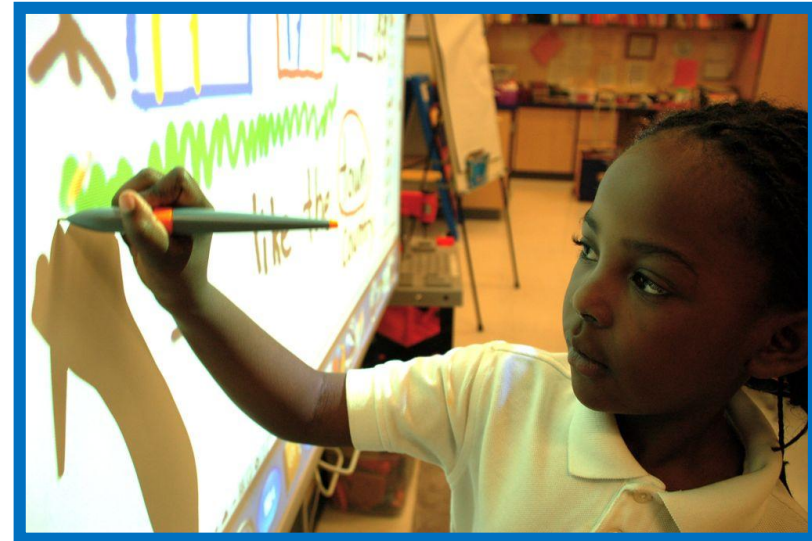


Buffalo City School District



July 1, 2015 – September 30, 2015

QUARTERLY REPORT

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

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Dr. Kriner Cash

INTERIM CHIEF FINANCIAL OFFICER

Geoffrey F. Pritchard, CPA

TABLE OF CONTENTS

EXECUTIVE SUMMARY	2-1
SECTION I - QUARTERLY BUDGET SUMMARY	2-5
DETAILED ANALYSIS OF GENERAL FUND REVENUES - JULY 1, 2015 THROUGH SEPTEMBER 30, 2015	2-6
DETAILED ANALYSIS OF GENERAL FUND EXPENDITURES - JULY 1, 2015 THROUGH SEPTEMBER 30, 2015	2-7
DETAILED ANALYSIS OF SPECIAL REVENUE FUNDS JULY 1, 2015 THROUGH SEPTEMBER 30, 2015	2-9
ANALYSIS OF GENERAL FUND REVENUES: BUDGET TO DATE COMPARED TO ACTUAL TO DATE.....	2-10
ANALYSIS OF GENERAL FUND EXPENDITURES: BUDGET TO DATE COMPARED TO ACTUAL TO DATE	2-11
EMPLOYMENT LEVELS IN ALL FUNDS	2-12
EMPLOYMENT LEVELS IN GENERAL FUND.....	2-13
EMPLOYMENT LEVELS IN GRANTS	2-14
EMPLOYMENT LEVELS IN FOOD SERVICE	2-15
SECTION II - QUARTERLY STATEMENT OF CASH FLOWS	2-16
CASH FLOW ANALYSIS NARRATIVE	2-17
QUARTERLY CASH FLOW STATEMENT	2-19

EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

JULY 1, 2015 – SEPTEMBER 30, 2015

At this point in the fiscal year, the Buffalo City School District (the “District”) is projecting a negative budgetary variance. The school year was only one month complete at the end of the first quarter and it is too early to predict some of the major expenditure variances, particularly in areas that tend to end the year with favorable variances such as utilities and savings from intentionally holding the line on vacancies and contractual items. The Board will be reviewing the projections in early December to include necessary adjustments, including budget amendments, in the second quarterly report.

The 2015-16 budget was adopted with several new initiatives, including the addition of 241 Full Time Equivalent staff (FTEs) in the following instructional initiatives: the expansion of the Emerson School of Hospitality, a Newcomer Academy at Lafayette High School, expanded supports for English Language Learner (ELL) students under Part 154 of the Commissioner’s Regulations, an initial phase-in of the District’s Physical Education Plan, and additional Special Education position not budgeted in the prior year. The District adopted the budget anticipating an operating deficit of \$8.4 million, resulting in appropriated fund balance of that amount. Therefore, on a Generally Accepted Accounting Principles (GAAP) basis, the District anticipates a deficit of \$8.4 million in addition to the budgetary variances discussed in this report.

