

COPIAGUE PUBLIC SCHOOLS

BUDGET WORK SESSION

Fund Balance Management

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December 2, 2013

FUND BALANCE MANAGEMENT

What is fund balance? *The district's savings account*

Two components of fund balance:

I. **RESTRICTED** for particular purpose

Reserves for "rainy days":

- Retirement System (ERS contribution only)
- Building Repairs (closed 6/2013)
- Insurance: property casualty/liability loss
- Workers' Compensation Claims:
 - district is self funded
- Unemployment Claims
- EBLAR Liability - Future Retiree Expense
(Employee benefit accrued liability reserve)

	Actual July 2013 <u>Balances</u>	Forecast July 2014 <u>Balances</u>	Forecast July 2015 <u>Balances</u>
	1,195,000	395,000	0
	101	0	0
	107,500	0	0
	354,200	154,000	0
	121,300	21,300	0
	<u>3,381,000</u>	<u>3,381,000</u>	<u>3,381,000</u>
TOTAL <u>RESTRICTED</u> FUND BALANCE	5,159,101	3,951,300	3,381,000

FUND BALANCE MANAGEMENT

	Actual	Forecast	Forecast
	July 2013	July 2014	July 2015
	<u>Balances</u>	<u>Balances</u>	<u>Balances</u>
II. <u>UNRESERVED</u> or unrestricted to allow for as needed or emergency use - Use to supplement revenue budget <i>(Reduce tax rate increase due to loss of other revenue – i.e: state aid, etc)</i>			
Total UNRESERVED fund balance	1,430,179	2,078,202	828,202
- Tighter budgets unable to replenish FB !!			
Total RESTRICTED fund balance	5,159,101	3,951,300	*3,381,000
- Six accounts mentioned previously - use up restricted funds to supplement loss in Unreserved FB !!			
TOTAL FUND BALANCE (I & II) PROJECTION	6,589,280	6,029,502	4,209,202
**Note: July 2015 Restricted FB is only EBLAR All other reserves are depleted!			

FUND BALANCE MANAGEMENT

ANALYSIS OF UN-RESTRICTED FB

School Year	Beginning Balance	Expense Less Than Budget	More Revenue than Budget	Transfer In Other Accounts (restricted FB)	Year End Available	Appropriated to Revenue	Transfer Out Other Accounts (restricted FB)	Ending Balance June 30th
	July 1 st	Add	Add	Add	Equals	Minus	Minus	Equals
2008-2009	3,926,928	1,589,047	(715,069)	1,657,305	6,571,390	(2,625,000)	0	3,871,881
2009-2010	3,871,881	7,099,744	1,734,427	0	12,780,561	(4,307,000)	(902,247)	7,362,640
2010-2011	7,362,640	4,555,226	(576,185)	0	11,550,355	(5,170,501)	(1,536,510)	4,655,078
2011-2012	4,655,078	2,254,120	285,415	1,450,000	8,832,879	(3,912,419)	(315,000)	4,131,691
2012-2013	4,131,691	73,801	(223,035)	1,079,880	5,280,654	(3,552,452)	0	1,430,179
2013-2014	<i>Estimated</i> 1,430,179	<i>Estimated</i> 900,000	<i>Estimated</i> 750,000	<i>Estimated</i> 1,200,000	4,578,202	(2,500,000)	0	2,078,202
2014-2015	2,078,202	1,000,000	250,000	570,500	2,828,202	(2,000,000)	0	828,202
2015-2016	828,202	1,000,000	250,000	0	1,578,202	(1,500,000)	0	78,202

What does a tight Budget mean?

- Surplus created from under spending and revenues that exceed budget are shrinking ! Look at 2012-13
- Reserved Fund Balance Accounts are being rapidly depleted - can not be replenished from tighter budgets (Reserves used: ERS, W.Comp, Unemployment)

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