

Summary Analysis of 2020-21 Projected Revenues and Fund Balance
As of May 31, 2021

ACCOUNT	2020-21 BUDGET	REVENUE EARNED YTD	ACCRUED REVENUE	TOTAL PROJECTED REVENUE	TOTAL PROJECTED VARIANCE OVER/(UNDER)	Note: This analysis contains estimates and projections of revenues based on certain assumptions. Actual results can vary and as such these estimates and projections are subject to change.	
A 1001	Real Property Taxes	89,521,076	76,030,564	13,490,512	89,521,076	0	<p>Reflects statement from Nassau Cty. LIPA PILOTS have varied widely from Billings for health services for students attending in-district NPS. Projection reflects fewer students receiving services. Billings for special ed services to in-district NPS students. NYC has \$120K outstanding--Possible litigation needed Boundary properties designated to MUFSD, plus tuition collected for non-resident students Primarily PSAT Exam fees, offset on the expense side. Drivers Ed is not running in 20-21 because of COVID-19. Offset on the interest earnings are at extraordinarily low levels. Facilities not used due to COVID-19.</p>
A 1081	PILOTS, including LIPA PILOTS	1,579,832	31,019	1,611,769	1,642,788	62,956	
A 1085	School Tax Relier Reimbursement	1,176,350	1,176,350	1,176,350	-		
A 1090	Interest on Property Taxes	5,000	-	-	(5,000)		
A 2280	Health Service for Other Districts	715,765	(18,228)	685,212	666,984	(48,780)	
A 2230	Day School Tuition-Other Districts	200,000	(114,073)	359,442	245,369	45,369	
A 1311	Day School Tuition- Individuals	152,594	182,101	182,101	182,101	29,507	
A 1335	Other Student Fees & Charges	5,000	52,752	52,752	52,752	47,752	
A 1335..1	Driver Education Tuition	30,000	-	-	(30,000)		
A 1489	Other Charges for Services	202,436	6,017	218	6,235	(196,201)	
A 2401	Interest and Earnings	40,000	875	15,725	16,600	(23,400)	
A 2410	Rental of Real Property	30,000	79,949	5,051	85,000	55,000	<p>Worker's Comp. recoveries. Include prior year recoveries from NYS of \$43K.</p>
A 2770	E Rate Aid	10,000	-	-	(10,000)		
A 2703	Refund of Prior Year Expense- Other	60,000	3,618	128,345	131,963	71,963	<p>W/O old AP - \$85K</p>
A 2705	Gifts and Donations	50,000	6,878	3,296	10,174	(39,826)	<p>Gifts from community orgs for club/athletic/enrichments stipends and gifts from the SCA for outdoor education. Impacted by COVID-19</p>
A 2389	Other Misc Revenue	3,000	860	860	860	(2,140)	
A 2773	Indirect Revenue - Grants	36,489	5,012	27,000	32,012	(4,477)	
	Total Operational Revenues, excluding State Aid	93,817,542	77,443,694	16,326,570	93,770,264	(47,278)	
A 3101	State Aid- Basic Formula	3,933,180	3,355,225	336,314	3,691,539	(241,641)	<p>Reduction in State Aid of \$104,867 due to "Pandemic Adjustment" is recovered under the CARES Act and is reflected below in Federal Aid</p>
A 3102	State Aid- Lottery	-	113,192	-	113,192	113,192	
A 3103	State Aid- BOCES	614,506	270,925	269,006	539,931	(74,575)	
A 3260	State Aid- Textbook	285,905	202,710	202,710	202,710	(83,195)	
A 3262	State Aid- Computer Software	-	58,662	-	58,662	58,662	
A 3263	State Aid- Library Material	-	24,475	-	24,475	24,475	
A 3288	State Aid- Prior Year	50,000	133,679	-	133,679	83,679	
A 3289	State Aid- Other	10,000	-	-	-	(10,000)	
	Total State Aid, excluding Intermediate Care Facility	4,893,591	4,158,868	605,320	4,764,188	(129,403)	
A 3104	State Aid- Including Intermediate Care Facility and Children's Residential Project Total State Aid	189,496 5,083,087	219,068 4,377,936	72,002 677,322	291,070 5,055,258	101,574 (27,829)	
A 4601	Federal Aid- Medicaid Assistance	12,499	15,076	-	15,076	2,577	

