

PUTTING STUDENTS FIRST



**TeaTime**  
***A Resource for District***  
***Treasurers***  
**March 2023**

State Aid and Financial Planning Service

# Welcome to **TeaTime** !

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## New Webinar Series

Focus is to  
assist  
Treasurers  
with  
accounting  
issues that  
affect  
maximizing  
State Aid





# Reasons for **TeaTime**

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We spoke with a lot of business officials and treasurers over the summer about a lot of ***Accounting Issues***

## Observations:

- ✓ Many new people in the position of Treasurer
- ✓ A lot of people struggling with:
  - Closing the books
  - Monthly monitoring and reporting
  - Preparing the ST-3/Importing from accounting software
  - Accounting for certain transactions  
e.g., BANs, Bonds, Leases, etc.
- ✓ There is a shortage of resources available to assist
- ✓ All these factors have caused ST-3s to be delayed which puts State Aid at risk



# Plan for **TeaTime**



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We will have periodic webinars that will be geared towards Treasurers

Webinars will be recorded and posted on our website

Additional resources will be added to our website for certain standard tasks throughout the year under the Resource tab

Webinars will be geared to be more interactive – questions will be read out loud and answered live



# Resources Available Now

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- ☑ State Aid reconciliation
- ☑ Cash flow template
- ☑ Fund balance reserves guidance
- ☑ GASB 87 lease present value and amortization schedule template
- ☑ Guidebook on Fund Balance Reserve accounting
- ☑ Recorded webinar on how to prepare the ST-3 including Supplemental Schedules SS1-SS8
- ☑ Guidebook and recorded webinar on how to prepare Supplemental Schedules SS10-SS16

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# Refresher on the Basics

Double Entry Bookkeeping

# TeaTime - from “T Accounts”

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A T-Account is a visual representation of an account, and it looks like a T:

Dr.		A200-Cash	Cr.	
7/1/22 Beg. Bal.	\$1,000,000		7/14/22 Pay Warrant #1	\$140,000
			7/28/22 Pay Warrant #2	\$60,000
7/31/22 Cash Receipts	\$50,000			
7/31/22 End Bal.	\$850,000			

$$\$1,000,000 - \$140,000 - \$60,000 + \$50,000 = \$850,000$$

# Trial Balance Report From 7/1/2021 - 6/30/2022

INVISION

## Assets

Account	Description	Debits	Credits
A 200	Cash - Checking Pioneer	510,545.14	0.00
A 201	Cash - MMDA Pioneer	6,402,787.33	0.00
A 201.1	Reserve for Debt Cash	30,914.05	0.00
A 210	Petty Cash	75.00	0.00
A 391	Due from Other Funds	4,312,132.41	0.00
A 410	Due from State & Federal	295,766.80	0.00
A 440	Due from Other Govts.	290,428.57	0.00
A 510	Estimated Revenue	22,396,924.00	0.00
A 521	Encumbrances	196,266.54	0.00
A 522	Expenditures	22,100,770.37	0.00
A 599	Appropriated Fund Balance	2,615,361.68	0.00

## Liabilities and Fund Balance

A 600	Accounts Payable	0.00	1,419,014.88
A 601	Accrued Liabilities	0.00	6,693.25
A 630	Due to Other Funds	0.00	2,717,443.20
A 630TA	Due to Trust & Agency	2,417.94	0.00
A 631	Due to Other Governments	0.00	74,014.00
A 632	Due to Teachers Retirement	0.00	888,131.67
A 637	Due to Emp. Retirement	0.00	89,720.32
A 814	Workers Comp. Reserve	0.00	600,000.00
A 815	Unemployment Ins. Reserve	0.00	560,000.00
A 821	Reserve for Encumbrances	0.00	196,266.54
A 827	ERS Retirement Contributions Reserve	0.00	2,000,000.00
A 828	TRS Retirement Contribution Reserves	0.00	200,000.00
A 864	Reserve for Tax Certiorari	0.00	33,000.00
A 867	Reserve for Emp. Benefits	0.00	137,220.44
A 878.1	Reserve for Capital 2019	0.00	1,000,000.00
A 884	Reserve for Debt	0.00	87,162.24
A 909	Fund Balance, Unreserved	0.00	1,203,508.11
A 910	Fund Balance, Subseq. Yrs	0.00	700,000.00
A 960	Appropriations	0.00	25,012,285.68
A 980	Revenues	0.00	22,229,929.50

