

BOARD MEETING: Regular
DATE: Wednesday, March 2, 2011
TIME: 5:45 p.m.
PLACE: Naples Central School Elementary Cafeteria

- I. Meeting Called to Order
- II. Roll Call
- III. Adopt the Agenda of the Regular Meeting of March 2, 2011 (Board Action)
- IV. Executive Session (Board Action)
 - The employment history of a particular person or persons.
 - To hear an appeal of an employee grievance.
 - The collective negotiations with the teachers union.
- V. Pledge of Allegiance
- VI. Public Comments: The Board of Education invites you, the residents of our school community, to feel comfortable in sharing matters of interest or concern that you might have with us. The Board President will be happy to recognize those of you who wish to speak. We would ask that you come forward and please identify yourself before presenting your thoughts.

Those items brought to the attention of the Board during this time may be taken under consideration for future response or action. (*Individual comments will be limited to three minutes.*)

As a matter of courtesy, we ask that issues related to specific School District personnel or students be brought to the attention of the Superintendent of Schools privately. Thank you for this consideration.
- VII. Superintendent Recognitions & Updates
 - Priscilla Krueger
 - Students in the spotlight
 - Winter Athletes
 - Athletic Booster Club
 - Regional High School study update
 - New E-mail system update
 - Budget Update
 - Schools Cannot Do It Alone
- VIII. Minutes (Board Action)
 - Regular Meeting of February 16, 2011
- IX. Business/Finance (Board Action)
 - Memorandum of Understanding between Ontario County Public Health & Naples Central School District: Medical Counter Measures Clinical Operations Plan (MCM)
 - Single Audit Report
 - Financial Consultant
 - Book Discards
 - Budget Transfers
 - Budget Status Report - Information Only
- X. Personnel (Board Action)
 - Support
 - Approve or deny grievance appeal
 - Appointment: Temporary Aide
 - Instructional
 - Appointment: Special Education Substitute
- XI. Consent Agenda Items (Board Action)
 - CSE & CPSE Placements
 - Substitutes

Regular Meeting

March 2, 2011

Minutes of a Regular Meeting of the Board of Education of Naples Central School held on Wednesday, March 2, 2011 at 5:45 p.m. in the Naples Elementary Cafeteria.

| | | |
|------------------|---|---------------------|
| Members Present: | Michael Boggs – Arrived at 6:30 p.m. | John Murphy |
| | Joseph Callaghan – Arrived at 6:30 p.m. | Gail Musnicki |
| | Eric Cotton | Mona Sage-Cardinale |
| | Barbara Howard | Keith Swank |
| | William Kelly | Margo Ulmer |

Members Absent:

Also Present: Kimberle A. Ward, Ann O'Brien, Kristina Saucke, Alan Moore, Matthew Frahm and Pamela Jo Claes.

Guests: Dianna Gregg, Shirley Riffle, Diann Payne, Jessie S. Cardinale, Caitlin Murphy, January Murphy, Christine Arsenault, Allison Arsenault, Alanna Woodard, Katie Kost, Robert Birdsall, Jack Samter, Judy DiRaddo, Collin Guarino, Ben Lowe, Will Eaton, Jeffrey Black, Rob Brautigam, Lissa Brautigam, Jeffrey Shearing, Steve Hastings, Shawn Mason, Jim DelGatto, Deborah Allison, Renee Chichester, Mr. McCabe and Pauline Preston.

A quorum being present, the meeting was called to order at 5:51 p.m. by Board President Keith Swank.

Approval:
Agenda –
Regular
meeting of
3/02/11

Motion: Barbara Howard

2nd: Gail Musnicki

Resolved, that the Board of Education approves the agenda of the Regular Meeting of March 2, 2011 as presented.