Summary Analysis of 2020-21 Projected Revenues and Fund Balance
As of May 31, 2021

ACCOUNT	2020-21 BUDGET	REVENUE EARNED YTD	ACCRUED REVENUE	TOTAL PROJECTED REVENUE	TOTAL PROJECTED VARIANCE OVER/(UNDER)	
A 4286	Federal Aid - CARES Act Pandemic Adjustment			104,867	104,867	Reduction in State Aid of \$104,867 due to "Pandemic Adjustment" noted above is recovered under the CARES Act and is reflected below in Federal Aid
A 2801	Interfund Revenues - Debt Service Manhasset Library	1,022,625	1,022,625			
	Applied Fund Balance	724,067	724,067			
	Total Revenues and Fund Balance	<u>100,659,820</u>	<u>83,583,398</u>	<u>17,108,759</u>	<u>100,692,157</u>	<u>32,337</u>

Note: This analysis contains estimates and projections of revenues based on certain assumptions. Actual results can vary and as such these estimates and projections are subject to change.

Reduction in State Aid of \$104,867 due to "Pandemic Adjustment" noted above is recovered under the CARES Act and is reflected below in Federal Aid

Payment received from Library for Library Bond debt service paid by District

Summary Analysis of 2020-21 Projected Expenses and Fund Balance
As of May 31, 2021

Note: This analysis, with attachments, contains estimates and projections of expenses based on certain assumptions. Actual results can vary and as such these estimates and projections are subject to change.

	2020-2021		AS OF 5.31.21		Total Expended/Encumbered as of 5.31.21		Projected Remaining Expenses/Adjustments		Total Projected 2020-2021 Expenses		Total Projected 2020-2021 Fund Balance		2019-2020 Actual Expenses		Projected Exp. vs 2019-2020 Actual Expenses		Total Projected 2020-2021 a/o 1.31.21		5.31 Projection vs 1.31 Proj. (over)/under		
	Approved Budget	Budget Revision	Expensed/Encumbered	AS OF 5.31.21	Encumbered	AS OF 5.31.21	Remaining Expenses/Adjustments	2020-2021	2020-2021	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	
Total Compensation (100 Codes)	52,759,388.00		38,969,920	11,369,924	50,339,844	766,963	51,106,807	1,652,581	50,423,094	683,713	50,155,198	683,713	2,031,676	1,914,394	2,031,676	1,914,394	(951,609)			(951,609)	
Total Compensation - COVID-19 (100 Codes)	1,365,730.00		1,538,096	360,324	1,898,420	133,256	2,031,676	(2,031,676)	1,494,448	(447,800)	1,053,323	1,053,323	270,413	256,852	270,413	256,852	(57,381)			(57,381)	
Total Equipment (200 Codes)	5,051,190.00		851,779	66,167	917,946	128,702	1,046,648	319,082	4,004,127	614,989	4,561,735	614,989	460,577	7,603,830	460,577	7,603,830	(45,901)			(45,901)	
Total Transportation (300 Codes)	7,842,946.00		239,426	30,987	270,413	-	270,413	432,074	7,248,850	1,381,891	1,335,990	1,381,891	28,620	1,335,990	1,381,891	1,335,990	34,000			34,000	
Total Contractual (400 Codes)*	125,000.00		7,995	3,505	11,500	6,000	17,500	107,500	40,440	(22,940)	51,500	107,500	(22,940)	51,500	107,500	51,500	42,216			42,216	
Legal Services - Special Education(1420 429 Code)	1,648,862.00		378,737	892,100	1,270,837	15,050	1,285,887	362,975	1,257,267	28,620	1,328,103	1,285,887	28,620	1,328,103	1,285,887	1,328,103	42,216			42,216	
Contract Therapists (2250 440 Codes)	271,153.00		106,409	131,073	237,482	1,101	238,583	32,570	146,064	92,519	237,482	238,583	92,519	237,482	238,583	237,482	(1,101)			(1,101)	
Special Ed Tuition - Public (2250 471 Codes)	1,258,727.00		685,816	559,171	1,244,987	17,046	1,262,033	(3,306)	1,211,342	50,691	1,281,951	1,262,033	50,691	1,281,951	1,262,033	1,281,951	19,918			19,918	
Special Ed Tuition- BOCES (2250 490 Codes)	1,257,556.00		561,008	246,138	807,146	20,619	827,765	429,791	876,512	(48,746)	802,146	827,765	(48,746)	802,146	827,765	802,146	(25,619)			(25,619)	
Total Supplies (500 Codes)	1,097,279.00		659,835	151,070	810,905	36,481	847,387	249,892	966,532	(119,145)	628,555	847,387	(119,145)	628,555	847,387	628,555	149,040			149,040	
Total Supplies - COVID-19 (500 Codes)	82,000.00		650,566	40,333	690,898	(26,367)	664,531	(664,531)	61,603	664,531	628,555	664,531	664,531	628,555	664,531	628,555	(35,976)			(35,976)	
Total Interest Expense (700 Codes)	23,790,591.00		17,960,337	21,127	17,981,464	5,284,853	48,640	33,360	22,100,785	(12,963)	48,641	33,360	(12,963)	22,631,991	1,165,533	22,631,991	(634,326)			(634,326)	
Total Employee Benefits (800 Codes)																					
Total Employee Benefits - COVID-19 (800 Codes)																					
COVID-19 Budget Revision		4,348,511																			
Total Interfund Transfers (900 Codes)*	4,109,398.00		1,981,562	5,237,195	756,072	5,993,267	97,693	4,348,511	5,004,397	988,870	5,992,142	5,004,397	988,870	5,992,142	5,004,397	5,992,142	0			0	
TOTAL	100,659,820.00	6,330,073	78,509,160	16,165,137	94,674,297	7,943,591	102,617,888	4,372,005	94,835,460	7,782,428	101,310,751	94,835,460	7,782,428	101,310,751	94,835,460	101,310,751	(1,307,137)			(1,307,137)	
Total COVID-19 Fund Balance		4,348,511	3,333,872	934,411	4,268,282	80,229	4,348,511	0													

