

Westhill Central School District

**Fund Balance and
Reserves:
Funding and Use**

2021-22



November 8, 2021

Overview

The establishment and funding of reserves is an important consideration in the maintenance of a sound financial plan for any school district. While strict adherence to state law is required to ensure reserves are both legal and appropriate, adequately funded reserves are vital to the long-term health and stability of the school district. This concept is recognized by the New York State Comptroller:

Saving for future projects, acquisitions, and other allowable purposes is an important planning consideration for local governments and school districts. Reserve funds provide a mechanism for legally saving money to finance all or part of future infrastructure, equipment, and other requirements. Reserve funds can also provide a degree of financial stability by reducing reliance on indebtedness to finance capital projects and acquisitions. In uncertain economic times, reserve funds can also provide officials with a welcomed budgetary option that can help mitigate the need to cut services or to raise taxes. In good times, money not needed for current purposes can often be set aside in reserves for future use. ([Office of the New York State Comptroller -Local Government Management Guide -Reserve Funds, Pg. 1\)](#))

The Westhill Central School District believes that judicious use of reserves greatly reduces long term borrowing costs, smooths large fluctuations in tax rates, and minimizes the possibility of draconian mid-year budget cuts which would have a direct impact on students. It believes it is in the best interest of both the students and taxpayers to prudently establish and use reserves to weather the financial storms and uncertainties that will occur. Again, the Comptroller notes:

The practice of planning ahead and systematically saving for capital acquisitions and other contingencies is considered prudent management. Saving for future capital needs can reduce or eliminate interest and other costs associated with debt issuances. Similarly, certain reserve funds can be utilized to help protect the budget against known risks (a potential lawsuit) or unknown risks (a major ice storm). ([Office of the New York State Comptroller -Local Government Management Guide -Reserve Funds, Pg. 2\)](#))

This quote reflects the two purposes for the establishment of reserves:

- 1 Saving money for a large, one time future expenditure such as a capital reserve for the replacement of a roof as an example.
- 2 Reserves which are intended to protect the district against a large, currently unforeseen risk.

Since New York State law mandates that expenditures can be no greater than the budget approved by the voters in May, the Westhill Central School District budgets conservatively and practices fiscal prudence throughout each budget year to ensure that unanticipated expenditures do not result in mid-year budget cuts in other areas which would have an immediate impact on students. This practice has allowed and will allow the district in the future to weather state aid holdbacks, state aid cutbacks, and other negative budget impacts without impacting instructional programs. However, conservative budgeting can also result in budget surpluses at year-end. The Board of Education reviews any budget surpluses and determines the best use of these surpluses including transfers to voter or Board of Education approved reserves or to a reduction in the ensuing years' tax levy.

Legally established reserves can provide many benefits to the school district and to its taxpayers. However, these reserves can also cause confusion when their purpose is not clearly understood by the community. The purpose of this document is to detail the Westhill Central School District's plan for use and maintenance of reserves.

The stakeholders of the Westhill Central School District recognize the use of reserves as one time revenues that assist the district in tough budgetary times. They also recognize the importance of funding such reserves in sound financial times so the reserve monies are strong enough to avail themselves in tougher times.

This plan compliments the three-year financial plan created by the district.

The following shows the General Fund Balance Sheet from the annual Basic Financial Statements which include the reserve balances as of June 30th in 2018, 2019, and 2020:

WESTHILL CENTRAL SCHOOL DISTRICT
Balance Sheet - Governmental Funds
June 30, 2019 and June 30, 2020 and June 30, 2021

ASSETS	2019	2020	2021
Cash			
Unrestricted	\$ 6,616,418	\$ 6,151,924	\$ 6,935,485
Restricted	3,548,702	2,438,207	2,720,416
Investments			
Receivables			
Due From Other Funds	416,130	495,436	858,527
State and Federal Aid	1,597,596	870,981	1,032,979
Other Receivables	48,533	37,678	8,400
Inventories			
Prepaid Expenditures	935,865	1,038,195	1,062,006
Total Assets	\$13,163,244	\$11,032,421	\$12,617,813
 LIABILITIES			
Payables			
Accounts Payable	\$ 5,701	\$ 24,963	\$ 23,299
Accrued Liabilities	226,324	285,428	318,149
Agency Liabilities			330,107
Accrued Interest	484,434		
Due to Other Governments			204,350
Due to Other Funds	451,605	92,670	237,046
Due to NYS TRS	1,449,073	1,294,021	1,432,407
Due to NYS ERS	119,532	118,309	137,003
Comp Absences Liability	52,255	52,641	59,838
Total Liabilities	\$ 2,788,924	\$ 1,868,032	\$ 2,742,199

