

# Buffalo City School District



July 1, 2014 – December 31, 2014

## QUARTERLY REPORT

*“Putting children and families first to ensure high academic achievement for all”*

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# EXECUTIVE SUMMARY



## EXECUTIVE SUMMARY

### JULY 1, 2014 – DECEMBER 31, 2014

As of the end of the second quarter, the Buffalo City School District (the “District”) is projecting a marginal negative budgetary variance overall. While there continues to be more teachers on staff than originally budgeted for, favorable variances in other areas are expected to offset the increased expenditure in salary and benefits for those teachers. Several budget transfers were done in the second quarter to balance accounts projected to be over or under budget. More transfers will be made in the third quarter once purchase orders are unencumbered. State Aid is currently projected to be less than budgeted for which is the primary reason for an overall deficit.

The District adopted the budget anticipating an operating deficit of \$10.2 million, resulting in appropriated fund balance of that amount. Therefore, on a Generally Accepted Accounting Principles (GAAP) basis, the District anticipates a deficit of \$10.2 million in addition to the budgetary variances discussed in this report.

Additional information on individual revenue and expenditure categories can be found on pages 2-6 through 2-11.

This report is divided into the following sections: Section I - Quarterly Budget Summary and Section II - Quarterly Statement of Cash Flows.

The Quarterly Budget Summary identifies the major categories of revenues and expenditures. Each category presents the following: the actual for the 2013-14 fiscal year, the 2014-15 original and modified budgets (includes carryover encumbrances, budget transfers between accounts and budget modifications to date), actual expenditures and revenues through December 31, 2014 and the projected amounts for the year ending June 30, 2015. At the request of the BFS staff, the categories are provided on both a current year only and GAAP basis (includes carryover encumbrances).

To assist in monitoring the District’s budget throughout the year, the District has established quarterly budgets based on the anticipated timing of cash receipts and disbursements, historical trends and accrual entries. The analysis of the budget to date compared to actual balances begins on page 2-10.

The Quarterly Statement of Cash Flows indicates that net cash flow through the second quarter was unfavorable as compared to the projections by \$7.6 million. The total receipts anticipated were unfavorable by \$12.9 million. Expenditures were \$5.3 million less than predicted due to the timing of payments. Total net cash activity for the year is currently projected to be a negative \$11.6 million, with an ending cash balance of \$210.8 million.

The following table shows the total annual budget, actual balances through the second quarter, total projections for the year ending June 30, 2015 and the associated variances. The amounts exclude carry over encumbrances (non-GAAP basis).

	2014-15 BUDGET	2014-15 ACTUAL YTD 12/31/14*	2014-15 PROJECTED 6/30/2015	FYE 2015	2014-15 VARIANCE 6/30/2015
<b><u>GENERAL FUND:</u></b>					
Revenues	806,642,000	234,034,566	805,842,000		(800,000)
Expenditures	806,642,000	305,216,664	806,392,000		250,000
Net Surplus/(Deficit)	0	(71,182,098)	(550,000)		(550,000)
<b><u>GRANTS:</u></b>					
Revenues	121,847,833	48,551,401	121,847,833		0
Expenditures	121,847,833	46,512,735	121,847,833		0
Net Surplus/(Deficit)	0	2,038,666	0		0
<b><u>FOOD SERVICE:</u></b>					
Revenues	27,582,662	9,860,925	27,582,662		0
Expenditures	27,582,662	10,254,398	27,582,662		0
Net Surplus/(Deficit)	0	(393,473)	0		0
<b><u>GRAND TOTALS</u></b>					
REVENUES	956,072,495	292,446,892	955,272,495		(800,000)
EXPENDITURES	956,072,495	361,983,797	955,822,495		250,000
NET SURPLUS/ (DEFICIT)	0	(69,536,905)	(550,000)		(550,000)

\* AS OF JANUARY 14, 2015 IN MUNIS

Budget modifications were made in accordance with GAAP for encumbrances (commitments related to unperformed contracts, i.e. open purchase orders) outstanding at the end of the previous fiscal year. In accordance with accounting standards related to encumbrances, encumbrances outstanding at year-end are reported as a reservation of fund balance since they do not constitute expenditures or liabilities. As of the first day of the subsequent year, the budget is automatically amended (increased) by the encumbrances outstanding at the end of the previous fiscal year. The associated expenditures are recorded in the year the purchase is made and are funded by the Reserve for Encumbrances carried over from the previous fiscal year.

