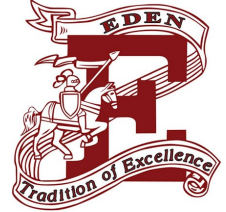


Eden Central Schools

8289 N. Main Street
Eden, New York 14057



Reserve Plan:

Updated September 15, 2025

The purpose of the Reserve Plan for the Eden Central School District is to provide the district with ten years of expenditure coverage in the event of a prolonged economic decline and to afford the students of the district opportunities that might not exist without reserves. The reserves in this plan will be utilized as an alternative to raising local property taxes for the purpose of closing future operating revenue shortfalls.

Workers' Compensation Reserve-Established January 17, 2018

Purpose – This reserve is used to pay for Workers' Compensation premiums and consortium liabilities.

Funding Methods – Budgetary appropriations and other sums as may be legally appropriated (e.g. surplus money).

Use of Reserve – This reserve will be utilized to ensure coverage of existing Workers' Compensation claims and existing liabilities in order to reduce tax levy increases via the annual budget process as deemed necessary.

Monitoring – This reserve is monitored by the Assistant Superintendent for Finance & Operations.

Maximum Funding Level – Cover ten (10) years' premiums.

Actual Balance as of 6/30/25: \$323,545

Maximum Funding Level @ 6/30/25: \$1,128,960

Reserve for Retirement Contributions (ERS) – Established August 19, 2009

Purpose – This reserve is used to pay for district expenses to the NYS Employees' Retirement System only. ***"Payments to the Teachers' Retirement System are not allowed from this reserve."*** *Funding Methods* – Budgetary appropriations and other sums as may be legally appropriated (e.g. surplus money).

Use of Reserve – This reserve will be available to pay for NYS Employees' Retirement System expenses and enable the district to reduce tax levy increases via the annual budget as deemed necessary.

Monitoring – This reserve is monitored by the Assistant Superintendent for Finance & Operations.

Maximum Funding Level – Equal to approximately ten (10) years of projected retirement system billings are desired.

Actual Balance as of 6/30/25: \$1,852,788

Maximum Funding Level @ 6/30/25: \$5,242,060

Reserve for Retirement Contributions – TRS Sub Fund Established June 19, 2019

Purpose – This reserve is used to pay for district expenses to the NYS Teachers’ Retirement System only.

Funding Methods – Budgetary appropriations and other sums as may be legally appropriated (e.g. surplus money).

Use of Reserve – This reserve will be available to pay for NYS Teachers’ Retirement System expenses and enable the district to reduce tax levy increases via the annual budget as deemed necessary.

Monitoring – This reserve is monitored by the Assistant Superintendent for Finance & Operations.

Maximum Funding Level – Maximum funding level is 10% of the prior year’s reportable Teacher Retirements’ salaries. Annual funding is limited to 2% of the prior year’s reportable Teacher Retirements’ System salaries.

Actual Balance as of 6/30/25: \$706,028

Maximum Funding Level @ 6/30/25: \$1,276,154

Reserve for Accrued Employee Benefits Liability – Established June 19, 2003

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, FICA and Medicare payments and retiree health insurance.

Funding Methods – Budgetary appropriations and other sums as may be legally appropriated (e.g. surplus money).

Use of Reserve – This reserve is used when an employee separates from the District and payment of accumulated leave is required. These transactions flow through the budget via a budget revision with the offsetting revenue coming from a drawdown of this reserve as deemed necessary.

Monitoring – This reserve is monitored by the Assistant Superintendent for Finance & Operations.

Maximum Funding Level – 100% of the accrued liability for unused accumulated leave time.

Actual Balance as of 6/30/25: \$1,445,900

Maximum Funding Level @ 6/30/25: \$2,622,630

Currently, districts must apply to the New York State Comptroller’s office to be granted permission to remove excess funds from this reserve. Eden’s fund does not contain excess funding.

Reserve for Unemployment Insurance-Established September 13, 2010

Purpose – This reserve is used to reimburse the State for payments made to claimants where the district uses the benefit reimbursement method. The District does subscribe to the benefit reimbursement method, meaning we reimburse the State for actual claims incurred. The District **does not** pay NYS a fixed premium for unemployment insurance coverage.

Funding Methods – Budgetary appropriations and other sums as may be legally appropriated (e.g. surplus money).

Use of Reserve – The funding should be sufficient to pay full unemployment insurance at the maximum rate for three (3) staff being laid off annually during that time period, totaling thirty (30) potential positions over a ten-year period. This reserve shall be utilized to offset tax increases during the annual budget process as deemed necessary.

Monitoring – This reserve is monitored by the Assistant Superintendent for Finance & Operations.

Maximum Funding Level – Sufficient to pay full unemployment for ten (10) years as described above.

Actual Balance as of 6/30/25: \$157,225

Maximum Funding Level @ 6/30/25: \$1,129,700

Repair Reserve – Established May 18, 2010

Purpose – This reserve is used to pay for unanticipated, non-recurring repairs to district capital improvements, facilities and equipment.

Funding Methods – Voter approval is required to initially fund this reserve.

Use of Reserve – Expenditures from this reserve may be made only after a public hearing has been held requiring 2/3 majority vote of the Board of Education, except in emergency situations. If no public hearing is held, the amount expended must be repaid to the reserve fund over the next two subsequent fiscal years.

Monitoring – This reserve is monitored by the Assistant Superintendent for Finance & Operations.

Actual Balance as of 6/30/25: \$186,422

Maximum Funding Level @ 6/30/25: \$682,500

Reserve for Capital Projects – Vehicles – Established May 17, 2016 – Ability to increase funding ends May 17, 2026

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

Funding Methods – Voter approval is required to establish and fund this reserve. In accordance with the approved proposition this reserve is funded by budgetary appropriations and other sums as may be legally appropriated (e.g. surplus money).