FUND BALANCES	2019	2020	2021
NON SPENDABLE			
Not in spendable form	935,865	1,038,195	1,062,006
Must remain intact			
	935,865	1,038,195	1,062,006
RESTRICTED			
Reserve for Workers' Compensation	375,000	375,000	375,000
Reserve for Unemployment Insurance	160,000	160,000	92,124
Reserve for Retirement Contributions	966,958	966,958	966,958
Reserve for Insurance	111,696		
Reserve for Tax Certiorari	396,900	397,651	397,704
Reserve for EBALR	238,148	238,598	238,630
Capital Reserve Turf	300,000	300,000	650,000
Capital Reserve 2018	1,000,000		
	3,548,702	2,438,207	2,720,416
ASSIGNED			
Assigned Appropriated Fund Balance	2,351,179	2,026,982	2,329,000
Assigned Unappropriated Fund Balance (includes carryover encumbrances)	226,921	131,181	182,817
	2,578,100	2,158,163	2,511,817
UNASSIGNED			
Unassigned Fund Balance	3,311,653	3,529,824	3,581,375
	3,529,824	3,529,824	3,581,375
Total Fund Balances	\$10,374,320	\$9,164,389	\$9,875,614
Total Liabilities & Fund Balance	\$13,163,244	\$11,032,421	\$12,617,813

Under GASB 54, fund balance is classified as either: non-spendable, restricted, or unrestricted. Unrestricted fund balance is further classified as: committed, assigned, or unassigned.

The district's Non-spendable Fund Balance are amounts that cannot be spent due to form. These generally include one month of prepaid expenditures for dental insurance, health insurance, liability insurance, and utilities.

The district's Restricted Fund Balance include accounts limited for use towards a specific purpose.

Workers' Compensation Reserve Fund (GML Section 6-j)

Purpose: To pay compensation and benefits, medical, hospital, or other expenses authorized by Article 2 of the Workers' Compensation Law and to pay the expenses of administering a self-insurance program.

How to Create and Use: Created by resolution of the governing board. A referendum is not required either to create or expend moneys from the reserve.

Source of Funds: Budgetary appropriations and other sums as may be legally appropriated (e.g., surplus moneys).

Use of Unexpended Balances: If at the end of any fiscal year, moneys in the fund exceed the amounts required to be paid for compensation, benefits and expenses, plus any additional amount required to pay all pending claims, the governing board, within 60 days of the close of such fiscal year, may elect to transfer all or part of the excess amount to certain other reserve funds, or may apply all or part of the excess to the budget appropriation of the next succeeding fiscal year. If the district ceases to be a self-insurer, moneys remaining in the fund may be transferred to certain other reserve funds, but only to the extent moneys in the fund exceed an amount sufficient to pay all authorized expenditures, both accrued and contingent.

Activity: Board of Education resolution on October 6, 2009 to establish the reserve and fund with \$200,000 with proceeds from excess budgetary funds.

On June 26, 2017, the Board of Education authorized a \$175,000 transfer into the reserve with proceeds from excess budgetary funds.

Comment: The district is a member of the OCM Workers' Compensation Consortium. On June 30, 2021 the consortium had an expected liability for unpaid claims of \$18,254,693. Of this amount, the Westhill CSD was responsible for \$689,222 (net of expected recovery from excess carrier). This is an increase from the district's \$501,348 share on June 30, 2020.

Unemployment Insurance Payment Reserve Fund (GML Section 6-m)

Purpose: To reimburse the State Unemployment Insurance Fund for payments made to claimants where the municipality has elected to use the "benefit reimbursement" method.