A reconciliation of the original budget to the modified budget is as follows:

	<b>General Fund</b>	<b>Food Service Fund</b>
Original Budget	\$806,642,000	\$27,582,662
Add: Carryover encumbrances outstanding December 31, 2014:	2,781,599	966,395
<b>Modified Budget, December 31, 2014</b>	<b>\$809,423,064</b>	<b>\$28,549,057</b>

SECTION I  
QUARTERLY BUDGET SUMMARY





## DETAILED ANALYSIS OF GENERAL FUND REVENUES JULY 1, 2014 THROUGH DECEMBER 31, 2014

REVENUES:	ACTUAL 2013-14	ORIGINAL BUDGET 2014-15	MODIFIED BUDGET 2014-15	ACTUAL TO DATE 12/31/14*	PROJECTED TOTAL FYE 6/30/15**	PROJECTED 6/30/15 (UNDER)/OVER BUDGET
<b>GENERAL FUND:</b>						
REAL PROPERTY TAX	\$ 70,322,758	\$ 70,322,758	\$ 70,322,758	\$ 40,564,846	\$ 70,322,758	\$ -
ERIE COUNTY SALES TAX	40,104,319	40,500,000	40,500,000	16,153,812	41,500,000	1,000,000 <b>A</b>
FEDERAL MEDICAID REIMBURSEMENT	2,877,961	2,800,000	2,800,000	475,373	2,800,000	-
<b>STATE AID</b>						
BASIC FORMULA, EXCESS COST & LOTTERY AIDS	636,984,640	662,332,457	662,332,457	172,364,660	660,532,457	(1,800,000) <b>B</b>
OTHER STATE AID	521,054	2,800,000	2,800,000	1,089,809	2,800,000	-
<b>TOTAL STATE AID</b>	<b>637,505,694</b>	<b>665,132,457</b>	<b>665,132,457</b>	<b>173,454,469</b>	<b>663,332,457</b>	<b>(1,800,000)</b>
OTHER(TUITION, MISC, TRANSFERS)	13,224,887	17,706,785	17,706,785	3,386,067	17,706,785	-
FUND BALANCE (BUDGETARY ONLY)	-	10,180,000	10,180,000	-	10,180,000	-
<b>TOTAL GENERAL FUND REVENUES</b>	<b>\$ 764,035,618</b>	<b>\$ 806,642,000</b>	<b>\$ 806,642,000</b>	<b>\$ 234,034,566</b>	<b>\$ 805,842,000</b>	<b>(800,000)</b>

\* As of January 14, 2015

\*\* Projections are based on available data and are subject to change.

**A** Based on the trend of sales tax revenues to date, the year is expected to end above the budget.

**B** While state aid continues to fluctuate during the year, it is projected to be less than budgeted for since transportation aid did decrease based on the final expenditures from 2013-14 being less than projected. Those expenditures are the determining factor for 2014-15 aid.

