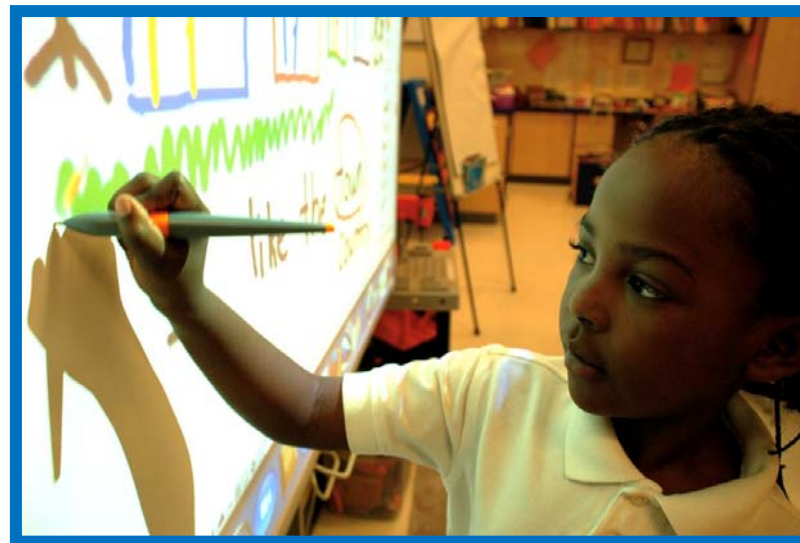


# Buffalo City School District



July 1, 2015 – March 31, 2016

## QUARTERLY REPORT

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

## BOARD OF EDUCATION MEMBERS

James M. Sampson, President, West District

Jason M. McCarthy, Vice-President of Executive Affairs, North District

Dr. Theresa Harris-Tigg, Vice-President of Student Achievement, East District

Sharon M. Belton-Cottman, Ferry District

Ameer Dunston, Student Representative

Mary Ruth Kapsiak, Central District

Dr. Barbara A. Nevergold, Member-at-Large

Carl P. Paladino, Park District

Patricia A. Pierce, Member-at-Large

Lawrence Quinn, Member-at-Large

### SUPERINTENDENT

Dr. Kriner Cash

### 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 MARCH 31, 2016.....	2-6
DETAILED ANALYSIS OF GENERAL FUND EXPENDITURES - JULY 1, 2015 THROUGH MARCH 31, 2016 .....	2-7
DETAILED ANALYSIS OF SPECIAL REVENUE FUNDS JULY 1, 2015 THROUGH MARCH 31, 2016.....	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 – MARCH 31, 2016

At this point in the fiscal year, the Buffalo City School District (the "District") is projecting a relatively modest positive budgetary variance for the full year. During the second quarter, a budget amendment of \$2.4 million was recorded to recognize the Bullet aid received by the District for three of its high schools that are phasing out and for additional aid for contractual nursing costs in excess of the current Health Services grant. During the second and third quarters, some budget transfers have been processed to offset negative variances and funds have been transferred from the \$3.0 million contingency expense account, which now has roughly \$0.6 million remaining.

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. Many of these increases have been offset by open positions through the first three quarters. Fortunately, the District had included a contingency of \$3.0 million in the budget to help these investments. Because of the urgency of the reforms needed, the District is expanding the Pathways Academy to three more schools through a virtual learning software for the remainder of the year. This is expected to be paid for through budgetary savings in other accounts and will be monitored closely during the fourth quarter.

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 March 31, 2016 and the projected amounts for the year ending June 30, 2016. At the request of the BFA 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 third quarter was favorable as compared to the projections by \$14.3 million. The total receipts were favorable by \$5.3 million in the third quarter, compared to a favorable \$5.1 in the second quarter. Cash expenditures were \$9.0 million less than predicted, compared to \$7.6 million in the second quarter, due to the timing of payments, most notably transportation expenditures. Total net cash activity for the year is currently projected to be a positive \$2.9 million, with an ending cash balance of \$211.2 million.