A Fund Totals:

59,154,389.83

59,154,389.83

# Budgetary Accounts

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Budgetary Accts.	Debit	Credit
A510-Estimated Revenues	22,396,924.00	
A599-Appropriated Fund Balance	2,615,361.68	
A960-Appropriations	<u>                    </u>	<u>25,012,285.68</u>
Totals	<u>25,012,285.68</u>	<u>25,012,285.68</u>

- ✓ Budget accounts always need to be self-balancing (Debits = Credits)
- ✓ Debit side is how you are going to pay for the budget
- ✓ Credit side is what is approved to be funded through the budget

Trial Balance Report From 7/1/2021 - 6/30/2022

INVISION

Assets

Liabilities and Fund Balance

Account	Description	Debits	Credits
A 200	Cash - Checking Pioneer	510,545.14	0.00
A 201	Cash - MMDA Pioneer	6,402,787.33	0.00
A 201.1	Reserve for Debt Cash	30,914.05	0.00
A 210	Petty Cash	75.00	0.00
A 391	Due from Other Funds	4,312,132.41	0.00
A 410	Due from State & Federal	295,766.80	0.00
A 440	Due from Other Govts.	290,428.57	0.00
A 510	Estimated Revenue	22,396,924.00	0.00
A 521	Encumbrances	196,266.54	0.00
A 522	Expenditures	22,100,770.37	0.00
A 599	Appropriated Fund Balance	2,615,361.68	0.00
A 600	Accounts Payable	0.00	1,419,014.88
A 601	Accrued Liabilities	0.00	6,693.25
A 630	Due to Other Funds	0.00	2,717,443.20
A 630TA	Due to Trust & Agency	2,417.94	0.00
A 631	Due to Other Governments	0.00	74,014.00
A 632	Due to Teachers Retirement	0.00	888,131.67
A 637	Due to Emp. Retirement	0.00	89,720.32
A 814	Workers Comp. Reserve	0.00	600,000.00
A 815	Unemployment Ins. Reserve	0.00	560,000.00
A 821	Reserve for Encumbrances	0.00	196,266.54
A 827	ERS Retirement Contributions Reserve	0.00	2,000,000.00
A 828	TRS Retirement Contribution Reserves	0.00	200,000.00
A 864	Reserve for Tax Certiorari	0.00	33,000.00
A 867	Reserve for Emp. Benefits	0.00	137,220.44
A 878.1	Reserve for Capital 2019	0.00	1,000,000.00
A 884	Reserve for Debt	0.00	87,162.24
A 909	Fund Balance, Unreserved	0.00	1,203,508.11
A 910	Fund Balance, Subseq. Yrs	0.00	700,000.00
A 960	Appropriations	0.00	25,012,285.68
A 980	Revenues	0.00	22,229,929.50
A Fund Totals:		59,154,389.83	59,154,389.83

522 and 980 are **Control Accounts** and are the total of their respective subsidiary ledgers

