

**WATERTOWN CITY SCHOOL DISTRICT**  
**RESERVE PLAN – revised 09/30/25**

**Athletic Repair Reserve**

- Account Code (A882), Legal Citation GML §6-d
- Creation – BOE Resolution June 2007
- Purpose – For repairs to the turf field not recurring annually or at shorter intervals.
- Funding Method – Budgetary appropriation or other funds that may be legally appropriated. Voter approval is required to fund this reserve.
- Expenditures – Public hearing required (except in an emergency) before spending from this reserve.
- Monitoring of Reserve – Finance, Audit and Facilities Committee
- Funding Goal – \$500,000
  - Goal based on estimated replacement cost of turf field
- **09/30/25 Actual Balance: \$33,432.15**

**Capital Reserve**

- **Capital Project Reserve**
  - Account Code (A878), Legal Citation Ed. Law §3651(1)
  - Creation – Referendum approval and BOE Resolution **May 2025**
  - 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.
  - Funding Method – Budgetary appropriation or other funds that may be legally appropriated.
  - Expenditures – Public hearing required before spending from this reserve.
  - Monitoring of Reserve – Finance, Audit and Facilities Committee
  - **Funding Goal – \$15,000,000**
    - As approved by voters to offset local share of capital projects
  - **09/30/25 Actual Balance: \$1,362,564.75**
- **IT Sub Fund**
  - Account Code (A878), Legal Citation Ed. Law §3651(1)
  - Creation – Referendum approval and BOE Resolution May 2024
  - Purpose – To finance the cost of IT equipment and any incidentally related facilities upgrades necessary to support said computer technology.
  - Funding Method – Budgetary appropriation or other funds that may be legally appropriated.
  - Expenditures – Public hearing required before spending from this reserve.
  - Monitoring of Reserve – Finance, Audit and Facilities Committee
  - Funding Goal – \$2,000,000
    - As approved by voters to offset local share of capital projects
  - **09/30/25 Actual Balance: \$1,648,985.16**
- **Buildings & Grounds Sub Fund**
  - Account Code (A878), Legal Citation Ed. Law §3651(1)
  - Creation – Referendum approval and BOE Resolution May 2024
  - Purpose – To finance the cost of equipment necessary for the Buildings and Grounds Department and any incidentally related department needs.

- Funding Method – Budgetary appropriation or other funds that may be legally appropriated.
- Expenditures – Public hearing required before spending from this reserve.
- Monitoring of Reserve – Finance, Audit and Facilities Committee
- Funding Goal – \$1,000,000
  - As approved by voters to offset local share of capital projects
- 09/30/25 Actual Balance: \$1,053,493.78

#### Debt Service Reserve

- Account Code (V884), Legal Citation GML §6-1
- Creation – Prior to 1992
- Purpose – To cover debt service payments on outstanding obligations (bonds, BANS) after the sale of district capital assets or improvements.
- Funding Method – Proceeds from the sale of capital assets and improvements as defined in GML §6-c. Includes but not limited to land, buildings, equipment and vehicles.
- Expenditures – For debt service only or to retire outstanding obligations.
- Monitoring of Reserve – Finance, Audit and Facilities Committee
- Funding Goal – Variable
  - Goal should be equal to local share debt obligations at the end of prior year (FY25 - \$5,197,984)
- 09/30/25 Actual Balance: \$3,913,463.00

#### Employee Benefit Accrued Liability Reserve

- Account Code (A867), Legal Citation GML §6-p
- Creation – BOE Resolution June 2003
- Purpose – To pay accrued benefits due employees upon termination of service for vacation, sick leave, personal leave, etc. May also cover administration of fund and professional services associated with investigation, adjustment, settlement, actions, or judgements relating to claims for accrued employee benefits.
- Funding Method – Budgetary appropriation or other funds that may be legally appropriated or funds from other reserves authorized in the GML, subject to permissive referendum.
- Expenditures – Separate BOE authorization not required to spend from this reserve.
- Monitoring of Reserve – Finance, Audit and Facilities Committee
- Funding Goal – Variable
  - Goal based on prior year compensated absences total (FY25 - \$1,535,863)
- 09/30/25 Actual Balance: \$1,078,108.19

#### Insurance Reserve

- Account Code (A863), Legal Citation GML §6-n
- Creation – Prior to 1992
- Purpose – To pay liability, casualty and other types of losses, except those incurred for which the following types of insurance may be purchased: life, accident, health, annuities, fidelity and surety, credit, title residual value and mortgage guarantee.
- Funding Method – Budgetary appropriation or other funds that may be legally appropriated or funds from other reserves authorized in the GML, subject to permissive referendum.
- Expenditures – Separate BOE authorization not required to spend from this reserve.
- Monitoring of Reserve – Finance, Audit and Facilities Committee
- Funding Goal – \$100,000
  - Goal based on 10 claims x \$10,000 deductible