The following table shows the total annual budget, actual balances through the third 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 3/31/16*	2015-16 PROJECTED FYE 6/30/2016	2015-16 VARIANCE 6/30/2016
<b><u>GENERAL FUND:</u></b>				
Revenues	828,213,270	631,503,440	821,823,226	(6,390,044)
Expenditures	828,213,270	574,418,662	818,986,696	9,226,530
Net Surplus/(Deficit)	0	57,084,778	2,836,530	2,836,530
<b><u>GRANTS:</u></b>				
Revenues	131,347,296	42,196,812	131,347,296	0
Expenditures	131,347,296	69,418,228	131,347,296	0
Net Surplus/(Deficit)	0	(27,221,416)	0	0
<b><u>FOOD SERVICE:</u></b>				
Revenues	38,492,497	18,496,970	38,492,497	0
Expenditures	38,492,497	19,335,453	38,492,497	0
Net Surplus/(Deficit)	0	(838,483)	0	0
<b><u>GRAND TOTALS</u></b>				
REVENUES	998,053,063	692,197,222	991,663,019	(6,390,044)
EXPENDITURES	998,053,063	663,172,343	988,826,489	9,226,574
NET SURPLUS/ (DEFICIT)	0	29,024,879	2,836,530	2,836,530

\* AS OF APRIL 13, 2016 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	\$825,813,270	\$38,492,497
Add: Carryover encumbrances outstanding March 31, 2016	2,694,904	195,462
Add: General Fund Budget Amendment as of March 31, 2016	2,400,000	0
<b>Modified Budget, March 31, 2016</b>	<b>\$830,908,174</b>	<b>\$38,687,959</b>

SECTION I  
QUARTERLY BUDGET SUMMARY





## DETAILED ANALYSIS OF GENERAL FUND REVENUES JULY 1, 2015 THROUGH MARCH 31, 2016

REVENUES:	ACTUAL 2014-15	ORIGINAL BUDGET 2015-16	MODIFIED BUDGET 2015-16	ACTUAL TO DATE 03/31/16*	PROJECTED TOTAL FYE 6/30/16**	PROJECTED 6/30/16 (UNDER)/OVER BUDGET
<b>GENERAL FUND:</b>						
REAL PROPERTY TAX	\$ 70,322,758	\$ 70,322,758	\$ 70,322,758	\$ 55,443,802	\$ 70,322,758	\$ -
ERIE COUNTY SALES TAX	40,167,930	\$ 42,000,000	42,000,000	26,129,000	42,000,000	-
FEDERAL MEDICAID REIMBURSEMENT	718,231	3,000,000	3,000,000	954,693	2,500,000	(500,000) <b>A</b>
FEDERAL EMERG DISASTER ASSIST (FEMA)	184,507	-				
<b>STATE AID</b>						
BASIC FORMULA, EXCESS COST & LOTTERY AIDS	659,234,782	683,863,369	683,863,369	533,629,037	677,000,000	(6,863,369) <b>B</b>
OTHER STATE AID	2,043,605	1,800,000	4,200,000	5,409,438	5,173,325	973,325 <b>C</b>
<b>TOTAL STATE AID</b>	661,278,386	685,663,369	688,063,369	539,038,476	682,173,325	(5,890,044)
OTHER(TUITION, MISC, TRANSFERS)	14,903,584	16,455,143	16,455,143	9,937,469	16,455,143	-
FUND BALANCE (BUDGETARY ONLY)	-	8,372,000	8,372,000	-	8,372,000	-
<b>TOTAL GENERAL FUND REVENUES</b>	<b>\$ 787,575,396</b>	<b>\$ 825,813,270</b>	<b>\$ 828,213,270</b>	<b>\$ 631,503,440</b>	<b>\$ 821,823,226</b>	<b>(6,390,044)</b>

\* As of April 13, 2016

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

<b>A</b>	Medicaid revenues are trending below budget through Q3 and are expected to remain so for the full year.
<b>B</b>	State aid fluctuates during the year and current projected shortfalls can reverse; however there are negative budgetary variances in transportation aid, due to final 2014/15 expenditures coming in less than projected. Additionally, several of the formula aids are projecting less than originally budgeted, most notably excess cost aid.
<b>C</b>	The District amended the budget to recognize the \$2.4 million in Bullet aid received in the first quarter.

