

Buffalo City School District



July 1, 2017 – March 31, 2018

QUARTERLY REPORT

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

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EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

JULY 1, 2017 – MARCH 31, 2018

As of the end of the third quarter, the Buffalo City School District (the “District”) general fund is projecting a \$5.8 million positive budgetary variance for the full year, with \$16.2 million in fund balance usage, compared to \$22.0 million budgeted. There are several factors contributing to this, which are more fully outlined in the following pages.

Total revenues for the full year 2017-18, as projected in the third quarter, are anticipated to be \$3.5 million under budget at \$890.7 million. Total State Aid is projecting \$4.7 million under budget mainly due to charter transitional aid, which is projecting \$2.0 million under budget due to final 2016-17 charter tuition expenditures being under budget; transportation aid which is \$1.6 million under budget due to final 2016-17 transportation costs (which drive 2017-18 revenues) being under budget; while high costs aid is also projected to be under the original budget. These were partially offset by an unbudgeted \$1.0 million bullet aid allocation obtained by our local State delegation. County Sales Tax revenues are projecting over budget by approximately \$1.0 million. County sales tax is dependent on economic conditions and revised quarterly. Medicaid revenues are projecting to be \$0.2 million over budget as a continuation of the revenue generating initiative begun in 2016-17.

Total expenditures for the full year 2017-18, as projected in the third quarter, are anticipated to be \$9.3 million under budget at \$884.9 million. The Board approved a budget transfer to move \$0.5 million from substitute teacher expense, \$2.0 million from employee health insurance, and \$2.0 million from retiree health insurance into the District’s reserve contingency account (total transfer of \$4.5 million), where it will remain, unless the initiatives in the District’s four year financial plan to reduce those costs are unsuccessful. As of the end of the third quarter, retiree health insurance projections are matching the new reduced target, while employee health insurance is projecting to be \$2.0 million over its reduced budget and substitute teacher costs are projecting to be \$1.8 million over its reduced budget, and is more fully described below. However, there is still a net savings to the District as \$4.5 million remaining in contingency relates to these items and there are budgetary savings in several accounts overall.

Salaries are projected to be under budget by approximately \$4.5 million, with the largest variances being within teachers (under budget due to vacancies) and teacher substitutes (over budget), while there are net vacancies in several other bargaining units resulting in budgetary savings, which are outlined on pages 2-10 and 2-12.

Charter school tuition expense is currently projecting to be \$2.0 million under its revised budget and \$3.5 million under its original budget, with the District transferring \$1.5 million into the contingency during the second quarter, as that amount was comfortably projected to be an unspent net savings for the full fiscal year. These projections are based on five of six total invoices received from charter schools. Charter pupils tend to fluctuate throughout the year, and typically start above budget and drop throughout the year, as pupils return to the District throughout the year. In January 2018, the District released a memo outlining the impact of charter schools on the District’s budget and in the memo, several years’ worth of data was described showing that as more charters schools opened, it has become more difficult for them to fill their seats and they appear to continually return students to the District. These variances are becoming more pronounced with each passing year, and make the task of budgeting charter school tuition expenses more difficult.

EXECUTIVE SUMMARY – CONTINUED

Overtime is currently projecting to be slightly over budget as significant overtime costs were incurred over the summer to ready the schools for the start of the school year and to complete a project to identify surplus textbooks at schools, while tighter controls during the year have offset the earlier increases. Additionally, due to staffing vacancies in building engineers, overtime in that area is also over budget.

In the general fund, there are approximately 46.4 new FTE positions that were not in the original adopted budget. These positions were added for reasons of compliance (e.g. Special Education or English Language Learners) or equity between schools, with all these new positions being reviewed and approved by the Superintendent. When these new positions are added, a transfer from the reserve contingency is done to ensure that the revised budget includes funding for the new positions; however, it should be noted these positions are funded through the overall vacancy differential, as filled positions are still less than the original budget.

Substitute Teacher Contract: On February 14, 2018, a new Substitute Teacher Contract was ratified, resulting in a projected \$0.9 million increase in costs during the 2017/18 fiscal year. Total substitute teacher costs for the 2017-18 year in the general fund are projected to be \$8.0 million, roughly in line with the 2016-17 year, which is a result of a lower projected utilization based on a cost savings initiative implemented during the 2017-18 fiscal year, offset by the aforementioned cost of the contract. The total expense also includes approximately \$1.3 million in sub costs related to vacant teacher positions, so that spending is offset by reduced teacher salaries. The Substitute teachers' contract runs through the 2018-19 fiscal year and is projected to cost \$1.1 million or an increase of 13.1% in the 2018-19 year. As part of the contract, the substitute teachers agreed to work the longer school day which is part of the New Education Bargain. The actual costs of the contract will vary based on utilization.

BCSA Contract: On September 20, 2017, the District and Buffalo Council of Supervisors and Administrators (BCSA) ratified a new contract, replacing the existing contract that had expired more than 13 years earlier on July 1, 2004. The new contract has a term of July 1, 2017 to September 1, 2020. This contract included no retroactive pay for the period of July 1, 2004 through August 27, 2017, a 12% raise effective August 28, 2017, a signing bonus based on years of service in the BCSA union, an increase in longevity for central office administrators to match school administrators, a 7% employee contribution for health insurance for active Administrators at ratification, while new administrators are required to pay 11.5% of their health insurance. There were several other monetary and non-monetary changes in the contract, including reduced time off and reduced workers comp benefits and changes in the way payments for unused paid time off are calculated. In 2018-19 and 2019-20, Administrators will receive 2.5% and 2.75% salary increases, respectively, while their health insurance contributions increase to 8% and then 9% for BCSA members at ratification and 13% and 15% for BCSA members hired after ratification.

EXECUTIVE SUMMARY – CONTINUED

The projected net cost of the BCSA contract in 2017-18, \$4.4 million, was expected to cost \$3.9 million in the general fund, with those funds already being budgeted as part of the \$6.4 million contingency account in the original general fund budget. The grants fund is projected to pick up the remaining \$0.5 million. As of March 2018, BCSA salaries in the general fund are projected to be \$0.7 million under the revised budget for the full year. The original projected net costs of the contract over four years, including both general fund and grants funds are as follows (in thousands):

	Costs					Savings			Net contract cost
	Salary and other comp	Signing bonus	Fringe	Suppl. benefits	Total costs	Health insurance	Workers comp / sick payout	Total savings	
2017/18	2,998	1,100	723	32	4,854	(427)	(44)	(470)	4,384
2018/19	4,302	-	759	39	5,101	(630)	(44)	(674)	4,427
2019/20	5,161	-	911	46	6,118	(715)	(45)	(761)	5,357
3 year total (contract term)	12,462	1,100	2,394	117	16,073	(1,772)	(133)	(1,905)	14,168
2020/21	5,161	-	911	46	6,118	(745)	(45)	(790)	5,328
4 year total	17,623	1,100	3,305	163	22,191	(2,517)	(179)	(2,695)	19,495

This is the second full year of the New Education Bargain (NEB), which we refer to as “The Year of Instruction”. At this point, the NEB is so ingrained in the educational experience of our students and our budget, that it is difficult to report as discrete expenditure groups. However, a few items to note: in 2017-18, the District has expanded the reduced class size initiative to grades K-2, several new innovative high schools are in process of expansion, while the community schools initiative has added two new schools to that program.

