



NEW YORK STATE SENATOR

Andrea Stewart-Cousins

## Senator Stewart-Cousins Announces Scarsdale Reserve Fund Bill Now Law

ANDREA STEWART-COUSINS November 24, 2014

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Scarsdale, NY - State Senator Andrea Stewart-Cousins, the Democratic Conference Leader, announced today that Governor Cuomo has signed into law bill (S7322-2013) that allows the Scarsdale Union Free School District to maintain a health insurance reserve fund, saving taxpayers millions of dollars.

Since 1989, the school district has had a separate reserve fund as part of a self-funded health insurance program for employees in the district, saving \$5.6 million dollars by doing so. Several years ago, an external auditor told the district, and the New York State Comptroller confirmed, that they would have to dismantle the fund unless this legislation passed. The school district requested the Senator's assistance when she became their representative after several prior attempts failed to win support for passage in the State Senate. This year, the legislation passed successfully and is now law.

"I'm pleased to finally be able to deliver the Scarsdale School District's special request for legislation allowing them to continue self-insuring district employees. The taxpayers of Scarsdale should thank their district administrators for their diligence in continuing to pursue this request over the years, and now, its the law," said Senator Stewart-Cousins.

Assemblywoman Amy Paulin sponsored the companion bill in the New York State Assembly. "I know how important maintaining this reserve fund is to the district and its taxpayers," said Assemblywoman Amy Paulin (D-88). "We know the reserve fund has resulted in the district saving millions of dollars since it was established. I'm pleased to have been able to help ensure its continued use."

Scarsdale's Superintendent of Schools, Dr. Thomas Hagerman thanked Assemblywoman Paulin and Senator Stewart-Cousins for their hard work in getting the bill passed. "For over 20 years, the Scarsdale School district relied on the reserve fund as a means to stabilize expenditures, and it came as a surprise when it was challenged. We can now continue on in a fiscally-responsible manner for our district going forward."

Scarsdale Union Free School District Assistant Superintendent for Business and Facilities, Linda Purvis, said, "We are thrilled and so grateful to the Senator for getting this bill through. The taxpayers of Scarsdale are the real beneficiaries."

The law allows the school district to maintain a reserve fund and make expenditures from it for any loss, claim, action or judgment for which such school district is authorized or required to purchase or maintain insurance. This reserve fund provides the district the financial ability of stabilizing costs year-to-year with fluctuations in claims in a self-funded health insurance program.