated, FY 2014 expenditures into FY 2015; carrying forward prior year(s) designated funds to FY 2015, and closing accounting records in certain funds and returning balances to their respective funds. These actions are in accordance with General Accepted Accounting Principles (GAAP).

### **BACKGROUND INFORMATION:**

As part of the City's annual year-end fiscal close-out process, a Closing Ordinance is developed to authorize several financial transactions within certain operating, capital and grant funds to comply with Generally Accepted Accounting Principles (GAAP) requirements. Items addressed in the Closing Ordinance include: Carry forward of necessary FY 2014 encumbrances into the FY 2015 Budget; Earmarked funds in the operating funds designated for Capital Projects or grants; and Carry forward of planned, but unencumbered, FY 2014 expenditures into FY 2015.

This action will allow the Finance Director to implement General Accounting Standards Board (GASB) Statements effective and applicable for the fiscal year ending September 30, 2014, any transfers between funds, and budget adjustments necessary to reflect FY 2014 re-estimates included within the Proposed FY 2015 Budget. This ordinance also amends a contract with the San Antonio Children's Museum by increasing the contract amount by \$70,000 consistent with the appropriations included in the FY 2014 Budget.

The ordinance is developed with input from all City departments with assistance from the Finance Department. The Closing Ordinance does not increase budgeted expenditures within the FY 2015 Budget beyond what has been planned and is necessary to ensure execution of FY 2014 commitments.

**ISSUE:**

This item presents for City Council consideration an ordinance authorizing City staff to perform various financial transactions prior to the close of the current fiscal year. These actions include carrying forward planned, yet unencumbered, FY 2014 expenditures into FY 2015; carrying forward prior year(s) encumbrances to FY 2015, closing accounting records in certain funds and returning balances to their respective funds.

**ALTERNATIVES:**

An alternative is not to carry forward certain FY 2014 funds; however, this would prevent the City from meeting certain financial obligation, the procurement of certain equipment and the completion of certain projects approved within the FY 2015 operating budget.

**FISCAL IMPACT:**

This action does not increase budgeted expenditures within the FY 2015 Budget beyond what has been planned and is necessary to ensure execution of FY 2014 commitments.

**RECOMMENDATION:**

City staff recommends approval of this item.