EXECUTIVE SUMMARY - CONTINUED

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 2016-17 fiscal year, the 2017-18 original and modified budgets (includes carryover encumbrances, budget transfers between accounts and budget modifications to date), actual expenditures and revenues through March 31, 2018 and the projected amounts for the year ending June 30, 2018. At the request of the BFSAs staff, the categories are provided on both a current year only and GAAP basis (includes carryover encumbrances). These documents can be found on page 2-9 through 2-13

This quarterly report now includes a detail of changes from the original to modified general fund budget. There are thousands of individual lines in the budget and frequently information necessary to allocate all funds is unavailable until well after the budget is adopted, while major events, such as the settlement of a union contract, often happen after the budget is adopted. Those changes fall into several categories: Board approved transfers, the impact of the BCFA contract, final allocations of funds from the original school based budget and community schools budgets, departmental transfer requests, and unbudgeted requests used to address equity in the schools and mandate compliance. This document can be found on page 2-14.

This quarterly report now includes a summary of the District's Four Year Financial Plan as revised on April 18, 2018, as originally adopted on June 20, 2017 which is highlighted in grey, and a comparison of the two projections to show overall progress against the original Plan. The summarized data includes projected revenues, expenditures, fund balance usage, and fund balance remaining over the course of the plan, including historical data. The changes in projections that will be reflected in these quarterly updates are from three sources: 1) audited financial statements finalizing a projected year, which is typically available at the end of October annually; 2) quarterly projections updating the current year, which are available within 30 days of the quarter end each year; 3) the next year budget and projections impacting the future years, which is typically available in April and May of each year. This data can be found on page 2-15 to 2-17.

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 2-18.

The FTE analysis can be found on page 2-20.

The Quarterly Statement of Cash Flows starting on page 2-24 indicates that net cash flow through the third quarter was favorable as compared to the projections by \$18.0 million. The total receipts anticipated were \$4.3 million less than originally projected, while expenditures were \$16.8 million less than originally projected due to the timing of accounts payable payments and lower than expected payroll spending year to date. Total net cash activity for the year is currently projected to be a negative \$60.0 million, with an ending cash balance of \$175.9 million.

EXECUTIVE SUMMARY - CONTINUED

The following table shows the total annual budget, actual balances through the third quarter, total projections for the year ending June 30, 2018 and the associated variances. The amounts exclude carry over encumbrances (non-GAAP basis).

	2017-2018 Original Budget	2017-2018 Modified Budget	2017-2018 Actual YTD 03/31/2018*	2017-2018 Projected FYE 6/30/2018	2017-2018 Variance 6/30/2018
GENERAL FUND:					
Revenues	894,200,000	894,200,000	676,012,327	890,738,741	(3,461,259)
Expenditures	894,200,000	894,200,000	625,302,198	884,920,000	9,280,000
Net Surplus/(Deficit)	-	-	50,710,129	5,818,741	5,818,741
GRANTS:					
Revenues	120,028,990	154,105,735	45,005,435	154,105,735	-
Expenditures	120,028,990	154,105,735	74,084,800	154,105,735	-
Net Surplus/(Deficit)	-	-	(29,079,365)	-	-
FOOD SERVICE:					
Revenues	35,850,833	35,850,833	19,190,039	35,850,833	-
Expenditures	35,850,833	35,850,833	20,619,763	35,850,833	-
Net Surplus/(Deficit)	-	-	(1,429,725)	-	-
GRAND TOTALS					
Revenues	1,050,079,823	1,084,156,568	740,207,801	1,080,695,309	(3,461,259)
Expenditures	1,050,079,823	1,084,156,568	720,006,761	1,074,876,568	9,280,000
Net Surplus/(Deficit)	-	-	20,201,040	5,818,741	5,818,741

* As of April 10, 2018 in Munis

EXECUTIVE SUMMARY - CONCLUDED

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	\$894,200,000	\$35,850,833
Add: Carryover encumbrances outstanding March 31, 2018:	2,959,147	211,597
Modified Budget, March 31, 2018	\$897,159,147	\$36,062,430

SECTION I
QUARTERLY BUDGET SUMMARY



DETAILED ANALYSIS OF GENERAL FUND REVENUES JULY 1, 2017 THROUGH MARCH 31, 2018

REVENUES:	Actual 2016-17	Original Budget 2017-18	Modified Budget 2017-18	Actual to Date 03/31/18*	Projected Total FYE 6/30/18**	Projected 6/30/18 (Under)/Over Budget
GENERAL FUND:						
State Aid:						
Foundation Aid	\$ 494,327,488	\$ 510,904,788	\$ 510,904,788	\$ 402,611,427	\$ 511,147,503	\$ 242,715
Building Aid	115,496,716	115,829,339	115,829,339	91,277,703	117,114,213	1,284,874
Other Formula Aid	95,361,737	104,171,393	104,171,393	82,090,820	99,865,654	(4,305,739) A
Charter School Transitional and Suppl. Aid	7,446,421	11,190,415	11,190,415	8,818,451	9,307,306	(1,883,109) B
Total State Aid	712,632,362	742,095,935	742,095,935	584,798,402	737,434,676	(4,661,259)
Real Property Tax and STAR	70,322,758	70,822,758	70,822,758	55,733,583	70,822,758	-
Erie County Sales Tax	43,389,176	42,400,000	42,400,000	28,401,579	43,400,000	1,000,000 C
Federal Medicaid Reimbursement	4,165,222	2,600,000	2,600,000	2,436,494	2,800,000	200,000
Other (Tuition, Misc., Transfers)	17,110,291	14,281,307	14,281,307	4,642,269	14,281,307	-
Total State Aid and Other Revenues	847,619,810	872,200,000	872,200,000	676,012,327	868,738,741	(3,461,259)
Fund Balance (Budgetary Only)	-	22,000,000	22,000,000	-	22,000,000	-
Total Revenues and Fund Balance	\$ 847,619,810	\$ 894,200,000	\$ 894,200,000	\$ 676,012,327	\$ 890,738,741	\$ (3,461,259)

* As of April 10, 2018

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

A	The District has received \$1.0 million in bullet aid from the NYS Assembly and \$20,000 from the NYS Senate. These amounts were not budgeted. However, based on actual transportation aid filing data, the projected transportation revenue is going to be \$44.8 million, which is \$1.6 million less than the data included in the 17-18 State budget, while private and public excess cost is \$3.0 million under budget.
B	Charter school supplemental aid is \$1.9 million under budget based on lower than anticipated charter school student growth in 2016-17 reducing the reimbursable expense in 2017-18. Charter school pupils ended the year 223 pupils under budget, which reduced the tuition amount.
C	Based on collections through 6 months, there is an increase projected in the Erie County Sales Tax revenues for 2017-18.

