

SPACKENKILL UNION FREE SCHOOL DISTRICT

Budget Discussion
February 6, 2017

Insurance Reserve Fund

- Available for the payment of any loss, claim, action or judgment for which the school district is authorized or required to purchase insurance, except those already covered by another existing reserve fund, except as otherwise specified in law.
- May be established without voter approval and funded with budgetary appropriations, transfers from other reserve funds as permitted by law, and such other funds as the school board may legally appropriate. Annual contributions to the fund may not exceed five percent of the total budget that year or \$33,000, whichever is greater.

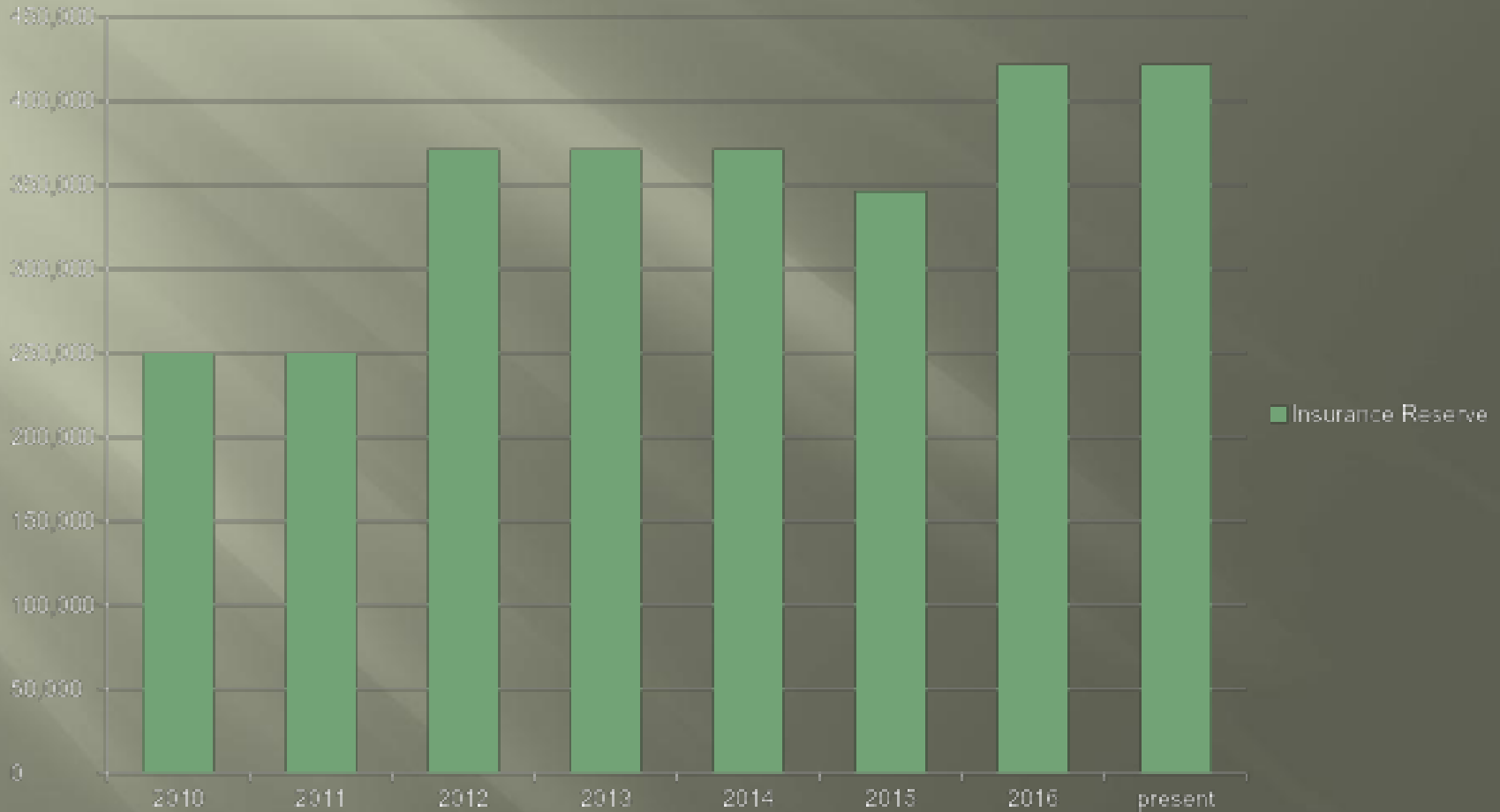
Insurance Reserve Fund

- Funds may be expended without voter approval. However, judicial approval is necessary to pay settled or compromised claims exceeding \$25,000. In addition, it is a misdemeanor to withdraw or expend funds except as permitted by law.
- Funds may be invested in accordance with section 11 of the General Municipal Law, with any interest or capital gain realized accruing to the fund.

Insurance Reserve Fund

- Funds must be accounted for separate and apart from all other district funds in the manner set forth in law (i.e., a separate account for each risk funded in the reserve).
- Upon a determination that this fund is no longer needed, the fund may be discontinued and uncompromised monies remaining in the fund may be transferred to another reserve fund, as permitted by law (Gen. Mun. Law §6-n).

Insurance Reserve Fund



Retirement Contribution Reserve Fund

- Available to fund retirement contributions payable to New York State and Local Employees' Retirement System.
- May be established without voter approval and funded with budgetary appropriations, revenues not required by law to be paid into other funds or accounts, transfers from other reserve funds as permitted by law, and such other funds as the school board may legally appropriate.
- Funds may be expended without voter approval, however it is a misdemeanor to withdraw or expend funds from a retirement contribution reserve fund except as permitted by law.