Subsequent to the adoption of the 2015-16 budget, additional priorities were added, including 19 additional Physical Education Teachers, 15 FTEs at the new Pathways Academy at East High School for over age and under credited students, while additional FTE’s were added to support ELLs, Special Education and within the school based budgets for positions not originally in the 2015-16 budget. While many of these increases have been offset by open positions through the first quarter, these additional costs will become the baseline initiatives for the 2016-17 budget if the intention is to maintain them in the future. Fortunately, the District had included a contingency of \$3.0 million in the budget to help offset some of the current negative budgetary variances. With the hiring of a permanent Superintendent in August 2015, additional budgetary controls have been implemented to limit any new additions to the budget and to address budgetary gaps that present themselves in the quarters ahead.

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 2014-15 fiscal year, the 2015-16 original and modified budgets (includes carryover encumbrances, budget transfers between accounts and budget modifications to date), actual expenditures and revenues through September 30, 2015 and the projected amounts for the year ending June 30, 2016. 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 first quarter was unfavorable as compared to the projections by \$21.0 million. The total receipts anticipated were unfavorable by \$18.7 million, due mainly to the delay in the release of Title I funding from NYSED. Expenditures were \$2.3 million more than predicted due to the timing of payments. Total net cash activity for the year is currently projected to be a positive \$2.7 million, with an ending cash balance of \$211.1 million.

The following table shows the total annual budget, actual balances through the first quarter, total projections for the year ending June 30, 2016 and the associated variances. The amounts exclude carry over encumbrances (non-GAAP basis).

	2015-16 BUDGET	2015-16 ACTUAL YTD 9/30/15*	2015-16 PROJECTED FYE 6/30/2016	2015-16 VARIANCE 6/30/2016
<u>GENERAL FUND:</u>				
Revenues	825,813,270	78,290,269	827,213,270	1,400,000
Expenditures	825,813,270	123,835,557	830,234,946	(4,421,676)
Net Surplus/(Deficit)	0	(45,545,288)	(3,021,676)	(3,021,676)
<u>GRANTS:</u>				
Revenues	117,202,854	3,787,307	117,202,854	0
Expenditures	117,202,854	13,263,336	117,202,854	0
Net Surplus/(Deficit)	0	(9,476,029)	0	0
<u>FOOD SERVICE:</u>				
Revenues	38,492,497	1,508,128	38,492,497	0
Expenditures	38,492,497	2,792,992	38,492,497	0
Net Surplus/(Deficit)	0	(1,284,864)	0	0
<u>GRAND TOTALS</u>				
REVENUES	981,508,621	83,585,704	982,908,621	1,400,000
EXPENDITURES	981,508,621	139,891,885	985,930,297	(4,421,676)
NET SURPLUS/ (DEFICIT)	0	(56,306,181)	(3,021,676)	(3,021,676)

* AS OF OCTOBER 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:

	General Fund	Food Service Fund
Original Budget	\$825,813,270	\$38,492,497
Add: Carryover encumbrances outstanding September 30, 2015:	2,747,177	205,295
Modified Budget, September 30, 2015	\$828,560,447	\$38,697,792

SECTION I
QUARTERLY BUDGET SUMMARY



DETAILED ANALYSIS OF GENERAL FUND REVENUES JULY 1, 2015 THROUGH SEPTEMBER 30, 2015

REVENUES:	ACTUAL 2014-15	ORIGINAL BUDGET 2015-16	ACTUAL TO DATE 09/30/15*	PROJECTED TOTAL FYE 6/30/16**	PROJECTED 6/30/16 (UNDER)/OVER BUDGET
GENERAL FUND:					
REAL PROPERTY TAX	\$ 70,322,758	\$ 70,322,758	\$ 25,685,890	\$ 70,322,758	\$ -
ERIE COUNTY SALES TAX	40,167,930	\$ 42,000,000	4,691,608	42,000,000	-
FEDERAL MEDICAID REIMBURSEMENT	718,231	3,000,000	379,421	3,000,000	-
FEDERAL EMERG DISASTER ASSIST (FEMA)	184,507	-			
STATE AID					
BASIC FORMULA, EXCESS COST & LOTTERY AIDS	659,234,782	683,863,369	44,794,956	683,863,369	-
OTHER STATE AID	2,043,606	1,800,000	2,416,057	3,200,000	1,400,000
TOTAL STATE AID	661,278,387	685,663,369	47,211,013	687,063,369	1,400,000
OTHER(TUITION, MISC, TRANSFERS)	14,903,600	16,455,143	322,338	16,455,143	-
FUND BALANCE (BUDGETARY ONLY)	-	8,372,000	-	8,372,000	-
TOTAL GENERAL FUND REVENUES	\$ 787,575,413	\$ 825,813,270	\$ 78,290,269	\$ 827,213,270	1,400,000

* As of October 14, 2015

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

A The District received state aid allocated by the legislature in excess of what was anticipated.

