

**Cassadaga Valley Central School District
District Reserve Plan**

Unemployment Insurance Reserve

Creation – This reserve was created on June 8, 1998.

Purpose – This reserve is used to reimburse the state for payments made to claimants where the district subscribes to the benefit reimbursement method. The District does subscribe to the benefit reimbursement method, meaning we reimburse the State for actual claims incurred.

Funding Methods – Funds may be allocated from unappropriated fund balance. Ongoing funding is based on budgeted estimates of potential claims less actual claims for the year.

Use of Reserve – The District will use an estimated amount of funding from this reserve on an annual basis. The amount is based on actual claims over the previous 12 months.

Monitoring of the Reserve – This reserve will be monitored by the School Business Administrator in conjunction with other central office administrators to assess the potential for incurring unemployment claims.

Funding Level - The District's goal is to provide for a funding level equal the expense of 10 potential claims.

Retirement Contribution Reserve

Creation – This reserve was created on March 14, 2005.

Purpose – This reserve is used to pay for district expenses to the New York State & Local Retirement System (“NYSLRS”) only. Payments to the Teachers Retirement System are not allowed from this reserve.

Funding Methods – Funds may be allocated to this reserve from unappropriated fund balance.

Use of Reserve – The use of this reserve may be based on NYSLRS annual invoicing. The funds will be used to pay any allowable.

Monitoring of Reserve – This reserve is monitored by the School Business Administrator.

Funding Level - The District's goal is to provide for a funding level equal to 6 years of liability.

Employee Benefit Accrued Liability Reserve

Creation – This reserve was created June 29, 2001.

Purpose - This reserve is to pay for unused accumulated leave time contractually provided to certain groups of employees. This typically includes payment for unused sick and vacation pay. This fund cannot be used for items such as: health insurance or other post-employment benefits.

Funding Method - Funds may be allocated from unappropriated fund balance.

Use of Reserve – This reserve may be used when an employee separates from the District and payment of accumulated leave is required.

Funding Level – This goal for this reserve is to provide for a funding level equal to current liability plus 50% to 100% of long term liability.

Capital Improvement Reserve, 2017

Creation – This reserve was approved by the voters on May 16, 2017.

Purpose - This reserve is to finance, in whole or part, the acquisition, construction, reconstruction, expansion, renovation, alteration and improvement of buildings, facilities, site and real property by the District, or the District's share of the cost of any capital improvements project undertaken by a board of cooperative educational service ("BOCES") of which the District is or may become a component district including, in all cases, the acquisition of necessary furnishings, equipment, machinery and apparatus.

Funding Methods - Funds may be allocated from unappropriated fund balance.

Use of Reserve - Use of this reserve requires voter approval. The proposition to use these funds must be specific to a set of projects and dollar amounts.

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

Funding Level – As stated in the approved proposition, this reserve was created with a maximum limit of \$950,000 plus interest and the probable term shall not be longer than ten years.

Encumbrances Reserve

Creation – Are those funds allocated to cover expenditures for goods or services the District has entered into a commitment for but are not yet received.

Purpose - This reserve is to allow outstanding encumbrances to remain at the end of a school year to be carried over the next school year.

Funding Methods - Funds are allocated within the school year commitments are established.

Use of the Reserve - The District's funds from this reserve will be utilized to provide for current encumbrances.

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

Funding Level - This reserve is funded by revenue from the prior and/or current school year.