



FUND BALANCE MANAGEMENT PLAN

September 9, 2024



Central Square Central School District

WHAT IS FUND BALANCE?

❖ Balance Sheet –

- $\text{Assets} - \text{Liabilities} = \text{Fund Balance}$

Includes –

- Restricted (Reserve) Funds
- Nonspendable
- Committed
- Assigned
- Unassigned



WHY IS FUND BALANCE SO IMPORTANT?

- ❖ Provides a cushion for unforeseen expenditures or revenue shortfalls.
- ❖ Helps to ensure adequate cash flow.
- ❖ Assists in the computation of school district's tax levy.
- ❖ Reduces borrowing and interest costs.
- ❖ Improves credit rating.
- ❖ Funds unbudgeted contingent expenses.
- ❖ Funds state aid shortfalls.



- [illegible]

Fund Balance Management Planning is to...

Help maximize the use of surplus funds over the long term and to preserve educational programs and goals in the short term.

- ✓ Unassigned Fund Balance (operating capital)
 - Maximum is 4% of following year's budget (operating cash flow)
- ✓ Committed (Appropriated) Fund Balance
 - Source of revenue applied toward following year's budget
- ✓ Transfer to Restricted Funds
 - Long Range Planning

Restricted (Reserve) Funds Authorized for School Districts under the Education Law

**Capital Reserve
Fund**

**Liability Reserve
Fund**

**Property Loss
Fund**



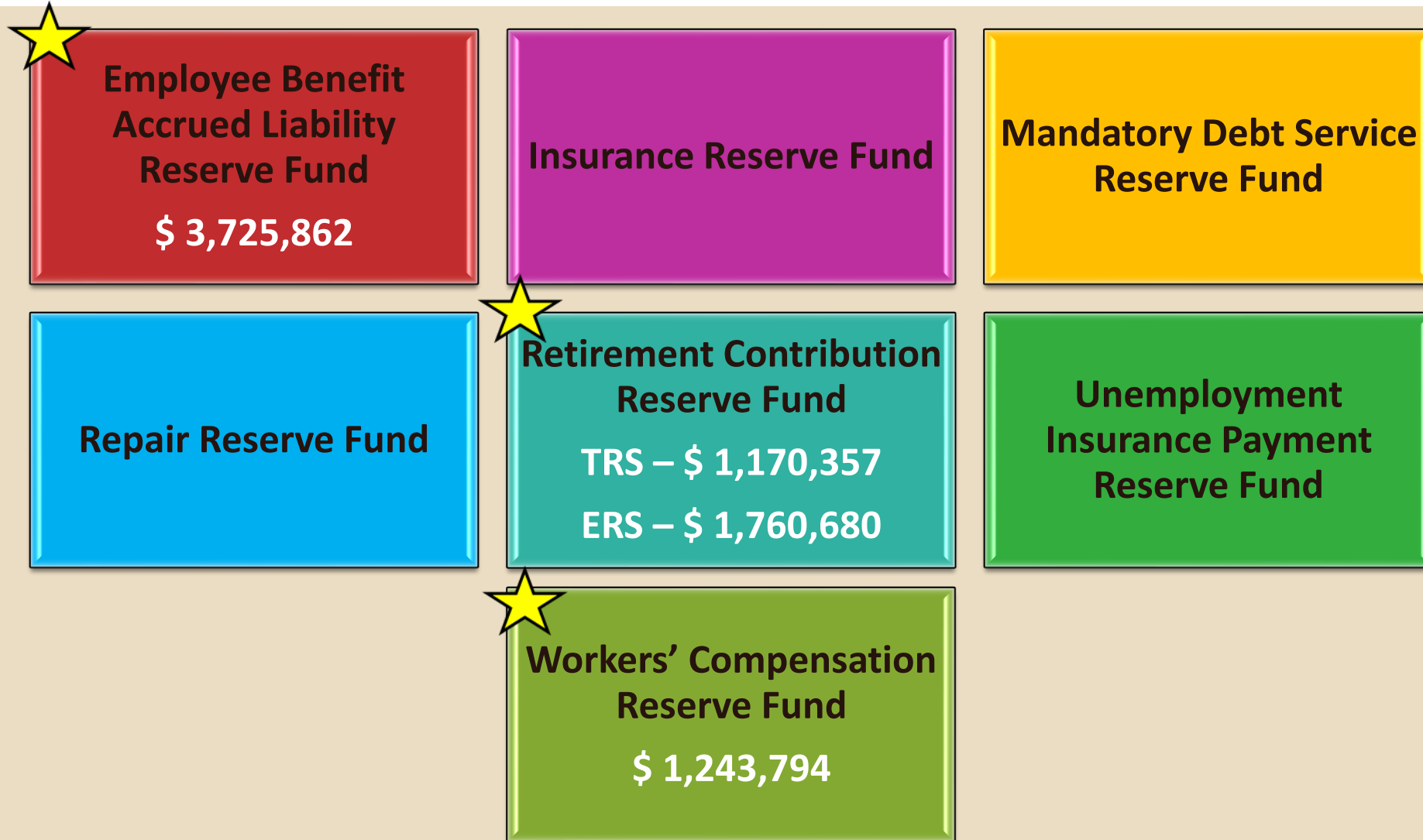
**Tax Certiorari
Reserve Fund**
\$ 85,488

