Gowanda Central School District
District Reserve Accounts
June 30, 2026

The Transportation Reserve Fund 2021

Creation – This reserve was approved by the voters on May 18, 2021 and modified by the voters on May 16, 2023.

Purpose - This reserve is for the purpose of future acquisitions of various school buses, school bus-type vans/minivans, and similar vehicles (and related equipment) for use in the transportation program of the District authorized by education law.

Funding Level - This reserve requires a proposition put before voters which must specify purpose, ultimate amount to be deposited into the account, probable term or life/lives and sources of funds to be deposited.

Funding Methods - This reserve is funded from unappropriated fund balance, state aid received as reimbursement for expenditures from the Fund, the proceeds from the District's sale of surplus vehicles, and such other resources as the Board or the voters of the District may direct.

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 of Reserve - This reserve is monitored by the School Business Administrator.

Funding Level - As stated in the approved proposition, this reserve was created with a maximum limit of $9,500,000.00 plus interest with a probable term of no later than July 1, 2035.

Transportation Capital Reserve balance as of 6/30/2026 - $5,489,148.35.

The Employee Benefit Accrued Liability Reserve

Creation - This reserve was created February 20, 2002.

Purpose - This reserve is 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 for items such as: health insurance or other post-employment benefits.

Funding Method - This reserve was funded from excess fund balance.

Use of Reserve - This reserve is used when an employee separates from the District and payment of accumulated leave is required.

Monitoring of Reserve - This reserve is monitored by the School Business Administrator.

Funding Level - This reserve is funded to provide for a funding level equal to current liability plus 50% of long term liability.

Employee Benefit Accrued Liability Reserve balance as of 6/30/2026 - $2,430,869.64.

GCSD Retirement Contribution Reserve Sub-Fund

Creation - This reserve was created on May 1, 2019.

Purpose - This reserve is used to pay for district expenses to the retirement contributions to the New York State Teachers' Retirement System only.

Funding Methods - Funds are placed in this reserve from excess fund balance
Use of Reserve - The use of this reserve will be based on TRS billings. The funds will be used to pay allowable direct expenses to the retirement contributions to the New York State Teachers' Retirement System, when deemed necessary.

Monitoring of Reserve - This reserve is monitored by the School Business Administrator.

Funding Level - The Districts goal is to fund at the maximum allowable limit, which is 2% annually and 10% of the total compensation of teacher retirement system salaries paid during the immediately preceding fiscal year.

Retirement Contribution Reserve balance as of 6/30/2026 - $1,426,061.29.

Unemployment Insurance Reserve

Creation - This reserve was created on October 19, 2005.

Purpose - This reserve is used to reimburse the state for payments made to claimants where the district subscribes to the benefit reimbursement method. The District does subscribe to the benefit reimbursement method, meaning we reimburse the State for actual claims incurred.
Funding Methods - The reserve was funded entirely with excess fund balance when it was created. It was funded in anticipation of an increased number of staff reductions. Ongoing funding is based on budgeted estimates of potential claims less actual claims for the year.

Use of Reserve - The District will use an estimated amount of funding from this reserve on an annual basis. The amount is based on actual claims over the previous 12 months.

Monitoring of the Reserve - This reserve will be monitored by the School Business Administrator in conjunction with other central office administrators to assess the potential for incurring unemployment claims.

Funding Level - The Districts goal is to provide for a funding level equal the expense of 10 potential claims.

Unemployment Insurance Reserve balance as of 6/30/2026 - $151,498.23.

The Insurance Reserve

Creation - This reserve was created on December 16, 2009.

Purpose - This reserve is 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 - Funds are placed in this reserve from excess fund balance.

Use of Reserve - the use of this reserve will be to cover types of losses that are not covered by any type of insurance or federal funding.

Monitoring of Reserve - This reserve is monitored by the School Business Administrator.

Funding Level - This reserve is funded to the amount that would cover 2 years of liability.

Insurance Reserve balance as of 6/30/2026 - $200,046.85.

Retirement Contribution Reserve

Creation - This reserve was created on August 26, 2009.

