

Referendum. There are no referendum requirements.

Source of Funds. Revenues of the electric utility service.

Use of Fund Balances. Transfers of fund moneys are not authorized.

### **Mandatory Reserve Fund**

Creation and Use. Pursuant to General Municipal Law § 6-l, a mandatory reserve fund must be established by the board of trustees upon the cash sale by the village of a capital improvement (as defined in Section 6-c) which had been purchased through the issuance of obligations pursuant to the Local Finance Law, when all or part of the indebtedness is outstanding at the time of the sale. Additionally, any State or federal aid received on account of the capital improvement, after the sale of such an improvement, must be deposited in the mandatory reserve fund to the extent it is not required to be applied to retire indebtedness issued in anticipation of such aid. These requirements do not apply where any other law requires that the proceeds of the sale of a capital improvement be deposited in a reserve fund established for the purpose of retiring outstanding obligations for example, Village Law § 11-1128 which deals with the sale or lease of water supply and distribution system.

Referendum. There are no referendum requirements.

Source of Funds. Under the circumstances discussed above, proceeds from the sale of a capital improvement, or State and federal aid received on account of a capital improvement, are paid into the fund.

Use of Fund Balances. If the proceeds from the sale and such State or federal aid received exceed the aggregate amount of principal (not including interest) due on the outstanding obligations, the excess may be used for any lawful village purpose.

### **Unemployment Insurance Payment Reserve Fund**

Creation and Use. Pursuant to General Municipal Law § 6-m, the board of trustees may, by resolution, establish an unemployment insurance payment reserve fund to reimburse the State for payments made to claimants where the employer has elected to use the benefit reimbursement method. Moneys may be paid from the fund only as required by law to pay into the unemployment insurance fund (i.e., the amount of benefits paid to claimants and charged to the account of the village).

Referendum. There are no referendum requirements.

Source of Funds. Budgetary appropriations or surplus funds may be paid into the fund, as well as “amounts from any other [reserve] fund authorized by [the General Municipal Law] by resolution subject to permissive referendum.”

Use of Fund Balances. If at the end of any fiscal year moneys in the fund exceed the amounts required to be paid plus any pending claims, the board of trustees, within 60 days of the close of such fiscal year, may elect to transfer all or a portion of the excess to another reserve fund or to the budget appropriation of the next succeeding fiscal year. If the village elects to no longer utilize the benefit reimbursement method, moneys remaining in the fund may be transferred to another reserve fund, but only to the extent that the moneys exceed an amount necessary to pay all pending claims.