How to Create and Use: Created by resolution of the governing board. A referendum is not required either to create or expend the reserve. Expenditures may be made only as required by law to pay into the Unemployment Insurance Fund an amount equivalent to the amount of benefits paid to claimants and charged to the account of the district or BOCES in accordance with Labor Law Section 581(1)(e).

Source of Funds: Budgetary appropriations, amounts from certain other reserve funds, subject to permissive referendum; other funds that may be legally appropriated.

Use of Unexpended Balances: If at the end of any fiscal year, the moneys in the fund exceed amounts required to be paid into the Unemployment Insurance Fund as described above, plus any additional amounts required to pay all pending claims, the governing board, within 60 days of the close of the fiscal year, may elect to transfer all or part of the excess amounts to certain other reserve funds, or apply all or part of the excess to the budget appropriation of the next succeeding fiscal year. If the local government terminates its election to become liable for payments in lieu of contributions (i.e., elects to convert to "tax contribution" basis), moneys remaining in the fund may be transferred to certain other reserve funds, to the extent moneys in the fund exceed amounts sufficient to pay all pending claims.

Activity: Board of Education resolution on June 15, 2009 to establish the reserve and fund with \$50,000 with proceeds from excess budgetary funds. A Board of Education resolution on June 17, 2013 increased the reserve by \$30,000 from excess budgetary funds in anticipation additional layoffs due to continuing uncertainty in NYS aid to education.

On November 9, 2020, the Board of Education authorized a \$67,876 transfer from the reserve for unemployment claims related to the COVID-19 pandemic.

Comment: Reserve is properly funded at approximately 3 times the average of the last five years of expenditure (\$29,211). Recommended balance is two to three times the anticipated annual expenditure. The district experienced an above average number of unemployment insurance claims in the last quarter of 2019-20 due to the COVID-19 pandemic. This continued into the 2020-21 fiscal year and drastically increased the district's cost of unemployment insurance in fiscal year 2020-21.

Retirement Contribution Reserve Fund (GML Section 6-r)

Purpose: For the payment of "retirement contributions," which are defined as all or any portion of the amount payable to either the New York State and Local Employees' Retirement System, pursuant to Section 17 of the Retirement and Social Security Law.

How to Create and Use: Created, and expenditures authorized, by resolution of the governing board to finance retirement contributions. A referendum is not required either to create or expend moneys from the reserve.

Source of Funds:

- a) Budgetary appropriations or taxes raised for the reserve
- b) Revenues that are not required by law to be paid into any other fund or account
- c) Amounts from reserve funds established pursuant to Sections 6-c, 6-d, 6-e, 6-f or 6-g of the General Municipal Law (supported by the same tax base), subject to public hearing requirements
- d) Other funds that may be legally appropriated.

Use of Unexpended Balances: The board may authorize the transfer of a portion of the moneys in the retirement contribution reserve to a reserve fund established pursuant to Sections 6-c, 6-d, 6-e, 6-f or 6-g of the General Municipal Law (supported by the same tax base), or in the case of a school district, a reserve fund established pursuant to Section 3651 of the Education Law. Such a transfer is subject to a public hearing. If the board determines that the retirement contribution reserve is no longer needed, the board may terminate the fund by resolution. The resolution must transfer any moneys remaining in the retirement contribution reserve to one or more reserve funds established pursuant to Sections 6-c, 6-d, 6-e, 6-f or 6-g of the General Municipal Law (supported by the same tax base), or in the case of a school district, one or more reserve funds established pursuant to Section 3651 of Education Law.

Activity: Fund was established in fiscal year 2006-07 with \$175,000. Board of Education resolution on June 17, 2013 to increase reserve by \$300,000 from excess budgetary funds in anticipation of increasing contribution rates.

Comment: Reserve is properly funded at two times the anticipated annual expenditure; the 2021-22 ERS contribution is projected to be \$474,180.

Insurance Reserve Fund (GML Section 6-n)

Purpose: To fund certain uninsured losses, claims, actions, or judgments for which the local government is authorized or required to purchase or maintain insurance, with a number of exceptions. An insurance reserve fund may also be used to pay for expert or professional services in connection with the investigation, adjustment, or settlement of claims, actions, or judgments.