Voting Yes: 7 Motion Carried

Voting No: 0

Executive
Session

Motion: Barbara Howard

2nd: Margo Ulmer

Resolved, that the Board of Education approves calling an executive session at 5:52 p.m. for the purpose of discussing the employment history of a particular person or person(s), to hear an appeal of an employee grievance, and collective negotiations with the teacher's union.

Voting Yes: 7 Motion Carried

Voting No: 0

Time out of closed session: 7:00 p.m.

Public Comment:

Guest Pauline Preston requested that the board implement a policy that would insist that all children riding on school buses wear a seat belt whenever the bus is in motion, noting that there had been a terrible bus accident in Clyde-Savannah, stating many of the injuries might have been avoided had the students been wearing seat belts. Mrs. Preston stated we have seat belts on every bus however she did not know if all of the drivers required the students to wear their seat belt on the bus and encouraged the board to approve a policy requiring the use of seat belts.

Guest Judy DiRaddo stated she had requested a copy of the school's Comprehensive Maintenance Plan and was waiting for a response from the District; Ms. DiRaddo was also looking for information pertaining to when the school would be appointing a Construction Management Company for the proposed Capital Project; Ms. DiRaddo commented that she had heard there had been a leak in the new section of the Elementary roof and in the High School as well, adding that she continued to be concerned about the maintenance situation at the school, pointing out that board policy clearly indicates the chain of command throughout the District, and who is responsible for maintenance. Ms. DiRaddo stated that the Operations and Maintenance for 2010-11 totals one million one hundred and seventy one thousand dollars, noting that is a lot of money to fix up the place, requesting that the board develop a report on the management and oversight that they are giving to these issues.

Guest Mr. McCabe stated that the District is currently contemplating a Phase II Capital Project and conjectured that every five years, after the required Building Condition Survey, that the District would be doing an additional Capital Project, and he wondered if the board had developed a twenty year spending plan and if not, Mr. McCabe suggested that the board should consider developing one.

Board Member Keith Swank stated that as a point of clarification, the upcoming Capital Project Vote is for Phase II and the board has not had any discussions with architects, construction managers, or anyone whatsoever regarding any additional projects, noting that the board recognizes there are issues that we have with the facilities that in the distant future will probably need attendance, for example the auditorium and the bus garage, however the board has not discussed those items, adding that the public will be informed about the Phase II project to the best of the board's ability.

Guest Rob Brautigam stated that he has three children in the district, and read from a prepared statement as follows: In regards to the Phase II project, is it correct that voting yes allows for the spending of up to twenty-two million dollars? It could be less; perhaps you could budget slightly differently along the way as you are always looking for the most economical solution. If you have ever built your own house or done a major renovation then you know what this means, you set a budget not knowing exact amounts, just knowing the end result you want, how you think you will be able to get there and the general amount that you will need to spend. There are some in the community that demand a line-by-line amount for every single item and we know that is impossible. Is it correct that if the project is not passed then the improvements would still have to be done, meaning our operational budget would have to increase, leaving a decrease in the

salary and programs side of our school budget, resulting in staff cuts, larger class sizes, cuts in arts, music and sports programs? It's unfortunate that the school was allowed to wither away but the condition that it is in now is a reality and we have to act now and at this point repairs are not going to be enough, replacement of the affected areas are our only option. Stop blaming and start taking responsibility for what lies in front of us. It seems very worrisome to people, so is this correct? If the capital project is passed and the state for some reason does not give us the funds, the project would not go forward as it stands now, correct? I am assuming the project as it stands would not go forward. That is economic reality, of course that would mean the improvements that have to be done would need to come out of the operational budget and as stated previously, would take money away from salaries and programs. Everyone is pointing their fingers at the maintenance and janitorial staff and saying they are not doing their jobs. I would say that they are stretched too thin, to the point truly of being unable to be able to do everything that is on their to do list, but I would ask the school as a whole to perhaps start insisting that the students pick up the mess that they make, again responsibility should be taught at all possible opportunities whether it is food wrappers under the bleachers, pieces of paper on the classroom floor, or t-shirts and shorts in the locker rooms, we need to teach our children to take responsibility. Thank you.

