



Finance Department
Keith Sawdon, Finance Director

From: **Keith Sawdon, Finance Director**

To: **Mayor and City Council Members**

Date: **May 7, 2012**

Re: **Paint Creek Trailway – Bridge Rehabilitation Budgetary Funding Proposal**

The original plan was to provide the budget necessary to reconstruct the Paint Creek Trailway bridges in the 2013 Budget allowing both the Mayor and City Council to have dialog prior to the adoption of 2013 budget.

Based on the advice of the Department of Public Service, it was determined that due to the current condition of the bridges and the favorable pricing received during their recent proposal process that the Paint Creek Trailway Bridges should be presented to City Council for their input and consideration on moving CIP project PK-o6C forward to the 2012 budget, and not wait for the 2013 Budget.

The 2013 budget was going to propose to City Council that the Capital Improvement Fund (Fund #420) be the funding source for this capital project and that the Pathway Construction Fund (Fund #403) be the construction fund. The CIF fund has a fund balance of approximately \$4 million dollars and was established for situations just like this one.

In that future budget we would have recommended a transfer out from the Capital Improvement Fund to the Pathway Construction Fund large enough to ensure that only CIF funds would be spent on the three bridges and not with millage funds ensuring compliance with the City Attorney's opinion on the use of Pathway millage funds.

Locating the construction expense in the Pathway Construction Fund will help the City in tracking the amount of funds spent on trail related construction (this expense data helps us in completing some of our reports (Performance Dashboard, etc...))

If City Council decides that the reasons for bringing this project forward to the 2012 budget are justified, I would recommend that we follow this same structure that would have been proposed as part of the 2013 budget. If approved by City Council, Fiscal will include all changes necessary to the 2012 budget as part of the next budget amendment.