



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

NUMBERED LETTER 2018-2

To: Local Road and Street Agencies
From: Community Engagement and Finance Division
Bureau of Local Government and School Services
Date: April 4, 2018

2018-2 Accounting for One-Time State Appropriation to Road and Street Agencies

On March 20, 2018, Public Act 82 of 2018, became effective. Section 105 of the act appropriates \$175 million in state General funds to local units for the purpose of construction or preservation of county roads and city/village streets and other purposes as stipulated in the act for distribution on April 4, 2018.

Governmental Accounting Standards Board (GASB) codification N50.126 states: "Financial statements for governmental funds should be presented using the current financial resources measurement focus and the modified accrual basis of accounting, as the terms are discussed in Section 1600, "Basis of Accounting." Revenues from nonexchange transactions should be recognized "in the accounting period when they become available and measurable." The distribution became measurable and available, as defined above, as of March 20, 2018, the date which this additional funding was signed into law.

Accordingly, all local units should record the revenues within the fund and government-wide statements as of March 20, 2018. Local units should use an open Other State Grants account (a program revenue) within the range of 556-569.

Distribution amounts by municipality may be found by choosing PA 82 of 2018 at the following link:

[MDOT State Supplemental Road Funding/Local Agency Disbursement](#)

If you have any questions, please contact our office.

Michigan Department of Treasury
Community Engagement and Finance Division