# Revenue Status Report By Function From 7/1/2021 To 6/30/2022



Account	Description	Budget	Adjustments	Revised Budget	Revenue Earned	Unearned Revenue
<a href="#">A 1001</a>	Real Property Taxes	9,961,840.00	0.00	9,961,840.00	8,926,273.80	1,035,566.20
<a href="#">A 1085</a>	School Tax Relief Reimb.	0.00	0.00	0.00	942,533.89	-942,533.89
<a href="#">A 1090</a>	Penalties on Taxes	4,000.00	0.00	4,000.00	0.00	4,000.00
<a href="#">A 1310</a>	Non-Resident Tuition - Individual	10,000.00	0.00	10,000.00	3,723.77	6,276.23
<a href="#">A 1315</a>	Continuing Education Tuition	18,000.00	0.00	18,000.00	0.00	18,000.00
<a href="#">A 1335</a>	Other Student Fees & Chgs	0.00	0.00	0.00	4,336.49	-4,336.49
<a href="#">A 2235</a>	Services for BOCES	40,000.00	0.00	40,000.00	40,418.57	-418.57
<a href="#">A 2350</a>	Youth Services - Other Govts.	0.00	0.00	0.00	52,202.24	-52,202.24
<a href="#">A 2401</a>	Interest & Earnings	15,000.00	0.00	15,000.00	2,053.47	12,946.53
<a href="#">A 2413</a>	Rental of Real Prop - BOCES	7,000.00	0.00	7,000.00	0.00	7,000.00
<a href="#">A 2665</a>	Sale of Surplus	0.00	0.00	0.00	100.00	-100.00
<a href="#">A 2666</a>	Sale of Transportation Equipment	0.00	0.00	0.00	5,000.00	-5,000.00
<a href="#">A 2680</a>	Insurance Recoveries	0.00	0.00	0.00	26,680.85	-26,680.85
<a href="#">A 2690</a>	Other Loss Compensation	0.00	0.00	0.00	19,123.76	-19,123.76
<a href="#">A 2700</a>	Reimb of Medicare Part D	15,000.00	0.00	15,000.00	28,805.57	-13,805.57
<a href="#">A 2701</a>	Refund Prior Year - BOCES	60,000.00	0.00	60,000.00	0.00	60,000.00
<a href="#">A 2703</a>	Misc. Refund - Prior Year	599,017.00	0.00	599,017.00	94,782.18	504,234.82
<a href="#">A 2705</a>	Gifts & Donations	0.00	0.00	0.00	302.00	-302.00
<a href="#">A 2710</a>	Premium from Obligations on BOND	0.00	0.00	0.00	60,092.58	-60,092.58
<a href="#">A 2770</a>	Unclassified Revenue	1,000.00	0.00	1,000.00	530,356.90	-529,356.90
<a href="#">A 2772</a>	E-Rate Revenue	20,000.00	0.00	20,000.00	15,561.46	4,438.54
<a href="#">A 3101</a>	State Aid - Basic	10,720,539.00	0.00	10,720,539.00	7,764,559.28	2,955,979.72
<a href="#">A 3101.E</a>	State Aid - Excess Cost	169,420.00	0.00	169,420.00	1,880,631.00	-1,711,211.00
<a href="#">A 3102</a>	Lottery Aid	0.00	0.00	0.00	691,160.99	-691,160.99
<a href="#">A 3102.G</a>	Commercial Gaming Grant	0.00	0.00	0.00	53,160.49	-53,160.49
<a href="#">A 3102.V</a>	VLT Lottery Aid	0.00	0.00	0.00	302,230.24	-302,230.24
<a href="#">A 3103</a>	State Aid - BOCES	629,227.00	0.00	629,227.00	601,773.40	27,453.60
<a href="#">A 3260</a>	State Aid - Textbooks	53,107.00	0.00	53,107.00	39,494.00	13,613.00
<a href="#">A 3261</a>	State Aid - Hardware	8,774.00	0.00	8,774.00	8,775.00	-1.00
<a href="#">A 3262</a>	State Aid - Software	0.00	0.00	0.00	9,648.00	-9,648.00
<a href="#">A 3263</a>	State Aid - Library Materials	0.00	0.00	0.00	2,874.00	-2,874.00
<a href="#">A 4601</a>	Medicaid Reimbursement	65,000.00	0.00	65,000.00	123,275.57	-58,275.57
<b>A Totals:</b>		<b>22,396,924.00</b>	<b>0.00</b>	<b>22,396,924.00</b>	<b>22,229,929.50</b>	<b>166,994.50</b>

Total =  
A980-  
Revenue  
Control

# CENTRAL SCHOOL DISTRICT

Appropriation Status Detail Report By Function From 7/1/2021 To 6/30/2022



Account	Description	Budget	Adjustments	Adj. Budget	Expensed	Encumbered	Available
Fund A Totals:		24,864,251.81	148,033.87	25,012,285.68	22,100,770.37	196,266.54	2,715,248.77
Grand Totals:		24,864,251.81	148,033.87	25,012,285.68	22,100,770.37	196,266.54	2,715,248.77

Total = A522-  
Expenditure  
Control



Recording a journal entry:

		Sub Acct	Debit	Credit
H200-Cash			\$ 820,000	
H626-BAN Payable				\$ 800,000
H630-Due to General Fund				20,000
A391-Due from Capital Fund			20,000	
A980-Revenue Control				20,000
A2710-Premium on Obligations		20,000		