Board President stated there would be a brochure regarding the proposed capital Project which would be sent out on March 4th as well as informational forums to be held on March 10th and 14th at 6:30 p.m. in the High School auditorium.

Guest Jack Samter stated he was very pleased when he received the Naples Record today as there were a number of very positive articles, commending Sue Kingsbauer, Andrew Beigel, Scott Stevens, Ron Burke, Seth Almekinder and students Halie and Cameron Hotchkiss, for their very thoughtful and intelligent responses to Professor Jordan who has been giving us these lectures on economics versus education; needs versus wants and so forth, adding that their articles were so reasonable and sensible that he encouraged everyone to read them and in turn to think about voting yes.

Superintendent Updates:

Director of Pupil Personnel Kristina Saucke recognized Elementary Special Education teacher Priscilla Kreuger for all of the work that she has done regarding the New York State Alternate Assessment with some of our students with disabilities, stating that around thirteen years ago New York State made some changes based on the No Child Left Behind Act (NCLB). Ms. Saucke stated that what they used to say was that students with more significant disabilities would be exempted on their IEP's from state testing, and the state and federal government said that pencil and paper tests may not be appropriate for those students but that they still needed some type of a yearly assessment to measure their progress, so they came out with the New York State alternate assessment for students with more significant disabilities. Ms. Saucke stated that thirteen years ago she was working for WFL BOCES and was the regional trainer for the alternate assessment and she and one other trainer presented the information to teachers in the area, adding that Mrs. Kreuger was there at the time and has since attended trainings every single year, noting that our

general classroom teachers work very hard every year in assessing general education students and as those general assessments change every year, they get the test booklets covering the changes, however Mrs. Kreuger gets a manual that she receives training on every year. Ms. Saucke stated the special needs students' assessment is what they call a data folio, so instead of a one or two day test, over a several month period of time, Mrs. Kreuger evaluates the student's progress, and spends hours and hours of her time, adding that this year the regional trainers from BOCES asked Mrs. Kreuger to be a regional scorer even though they usually only chose people within BOCES, announcing that she wanted to recognize Mrs. Kreuger and make people aware of the hours and hours of time and hard work and dedication that she puts into these to really do quality assessments for our students.

Athletic Director Paul Giovine recognized winter athletes and coaches for their hard work, dedication and accomplishments for this past season, recognizing the Boys and Girls Varsity Basketball, Bowling, Ski teams, and the Varsity Swim team, thanking all of the family, community members, teachers and Board of Education members who have provided their support to Naples athletics and to these athletes and coaches in particular.

Mr. Giovine then announced the 1st Team All League All-Stars for this season:

Girls Varsity Bowling: Caitlin Murphy

Varsity Swimming & Diving: Chris Campbell, Collin Guarino, Randon Hoselton, & Ben Spaid.

Mr. Giovine stated that they would like to publicly recognize some of the people who make our athletics programs work by working humbly and quietly behind the scenes on projects like raising funds for Naples Athletics or helping to fund or actually helping to build the Naples Community Park, adding that although there have been many people over the years they would only be mentioning the current members of such projects and he apologized in advance if he missed anyone. Mr. Giovine then announced the names of those recognized: Steve Hastings; Josette and Cameron Vest; Lisa and Troy Woodard; Tony and Holly Deussenberry; Vera and Roger Smith; Jeff Black; Adam Robison; John Murphy; Renee Rennoldson; Carter Chapman; Chris Abraham; Dahl Schultz; Mona Sage-Cardinale; Jim White; Dave Voss; the Towns of South Bristol and Naples Highway Departments; Brenda Keith; Chris Casey, Frank Duserick, Gary and Bill Schenk, Naples JV Baseball Team for all the work they did fund-raising last year; Tom and Martha Kelly; Carl and Miriam Potter; Howie Fleischman; and Joe Hende.