DETAILED ANALYSIS OF GENERAL FUND EXPENDITURES JULY 1, 2017 THROUGH MARCH 31, 2018

Expenditures	(GAAP Basis) Actual 2016-17	Current Year Only (Non-GAAP Basis)					Includes Carry Over Encumbrances (GAAP Basis)				
		Original Budget 2017-18	Modified Budget 2017-18	Actual to Date 03/31/18	Projected Total FYE 6/30/18*	Projected FYE 6/30/18 Under/(Over) Budget	Modified Budget 2017-18	Actual to Date 03/31/18	Projected Total FYE 6/30/18*	Projected FYE 6/30/18 Under/(Over) Budget	
		General Fund:									
Employee Compensation:											
BTF (Teachers)	\$ 190,418,851	\$ 209,088,647	\$ 207,871,717	\$ 135,435,698	\$ 203,671,717	\$ 4,200,000	\$ 207,871,717	\$ 135,435,698	\$ 203,671,717	\$ 4,200,000	D
BTF (Teachers) - Other Compensation	30,953,372	9,234,201	9,179,089	6,810,666	9,679,089	(500,000)	9,179,088	6,810,666	9,679,088	(500,000)	E
Substitutes	7,922,255	6,665,635	6,197,515	4,836,678	7,997,515	(1,800,000)	6,197,515	4,836,678	7,997,515	(1,800,000)	F
BCSA (Administrators)	19,882,390	19,941,362	24,117,757	16,274,849	23,417,757	700,000	24,117,757	16,274,849	23,417,757	700,000	G
PCTEA (White Collar)	15,707,724	17,873,204	18,002,650	11,267,881	17,002,650	1,000,000	18,002,650	11,267,881	17,002,650	1,000,000	D
BEST (Teacher Aides)	7,538,564	10,246,653	10,736,141	6,315,157	10,136,141	600,000	10,736,141	6,315,157	10,136,141	600,000	D
BEST (Teaching Assistants)	5,885,890	6,004,594	6,091,019	4,178,802	6,091,019	-	6,091,019	4,178,802	6,091,019	-	
TAB (Bus Aides)	4,719,378	5,513,234	5,513,234	3,118,977	5,413,234	100,000	5,513,234	3,118,977	5,413,234	100,000	D
Trades (Carpenters, Plumbers)	3,015,503	3,169,376	3,169,376	2,251,766	3,169,376	-	3,169,376	2,251,766	3,169,376	-	
Local 264 (Blue Collar)	2,250,930	2,640,913	2,635,553	1,556,983	2,535,553	100,000	2,636,675	1,556,983	2,536,675	100,000	D
Local 409 (Engineers)	3,231,454	3,488,182	3,489,306	2,223,153	3,389,306	100,000	3,489,306	2,223,153	3,389,306	100,000	D
Exempt & Board Members	3,589,745	3,964,376	3,976,601	2,738,504	3,976,601	-	3,976,601	2,738,504	3,976,601	-	
Miscellaneous Items	320,803	358,045	358,045	352,189	358,045	-	358,045	352,189	358,045	-	
Overtime	1,676,226	1,570,290	1,594,587	1,253,476	1,614,587	(20,000)	1,594,587	1,253,476	1,614,587	(20,000)	H
Total Employee Compensation	297,113,086	299,758,712	302,932,590	198,614,781	298,452,590	4,480,000	302,933,711	198,614,781	298,453,711	4,480,000	
Employee Benefits:											
Civil Service Retirement	5,077,201	6,290,000	6,348,521	3,886,556	6,348,521	-	6,348,521	3,886,556	6,348,521	-	
Teachers Retirement	28,054,789	24,125,000	24,550,388	16,125,124	24,550,388	-	24,550,388	16,125,124	24,550,388	-	
Social Security	22,657,636	22,925,000	23,283,771	15,697,173	23,283,771	-	23,283,771	15,697,173	23,283,771	-	
Health Insurance - Employees	54,894,007	53,521,143	51,638,991	39,878,982	53,638,991	(2,000,000)	51,638,991	39,878,982	53,638,991	(2,000,000)	I
Health Insurance - Retirees	64,031,598	68,063,000	66,063,000	48,737,409	66,063,000	-	66,063,000	48,737,409	66,063,000	-	J
Termination Pay	2,532,382	4,350,000	4,350,000	517,869	4,350,000	-	4,350,000	517,869	4,350,000	-	
Other Benefits	10,178,301	12,770,500	13,045,301	9,043,773	13,045,301	-	13,045,475	9,043,948	13,045,475	-	
Total Employee Benefits	187,425,915	192,044,643	189,279,972	133,886,886	191,279,972	(2,000,000)	189,280,146	133,887,061	191,280,146	(2,000,000)	
<i>Continued on the Next Page</i>											

All projections are based on data available as of April 10, 2018 and are subject to change.

DETAILED ANALYSIS OF GENERAL FUND EXPENDITURES – CONTINUED

Expenditures	(GAAP Basis) Actual 2016-17	Current Year Only (Non-GAAP Basis)					Includes Carry Over Encumbrances (GAAP Basis)				
		Original Budget 2017-18	Modified Budget 2017-18	Actual to Date 03/31/18	Projected Total FYE 6/30/18*	Projected FYE 6/30/18 Under/(Over) Budget	Modified Budget 2017-18	Actual to Date 03/31/18	Projected Total FYE 6/30/18*	Projected FYE 6/30/18 Under/(Over) Budget	
		General Fund Continued									
Other:											
Transportation	46,398,814	48,470,098	48,501,423	26,527,408	48,501,423	-	48,518,276	26,538,438	48,518,276	-	
Utilities	7,968,046	9,372,319	9,369,819	5,073,743	9,369,819	-	9,437,199	5,093,814	9,437,199	-	
Tuition	32,697,634	33,369,960	33,367,460	17,114,571	33,367,460	-	33,381,076	17,128,187	33,381,076	-	
Contracts - Custodian	18,781,134	18,816,280	18,842,047	13,722,485	18,842,047	-	18,842,047	13,722,485	18,842,047	-	
Equipment	2,900,037	1,578,445	1,994,773	754,001	1,994,773	-	2,374,813	1,021,414	2,374,813	-	
Contracts - Miscellaneous	26,026,270	20,842,925	20,803,058	6,044,932	19,803,058	1,000,000	21,933,590	6,716,007	20,933,590	1,000,000	
Reserve For Contingency	-	6,360,000	5,688,175	-	1,888,175	3,800,000	5,688,175	-	1,888,175	3,800,000	
Rental Contracts - Facilities	2,640,716	2,795,374	2,795,374	2,055,778	2,795,374	-	2,795,374	2,055,778	2,795,374	-	
Rental Contracts - Equipment & Services	4,301,313	3,664,174	3,664,025	1,396,597	3,664,025	-	3,664,695	1,397,267	3,664,695	-	
Repairs & Maintenance & Related	2,817,593	3,819,370	3,849,938	1,479,649	3,849,938	-	4,171,730	1,720,843	4,171,730	-	
Textbooks	3,459,003	2,844,225	3,561,469	2,353,529	3,561,469	-	3,950,105	2,642,465	3,950,105	-	
Supplies & Misc. Related Items	6,663,233	7,186,925	7,377,874	4,074,448	7,377,874	-	7,801,337	4,365,595	7,801,337	-	
Software	2,882,140	2,554,859	2,950,312	1,388,695	2,950,312	-	3,165,182	1,636,415	3,165,182	-	
Charter Schools	106,377,849	123,825,000	122,325,000	98,925,800	120,325,000	2,000,000	122,325,000	98,925,800	120,325,000	2,000,000	
Debt Service	117,103,118	113,706,691	113,706,691	111,243,230	113,706,691	-	113,706,691	111,243,230	113,706,691	-	
Interfund	2,719,593	3,190,000	3,190,000	645,664	3,190,000	-	3,190,000	645,664	3,190,000	-	
Total Other	383,736,494	402,396,645	401,987,438	292,800,531	395,187,438	6,800,000	404,945,290	294,853,402	398,145,290	6,800,000	
Total General Fund Expenditures	\$ 868,275,495	\$ 894,200,000	\$ 894,200,000	\$ 625,302,198	\$ 884,920,000	\$ 9,280,000	\$ 897,159,147	\$ 627,355,244	\$ 887,879,147	\$ 9,280,000	
Difference to original budget							\$ 2,959,147	(Carryover encumbrances)			

All projections are based on data available as of April 10, 2018 and are subject to change.

