

# **Spackenkill Union Free School District**

**Budget Discussion – Reserve Funds  
February 5, 2018**

# Results of the 2016–17 External Audit by The Bonadio Group

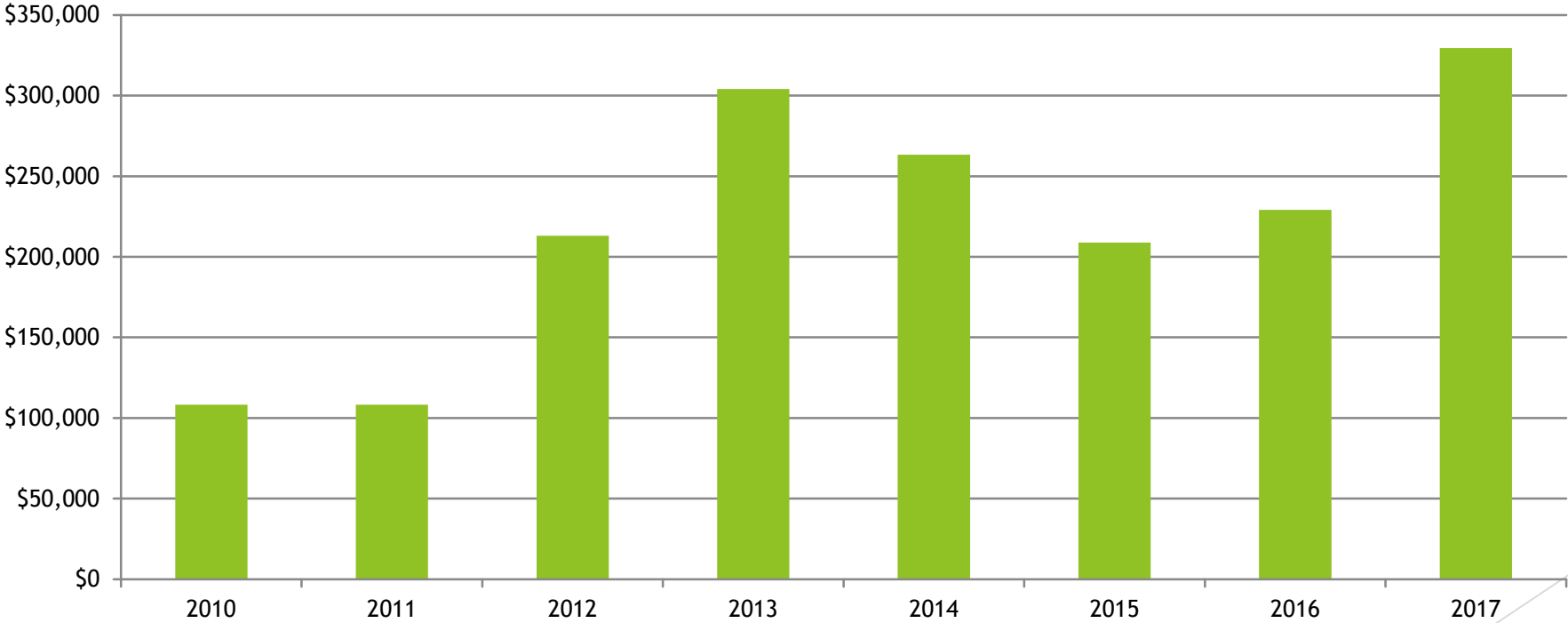
- ▶ Issued an unmodified opinion that the financial statements are presented fairly in accordance with GAAP on the June 30, 2017 financial statements of the District. This is the highest level of assurance we can give.
- ▶ Did not identify any material weaknesses in internal controls over the District's financial reporting.
- ▶ The books and records were maintained in a clear and orderly fashion that allowed us to complete our audit in an expeditious manner.

# Unemployment Insurance Payment Reserve Fund

- May be established without voter approval and funded by budgetary appropriations, transfers from other reserve funds and other funds as permitted by law.
- Reimburse the State Unemployment Insurance Fund for payments to claimants when a school district elects the benefit reimbursement method in lieu of making contributions under Article 18 of the labor law.
- Funds must be accounted for with a separate identity.