Use of Reserve – Use of this reserve requires voter approval. The proposition to use these funds must be specific to equipment purchases and dollar amounts. This reserve is utilized annually for equipment purchases approved by the voters in May of each year.

Monitoring – This reserve is monitored by the Assistant Superintendent for Finance & Operations.

Maximum Funding Level – \$8,000,000 plus interest, less current total funding provided is \$3,241,192, amount available to fund \$4,758,808.

Currently this level will fund approximately 4 electric buses of our 38 bus fleet. Per NYS law our bus fleet must be 100% electric by 2035.

Actual Balance as of 6/30/25: \$1,464,263

Maximum Funding Level @ 6/30/25: \$ 5,666,916 plus accrued interest.

Reserve for Capital Projects – Building – Established May 20, 2014 - Ability to increase funding ended May 20, 2024

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

Funding Methods – Voter approval is required to establish and fund this reserve. In accordance with the approved proposition, this reserve is funded entirely from excess 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 – This reserve is monitored by the Assistant Superintendent for Finance & Operations.

Maximum Funding Level – \$8,000,000 plus interest, less current total funding provided.

Actual Balance as of 6/30/25: \$2,360,539

Maximum Funding Level @ 6/30/25: The ability to fund this reserve ended May 2024.

Reserve for Capital Projects – Buildings – Established May 21, 2024 – Ability to increase funding ends May 21, 2034

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

Funding Methods – Voter approval is required to establish and fund this reserve. In accordance with the approved proposition, this reserve is funded entirely from excess 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 – This reserve is monitored by the Assistant Superintendent for Finance & Operations.

Maximum Funding Level – \$15,000,000 plus interest, less current total funding provided.

Actual Balance as of 6/30/25: \$2,434,375

Maximum Funding Level @ 6/30/25: \$ 15,126,459 plus accrued interest.

Reserve for Technology – Established May 21, 2019 - Ability to increase funding ends May 21, 2029

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

Funding Methods – Voter approval is required to establish and fund this reserve. In accordance with the approved proposition, this reserve is funded entirely from excess fund balance.

Use of Reserve – Use of this reserve requires voter approval. The proposition to use these funds must be specific to purchases of technology items.

Monitoring – This reserve is monitored by the Assistant Superintendent for Finance & Operations.

Maximum Funding Level – \$5,000,000 plus interest, less current total funding provided.

Anticipated Balance as of 6/30/25: \$516,545

Maximum Funding Level @ 6/30/25: \$ 3,894,244

Reserve for Tax Certiorari

Purpose – This reserve is used to pay for prior year judgments and claims in tax certiorari proceedings. Current year refunds should be paid through the budget.

Funding Methods – Budgetary appropriations and other sums as may be legally appropriated (e.g. surplus money).

Use of Reserve – This reserve is utilized to pay for prior year tax certiorari claims.

Monitoring – This reserve is monitored by the Assistant Superintendent for Finance & Operations.

Maximum Funding Level – May not exceed amount necessary to meet anticipated judgments and claims.

Anticipated Balance as of 6/30/25: \$46,758

Maximum Planned Funding Level @ 6/30/25: \$46,758

Reserve for Liability- Established January 17, 2018

Purpose – This reserve is used to pay for property loss and liability claims.

Funding Methods – Budgetary appropriations and other sums as may be legally appropriated (e.g. surplus money).

Use of Reserve – This reserve is utilized to pay property loss and liability claims not covered by insurance.

Monitoring – This reserve is monitored by the Assistant Superintendent for Finance & Operations.

Maximum Funding Level – May not exceed in total 3% of the annual budget or \$15,000 whichever is greater.

Anticipated Balance as of 6/30/25: \$599,826

Maximum Funding Level @ 6/30/25: \$1,202,303

In addition to reserves the district also has an Assigned/Appropriated and Unassigned/Unappropriated fund balance. Fund balances are used for the following purposes:

Unassigned Fund Balance

Creation – Retention of these funds are allowed by law.

Purpose – These funds are unrestricted and may be used for any valid purpose.

Funding Methods – These funds have been accumulated from excess fund balance.

Use of Funds – It is recommended that these funds not be used except for an emergency, unanticipated expense, or revenue shortfall, that cannot be handled either in the budget or with other available reserves.

Monitoring of Balance – These funds are monitored by the Assistant Superintendent for Finance & Operations.

Funding Level – The maximum legal limit is recommended (4% of the ensuing budget).

Actual/Legal Limit Balance as of 6/30/25: \$1,603,071

Current % of Budget: 4.00%

Assigned Fund Balance - Appropriated for Subsequent Years

Creation – These funds are having been set aside, for a particular purpose, to reduce the tax levy required to support an ensuing year’s budget.

Purpose – These funds are set aside and returned to the community by lowering the required tax levy to support the District’s budget.

Funding Methods – These funds are fund balance that is assigned for a particular purpose.

Use of Funds – It is recommended that the practice of returning these funds continue each year, as budgets permit. In the future, tighter budgets may restrict the amount of excess available to be returned in a subsequent year.

Monitoring of Balance – The balance and use of these funds are monitored by the Assistant Superintendent for Finance & Operations.

Funding Level – It is recommended that the planned amount of assigned fund balance included as a revenue source in future budgets be reduced. An overuse of assigned fund balance can cause the depletion of available funds, which would lead to spikes in property tax rates and/or budget cuts.

Actual Balance as of 6/30/25: \$3,314,016