Superintendent Ward stated the school wanted to thank all of the coaches for coming to support their teams and on behalf of the board and herself as Superintendent, they would like to recognize past members of the Booster Club who have contributed so much to what the club has been able to do at the Community Park, adding the school will hopefully use the Varsity Baseball Field this spring, thanking everyone who has had a hand in working with the Booster Club, whether it has been in dollars or in sweat, tears and muscle aches, thanking them all once again for their contributions.

Superintendent Ward presented an update on the Regional High School study, stating that the Finger Lakes Superintendents had met just prior to vacation and interviewed two consultant groups, looking at how the surveys would be conducted, and how would they interact with the community members in terms of gathering the information they would need in order to make decisions regarding the feasibility of a regional High School.

Director of Technology Rob Ringer then gave the board an overview of the new school e-mail system, stating that the new system would be managed in house and will be a more reliable, robust system, allowing the school to reset passwords in house; allowing for more storage space; and allowing for greater retrieval of past e-mails as well as being able to archive up to seven years of past e-mails. Mr. Ringer stated the school would be transferring e-mails and address books, noting that Computer Services Assistant Lew White was in the process of meticulously going through the process in preparation for the change in systems, adding that their goal is that everyone will have a fully operational system with all of their data available at the transfer time, with as little down time as possible. Mr. Ringer stated that Outlook has many advanced features including the ability to have a calendar, create meetings, and of course e-mails, as well as being able to access your account from any browser. Mr. Ringer then demonstrated how to access the new e-mail system.

School Business Administrator Ann O'Brien presented information pertaining to reserve accounts, stating that she had attended a TEA party meeting and members of the TEA party had made inaccurate statements regarding the school's fund balance therefore she felt it was very important to discuss fund balance. Ms. O'Brien noted the TEA party had incorrectly stated that the District has seven times the legal limit of fund balance. Ms. O'Brien explained that she wanted to educate the public on fund balances and emphasized that the District is definitely within the legal limit for fund balances and then went on to explain what a fund balance is, stating a fund balance is basically what's left over in a designated account after you have paid all your bills. Ms. O'Brien explained there are different types of fund balances, some are reserved for specific purposes and some are unreserved, or unrestricted, meaning the board has more discretion over their use. Ms. O'Brien stated her intent was to note the various types of reserve accounts that the school has; the balance as of June 30, 2010, explaining that the balance is measured once a year on the last day of our fiscal year; and to then provide a description of which law authorizes the account and what it is for. Ms. O'Brien then went through the Fund Balance Report (Attached). Ms. O'Brien stated there are a lot of people who feel the District should use up all of its fund balance, however, having a fund balance helps to protect the District's financial position, noting that the state does not send their aid payment in a timely fashion therefore the District needs to front the cash to keep operating, also the District's credit worthiness would be negatively affected, resulting in higher interest rates, which could cause the taxpayers technically hundreds of thousands of dollars, additionally the District does not know if and when the state may make a cut in school aid, so the District needs to have the flexibility to maneuver our way through disasters and things going on in the economy. Ms. O'Brien stated that Naples is very fortunate to be in a position that we can weather the current storm with both the state and federal aid being cut, and still be able to maintain as many of our programs intact as

we possibly can, adding that it is important for Naples to have a decent fund balance so that we don't find ourselves in the position that other entities are finding themselves in, sighting Erie County as an example.

Superintendent Ward stated it is important for the board to remember that the reserve plan is a long-range plan in terms of how the District will be managing reserves, noting that School Business Administrator O'Brien is making projections out three to five years, commenting that it would not be advisable to go beyond that time frame, adding that cycles of the economy hit every three years so if the economy starts to look better next year then it will be another three years before we see the fruits of that labor recovering itself.

Ms. O'Brien then reviewed the proposed long-term plan for use of reserve funds, noting that the District is planning to use reserves to help close the 2011-2012 budget gap, however that is not sustainable, therefore the District will slowly reduce that amount going forward.