DETAILED ANALYSIS OF GENERAL FUND EXPENDITURES – CONTINUED

D	Through March 2018, vacancies (in several bargaining units) and lower than average salaries (Teachers) have resulted in a projected budget savings in several bargaining units.
E	BTF other compensation includes sick leave replacement, which is projecting over budget offsetting the vacancies in the regular BTF line.
F	On February 14, 2018, the District and Substitute union ratified a new union contract, with expected costs of \$0.9 million in 2017-18. The District is working on several cost savings initiatives with respect to Substitute teachers that are expected to yield between \$0.5 million and \$0.8 million in savings based on utilization. The net impact, based on current projections, is for substitute costs to come in over budget, but very close to prior year.
G	The District and BCSA ratified a new contract on September 20, 2017. The budget has been modified to include the costs of the contract. The overall net cost to the general fund is budgeted at \$3.9 million. As of December 2017, total BCSA salaries are projecting \$0.7 million less than the modified budget.
H	Though nine months, overtime is projected to exceed budget, which at the present rate is estimated at approximately \$0.02 million. The largest variances are in Engineers due to vacancies (Cost Center 3D), Equipment Repair (Cost Center 3H), Service Center (Cost Center 3W) and Transportation (Cost Center 9A). The Plant department is investigating these now.
I	The Employee Health Insurance budget was reduced by \$2.0 million for a Board approved budget amendment as a goal for cost reductions in 2017-18. In addition, the impact of the ratified BCSA contract is expected to reduce the budget by \$0.3 million, while unbudgeted staff positions are increasing health insurance payments. As of the end of the third quarter, full year projections indicate that this line will overspend the revised budget by \$2.0 million.
J	Modified budget includes a \$2.0 million targeted reduction to retiree health insurance approved by the board. As of the third quarter, projections are matching this modified budget.
K	The District has reduced estimated Occupational and Physical Therapy contract costs by \$1.0 million under budget for 2017-18. This was a four year financial plan cost savings initiative.
L	<p>The reserve for contingency includes \$6.4 million adopted budget, plus \$4.5 million transferred in from the substitute teacher budget, active health insurance and retiree health insurance. \$3.9 million has been transferred out to fund the costs of the BCSA contract. Additionally, \$4.1 million was transferred out for unbudgeted requests (staff and non-staff), while \$1.3 million was transferred in for projected savings in teacher salaries due to a lower than expected average salaries and \$1.5 million was transferred in from charter school tuition due to a smaller increase than budgeted in the number of pupils attending charter schools through December 2017. These changes leave \$5.7 million in the account at March 31, 2017.</p> <p>Because we have anticipated an overspend in health insurance and substitutes, those amounts, \$2.0 million and \$1.8 million, respectively, have been deducted in the full year projection, assuming that it will be transferred out to cover those shortfalls in June.</p>
M	Through March, charter pupil counts have dropped, both from the original budget and from the projection made in the first and second quarter. This is a typical pattern; however, for the third year in a row, the drop in charter pupils is more pronounced than the prior year. As of March, there are approximately 8,700 actual pupils vs. 9,000 budgeted pupils.

DETAILED ANALYSIS OF SPECIAL REVENUE FUNDS JULY 1, 2017 THROUGH MARCH 31, 2018

	(GAAP Basis)				Projected Total FYE 6/30/18	Projected FYE 6/30/18 (Under)/Over Budget
	Actual 2016-17	Adopted Budget 2017-18	Modified Budget 2017-18	Actual to Date 03/31/18*		
All Funds:						
REVENUES:						
Total General Fund	847,619,810	894,200,000	894,200,000	676,012,327	890,738,741	(3,461,259)
Total Grants (17-18 Only)	115,532,761	120,028,990	154,105,735	45,005,435	154,105,735	-
Total Food Service Revenues	29,619,253	35,850,833	35,850,833	19,190,039	35,850,833	-
GRAND TOTAL REVENUES (All Funds)	\$ 992,771,824	\$ 1,050,079,823	\$ 1,084,156,568	\$ 740,207,801	\$ 1,080,695,309	\$ (3,461,259)

	(GAAP Basis)				Projected Total FYE 6/30/18	Projected FYE 6/30/18 Under/(Over) Budget
	Actual 2016-17	Adopted Budget 2017-18	Modified Budget 2017-18	Actual to Date 03/31/18*		
All Funds:						
EXPENDITURES:						
Total General Fund	868,275,495	894,200,000	897,159,147	627,355,244	887,879,147	9,280,000
Total Grants (17-18 Only) ***	115,532,761	120,028,990	154,105,735	74,084,800	154,105,735	-
Total Food Service Expenditures**	30,613,466	35,850,833	36,062,430	20,776,118	36,062,430	-
GRAND TOTAL EXPENDITURES (All Funds)	\$ 1,014,421,722	\$ 1,050,079,823	\$ 1,087,327,312	\$ 722,216,161	\$ 1,078,047,312	\$ 9,280,000

* As of April 10, 2018

** Excluding carry over encumbrances, expenditures to date were \$20,619,763

*** Large increase from Adopted to Modified Budget is mainly the result of three large grants: The new Community Schools Grant (\$13.3 million), Phase I of the Smart Schools Investment Plan (\$15.0 million), and Empire State Afterschool Program (\$1.4 million)

