<u>BOULDER MOUNTAIN FIRE PROTECTION DISTRICT</u>

A RESOLUTION ADOPTING A POLICY THAT ESTABLISHES A ONE HUNDRED TWENTY (120) DAYS PERIOD FOR PURPOSES OF WILDFIRE DISPATCH AND GRANT REVENUE RECOGNITION IN GOVERNMENTAL FUNDS

Recitals

WHEREAS, Boulder Mountain Fire Protection District (the "District") prepares governmental fund financial statements using the **current financial resources measurement focus** and **modified accrual basis of accounting**; and

WHEREAS, under the modified accrual basis of accounting, revenues and other governmental fund financial resources are recognized in the accounting period in which they become both **measurable** and **available**; and

WHEREAS, GASB Statement No. 65, paragraph 30, provides that when an asset is recorded in governmental fund financial statements but the related revenue is not available, the government should report a **deferred inflow of resources** until such time as the revenue becomes available; and

WHEREAS, GASB Codification section 1600.106 defines "available" as **collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period**; and

WHEREAS, GASB has not established one availability period for all revenue types other than specific guidance for property taxes, and governments commonly establish and consistently apply an availability period for recognition of revenues (including intergovernmental revenues) based on whether amounts are collected soon enough after fiscal year-end to be used to pay liabilities of the current period. Property tax revenue in governmental funds is "available" if it is collected in the current period or expected to be collected soon enough after period-end to pay current-period liabilities; that period generally cannot exceed 60 days after year-end, and the District will maintain the sixty (60) day availability period for property tax revenues; and

WHEREAS, the Board of Directors desires to formally adopt an availability period policy for the District's wildfire dispatch and grant revenues reported in governmental funds, to promote consistent application, audit documentation, and financial statement presentation.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF BOULDER MOUNTAIN FIRE PROTECTION DISTRICT:

1. **Adoption of 120-Day Availability Period.** For purposes of applying the **availability** criterion under the **modified accrual basis of accounting** in the District's governmental fund financial statements to the District's wildfire dispatch and grant revenues, the Board hereby adopts an availability period of **one hundred twenty (120) days** after fiscal year-end (the "Availability Period"). Wildfire dispatch and grant revenue collected within the Availability Period shall be considered **available current financial resources** for governmental fund revenue recognition, provided all other applicable recognition criteria (including measurability and any eligibility, allowable cost, time, and claim requirements) are met.
2. **Use in Lieu of an Implied 60-Day Period.** This Resolution is intended to establish and document the District's Availability Period as **120 days** for the District's wildfire dispatch and grant revenue and to apply this Availability Period in lieu of using an implied or default **60-day** period for revenues for which GASB does not prescribe a specific availability period.
3. **Reporting of Unavailable Revenues (Deferred Inflows).** When a receivable is recorded in the District's governmental fund financial statements, but the related revenue is **not available** within

the Availability Period, the District shall report the amount as a **deferred inflow of resources—unavailable revenue** until such time as the revenue becomes available, consistent with GASB Statement No. 65, paragraph 30.

4. **Scope and Application.** This policy applies to the District's governmental funds and is intended to be applied to the District's wildfire dispatch and grant revenue, which is subject to the availability criterion under modified accrual (including, as applicable, intergovernmental revenues and receivables due from other governments), consistent with the definition of "available" in GASB Codification section 1600.106 4.
5. **Implementation and Administrative Authority.** The Board hereby authorizes the District's management, including the Fire Chief and/or the District's finance officer/accountant (as applicable), to implement this policy for year-end closing entries, reconciliations, supporting schedules, and related financial statement disclosures, and to establish procedures and documentation standards necessary to support consistent application.
6. **Consistent Application and Annual Review.** This Availability Period shall be applied **consistently** from year to year unless changed by subsequent Board action. The Board directs management to review this policy at least annually in connection with the year-end close and audit planning process and to recommend updates, if necessary, based on changes in operations, collection patterns, or authoritative accounting guidance.
7. **Effective Date.** This Resolution is effective for the fiscal year ending December 31**, 2025**, and all fiscal years thereafter, unless amended or rescinded by the Board of Directors.

ADOPTED AND APPROVED this 13th day of July, 2026.

BOULDER MOUNTAIN FIRE PROTECTION DISTRICT
Board of Directors

By: ______________________________
President/Chair

Attest: ___________________________
Secretary