- 09/30/25 Actual Balance: \$115,599.75

#### Liability Claims Reserve

- Account Code (A862), Legal Citation Ed. Law §1709(8-c)
- Creation – Prior to 1992
- Purpose – To pay for liability claims incurred.
- Funding Method – Budgetary appropriation or other funds that may be legally appropriated.
- Expenditures – Separate BOE Resolution not required for most expenditures.
- Monitoring of Reserve – Finance, Audit and Facilities Committee
- Funding Goal – \$2,000,000 for pending CVA settlements
- 09/30/25 Actual Balance: \$2,178,806.92

#### Property Loss Reserve

- Account Code (A861), Legal Citation Ed. Law §1709(8-c)
- Creation – BOE Resolution July 2002
- Purpose – To pay for property loss claims incurred.
- Funding Method – Budgetary appropriation or other funds that may be legally appropriated.
- Expenditures – Separate BOE Resolution not required for most expenditures.
- Monitoring of Reserve – Finance, Audit and Facilities Committee
- Funding Goal – \$100,000
  - Goal based on 10 claims x \$10,000 deductible
- 09/30/25 Actual Balance: \$115,602.93

#### Retirement Contribution Reserve

- ERS
  - Account Code (A827), Legal Citation GML §6-r
  - Creation – BOE Resolution June 2005
  - Purpose – To fund employer retirement contributions. i.e. any portion of the amount(s) payable by an eligible school district to the NYS and Local Employees’ Retirement System (ERS).
  - Funding Method – Budgetary appropriation or other funds that may be legally appropriated; revenue not restricted by law to be paid to another fund or account; or transfers from Tax Certiorari, Capital or Repair Reserves.
  - Expenditures – Authorized by BOE Resolution.
  - Monitoring of Reserve – Finance, Audit and Facilities Committee
  - Funding Goal – Variable
    - Goal based on prior year annual invoice amount. (FY25 - \$1,068,397)
  - 09/30/25 Actual Balance: \$1,573,517.39
- TRS Sub Fund
  - Account Code (A827b), Legal Citation GML §6-r
  - Creation – BOE Resolution September 2019
  - Purpose – To finance retirement contributions. i.e. any portion of the amount(s) payable by an eligible school district to the New York State Teacher’s Retirement System.
  - Funding Method – Budgetary appropriation or other funds that may be legally appropriated; revenue not restricted by law to be paid to another fund or account
  - Expenditures – Authorized by BOE Resolution.
  - Monitoring of Reserve – Finance, Audit and Facilities Committee
  - Funding Goal – Variable

- Goal based on 2% per annum of teacher's salaries. Overall, not to exceed 10% of teacher's salaries paid during the immediately preceding year. (FY25 TRS Gross Pay - \$29,676,141)
- 09/30/25 Actual Balance: \$2,304,089.70

#### Tax Certiorari Reserve

- Account Code (A864), Legal Citation Ed. Law §3651(1-a)
- Creation – BOE Resolution annually
- Purpose – To pay judgments and claims in tax certiorari proceedings per RPTL, Article 7.
- Funding Method – Budgetary appropriation or other funds that may be legally appropriated. Monies held in reserve may not exceed amount necessary to meet anticipated judgments and claims.
- Expenditures – Separate BOE authorization not required to spend from this reserve.
- Monitoring of Reserve – Finance, Audit and Facilities Committee
- Funding Goal – Variable
  - Goal of reserve may not exceed amount necessary to meet anticipated judgments and claims
- 09/30/25 Actual Balance: \$405,051.92

#### Unemployment Insurance Reserve

- Account Code (A815), Legal Citation GML §6-m
- Creation – Prior to 1992
- Purpose – To reimburse the State Unemployment Insurance Fund for payments made to claimants where the school district uses the benefit reimbursement method.
- Funding Method – Budgetary appropriation or other funds that may be legally appropriated or funds from other reserves authorized in the GML, or Ed. Law subject to permissive referendum.
- Expenditures – Separate BOE authorization not required to spend from this reserve.
- Monitoring of Reserve – Finance, Audit and Facilities Committee
- Funding Goal – Variable
  - Goal based on being equal to amount of benefits paid to claimants and charged to the account.
- 09/30/25 Actual Balance: \$639,945.79

#### Workers' Compensation Reserve

- Account Code (A814), Legal Citation GML §6-j
- Creation – BOE Resolution June 17, 2025
- Purpose – To pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law, and for payment of expenses of administering this self-insurance program.
- Funding Method – Budget appropriations and such other funds as may be legally appropriated.
- Expenditures – Authorized by BOE Resolution.
- Monitoring of Reserve – Finance, Audit, and Facilities Committee
- Funding Goal - \$600,000
  - Goal based on 3 years of actual expenses
- 9/30/25 Actual Balance: \$201,547.07