* excludes other 400 codes on this schedule.
 Total projected fund balance, revenue and expenses
 Dedicated to 21-22 tax levy (estimated budget not yet finalized)
 Remaining Available Fund Balance

Special Education 929,530 2,3,4
 4,404,342
 724,067
 3,680,275

1 Fund balance is projected as a result of changes in staff mix, primarily because of teachers on unpaid leaves of absence replaced with leave replacements at a lesser salary, in addition to early retirements and unfilled positions and extracurricular and athletic program curtailments, among other items as a result of the COVID-19.

2 Legal Fees for Special Education had been volatile: 2010-11: \$292,634; 2011-12: \$367,240; 12-13: \$439,945; 13-14 \$417,295. However, special education legal fees have stabilized over the last several years: \$85,314 in 14-15; \$133,387 in 15-16; \$121,179 in 16-17; 78,143 in 17-18; \$22,062 in 18-19; \$40,440 in 19-20 and projected \$17,500 in 20-21

3 Billing for Special Education Contract Therapists lags by several months. Therefore estimates for this line item can be volatile. The District budgeted for 460 classified school age students and 40 pre-school students to receive related services in 2020-21. As of October 2020, the District was servicing 382 school age students and 18 pre-school students.

4 The District budgeted for 40 special education students to attend out of district schools. The actual student count is 36. Certain students budgeted to attend certain out of district schools are actually attending different programs than originally budgeted.

5 The district issued its 2020-21 tax anticipation note for \$12,000,000 at a coupon rate of 2.00%, prior to application of premium of \$139,320. The net interest cost (NIC) rate, after premium is 0.3348%.