## DETAILED ANALYSIS OF GENERAL FUND EXPENDITURES JULY 1, 2014 THROUGH DECEMBER 31, 2014

EXPENDITURES:	CURRENT YEAR ONLY (NON-GAAP BASIS)						INCLUDES CARRY OVER ENCUMBRANCES (GAAP BASIS)				
	(GAAP BASIS)	ORIGINAL	MODIFIED	ACTUAL	PROJECTED	PROJECTED	MODIFIED	ACTUAL	PROJECTED	PROJECTED	
	ACTUAL 2013-14	BUDGET 2014-15	BUDGET 2014-15	TO DATE 12/31/14	TOTAL FYE 6/30/15*	FYE 6/30/15 UNDER/(OVER) BUDGET	BUDGET 2014-15	TO DATE 12/31/14	TOTAL FYE 6/30/15*	UNDER/(OVER) BUDGET	
<b>GENERAL FUND:</b>											
<b>EMPLOYEE COMPENSATION:</b>											
BTF (TEACHERS)	\$ 165,795,015	\$ 160,158,093	\$ 163,572,963	\$ 57,951,616	\$ 165,872,963	\$ (2,300,000)	\$ 163,626,826	\$ 57,937,564	\$ 165,926,826	\$ (2,300,000) C	
BTF (TEACHERS) - OTHER COMPENSATION	9,124,740	9,533,203	8,942,878	3,632,592	8,942,878	0	8,937,878	3,632,592	8,937,878	0	
SUBSTITUTES	6,535,213	6,522,075	6,656,246	2,215,573	6,656,246	0	6,656,246	2,215,573	6,656,246	0	
BCSA (ADMINISTRATORS)	17,517,313	18,681,181	18,501,058	8,169,754	18,501,058	0	18,501,058	8,169,754	18,501,058	0	
PCTEA (WHITE COLLAR)	15,631,900	16,540,473	16,571,241	7,209,457	15,971,241	600,000	16,636,904	7,209,457	16,036,904	600,000 D	
BEST (TEACHER AIDES)	5,549,970	7,636,105	6,305,718	2,128,047	6,305,718	0	6,202,487	2,128,004	6,202,487	0	
BEST (TEACHING ASSISTANTS)	5,789,667	4,795,764	6,319,568	2,157,856	6,319,568	0	6,408,945	2,157,223	6,408,945	0	
TAB (BUS AIDES)	5,403,795	5,504,900	5,504,900	1,874,749	5,354,900	150,000	5,504,900	1,874,749	5,354,900	150,000 D	
TRADES (CARPENTERS, PLUMBERS)	2,822,190	2,808,734	2,609,054	1,157,078	2,609,054	0	2,639,774	1,157,078	2,639,774	0	
LOCAL 264 (BLUE COLLAR)	2,787,714	2,868,099	2,918,442	1,199,376	2,918,442	0	2,868,099	1,199,376	2,868,099	0	
LOCAL 409 (ENGINEERS)	3,305,546	3,395,045	3,370,045	1,509,825	3,370,045	0	3,370,045	1,509,825	3,370,045	0	
EXEMPT & BOARD MEMBERS	2,406,275	2,734,660	2,705,960	1,028,032	2,405,960	300,000	2,705,960	1,028,032	2,405,960	300,000 D	
MISCELLANEOUS ITEMS	233,975	246,515	501,300	288,204	501,300	0	469,877	288,204	469,877	0	
OVERTIME	2,092,674	2,021,063	2,358,166	1,585,105	2,358,166	0	2,227,860	1,585,105	2,227,860	0	
<b>TOTAL EMPLOYEE COMPENSATION</b>	<b>\$ 244,995,988</b>	<b>\$ 243,445,910</b>	<b>\$ 246,837,539</b>	<b>\$ 92,107,265</b>	<b>\$ 248,087,539</b>	<b>\$ (1,250,000)</b>	<b>\$ 246,756,859</b>	<b>\$ 92,092,536</b>	<b>\$ 248,006,859</b>	<b>\$ (1,250,000)</b>	
<b>EMPLOYEE BENEFITS:</b>											
CIVIL SERVICE RETIREMENT	\$ 3,078,206	\$ 6,987,557	\$ 6,987,557	\$ 3,168,368	\$ 6,987,557	\$ 0	\$ 6,987,557	\$ 3,168,368	\$ 6,987,557	\$ 0	
TEACHERS RETIREMENT	32,445,156	34,246,732	34,911,732	12,585,218	34,911,732	0	34,911,732	12,578,325	34,911,732	0	
SOCIAL SECURITY	18,730,380	18,680,435	19,087,921	7,096,802	19,087,921	0	19,087,921	7,096,397	19,087,921	0	
HEALTH INSURANCE - EMPLOYEES	43,543,325	49,396,280	49,124,460	27,302,934	49,124,460	0	49,124,460	27,302,934	49,124,460	0	
HEALTH INSURANCE - RETIREES	62,451,847	64,383,281	64,383,281	36,430,251	64,033,281	350,000	64,383,281	36,378,345	64,033,281	350,000 E	
TERMINATION PAY	2,140,666	4,060,000	4,060,000	535,173	4,060,000	0	4,060,000	535,173	4,060,000	0	
OTHER BENEFITS	8,921,680	12,831,354	11,930,103	5,713,931	11,930,103	0	11,930,228	5,712,601	11,930,228	0	
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>\$ 171,311,261</b>	<b>\$ 190,585,639</b>	<b>\$ 190,485,054</b>	<b>\$ 92,832,677</b>	<b>\$ 190,135,054</b>	<b>\$ 350,000</b>	<b>\$ 190,485,179</b>	<b>\$ 92,772,143</b>	<b>\$ 190,135,179</b>	<b>\$ 350,000</b>	
<b>OTHER:</b>											
TRANSPORTATION	\$ 40,202,973	\$ 44,519,324	\$ 44,678,024	\$ 5,040,301	\$ 43,678,024	\$ 1,000,000	\$ 44,683,723	\$ 5,040,301	\$ 43,683,723	\$ 1,000,000 F	
UTILITIES	11,313,070	11,298,476	11,298,476	2,693,526	11,148,476	150,000	11,343,822	2,711,023	11,193,822	150,000 G	
TUITION	31,597,563	34,575,200	34,404,800	5,820,855	34,404,800	0	34,404,800	5,820,855	34,404,800	0	
CONTRACTS - CUSTODIAN	18,124,368	18,587,442	18,614,103	8,062,723	18,614,103	0	18,614,291	8,087,138	18,614,291	0	
EQUIPMENT	2,848,021	1,816,196	1,807,196	78,530	1,807,196	0	2,210,180	137,335	2,210,180	0	
CONTRACTS - MISCELLANEOUS	14,406,378	15,604,224	14,940,024	4,192,821	14,940,024	0	15,635,011	4,460,506	15,635,011	0	
RESERVE FOR CONTINGENCY	0	3,000,000	0	0	0	0	0	0	0	0	
RENTAL CONTRACTS	9,242,770	8,321,755	8,321,565	1,619,197	8,321,565	0	8,326,850	1,622,890	8,326,850	0	
REPAIRS & MAINTENANCE & RELATED	2,337,881	1,871,400	1,891,251	566,409	1,891,251	0	2,190,241	834,800	2,190,241	0	
TEXTBOOKS	5,689,429	3,469,212	3,454,212	1,085,512	3,454,212	0	3,655,322	1,247,006	3,655,322	0	
SUPPLIES & MISC RELATED ITEMS	8,010,148	8,356,521	8,419,055	2,591,749	8,419,055	0	9,626,620	3,617,208	9,626,620	0	
CHARTER SCHOOLS	94,081,093	98,000,000	98,300,000	50,097,100	98,300,000	0	98,300,000	50,097,100	98,300,000	0	
DEBT SERVICE	120,999,444	120,026,701	120,026,701	38,425,264	120,026,701	0	120,026,701	38,425,264	120,026,701	0	
INTERFUND	3,495,036	3,164,000	3,164,000	2,734	3,164,000	0	3,164,000	105	3,164,000	0	
<b>TOTAL OTHER</b>	<b>\$ 362,348,172</b>	<b>\$ 372,610,451</b>	<b>\$ 369,319,407</b>	<b>\$ 120,276,722</b>	<b>\$ 368,169,407</b>	<b>\$ 1,150,000</b>	<b>\$ 372,181,561</b>	<b>\$ 122,101,531</b>	<b>\$ 371,031,561</b>	<b>\$ 1,150,000</b>	
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b>\$ 778,655,421</b>	<b>\$ 806,642,000</b>	<b>\$ 806,642,000</b>	<b>\$ 305,216,664</b>	<b>\$ 806,392,000</b>	<b>\$ 250,000</b>	<b>\$ 809,423,599</b>	<b>\$ 306,966,210</b>	<b>\$ 809,173,599</b>	<b>\$ 250,000</b>	
Difference to original budget							<b>\$ 2,781,599</b>	(Carryover encumbrances)			