An insurance reserve may not be used to pay for uninsured losses, claims, actions, or judgments for which the following types of insurance are authorized:

- Life insurance
- Annuities
- Accident and health insurance
- Workers' compensation and employers' liability insurance (see above discussion of Workers' Compensation Reserve Fund)
- Fidelity and surety insurance
- Credit insurance
- Title insurance
- Residual value insurance
- Mortgage guarantee insurance.

In addition, an insurance reserve may not be used for payments in lieu of unemployment insurance contributions under Article 18 of the Labor Law (but see above discussion of Unemployment Insurance Payment Reserve Fund).

Also, a municipality may not pay from an insurance reserve for any loss, claim, action, or judgment for which it has established a reserve fund under any other provision of law. However, if a local government has previously established a reserve fund under another provision of law for a type of risk for which expenditures may be made under Section 6-n, it may discontinue the other reserve and transfer any unexpended balance to a Section 6-n reserve, subject to certain limitations.

How to Create and Use: Created by resolution of the governing board. A referendum is not required either to create or expend moneys from the reserve.

Source of Funds: Budgetary appropriations, amounts from any other fund authorized by the General Municipal Law subject to permissive referendum, such other funds as may be legally appropriated.

Special Provisions: The amount paid into this reserve fund during any fiscal year may not exceed the greater of \$33,000 or 5 percent of the total budget of the fiscal year. There is no limit on the cash balance.

Moneys in the fund may be used to fund the payment of actions or claims that have been compromised or settled with judicial approval, except where the amount of the settlement or compromise does not exceed \$25,000.

In maintaining accounting records for this fund, the chief fiscal officers must keep a separate account for each kind of risk funded in the Insurance Reserve Fund.

Use of Unexpended Balances: If it is determined that the fund is no longer needed, the moneys remaining in the fund may be transferred to another reserve fund authorized by the General Municipal Law (supported by the same tax base) or, in the case of a school district, a reserve fund established under Education Law Section 3651 (see discussion below), but only to the extent that the moneys in the fund exceed a sum sufficient to pay all liabilities incurred or accrued against the funds, as certified to the governing board by the fiscal and legal officers of the local government prior to the discontinuance of the fund.

Last Activity: Board of Education resolution on June 16, 2008 to establish the reserve and fund with \$50,000 with proceeds from excess budgetary funds.

On May 12, 2020 the Board of Education liquidated the reserve.

Comment: The reserve was liquidated in May 2020 to help pay for a court approved settlement that was not covered by the district's general liability insurance.

Tax Certiorari Reserve Funds (Education Law Section 3651[1-a])

Purpose: To pay judgments and claims in tax certiorari proceedings in accordance with Article seven of the Real Property Tax Law.

How to Create and Use: Establishment of, and expenditures from, a Section 3651[1-a] reserve to pay judgments and claims in tax certiorari proceedings do not require voter approval.

Source of Funds: For a reserve under Section 3651[1-a], generally budgetary appropriations.

Special Provisions:

- If a school district is located wholly or partly within the Adirondack Park and has State lands subject to taxation assessed at more than 30 percent of aggregate taxable assessed valuation in the district, the establishment of a reserve fund is subject to consent of the State Comptroller, on recommendation of the Commissioner of Education.
- The total amount in a Section 3651[1-a] reserve fund may not exceed the amount that might reasonably be deemed necessary to meet anticipated tax certiorari judgments and claims.
- The school authorities must annually render a detailed report of the operation and condition of each reserve fund under Section 3651, with a copy of the report provided to the Commissioner of Education.

Use of Unexpended Balances: Funds reserved for tax certiorari judgments and claims pursuant to Education Law, Section 3651[1-a] that are not expended for the payment of judgments or claims arising out of tax certiorari proceedings for the tax roll in the year the moneys are deposited to the fund and/or that will not be "reasonably required to pay any such judgment or claim," must be returned to the general fund on or before the first day of the fourth fiscal year following the deposit of such moneys to the reserve fund.

Last Activity: Fund was established in fiscal year 2017-18 with \$395,158. Account is currently under-funded.