DETAILED ANALYSIS OF GENERAL FUND EXPENDITURES

JULY 1, 2015 THROUGH SEPTEMBER 30, 2015

EXPENDITURES:	(GAAP BASIS) ACTUAL 2014-15	CURRENT YEAR ONLY (NON-GAAP BASIS)					INCLUDES CARRY OVER ENCUMBRANCES (GAAP BASIS)				
		ORIGINAL BUDGET 2015-16	MODIFIED BUDGET 2015-16	ACTUAL TO DATE 09/30/15	PROJECTED TOTAL FYE 6/30/16*	PROJECTED FYE 6/30/16 UNDER/(OVER) BUDGET	MODIFIED BUDGET 2015-16	ACTUAL TO DATE 09/30/15	PROJECTED TOTAL FYE 6/30/16*	PROJECTED FYE 6/30/16 UNDER/(OVER) BUDGET	
		GENERAL FUND:									
EMPLOYEE COMPENSATION:											
BTF (TEACHERS)	\$ 166,864,523	\$ 170,061,776	\$ 170,061,776	\$ 11,925,105	\$ 173,661,776	\$ (3,600,000)	\$ 170,061,776	\$ 11,925,105	\$ 173,661,776	\$ (3,600,000)	B
BTF (TEACHERS) - OTHER COMPENSATION	8,816,575	9,121,830	9,124,830	1,597,618	9,124,830	0	9,124,830	1,597,618	9,124,830	0	
SUBSTITUTES	6,846,914	6,467,168	6,467,168	420,620	6,467,168	0	6,467,168	420,620	6,467,168	0	
BCSA (ADMINISTRATORS)	17,968,718	19,320,213	19,320,213	3,989,469	20,080,213	(760,000)	19,320,213	3,989,469	20,080,213	(760,000)	C
PCTEA (WHITE COLLAR)	15,524,625	17,303,505	17,421,505	3,519,678	17,421,505	0	17,421,505	3,519,678	17,421,505	0	
BEST (TEACHER AIDES)	5,821,396	7,610,568	7,610,568	484,982	7,610,568	0	7,610,568	484,982	7,610,568	0	
BEST (TEACHING ASSISTANTS)	6,228,493	5,805,529	5,805,529	434,391	5,805,529	0	5,805,529	434,391	5,805,529	0	
TAB (BUS AIDES)	5,125,940	5,204,780	5,204,780	141,408	5,204,780	0	5,204,780	141,408	5,204,780	0	
TRADES (CARPENTERS, PLUMBERS)	2,571,310	2,609,054	2,609,054	580,648	2,609,054	0	2,609,054	580,648	2,609,054	0	
LOCAL 264 (BLUE COLLAR)	2,574,981	3,024,129	2,901,833	577,348	2,901,833	0	2,901,833	577,348	2,901,833	0	
LOCAL 409 (ENGINEERS)	3,355,288	3,421,472	3,421,472	689,594	3,421,472	0	3,421,472	689,594	3,421,472	0	
EXEMPT & BOARD MEMBERS	2,320,736	3,064,660	3,030,660	505,304	3,030,660	0	3,030,660	505,304	3,030,660	0	
MISCELLANEOUS ITEMS	368,889	400,930	400,930	263,811	400,930	0	400,930	263,811	400,930	0	
OVERTIME	2,557,643	2,067,262	2,073,062	734,278	2,073,062	0	2,073,062	734,278	2,073,062	0	
TOTAL EMPLOYEE COMPENSATION	\$ 246,946,031	\$ 255,482,876	\$ 255,453,380	\$ 25,864,254	\$ 259,813,380	\$ (4,360,000)	\$ 255,453,380	\$ 25,864,254	\$ 259,813,380	\$ (4,360,000)	
EMPLOYEE BENEFITS:											
CIVIL SERVICE RETIREMENT	\$ 6,076,286	\$ 6,287,557	\$ 6,287,557	\$ 1,173,972	\$ 6,287,557	\$ 0	\$ 6,287,557	\$ 1,173,972	\$ 6,287,557	\$ 0	
TEACHERS RETIREMENT	35,051,261	27,696,894	27,696,894	2,383,315	28,275,030	(578,136)	27,696,894	2,383,315	28,275,030	(578,136)	D
SOCIAL SECURITY	18,936,013	19,557,028	19,557,028	1,962,475	19,890,568	(333,540)	19,557,028	1,962,475	19,890,568	(333,540)	D