# Unemployment Insurance Payment Reserve Fund

Unemployment Insurance Payment Reserve Fund



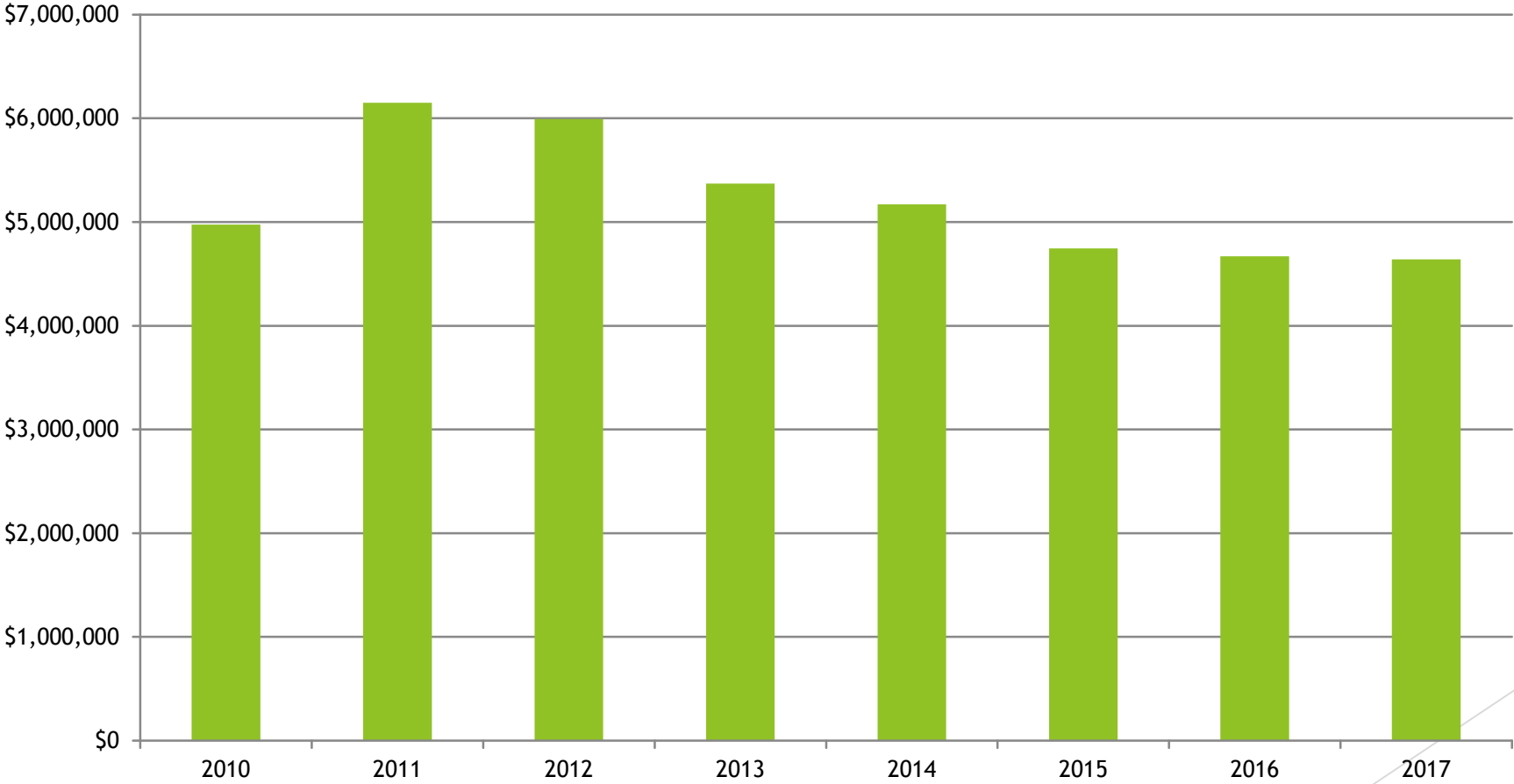
# Tax Certiorari Reserve Fund

- May be established without voter approval, provided that funds do not exceed the amount which might reasonably be deemed necessary to anticipated tax certiorari judgments and claims.
- Funds may be expended without voter approval.
- Funds shall not exceed the amount which might reasonably be deemed necessary to meet anticipated judgments and claims arising out of tax certiorari proceedings.