# DETAILED ANALYSIS OF GENERAL FUND EXPENDITURES

## JULY 1, 2015 THROUGH MARCH 31, 2016

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 2014-15	BUDGET 2015-16	BUDGET 2015-16	TO DATE 03/31/16	TOTAL FYE 6/30/16*	FYE 6/30/16 UNDER/(OVER) BUDGET	BUDGET 2015-16	TO DATE 03/31/16	TOTAL FYE 6/30/16*	FYE 6/30/16 UNDER/(OVER) BUDGET
<b>GENERAL FUND:</b>										
<b>EMPLOYEE COMPENSATION:</b>										
BTF (TEACHERS)	\$ 166,864,523	\$ 170,061,776	\$ 170,963,097	\$ 115,179,546	\$ 170,963,097	\$ 0	\$ 170,963,097	\$ 115,179,546	\$ 170,963,097	\$ 0
BTF (TEACHERS) - OTHER COMPENSATION	8,816,575	9,121,830	9,086,400	6,189,848	9,086,400	0	9,086,400	6,189,848	9,086,400	0
SUBSTITUTES	6,846,914	6,467,168	7,526,046	4,898,551	7,526,046	0	7,526,046	4,898,551	7,526,046	0
BCSA (ADMINISTRATORS)	17,968,718	19,320,213	19,536,041	13,329,974	19,336,041	200,000	19,536,041	13,329,974	19,336,041	200,000
PCTEA (WHITE COLLAR)	15,524,625	17,303,505	17,414,655	11,182,463	16,214,655	1,200,000	17,414,655	11,182,463	16,214,655	1,200,000
BEST (TEACHER AIDES)	5,821,396	7,610,568	7,444,331	4,876,739	7,444,331	0	7,444,331	4,876,739	7,444,331	0
BEST (TEACHING ASSISTANTS)	6,228,493	5,805,529	5,996,917	4,061,925	5,996,917	0	5,996,917	4,061,925	5,996,917	0
TAB (BUS AIDES)	5,125,940	5,204,780	5,204,780	2,897,297	5,204,780	0	5,204,780	2,897,297	5,204,780	0
TRADES (CARPENTERS, PLUMBERS)	2,571,310	2,609,054	2,414,734	1,925,678	2,714,734	(300,000)	2,414,734	1,925,678	2,714,734	(300,000)
LOCAL 264 (BLUE COLLAR)	2,574,981	3,024,129	2,891,833	1,838,909	2,891,833	0	2,891,833	1,838,909	2,891,833	0
LOCAL 409 (ENGINEERS)	3,355,288	3,421,472	3,421,472	2,341,026	3,421,472	0	3,421,472	2,341,026	3,421,472	0
EXEMPT & BOARD MEMBERS	2,320,736	3,064,660	3,020,570	1,885,884	2,870,570	150,000	3,020,570	1,885,884	2,870,570	150,000
MISCELLANEOUS ITEMS	368,889	400,930	481,193	369,760	481,193	0	481,193	369,760	481,193	0
OVERTIME	2,557,643	2,067,262	2,453,131	1,549,469	2,453,131	0	2,453,131	1,549,469	2,453,131	0
<b>TOTAL EMPLOYEE COMPENSATION</b>	<b>\$ 246,946,031</b>	<b>\$ 255,482,876</b>	<b>\$ 257,855,200</b>	<b>\$ 172,527,071</b>	<b>\$ 256,605,200</b>	<b>\$ 1,250,000</b>	<b>\$ 257,855,200</b>	<b>\$ 172,527,071</b>	<b>\$ 256,605,200</b>	<b>\$ 1,250,000</b>
<b>EMPLOYEE BENEFITS:</b>										
CIVIL SERVICE RETIREMENT	\$ 6,076,286	\$ 6,287,557	\$ 6,287,557	\$ 4,446,529	\$ 6,287,557	\$ 0	\$ 6,287,557	\$ 4,446,529	\$ 6,287,557	\$ 0
TEACHERS RETIREMENT	35,051,261	27,696,894	27,842,742	18,524,600	27,842,742	0	27,842,742	18,524,600	27,842,742	0
SOCIAL SECURITY	18,936,013	19,557,028	19,639,675	13,223,667	19,639,675	0	19,639,675	13,223,667	19,639,675	0
HEALTH INSURANCE - EMPLOYEES	50,807,859	54,674,460	54,961,455	38,611,365	53,961,455	1,000,000	54,961,455	38,611,365	53,961,455	1,000,000