HEALTH INSURANCE - EMPLOYEES	50,807,859	54,674,460	54,674,460	14,855,599	54,674,460	0	54,674,460	14,855,599	54,674,460	0	E
HEALTH INSURANCE - RETIREES	61,618,266	68,483,281	68,483,281	15,590,242	68,483,281	0	68,483,281	15,590,348	68,483,281	0	
TERMINATION PAY	2,676,574	4,060,000	4,060,000	605,078	4,060,000	0	4,060,000	605,078	4,060,000	0	
OTHER BENEFITS	8,186,931	12,367,536	12,367,536	4,310,790	12,167,536	200,000	12,367,596	4,310,850	12,167,596	200,000	F
TOTAL EMPLOYEE BENEFITS	\$ 183,353,190	\$ 193,126,756	\$ 193,126,756	\$ 40,881,473	\$ 193,838,432	\$ (711,676)	\$ 193,126,922	\$ 40,881,638	\$ 193,838,598	\$ (711,676)	
OTHER:											
TRANSPORTATION	\$ 40,226,216	\$ 46,700,266	\$ 46,714,871	\$ 1,422,920	\$ 46,714,871	\$ 0	\$ 46,725,416	\$ 1,423,082	\$ 46,725,416	\$ 0	
UTILITIES	8,696,694	9,676,407	9,676,407	829,454	9,676,407	0	9,722,154	839,298	9,722,154	0	
TUITION	31,705,598	33,443,560	33,443,560	(24,400)	33,443,560	0	33,444,730	(23,230)	33,444,730	0	
CONTRACTS - CUSTODIAN	18,335,348	18,551,378	18,551,378	3,721,949	18,651,378	(100,000)	18,551,378	3,721,949	18,651,378	(100,000)	G
EQUIPMENT	1,630,017	1,873,951	1,853,884	7,363	1,853,884	0	2,117,631	90,162	2,117,631	0	
CONTRACTS - MISCELLANEOUS	15,569,818	16,488,308	16,526,193	1,094,967	17,476,193	(950,000)	17,239,622	1,255,014	18,189,622	(950,000)	H
RESERVE FOR CONTINGENCY	0	3,000,000	3,000,000	0	0	3,000,000	3,000,000	0	0	3,000,000	I
RENTAL CONTRACTS	8,300,435	8,160,163	8,160,163	545,291	8,160,163	0	8,170,584	545,964	8,170,584	0	
REPAIRS & MAINTENANCE & RELATED	1,894,896	1,948,283	1,951,283	131,550	1,951,283	0	2,115,748	217,836	2,115,748	0	
TEXTBOOKS	2,965,670	3,469,383	3,152,185	58,111	3,152,185	0	3,593,916	67,875	3,593,916	0	
SUPPLIES & MISC RELATED ITEMS	7,467,804	8,529,964	8,841,235	1,196,094	8,841,235	0	9,936,991	1,598,956	9,936,991	0	
CHARTER SCHOOLS	98,415,397	103,500,000	103,500,000	33,590,601	104,800,000	(1,300,000)	103,500,000	33,590,601	104,800,000	(1,300,000)	J
DEBT SERVICE	120,017,355	118,722,975	118,722,975	14,515,929	118,722,975	0	118,722,975	14,515,929	118,722,975	0	
INTERFUND	4,706,741	3,139,000	3,139,000	-	3,139,000	0	3,139,000	0	3,139,000	0	
TOTAL OTHER	\$ 359,931,989	\$ 377,203,638	\$ 377,233,134	\$ 57,089,831	\$ 376,583,134	\$ 650,000	\$ 379,980,145	\$ 57,843,438	\$ 379,330,145	\$ 650,000	
TOTAL GENERAL FUND EXPENDITURES	\$ 790,231,209	\$ 825,813,270	\$ 825,813,270	\$ 123,835,557	\$ 830,234,946	\$ (4,421,676)	\$ 828,560,447	\$ 124,589,331	\$ 832,982,123	\$ (4,421,676)	
							Difference to original budget	\$ 2,747,177	(Carryover encumbrances)		

