



City of San Antonio

Agenda Memorandum

File Number:16-4818

Agenda Item Number: 4F.

Agenda Date: 9/15/2016

In Control: City Council A Session

DEPARTMENT: Office of Management and Budget

DEPARTMENT HEAD: John Woodruff

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

FY 2016 Closing Ordinance

SUMMARY:

This item authorizes several financial transactions to be completed prior to the close of FY 2016, including carrying forward planned, yet undesignated, FY 2016 expenditures into FY 2017; carrying forward prior year(s) designated funds to FY 2017, closing accounting records in certain funds and returning balances to their respective funds, and amending prior appropriations. These actions are in accordance with General Accepted Accounting Principles (GAAP).

BACKGROUND INFORMATION:

As part of the City's annual year-end fiscal closeout 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 2016 encumbrances into the FY 2017 Budget; earmarked funds in the operating funds designated for Capital Projects or grants; and carry forward of planned, but unencumbered, FY 2016 expenditures into FY 2017; and amendment of certain prior appropriations.

This action will allow the Deputy Chief Financial Officer to implement General Accounting Standards Board (GASB) Statements effective in and applicable for the fiscal year ending September 30, 2016, any transfers between funds, and budget adjustments necessary to reflect FY 2016 re-estimates included within the Proposed FY 2017 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 2017 Budget beyond what has been planned and is necessary to ensure execution of FY 2016 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 2016 expenditures into FY 2017; carrying forward prior year(s) encumbrances to FY 2017, closing accounting records in certain funds, returning balances to their respective funds, and amending prior appropriations.

ALTERNATIVES:

An alternative is not to carry forward certain FY 2016 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 2017 operating budget.

FISCAL IMPACT:

This action does not increase budgeted expenditures within the FY 2017 Budget beyond what has been planned and is necessary to ensure execution of FY 2016 commitments.

RECOMMENDATION:

City staff recommends approval of this item