

RESOLUTION NO. R-24-52

A RESOLUTION AUTHORIZING EXPENDITURE TO SECURITY BANK OF KANSAS CITY TO EXTINGUISH DEBT ASSOCIATED WITH IMPROVEMENTS TO THE ATKINS-JOHNSON FARM AND MUSEUM NOT TO EXCEED \$270,000.00.

WHEREAS, in 2009 the City borrowed \$500,000.00 to finance improvements at the Atkins-Johnson Farm and Museum; and

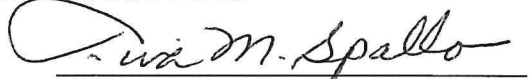
WHEREAS, the current principle balance of the debt is \$266,376.71.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:

THAT, the City Manager of the City of Gladstone, Missouri, is hereby authorized to expend an amount not to exceed \$270,000.00 to extinguish the debt incurred with Security Bank of Kansas City.

FURTHER, THAT, funds for such purpose are authorized from the General Fund.

INTRODUCED, READ, PASSED, AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 12TH DAY OF AUGUST 2024.


Tina M. Spallo, Mayor

ATTEST:


Kris Keller, City Clerk



Request for Council Action

RES ☒ # **R-24-52**

BILL ☐ # City Clerk Only

ORD ☐ # City Clerk Only

Date: 7/31/2024

Department: Finance

Meeting Date Requested: 8/12/2024

Public Hearing: Yes ☐ Date: Click here to enter a date.

Subject: Previous Debt on the Atkins-Johnson Farm

Background: In 2009 the City entered into a financing agreement in the amount of \$500,000.00 for improvements to the Atkins-Johnson Farm and Museum. Over the past few years, interest rates have increased to almost three times what they were in 2009 (based on the Wall Street Journal Prime Rate).

Budget Discussion: Funds are budgeted in the amount of \$ 270,000.00 from the General Fund. Ongoing costs are estimated to be \$0 annually. Previous years' funding was \$0.

Public/Board/Staff Input: Since interest rates have increased over the past few years, the cost of debt has increased. Staff is recommending that the City pay off the financing agreement using the surplus budget remaining from the 2024 fiscal year. Funding will come as a 2025 midyear budget request/recommendation.

Provide Original Contracts, Leases, Agreements, etc. to: City Clerk and Vendor.

Dominic Accurso
Department Director/Administrator

JM
City Attorney

BB
City Manager