



## Agenda Item

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**File #:** 22-0283

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**Requested Agenda Date:**

3/29/2022

**Requested Agenda Title:**

Budget Adjustment: Health Department's Request for Technical 2021 Appropriation Unit Shift of \$339,308 for the Capitalization of Lease in Accordance with GASB 87

**Requested Agenda Item Description:** This is a technical adjustment to capitalize the lease expenses in 2021. The new rule, GASB 87, requires that all leases with a term over one year must be capitalized.

The Health Department has leased vehicles for COVID Response (Contract#HLTCOVBANC) in 2021. With this new rule, Health Department needs to capitalize the full-term expenses of \$339,308 in 2021. Health 2021 budget did not have enough appropriation in Capital Unit 300 for the journal entry to capitalize the expenses. As a result, this technical adjustment is necessary, and it will move the needed budget from the account #639025 in Operations for this purpose.

This entry will not cause any additional cash impact and is an accounting standard compliance issue only.

**Requested Action:** Discussion - Vote Needed

**Presenter(s) (with titles):** Brad Kendrick Budget and Policy Analyst

**Time Needed:** Less than 5 MINS

**Is this Item Time-Sensitive and/or Requesting a Time-Certain?** No

**Requesting Staff Member:** Karen Crompton, Dept. Director, Human Services

**Are Supporting Documents Needed for this Agenda Item Request?** Yes

Please attach supporting documentation, including presentations, to the Legistar file.

Agenda item requests must be complete and submitted via Legistar Approval Sequence to the Council Administrative & Communications Coordinator by the Wednesday before the upcoming Tuesday meeting at 3:00 PM. Please note that some offices have earlier, internal Approval Sequence deadlines.

Items without necessary supporting documentation may be withheld from consideration for the desired meeting date.