**Tax Reduction
Reserve Fund**

**Uncollected Taxes
Reserve Fund**

**Career Education
Instructional
Equipment
Reserve Fund**

Restricted (Reserve) Funds Authorized for School Districts under the General Municipal Law



Fund Balance –Analysis

** Estimate for 2024*

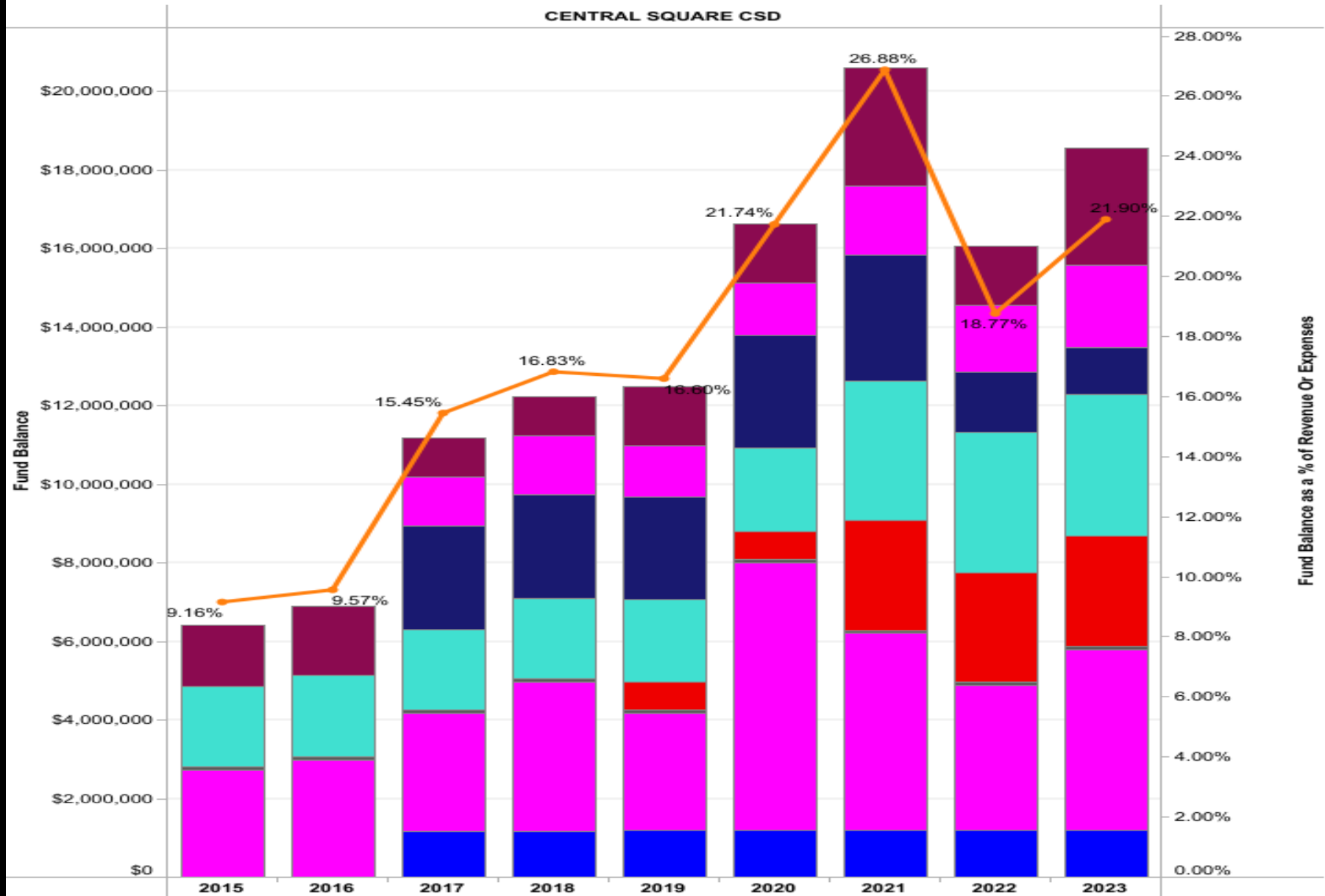
RESTRICTED	6/2020	6/2021	6/2022	6/2023	*6/2024
Workers' Compensation Fund	\$ 1,186,369	\$ 1,186,486	\$ 1,186,681	\$ 1,198,140	\$1,243,794
Service and Termination (EBLAR)	2,104,223	3,554,430	3,554,777	3,589,104	3,725,862
Tax Certiorari	81,541	81,549	81,562	82,350	85,488
ERS	179,833	1,679,833	1,679,833	1,696,054	1,760,680
TRS	547,379	1,116,496	1,116,617	1,127,399	1,170,357
TOTAL RESTRICTED	\$ 4,099,345	\$ 7,618,794	\$ 7,619,470	\$ 7,693,047	\$7,986,181
ASSIGNED					
Encumbrances	\$ 1,352,937	\$ 1,746,320	\$ 1,712,866	\$ 2,082,614	\$1,456,329
Appropriated	1,500,000	3,000,000	1,500,000	3,000,000	3,000,000
UNASSIGNED	6,813,102	5,014,819	3,416,835	4,579,961	5,248,682
NONSPENDABLE	2,870,159	3,209,985	1,849,885	1,207,649	967,960
TOTAL FUND BALANCE	\$ 16,635,542	\$ 20,589,918	\$ 16,099,056	\$ 18,563,271	\$18,659,152

Fund Balance –Analysis

**Estimate for 2024*

	6/2020	6/2021	6/2022	6/2023	6/2024*
TOTAL FUND BALANCE	\$ 16,635,542	\$ 20,589,918	\$ 16,099,056	\$ 18,563,271	\$18,659,152
Unassigned Fund Balance	6,813,102	5,014,819	3,416,835	4,579,961	5,248,682
Next Year’s Budget	81,325,857	85,963,942	88,546,056	93,045,211	98,563,083
4% Limit	8.37%	5.83%	3.85%	4.92%	5.32%

Fund Balance by Fund and Percentage
 Shown as a % of Expense
 District(s) - CENTRAL SQUARE CSD
 % of Revenues or Expenses reflects selected funds only
 Source: NYSED ST-3 Form



Detail by:

