



**LOWER HUDSON EDUCATION COALITION**

**450 Mamaroneck Ave, Harrison, NY 10528 • (914) 345-8737 • [www.lhec.org](http://www.lhec.org) • [lhec@lhec.org](mailto:lhec@lhec.org)**

**MEMO IN SUPPORT**

**S.4481 (Harckham)/A.4494 (Galef)**

The Lower Hudson Education Coalition supports the signing of S.4481/A.4494, which grants the Carmel Central School District the authority to establish insurance reserve funds, into law.

By self-insuring their employees' health benefit plans, Carmel has saved several million dollars over the years that were used to support services and programs for students and maintain the school's workforce. Under current law, school districts are prohibited from retaining more than 4% of their budget in an unappropriated fund balance. By allowing Carmel to establish an insurance reserve fund, the district will be able to avoid the financial burden that could arise from large year-to-year variations in claims.

Several Westchester County districts have seen success in establishing an insurance reserve fund, which not only provide needed flexibility, but protect taxpayers and aid in budget planning. For these reasons, LHEC urges the signing of S.4481/A.4494.