

Appendix A

Items Reclassified by GASB 65

Appendix A provides a list of items reclassified by GASB 65 to deferred outflows of resources; deferred inflows of resources; and expenses/revenues. (*Paragraph references provided below are for GASB 65.*)

From assets (or deduction from bonds payable) to deferred outflows of resources:

- The excess of the reacquisition price of refunded debt over its net carrying amount (previously reported as deduction from bonds payable) (§6);
- Payments made within the financial reporting entity to purchase the right to future revenues (§13);
- A loss on a sale-leaseback transaction (§18);
- Direct loan origination costs paid in connection with mortgage banking activities for loans held for sale (§26);
- Fees paid to permanent investors to ensure the ultimate sale of loans in connection with mortgage banking activities (prior to sale) (§27);
- An increase in the present value of the payments due from a lessee under a capital lease as a result of the lessor's passing on the economic advantages of a refunding of tax exempt debt under a revised agreement (§7);
- Expenses or losses recoverable from future rates (*for regulated industries, if this accounting treatment is elected*) (§29); and
- Resources provided by a grantor when the only eligibility criterion that has *not* been met by the recipient is a time requirement (§10).

GASB Statement 53, which was issued after GASB Concepts Statement 4, already classified the following as a deferred outflow of resources:

- Accumulated decrease in fair value of hedging derivatives.

From liabilities to deferred inflows of resources:

- The excess of the net carrying amount of refunded debt over its reacquisition price (previously reported as addition to bonds payable) (§6);
- Resources received from a grantor when the only eligibility criterion that has *not* been met by the recipient is a timing requirement (§10);
- Other imposed nonexchange revenues received or recognized as a receivable prior to the period when the use of the resources is either required or first permitted (§9);
- Revenue of a governmental fund that is not recognized solely because it is not yet considered to be *available* (§30);
- A reduction in the present value of the payments due from a lessee under a capital lease as a result of the lessor's passing on the economic advantages of a refunding of tax exempt debt (§7);
- Property taxes received or recognized as a receivable prior to the period they were intended to finance (§9);
- Proceeds from the sale of future revenues (§12);
- Payments received within the financial reporting entity for the right to future revenues (§13);
- Gain on a sale-leaseback transaction (§18);
- Points received by a lender in relation to a loan origination (§22);
- Loan origination fees received in connection with mortgage-banking activities (including any portion related to points) for loans held for sale (§26); and
- Rates set or other gains received to offset anticipated future costs (*for regulated industries, if this accounting treatment is elected*) (§29).

Appendix A cont.

GASB Statements 53 and 60, which were issued after GASB Concepts Statement 4, already classified the following as deferred inflows of resources:

- Accumulated increase in fair value of hedging derivatives (Statement 53); and
- Service concession arrangement (SCA) revenue applicable to future years (Statement 60).

From assets to expenses:

- Debt issuance costs (excluding any portion that represents prepaid insurance) (¶15);
- Initial direct costs of operating leases (¶17);
- Acquisition costs related to insurance activities (¶20);
- Direct loan origination costs (¶22);
- Fees paid in connection with the purchase of a loan (¶24); and
- Direct loan origination costs paid in connection with mortgage banking activities for loans held for investment purposes (¶26).

From liabilities to revenues:

- Loan origination fees received (other than the portion related to points) (¶22);
- Fees received in connection with the purchase of loans (¶23 and 24); and
- Loan origination fees received in connection with mortgage banking activities (other than the portion related to points) for loans held for investment purposes (¶26).