

Capital Reserve Funds

Capital Reserve Funds pay for any object or purpose for which bonds may be issued. Capital Reserve Fund requires voter authorization to establish the purpose of the reserve, fund limits, its term, and source of the funds. Expenditures may be made only for specific purposes authorized by the voters.

A. Capital Reserve-Building

Voter Authorization	May 1995, Reauthorized May 2015
Term	10 Years
Ultimate Limit	\$3,000,000 plus accrued interest
Source of Funds	Annual Budget, Surplus Funds
Balance	\$2,508,864 as of 3/31/21

The Capital Reserve Building Fund finances future maintenance, repairs and renovation of facilities. The reserve was funded and is utilized to offset costs associated with the five-year facilities plan, Capital Projects, and to reduce the tax impact to the community.

B. Capital Reserve 2019-Building

Voter Authorization	May 2019
Term	5 Years
Ultimate Limit	\$5,000,000 plus accrued interest
Source of Funds	Annual Budget, Surplus Funds
Balance	\$500,000 as of 3/31/21

The Capital Reserve Building Fund finances future maintenance, repairs and renovation of facilities. The reserve will be funded and is utilized to offset costs associated with the five-year facilities plan, Capital Projects, and to reduce the tax impact to the community.

C. Capital Reserve Vehicle & Equipment Fund

Voter Authorization	May 1995, Renewed May 1999, 2003, 2008, 2011 & 2016
Term	5 Years
Ultimate Limit	\$4,000,000 plus accrued interest
Source of Funds	Annual Budget, Surplus Funds and State Transportation Aid
Balance	\$1,445,815 as of 3/31/21

The Capital Reserve Vehicle & Equipment Fund is for the purchase of school buses, maintenance equipment and information technology equipment. Deposits to the fund are supported by an inter-fund transfer from the general fund and New York State transportation aid from bus purchases in the previous year. Approval for expenditure is included in proposition # 1 with the annual budget.

Reserve for Repairs – Roof

Term	N/A
Ultimate Limit	N/A
Source of Funds	Insurance Claim Settlement
Balance	\$56,705 as of 3/31/21

The Roof Reserve Fund pays for certain repairs to the roofs of school buildings in an emergency situation only.

Tax Certiorari Reserve Fund

Board Authorization	1997, BOE Resolution Aug. 2009
Term	N/A
Ultimate Limit	May not exceed the amount necessary to meet anticipated judgments and claims.
Source of Funds	Annual Budget, Surplus Funds
Balance	\$61,054 as of 3/31/21

The Tax Certiorari Reserve Fund pays judgments and claims in tax certiorari proceedings per Article 7 of the Real Property Tax Law. This reserve was established as a result of the Gunlocke Company assessment litigation resulting in a Steuben County IDA payment in lieu of taxes program that originated in 1997 and was subsequently renewed in 2008. As part of the renewed PILOT plan, this balance will be utilized over the term of the PILOT plan to assist in funding the tax amount that normally would have been collected from the Gunlocke Company.

Reserve for Liability

Board Authorization	2003
Term	N/A
Ultimate Limit	N/A
Source of Funds	Annual Budget, Surplus Funds
Balance	\$551,194 as of 3/31/21

The Reserve for Liability Fund pays any unforeseen contractual issues and liability claims incurred. An annual review of the funding level is conducted by the Board of Education. In the event the Board determines the reserve to be over-funded the balance will be transferred to another reserve as allowed by law.

Insurance Reserve

Board Authorization	1996
Term	N/A
Ultimate Limit	N/A
Source of Funds	Annual Budget, Surplus Funds
Balance	\$1,130,526 as of 3/31/21

The Insurance Reserve Fund assists in managing cost and to pay liability, casualty and other types of losses not covered by or exceeding district insurance limits. An example, in 2006 the District elected to increase its deductible from \$1,000 to \$2,500 per incident. By doing so the district was able to maintain a level insurance premium. This Reserve Fund and its appropriate funding level is reviewed annually by the board of education. Any amount determined to be an excess will be transferred to another reserve as allowed by law.

Employee Benefit Accrued Liability Reserve

Board Authorization	2003
Term	N/A
Ultimate Limit	N/A
Source of Funds	Annual Budget, Surplus Funds
Balance	\$568,486 as of 3/31/21

The EBALR Fund pays contractual obligations (compensated absences) relating to employees leaving the employment of the district. There is \$14,031 planned for use in the 2021-2022 budget.

Unemployment Insurance Reserve

Term	N/A
Ultimate Limit	N/A
Source of Funds	Annual Budget, Surplus Funds
Balance	\$902,677 as of 3/31/21

The Unemployment Insurance Reserve pays reimbursement to the State Unemployment Insurance Fund for payments to claimants when the school district uses the benefit reimbursement method. This reserve fund will be reviewed annually. There is \$68,484 scheduled for use in the 2021-2022 budget.

Retirement Contribution Reserve- ERS

Board Authorization	2009
Term	N/A
Ultimate Limit N/A	N/A
Source of Funds	Annual Budget, Surplus Funds
Balance	\$1,562,178 as of 3/31/21

The Retirement Contribution Reserve manages projected retirement cost increases due to the current financial crisis of New York State. This reserve is reviewed annually by the Board of Education. The appropriate funding level is also reviewed and any excess is transferred to another reserve as allowed by law. There is \$100,000 planned for use in the 2021-2022 budget

Retirement Contribution Reserve- TRS Sub Fund

Board Authorization	2019
Term	N/A
Ultimate Limit N/A	N/A
Source of Funds	Annual Budget, Surplus Funds
Balance	\$365,009 as of 3/31/21

The Retirement Contribution Reserve TRS Sub Fund manages projected retirement cost increases due to the current financial crisis of New York State. This reserve is used to fund employer retirement contributions to the NYS Teachers Retirement System. This reserve is reviewed annually by the Board of Education. The appropriate funding level is also reviewed and any excess is transferred to another reserve as allowed by law.