HEALTH INSURANCE - RETIREES	61,618,266	68,483,281	68,483,281	46,051,597	65,483,281	3,000,000	68,483,387	46,051,703	65,483,387	3,000,000
TERMINATION PAY	2,676,574	4,060,000	4,060,000	1,841,199	4,060,000	0	4,060,000	1,841,199	4,060,000	0
OTHER BENEFITS	8,186,931	12,367,536	12,417,320	7,028,732	11,417,320	1,000,000	12,417,380	7,028,791	11,417,380	1,000,000
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>\$ 183,353,190</b>	<b>\$ 193,126,756</b>	<b>\$ 193,692,030</b>	<b>\$ 129,727,689</b>	<b>\$ 188,692,030</b>	<b>\$ 5,000,000</b>	<b>\$ 193,692,196</b>	<b>\$ 129,727,855</b>	<b>\$ 188,692,196</b>	<b>\$ 5,000,000</b>
<b>OTHER:</b>										
TRANSPORTATION	\$ 40,226,216	\$ 46,700,266	\$ 46,577,318	\$ 16,731,861	\$ 45,377,318	\$ 1,200,000	\$ 46,587,863	\$ 16,732,717	\$ 45,387,863	\$ 1,200,000
UTILITIES	8,696,694	9,676,407	9,573,725	4,302,362	9,073,725	500,000	9,619,472	4,313,233	9,119,472	500,000
TUITION	31,705,598	33,443,560	33,443,560	16,881,470	33,443,560	0	33,444,730	16,882,640	33,444,730	0
CONTRACTS - CUSTODIAN	18,335,348	18,551,378	18,421,309	13,411,599	18,721,309	(300,000)	18,421,309	13,411,599	18,721,309	(300,000)
EQUIPMENT	1,630,017	1,873,951	1,791,528	722,811	1,791,528	0	2,052,014	907,914	2,052,014	0
CONTRACTS - MISCELLANEOUS	15,569,802	16,488,308	17,928,705	7,517,354	17,428,705	500,000	18,635,961	7,873,633	18,135,961	500,000
RESERVE FOR CONTINGENCY	0	3,000,000	576,574	0	0	576,574	576,574	0	0	576,574
RENTAL CONTRACTS	8,300,435	8,160,163	8,170,755	4,022,663	8,170,755	0	8,181,176	4,023,646	8,181,176	0
REPAIRS & MAINTENANCE & RELATED	1,894,896	1,948,283	2,102,869	1,066,850	2,102,869	0	2,263,604	1,196,238	2,263,604	0
TEXTBOOKS	2,965,670	3,469,383	2,665,208	1,666,937	2,665,208	0	3,102,875	2,097,819	3,102,875	0
SUPPLIES & MISC RELATED ITEMS	7,467,804	8,529,964	9,352,514	4,999,226	9,352,514	0	10,413,225	5,888,120	10,413,225	0
CHARTER SCHOOLS	98,415,397	103,500,000	104,200,000	86,845,549	104,200,000	0	104,200,000	86,845,549	104,200,000	0
DEBT SERVICE	120,017,355	118,722,975	118,722,975	113,570,616	118,222,975	500,000	118,722,975	113,570,616	118,222,975	500,000
INTERFUND	4,706,741	3,139,000	3,139,000	424,604	3,139,000	0	3,139,000	424,604	3,139,000	0
<b>TOTAL OTHER</b>	<b>\$ 359,931,973</b>	<b>\$ 377,203,638</b>	<b>\$ 376,666,040</b>	<b>\$ 272,163,902</b>	<b>\$ 373,689,466</b>	<b>\$ 2,976,574</b>	<b>\$ 379,360,778</b>	<b>\$ 274,168,329</b>	<b>\$ 376,384,204</b>	<b>\$ 2,976,574</b>
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b>\$ 790,231,193</b>	<b>\$ 825,813,270</b>	<b>\$ 828,213,270</b>	<b>\$ 574,418,662</b>	<b>\$ 818,986,696</b>	<b>\$ 9,226,574</b>	<b>\$ 830,908,174</b>	<b>\$ 576,423,255</b>	<b>\$ 821,681,600</b>	<b>\$ 9,226,574</b>