# Basics of Double Entry Bookkeeping

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- ✓ Debits must always equal credits
- ✓ Assets should have debit balances
- ✓ Liabilities and Fund Balance should have credit balances
- ✓  $\text{Assets} = \text{Liabilities and Fund Balance}$
- ✓ 522-Expenditure Control and 980-Revenue Control are the totals of all the expenditures and revenues, respectively
- ✓ Subsidiary ledgers show the details of the control accounts
  - ✓ We call them the *Revenue and Appropriations Status Reports*
- ✓ Amounts posted to subsidiary accounts must always equal the amount posted to the related control account
  - ✓ Your accounting software may do this for you

# Cash Disbursement Schedule

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## Cash Disbursement Schedule Report For A - 16: Cash Disbursement

Check / Ref #	Manual Check	Date	Vendor ID	Vendor Name	PO Number	Account	Explanation	
Number of Cash Disbursements: 7							Grand Totals:	
Account Distribution Totals								
Account	Description						Total Expensed	Total Liquidated
A 1001	Real Property Taxes						3,354.67	0.00
A 1010.400-00-0000	BOE - Contractual						488.50	488.50
A 1310.400-00-0000	Contractual						200.00	200.00
A 1310.402-00-0000	Conferences						1,087.00	1,087.00
A 2250.420-30-0000	Occup. Therapy - High School						2,788.00	2,788.00
A 9040.804-00-0000	Workers Compensation						795.70	795.70
Fund A Totals:							8,713.87	5,359.20
Grand Totals:							8,713.87	5,359.20
General Ledger Summary Postings								
Account	Description						Debits	Credits
A 200	Cash - Checking Pioneer						0.00	8,713.87
A 521	Encumbrances						0.00	5,359.20
A 522	Expenditures						5,359.20	0.00
A 821	Reserve for Encumbrances						5,359.20	0.00
A 980	Revenues						3,354.67	0.00

Automatic journal entry

Automatic  
journal  
entry



# Areas to be Discussed Today

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- Mid Year Review – Verifying 6/30/22 balances were carried over and accruals settled properly
- Recording Deferred Taxes – Reserve for Excess Tax Levy
- Recording the General Fund budget when it includes funding an addition to a reserve or use of a reserve

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## Mid Year Review

Verifying 6/30/22 balances were carried over  
and year-end accruals are settled properly



# Mid-Year Review




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- Treasurers have a variety of required monthly reports:
  - ▣ Treasurer's report
  - ▣ Revenue status report
  - ▣ Appropriations status report
- But there aren't any monthly balance sheet reporting requirements
  - ▣ This can cause less attention to be given to this area
  - ▣ Can cause a lot more work at year-end
  - ▣ Doing a mid-year review can assist in closing books out sooner at year and submitting ST-3 more timely



# Mid-Year Review Sample Checklist

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	General Fund (A)	Food Service Fund (C)	Special Aid Fund (F)	Capital Fund (H)	Debt Service (V)	Private Purpose Trust Fund (TE)	Custodial Fund (TC)	Permanent Fund (PN)	Misc. Special Revenue Fund (CM)
Does opening fund balance 7/1 agree to audited financial statements from 6/30?									
Was the tax warrant recorded as A250-Taxes Receivable?									
Was a receivable recorded for STAR receivable? (A410)									
Was State Aid grossed up and TRS liability reduced for September, October, and November?									
If there was a 480-Prepaid Expenditure recorded at 6/30, has it been expensed in the current year?									
Have taxes collected been reconciled to cash received?									
Does the balance in A250/A260-Taxes Receivable agree to the amount turned over to the county? If not, are there taxes that need to be cancel?									

# Mid-Year Review Sample Checklist

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[illegible]

# Mid-Year Review Sample Checklist

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[illegible]

# Mid-Year Review Sample Checklist

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[illegible]



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## Deferred Taxes – Reserve for Excess Tax Levy







Taxes Levied Beyond Amount Approved  
Need to be Deferred in Current Year



# A695 – Deferred Taxes – Reserve for Excess Tax Levy

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## Deferred Inflows Of Resources

Deferred Inflows Of Resources	A691	73	
Deferred Inflow Of Resources - Planned Balance	A692	74	
Deferred Special Taxes, Suffolk County	A693	75	
Deferred Taxes (City)	A694	76	
Deferred Taxes - Reserve For Excess Tax Levy	A695	77	
TOTAL DEFERRED INFLOWS OF RESOURCES	AT069	78	

