



# City of San Antonio

## Agenda Memorandum

**File Number:**20-5339

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**Agenda Item Number:** 4F.

**Agenda Date:** 9/17/2020

**In Control:** City Council A Session

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**DEPARTMENT:** Office of Management and Budget

**DEPARTMENT HEAD:** Scott Huizenga

**COUNCIL DISTRICTS IMPACTED:** City Wide

### **SUBJECT:**

FY 2020 Closing Ordinance

### **SUMMARY:**

This item authorizes several financial transactions to be completed prior to the close of FY 2020, including carrying forward planned, yet undesignated, FY 2020 expenditures into FY 2021; carrying forward prior year(s) unencumbered funds into FY 2021, authorizing the ratification of Grant awards, Emergency Contract and Purchases as a result of the impacts of COVID-19 on the community, approving certain contracts, 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 2020 encumbrances into the FY 2021 Budget; earmarked funds in the operating funds designated for Capital Projects or grants; and carry forward of planned, but unencumbered, FY 2020 expenditures into FY 2021 (see Attachment 1); authorizing the ratification of Grants, Emergency Contract and Purchases as a result of the impacts of COVID-19 on the community, 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, 2020; any transfers

between funds; and budget adjustments necessary to reflect FY 2020 re-estimates included within the Proposed FY 2021 Budget.

This ordinance also authorizes the ratification of grant awards totaling \$27 million. These grants have been awarded to the City of San Antonio by various Federal agencies to manage the response and recovery of COVID-19 within the community (see Attachment 2).

In addition, the ordinance will also authorize the ratification of Emergency Contracts and Purchases funded by these grant awards totaling \$2.4 million. These emergency purchases were necessary to address the response and recovery due to the impact of COVID-19 within the community. These purchases include: Personal Protective Equipment (PPE), Contactless Ticketing Entry Gate Turnstiles, Touchless Faucets & Toilet Retrofits, Ultraviolet Disinfection Robots, Electronic Appointment Scheduling System and other equipment.

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 2021 Budget beyond what has been planned and is necessary to ensure execution of FY 2020 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 2020 expenditures into FY 2021; carrying forward prior year(s) encumbrances to FY 2021, authorizing the ratification of Grants, Emergency Contract and Purchases as a result of the impacts of COVID-19 on the community, approving certain contracts, 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 2020 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 2020 operating budget.

#### **FISCAL IMPACT:**

This action does not increase budgeted expenditures within the FY 2021 Budget beyond what has been planned and is necessary to ensure execution of FY 2020 commitments. This ordinance will also authorize the ratification of COVID-19 related grants in the amount of \$27 million and Emergency Purchases in the amount of \$2.4 million.

#### **RECOMMENDATION:**

City staff recommends approval of this item.