ORIGINAL TO MODIFIED BUDGET CHANGES GENERAL FUND EXPENDITURES THROUGH MARCH 31, 2018

Current Year Only (Non-GAAP Basis)								
Expenditures	Original Budget 2017-18	Board Budget Modification	BCSA Contract Net Costs	School Based Budget and Community School Alloc	Departmental Transfers	Transfers of Projected Budgetary Savings	Unbudgeted Requests	Modified Budget 2017-18
Employee Compensation:								
BTF (Teachers)	\$209,088,647			\$ (968,199)	\$ 1,665	\$ (2,612,500)	\$ 2,362,104	\$207,871,717
BTF (Teachers) - Other Compensation	9,234,201			45,292	(100,404)			9,179,089
Substitutes	6,665,635	(500,000)		13,440	18,440		-	6,197,515
BCSA (Administrators)	19,941,362		3,368,988	681,226	(79,107)		205,288	24,117,757
PCTEA (White Collar)	17,873,204			(5,000)	(12,627)		147,073	18,002,650
BEST (Teacher Aides)	10,246,653			(3,527)	(13,793)		506,808	10,736,141
BEST (Teaching Assistants)	6,004,594			7,160	13,565		65,700	6,091,019
TAB (Bus Aides)	5,513,234							5,513,234
Trades (Carpenters, Plumbers)	3,169,376							3,169,376
Local 264 (Blue Collar)	2,640,913				(1,000)			2,635,553
Local 409 (Engineers)	3,488,182			74,564	(73,440)			3,489,306
Exempt & Board Members	3,964,376				12,225		-	3,976,601
Miscellaneous Items	358,045		-					358,045
Overtime	1,570,290			58,569	(36,072)		1,800	1,594,587
Total Employee Compensation	299,758,712	(500,000)	3,368,988	(100,835)	(270,548)	(2,612,500)	3,288,773	302,932,590
Employee Benefits:								
Civil Service Retirement	6,290,000						58,521	6,348,521
Teachers Retirement	24,125,000		334,521				217,668	24,550,388
Social Security	22,925,000		252,358				198,797	23,283,771
Health Insurance - Employees	53,521,143	(2,000,000)	(254,533)				616,255	51,638,991
Health Insurance - Retirees	68,063,000	(2,000,000)						66,063,000
Termination Pay	4,350,000						-	4,350,000
Other Benefits	12,770,500		198,666		78		131,049	13,045,301
Total Employee Benefits	192,044,643	(4,000,000)	531,012	(518,051)	78		1,222,290	189,279,972
Other:								
Transportation	48,470,098			24,107	(17,973)		25,191	48,501,423
Utilities	9,372,319				(2,500)			9,369,819
Tuition	33,369,960				(2,500)		-	33,367,460
Contracts - Custodian	18,816,280				(13,233)			18,842,047
Equipment	1,578,445			501,482	(111,083)		25,929	1,994,773
Contracts - Miscellaneous	20,842,925			(9,059)	(40,170)		9,362	20,803,058
Reserve For Contingency	6,360,000	4,500,000	(3,900,000)			4,112,500	(5,384,325)	5,688,175
Rental Contracts - Facilities	2,795,374							2,795,374
Rental Contracts - Equipment & Services	3,664,174				(149)			3,664,025
Repairs & Maintenance & Related	3,819,370				4,555			3,849,938
Textbooks	2,844,225			16,141	20,050		681,053	3,561,469
Supplies & Misc. Related Items	7,186,925			24,575	34,647		131,727	7,377,874
Software	2,554,859			(3,373)	398,826			2,950,312
Charter Schools	123,825,000					(1,500,000)		122,325,000
Debt Service	113,706,691							113,706,691
Interfund	3,190,000							3,190,000
Total Other	402,396,645	4,500,000	(3,900,000)	618,886	270,470	2,612,500	(4,511,063)	401,987,438
Total General Fund Expenditures	\$894,200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$894,200,000

GENERAL FUND FOUR YEAR FIANCIAL PLAN UPDATE THROUGH MARCH 31, 2018

General Fund Summary of Major Revenue and Expenditure Categories
2013-14 to 2021-22 (Projected)
(in millions)

	PY4	PY3	PY2	PY1	Year 1	Year 2	Year 3	Year 4	Year 5	Orig Term	Next Term	\$ Growth	% Growth	Approx
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	4 Year	4 Year	Year 5 vs	% Growth	Annual
	GAAP Actual				Q3 Proj.	Plan Projections			New Year	Totals	Totals	Year 2	Year 2	Growth
Significant Revenue Categories:														
State Foundation Aid	440.5	449.4	465.0	494.3	511.1	525.9	541.7	557.9	574.6	2,136.6	2,200.1	48.8	9.3%	3.1%
State Building Aid	114.1	114.5	115.1	115.5	117.1	119.5	119.5	119.5	119.5	475.5	477.8	-	0.0%	0.0%
State Other Formula Aids	75.0	93.0	95.4	95.4	99.9	101.9	102.4	104.5	106.7	408.8	415.6	4.8	4.8%	1.6%
State Charter School Transition Aid & Supplemental Aid	7.8	4.4	5.5	7.4	9.3	17.4	19.3	19.1	17.7	65.1	73.5	0.3	3.7%	1.2%
Total State Aid	637.5	661.3	680.9	712.6	737.4	764.7	782.8	801.0	818.5	3,085.9	3,167.0	53.9	7.3%	2.4%
City Property Tax	70.3	70.3	70.3	70.3	70.8	70.8	70.8	70.8	70.8	283.3	283.3	-	0.0%	0.0%
County Sales Tax	40.1	40.2	42.4	43.4	43.4	44.5	45.2	45.8	46.5	178.9	182.0	2.0	4.7%	1.6%
Other (Medicaid & misc.)	16.1	15.8	19.1	21.3	17.1	17.4	17.6	17.8	18.0	69.9	70.7	0.5	3.1%	1.0%
Total Revenues	764.0	787.6	812.7	847.6	868.7	897.4	916.4	935.5	953.8	3,618.0	3,703.1	56.4	6.5%	2.2%
Significant Expenditure Categories:														
Compensation	245.0	246.9	252.4	297.1	298.5	312.3	315.4	318.5	321.9	1,244.7	1,268.0	9.6	3.2%	1.1%
Pension Contributions	35.5	41.1	33.0	33.1	30.9	33.2	34.0	34.1	34.3	132.2	135.6	1.0	3.4%	1.1%
Health Insurance - Employees	43.5	50.8	53.5	54.9	53.6	54.6	57.7	60.1	62.7	226.0	235.1	8.1	15.1%	5.0%
Health Insurance - Retirees	62.5	61.6	61.4	64.0	66.1	69.1	72.5	76.9	81.6	284.6	300.1	12.6	19.0%	6.3%
Other Employee Benefits	29.8	29.8	32.8	35.4	40.7	41.5	41.5	41.8	42.1	165.5	166.9	0.7	1.6%	0.5%
Transportation	40.2	40.2	45.2	46.4	48.5	51.4	52.7	54.0	55.4	206.6	213.5	4.0	8.2%	2.7%
Tuition (Agency, Out-of-District, Middle Early College, Davinci)	31.6	31.7	31.1	32.7	33.4	33.4	33.7	34.1	34.4	134.6	135.6	1.0	3.0%	1.0%
Charter School Tuition Payments	94.1	98.4	104.0	106.4	120.3	129.6	136.7	147.4	153.8	534.0	567.4	24.2	20.1%	6.7%
Debt Service	121.0	120.0	118.0	117.1	113.7	113.6	113.0	112.7	109.2	453.0	448.5	(4.4)	-3.9%	-1.3%
All Other (Contracts, Facilities, Utilities, Textbooks, Supplies, Misc.)	75.5	69.6	68.9	81.2	79.2	77.8	78.7	80.7	81.7	316.5	319.0	3.9	4.9%	1.6%
Total Expenditures	778.7	790.2	800.5	868.3	884.9	916.4	935.9	960.4	977.0	3,697.6	3,789.7	60.6	6.8%	2.3%
Baseline Deficit of Recurring Revenues and Expenditure	(14.6)	(2.7)	12.2	(20.7)	(16.2)	(19.0)	(19.5)	(24.9)	(23.2)	(79.6)	(86.6)			
Recommended Use of Reserves					22.0	19.0	10.0	(0.0)	-	51.0	29.0			
Revised Deficit (to be closed by means other than reserves)					5.8	0.0	(9.5)	(24.9)	(23.2)	(28.6)	(57.6)			
Projected Reserves Remaining at Year End - Unassigned				70.0	60.0	55.5	58.5	58.5	58.5					
Projected Reserves Remaining at Year End - All				182.6	166.4	147.4	137.4	137.4	137.4					

General Fund Summary of Major Revenue and Expenditure Categories
2012-13 to 2020-21 (Projected)
(in millions)