Comment: As of June 30, 2021, potential tax certiorari claims total \$1,580,451 and include:
5075 W Seneca LLC - \$739,511
Morgan Meadows Apartments - \$386,572
Brookdale Senior Living/Alterra Healthcare Corp. - \$263,859

Employee Benefit Accrued Liability Reserve Fund (GML Section 6-p)¹

Purpose: To pay for any accrued “employee benefit” due an employee on termination of the employee’s service. “Employee benefits” for this purpose means the authorized “cash payment of the monetary value of accrued and accumulated but unused and unpaid sick leave, personal leave, holiday leave, vacation time, time allowances granted in lieu of overtime compensation and any other forms of payment for accrued but unliquidated time earned by district employees and payable to district employees upon termination of service, whether by retirement or otherwise ...” (GML Section 6-p[1][b]). Note that lump sum payments upon separation from service that are calculated in a manner unrelated to accrued, unliquidated leave time credits are not payable from the employee benefit accrued liability reserve fund (2006 Op St Comp No. 2006-8, at 19). The fund also may not be used to pay the cost for health insurance for retirees (see 2004 Ops St Comp No. 2004-8, at 23).

Expenditures may be made from an employee benefit accrued liability reserve fund for the payment of all or part of the cost, including interest, of:

- a) The cash payment of the monetary value of accumulated or accrued and unused sick leave, holiday leave, vacation leave, time allowance granted in lieu of overtime compensation and other forms of payment for accrued leave time and benefits due to a municipal employee upon termination of municipal employment and separation from service “as required by ordinance, local law, collective bargaining agreement or Section six of the civil service law”
- b) The reasonable costs of the administration of the reserve fund
- c) Expert or professional services rendered in connection with the investigation, adjustment or settlement of claims, actions or judgments relating to claims for accrued employee benefits.

How to Create and Use: Created by resolution of the governing board. A referendum is not required either to create or expend moneys from the reserve.

Source of Funds: Budgetary appropriations, amounts from certain other reserve funds subject to permissive referendum, other funds that may be legally appropriated.

Special Provisions: No expenditure shall be made from an employee benefit accrued liability reserve fund for any employee benefit for which a reserve fund has already been established under any other provision of law. However, if a municipal corporation has previously established a reserve fund for a type of accrued employee benefits for which expenditures may be made from the employee benefit accrued liability reserve fund, the municipal corporation may, by resolution, discontinue such other reserve fund and transfer any unexpended

balance to the employee benefit accrued liability reserve fund, subject to certain limitations.

Use of Unexpended Balances: If the governing body determines that such fund is no longer needed, any remaining moneys may be transferred to any other reserve fund authorized by the General Municipal Law (supported by the same tax base) or, in the case of school districts, a reserve fund established under Education Law Section 3651, but only to the extent that the moneys in the employee benefit accrued liability reserve fund exceed a sum sufficient to pay all liabilities incurred or accrued against the employee benefit accrued liability fund, as certified to the governing board by the fiscal and legal officers of the local government prior to the discontinuance of the fund.

Last Activity: Board of Education resolution on June 8, 2015 to expend \$154,250 for retirees' payout of sick days and vacation buyback.

On June 26, 2017, the Board of Education authorized a \$50,000 transfer into the reserve with proceeds from excess budgetary funds

Comment: Reserve is slightly under-funded as the compensated absences balance on June 30th was \$281,904. The district is restricted by allowable usage of the reserve.

School District Capital Reserve Funds (Education Law Section 3651[1])

Purpose: To pay the cost of any object or purpose for which bonds may be issued by, or for the objects or purposes of, a school district pursuant to the Local Finance Law.

How to Create and Use: Establishment of a Section 3651[1] reserve requires voter approval by a majority of qualified voters. (Exception: city school districts in a city having a population of 125,000 or more. Note, however, when school taxes must be included in the computation of a city's constitutional tax limit, the establishment of a reserve fund by the school authorities of such city is subject to the consent of the city legislative body.)

The notice for the voter approval must state that a proposition to establish a reserve fund will be submitted, the purpose of the fund, the ultimate amount thereof, its probable term and the source from which the funds would be obtained. The proposition that is voted upon must specify the purpose for which the fund would be established, the ultimate amount, the probable term and the source from which the funds are to be obtained. An expenditure from the reserve fund (except for school districts in a city having a population of 125,000 or more) must be authorized by district voters and for the specific purpose specified in the proposition.

