

~~Letter No. 03-95~~
~~County Road Commission--Insurance~~
~~Accounting Procedures--Storage Tanks~~

~~March 10,~~



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

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STATE TREASURER

NUMBERED LETTER 1995-03 (Revised)

~~TO: County Road Commissions~~

~~FROM: Richard L. Baldermann~~
~~Administrator~~

~~Local Audit~~ Issued By: Community Engagement and
Finance Division (CEFD)

RE: Bureau of Local Government and School Services

Effective Date: March 10, 1995 (Revised DRAFT DATE)

1995-03 Accounting Procedures for Storage Tanks Liability Insurance

Intended Audience: County Road Commissions

Summary: Some county road commissions are purchasing underground storage tanks liability insurance for damages caused by tank leakage.¹

Insurance premium cost attributable to the storage of fuels and related products used in road commission vehicles should be classified as:

Activity No. 511--Equipment Expense -- Indirect
Account No. 882--Insurance -- General Liability

Storage tank liability insurance costs for other than vehicle fuels such as brine, dust control products, etc., should be classified as:

Activity No. 514--Other Distributive Expense
Account No. ~~882~~882-- Insurance -- General Liability

You have the option to point off account number 882 with suffix numbers of .01, .02, .03 etc., to reflect the various types of liability insurance. The use of suffix numbers for account number 882 must not ~~effect~~[affect](#) the proper classification of insurance expenditures in the proper activity number 511, 514, 515 etc., as applicable.

Please note this information in your county road accounting manual.

If we can be of any assistance, please call (517) ~~373-3227~~[373-3227335-7469](tel:373-3227335-7469) or write our office at Michigan Department of Treasury, ~~Local Audit~~[Community Engagement](#) and Finance Division, P.O. Box 30728, Lansing, Michigan 48909-8228; ~~or email our office at~~ TreasLocalGov@michigan.gov.

ⁱ [March 10, 1995 – Original letter](#)

[\(Revised DRAFT DATE\) – This numbered letter was updated with formatting changes, no major content edits.](#)