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

BCSD QUARTERLY REPORT 9/30/15; SUBMITTED 10/28/15

DETAILED ANALYSIS OF GENERAL FUND EXPENDITURES – CONTINUED

B	The District has added approximately 60 BTF positions that were not in the adopted 15/16 budget. These include 19 Physical Education Teachers, 14 for the Pathways Academy at East High School, along with additional Special Education and English Language Learner Teachers. There are some open positions which may offset this increase as the year progresses.
C	The District has added approximately 8 BCSA positions, including assistant principals and administrators for phase in/phase out schools. There are some open positions which may offset this increase as the year progresses.
D	Based on the projected additional teachers and administrator compensation, the Teachers Retirement System and Social Security Expenditures are expected to exceed their budgets.
E	Employee Health Insurance is still trending to be within budget. This will continue to be monitored in the second quarter.
F	Fewer layoffs and improved processes surrounding unemployment have resulted in full year unemployment projection below budget at this time.
G	There are additional operating costs related to school 8, which was not expected to remain in the District's possession during the 15/16 fiscal year.
H	The District's contract for the 5 year building condition survey is expected to come in below budget for a savings of \$550,000; however nursing contracts are \$1,200,000 over budget since the District was informed that the additional state aid for Nursing, and the related costs, should be accounted for in the General fund, instead of the Grants fund. Additional legal costs related to union contract negotiations and JSCB litigation are \$300,000 above budget.
I	The District budgeted a contingency account to offset any unanticipated expenditures. Since there are deficits projected in some accounts, the contingency account will be utilized to offset those overages.
J	There are currently 100 more charter school students than were budgeted for.

**DETAILED ANALYSIS OF SPECIAL REVENUE FUNDS
JULY 1, 2015 THROUGH SEPTEMBER 30, 2015**

SPECIAL REVENUE FUNDS:	(GAAP BASIS)			ACTUAL TO DATE 09/30/15*	PROJECTED TOTAL FYE 6/30/16	PROJECTED FYE 6/30/16 UNDER/(OVER) BUDGET
	ACTUAL 2014-15	ADOPTED BUDGET 2015-16	MODIFIED BUDGET 2015-16			
REVENUES:						
TOTAL GRANTS (15-16 ONLY)	119,807,539	117,202,854	117,202,854	3,787,307	117,202,854	-
TOTAL FOOD SERVICE REVENUES	27,689,658	38,492,497	38,492,497	1,508,128	38,492,497	-
GRAND TOTAL REVENUES (ALL FUNDS)	\$ 935,072,610	\$ 981,508,621	\$ 981,508,621	\$ 83,585,705	\$ 982,908,621	\$ 1,400,000
EXPENDITURES:						
TOTAL GRANTS (15-16 ONLY)	119,807,539	117,202,854	117,202,854	13,263,336	117,202,854	-
TOTAL FOOD SERVICE EXPENDITURES**	28,247,806	38,492,497	38,697,792	2,879,703	38,697,792	-
GRAND TOTAL EXPENDITURES (ALL FUNDS)	\$ 938,286,554	\$ 981,508,621	\$ 984,461,093	\$ 140,732,369	\$ 988,882,769	\$ (4,421,676)

* As of October 14, 2015 in MUNIS.

** Excluding carry over encumbrances, expenditures to date were \$2,792,992

**ANALYSIS OF GENERAL FUND REVENUES
BUDGET TO DATE COMPARED TO ACTUAL TO DATE
JULY 1, 2015 THROUGH SEPTEMBER 30, 2015**

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.