Source of Funds: Generally, an annual amount necessary to meet the requirements of the proposition under Section 3651[1]; also the voters may from time to time direct school authorities to pay moneys derived from any other source into a Section 3651[1] reserve. (No voter approval provision in the case of a school district in a city with population of 125,000 or more.)

Use of Unexpended Balances: All or any part of the reserve established pursuant to Education Law Section 3651[1] may be transferred to another reserve fund established pursuant to that section with voter approval. Also, when voters determine that the original purpose of the reserve fund is no longer desirable, the reserve fund may be liquidated by applying the balance first to any outstanding bonded indebtedness and then, subject to certain limitations, to the annual tax levy.

Last Activity: On October 8, 2015, the voters also authorized a new \$650,000 capital reserve with a 12 year probable term for the eventual replacement of the turf field.

On June 26, 2017, the Board of Education authorized a \$300,000 transfer into the turf field reserve with proceeds from excess budgetary funds.

On June 21, 2021, the Board of Education authorized a \$350,000 transfer into the turf field reserve with proceeds from excess budgetary funds.

In addition to restricted reserves, the district also has an assigned and unassigned fund balance. Fund balances are used for the following purposes:

Assigned Appropriated Fund Balance

Purpose: Planned reduction in fund balance to reduce the property tax levy necessary to support the current budget.

Source of Funds: Budget surplus from the prior year's budget, or a planned reduction in fund balance.

Last Activity: Board of Education budget resolution on May 19, 2020 carried forward \$2,329,000 to balance the 2021-22 budget which represents 5.6% of revenues.

Comment: The designation of fund balance represents "one-shot" revenue that cannot be anticipated to be available in perpetuity. Overuse can cause the depletion of available fund balance, ultimately leading to volatility in the property tax rate and budget cuts. It is projected a designated fund balance equal to 3% of appropriations is sustainable for the foreseeable future.

Assigned Unappropriated Fund Balance - Reserve for Encumbrances

Purpose: To record the amount of outstanding encumbrances at the end of the fiscal year.

Unassigned Fund Balance

Purpose: Provides a source of funds for unanticipated increases in expenditures, decreases in revenue and interruptions in cash flow.

Source of Funds: Budget surplus from the prior year's budget.

Comment:

Limited to 4% of the following year's budget. Because the unassigned fund balance is currently above the legal limit, the plan is to use the surplus to help balance future budgets, pay cash for buses, and reduce debt service principal and interest obligations. June, 2023 will be the next opportunity to refinance serial bonds that have \$11M in outstanding principal and 4.1% annual interest charges.

In addition to the above general fund reserve accounts, the district also has a reserve for debt as required by General Municipal Law §6-1. The reserve for debt is used for the purpose of retiring outstanding obligations resulting from capital projects. The balance was \$1,604,852 on June 30, 2021 and is accounted for in the debt service fund. The district budgets a pro-rated portion of the reserve for debt as a revenue source for debt service appropriations.

BOARD ACTION

Employee Benefit Accrued Liability Reserve – June 25, 2003 action item #320

Upon motion by Mr. Tremont and seconded by Mr. Lowery, the establishment of the Employee Benefit Accrued Liability Reserve Fund was approved. Motion carried, all ayes.

Retirement Contribution – August 29, 2005 action item #96

Upon motion by Mrs. Riccardi and seconded by Mr. Tremont, the establishment of a Retirement Contribution Reserve in an amount not to exceed \$250,000, to be funded from the unappropriated fund balance, with initial funds in the amount of \$175,000 from NYS Employee Retirement accrual was approved, effective July 1, 2005. Motion carried, all ayes.

Insurance Reserve – June 16, 2008 action item #456

Upon motion by Mr. Tremont and seconded by Mr. Parkinson, and upon the recommendation of the Superintendent, the request to fund the Insurance Reserve from unexpended monies and excess revenues in the amount of \$50,000 from the 2007-2008 school year was approved. Motion carried, all ayes.