THIS IS THE ORIGINAL FOUR YEAR PLAN PROJECTIONS ADOPTED ON 6/20/2017

	PY4 2012/13	PY3 2013/14	PY2 2014/15	PY1 2015/16	CY 2016/17	Year 1 2017/18	Year 2 2018/19	Year 3 2019/20	Year 4 2020/21	4 Year Totals	\$ Growth Year 4 vs Year 1	% Growth Year 4 vs Year 1	Approx Annual Growth
	GAAP Actual				Proj.	Plan Projections							
Significant Revenue Categories:													
State Foundation Aid	435.4	440.5	449.4	465.0	494.3	510.9	526.2	542.0	558.3	2,137.4	47.4	9.3%	3.1%
State Building Aid	119.0	114.1	114.5	115.1	115.4	115.8	115.8	115.8	115.8	463.3	-	0.0%	0.0%
State Other Formula Aids	63.1	75.0	93.0	95.4	95.1	104.2	102.5	104.3	106.2	417.2	2.0	2.0%	0.7%
State Charter School Transition Aid & Supplemental Aid	8.2	7.8	4.4	5.5	7.4	11.2	19.9	21.2	22.8	75.2	11.6	104.1%	34.7%
Total State Aid	625.7	637.5	661.3	680.9	712.3	742.1	764.5	783.4	803.2	3,093.2	61.1	8.2%	2.7%
City Property Tax	70.3	70.3	70.3	70.3	70.3	70.8	70.8	70.8	70.8	283.3	-	0.0%	0.0%
County Sales Tax	37.3	40.1	40.2	42.4	42.3	42.4	43.0	43.7	44.3	173.5	1.9	4.6%	1.5%
Other (Medicaid & misc.)	19.2	16.1	15.8	19.1	16.9	16.9	17.1	17.2	17.4	68.5	0.5	3.0%	1.0%
Total Revenues	752.5	764.0	787.6	812.7	841.8	872.2	895.4	915.1	935.7	3,618.4	63.5	7.3%	2.4%
Significant Expenditure Categories:													
Compensation	238.5	245.0	246.9	252.4	303.1	300.0	309.8	312.0	315.4	1,237.3	15.5	5.2%	1.7%
Pension Contributions	29.9	35.5	41.1	33.0	33.4	30.4	31.5	31.1	30.7	123.7	0.3	1.0%	0.3%
Health Insurance - Employees	39.9	43.5	50.8	53.5	54.8	53.5	54.8	57.1	59.7	225.1	6.2	11.5%	3.8%
Health Insurance - Retirees	60.1	62.5	61.6	61.4	66.7	68.1	71.9	76.2	80.8	297.0	12.7	18.7%	6.2%
Other Employee Benefits	31.0	29.8	29.8	32.8	38.6	40.0	40.9	41.1	41.5	163.6	1.4	3.5%	1.2%
Transportation	40.3	40.2	40.2	45.2	48.0	48.5	49.5	50.4	51.5	199.9	3.0	6.1%	2.0%
Tuition (Agency, Out-of-District, Middle Early College, Davinci)	32.6	31.6	31.7	31.1	33.5	33.4	33.6	33.9	34.2	135.1	0.8	2.5%	0.8%
Charter School Tuition Payments	94.5	94.1	98.4	104.0	107.6	123.8	132.1	141.2	146.7	543.8	22.9	18.5%	6.2%
Debt Service	135.2	121.0	120.0	118.0	117.1	113.7	113.6	113.0	112.7	453.1	(1.0)	-0.9%	-0.3%
All Other (Contracts, Facilities, Utilities, Textbooks, Supplies, Misc.)	63.4	75.5	69.6	68.9	82.0	82.8	84.8	85.8	86.8	340.1	4.0	4.8%	1.6%
Total Expenditures	765.5	778.7	790.2	800.5	884.8	894.2	922.6	941.8	959.9	3,718.5	65.7	7.4%	2.5%
Baseline Deficit of Recurring Revenues and Expenditure	(12.9)	(14.6)	(2.7)	12.2	(43.0)	(22.0)	(27.2)	(26.7)	(24.2)	(100.1)			
Recommended Use of Reserves						22.0	16.0	8.0	-	46.0			
Revised Deficit (to be closed by means other than reserves)						0.0	(11.2)	(18.7)	(24.2)	(54.1)			
Projected Reserves Remaining at Year End - Unassigned					68.5	61.7	47.2	40.2	40.2				
Projected Reserves Remaining at Year End - All					164.4	142.4	126.4	118.4	118.4				

General Fund Summary of Major Revenue and Expenditure Categories
2012-13 to 2020-21 (Projected)
(in millions)

THIS IS THE VARIANCE BETWEEN THE ORIGINAL 6.20.17 PROJECTIONS AND THE REVISED PROJECTIONS AS OF 4.18.18

	PY5 2012/13	PY4 2013/14	PY3 2014/15	PY2 2015/16	PY1 2016/17	CY		Next Year		Orig Term 4 Year Totals
						Year 1 2017/18	Year 2 2018/19	Year 3 2019/20	Year 4 2020/21	
						GAAP Actual	Projected	Plan Projections		
Significant Revenue Categories:										
State Foundation Aid	-	-	-	-	-	0.2	(0.3)	(0.4)	(0.4)	(0.9)
State Building Aid	-	-	-	-	0.1	1.3	3.6	3.6	3.6	12.2
State Other Formula Aids	-	-	-	-	0.3	(4.3)	(0.6)	(1.9)	(1.7)	(8.4)
State Charter School Transition Aid & Supplemental Aid	-	-	-	-	-	(1.9)	(2.5)	(2.0)	(3.7)	(10.1)
Total State Aid	-	-	-	-	0.4	(4.7)	0.2	(0.6)	(2.1)	(7.2)
City Property Tax	-	-	-	-	0.0	-	-	-	-	-
County Sales Tax	-	-	-	-	1.1	1.0	1.5	1.5	1.5	5.5
Other (Medicaid & misc.)	-	-	-	-	4.3	0.2	0.4	0.4	0.4	1.3
Total Revenues	-	-	-	-	5.8	(3.5)	2.0	1.3	(0.2)	(0.4)
Significant Expenditure Categories:										
Compensation	-	-	-	-	(6.0)	(1.5)	2.4	3.4	3.0	7.4
Pension Contributions	-	-	-	-	(0.3)	0.5	1.7	2.9	3.4	8.5
Health Insurance - Employees	-	-	-	-	0.1	0.1	(0.2)	0.6	0.4	0.9
Health Insurance - Retirees	-	-	-	-	(2.7)	(2.0)	(2.9)	(3.7)	(3.9)	(12.4)
Other Employee Benefits	-	-	-	-	(3.2)	0.7	0.5	0.4	0.4	2.0
Transportation	-	-	-	-	(1.6)	0.0	2.0	2.3	2.6	6.8
Tuition (Agency, Out-of-District, Middle Early College, Davinci)	-	-	-	-	(0.8)	0.0	(0.2)	(0.1)	(0.2)	(0.5)
Charter School Tuition Payments	-	-	-	-	(1.2)	(3.5)	(2.5)	(4.5)	0.7	(9.8)
Debt Service	-	-	-	-	0.0	(0.0)	(0.0)	-	-	(0.0)
All Other (Contracts, Facilities, Utilities, Textbooks, Supplies, Misc.)	-	-	-	-	(0.8)	(3.6)	(7.0)	(7.0)	(6.0)	(23.6)
Total Expenditures	-	-	-	-	(16.5)	(9.3)	(6.2)	(5.9)	0.5	(20.9)
Baseline Deficit of Recurring Revenues and Expenditure	-	-	-	-	22.4	5.8	8.2	7.1	(0.7)	20.5
Recommended Use of Reserves	-	-	-	-	-	(0.0)	3.0	2.0	(0.0)	5.0
Revised Deficit (to be closed by means other than reserves)	-	-	-	-	-	5.8	11.2	9.1	(0.7)	25.5
Projected Reserves Remaining at Year End - Unassigned	-	-	-	-	1.5	(1.7)	8.3	18.3	18.3	
Projected Reserves Remaining at Year End - All	-	-	-	-	18.2	24.0	21.0	19.0	19.0	

**ANALYSIS OF GENERAL FUND REVENUES
BUDGET TO DATE COMPARED TO ACTUAL TO DATE
JULY 1, 2017 THROUGH MARCH 31, 2018**

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 2-8.