6 See attached analysis

2020-21 Benefits Expense and Fund Balance and Historical Analysis of Benefits Expense

	2020-2021 Approved Budget	2020-2021 Total Projected Expenses	2020-2021 Fund Balance	2019-2020 Total Expenses	2018-2019 Total Expenses	2017-2018 Total Expenses	2016-2017 Total Expenses	2015-2016 Total Expenses	ACTUAL										Projected 20-21 vs Actual 09-10 Increase (Decrease)
									2014-2015 Total Expenses	2013-2014 Total Expenses	2012-2013 Total Expenses	2011-2012 Total Expenses	2010-11 Total Expenses	2009-10 Total Expenses					
Employees' Retirement System*	1,236,321	1,298,435	(62,114)	1,126,894	1,167,632	1,057,595	986,459	926,100	1,162,241	795,633	1,221,010	1,096,089	864,214	540,996	757,439				
Teachers' Retirement System*	4,319,136	4,305,435	13,701	3,769,741	4,465,125	4,098,474	4,802,185	6,640,208	6,396,900	5,478,273	4,642,942	4,324,822	4,423,863	2,334,746	1,970,689				
Social Security-Employer Portion	3,913,722	3,967,300	(53,578)	3,693,831	3,627,379	3,611,865	3,611,865	3,314,932	3,314,932	3,171,667	3,244,579	3,243,260	3,121,896	3,203,755	763,545				
Workers' Compensation - Nassau Coop	416,041	422,610	(6,569)	437,088	414,448	397,282	380,390	362,533	358,663	375,207	361,177	303,625	128,221	0	422,610				
Workers' Compensation - Tail Claims	33,415	24,375	9,040	23,858	24,540	31,258	31,703	35,800	66,885	67,457	91,578	123,340	183,167	219,369	(194,994)				
Life Insurance Premiums	41,000	39,212	1,788	39,804	38,860	36,149	36,661	36,751	34,573	38,644	39,156	38,721	39,225	39,523	(311)				
Unemployment Insurance	20,000	0	20,000	53,755	18,514	5,200	19,092	12,682	14,641	35,278	55,339	84,466	72,862	60,605	(60,605)				
MEAMASA Trust Contribution	379,211	383,102	(3,891)	351,018	341,147	352,899	342,362	335,459	313,432	59,341	430,411	483,553	474,971	478,596	(95,494)				
Employee Assistance Program	9,030	9,030	0	9,030	9,030	9,030	9,030	9,030	9,030	9,030	9,054	9,030	9,030	9,030	0				
Annuity Management	3,500	2,796	704	2,940	3,048	3,264	3,228	3,336	3,336	3,516	8,835	8,370	9,304	10,647	(7,851)				
Other Benefits	0	0	0	23,864	7,137	4,361	5,920	4,247	1,540	14,825	4,866	9,996	0	0	0				
Medicare Reimbursement	1,125,000	1,389,359	(264,359)	1,197,195	1,049,204	917,071	803,266	671,871	639,171	588,480	527,837	507,709	469,112	441,566	947,793				
Health Insurance- Admin Fees	27,500	42,688	(15,188)	15,259	26,306	26,595	24,729	23,791	23,492	22,547	21,962	21,719	22,764	22,999	19,689				
Dental Insurance	70,000	46,372	23,628	53,156	52,080	26,532	34,283	37,911	41,416	36,796	41,208	40,629	36,109	38,123	8,249				
Health Insurance- Active- Buy Back	285,784	258,101	27,683	254,723	200,383	191,033	177,500	179,733	110,289	165,227	268,352	339,353	288,492	306,155	(48,054)				
Health Insurance- Active- PA7	8,207,895	7,786,847	421,048	7,750,263	7,686,770	7,516,644	6,934,323	6,460,894	5,956,501	5,689,293	5,676,974	5,291,584	4,918,007	4,551,222	3,236,625				
Health Insurance- Cobra- PC7	0	(93,221)	93,221	(67,127)	(13,341)	(85,131)	(2,180)	(10,721)	0	(346)	(4,886)	0	0	0	(93,221)				
Health Insurance- Retired- PR7	3,703,128	3,383,877	319,251	3,365,473	3,464,752	3,401,491	3,184,521	3,015,790	2,850,945	2,780,278	2,505,740	2,392,691	2,272,862	1,961,885	1,421,992				
Health Insurance- Survivor- PS7	0	0	0	0	0	0	0	0	0	0	3,120	0	0	0	0				
Health Insurance- HIP	0	0	0	0	0	0	0	0	0	40,649	44,426	49,706	50,225	53,325	(53,325)				
Total	23,790,683	23,266,317	524,366	22,100,765	22,583,024	21,603,612	21,271,537	22,143,790	21,297,967	19,371,795	18,195,380	18,368,663	17,384,334	14,272,542	8,993,775				