Superintendent Ward stated that is especially important in light of the Governor's proposed property tax cap of 2%, noting that if the District depletes those reserves in one year to help close that budget gap and doesn't prepare for future years, with the proposed 2% tax cap there would be no opportunity to recoup that money to help protect the District's investment in student programs, teachers, staff, and facilities, therefore it is very important for the District to manage our funds appropriately.

Ms. O'Brien stated she was in the process of developing a dollar amount which she feels the District should maintain in our fund balance to ensure that the District is fiscally sound, adding that in order to develop that figure she is looking at the District's cash flow, noting for example that although there is a specific amount in state aid that the school is set to receive each year, the District does not see the majority of the aid until the end of the fiscal year, therefore the District needs to have funds available to operate until the aid is received. Ms. O'Brien stated she had referred to the Government Finance Officers Association, which provides support to individuals who manage the fiscal affairs of municipalities, who look at things in terms of cash flow and protecting your credit rating, adding they recommending having two times the amount of your monthly operating expenses in reserve. Ms. O'Brien then asked the board for their input. Board Member Mona Sage-Cardinale stated that Dansville had made the mistake of using all of their reserve funds to try and hang on and now they are having to close their middle school and have had to cut forty-seven staff, including twenty-two teachers, as well as having no athletics. Superintendent Ward stated there are some Districts that because they have not managed their reserves properly, will have to file for bankruptcy over the next couple of years if the state continues to make the decisions that they are making regarding state aid. Ms. O'Brien stated if the board uses reserve funds for the 2011-12 school year the District will not be able to do the same next year and every year it would be a lesser contribution and at some point the District would not be able to go below a certain point, adding that she hopes that within five years from now the economy will be back on track, however the District needs to make a decision on how much of the reserves we are willing to use. Ms. O'Brien stated that Naples Central School has

already tried to trim its budget in terms of staff and programming, noting there are other Districts that have not made any cuts, however we are trying to manage this as best we can without putting the District in a bad position.

2nd Vice President Barbara Howard stated the Budget Committee is looking at using reserves in a judicious manner, noting the District did some significant cutting last year, and the District continues to try and make things as lean as possible, asking the board if they were comfortable with the committee's direction.

Board President Keith Swank stated he was comfortable with their strategy, noting that another District in the Finger Lakes had a healthy fund balance and that even though the times were good, their District's board had decided to use up the fund balance and once the balance was used up the District had to come back with a tax levy of about 20% to get the school back on track again. Mr. Swank stated he was very comfortable with the committee's cautious strategy for moving into the future.

Mrs. Howard noted that the law states that some of the reserves cannot be used for anything other than their designated use. School Business Administrator Ms. O'Brien stated that with some of the reserve funds, it specifically states in the law that if you use them for anything but their designated use then you are guilty of a misdemeanor.

Superintendent Ward then completed the review of the book *Schools Cannot Do It Alone*, stating that the concept of the book is for groups of individuals who are part of a professional learning community in a public school would conduct informal and formal meetings in the school community to have conversations about things that are happening within the District, allowing discussion about what the public would like to see happening within the District and to perhaps share some of the initiatives happening within the District, asking the board if this was something that the board is interested in pursuing. Mrs. Ward noted that she had received positive input from the board and wanted to know if they would like to discuss over their summer retreat and perhaps put some of the concepts into action come September. Board President Keith Swank stated he liked the ideas presented in the book and it made him think of educational commandos sent out on a mission to create good will, gain community support, share knowledge about the District and let people know about the kinds of things happening at Naples Central School, adding that the other thing that came to mind was to have volunteers from the faculty and support staff go out as well, starting small and then see what the results are. 1st Vice President Michael Boggs stated that the board is already doing a lot more than they had done a couple of years previously, noting that the board was more in front of the community than they ever had been in the past therefore they had a good start, also noting that the book talks about both the formal and the informal process and they all have an opportunity to do the informal process, stating that when we start talking about things that we are proud of in the school system and that gets out to the community, then he felt the community members would then spread that information further. Mr. Boggs stated he felt they should talk about the concept in July and plan an approach, adding he did not want to dismiss the idea.