# What Causes a Need for an A695 Entry?

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- ❑ Tax Cap calculates a specific maximize limit on taxes that can be levied each year
- ❑ If district levies more than the limit, the excess needs to be removed from Real Property Tax revenue and deferred for recognition in the following year
  - Common issue is town/county has collected additional taxes (called Errors and Omissions) from things like changes in exemptions, etc. and this amount is not reduced from the proposed tax levy, so the district ends up collecting more than the legal limit
  - Also, if audited, OSC may disallow an exclusion claimed

# Example

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- Your tax cap limit was \$10,994,739
- Your BOE goes out at the tax cap limit and voters approves the budget with a 58% majority
- Over the summer the town informs your district that they have \$1,893 in Errors and Omissions for your district and pays it to you with current taxes
- The tax warrant was issued for \$10,994,739
- The total recorded as Real Property Tax revenue is \$10,996,632 (\$1,893 + \$10,994,739)
- The district is over the limit by the \$1,893, so an A695-Deferred Taxes entry is required

# From Open Book New York

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	2022
<b>Property Tax Cap (Data elements presented below are "as submitted" by the local government, and have not been modified or certified by OSC)</b>	
<b>Tax Levy Limit (Cap) before Exclusions</b>	
Tax Levy Prior Year	10,786,474
Prior Year Reserve Offset	0
Reserve Amount	0
Tax Base Growth Factor	1.0090
PILOTS Receivable Prior Year	80,697
Tort/Judgment Exclusion Prior Year	0
Capital Tax Levy for Prior Year	812,360
Allowable Levy Growth Factor	1.0126
PILOTS Receivable Current Year	104,502
Available Carryover from Prior Year	0
<b>Total Levy Limit before Exclusions</b>	<b>10,175,301</b>
<b>Exclusions</b>	
Tax levy necessary for expenditures resulting from tort orders/judgments over 5% Prior Year Tax Levy	0
Capital Tax Levy for Current Year	819,438
Tax levy for pension contribution expense	
TRS	0
ERS	0
<b>Total Exclusions</b>	<b>819,438</b>
<b>Total Tax Levy Limit, Adjusted for Transfers Plus Exclusions</b>	<b>10,994,739</b>
Reserve Amount Used to Reduce Current Year Levy	0
<b>Proposed Levy for Current Year, Net of Reserve</b>	<b>10,994,739</b>
<b>Total Tax Levy Limit Adjusted for Transfers Plus Exclusions compared to the Prior Year Tax Levy</b>	<b>1.9%</b>
<b>Difference between Tax Levy Limit Plus Exclusions and Current Year Proposed Levy</b>	<b>0</b>
<b>Planning to Override the Cap</b>	<b>No</b>



# From Open Book New York

28

	2023	2022
<b>Property Tax Cap</b> (Data elements presented below are "as submitted" by the local government, and have not been modified or certified by OSC)		
<b>Tax Levy Limit (Cap) before Exclusions</b>		
Tax Levy Prior Year	10,994,739	10,786,474
Prior Year Reserve Offset	0	0
Reserve Amount	1,893	0
Tax Base Growth Factor	1.0094	1.0090
PILOTS Receivable Prior Year	104,502	80,697
Tort/Judgment Exclusion Prior Year	0	0
Capital Tax Levy for Prior Year	819,438	812,360
Allowable Levy Growth Factor	1.0200	1.0126
PILOTS Receivable Current Year	115,789	104,502
Available Carryover from Prior Year	0	0
<b>Total Levy Limit before Exclusions</b>	<b>10,473,079</b>	<b>10,175,301</b>
<b>Exclusions</b>		
Tax levy necessary for expenditures resulting from tort orders/judgments over 5% Prior Year Tax Levy	0	0
Capital Tax Levy for Current Year	876,392	819,438
Tax levy for pension contribution expense		
TRS	0	0
ERS	0	0
<b>Total Exclusions</b>	<b>876,392</b>	<b>819,438</b>
<b>Total Tax Levy Limit, Adjusted for Transfers Plus Exclusions</b>	<b>11,349,471</b>	<b>10,994,739</b>
Reserve Amount Used to Reduce Current Year Levy	1,893	0
<b>Proposed Levy for Current Year, Net of Reserve</b>	<b>11,347,578</b>	<b>10,994,739</b>
<b>Total Tax Levy Limit Adjusted for Transfers Plus Exclusions compared to the Prior Year Tax Levy</b>	<b>3.2%</b>	<b>1.9%</b>
Difference between Tax Levy Limit Plus Exclusions and Current Year Proposed Levy	0	0
Planning to Override the Cap	No	No