All projections are based on data available as of January 14, 2015 and are subject to change.

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## DETAILED ANALYSIS OF GENERAL FUND EXPENDITURES – CONTINUED

<b>C</b>	There are approximately 100 more special education teachers allocated than originally budgeted for, although some positions are currently unfilled. While budget transfers were made in the second quarter to cover approximately half of the projected over expenditure, additional transfers will be made once purchase orders are reduced in accounts projecting favorable variances.
<b>D</b>	Savings are projected due to vacant staff positions.
<b>E</b>	There are less retirees receiving district health insurance than were originally projected.
<b>F</b>	Due to favorable diesel fuel rates and efficiencies in bussing routes, a favorable variance is projected.
<b>G</b>	Based on utility usage to date, a favorable variance is currently being projected.

**DETAILED ANALYSIS OF SPECIAL REVENUE FUNDS  
JULY 1, 2014 THROUGH DECEMBER 31, 2014**

<b>SPECIAL REVENUE FUNDS:</b>	(GAAP BASIS)			PROJECTED TOTAL FYE 6/30/15	PROJECTED FYE 6/30/15 UNDER/(OVER) BUDGET	
	ACTUAL 2013-14	ADOPTED BUDGET 2014-15	MODIFIED BUDGET 2014-15			ACTUAL TO DATE 12/31/14*
<b>REVENUES:</b>						
TOTAL GRANTS (14-15 ONLY)	119,130,879	114,999,702	121,847,833	48,551,401	121,847,833	-
TOTAL FOOD SERVICE REVENUES	27,916,611	27,582,662	27,582,662	9,860,925	27,582,662	-
<b>GRAND TOTAL REVENUES (ALL FUNDS)</b>	<b>\$ 911,083,108</b>	<b>\$ 949,224,364</b>	<b>\$ 956,072,495</b>	<b>\$ 292,446,892</b>	<b>\$ 955,272,495</b>	<b>\$ (800,000)</b>
<b>EXPENDITURES:</b>						
TOTAL GRANTS (14-15 ONLY)	119,130,879	114,999,702	121,847,833	46,512,735	121,847,833	-
TOTAL FOOD SERVICE EXPENDITURES**	26,791,942	27,582,662	28,549,057	11,078,664	28,549,057	-
<b>GRAND TOTAL EXPENDITURES (ALL FUNDS)</b>	<b>\$ 924,578,242</b>	<b>\$ 949,224,364</b>	<b>\$ 959,820,489</b>	<b>\$ 364,557,609</b>	<b>\$ 959,570,489</b>	<b>\$ 250,000</b>