Regular Meeting

March 2, 2011

Motion: Mona Sage-Cardinale

2nd: Michael Boggs

Resolved, that the Board of Education approves the minutes of the following meetings:

Regular Meeting of February 16, 2011

Voting Yes: 9 Motion Carried

Voting No: 0

Approval:
Minutes:
Reg Mtg of
2/16/11

Motion: Barbara Howard

2nd: Gail Musnicki

Resolved, that the Board of Education approves the following Business/Financial resolution as presented:

- Resolved that the Memorandum of Understanding between Ontario County Public Health & Naples Central School District: Medical Counter Measures Clinical Operations Plan (MCM) is hereby approved as presented.
- Resolved, upon the recommendation of the Naples Board of Education Audit Committee, that the Board of Education approves the Independent Auditor's Report for the year ending June 30, 2010.
- Resolved by the Naples Board of Education as follows:
 1. The firm of Bernard P. Donegan, Inc., is hereby designated financial consultant to the Naples Central School District.
 2. Said firm shall be compensated for its services to be rendered in connection with the proposed \$21,710,000 Additions to and Reconstruction of School Building Capital Project in accordance with its proposal letter dated February 18, 2011.
 3. The President of the Board of Education is hereby authorized to execute and deliver said proposal letter.
 4. This resolution shall take effect immediately.
- Resolved that approval be given for the discard of thirty Glencoe Biology books.
- Resolved, that the Board of Education approve Budget Transfers as presented.

Voting Yes: 9 Motion Carried

Voting No: 0

Approval:
MOU
Ont. Cnty.
MCM;
Independ.
Auditor
Report;
Financial
Consult;
Phase II-
Donegan;
Book
Discards:
Budget
Transfers

A motion was made by Board Member Barbara Howard and seconded by Board Member Mona Sage-Cardinale to accept the resolution approving personnel items as presented. Board Member John Murphy requested that the first item in the resolution be separated from the remainder of the items in the resolution.

Motion: Barbara Howard

2nd: Mona Sage-Cardinale

Approval is given to amend the resolution to approve personnel items, separating out the first item regarding the appeal of an employee grievance.

Voting Yes: 9 Motion Carried

Voting No: 0

Approval:
Modify
Resolution

Motion: Mona Sage-Cardinale

2nd: Barbara Howard

Resolved, that the Board of Education approves the following personnel items:

Support:

- Resolved that the Board of Education denies the appeal of an employee grievance.

Voting Yes: 5 Motion Carried

Voting No: 4 John Murphy, Joseph Callaghan, Keith Swank, William Kelly

Denial:
Employee
Grievance

Regular Meeting

March 2, 2011

Approval:
Temporary
Teacher
Aide – Bell,
E.;
Substitute
Teacher –
Dimpfl, H.

Motion: Mona Sage-Cardinale

2nd: Barbara Howard

Support:

- Resolved, that the Board of Education approves the appointment of Elizabeth Bell, 6938 Lawyer Road, Naples, NY 14512, as Temporary Teacher Aide, effective March 2, 2011 through June 30, 2011 at a rate of \$8.04/hour.

Instructional:

Resolved, that the Board of Education approves the appointment of Heather Garrido Dimpfl, 26 Highland Road, Geneseo, New York 14454, as Substitute teacher, Special Education, effective on or before March 28, 2011 through June 30, 2011. The certification area and status is Special Education, Permanent. Salary will be Step 1 of the 2010-2011 Distribution Schedule – Bachelors. This appointment is in accordance with and subject to Education Law, the regulations of the Commissioner of Education, and the by-laws of the Board of Education.