Insurance Reserve – May 12, 2020 action item #4

Upon motion by Mr. Starowicz and seconded by Mr. Cassidy and upon the recommendation of the Superintendent, the liquidation of the restricted insurance reserve and expend the funds for the settlement approved by the Board of Education at their April 20, 2020 regular meeting was approved. Motion carried, all ayes.

Unemployment Insurance – June 15, 2009 action item #472

Upon motion by Mr. Lowery and seconded by Mr. Parkinson, and upon the recommendation of the Superintendent, the request to fund the insurance reserve from unexpended monies and excess revenues for the 2008-2009 school year in the amount of an additional \$30,000 was approved. Motion carried, all ayes.

Unemployment Insurance – November 9, 2020 action item #4

Upon motion by Mr. Wickersham and seconded by Mr. Cassidy and upon the recommendation of the Superintendent, the approval of the Westhill Central School District use \$67,876 of the unemployment insurance reserve for the payment of the unemployment insurance benefit reimbursement charges, as presented, was approved. Motion carried, all ayes.

Workers' Compensation – October 6, 2009 action item #153

Upon motion by Mr. Parkinson and seconded by Mrs. O'Reilly, and upon the recommendation of the Superintendent, the creation of a Worker's Compensation reserve to be funded from unexpended monies and excess revenues for the 2008-2009 school year was approved in the amount of an additional \$200,000. Motion carried, all ayes.

Capital Reserve – March 31, 2014 action item #15 and subsequent voter authorization on May 20, 2014

Upon motion by Mr. Wickersham and seconded by Mrs. Rose, and upon the recommendation of the Superintendent, the Resolution for the notice of the public budget hearing and the annual meeting and election was approved as follows:

4. Shall the Board of Education of the Westhill Central School District be authorized and directed to establish a Building Capital Reserve Fund pursuant to Section 3651 of the Education Law (to be known as the "Capital Reserve Fund") with the purpose of such fund being to finance reconstruction, renovation and equipping of the high school, Onondaga Hill middle school, Cherry Road elementary school, Walberta Park elementary school, bus garage, and district office buildings and facilities, including the school track and fields, pavements and grounds, fire suppression, phone and security systems, heating, plumbing, electrical and ventilation systems, structural repair to doors, windows, floors and roofs, various improvements for energy efficiency and costs incidental thereto. The ultimate amount of such fund is to be \$1,500,000.00, plus earnings thereon. The probable term of such fund is to be ten (10) years, but such fund shall continue in existence until liquidated in accordance with the Education Law or until the funds are exhausted. The sources from which the funds shall be obtained for such Reserve are (i) amounts from budgetary appropriations from time to time, and (ii) unappropriated fund balance made available by the Board of Education from time to time, and (iii) New York State Aid received and made available by the Board of Education from time to time, all as permitted by law.

This reserve was closed on October 26, 2015 via board resolution and the monies were transferred to the capital fund.

Capital Reserve (Turf) – August 10, 2015 action item #30 and subsequent voter authorization on October 8, 2015

Upon motion by Mr. Wickersham and seconded by Mr. Lowery, and upon the recommendation of the Superintendent, it is recommended the following resolution be adopted:

Shall the Board of Education of the Westhill Central School District establish a new twelve (12) year reserve fund pursuant to section 3651 of the Education Law in the amount of \$650,000 to be used for the eventual replacement of the artificial turf at the high school athletic field, such reserve fund to be funded from any excess General Fund monies for the fiscal year ended June 30, 2016 and each year thereafter during the term of the reserve fund.

Capital Reserve (Turf) – June 26, 2017 action item #22

Upon motion by Mr. Lowery and seconded by Mrs. Scrimale, and upon the recommendation of the Superintendent, it is recommended the following resolution be adopted:

BE IT RESOLVED, that the Board of Education authorizes the following transfers:

1. up to \$50,000 into the employee benefit accrued liability reserve fund,
2. up to \$175,000 in the workers' compensation reserve fund,
3. up to \$300,000 into the capital (turf field) reserve fund,

This Resolution shall take effect immediately. Motion carried, all ayes.

Capital Reserve (Turf) – June 21, 2021 action item #14

Upon motion by Mr. Starowicz and seconded by Mr. Wickersham and upon the recommendation of the Superintendent, the following resolution was approved.