Difference to original budget **\$ 2,694,904** (Carryover encumbrances)

All projections are based on data available as of April 13, 2016 and are subject to change.

## DETAILED ANALYSIS OF GENERAL FUND EXPENDITURES – CONTINUED

<b>D</b>	Administrator vacancies are causing a positive variance in this account. This is partially offset by higher substitute administrator costs.
<b>E</b>	Savings are projected due to vacant staff positions over the course of the full year.
<b>F</b>	Based on current projections of spend, Heating, Plumbing and Electric trades are expected to exceed budget. A budget transfer will be completed in the fourth quarter as necessary.
<b>G</b>	Employee Health Insurance is still trending to be under budget for the year based on current actual spend. Retiree health insurance is trending below budget due to conversions of retirees to the more cost effective Forever Blue plan.
<b>H</b>	Fewer layoffs and improved processes surrounding unemployment have resulted in full year unemployment projection below budget.
<b>I</b>	Lower fuel costs are resulting in a favorable budget variance in transportation
<b>J</b>	Lower commodity costs are resulting in favorable budget variance in utilities
<b>K</b>	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. A budget transfer will be done in the fourth quarter as necessary.
<b>L</b>	The District's contract for the 5 year building condition survey is expected to come in below budget for a savings of \$550,000, while several other contract expenditures lines are trending under budget; Additional legal costs related to union contract negotiations and JSCB litigation are \$400,000 above budget. 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. A budget amendment has eliminated this \$1.2 million variance causing the net positive budget variance in the account.
<b>M</b>	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. A significant portion has been transferred in the second and third quarters and the remainder will be transferred by the fourth quarter.
<b>N</b>	The debt service refunding during June 2016 is expected to result in a favorable budget variance for debt service expenditures in 2016/17.

**DETAILED ANALYSIS OF SPECIAL REVENUE FUNDS  
JULY 1, 2015 THROUGH MARCH 31, 2016**

<b>SPECIAL REVENUE FUNDS:</b>	(GAAP BASIS)			ACTUAL TO DATE 03/31/16*	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			
<b>REVENUES:</b>						
TOTAL GRANTS (15-16 ONLY)	119,807,539	117,202,854	131,347,296	42,196,812	131,347,296	-
TOTAL FOOD SERVICE REVENUES	27,689,656	38,492,497	38,492,497	18,496,970	38,492,497	-
GRAND TOTAL REVENUES (ALL FUNDS)	<b>\$ 935,072,591</b>	<b>\$ 981,508,621</b>	<b>\$ 998,053,063</b>	<b>\$ 692,197,222</b>	<b>\$ 991,663,019</b>	<b>\$ (6,390,044)</b>
<b>EXPENDITURES:</b>						
TOTAL GRANTS (15-16 ONLY)	119,807,539	117,202,854	131,347,296	69,418,228	131,347,296	-
TOTAL FOOD SERVICE EXPENDITURES**	28,247,806	38,492,497	38,687,959	19,497,712	38,687,959	-
GRAND TOTAL EXPENDITURES (ALL FUNDS)	<b>\$ 938,286,538</b>	<b>\$ 981,508,621</b>	<b>\$ 1,000,943,429</b>	<b>\$ 665,339,195</b>	<b>\$ 991,716,855</b>	<b>\$ 9,226,574</b>

\* As of April 13, 2016 in MUNIS.

\*\* Excluding carry over encumbrances, expenditures to date were \$19,335,453

**ANALYSIS OF GENERAL FUND REVENUES  
BUDGET TO DATE COMPARED TO ACTUAL TO DATE  
JULY 1, 2015 THROUGH MARCH 31, 2016**

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	2015-16 Revised Budget	Budget to Date	Actual to Date	Variance
REAL PROPERTY TAX	70,322,758	70,322,758	55,443,797	55,443,802	5
ERIE COUNTY SALES TAX	42,000,000	42,000,000	25,830,000	26,129,000	299,000
FEDERAL MEDICAID	3,000,000	3,000,000	1,710,000	954,693	(755,307)
STATE AID	683,863,369	683,863,369	499,724,468	533,629,037	33,904,570
OTHER STATE AID/FED (FEMA)	1,800,000	4,200,000	1,000,000	5,409,438	4,409,438
OTHER (TUITION, INTERFUND, MISC)	16,455,143	16,455,143	3,846,154	9,937,469	6,091,315
APPROP FUND BALANCE (BUDGETARY ONLY)	8,372,000	8,372,000	-	-	-
<b>TOTAL GENERAL FUND</b>	<b>825,813,270</b>	<b>828,213,270</b>	<b>587,554,419</b>	<b>631,503,440</b>	<b>43,949,021</b>

**ANALYSIS OF GENERAL FUND EXPENDITURES  
BUDGET TO DATE COMPARED TO ACTUAL TO DATE  
JULY 1, 2015 THROUGH MARCH 31, 2016**