\* As of January 14, 2015 in MUNIS.

\*\* Excluding carry over encumbrances, expenditures to date were \$10,254,398

**ANALYSIS OF GENERAL FUND REVENUES  
BUDGET TO DATE COMPARED TO ACTUAL TO DATE  
JULY 1, 2014 THROUGH DECEMBER 31, 2014**

Monthly projections are generally on a cash basis; except for June when the majority of year end accruals are posted.  
Detailed information on variances expected at year end can be found on page 2-6.

	2014-15 Adopted Budget	2014-15 Revised Budget	Budget to Date	Actual to Date	Variance
REAL PROPERTY TAX	70,322,758	70,322,758	40,564,841	40,564,846	5
ERIE COUNTY SALES TAX	40,500,000	40,500,000	11,628,497	16,153,812	4,525,314
FEDERAL MEDICAID	2,800,000	2,800,000	1,172,920	475,373	(697,547)
STATE AID	662,332,457	662,332,457	171,848,796	172,364,660	515,864
OTHER STATE AID/FED (FEMA)	2,800,000	2,800,000	1,000,000	1,089,809	89,809
OTHER (TUITION, INTERFUND, MISC)	17,706,785	17,706,785	2,837,436	3,386,067	548,631
APPROP FUND BALANCE (BUDGETARY ONLY)	10,180,000	10,180,000	-	-	-
<b>TOTAL GENERAL FUND</b>	<b>806,642,000</b>	<b>806,642,000</b>	<b>229,052,490</b>	<b>234,034,566</b>	<b>4,982,076</b>

**ANALYSIS OF GENERAL FUND EXPENDITURES  
BUDGET TO DATE COMPARED TO ACTUAL TO DATE  
JULY 1, 2014 THROUGH DECEMBER 31, 2014**

**Monthly projections are generally on a cash basis; except for June when the majority of year end accruals are posted.  
Detailed information on variances expected at year end can be found on page 2-7.**