# From Open Book New York

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	2024	2023	2022
<b>Property Tax Cap</b> (Data elements presented below are "as submitted" by the local government, and have not been modified or certified by OSC)			
<b>Tax Levy Limit (Cap) before Exclusions</b>			
Tax Levy Prior Year	11,347,578	10,994,739	10,786,474
Prior Year Reserve Offset	1,893	0	0
Reserve Amount	0	1,893	0
Tax Base Growth Factor	1.0058	1.0094	1.0090
PILOTS Receivable Prior Year	115,789	104,502	80,697
Tort/Judgment Exclusion Prior Year	0	0	0
Capital Tax Levy for Prior Year	876,392	819,438	812,360
Allowable Levy Growth Factor	1.0200	1.0200	1.0126
PILOTS Receivable Current Year	127,492	115,789	104,502
Available Carryover from Prior Year	0	0	0
<b>Total Levy Limit before Exclusions</b>	<b>10,740,297</b>	<b>10,473,079</b>	<b>10,175,301</b>
<b>Exclusions</b>			
Tax levy necessary for expenditures resulting from tort orders/judgments over 5% Prior Year Tax Levy	0	0	0
Capital Tax Levy for Current Year	994,638	876,392	819,438
Tax levy for pension contribution expense			
TRS	0	0	0
ERS	0	0	0
<b>Total Exclusions</b>	<b>994,638</b>	<b>876,392</b>	<b>819,438</b>
<b>Total Tax Levy Limit, Adjusted for Transfers Plus Exclusions</b>	<b>11,734,935</b>	<b>11,349,471</b>	<b>10,994,739</b>
Reserve Amount Used to Reduce Current Year Levy	0	1,893	0
<b>Proposed Levy for Current Year, Net of Reserve</b>	<b>11,686,736</b>	<b>11,347,578</b>	<b>10,994,739</b>
<b>Total Tax Levy Limit Adjusted for Transfers Plus Exclusions compared to the Prior Year Tax Levy</b>	<b>3.4%</b>	<b>3.2%</b>	<b>1.9%</b>
<b>Difference between Tax Levy Limit Plus Exclusions and Current Year Proposed Levy</b>	<b>48,199</b>	<b>0</b>	<b>0</b>
<b>Planning to Override the Cap</b>	<b>No</b>	<b>No</b>	<b>No</b>



# Recording Deferred Tax Reserve – Year 1 (22/23)

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		<u>Sub Acct</u>	<u>Debit</u>	<u>Credit</u>
A200-Cash			\$ 10,996,632.00	
	A980-Revenue Control			\$ 10,996,632.00
		A1001 - Real Property Taxes	\$ 10,996,632.00	

		<u>Sub Acct</u>	<u>Debit</u>	<u>Credit</u>
A980-Revenue Control			\$ 1,893.00	
		A1001 - Real Property Taxes	\$ 1,893.00	
		A695-Deferred Taxes - Reserve for Excess Tax Levy		\$ 1,893.00
A230-Restricted Cash			\$ 1,893.00	
	A200-Cash			\$ 1,893.00



# Deferred Taxes – Reserve for Excess Tax Levy - Year 2 (23/24)

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		<u>Sub Acct</u>	<u>Debit</u>	<u>Credit</u>
<b><u>To record tax levy:</u></b>				
<b>A250-Taxes Receivable</b>			<b>\$ 11,347,578</b>	
	<b>A980-Revenue Control</b>			<b>\$ 11,347,578</b>
	<b>A1001-Real Property Taxes</b>	<b>\$ 11,347,578</b>		
<b><u>To recognize revenue for deferred taxes collected in the prior year:</u></b>				
<b>A695-Deferred Taxes - Reserve ofr Excess Tax Levy</b>			<b>\$ 1,893</b>	
	<b>A980-Revenue Control</b>			<b>\$ 1,893</b>
	<b>A1001-Real Property Taxes</b>	<b>\$ 1,893</b>		
<b>Total Real Property Tax revenue is \$11,349,471 = This is what should be budgeted</b>				
<b>A200-Cash</b>			<b>\$ 1,893</b>	
	<b>A230-Restricted Cash</b>			<b>\$ 1,893</b>