Pension Deferrals Under the Stable Contribution Option
(not included in the above totals)

26,937
96,194
118,318
261,777
1,087,917
1,937,179
19,195,380
18,368,663
17,384,334
14,272,542
8,993,775

1,199 million paid off in 15-16
Fully Paid off by 14-15

% Increase 2020-21 Projected Benefits vs 2009-10 Actual Benefits

63.01%

Increase in Benefits as a % of 2009-10 Actual Total General Fund Expenses

11.22%

Increase in 2020-21 Budget vs 2009-10 Budget

19,565,541

% Increase in 2020-21 Budget vs 2009-10 Budget

24.13%

Sources and Uses of 2020-21 of Excess Unassigned Fund Balance

Unassigned Fund Balance at July 1, 2020

With Capital
\$ Used

4,026,393

Sources of Unassigned Fund Balance in 2020-21

Total 2020-21 Revenues and Transfers in Excess of Budget

32,337

Total 2020-21 Unspent Appropriations

4,372,005

Total Excess Unassigned Fund Balance Available for Assignment

4,404,342

Uses of Unassigned Fund Balance in 2020-21

Designated to 2021-22 Tax Levy

(724,067)

Interest Allocated to Reserves, net

(1,000)

Transfer to Capital Projects Fund for Proposition 2 (includes hard and soft costs):

Asphalt and Water Main Project - Incremental Funding Required

(1,006,393) 1

Replacement of Shelter Rock Roof - 6th Grade Wing

(459,492)

Replacement of Munsey Park Middle Playground

(151,800)

Renovation of Classrooms to create Broadcast Journalism Suite at the Secondary School

(300,000)

21-22 COVID - 19 Fund/Transfer to 2018 Capital Reserve TBD

(1,695,176) 2

Total Uses of Excess Unassigned Fund Balance

(4,337,928)

Unassigned Fund Balance at June 30, 2021

4,092,807

66,414

2,353,609 (658,433)

2021-22 Adopted Budget

Unassigned Fund Balance at June 30, 2021 as a % of 2021-22 Budget

102,320,176

4.00%

Note: This analysis contains estimates and projections of revenues, expenses, interest and transfers to reserves that are based on certain assumptions. Actual results can vary and as such these estimates and projections.

1 This is related to the 2014 Capital Projects Referendum. Approximately \$1.862 million remains in the capital projects fund from the 2014 Bond Referendum. The funds are to be used to complete the Asphalt and Water Main Project at the Secondary School campus. However, the latest bid for this project is \$2.87 million and exceeds the amount available. The transfer was approved by the voters on May 18, 2021.

2 In addition, the District has been allocated \$1.021 million from COVID 19 related CRRSA and ARPA Federal programs for used in addressing a myriad of needs related to the pandemic.

