

## ST. LAWRENCE-LEWIS BOCES

### RESERVE PLAN

#### **Reserve for Accrued Employee Benefits Liability (Compensated Absences)**

*General Ledger Code* – A 687-00

*Purpose* – This reserve is used 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 to pay for items such as retirement incentives and retiree health insurance.

*Funding Methods* – This reserve was funded from excess fund balance and budgetary appropriations.

*Use of Reserve* - This reserve can be used when an employee separates from the BOCES and payment of accumulated leave is required.

*Monitoring of Reserve* – This reserve is monitored by the Director of Financial Affairs. Each year, a detailed analysis of the liability is computed and is used to support the funding of this reserve.

*Funding Level* – This reserve should be funded at no more than 100% of the accrued liability for unused accumulated leave time. As of 6/30/17, this reserve was underfunded by \$654,185.

**Balance as of 3/31/18 (Close of third quarter): \$978,144.48**

**Use of Reserve in 2017-18:** It is anticipated that \$148,000 will be expended from this reserve in 2017-18 to pay out accumulated leaves for those retiring by June 30, 2018. Accruals for retirements after June 30, 2018 will be recorded in this reserve for future payments.

**Use of Reserve in 2018-19:** This reserve will be used in 2018-19 to pay out accumulated leave time for those retiring by June 30, 2019. Accruals for retirements after June 30, 2019 will be recorded in this reserve for future payments.

#### **Reserve for Unemployment Insurance**

*General Ledger Code* – A 815-00

*Purpose* – This reserve is used to reimburse the State for payments made to claimants for unemployment.

*Funding Methods* – This reserve was funded from excess fund balance and budgetary appropriations.

*Use of Reserve* - This reserve can be used to pay the quarterly bills due to the Unemployment Insurance Division of the New York State Department of Labor.

*Monitoring of Reserve* – This reserve is monitored by the Director of Financial Affairs.

*Funding Level* – This reserve balance was \$888,985.48 on 6/30/17 and it is recommended that claims for the 2017-18 fiscal year be paid from this reserve.

**Balance as of 3/31/18 (Close of third quarter): \$874,900.19**

**Use of Reserve in 2017-18:** It is recommended that the 2017-18 claims be paid from this reserve.

**Use of Reserve in 2018-19:** It is recommended that the 2018-19 claims be paid from this reserve.

## **Reserve for Retirement Contributions**

*General Ledger Code* – A 827-00

*Purpose* – This reserve is used to fund retirement contributions payable to the New York State & Local Retirement System.

*Funding Methods* – This reserve was funded from excess fund balance and budgetary appropriations.

*Use of Reserve* - The annual invoice for the New York State & Local Retirement System can be paid from this reserve.

*Monitoring of Reserve* – This reserve is monitored by the Director of Financial Affairs.

*Funding Level* – This reserve balance was \$682,317.22 on 6/30/17. This reserve is underfunded as the 2018 annual invoice was \$1,152,097.

**Balance as of 3/31/18 (Close of third quarter): \$682,317.22**

**Use of Reserve in 2017-18:** There are no recommendations to use this reserve in 2017-18.

**Use of Reserve in 2018-19:** It has been budgeted in the administrative budget to use \$15,000 from this reserve, if needed, to balance the budget.

## **Career Education Instructional Equipment Reserve Fund**

*General Ledger Code* – H 878-00

*Purpose* – This reserve is used for the replacement and purchase of advanced technology equipment used in instructional programs conducted by the BOCES.

*Funding Methods* – This reserve was funded from excess fund balance and budgetary appropriations.

*Use of Reserve* – Funds may be expended with the approval of the commissioner of education.

*Monitoring of Reserve* – This reserve is monitored by the Director of Financial Affairs.

*Funding Level* – This reserve balance was \$310,561.81 on 6/30/17 and It is recommended that additional funds be appropriated into this reserve in the future to help purchase equipment for the technical centers during the renovation project.

**Balance as of 3/31/18 (Close of third quarter): \$310,561.81**

**Use of Reserve in 2017-18:** There are no recommendations to use this reserve in 2017-18.

**Use of Reserve in 2018-19:** It is recommended that the Facilities Committee take into consideration the availability of this fund when planning for the next CTE renovation project.

**Original Board Approval Date: 6/2/16**

**Revised: 6/7/18**