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		Modified Budget 2015-16	CURRENT YEAR ONLY BASIS		Variance
	Actual 2014-15	Adopted Budget 2015-16		Budget to date	Actual to date	
<b>EMPLOYEE COMPENSATION:</b>						
BTF (TEACHERS)	\$ 166,864,523	\$ 170,061,776	\$ 170,963,097	\$ 115,574,665	\$ 115,179,546	\$ 395,119
BTF (TEACHERS) - OTHER COMPENSATION	8,816,575	9,121,830	9,086,400	6,005,403	6,189,848	(184,445)
SUBSTITUTES	6,846,914	6,467,168	7,526,046	4,905,696	4,898,551	7,144
BCSA (ADMINISTRATORS)	17,968,718	19,320,213	19,536,041	13,845,822	13,329,974	515,848
PCTEA (WHITE COLLAR)	15,524,625	17,303,505	17,414,655	11,918,550	11,182,463	736,087
BEST (TEACHER AIDES)	5,821,396	7,610,568	7,444,331	5,032,052	4,876,739	155,313
BEST (TEACHING ASSISTANTS)	6,228,493	5,805,529	5,996,917	4,151,704	4,061,925	89,779
TAB (BUS AIDES)	5,125,940	5,204,780	5,204,780	3,161,227	2,897,297	263,929
TRADES (CARPENTERS, PLUMBERS)	2,571,310	2,609,054	2,414,734	1,855,440	1,925,678	(70,238)
LOCAL 264 (BLUE COLLAR)	2,574,981	3,024,129	2,891,833	1,979,532	1,838,909	140,623
LOCAL 409 (ENGINEERS)	3,355,288	3,421,472	3,421,472	2,411,983	2,341,026	70,957
EXEMPT & BOARD MEMBERS	2,320,736	3,064,660	3,020,570	2,268,047	1,885,884	382,164
MISCELLANEOUS ITEMS	368,889	400,930	481,193	391,034	369,760	21,274
OVERTIME	2,557,643	2,067,262	2,453,131	1,953,428	1,549,469	403,959
<b>TOTAL EMPLOYEE COMPENSATION</b>	<b>\$ 246,946,031</b>	<b>\$ 255,482,876</b>	<b>\$ 257,855,200</b>	<b>\$ 175,454,583</b>	<b>\$ 172,527,071</b>	<b>\$ 2,927,513</b>
<b>EMPLOYEE BENEFITS:</b>						
CIVIL SERVICE RETIREMENT	6,076,286	6,287,557	6,287,557	5,436,912	4,446,529	990,383
TEACHERS RETIREMENT	35,051,261	27,696,894	27,842,742	19,296,001	18,524,600	771,401
SOCIAL SECURITY	18,936,013	19,557,028	19,639,675	13,385,802	13,223,667	162,135
HEALTH INSURANCE - EMPLOYEES	50,807,859	54,674,460	54,961,455	40,190,285	38,611,365	1,578,919
HEALTH INSURANCE - RETIREES	61,618,266	68,483,281	68,483,281	48,514,998	46,051,597	2,463,400
TERMINATION PAY	2,676,574	4,060,000	4,060,000	1,139,717	1,841,199	(701,482)
OTHER BENEFITS	8,186,931	12,367,536	12,417,320	8,609,299	7,028,732	1,580,567
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>\$ 183,353,190</b>	<b>\$ 193,126,756</b>	<b>\$ 193,692,030</b>	<b>\$ 136,573,013</b>	<b>\$ 129,727,689</b>	<b>\$ 6,845,324</b>
<b>OTHER:</b>						
TRANSPORTATION	40,226,216	46,700,266	46,577,318	28,685,172	16,731,861	11,953,311
UTILITIES	8,696,694	9,676,407	9,573,725	6,436,087	4,302,362	2,133,725
TUITION	31,705,598	33,443,560	33,443,560	17,725,087	16,881,470	843,617
CONTRACTS - CUSTODIAN	18,335,348	18,551,378	18,421,309	12,784,691	13,411,599	(626,908)
EQUIPMENT	1,630,017	1,873,951	1,791,528	922,448	722,811	199,637
CONTRACTS - MISC & CONTINGENCY	15,569,802	16,488,308	17,928,705	11,152,337	7,517,354	3,634,983
RESERVE FOR CONTINGENCY	-	3,000,000	576,574	-	-	-
RENTAL CONTRACTS (EQUIPMENT, FACILITY)	8,300,435	8,160,163	8,170,755	5,262,162	4,022,663	1,239,499
REPAIRS & MAINTENANCE & RELATED	1,894,896	1,948,283	2,102,869	1,393,567	1,066,850	326,718
TEXTBOOKS	2,965,670	3,469,383	2,665,208	1,798,671	1,666,937	131,734
SUPPLIES & MISC RELATED ITEMS	7,467,804	8,529,964	9,352,514	6,834,344	4,999,226	1,835,118
CHARTER SCHOOLS	98,415,397	103,500,000	104,200,000	86,563,037	86,845,549	(282,512)
DEBT SERVICE	120,017,355	118,722,975	118,722,975	114,070,902	113,570,616	500,286
INTERFUND	4,706,741	3,139,000	3,139,000	531,500	424,604	106,896
<b>TOTAL GENERAL FUND</b>	<b>\$ 790,231,193</b>	<b>\$ 825,813,270</b>	<b>\$ 828,213,270</b>	<b>\$ 606,187,602</b>	<b>\$ 574,418,662</b>	<b>\$ 31,768,940</b>