	2017-18 Adopted Budget	2017-18 Revised Budget	Budget to Date	Actual to Date	Variance
Total State Aid	742,095,935	742,095,935	587,224,515	584,798,402	(2,426,113)
Real Property Tax	70,822,758	70,822,758	55,733,583	55,733,583	-
Erie County Sales Tax	42,400,000	42,400,000	26,924,000	28,401,579	1,477,579
Federal Medicaid	2,600,000	2,600,000	1,870,000	2,436,494	566,494
Other (Tuition, Interfund, Misc)	14,281,307	14,281,307	4,272,371	4,642,269	369,898
Total State Aid and Other Revenues	872,200,000	872,200,000	676,024,469	676,012,327	(12,142)
Approp Fund Balance (Budgetary Only)	22,000,000	22,000,000	-	-	-
Total Revenues and Fund Balance	894,200,000	894,200,000	676,024,469	676,012,327	(12,142)

ANALYSIS OF GENERAL FUND EXPENDITURES BUDGET TO DATE COMPARED TO ACTUAL TO DATE JULY 1, 2017 THROUGH MARCH 31, 2018

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 pages 2-9 and 2-11.

EXPENDITURES:	GAAP BASIS			CURRENT YEAR ONLY BASIS		Variance
	Actual 2016-17	Adopted Budget 2017-18	Modified Budget 2017-18	Budget to date	Actual to date	
EMPLOYEE COMPENSATION:						
BTF (Teachers)	\$ 190,418,851	\$ 209,088,647	\$ 207,871,717	\$ 138,691,551	\$ 135,435,698	\$ 3,255,852
BTF (Teachers) - Other Compensation	30,953,372	9,234,201	9,179,089	7,400,529	6,810,666	589,862
Substitutes	7,922,255	6,665,635	6,197,515	4,657,972	4,836,678	(178,706)
BCSA (Administrators)	19,882,390	19,941,362	24,117,757	17,051,126	16,274,849	776,277
PCTEA (White Collar)	15,707,724	17,873,204	18,002,650	11,888,071	11,267,881	620,190
BEST (Teacher Aides)	7,538,564	10,246,653	10,736,141	6,649,069	6,315,157	333,912
BEST(Teaching Assistants)	5,885,890	6,004,594	6,091,019	4,096,668	4,178,802	(82,135)
TAB (Bus Aides)	4,719,378	5,513,234	5,513,234	3,385,708	3,118,977	266,731
Trades (Carpenters, Plumbers)	3,015,503	3,169,376	3,169,376	2,317,746	2,251,766	65,980
Local 264 (Blue Collar)	2,250,930	2,640,913	2,635,553	1,721,279	1,556,983	164,296
Local 409 (Engineers)	3,231,454	3,488,182	3,489,306	2,450,030	2,223,153	226,877
Exempt & Board Members	3,589,745	3,964,376	3,976,601	2,810,020	2,738,504	71,516
Miscellaneous Items	320,803	358,045	358,045	296,211	352,189	(55,978)
Overtime	1,676,226	1,570,290	1,594,587	1,381,528	1,253,476	128,052
TOTAL EMPLOYEE COMPENSATION	\$ 297,113,086	\$ 299,758,712	\$ 302,932,590	\$ 204,797,506	\$ 198,614,781	\$ 6,182,725
EMPLOYEE BENEFITS:						
Civil Service Retirement	5,077,201	6,290,000	6,348,521	3,573,135	3,886,556	(313,421)
Teachers Retirement	28,054,789	24,125,000	24,550,388	17,067,946	16,125,124	942,822
Social Security	22,657,636	22,925,000	23,283,771	15,953,506	15,697,173	256,333
Health Insurance - Employees	54,894,007	53,521,143	51,638,991	38,305,755	39,878,982	(1,573,227)
Health Insurance - Retirees	64,031,598	68,063,000	66,063,000	50,047,250	48,737,409	1,309,841
Termination Pay	2,532,382	4,350,000	4,350,000	1,331,336	517,869	813,467
Other Benefits	10,178,301	12,770,500	13,045,301	10,232,084	9,043,773	1,188,311
TOTAL EMPLOYEE BENEFITS	\$ 187,425,915	\$ 192,044,643	\$ 189,279,972	\$ 136,511,012	\$ 133,886,886	\$ 2,624,125
OTHER:						
Transportation	46,398,814	48,470,098	48,501,423	34,018,954	26,527,408	7,491,546
Utilities	7,968,046	9,372,319	9,369,819	5,371,191	5,073,743	297,448
Tuition	32,697,634	33,369,960	33,367,460	17,386,802	17,114,571	272,231
Contracts - Custodian	18,781,134	18,816,280	18,842,047	14,099,857	13,722,485	377,372
Equipment	2,900,037	1,578,445	1,994,773	954,835	754,001	200,834
Contracts - Misc. & Contingency	26,026,270	20,842,925	20,803,058	9,431,586	6,044,932	3,386,654
Reserve For Contingency	-	6,360,000	5,688,175	-	-	-
Rental Contracts - Facilities	2,640,716	2,795,374	2,795,374	2,166,532	2,055,778	110,754
Rental Contracts - Equipment & Services	4,301,313	3,664,174	3,664,025	1,407,503	1,396,597	10,906
Repairs & Maintenance & Related	2,817,593	3,819,370	3,849,938	2,237,820	1,479,649	758,171
Textbooks	3,459,003	2,844,225	3,561,469	2,493,344	2,353,529	139,815
Supplies & Misc. Related Items	6,663,233	7,186,925	7,377,874	4,869,957	4,074,448	795,509
Software	2,882,140	2,554,859	2,950,312	1,773,283	1,388,695	384,588
Charter Schools	106,377,849	123,825,000	122,325,000	100,511,250	98,925,800	1,585,450
Debt Service	117,103,118	113,706,691	113,706,691	111,357,091	111,243,230	113,861
Interfund	2,719,593	3,190,000	3,190,000	580,000	645,664	(65,664)
TOTAL GENERAL FUND	\$ 868,275,495	\$ 894,200,000	\$ 894,200,000	\$ 649,968,522	\$ 625,302,198	\$ 24,666,324

**BUFFALO CITY SCHOOL DISTRICT
EMPLOYMENT LEVELS IN ALL FUNDS
2017-2018**

TYPE OF POSITION	UNION	ORIGINAL BUDGET 2017-18	REVISED BUDGET 2017-18	POSITIONS FILLED AS OF THIRD QUARTER**	FAVORABLE (UNFAVORABLE) VARIANCE
TEACHERS	BTF	3,652.08	3,719.72	3,617.00	102.72
ADMINISTRATORS	BCSA	249.55	271.89	251.00	20.89
CIVIL SERVICE EMPLOYEES	PCTEA	484.00	490.89	439.00	51.89
TEACHING ASSISTANTS	BEST	420.57	428.19	417.00	11.19
TEACHER AIDES	BEST	495.50	520.50	470.00	50.50
TRADESMEN		33.00	33.00	32.00	1.00
BLUE COLLAR	LOCAL 264	98.00	98.00	82.00	16.00
CUSTODIAL ENGINEERS	LOCAL 409	59.00	59.00	54.00	5.00
EXEMPT & BOARD MEMBERS		43.00	44.00	41.00	3.00
TAB		1.00	1.00	1.00	0.00
TOTAL Full Time Equivalent (FTE) *		5,535.70	5,666.19	5,404.00	262.19