4,092,807

MANHASSET UFSD FUND BALANCE AND RESERVES

CUMULATIVE COMPONENTS OF AND CHANGES TO FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2018 THROUGH JUNE 30, 2020

	June 30, 2020	June 30, 2019	2019 vs 2018 Inc./((Dec.))	June 30, 2018	2019 vs 2018 Inc./((Dec.))	Cumulative Inc./((Dec.))
General Fund						
Restricted:						
Reserve for Workers' Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve for Retirement Contribution	-	-	-	-	-	-
Reserve for Retirement Contribution - TRS Sub Fund	-	-	-	-	-	-
Reserve for Repairs	279,737	152,277	127,460	149,639	2,638	130,098
Reserve for Unemployment Insurance	-	-	-	-	-	-
Capital Reserve (2010)	4,913,634	5,597,433	(683,799)	4,872,539	724,894	41,095
Capital Reserve (2018)	69,722	68,614	1,108	-	68,614	69,722
Nonspendable Fund Balance	-	6,765	(6,765)	-	6,765	-
Assigned:						
Designated for Encumbrances	792,181	655,745	136,436	477,519	178,226	314,662
Designated for subsequent year's expenditures	724,067	595,120	128,947	595,120	-	128,947
Designated for COVID-19 Reopening Plan	4,348,511	3,979,890	4,348,511	4,348,511	-	4,348,511
Unassigned	4,026,393	3,979,890	46,503	3,854,797	125,093	171,596
Total Fund Balance - General Fund	15,154,245	11,055,844	4,098,401	9,949,614	1,106,230	5,204,631
Special Aid Fund						
Assigned - unappropriated	-	-	-	-	-	-
School Lunch Fund						
Nonspendable (Inventory)	-	307	(307)	440	(133)	(440)
Assigned - unappropriated	634,857	527,837	107,020	369,043	158,794	265,814
Total Fund Balance - School Lunch Fund	634,857	528,144	106,713	369,483	158,661	265,374
Debt Service Fund						
Restricted	183,147	160,290	22,857	116,785	43,505	66,362
Capital Projects Fund						
Restricted for unspent bond proceeds	1,862,668	1,963,635	(100,967)	1,623,470	340,165	239,198
Restricted for investments in capital assets	-	-	-	-	-	-
Assigned Unappropriated Fund Balance	499,439	905,345	(405,906)	-	905,345	499,439
Total Fund Balance - Capital Projects Fund	2,362,107	2,868,980	(506,873)	1,623,470	1,245,510	738,637
Total Fund Balance	\$ 18,334,356	\$ 14,613,258	\$ 3,721,098	\$ 12,059,352	\$ 2,553,906	\$ 6,275,004
General Fund Balance as a Percent of Budget	15.05%	11.11%		10.32%		

See explanatory footnotes on the following pages.

**MANHASSET UFSD
FUND BALANCE AND RESERVES**

COMMENTS ON COMPONENTS OF AND CHANGES TO FUND BALANCE FOR THE FISCAL YEAR AND RESERVE FUNDING PLAN

Definition: A reserve fund is a separate account established by a school district to finance the cost of various objects or purposes of the school district.

General Fund Restricted Fund Balance:

1. Reserve for Workers' Compensation:

Purpose: This reserve may be used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law and for payment of expenses of administering the self insured program.

Explanation for change: The remaining balance was fully utilized in 2013-14.

Other Comments: This reserve does not require voter approval either to create or expend.

Funding: Due to the District's participation in the Nassau County Workers' Compensation Cooperative as of November 2010 and the subsequent wind-down of tail claims incurred prior to that date, there is no need to add funds to this reserve.

2. Reserve for Retirement Contribution/TRS Sub Fund:

Purpose: This reserve is used to fund retirement contributions payable to ERS--the NYS and Local Employees Retirement System and TRS--the NYS Teachers Retirement System.

Explanation for change: The remaining balance in the reserve was fully utilized in 2013-14.

Other Comments: This reserve fund does not require voter approval either to create or expend.

Funding: Because the District participates in the ERS Stable Contribution Option, it is not anticipated that the District will place additional funds in this reserve at this time. TRS contribution rates are relatively stable and funding the TRS Sub Fund is not anticipated at this time.

3. Reserve for Repairs:

Purpose: This reserve may be used to pay the cost of repairs to capital improvements or equipment of a type which does not recur annually or at shorter intervals.

Explanation for change: The 2019-20 Budget provided for a budgeted transfer of \$125,000 into the Repair Reserve, and change also includes earned interest.

Other Comments: This fund was established through voter approval for funding in 1990. Funds may be spent without voter approval, but only after a public hearing, except in emergency situations. In the case of an emergency, expenditures may be authorized by a two-thirds vote of the school Board, but the amount must be repaid to the reserve over the ensuing two years.

Funding/Usage: Voter approval is required to transfer funds to the reserve for repairs. Barring an emergency, at this time it is not anticipated that the repair reserve will be utilized in 2020-21.

4. Reserve for Unemployment Insurance:

Purpose: This reserve may be used to reimburse the State Unemployment Insurance Fund for payments made to claimants.

Explanation for Change: The remaining balance was transferred in 2016-17.

Other Comments: This reserve does not require voter approval either to create or expend.