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

TYPE OF POSITION	UNION	ORIGINAL BUDGET 2015-16	REVISED BUDGET 2015-16	POSITIONS FILLED AS OF THIRD QUARTER**	FAVORABLE (UNFAVORABLE) VARIANCE
TEACHERS	BTF	3,467.5	3,511.1	3,486.0	25.1
ADMINISTRATORS	BCSA	239.6	240.9	245.0	(4.1)
CIVIL SERVICE EMPLOYEES	PCTEA	465.0	478.6	424.0	54.6
TEACHING ASSISTANTS	BEST	482.9	479.1	478.0	1.1
TEACHER AIDES	BEST	399.0	407.0	416.0	(9.0)
TRADESMEN		29.0	29.0	28.0	1.0
BLUE COLLAR	LOCAL 264	104.0	101.0	88.0	13.0
CUSTODIAL ENGINEERS	LOCAL 409	62.0	62.0	55.0	7.0
EXEMPT & BOARD MEMBERS		34.0	35.0	33.0	2.0
<b>TOTAL Full Time Equivalent (FTE) *</b>		<b>5,283.0</b>	<b>5,343.7</b>	<b>5,253.0</b>	<b>90.7</b>

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

\*\*Per FTE Summary dated April 11, 2016.

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

TYPE OF POSITION	UNION	ORIGINAL BUDGET 2015-16	REVISED BUDGET 2015-16	POSITIONS FILLED AS OF THIRD QUARTER**	FAVORABLE (UNFAVORABLE) VARIANCE
TEACHERS	BTF	2,994.0	3,013.0	2,989.8	23.2
ADMINISTRATORS	BCSA	196.1	196.1	200.5	(4.4)
CIVIL SERVICE EMPLOYEES	PCTEA	365.0	367.0	334.4	32.6
TEACHING ASSISTANTS	BEST	292.5	285.0	286.2	(1.2)
TEACHER AIDES	BEST	394.5	402.0	412.0	(10.0)
TRADESMEN		29.0	29.0	28.0	1.0
BLUE COLLAR	LOCAL 264	75.0	72.0	60.0	12.0
CUSTODIAL ENGINEERS	LOCAL 409	61.0	61.0	54.0	7.0
EXEMPT & BOARD MEMBERS		34.0	34.0	31.7	2.3
<b>TOTAL Full Time Equivalent (FTE)*</b>		<b>4,441.1</b>	<b>4,459.1</b>	<b>4,396.6</b>	<b>62.5</b>

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

\*\*Per FTE Summary dated April 11, 2016.



## BUFFALO CITY SCHOOL DISTRICT EMPLOYMENT LEVELS IN GRANTS 2015-2016

TYPE OF POSITION	UNION	ORIGINAL BUDGET 2015-16	REVISED BUDGET 2015-16	POSITIONS FILLED AS OF THIRD QUARTER**	FAVORABLE (UNFAVORABLE) VARIANCE
TEACHERS	BTF	473.5	498.1	496.1	2.0
ADMINISTRATORS	BCSA	43.6	44.9	44.5	0.4
CIVIL SERVICE EMPLOYEES	PCTEA	88.0	99.6	78.6	21.0
TEACHING ASSISTANTS	BEST	189.4	193.1	190.8	2.3
TEACHER AIDES	BEST	3.5	4.0	3.0	1.0
CUSTODIAL ENGINEERS	LOCAL 409	1.0	1.0	1.0	0.0
EXEMPT & BOARD MEMBERS		0.0	1.0	1.3	(0.3)
<b>TOTAL Full Time Equivalent (FTE) *</b>		<b>798.9</b>	<b>841.7</b>	<b>815.3</b>	<b>26.3</b>

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

\*\*Per FTE Summary dated April 11, 2016.