	2015-16 Adopted Budget	Budget to Date	Actual to Date	Variance
REAL PROPERTY TAX	70,322,758	25,685,885	25,685,890	5
ERIE COUNTY SALES TAX	42,000,000	4,704,000	4,691,608	(12,392)
FEDERAL MEDICAID	3,000,000	510,000	379,421	(130,579)
STATE AID	683,863,369	44,799,850	44,794,956	(4,894)
OTHER STATE AID/FED (FEMA)	1,800,000	1,000,000	2,416,057	1,416,057
OTHER (TUITION, INTERFUND, MISC)	16,455,143	248,210	322,338	74,128
APPROP FUND BALANCE (BUDGETARY ONLY)	8,372,000	-	-	-
TOTAL GENERAL FUND	825,813,270	76,947,945	78,290,269	1,342,324

**ANALYSIS OF GENERAL FUND EXPENDITURES
BUDGET TO DATE COMPARED TO ACTUAL TO DATE
JULY 1, 2015 THROUGH SEPTEMBER 30, 2015**

**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:	GAAP BASIS	Adopted Budget 2015-16	Modified Budget 2015-16	CURRENT YEAR ONLY BASIS		Variance
	Actual 2014-15			Budget to date	Actual to date	
EMPLOYEE COMPENSATION:						
BTF (TEACHERS)	\$ 166,864,523	\$ 170,061,776	\$ 170,061,776	\$ 11,877,546	\$ 11,925,105	\$ (47,559)
BTF (TEACHERS) - OTHER COMPENSATION	8,816,575	9,121,830	9,124,830	1,443,296	1,597,618	(154,322)
SUBSTITUTES	6,846,914	6,467,168	6,467,168	258,687	420,620	(161,933)
BCSA (ADMINISTRATORS)	17,968,718	19,320,213	19,320,213	4,276,992	3,989,469	287,523
PCTEA (WHITE COLLAR)	15,524,625	17,303,505	17,421,505	3,856,669	3,519,678	336,991
BEST (TEACHER AIDES)	5,821,396	7,610,568	7,610,568	530,969	484,982	45,987
BEST (TEACHING ASSISTANTS)	6,228,493	5,805,529	5,805,529	405,037	434,391	(29,354)
TAB (BUS AIDES)	5,125,940	5,204,780	5,204,780	169,458	141,408	28,050
TRADES (CARPENTERS, PLUMBERS)	2,571,310	2,609,054	2,609,054	577,577	580,648	(3,071)
LOCAL 264 (BLUE COLLAR)	2,574,981	3,024,129	2,901,833	642,391	577,348	65,043
LOCAL 409 (ENGINEERS)	3,355,288	3,421,472	3,421,472	757,425	689,594	67,831
EXEMPT & BOARD MEMBERS	2,320,736	3,064,660	3,030,660	670,910	505,304	165,606
MISCELLANEOUS ITEMS	368,889	400,930	400,930	175,566	263,811	(88,245)
OVERTIME	2,557,643	2,067,262	2,073,062	645,551	734,278	(88,727)
TOTAL EMPLOYEE COMPENSATION	\$ 246,946,031	\$ 255,482,876	\$ 255,453,380	\$ 26,288,074	\$ 25,864,254	\$ 423,820
EMPLOYEE BENEFITS:						
CIVIL SERVICE RETIREMENT	6,076,286	6,287,557	6,287,557	1,277,725	1,173,972	103,753
TEACHERS RETIREMENT	35,051,261	27,696,894	27,696,894	2,459,833	2,383,315	76,518
SOCIAL SECURITY	18,936,013	19,557,028	19,557,028	1,994,487	1,962,475	32,012
HEALTH INSURANCE - EMPLOYEES	50,807,859	54,674,460	54,674,460	14,853,859	14,855,599	(1,740)
HEALTH INSURANCE - RETIREES	61,618,266	68,483,281	68,483,281	15,615,618	15,590,242	25,376
TERMINATION PAY	2,676,574	4,060,000	4,060,000	568,717	605,078	(36,361)
OTHER BENEFITS	8,186,931	12,367,536	12,367,536	4,510,657	4,310,790	199,867
TOTAL EMPLOYEE BENEFITS	\$ 183,353,190	\$ 193,126,756	\$ 193,126,756	\$ 41,280,896	\$ 40,881,473	\$ 399,423
OTHER:						
TRANSPORTATION	40,226,216	46,700,266	46,714,871	1,650,717	1,422,920	227,797
UTILITIES	8,696,694	9,676,407	9,676,407	1,080,150	829,454	250,696
TUITION	31,705,598	33,443,560	33,443,560	-	(24,400)	24,400
CONTRACTS - CUSTODIAN	18,335,348	18,551,378	18,551,378	3,598,155	3,721,949	(123,794)
EQUIPMENT	1,630,017	1,873,951	1,853,884	60,744	7,363	53,381
CONTRACTS - MISC & CONTINGENCY	15,569,818	16,488,308	16,526,193	1,119,523	1,094,967	24,557
RESERVE FOR CONTINGENCY	-	3,000,000	3,000,000	-	-	-
RENTAL CONTRACTS (EQUIPMENT, FACILITY)	8,300,435	8,160,163	8,160,163	702,900	545,291	157,609
REPAIRS & MAINTENANCE & RELATED	1,894,896	1,948,283	1,951,283	243,303	131,550	111,753
TEXTBOOKS	2,965,670	3,469,383	3,152,185	109,360	58,111	51,249
SUPPLIES & MISC RELATED ITEMS	7,467,804	8,529,964	8,841,235	1,420,561	1,196,094	224,467
CHARTER SCHOOLS	98,415,397	103,500,000	103,500,000	33,120,000	33,590,601	(470,601)
DEBT SERVICE	120,017,355	118,722,975	118,722,975	14,515,929	14,515,929	-
INTERFUND	4,706,741	3,139,000	3,139,000	-	-	-
TOTAL GENERAL FUND	\$ 790,231,209	\$ 825,813,270	\$ 825,813,270	\$ 125,190,312	\$ 123,835,557	\$ 1,354,755