EXPENDITURES:	Actual Budget 2013-14	Adopted Budget 2014-15	Modified Budget 2014-15	CURRENT YEAR ONLY BASIS		Variance
				Budget to date	Actual to date	
<b>EMPLOYEE COMPENSATION:</b>						
BTF (TEACHERS)	\$ 165,795,015	\$ 160,158,093	\$ 163,572,963	\$ 57,700,477	\$ 57,951,616	\$ (251,139)
BTF (TEACHERS) - OTHER COMPENSATION	9,124,740	9,533,203	8,942,878	3,338,771	3,632,592	(293,821)
SUBSTITUTES	6,535,213	6,522,075	6,656,246	2,341,001	2,215,573	125,428
BCSA (ADMINISTRATORS)	17,517,313	18,681,181	18,501,058	8,435,787	8,169,754	266,033
PCTEA (WHITE COLLAR)	15,631,900	16,540,473	16,571,241	7,497,594	7,209,457	288,137
BEST (TEACHER AIDES)	5,549,970	7,636,105	6,305,718	2,199,668	2,128,047	71,621
BEST (TEACHING ASSISTANTS)	5,789,667	4,795,764	6,319,568	2,086,228	2,157,856	(71,628)
TAB (BUS AIDES)	5,403,795	5,504,900	5,504,900	2,069,292	1,874,749	194,543
TRADES (CARPENTERS, PLUMBERS)	2,822,190	2,808,734	2,609,054	1,190,720	1,157,078	33,642
LOCAL 264 (BLUE COLLAR)	2,787,714	2,868,099	2,918,442	1,331,919	1,199,376	132,543
LOCAL 409 (ENGINEERS)	3,305,546	3,395,045	3,370,045	1,538,025	1,509,825	28,200
EXEMPT & BOARD MEMBERS	2,406,275	2,734,660	2,705,960	1,205,020	1,028,032	176,988
MISCELLANEOUS ITEMS	233,975	246,515	501,300	422,573	288,204	134,369
OVERTIME	2,092,674	2,021,063	2,358,166	1,338,731	1,585,105	(246,374)
<b>TOTAL EMPLOYEE COMPENSATION</b>	<b>\$ 244,995,988</b>	<b>\$ 243,445,910</b>	<b>\$ 246,837,539</b>	<b>\$ 92,695,806</b>	<b>\$ 92,107,265</b>	<b>\$ 588,541</b>
<b>EMPLOYEE BENEFITS:</b>						
CIVIL SERVICE RETIREMENT	3,078,206	6,987,557	6,987,557	3,346,039	3,168,368	177,671
TEACHERS RETIREMENT	32,445,156	34,246,732	34,911,732	13,042,589	12,585,218	457,371
SOCIAL SECURITY	18,730,380	18,680,435	19,087,921	7,063,785	7,096,802	(33,017)
HEALTH INSURANCE - EMPLOYEES	43,543,325	49,396,280	49,124,460	26,647,969	27,302,934	(654,965)
HEALTH INSURANCE - RETIREES	62,451,847	64,383,281	64,383,281	37,329,675	36,430,251	899,424
TERMINATION PAY	2,140,666	4,060,000	4,060,000	596,036	535,173	60,863
OTHER BENEFITS	8,921,680	12,831,354	11,930,103	5,810,599	5,713,931	96,668
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>\$ 171,311,261</b>	<b>\$ 190,585,639</b>	<b>\$ 190,485,054</b>	<b>\$ 93,836,692</b>	<b>\$ 92,832,677</b>	<b>\$ 1,004,015</b>
<b>OTHER:</b>						
TRANSPORTATION	40,202,973	44,519,324	44,678,024	5,593,102	5,040,301	552,801
UTILITIES	11,313,070	11,298,476	11,298,476	2,778,046	2,693,526	84,520
TUITION	31,597,563	34,575,200	34,404,800	6,488,745	5,820,855	667,890
CONTRACTS - CUSTODIAN	18,124,368	18,587,442	18,614,103	8,180,965	8,062,723	118,242
EQUIPMENT	2,848,021	1,816,196	1,807,196	219,606	78,530	141,076
CONTRACTS - MISC & CONTINGENCY	14,406,378	15,604,224	14,940,024	4,562,132	4,192,821	369,311
RESERVE FOR CONTINGENCY	-	3,000,000	-	-	-	-
RENTAL CONTRACTS (EQUIPMENT, FACILITY)	9,242,770	8,321,755	8,321,565	2,534,440	1,619,197	915,243
REPAIRS & MAINTENANCE & RELATED	2,337,881	1,871,400	1,891,251	754,563	566,409	188,154
TEXTBOOKS	5,689,429	3,469,212	3,454,212	2,201,355	1,085,512	1,115,843
SUPPLIES & MISC RELATED ITEMS	8,010,148	8,356,521	8,419,055	3,182,476	2,591,749	590,727
CHARTER SCHOOLS	94,081,093	98,000,000	98,300,000	49,582,520	50,097,100	(514,580)
DEBT SERVICE	120,999,444	120,026,701	120,026,701	38,801,316	38,425,264	376,052
INTERFUND	3,495,036	3,164,000	3,164,000	119,755	2,734	117,021
<b>TOTAL GENERAL FUND</b>	<b>\$ 778,655,421</b>	<b>\$ 806,642,000</b>	<b>\$ 806,642,000</b>	<b>\$ 311,531,519</b>	<b>\$ 305,216,664</b>	<b>\$ 6,314,854</b>

**BUFFALO CITY SCHOOL DISTRICT  
EMPLOYMENT LEVELS IN ALL FUNDS  
2014-2015**

TYPE OF POSITION	UNION	ORIGINAL BUDGET 2014-15	REVISED BUDGET 2014-15	POSITIONS FILLED AS OF SECOND QUARTER**	FAVORABLE (UNFAVORABLE) VARIANCE
TEACHERS	BTF	3,349.3	3,344.3	3,412.5	(68.2)
ADMINISTRATORS	BCSA	245.5	249.9	241.0	8.9
CIVIL SERVICE EMPLOYEES	PCTEA	453.1	462.7	434.0	28.7
TEACHING ASSISTANTS	BEST	491.6	508.8	533.0	(24.2)
TEACHER AIDES	BEST	368.4	328.5	331.0	(2.5)
TRADESMEN		29.0	29.0	25.0	4.0
BLUE COLLAR	LOCAL 264	103.0	104.0	90.0	14.0
CUSTODIAL ENGINEERS	LOCAL 409	62.0	62.0	58.0	4.0
EXEMPT & BOARD MEMBERS		33.0	33.8	27.0	6.8
<b>TOTAL Full Time Equivalent (FTE) *</b>		<b>5,134.9</b>	<b>5,123.0</b>	<b>5,151.5</b>	<b>(28.5)</b>

\*FTE does not include hourly bus aides, food service workers, adult education teachers or per diem substitute teachers.

