



City of San Antonio

Agenda Memorandum

File Number:15-4828

Agenda Item Number: 4F.

Agenda Date: 9/10/2015

In Control: City Council A Session

DEPARTMENT: Office of Management and Budget

DEPARTMENT HEAD: Maria Villagomez

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

FY 2015 Closing Ordinance

SUMMARY:

This item authorizes several financial transactions to be completed prior to the close of FY 2015 including carrying forward planned, yet undesignated, FY 2015 expenditures into FY 2016; carrying forward prior year(s) designated funds to FY 2016, 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 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 2015 encumbrances into the FY 2016 Budget; Earmarked funds in the operating funds designated for Capital Projects or grants; and Carry forward of planned, but unencumbered, FY 2015 expenditures into FY 2016.

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, 2015, initiate any transfers between funds, make budget adjustments necessary to reflect FY 2015 re-estimates included within the Proposed FY 2016 Budget, and make necessary accounting adjustments to comply with ordinances approved

during FY 2015.

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 2016 Budget beyond what has been planned and is necessary to ensure execution of FY 2015 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 2015 expenditures into FY 2016; carrying forward prior year(s) encumbrances to FY 2016, closing accounting records in certain funds and returning balances to their respective funds.

ALTERNATIVES:

An alternative is not to carry forward certain FY 2015 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 2016 operating budget.

FISCAL IMPACT:

This action does not increase budgeted expenditures within the FY 2016 Budget beyond what has been planned and is necessary to ensure execution of FY 2015 commitments.

RECOMMENDATION:

City staff recommends approval of this item.