**BUFFALO CITY SCHOOL DISTRICT
EMPLOYMENT LEVELS IN ALL FUNDS
2015-2016**

TYPE OF POSITION	UNION	ORIGINAL BUDGET 2015-16	POSITIONS FILLED AS OF FIRST QUARTER**	FAVORABLE (UNFAVORABLE) VARIANCE
TEACHERS	BTF	3,467.5	3,454.5	13.0
ADMINISTRATORS	BCSA	239.6	234.0	5.6
CIVIL SERVICE EMPLOYEES	PCTEA	465.0	425.0	40.0
TEACHING ASSISTANTS	BEST	482.9	487.0	(4.1)
TEACHER AIDES	BEST	399.0	378.0	21.0
TRADESMEN		29.0	27.0	2.0
BLUE COLLAR	LOCAL 264	104.0	93.0	11.0
CUSTODIAL ENGINEERS	LOCAL 409	62.0	56.0	6.0
EXEMPT & BOARD MEMBERS		34.0	25.6	8.4
TOTAL Full Time Equivalent (FTE) *		5,283.0	5,180.1	102.9

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

**Per FTE Summary dated October 14, 2015.

**BUFFALO CITY SCHOOL DISTRICT
EMPLOYMENT LEVELS IN GENERAL FUND
2015-2016**

TYPE OF POSITION	UNION	ORIGINAL BUDGET 2015-16	POSITIONS FILLED AS OF FIRST QUARTER**	FAVORABLE (UNFAVORABLE) VARIANCE
TEACHERS	BTF	2,994.0	2,989.4	4.6
ADMINISTRATORS	BCSA	196.1	191.8	4.3
CIVIL SERVICE EMPLOYEES	PCTEA	365.0	333.7	31.3
TEACHING ASSISTANTS	BEST	292.5	291.8	0.7
TEACHER AIDES	BEST	394.5	374.0	20.5
TRADESMEN		29.0	27.0	2.0
BLUE COLLAR	LOCAL 264	75.0	65.0	10.0
CUSTODIAL ENGINEERS	LOCAL 409	61.0	55.0	6.0
EXEMPT & BOARD MEMBERS		34.0	25.1	8.9
TOTAL Full Time Equivalent (FTE)*		4,441.1	4,352.8	88.3

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

**Per FTE Summary dated October 14, 2015.

BUFFALO CITY SCHOOL DISTRICT EMPLOYMENT LEVELS IN GRANTS 2015-2016

TYPE OF POSITION	UNION	ORIGINAL BUDGET 2015-16	POSITIONS FILLED AS OF FIRST QUARTER**	FAVORABLE (UNFAVORABLE) VARIANCE
TEACHERS	BTF	473.5	465.0	8.5
ADMINISTRATORS	BCSA	43.6	42.3	1.3
CIVIL SERVICE EMPLOYEES	PCTEA	88.0	79.4	8.6
TEACHING ASSISTANTS	BEST	189.4	194.3	(4.9)
TEACHER AIDES	BEST	3.5	3.0	0.5
CUSTODIAL ENGINEERS	LOCAL 409	1.0	1.0	0.0
EXEMPT & BOARD MEMBERS		0.0	0.5	(0.5)
TOTAL Full Time Equivalent (FTE) *		798.9	785.4	13.5