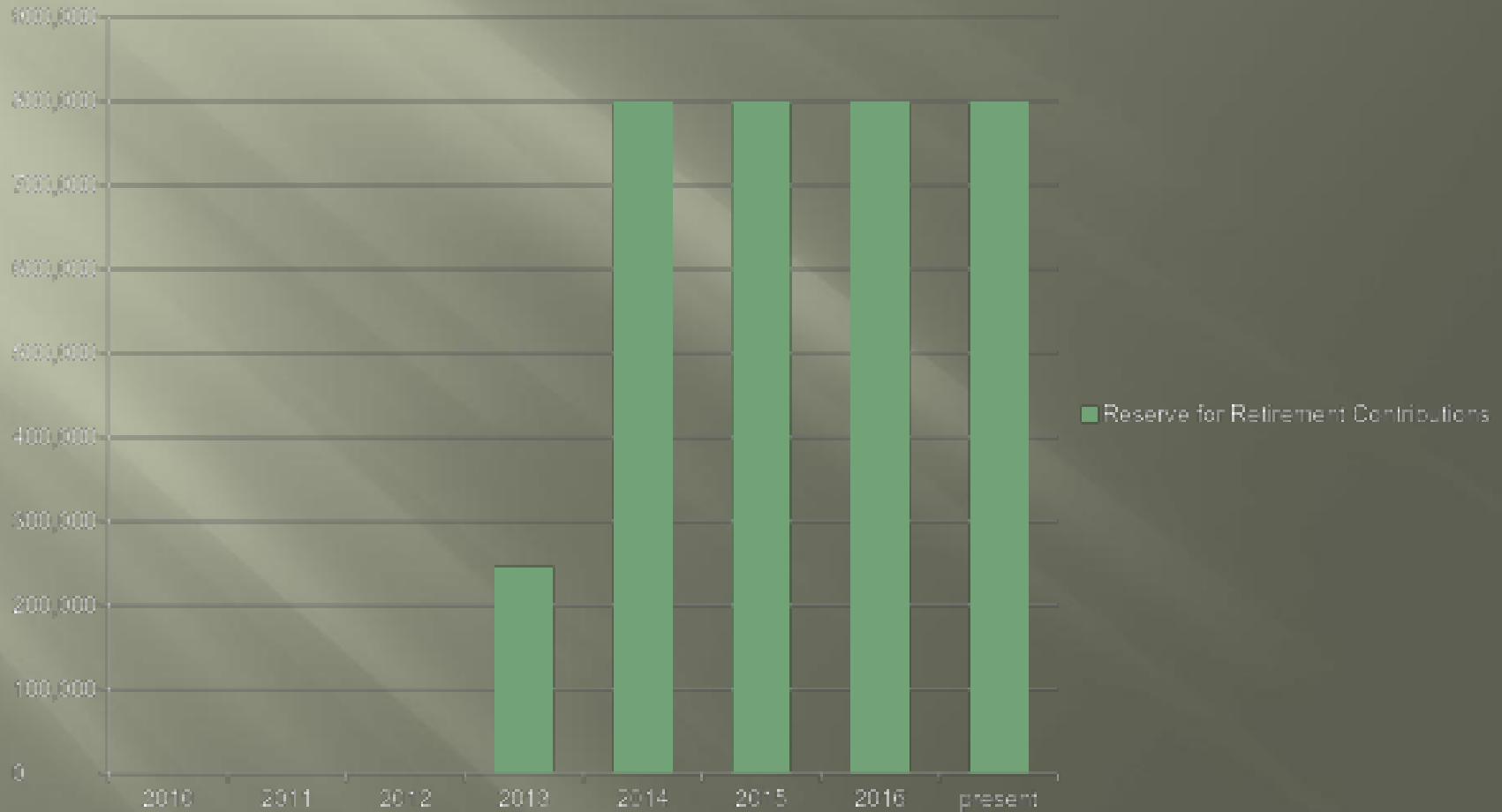
Retirement Contribution Reserve Fund

Funds may be invested in accordance with section 11 of the General Municipal Law, with any interest or capital gain realized accruing to the fund.

Funds must be accounted for separate and apart from all other district funds in the manner set forth in law.

A portion of the funds may be transferred to another reserve fund established pursuant to section 3651 of the Education Law following a public hearing conducted in the manner set forth in law.

Retirement Contribution Reserve Fund



Employee Benefit Accrued Liability Reserve Fund

- Available for the cash payment of accrued and accumulated but unused sick leave, personal leave, holiday leave, vacation time, and other benefits earned by employees and payable upon termination that are not covered by another existing reserve fund. (Such other fund may be discontinued and monies transferred to this fund as set forth in law.)
- May be established without voter approval, and funded with budgetary appropriations, transfers from other reserve funds as permitted by law, and such other funds as the school board may legally appropriate.
- Funds may be expended without voter approval. However, it is a misdemeanor to withdraw or expend funds except as permitted by law.

Employee Benefit Accrued Liability Reserve Fund

- Funds may be invested in accordance with section 11 of the General Municipal Law, with any interest or capital gain realized accruing to the fund.
- Funds must be accounted for separate and apart from all other school district funds in the manner set forth in law.
- Upon a determination that this fund is no longer needed, the fund may be discontinued and uncompromised monies remaining in the fund may be transferred to another reserve fund, as permitted by law (Gen. Mun. Law§6-p).

Employee Benefit Accrued Liability Reserve Fund

- Monies from this fund cannot be used to pay lump sum “retirement awards” calculated as prescribed percentages of an employee’s final year salaries and paid upon retirement under a collective bargaining agreement.
- Monies from this fund may be withdrawn to maintain educational programming subject to conditions and limitations prescribed by law.

Reference: New York State School Boards Association Law Book

Employee Benefit Accrued Liability Reserve Fund