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

**Per FTE Summary dated April 3, 2018.

**BUFFALO CITY SCHOOL DISTRICT
EMPLOYMENT LEVELS IN GENERAL FUND
2017-2018**

TYPE OF POSITION	UNION	ORIGINAL BUDGET 2017-18	REVISED BUDGET 2017-18	POSITIONS FILLED AS OF THIRD QUARTER**	FAVORABLE (UNFAVORABLE) VARIANCE
TEACHERS	BTF	3173.94	3176.58	3102.07	74.51
ADMINISTRATORS	BCSA	206.78	220.09	205.99	14.10
CIVIL SERVICE EMPLOYEES	PCTEA	377.75	380.75	339.80	40.95
TEACHING ASSISTANTS	BEST	268.85	271.30	263.32	7.98
TEACHER AIDES	BEST	492.50	516.50	466.00	50.50
TRADESMEN		33.00	33.00	32.00	1.00
BLUE COLLAR	LOCAL 264	68.00	68.00	55.00	13.00
CUSTODIAL ENGINEERS	LOCAL 409	58.00	58.00	53.00	5.00
EXEMPT & BOARD MEMBERS		41.45	42.45	39.45	3.00
TAB		1.00	1.00	1.00	0.00
TOTAL Full Time Equivalent (FTE)*		4721.27	4767.67	4557.63	210.04

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

**Per FTE Summary dated April 3, 2018.

BUFFALO CITY SCHOOL DISTRICT EMPLOYMENT LEVELS IN GRANTS 2017-2018

TYPE OF POSITION	UNION	ORIGINAL BUDGET 2017-18	REVISED BUDGET 2016-17	POSITIONS FILLED AS OF THIRD QUARTER**	FAVORABLE (UNFAVORABLE) VARIANCE
TEACHERS	BTF	478.14	543.14	514.93	28.21
ADMINISTRATORS	BCSA	42.77	51.80	45.01	6.79
CIVIL SERVICE EMPLOYEES	PCTEA	92.25	96.14	86.20	9.94
TEACHING ASSISTANTS	BEST	150.72	155.89	152.68	3.21
TEACHER AIDES	BEST	0.00	1.00	1.00	0.00
CUSTODIAL ENGINEERS	LOCAL 409	1.00	1.00	1.00	0.00
EXEMPT & BOARD MEMBERS		1.55	1.55	1.55	0.00
TOTAL Full Time Equivalent (FTE) *		766.43	850.52	802.37	48.15

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

**Per FTE Summary dated April 3, 2018.

**BUFFALO CITY SCHOOL DISTRICT
EMPLOYMENT LEVELS IN FOOD SERVICE
2017-2018**

TYPE OF POSITION	UNION	ORIGINAL BUDGET 2017-18	REVISED BUDGET 2017-18	POSITIONS FILLED AS OF THIRD QUARTER**	FAVORABLE (UNFAVORABLE) VARIANCE
CIVIL SERVICE EMPLOYEES	PCTEA	14.00	14.00	13.00	1.00
TEACHING ASSISTANTS	BEST	1.00	1.00	1.00	0.00
TEACHER AIDES	BEST	3.00	3.00	3.00	0.00
BLUE COLLAR	LOCAL 264	30.00	30.00	27.00	3.00
TOTAL Full Time Equivalent (FTE) *		48.00	48.00	44.00	4.00

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

** Per FTE Summary dated April 3, 2018

SECTION II

QUARTERLY STATEMENT OF CASH FLOWS

BUFFALO CITY SCHOOL DISTRICT CASH FLOW ANALYSIS NARRATIVE JULY 1, 2017 – MARCH 31, 2018

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 \$18.0 million. The total receipts anticipated were unfavorable by \$4.3 million, while expenditures were \$22.3 million less than originally projected.

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 \$11.9 million less than the projected payments expected from the State, mainly due to projected revenues being lower than the original budget, timing, and higher than anticipated lottery aid allocation, which reduces basic formula aid.

Lottery Aid

This is also part of the General Fund Revenue from the State of New York for formula driven aids.

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 \$0.7 million more than the original projection.

Property Taxes

This pertains to the District's allocation of Property Taxes.

Property Tax receipts were slightly above projections, coming in \$0.3 million above plan.

Erie County Sales Tax

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

Sales Tax receipts were above projections, coming in \$1.7 million above plan through March 2018.

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 \$6.3 million is largely due to the timing of cash receipts for special projects, and secondarily Medicaid receipts which are also over budget.

Other

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

The timing of these miscellaneous items are difficult to predict and were \$1.4 million less than projected.

CASH DISBURSEMENTS:

Total actual cash disbursements through March 31, 2018 were less than originally projected by \$22.3 million. This is attributed to lower than budgeted salaries as well as lower disbursements for current year and prior year services and supplies, including the Charter School tuition payments to date.

Salary and FICA 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 \$6.6 million due to lower than budgeted salaries and benefits paid out through March 2018.

Termination Pay

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

This category was favorable by \$2.3 million as there were fewer retirements than anticipated.

PY Accounts Payable

This represents cash disbursements in 2017-18 for 2016-17 invoices. This category was favorable by \$5.7 million as this cash flow item was over budgeted. Additionally, there are expenditures accrued for as of June 30, 2017 that have not been paid as of the end of the third quarter.

Services and Supplies

This category was favorable by \$3.4 million largely due to the timing of vendor payments as well as lower disbursements for Transportation made through March 2018.

Charter Schools

This category was favorable by \$4.3 million largely due to slightly lower student counts as well as the timing of payments.

QUARTERLY CASH FLOW STATEMENT
For the Period July 1, 2017 – March 31, 2018
(in thousands)

	Original Projection YTD Q3	Total YTD Q3	Variance to Projection	Revised* Projection FYE 2017-18
BEGINNING CASH & INVESTMENTS	\$235,904	\$235,904	\$0	\$235,904
CASH RECEIPTS:				
Basic Formula Aid	400,615	388,750	(11,865)	491,308
Lottery Aid Advance	71,437	72,149	712	91,755
Property Taxes ^(Less Capital Debt)	45,018	45,270	252	60,360
Erie County Sales Tax	31,400	33,142	1,742	44,142
Miscellaneous - State and Federal Aid:	106,475	112,788	6,313	150,679
Other	18,450	17,037	(1,413)	18,637
TOTAL CASH RECEIPTS	673,395	669,136	(4,259)	856,881
CASH DISBURSEMENTS:				
Salary & FICA - Regular	283,700	277,123	6,577	402,033
Termination Pay	3,860	1,532	2,328	3,589
PY Accounts Payable	54,972	49,254	5,718	49,476
Services & Supplies - Regular	243,800	240,447	3,353	342,884
Charter Schools	103,250	98,925	4,325	118,925
TOTAL CASH DISBURSEMENTS	689,582	667,281	22,301	916,907
Net Increase / (Decrease) in Cash	(16,187)	1,855	18,042	(60,026)
ENDING CASH & INVESTMENTS	\$219,717	\$237,759	\$18,042	\$175,878

* As of April 20, 2018