Funding: The District increased staff in 2014-15 through 2017-18, and unemployment expense during the same period averaged approximately \$20,000 in each year. Therefore, effective June 30, 2017, it was determined that the District can meet its obligations for unemployment benefits out of budgeted fund and the balance in this reserve was transferred to the 2010 Capital Reserve. It is not anticipated that the District will place additional funds in this reserve at this time.

**MANHASSET UFSD
FUND BALANCE AND RESERVES**

5. 2010 Capital Reserve:

Purpose: This reserve fund may be used to pay for the cost of any object or purpose for which bonds may be issued.

Explanation for change: On May 18, 2010, the voters approved the establishment of the 2010 Capital Reserve of up to \$10 million and the Board funded the account with a \$2,118,734 transfer from the Insurance Reserve as of June 2010. On May 17, 2011, voters approved capital projects totaling \$2,405,725 to be funded from the 2010 Capital Reserve, together with unassigned fund balance of up to \$286,991. Projects were completed during Summer 2012 and in 2013. The balance at June 30, 2013 was fully expended in 2013-14, as all approved capital projects were completed. In June 2014 and October 2014, the Board authorized the transfer of \$2 million and \$400,000, respectively, to the 2010 Capital Reserve. In June 2015, the Board authorized the transfer of up to \$3.5 million to the 2010 Capital Reserve, of which \$1,805,170 was transferred as of June 30, 2015. The use of the \$2.4 million was authorized by the voters in December 2014 to partially fund \$22.6 million in capital projects over the next two years. Of this, \$1.75 million was transferred in 2014-15 and \$650,000 was transferred in 2015-16. In June 2016, the Board authorized the transfer of up to \$2 million into the 2010 Capital Reserve. The actual transfer was \$541,307 as of June 30, 2016. In June 2017, the Board authorized the transfer of up to \$2,928,500 to the 2010 Capital Reserve. The actual transfer was \$1,340,175. In addition, \$206,720 was transferred from the Reserve for Unemployment Insurance to the 2010 Capital Reserve, effective June 30, 2017. In June 2018, the Board authorized the transfer of up to \$1,500,000 to the 2010 Capital Reserve. The actual transfer was \$948,885. In June 2019, the Board authorized the transfer of up to \$639,008 to the 2010 Capital Reserve, of which \$639,007 was transferred. This completed the funding of the 2010 Capital Reserve to its total authorized amount of \$10 million. The voters approved Proposition 2 on the May 21, 2019 ballot to expend \$4,925 million of the 2010 Capital Reserve for capital projects, of which \$773,860 has been transferred to the Capital Projects Fund in 2019-20. Since its inception, interest earnings are \$214,127, and \$5,300,493 of the 2010 Capital Reserve has been utilized for capital projects authorized by the voters.

Other Comments: This reserve fund requires voter approval to create and expend. It is unknown at this time whether the District will seek approval in the near term for a new capital project.

Funding: The 2010 Capital Reserve has been fully funded.

6. 2018 Capital Reserve:

Purpose: This reserve fund may be used to pay for the cost of any object or purpose for which bonds may be issued.

Explanation for change: On May 15, 2018, the voters approved the establishment of the 2018 Capital Reserve of up to \$10 million, with a maximum funding term of 10 years. In June 2019, the Board approved a transfer of up to \$750,000 to the 2018 Capital Reserve, of which \$68,614 was transferred. In June 2020, the Board approved a transfer of up to \$5 million to the 2018 Capital Reserve, of which \$0 was transferred.

Other Comments: This reserve requires voter approval to create and expend. It is unknown at this time whether the District will seek approval in the near term for a new capital project.
Funding: The 2018 Capital Reserve will be funded generally through the transfer of surplus money, if any, from the District's General Fund unappropriated fund balance that may be available at the end of each fiscal year.

General Fund Nonspendable Fund Balance:

Purpose: Nonspendable fund balance is reserved for prepaid expenses at June 30, 2019, expended in 2019-2020.

General Fund Assigned Fund Balance:

1. Unappropriated Fund Balance - Designated for Encumbrances:

Purpose: Reserved for payment to vendors whose invoices have not yet been received.

Explanation for change: The dollar amount of payments to vendors estimated to be open for payment at the end of the school year fluctuates.

