

## ARTICLE 16: Special Education Reserve Fund

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Mr. Herchek moves to establish a Special Education Reserve Fund in accordance with Section 24 of Chapter 218 of the Acts of 2016. The law enables municipal and regional districts to establish a reserve fund that can be used in future years for unanticipated or unbudgeted costs of special education, out of district tuition, and special education transportation costs.

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### Establishing, Funding and Making Payments from the Stabilization Fund

- In order to establish the fund the law requires a majority vote by both the School Committee and local legislative body.
- Once the fund is established, the school committee may include a separate line item in their annual budget request to appropriate monies into the stabilization fund. The balance in the reserve fund cannot exceed two percent of the annual net school spending of the school district.
- Funds in the reserve fund can only be expended or transferred out after a majority vote of both the School Committee and Selectmen

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### Why Now ?

- Due to low OOD tuition costs in CPS, C-Breaker reimbursements and reserves will be at historically low levels
- As a result, there will be limited funds to offset unanticipated OOD tuition costs
- The intent of this article would be only to CREATE the reserve fund
- It can be funded at a later time, when the town and/or schools have the capacity to do so

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