Voting Yes: 9

Motion Carried

Voting No: 0

Approval:
CSE & CPSE
student
placements

Motion: Barbara Howard

2nd: Michael Boggs

Resolved, that the Board of Education, upon the recommendation of Superintendent Kimberle A. Ward, approves the following Consent Agenda Item:

- a. Resolved, that the Board of Education approves student placements as per the recommendations of the Committee on Special Education and the Committee on Preschool Special Education.

Voting Yes: 9

Motion Carried

Voting No: 0

Executive
Session

Motion: Barbara Howard

2nd: Gail Musnicki

Resolved, that the Board of Education approves calling an executive session at 8:33 p.m. for the purpose of discussing the employment history of a particular person or person(s).

Voting Yes: 9

Motion Carried

Voting No: 0

Time out of closed session: 9:40 p.m.

Motion: Barbara Howard

2nd: Mona Sage-Cardinale

There being no further business, the Regular Meeting of March 2, 2011 is hereby adjourned at 9:42 p.m.

Voting Yes: 9

Motion Carried

Voting No: 0

Dated this 16th day of February, 2011

Pamela Jo Claes
District Clerk

Naples Central School District Fund Balance Report

A simple definition of fund balance is the amount of money left over after all the bills have been paid at a specific point in time. For example, the balance in your checking account on a specified date.

Fund balance can be described as either reserved for a specific purpose, or unreserved. Unreserved fund balance is not restricted for a specific purpose.

| Reserved Fund Balance | Balance as of 6/30/10 | Description |
|---------------------------------------|-----------------------|--|
| Liability | 20,424 | Authorized by EDN Article 35 § 8-c Utilized to cover claims for which there is no insurance coverage available |
| Property Loss | 33,622 | Authorized by EDN Article 35 § 8-c Utilized to cover claims for which there is no insurance coverage available |
| Insurance Recoveries | 35,857 | Authorized by GMU Article 2 § 6-n Utilized to cover claims for which there is no insurance coverage available |
| Unemployment | 112,133 | Authorized by GMU Article 2 § 6-m Utilized to pay unemployment claims – The District is responsible for 100% of claims paid. |
| Encumbrances | 154,704 | Required to comply with Generally Accepted Accounting Principles and government accounting regulations. Funds are committed to pay for outstanding purchases that have not been received as of the end of the fiscal year. |
| Tax Certiorari | 200,600 | Authorized by EDN Article 74 § 7461. Utilized to pay judgments and claims that arise from real property tax challenges |
| ERS Retirement | 300,000 | Authorized by GMU Article 2 § 6-r. Utilized to pay NYS employees retirement costs |
| Capital *** | 600,000 | Authorized by EDN Article 7 § 3651 (1) Utilized to pay for capital project expenses – Voter approval needed to create and expend. |
| Employee Benefit Accrued Liability | 1,795,912 | Authorized by GMU Article 2 § 6-p Utilized to pay for benefits earned by employees that are payable upon termination of employment |
| Subtotal Reserved | 3,253,252 | |
| | | |
| Unreserved Fund Balance | | |
| Appropriated | 527,000 | Unreserved funds designated by the Board of Education to be used towards budgeted expenditures and lowering the tax levy. |
| Undesignated | 635,826 | Legal limit - 4% of subsequent years budget (4% X 15,995,946=639,838) |
| Total Fund Balance | 4,416,078 | |

Important reasons why schools should maintain sufficient fund balance are:

- To have enough cash to operate until state aid payments arrive. This avoids borrowing costs.
- To protect its credit rating.
- To reduce exposure to significant one time outlays. For example, disasters, emergency infrastructure needs, cuts in state aid.
- To assist in keeping the tax levy stable

*****On January 19, 2011, by resolution, the Board of Education agreed to use the \$600,000 balance in the Capital Reserve fund toward the Capital Project that will be voted on March 22, 2011.**