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## Accounting For General Fund Budget

When You Fund or Use a Reserve





# General Fund Budget



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- Many districts will be receiving large increases in Foundation Aid in 23-24
- Some districts would like to fund a reserve from the additional revenues
- Other districts plan on using some of their reserves to pay for current expenditures
- If your district is planning on doing either of these options, special budgetary accounts will be needed
- Let's review the budgetary accounts

# Budgetary Accounts

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Estimated Revenues (A510)

+ **Appropriated Reserves (from Restricted Fund Balance) (A511)**

+ Assigned Appropriated Fund Balance (A599)

+ **Obligations Authorized (A530)**

= Total Funding Sources

Appropriations (A960)

+ **Budgetary Provision for Other Purposes (A962)**

= Total Uses

# Additional Budgetary Accounts

35

## ***A511-Appropriated Reserves:***

- It is debited for *restricted fund balance* that is budgeted to be used to balance the current year's budget.

Example: Fund a portion of ERS expense from the ERS Reserve.

## ***A530-Obligations Authorized:***

- It is debited for the amount of obligations authorized that are budgeted to be used to balance the current year's budget.

Example: Issue debt to pay off tax certiorari action.

## ***A962-Budgetary Provision for Other Purposes:***

- This account is used to record and summarize budgetary actions related to increasing/replenishing legal reserves.
- It will not be used to record actual expenditures.
- This account is credited for the total of addition/replenishment.

Example: Raise taxes to fund Capital Reserve.



# Recording the Budget

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- Voters approve a budget that includes Estimated Revenues of \$52,000,000, use of ERS Reserve of \$100,000, Appropriations of \$51,100,000 and to add \$1,000,000 to the Capital Reserve.

			Sub Acct	Debit	Credit
A510-Estimated Revenues				\$ 52,000,000	
A511-Appropriated Reserves - ERS				\$ 100,000	
	A960-Appropriations				\$ 51,100,000
	A962-Budgetary Provisions for Other Purposes				\$ 1,000,000

ST-3

## Statement A1

Total Original Budget		57	
Total Estimated Revenues - Modified Budget	A510	58	
Total Actual Revenues	AT5999	59	
Total Variance		60	
Appropriated Reserves - Modified Budget	A511	61	
Appropriated Fund Balance - Modified Budget	A599	62	
Obligations Authorized - Modified Budget	A530	63	
<b>TOTAL ESTIMATED REVENUES - MODIFIED BUDGET, APPROPRIATED RESERVES, APPROPRIATED FUND BALANCE, AND OBLIGATIONS AUTHORIZED*</b>		64	

\* The total on this statement must agree with the total on Statement A2, page 8, line 47.

## Statement A2

Total Appropriations - Original Budget		41	
Total Appropriations - Modified Budget	A960	42	
Total Actual Expenditures	AT9999.0	43	
Total Encumbrances		44	
Total Variances (+/-)		45	
Budgetary Provision for Other Purposes	A962	46	
<b>TOTAL APPROPRIATIONS-MODIFIED BUDGET AND BUDGETARY PROVISION FOR OTHER PURPOSES*</b>		47	

\* The total on this statement must agree with the total on Statement A1, page 6, line 64.



## To Adjust Reserves Per the Budget

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- To record use of ERS Reserve of \$100,000 and to record addition to Capital Reserve of \$1,000,000 per the 23-24 budget. All revenues and expenditures were closed against the A917-Unassigned Fund Balance account at year-end:

		Sub Acct	Debit	Credit
A827-ERS Reserve			\$ 100,000	
	A917-Unassigned Fund Balance			\$ 100,000
A917-Unassigned Fund Balance			\$ 1,000,000	
	A878-Capital Reserve			\$ 1,000,000



# Conclusion



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- We encourage you to review the balance sheets for all your funds and make any adjustments necessary now. If the ST-3, doesn't agree with the annual audit, revise it before June 30<sup>th</sup>.
- *School District Accounting and Reporting Manual* from OSC is a great resource:  
<https://www.osc.state.ny.us/files/local-government/publications/pdf/accounting-and-reporting-manual-for-school-districts.pdf>
- Thank you for attending our first TeaTime!
- If there are areas that you would like us to cover in future TeaTime webinars, please let us know.



# Questions?



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## ***Questar III***

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