\*\*Per FTE Summary dated January 14, 2015.

**BUFFALO CITY SCHOOL DISTRICT  
EMPLOYMENT LEVELS IN GENERAL FUND  
2014-2015**

TYPE OF POSITION	UNION	ORIGINAL BUDGET 2014-15	REVISED BUDGET 2014-15	POSITIONS FILLED AS OF SECOND QUARTER**	FAVORABLE (UNFAVORABLE) VARIANCE
TEACHERS	BTF	2,835.3	2,842.9	2,910.3	(67.4)
ADMINISTRATORS	BCSA	198.5	198.7	192.7	6.0
CIVIL SERVICE EMPLOYEES	PCTEA	354.1	355.6	337.1	18.5
TEACHING ASSISTANTS	BEST	237.6	304.7	298.0	6.7
TEACHER AIDES	BEST	361.4	318.5	318.0	0.5
TRADESMEN		29.0	29.0	25.0	4.0
BLUE COLLAR	LOCAL 264	72.0	73.0	62.0	11.0
CUSTODIAL ENGINEERS	LOCAL 409	61.0	61.0	57.0	4.0
EXEMPT & BOARD MEMBERS		32.0	32.0	26.3	5.7
<b>TOTAL Full Time Equivalent (FTE)*</b>		<b>4,180.9</b>	<b>4,215.4</b>	<b>4,226.4</b>	<b>(11.0)</b>

\*FTE does not include hourly bus aides, food service workers, adult education teachers or per diem substitute teachers.

\*\*Per FTE Summary dated January 14, 2015.



**BUFFALO CITY SCHOOL DISTRICT  
EMPLOYMENT LEVELS IN GRANTS  
2014-2015**

TYPE OF POSITION	UNION	ORIGINAL BUDGET 2014-15	REVISED BUDGET 2014-15	ACTUAL POSITIONS FILLED AS OF SECOND QUARTER**	FAVORABLE (UNFAVORABLE) VARIANCE
TEACHERS	BTF	514.0	501.4	502.2	(0.9)
ADMINISTRATORS	BCSA	47.0	51.2	48.3	2.9
CIVIL SERVICE EMPLOYEES	PCTEA	88.0	96.1	85.9	10.2
TEACHING ASSISTANTS	BEST	253.0	203.1	234.0	(30.9)
TEACHER AIDES	BEST	6.0	9.0	12.0	(3.0)
CUSTODIAL ENGINEERS	LOCAL 409	1.0	1.0	1.0	0.0
EXEMPT & BOARD MEMBERS		1.0	1.8	0.8	1.0
<b>TOTAL Full Time Equivalent (FTE) *</b>		<b>910.0</b>	<b>863.5</b>	<b>884.1</b>	<b>(20.7)</b>

\*FTE does not include hourly bus aides, food service workers, adult education teachers or per diem substitute teachers.

\*\*Per FTE Summary dated January 14, 2015.

**BUFFALO CITY SCHOOL DISTRICT  
EMPLOYMENT LEVELS IN FOOD SERVICE  
2014-2015**

TYPE OF POSITION	UNION	ORIGINAL BUDGET 2014-15	POSITIONS FILLED AS OF SECOND QUARTER**	FAVORABLE (UNFAVORABLE) VARIANCE
CIVIL SERVICE EMPLOYEES	PCTEA	11.0	11.0	-
TEACHING ASSISTANTS	BEST	1.0	1.0	-
TEACHER AIDES	BEST	1.0	1.0	-
BLUE COLLAR	LOCAL 264	31.0	28.0	3.0
<b>TOTAL Full Time Equivalent (FTE) *</b>		<b>44.0</b>	<b>41.0</b>	<b>3.0</b>

\*FTE does not include hourly bus aides, food service workers, adult education teachers or per diem substitute teachers.

\*\*Per FTE Summary dated January 14, 2015.