*Reference: New York State School Boards Association Law Book*

# Tax Certiorari Reserve Fund

Tax Certiorari Reserve Fund

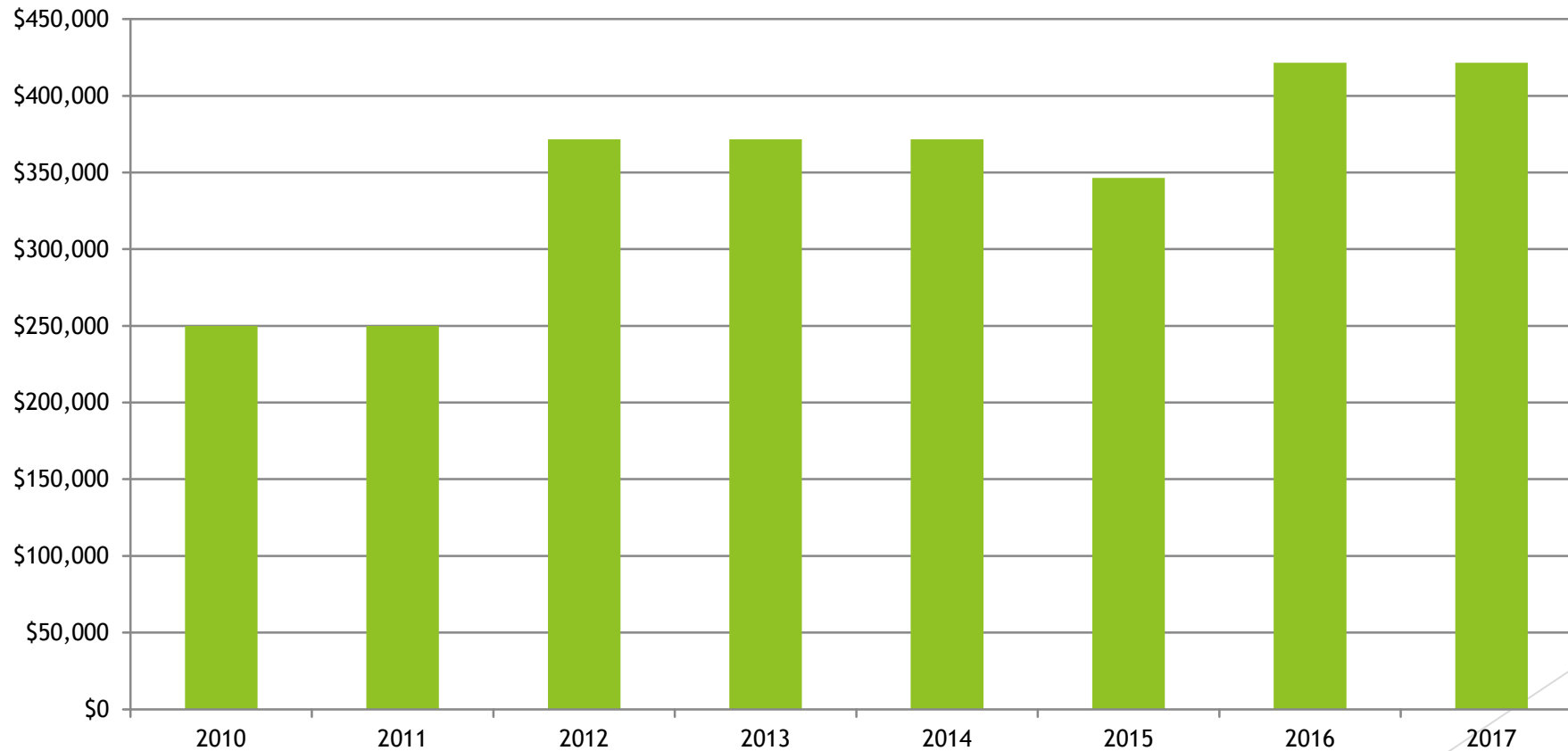


# Insurance Reserve Fund

- May be established without voter approval and funded with budgetary appropriations or transfers from any other funds as permitted by law.
- 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 by law.
- Funds may be expended without voter approval. Judicial approval is required to pay settled or compromised claims over \$25,000.
- 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

