

## Legislation Details (With Text)

<b>File #:</b>	24-395	<b>Name:</b>	
<b>Type:</b>	Resolution	<b>Status:</b>	Consent Item Ready
<b>File created:</b>	3/12/2024	<b>In control:</b>	City Council
<b>On agenda:</b>	3/25/2024	<b>Final action:</b>	
<b>Title:</b>	Approval of a FY 2023 Budget Amendment to record the full purchase of the real property addressed as 256 and 264 Krueger Avenue previously approved on 08/14/2023.		
<b>Sponsors:</b>			
<b>Indexes:</b>			
<b>Code sections:</b>			
<b>Attachments:</b>			

Date	Ver.	Action By	Action	Result
3/25/2024	1	City Council	approved	Pass

**PRESENTER:**

Karrie Cook, Budget Manager

**SUBJECT:**

Approval of a FY 2023 Budget Amendment to record the full purchase of the real property addressed as 256 and 264 Krueger Avenue previously approved on 08/14/2023.

**DEPARTMENT:** Finance**COUNCIL DISTRICTS IMPACTED:** N/A**BACKGROUND INFORMATION:**

On 08/14/2023, the City Council approved the purchase of the real property addressed as 256 and 264 Krueger Avenue for \$1,000,000 and authorization for the City Manager to execute all necessary agreements and approval of the associated budget amendment for FY 2023 totaling \$250,000. The property owner agreed to allow the City to spread the cost of the property acquisition over four years (FY 2023-FY 2026).

This was a unique opportunity to reduce the upfront cash outlay for the property. In discussions with the City's auditor as well as internal review of Generally Accepted Accounting Principles (GAAP), it is recommended for the budget to recognize the entire purchase of \$1,000,000 and the owner financed debt associated with this purchase (3 subsequent payments of \$250,000 per year made in FY 2024, FY 2025, and FY 2026).

**Budget Amendment - General Fund** - The following budget amendment is necessary to recognize the full acquisition cost and offsetting proceeds from issuance (owner financing) associated land purchase in FY 2023

as referenced above. Therefore, there is no actual impact to fund balance from this entry.

*Increase (revenue)*

<i>Other financing sources:</i>	<i>\$750,000</i>
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*Increase (expenditures):*

<i>Capital Expenditures - Non-Departmental</i>	<i>\$750,000</i>
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**FISCAL IMPACT:**

Funding has been included in the FY 2024 current budget and will be incorporated into future year's budgets as referenced above through FY 2026.

**RECOMMENDATION:**

Staff recommends approval of this amendment.