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

TYPE OF POSITION	UNION	ORIGINAL BUDGET 2015-16	POSITIONS FILLED AS OF THIRD QUARTER**	FAVORABLE (UNFAVORABLE) VARIANCE
CIVIL SERVICE EMPLOYEES	PCTEA	12.0	11.0	1.0
TEACHING ASSISTANTS	BEST	1.0	1.0	-
TEACHER AIDES	BEST	1.0	1.0	-
BLUE COLLAR	LOCAL 264	29.0	28.0	1.0
<b>TOTAL Full Time Equivalent (FTE) *</b>		<b>43.0</b>	<b>41.0</b>	<b>2.0</b>

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

\*\*Per FTE Summary dated April 11, 2016.

## SECTION II

### QUARTERLY STATEMENT OF CASH FLOWS



## BUFFALO CITY SCHOOL DISTRICT CASH FLOW ANALYSIS NARRATIVE JULY 1, 2015 – MARCH 31, 2016

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 third quarter was favorable as compared to the projections by \$14.3 million. The total receipts anticipated were favorable by \$5.3 million. Expenditures were \$9.1 million less than predicted due mainly 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 \$3.8 million due to the timing of payments established by the SED along with New York State making a determination to fund a larger portion of aid through Lottery Aid as opposed to its General Fund.

#### Lottery Aid

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

Lottery aid is unfavorable by \$2.5 million through March.

#### Erie County Sales Tax

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

Sales Tax receipts were slightly above budget, with a favorable variance of \$0.7 million through March.

#### Miscellaneous – State and Federal Aid

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

The favorable variance of \$6.4 million is largely due to the timing of cash receipts for grants received from the State.

#### 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 favorable by \$4.5 million.

## CASH DISBURSEMENTS:

Total actual cash disbursements through March 31, 2016 were less than originally projected by \$9.1 million. This is attributed to higher than budgeted salaries offset by lower disbursements for current 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 \$9.0 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 in the fourth quarter.

### Termination Pay

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

The largest portion of these payments were paid in the first quarter and is currently favorable by \$0.5 million.

### PY Accounts Payable

This represents cash disbursements in 2015-16 for 2014-15 invoices. This category is unfavorable by \$0.8 million.

### Services and Supplies

This category was favorable by \$19.7 million largely due to the timing of vendor payments, particularly in transportation, where payments have been delayed due to vendor billing errors.

### Charter Schools

This category was unfavorable by \$1.3 million largely due to higher than budgeted charter school enrollment.

**QUARTERLY CASH FLOW STATEMENT**  
**For the Period July 1, 2015 – March 31, 2016**  
(in thousands)

	ORIGINAL PROJECTION YTD Q3	TOTAL YTD Q3	VARIANCE TO PROJECTION	REVISED* PROJECTION FYE 2015-16
<b>BEGINNING CASH &amp; INVESTMENTS**</b>	<b>\$208,383</b>	<b>\$208,383</b>	<b>\$0</b>	<b>\$208,383</b>
<b>CASH RECEIPTS:</b>				
Basic Formula Aid	349,872	346,077	(3,795)	435,758
Lottery Aid Advance	68,127	65,578	(2,549)	85,843
Property Taxes <small>(Less Capital Debt)</small>	44,638	44,640	2	59,518
Erie County Sales Tax	30,126	30,811	685	41,626
Miscellaneous - State and Federal Aid:	121,957	128,404	6,447	155,389
Other	16,964	21,433	4,469	24,433
<b>TOTAL CASH RECEIPTS</b>	<b>631,684</b>	<b>636,943</b>	<b>5,259</b>	<b>802,567</b>
<b>CASH DISBURSEMENTS:</b>				
Salary & FICA - Regular	249,500	258,544	(9,044)	355,744
Termination Pay	4,000	3,485	515	3,745
PY Accounts Payable	25,500	26,272	(772)	26,272
Services & Supplies - Regular	230,350	210,650	19,700	309,100
Charter Schools	85,500	86,845	(1,345)	104,845
<b>TOTAL CASH DISBURSEMENTS</b>	<b>594,850</b>	<b>585,796</b>	<b>9,054</b>	<b>799,706</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>36,834</b>	<b>51,147</b>	<b>14,313</b>	<b>2,861</b>
<b>ENDING CASH &amp; INVESTMENTS</b>	<b>\$245,217</b>	<b>\$259,530</b>	<b>\$14,313</b>	<b>\$211,244</b>

\* As of April 13, 2016