Insurance Reserve Fund



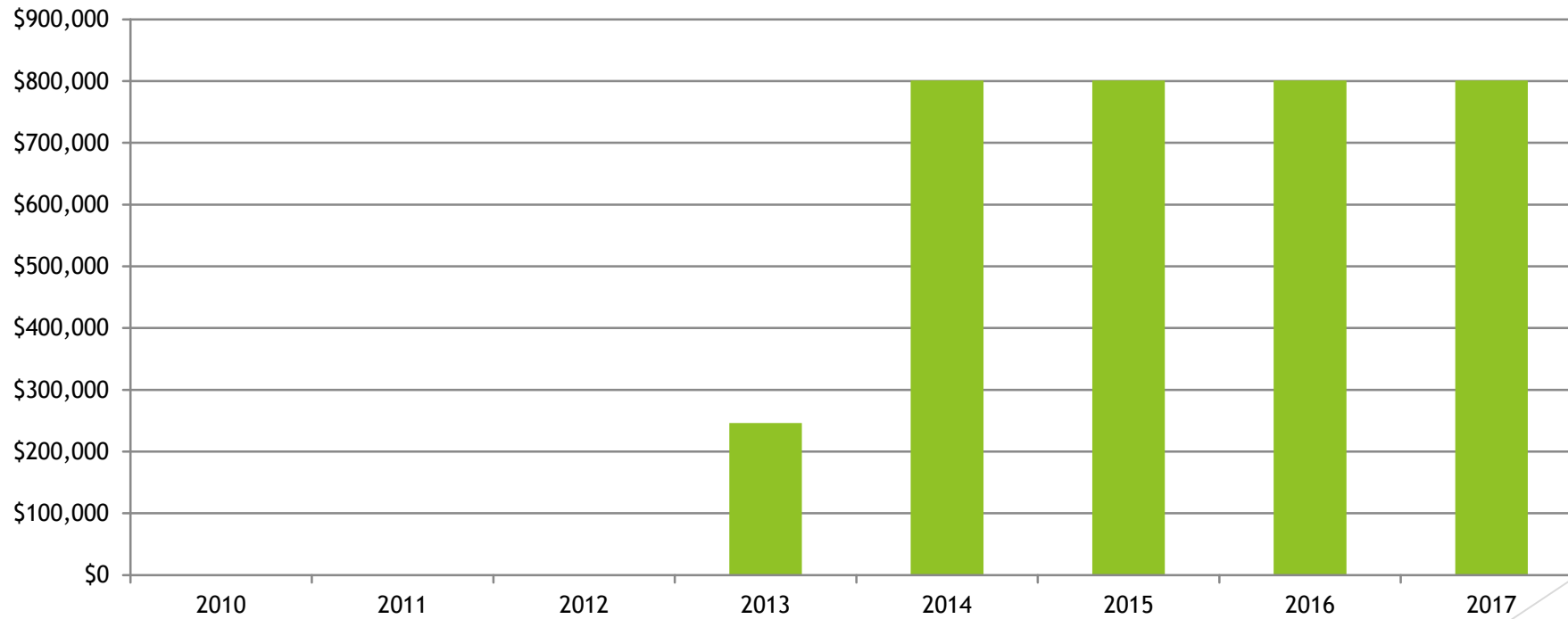


# Retirement Contribution Reserve Fund

- 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 and other funds as permitted by law.
- Payment of retirement contributions to New York State and Local Employees' Retirement System.
- 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