- Assigned Appropriated Fund Balance
- Assigned Unappropriated Fund Balance
- Committed Fund Balance
- Not in Spendable Form
- Reserve for Employee Benefits and Accrued Liabilities
- Reserve for Retirement Contributions
- Reserve for Tax Certiorari
- Unassigned Fund Balance
- Workers Compensation Reserve
- % of Revenue Or Expenses

Detail by:

- A General
- % of Revenue Or Expenses

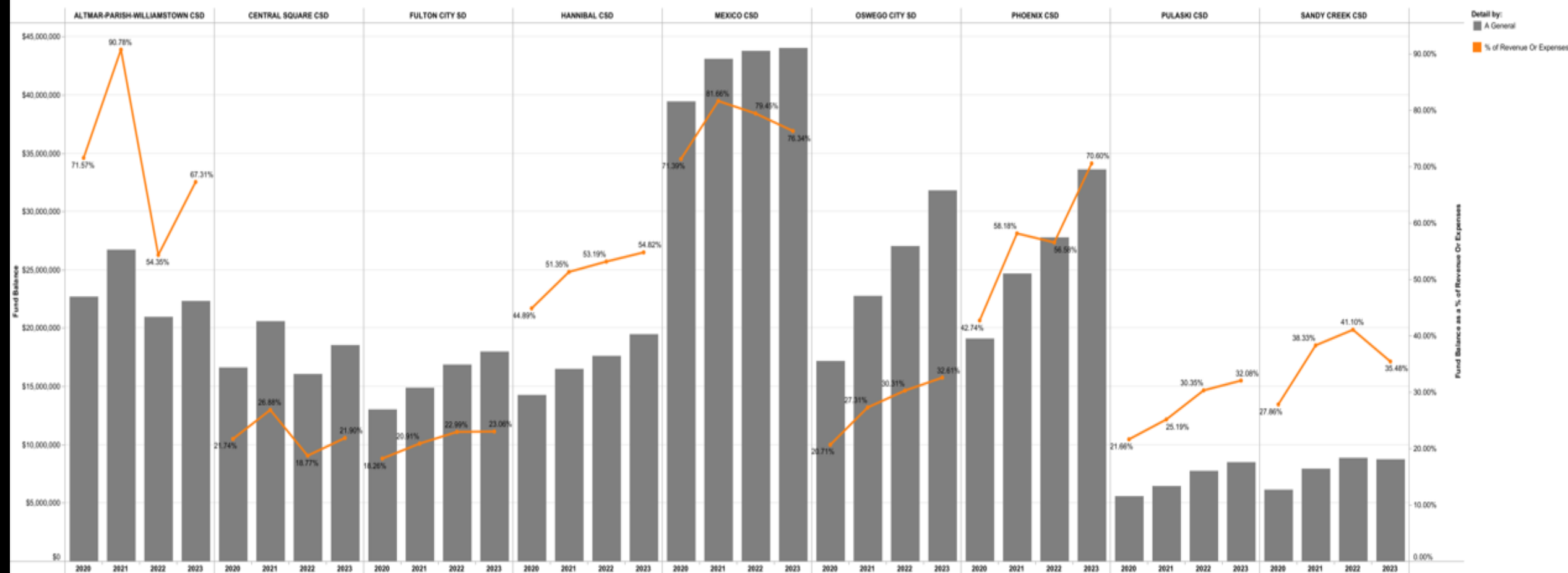
Fund Balance by Fund and Percentage

Shown as a % of Expense

District(s) - All

% of Revenues or Expenses reflects selected funds only

Source: NYSED ST-3 Form



WHAT HAVE WE USED FUND BALANCE ON?

- ❖ No Tax Levy increase for 2021-2022 & 2022-2023
- ❖ Limited tax increase for 2023-2024 & 2024-2025
- ❖ Providing unaided portion of 2022 \$25 million capital project
- ❖ Funds Appropriated Fund Balance
- ❖ Increase in Reserves



What will we use our Fund Balance on in the future?

- ❖ Revenue shortfalls due to Foundation Aid recalculations.
- ❖ Unforeseen expenditures as the needs of students and staff evolve.