



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

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NUMBERED LETTER 1996-06 (Revised)

Issued By: Community Engagement and Finance Division (CEFD)
Bureau of Local Government and School Services

Effective Date: December 4, 1996 (Revised DRAFT DATE)

1996-06 Accounting for Emergency Telephone Service Act Assets,
Liabilities, Revenues and Expenditures pursuant to the 911
Service Plan

Intended Audience: County Clerks, Administrators, and Controllers; Township, Village, and City
Clerks; Primary and Secondary Public Safety Answering Points

Summary: The board of commissioners of a county may establish or modify a telephone district within all or part of the county and may cause 911 service to be implemented within such telephone district pursuant to Public Act 260 of 2012. The board of commissioners must first adopt, by resolution, a tentative 911 service plan.¹

Each primary and secondary Public Safety Answering Point (PSAP) is required to pay directly for all installation and recurring charges for terminal equipment, tie lines, and equipment located on the premise of the PSAP.

If the board of commissioners of a county created multiple emergency telephone districts prior to March 2, 1994, the effective date of this subsection, the emergency telephone districts created shall receive all operational funds collected by the service supplier of the district and operate the systems are provided by Public Act 260 of 2012. The operational funds collected shall be distributed in proportion to the amount of access lines within the primary PSAPs Section 401b (8)).

The statute also addresses public hearing requirements and notification requirements to each public agency affected by the final 911 service plan. Additional requirements for public agencies excluded from the service plan are detailed in the statute.

For emergency telephone districts created after March 2, 1994, operational funds collected shall be distributed by the county or the counties to the primary PSAPs as provided in the final 911 service plan. If distribution is not provided for in the 911 service plan, then according to any agreement for distribution between the county and public agencies. If distribution is not provided in the 911 service plan or by agreement, then according to the distribution of access lines within the primary PSAPs Section 401b (6).

Within 90 days after calendar year end, a service supplier must make an annual accounting of the total emergency telephone charges collected during the preceding calendar year. The statute provides for additional charges in the event of insufficient rates to cover installation costs and for adjusted rates should collections exceed costs.

operational funds collected by the county from the service supplier shall be deposited in a special revenue fund. Expenditures directly related to furnish the 911 service, in accordance with PA 29 of 1994 and the 911 service plan, shall be paid from this fund. The fund would be credited with revenue from 911 operational funds and debited for distributions.

The following are the required fund and account numbers to be used in accordance with the Uniform Chart of Accounts for Counties and Local Units of Government in Michigan.

Accounting:

Special Revenue Fund

911 Service Fund-261 (the attached summary is to be inserted in your Chart of Accounts notebook).

Activities

Activities 346-350 -- Various Public Safety Activities (assign as needed).

Accounts

Detailed asset, liability, revenue and expenditure accounts as needed and provided for in the Uniform Chart of Accounts.

Detailed capital asset and long-term debt accounts as needed and provided for in the Uniform Chart of Accounts.

If you need further assistance, please contact (517) 335-7469 or write our office:

Michigan Department of Treasury
Community Engagement and Finance Division
P.O. Box 30728
Lansing, MI 48909-8228

261.911 SERVICE FUND

PURPOSE -- This fund is used to account for earmarked revenue for 911 service under the provisions of Public Act 29 of 1994, being Section 484.1101 to 484.1707 of the Compiled Laws of 1994, as amended.

CHARACTER -- This fund is classified as special revenue because of the limited usage (for 911 service) of its assets.

DISTINGUISHING FEATURES -- This fund may be found in any county or local unit having budgetary authority over an agency which provides 911 services.

ESTABLISHMENT AND AUTHORIZATION -- This fund may be established by resolution of the governing body of the county, city, village, or township. It accounts for the assets, liabilities, revenues, and expenditures authorized by the 911 service plan adopted pursuant to Public Act 29 of 1994, being Section 484.1101 to 484.1707 of the Compiled Laws of 1994, as amended.

OPERATION AND PRESENT USE -- Money for the operation of this fund is provided by the service supplier. Expenditures made pursuant to this act are to be used exclusively for the operation of the 911 system. The legislative body of the unit is to approve all expenditures. This fund is mandatory if the unit is receiving funds under the 911 service plan.

This fund is subject to the budgetary requirements of Public Act 2 of 1968, as amended.

If you have any questions, please email our office at TreasLocalGov@michigan.gov.

ⁱ December 4, 1996 – Original letter
(Revised DRAFT DATE) – This numbered letter was updated with formatting changes, no major content edits.