
CITY OF ROCHESTER HILLS

Fiscal
Service Office

Keith Sawdon, Director of Finance



DATE: March 16, 2009

TO: Members of City Council

CC: Mayor Barnett

RE: Agenda Item 2009-0118

On your March 16th agenda is item 2009-0118, ROW acquisition for Crooks Road (South Blvd. to Auburn Road). This represents the City's remaining share of a Tri-party Agreement.

This item was actually expensed in fiscal year 2008 against that year's budget. The action being presented to Council is for the payment of this previously recorded transaction.

GASB (Governmental Accounting Standards Board) and GAAP (Generally Accepted Accounting Principles) rules recommend that governments recognize a liability in the same Fiscal Year in which it was incurred and is measurable. Following these requirements this liability was actually incurred and recorded in FY 2008 and our FY 2008 financial statements recognize this liability amount. It is now time for us to pay this item, which is residing in Accounts Payable.

If you should have any questions, please feel free to contact me.