BE IT RESOLVED, that the Board of Education authorizes the following transfer:

1. up to \$350,000 into the capital (turf field) reserve fund,

This Resolution shall take effect immediately. Motion carried, all ayes.

Capital Reserve 2018 – April 16, 2018 action item #8 and subsequent voter authorization on May 15, 2018

Upon motion by Mrs. Scrimale and seconded by Mr. Wickersham, and upon the recommendation of the Superintendent, it is recommended the following resolution be adopted:

Shall the Board of Education of the Westhill Central School District be authorized and directed to establish a Building Capital Reserve Fund pursuant to Section 3651 of the Education Law (to be known as the “Capital Reserve Fund 2018”) with the purpose of such fund being to finance reconstruction, renovation and equipping of the high school, Onondaga Hill middle school, Cherry Road elementary school, Walberta Park elementary school, bus garage, district office, and facilities, including the school track and fields, pavements and grounds, fire suppression, security systems, heating, plumbing, electrical and ventilation systems, structural repair to doors, windows, floors and roofs, various improvements for energy efficiency and costs incidental thereto. The ultimate amount of such fund is to be \$1,000,000.00, plus earnings thereon. The probable term of such fund is to be ten (10) years, but such fund shall continue in existence until liquidated in accordance with the Education Law or until the funds are exhausted. The sources from which the funds shall be obtained for such Reserve are (i) amounts from budgetary appropriations from time to time, and (ii) unappropriated fund balance made available by the Board of Education from time to time, and (iii) New York State Aid received and made available by the Board of Education from time to time, all as permitted by law.

Capital Reserve 2018 – June 25, 2018 action item #18

Upon motion by Mr. Wickersham and seconded by Mrs. Scrimale, and upon the recommendation of the Superintendent, it is recommended the following be approved:

BE IT RESOLVED, that the Board of Education authorizes the following transfers:
up to \$950,000 into the capital reserve fund 2018,

This Resolution shall take effect immediately.

Capital Reserve 2018 – March 11, 2019 action item #11

Upon motion by Mr. Wickersham and seconded by Mr. Cassidy and upon the recommendation of the Superintendent, the following resolution was approved:

BE IT RESOLVED, that the Board of Education authorizes the following transfer:
\$150,000 into the capital reserve fund 2018 and

This Resolution shall take effect immediately.

Capital Reserve 2018 – May 21, 2019 voter proposition #3

Shall the Board of Education construct renovations and improvements to all District school buildings: Westhill High School, Onondaga Hill Middle School, Walberta Park Elementary School, Cherry Road Elementary School and District bus garage, including improvements to exterior athletic facilities, fields and courts, parking and sidewalks, renovations, site improvements, original furnishings, fixtures and equipment, architectural fees, and all other necessary costs incidental to such work and expend therefore a

total sum not to exceed \$20,183,700, which is estimated to be the total maximum cost thereof, and to pay for the project by using \$1,000,000 from the District's Capital Reserve and by the levy of a tax which is hereby voted for the Project in the amount of \$20,183,700, subject to available State Aid, which tax shall be levied and collected in annual installments in such years and in such amounts as may be determined by the Board of Education and in anticipation of the collection of such tax, bonds and notes of the District are hereby authorized to be issued at one time, or from time to time, in the principal amount not to exceed \$20,183,700, and a tax is hereby voted to pay the interest on said obligations when due?

Approved: YES 347 NO 106

This reserve was closed on July 23, 2019 when the monies were transferred to the capital fund.

Tax Certiorari – October 23, 2017 action item #12

Upon motion by Mr. Wickersham and seconded by Ms. Scrimale, and upon the recommendation of the Superintendent, it is recommended the following resolution be adopted:

Shall the Board of Education of the Westhill Central School District liquidate the current tax certiorari reserve and transfer the funds to a new tax certiorari reserve pursuant to section 3651 of the Education Law for the following potential tax certiorari claims?

Brookdale Senior Living/Alterra Healthcare Corp.	\$372,901.44
Carrols Corporation #250	51,403.86
Carrols Corporation #602	50,047.16
High Acres Apartments DE LLC	93,800.89
Morgan Meadows Apartments LLC	<u>122,225.40</u>
Total	\$690,378.75