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

**Per FTE Summary dated October 14, 2015.

**BUFFALO CITY SCHOOL DISTRICT
EMPLOYMENT LEVELS IN FOOD SERVICE
2015-2016**

TYPE OF POSITION	UNION	ORIGINAL BUDGET 2015-16	POSITIONS FILLED AS OF FIRST QUARTER**	FAVORABLE (UNFAVORABLE) VARIANCE
CIVIL SERVICE EMPLOYEES	PCTEA	12.0	12.0	-
TEACHING ASSISTANTS	BEST	1.0	1.0	-
TEACHER AIDES	BEST	1.0	1.0	-
BLUE COLLAR	LOCAL 264	29.0	28.0	1.0
TOTAL Full Time Equivalent (FTE) *		43.0	42.0	1.0

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

**Per FTE Summary dated October 14, 2015.

SECTION II

QUARTERLY STATEMENT OF CASH FLOWS



BUFFALO CITY SCHOOL DISTRICT CASH FLOW ANALYSIS NARRATIVE JULY 1, 2015 – SEPTEMBER 30, 2015

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 first quarter was unfavorable as compared to the projections by \$21.0 million. The total receipts anticipated were unfavorable by \$18.7 million. Expenditures were \$2.3 million more 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 \$1.4 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 \$1.5 million, offsetting the shortfall in Basic Formula Aid noted above.

Erie County Sales Tax

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

Sales Tax receipts were essentially in line with projections, coming in \$0.1 million below plan.

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 \$18.5 million is largely due to the timing of cash receipts for the Title I grant. In August, NYSED notified the District that Title I funds withheld during the 2014-15 fiscal year would be released. The District planned for, but did not receive any disbursement during the first quarter.

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 difficult to predict and the variance to date is a relatively small \$0.2 million.

CASH DISBURSEMENTS:

Total actual cash disbursements through September 30, 2015 were greater than originally projected by \$2.3 million. This is attributed to higher than budgeted salaries offset by lower disbursements for current year and prior year services and supplies.

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 unfavorable by \$12.5 million due to the school calendar changing after the cash flow budget was adopted. The actual cash flow included an additional pay period in September that was not budgeted. This difference will reverse itself as the year progresses.

Termination Pay

Payment to employees upon retirement that is contractually obligated is recorded in this line.

The largest portion of these payments is paid in the first quarter and was favorable by \$1.2 million.

PY Accounts Payable

This represents cash disbursements in 2015-16 for 2014-15 invoices. This category was unfavorable by \$0.3 million.

Services and Supplies

This category was favorable by \$7.6 million largely due to the timing of vendor payments.

Charter Schools

This category was favorable by \$1.6 million largely due to one charter school not submitting their invoice for the September payment until October.

QUARTERLY CASH FLOW STATEMENT
For the Period July 1, 2015 – September 30, 2015
(in thousands)

	ORIGINAL PROJECTION YTD Q1	TOTAL YTD Q1	VARIANCE TO PROJECTION	REVISED* PROJECTION FYE 2015-16
BEGINNING CASH & INVESTMENTS	\$208,383	\$208,383	\$0	\$208,383
CASH RECEIPTS:				
Basic Formula Aid	14,066	12,641	(1,425)	442,045
Lottery Aid Advance	39,375	40,872	1,497	89,889
Property Taxes <small>(Less Capital Debt)</small>	14,880	14,880	-	59,516
Erie County Sales Tax	9,425	9,374	(51)	40,890
Miscellaneous - State and Federal Aid:	40,839	22,317	(18,522)	148,720
Other	2,955	2,758	(197)	19,767
TOTAL CASH RECEIPTS	121,540	102,842	(18,698)	800,827
CASH DISBURSEMENTS:				
Salary & FICA - Regular	45,550	58,029	(12,479)	359,179
Termination Pay	3,500	2,283	1,217	3,043
PY Accounts Payable	25,500	25,763	(263)	25,763
Services & Supplies - Regular	56,250	48,681	7,569	308,231
Charter Schools	35,200	33,590	1,610	101,890
TOTAL CASH DISBURSEMENTS	166,000	168,346	(2,346)	798,106
NET INCREASE (DECREASE) IN CASH	(44,460)	(65,504)	(21,044)	2,721
ENDING CASH & INVESTMENTS	\$163,923	\$142,879	(\$21,044)	\$211,104

* As of October 14, 2015