## Reserve for Retirement Contributions

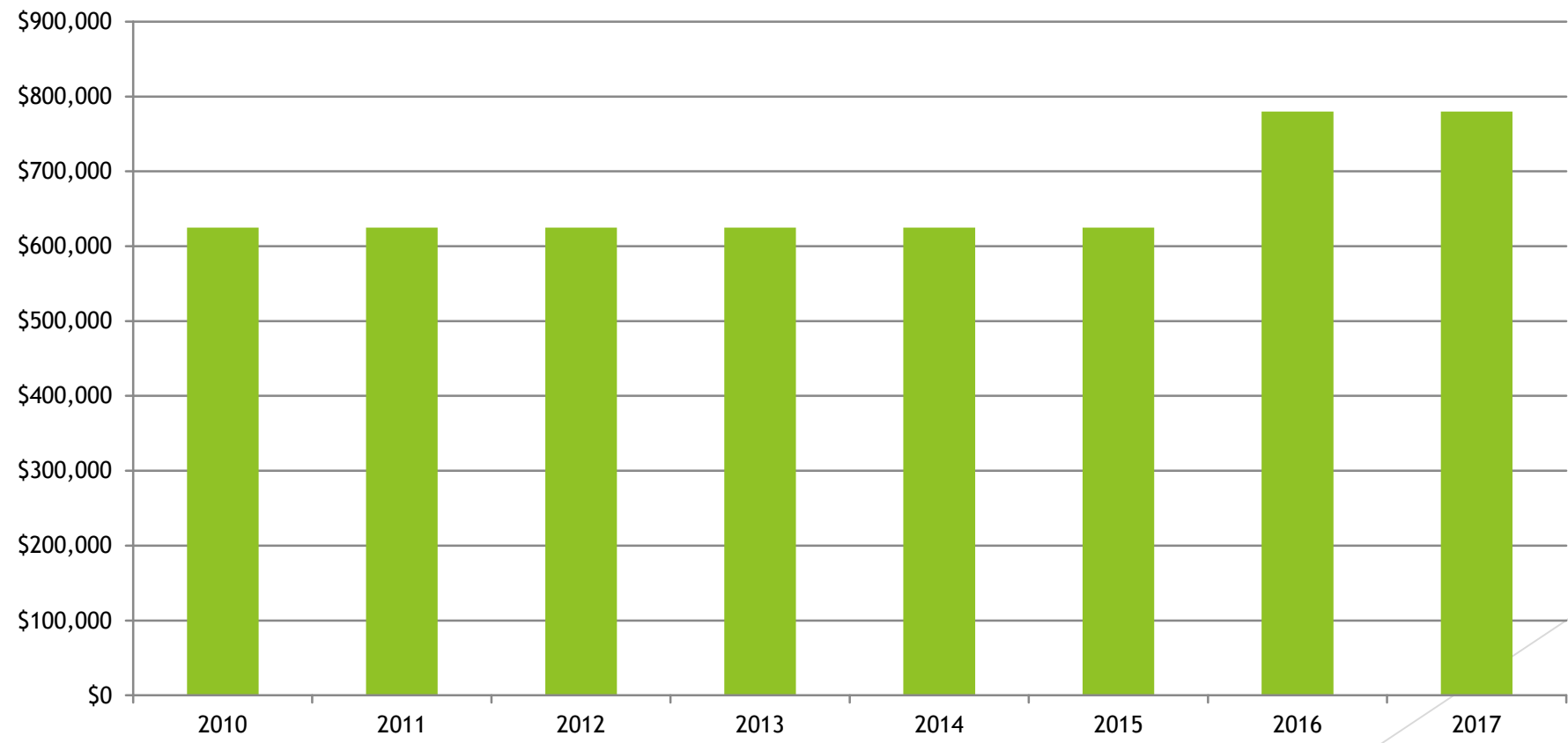


# Employee Benefit Accrued Liability Reserve Fund

- May be established without voter approval, and funded with budgetary appropriations, transfers from other reserve funds and other funds as permitted by law.
- Payment of accrued or accumulated and 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 reserve fund.
- This fund cannot be used for lump sum “retirement awards” calculated as prescribed percentages of an employee’s final year salary and paid upon retirement under a collective bargaining agreement.