Purpose - This reserve is used to pay for district expenses to the NY State & Local Employees' Retirement System only. Payments to the Teachers Retirement System are not allowed from this reserve.

Funding Methods - Funds are placed in this reserve from excess fund balance.

Use of Reserve - The use of this reserve will be based on ERS billings. The funds will be used to pay allowable district expenses to the NY State & Local Employees' Retirement System, when deemed necessary.

Monitoring of Reserve - This reserve is monitored by the School Business Administrator.

Funding Level - The Districts goal is to provide for a funding level equal to 6 years of liability.
Retirement Contribution Reserve balance as of 6/30/2026 - $3,396,139.52

Repair Reserve

Creation - This reserve was created on December 20, 2023.

Purpose – Financing the cost of non-recurring repairs to District capital improvements and equipment.

Funding Methods - Funds are placed in this reserve from excess fund balance after the voters approve the funding.

Use of Reserve - This reserve is for paying non-recurring repairs to District capital improvements and equipment after a public hearing is held.

Monitoring of Reserve - This reserve is monitored by the School Business Administrator.

Funding Level – The District funding level is based on a review of historical and expected repairs, in conjunction with the timing of the annual vote to fund the reserve.

Repair Reserve balance as of 6/30/2026 - $1,149,219.70

Capital Improvements Reserve Fund, 2024

Creation - This reserve was approved by the voters on May 21, 2024.

Purpose - This reserve is for the purpose of financing, in whole or in part, the acquisition, construction, reconstruction, expansion, renovation, alteration and improvement of buildings, facilities, sites and real property by the District or the District's share of the cost of any capital improvements project undertaken by a Board of Cooperative Education Services ("BOCES") of which the District is (or may become) a component district, including in all cases, the acquisition of necessary furnishings, equipment, machinery and apparatus.

Funding Methods – Budgetary appropriations of the District; unappropriated fund balance of the District; State aid received as reimbursement for expenditures by the District in connection with District Capital Improvements (whether or not such improvements were financed in whole or in part from the Fund); the proceeds from the sale of unneeded real or personal property owned by the District; one or more other reserve funds of the District and/or such other sources as the Board or the voters of the District may direct from time to time, all as may be permitted by law.

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 of Reserve - This reserve is monitored by the School Business Administrator.

Funding Level - As stated in the approved proposition, this reserve was created with a maximum limit of $8,000,000 plus interest and the probable term shall not be longer than ten years.

2024 Capital Reserve balance as of 6/30/2026 - $2,314,686.91.

The Encumbrances Reserve (Required for Accounting Standards)

Creation - These funds are actually fund balance that has been set aside to fund prior year expenditures.

Purpose - This reserve is to allow outstanding encumbrances (open purchase orders) to remain at the end of a school year to be carried over the next school year.

Funding Methods - This reserve is revenue from the prior school year.

Use of the Reserve - The District's funds from this reserve will be utilized to provide for current encumbrances.

Monitoring of Reserve - This reserve is monitored by the School Business Administrator.

Funding Level - This reserve will equal the total of open purchase orders from the prior fiscal year.

2026 Capital Reserve

Creation - This reserve was approved by the voters on May 19, 2026.

Purpose - financing, in whole or in part, the acquisition, construction, reconstruction, expansion, renovation, alteration, and improvement of buildings, facilities, sites, and real property by the District, or the District's share of the cost of any capital improvements project undertaken by a Board of Cooperative Educational Services ("BOCES") of which the District is (or may become) a component district, including, in all cases, the acquisition of necessary furnishings, equipment, machinery, and apparatus

Funding Methods – Budgetary appropriations of the District; unappropriated fund balance of the District; State aid received as reimbursement for expenditures by the District in connection with District Capital Improvements (whether or not such improvements were financed in whole or in part from the Fund); the proceeds from the sale of unneeded real or personal property owned by the District; one or more other reserve funds of the District and/or such other sources as the Board or the voters of the District may direct from time to time, all as may be permitted by law.

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 of Reserve - This reserve is monitored by the School Business Administrator.

2026 Capital Reserve Cash Balance as of 6/30/2026- $800,000.00.