

TOWN OF TIMNATH, COLORADO

RESOLUTION NO. 103, SERIES 2011

**A RESOLUTION SPECIFYING THE TOWN OF TIMNATH'S
MANNER OF COMPLIANCE WITH GOVERNMENTAL ACCOUNTING STANDARDS
BOARD STATEMENT 54 REQUIREMENTS FOR FUND BALANCE AND
GOVERNMENTAL FUND TYPE REPORTING**

WHEREAS, the Town of Timnath complies with Governmental Accounting Standards Board (GASB) Statements in Town Financial Reporting; and as of the Town fiscal year ended December 31, 2011, the Town of Timnath will comply with the requirements set forth in GASB Statement #54 (GASB54) in issuing it's Financial Statements; and

WHEREAS, GASB54 defines new reporting requirements of the components of governmental fund balances, which are designed to indicate the extent to which the government is bound to honor constraints on the specific purposes for which revenues to the fund can be spent; and

WHEREAS, GASB54 defines the components of governmental fund balances to be Non-spendable, Restricted, Committed, Assigned or Unassigned, dependent upon the restrictions on the revenues to those funds; and

WHEREAS, GASB54 further defines the levels of legal constraints on the fund balances, or in the case of an assigned portion of fund balance, allows that a body or official be designated for the purpose of determining amounts that are reported as Assigned due to an "intended" use by the Town of Timnath, without further legal limitation; and

WHEREAS, GASB54 has also placed more explicit definitions on Governmental Special Revenue funds allowed in the Town's financial reporting; and

WHEREAS, the Town of Timnath Town Council hereby finds, determines and declares that adoption of this Resolution is necessary for the preservation and protection of the public health, safety and welfare of the inhabitants of Timnath, Colorado;

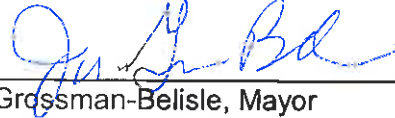
NOW, THEREFORE, BE IT HEREBY RESOLVED that:

1. The Town of Timnath has determined that the revenues of the Old Timnath Fund and Contingency Fund, do not comply with the revised GASB definitions for Special Revenue funds, and will, as of 2011, no longer be tracked and reported as special revenue funds; and
2. the Town Manager and the Administrative Services Director are hereby designated as the body to determine fund balance amounts that will be reported as Assigned on the Town's year-end financial statements; and
3. in the case where there are various components of fund balance available to be spent for a specific purpose, the Town of Timnath's policy is to spend the most restricted funds first; and
4. the Town of Timnath hereby directs the Administrative Services Director to establish and maintain Fund and Fund Balance Reporting policies and procedures which will be

reviewed by the Town of Timnath Town Council on an annual basis.

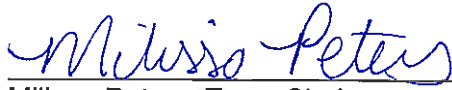
PASSED, APPROVED AND ADOPTED THIS 20TH DAY OF DECEMBER, 2011.

TOWN OF TIMNATH, COLORADO



Jill Grossman-Belisle, Mayor

ATTEST:



Milissa Peters, Town Clerk