## SECTION II

### QUARTERLY STATEMENT OF CASH FLOWS



## BUFFALO CITY SCHOOL DISTRICT CASH FLOW ANALYSIS NARRATIVE JULY 1, 2014 – DECEMBER 31, 2014

The statement of cash flow records all receipts and disbursements of the General Fund, Special Aid Fund and Food Service Fund. The Capital Fund is not recorded in the cash flow statement because bond activities are maintained with separate accounting.

The net cash flow through the second quarter was unfavorable as compared to the projections by \$7.6 million. The total receipts anticipated were unfavorable by \$12.9 million. Expenditures were \$5.3 million less than predicted due to the timing of payments. The following is a detailed analysis:

### CASH RECEIPTS:

#### Basic Formula Aid

**This line item consists of General Fund Revenue from the State of New York for formula driven aids.**

The Basic Formula Aid was unfavorable by \$4.2 million due to the timing of payments established by the SED.

#### Lottery Aid

**This is also part of the General Fund Revenue.**

New York State makes an annual determination in September of how much cash it will use from the Lottery Aid fund as opposed to its General fund. Lottery Aid was favorable by \$1.2 million.

#### Erie County Sales Tax

**This pertains to the District's allocation of Sales Tax.**

Sales Tax receipts were favorable by \$2.2 million.

#### Miscellaneous – State and Federal Aid

**This category represents revenue from the Special Aid Fund, Food Service Fund and Medicaid of the General Fund.**

The unfavorable variance of \$21.8 million is largely due to the timing of cash receipts for miscellaneous grants.

#### Other

**This category contains a wide variety of miscellaneous cash receipts for copies, prior year reimbursements, transfers, etc.**

The timing of these miscellaneous items is very hard to predict and was favorable by \$9.7 million to date.

## CASH DISBURSEMENTS:

Total actual cash disbursements through December 31, 2014 were less than originally projected by \$5.3 million. This is attributed to disbursements for current year and prior year services and supplies being less than anticipated through December, which is based on when invoices are received and paid.

### Salary and Benefits

**All salary and benefits of General Fund, Special Aid Fund and Food Service Fund are recorded in this line.**

This category was favorable by \$.5 million.

### Termination Pay

**Payment to employees upon retirement that is contractually obligated is recorded in this line.** The largest portion of these payments was paid in the first quarter and was favorable by \$2.1 million.

### PY Accounts Payable

This represents cash disbursements in 2014-15 for 2013-14 invoices. This category was unfavorable by \$1 million.

### Services and Supplies

This category was favorable by \$4.7 million largely due to the timing of vendor payments.

### Charter Schools

This category was unfavorable by \$1 million due to higher Charter enrollments than budgeted for.

**QUARTERLY CASH FLOW STATEMENT**  
**For the Period July 1, 2014 – December 31, 2014**  
(in thousands)

	ORIGINAL PROJECTION ** YTD Q2	TOTAL YTD Q2	VARIANCE TO PROJECTION	REVISED* PROJECTION FYE 2014-15
<b>BEGINNING CASH &amp; INVESTMENTS</b>	<b>\$222,357</b>	<b>\$222,357</b>	<b>\$0</b>	<b>\$222,357</b>
<b>CASH RECEIPTS:</b>				
Basic Formula Aid	97,705	93,469	(4,236)	450,136
Lottery Aid Advance	47,488	48,759	1,271	84,114
Property Taxes <small>(Less Capital Debt)</small>	29,759	29,759	-	59,516
Erie County Sales Tax	18,813	20,998	2,185	37,642
Miscellaneous - State and Federal Aid:	79,410	57,571	(21,839)	125,722
Other	5,561	15,300	9,739	22,703
<b>TOTAL CASH RECEIPTS</b>	<b>278,736</b>	<b>265,856</b>	<b>(12,880)</b>	<b>779,833</b>
<b>CASH DISBURSEMENTS:</b>				
Salary & FICA - Regular	148,445	147,950	495	346,649
Termination Pay	4,000	1,896	2,104	3,256
PY Accounts Payable	24,300	25,323	(1,023)	25,323
Services & Supplies - Regular	149,500	144,747	4,753	316,347
Charter Schools	49,000	50,008	(1,008)	99,808
<b>TOTAL CASH DISBURSEMENTS</b>	<b>375,245</b>	<b>369,924</b>	<b>5,321</b>	<b>791,383</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(96,509)</b>	<b>(104,068)</b>	<b>(7,559)</b>	<b>(11,550)</b>
<b>ENDING CASH &amp; INVESTMENTS</b>	<b>\$125,848</b>	<b>\$118,289</b>	<b>(\$7,559)</b>	<b>\$210,807</b>

\* As of January 14, 2015

\*\* adj. original starting balance -179 posted back to June 2014