



RESERVE PLAN

UPDATED JULY 2023

Reserve for Retirement Contributions

Creation - This reserve was created in August of 2012.

Purpose - This reserve is used to fund employer retirement contributions to the NY State and Local Employees' Retirement System (ERS). Payments to the Teachers' Retirement System (TRS) are not allowed from this service.

Funding Methods - Funds are placed in this reserve from budgetary appropriations, excess fund balance, or transfers from Tax Certiorari, Capital or Repair reserves.

Use of Reserve - The District recommends utilizing the Retirement Contribution reserve to offset the district cost to the NY State and Local Employees' Retirement system for a three (3) year period. A three (3) year plan includes the estimated bill for 2023-2024 based on estimated salary predictions and 4% projections for subsequent years.

- 2023-2024 - \$172,778
- 2024-2025 - \$179,689
- 2025-2026 - \$186,877
- **TOTAL: \$539,344**

Monitoring of Reserve - The Business Manager monitors the Retirement Contribution Reserve.

Funding Level - A constant funding level equal to approximately three (3) years of retirement system billings is desired. At current rates that level is approximately \$539,344. The District will endeavor to increase the Retirement Contribution reserve to a balance of \$539,344 by the end of June 30, 2026.

Actual Balance at 7/1/2023: \$415,611

Recommended Balance at 6/30/2026: \$539,344

Balance Deficiency at 6/30/2023: **-\$123,733**



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Reserve for Accrued Employee Benefits Liability

Creation - This reserve was created prior to June 2001.

Purpose - This reserve is used to pay for unused accumulated leave time contractually provided to employees, upon termination of the employee's service. Expenditures made from the Employee Benefit Accrued Liability Reserve fund include cash payment for the value of accumulated or accrued and unused sick leave or vacation leave. This fund cannot be used to pay for items such as: retirement incentives, social security and Medicare payments and retiree health insurance.

Funding Methods - This reserve was funded from excess fund balance and may be funded with budgetary appropriations or funds from other reserves authorized under General Municipal Law (GML).

Use of Reserve - This reserve is used when an employee separates from the District and payment of accumulated leave is required. These transactions flow through the General Fund budget with the offsetting revenue coming from a drawdown of this reserve, as needed. The District will continue to budget an annual allocation from the Accrued Employee Benefits Liability reserve to offset the budgeted expenditure.

Monitoring of Reserve - The Business Manager monitors the Accrued Employee Benefits Liability reserve. Annually, a detailed analysis of the liability is computed and is used to support funding this reserve at 100% of the district's liability.

Funding Level - This reserve should be funded at 100% of the accrued liability for unused accumulated leave time.

Actual Balance at 7/1/2023: \$193,174

Recommended Balance at 6/30/2023: \$235,434- actual liability calculated

Balance Deficiency at 6/30/2023: **-\$42,260**



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Reserve for Unemployment Insurance

Creation - This reserve was created prior to June 2011.

Purpose - This reserve is used to reimburse New York State for payments made to claimants where the District uses the benefit reimbursement method. The District does subscribe to the benefit reimbursement method, meaning we reimburse the State for actual claims incurred. We do not pay New York State a fixed premium for unemployment insurance coverage.

Funding Methods - This reserve was funded entirely from excess fund balance when created. The unemployment insurance reserve can be funded with budgetary appropriations, other funds may be legally appropriated or funds from other reserves authorized under General Municipal Law (GML).

Use of Reserve - The District recommends utilizing the Unemployment Insurance reserve to offset expenditures to the New York State Unemployment Insurance fund. A three (3) year plan includes a projection of \$10,000 cost per year for three (3) years. The current annual projection is calculated assuming two (2) estimated staff reductions at the maximum allowable benefit.

- 2023-2024 - \$15,000
- 2024-2025 - \$15,000
- 2025-2026 - \$15,000
- **TOTAL: \$45,000**

Monitoring of Reserves - The Business Manager monitors the Unemployment Insurance Reserve.

Funding Level - A funding level equal to approximately three (3) years of projected Unemployment Insurance expenses is desired. The current funding level of \$144,359 exceeds the projected needed 3- year allocation to the general fund budget by \$99,359.

Actual Balance at 7/1/2023: \$144,359

Recommended Balance at 6/30/2023: \$45,000

Excess Balance at 6/30/2023: \$99,359



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Reserve for Repairs

Creation - This reserve was created via resolution prior to June 2009.

Purpose - This reserve is used to pay the cost of repairs (that do not recur annually) to capital improvements and equipment, in this case the gym floor.

Funding Methods - This reserve was funded as a result of a capital project.

Use of Reserve - This reserve would be used to pay any allowable claims, as described in the purpose for this reserve.

Monitoring of Reserve - This reserve is monitored by the Business Manager.

Funding Level - This reserve is funded at a level of \$35,783.06.

Actual Balance at 7/1/2023: \$37,800

Recommended Balance at 6/30/2023: \$35,783

Excess Balance at 6/30/2023: **\$2,017**



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Worker's Compensation Reserve

Creation- This reserve was created in 2012

Purpose- This reserve is used to pay actual worker's compensation claims, related medical expenses and self-insurance administrative costs.

Funding Methods- This reserve was initially funded in August 2012 with excess fund balance.

Use of Reserve- The District recommends utilizing the Worker's Compensation Reserve to offset the self-insurance administrative costs through St. Lawrence Lewis BOCES in addition to an equal annual amount to offset premium costs. A three (3) year plan includes the actual known administrative cost for 2023-2024 and 4% projections for subsequent years. The remaining reserve balance is divided equally among 5 years to cover premium costs.

- 2023-2024 - \$41,164 + \$10,952 = \$52,116
- 2024-2025 - \$42,811 + \$11,390 = \$54,201
- 2025-2026 - \$44,524 + \$11,846 = \$56,370
- **TOTAL: \$128,499 + \$34,188 = \$162,687**

Monitoring of Reserve- The Business Manager monitors the Worker's Compensation Reserve

Funding Level- A funding level equal to approximately three (3) years of Worker's Compensation expenses is desired. A three year projected liability for administrative expenses is \$162,687. The current funding level of \$194,351 exceeds the projected needed 3- year allocation to the general fund budget by \$99,359.

Actual Balance at 7/1/2023: \$194,351

Recommended Balance at 6/30/2023: \$162,687

Balance Deficiency at 6/30/2023: **\$31,664**