# Employee Benefit Accrued Liability Reserve Fund

Employee Benefit Accrued Liability Reserve Fund



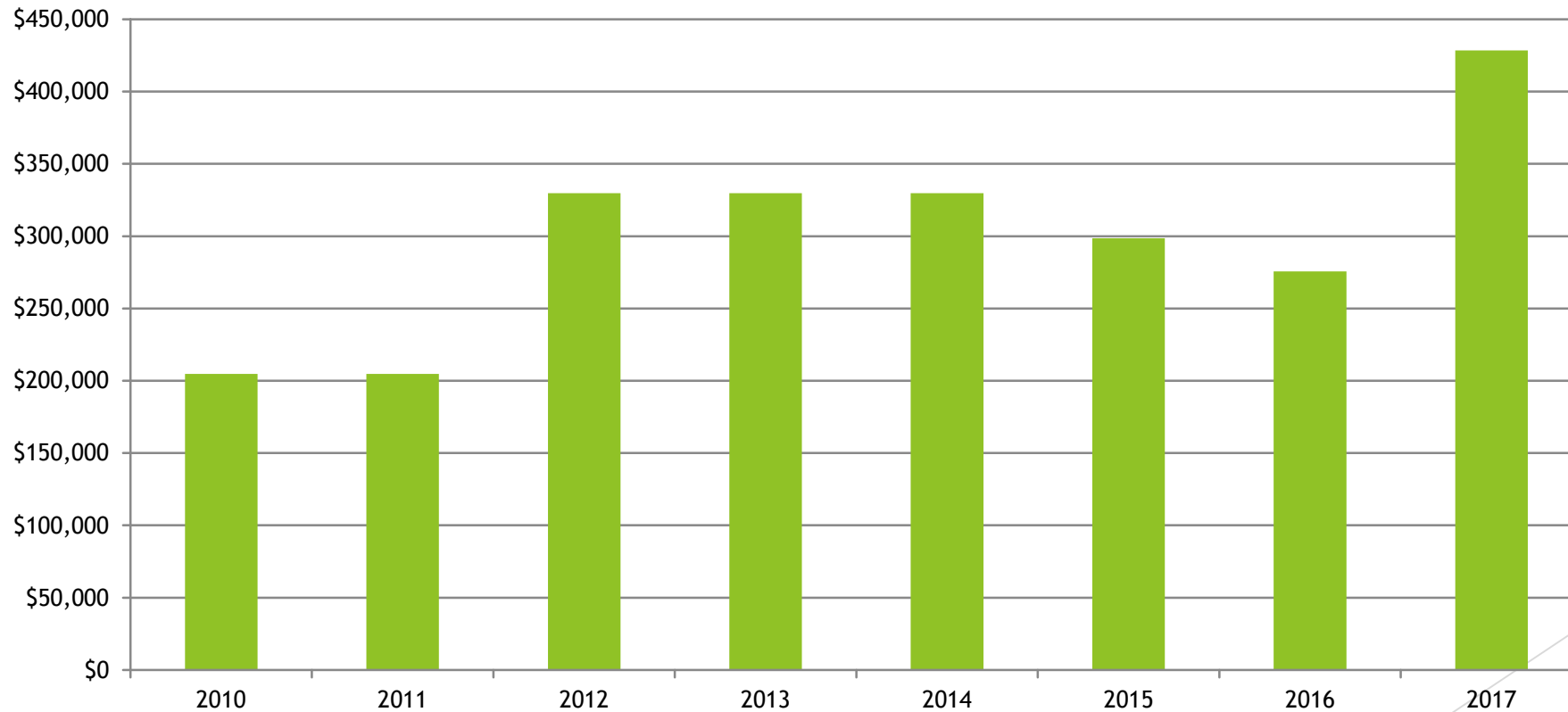
# Workers Compensation Reserve Fund

- May be established without voter approval and funded with budgetary appropriations and other funds permitted by law.
- Payment of compensation and benefits, and other authorized expenses when a school district elects to maintain a self-insured worker's compensation program.
- Funds may be expended without voter approval.

*Reference: New York State School Boards Association Law Book*

# Workers' Compensation Reserve Fund

## Workers' Compensation Reserve Fund



# Capital Vehicle Reserve Fund

- Must be established with voter approval of a proposition that states the purpose of the fund, the ultimate amount thereof, its probable term, and the source from which the funds would be obtained.
- Funds may be expended only with voter approval, and only for the specific purpose for which the fund was established.
- Funds may be transferred with voter approval to other funds established pursuant to section 3651 of the Education Law.
- May be liquidated if voters determine the original purpose for which the fund was established is no longer needed.

# Capital Vehicle Reserve Fund

## Capital Vehicle Reserve Fund

