

**Homer Central School District
PO Box 500
Homer, New York 13077-0500**

**(607) 749-7241
(607) 749-2312 FAX**

**Michael J. Falls
Assistant Superintendent for Management**

To: Kelli Yacavone, Board of Education Clerk
From: Michael J. Falls, Assistant Superintendent for Management
Re: June 2017 Financial Resolution
Date: September 26, 2017

Please find attached a Financial Resolution to adjust the General Fund Budget based on DASNY (**Dormitory Authority of the State of New York**) Bond funding for the current Capital Project. In the spring of 2017, the district finalized the bond with DASNY. In this process, the Bond money pays back the debt incurred by BAN (Bond Anticipatory Notice) money which is a temporary loan that the district sets up to cover costs prior to the Bond being created. The Auditors have directed us as a best practice to record the Expense and Revenue in the General Fund. Recording the transaction in the general fund will also allow for smooth transition of State Aid for the project.

How does this impact the 2016-17 General Fund Budget?

First we will have to modify the 2016-17 General Fund Expense and Revenue Budgets.

Expenditure Budget:

Increase the modified budget for General Fund account A9731.600-40 by \$2,747,029.00.

Revenue Budget:

Increase the modified budget for General Fund Revenue account A5050 by \$2,747,029.00 through an inter-fund transfer from the Debt Service Fund.

These line items will zero each other out.

Increasing the 2016-17 General Fund budgets by \$2,747,029.00 will cause the initial 2016-17 General Fund budget to increase from \$41,886,438.00 to \$42,609,110.00 or a difference of \$722,672.00. Increasing the General Fund budget does not bring about any financial or taxpayer impact.

Due to the timing of the DASNY Bonding and their payment schedule (which is beneficial to the district) and the size of the first premium payment for the BAN (which is significantly larger than normal payments), I am asking for your approval of this resolution. I would be happy to answer any questions you may have about this request.

**MEETING OF THE BOARD OF EDUCATION OF THE
HOMER CENTRAL SCHOOL DISTRICT
IN THE COUNTIES OF CORTLAND, CAYUGA, ONONDAGA AND TOMPKINS, NEW YORK**

September 26, 2017

In a regular meeting of the Board of Education of the Homer Central School District in the Counties of Cortland, Cayuga, Onondaga and Tompkins, New York was held at the Homer High School Library, Homer, New York, in said School District, on September 26, 2017, at 7:00 o'clock P.M. (Prevailing Time).

There were present:

Keith Fagerheim
Michael Kilmer
Joaquin Lira
Jule McChesney
Luke M. Morenus, Vice President
David Quinlan
Levi Sutton
Martin Sweeney
Sonia Apker, President

There were absent:

Also Present:

Nancy S. Ruscio, Superintendent
Michael Falls, Assistant Superintendent for Management
Kelli Yacavone, District Clerk

* * * * *

It was moved by _____, and seconded by _____, that the following resolution be adopted:

Whereas in the spring of 2017, the Homer Central School District entered into DASNY's (**Dormitory Authority of the State of New York**) cost-saving Revenue Bond Financing Program which is designed to provide an efficient financing alternative in light of the current methodology used to reimburse school districts for the cost of capital projects through State Building Aid, and

Whereas the 2017 DASNY Bond financing resulted in the BAN (Bond Anticipatory Note) payment being paid out of General fund, thus increasing the principal expense in the General Fund, as well as increasing the inter-fund revenue received.

BE IT RESOLVED by this Board of Education as follows:

Effective June 30 2017, the Board of Education of the Homer Central School District hereby authorizes the following financial adjustments to the 2016-17 General Fund Budget:

Expenditure:

Increase the modified budget for General Fund account A9731.600-40 by \$2,747,029.00.

Revenue:

Increase the modified budget for General Fund Revenue account A5050 by \$2,747,029.00 through an inter-fund transfer from the Debt Service Fund.

Increase the 2016-17 General Fund budget from \$41,886,438.00 to \$42,609,110.00 .

The resolution was declared _____ adopted _____ rejected.