2. Appropriated Fund Balance - Designated for Subsequent Year's Expenditures:

Purpose: To be used for tax levy reduction in the next fiscal year.

Explanation for change: The 2018-19 and 2019-20 budgets applied \$595,120 to the respective tax levy. The 2020-21 budget applied \$724,067 to the 2020-21 tax levy.

Funding: The District evaluates the need for designations for subsequent year's expenditures in concert with the annual budget process.

**MANHASSET UFSD
FUND BALANCE AND RESERVES**

General Fund Unassigned Fund Balance:

Purpose: This amount is the unallocated portion of the District's fund balance. NYS Real Property Tax Law permits the retention of up to 4% of the current budget as unassigned.

Other Comments: At June 30, 2018 and 2019, the District's unassigned fund balance is at the statutory maximum of 4%. The District's unassigned fund balance at June 30, 2020 is \$4,026,393 after the designation of \$4,348,511 of unassigned fund balance as assigned for the specific purpose of covering the expenses associated with the COVID-19 Reopening Plan in 2020-21. These unanticipated expenses were not provided for in the general fund budget for 2020-21. This assigned and designated fund balance is 4.32% of next year's budget. After such designation, unassigned fund balance of \$4,026,393 is 4% of next year's budget.

Funding: The District intends to maintain Unassigned Fund Balance at the statutory maximum of 4% of current budget.

Other Funds:

Special Aid Fund:

Purpose: The fund is used to account for activities using specific revenue sources, including Federal and State grants that are legally restricted to expenditures for specified purposes.

School Lunch Fund:

Purpose: The fund is used to account for the activities of the District's school lunch activities.

Other Comments: The assigned unappropriated fund balance must be utilized in support of the school program and may include equipment upgrades and cafeteria renovations. Fund balance at June 30, 2018, 2019 and 2020 was approximately 1.88, 3.69 and 4.45 months average expenditure, respectively.

Funding: Federal regulations limit the net cash resources to be retained by the school lunch fund to 3 months average expenditure and requires a plan to expend excess funds. In 2020-21, the District plans to:

1. Purchase of pre-approved equipment items including ranges and ovens, refrigeration equipment, food preparation equipment, food warmers and service equipment.
2. Equipment repairs and service.
3. Equipment rental.
4. Materials and supplies.
5. To pay salaries for Cafeteria Monitors who have monitoring duties integral to the food service program in each of the District's elementary cafeterias.

Debt Service Fund:

Purpose: The fund is used to account for the proceeds of debt issuance, including interest earned on such proceeds. These monies must be used to pay the debt service of the obligations from which they originate.

Explanation for change: The debt service fund increased \$43,505 in 2018-19 and \$22,857 in 2019-20, primarily allocated interest.

Capital Projects Fund:

Purpose: The fund is used to pay for certain specific capital projects authorized by the voters.

Explanation for change: On December 3, 2014, the District voters approved a Capital Projects Bond Referendum for projects totaling \$22,690,870, which was funded by up to \$19,493,194 of bonds and a transfer from the general fund of \$466,676, \$2.4 million of 2010 Capital Reserve funds and a \$250,000 gift from the Manhasset School Community Association. The net change in the capital projects fund balance in fiscal 2019 is an increase of \$1,245,510. This net increase is primarily due to new debt issuance proceeds of \$643,194, offset by expenditures of \$459,439 pursuant to the 2014 Capital Projects Bond Referendum and construction of security vestibules, a transfer from the general fund of \$867,410, including \$811,000 pursuant to the 2019 Capital Project Proposition, receipt of a grant of \$100,000 for security related projects and gifts of 94,345 related to the 2019 Capital Projects Proposition. The net change in fiscal 2020 is a decrease of \$506,873, due to expenditures of \$1,340,249 pursuant to the 2014 Capital Projects Bond Referendum, the 2018 Smart Schools Bond Act, construction of security vestibules and the 2019 Capital Projects, offset by grants of \$57,216 related to New York State's Smart Schools Bond Act, a transfer from the 2010 Capital Reserve of \$773,860 pursuant to the 2019 Capital Projects Proposition and earned interest.