



BUFFALO PUBLIC SCHOOLS

Finance Department

City Hall, Room #708
Buffalo, New York 14202
Phone (716) 816-3676

April 26, 2017

Jeanette M. Robe, CPA
Executive Director
Buffalo Fiscal Stability Authority
Market Arcade Building
617 Main Street, Suite 400
Buffalo, NY 14203

RE: The District's Four Year Financial Plan

Dear Jeanette:

The District acknowledges receipt of the letter from the Buffalo Fiscal Stability Authority (BFSA) on February 16, 2017 that references the BFSA resolution adopted by on February 6, 2017, requesting additional documentation with the submission of the annual four year plan for the years 2017/18 through 2020/21.

At the April 19th Board meeting, in conjunction with a discussion of the District's 2017/18 budget, the projections of revenues and expenditures for the 2017/18 to 2020/21 period were presented and discussed. The Superintendent proposed to the Board that in the light of a 2017/18 general fund budget deficit of \$10.2 million as of April 19th, it would be necessary to delay submission of the response to the February 16, 2017 letter until such time as the 2017/18 budget is adopted and District staff are able to devote the considerable time necessary to complete a plan that meets the requirements of the resolution and that also meets the needs of the District as a long-term fiscal planning tool. The Superintendent informed the Board that June 30, 2017 would be a sufficient deadline to submit the plan to the Board for formal approval prior to submission to the BFSA. The Board took no formal action on April 19th.

Through this letter, the District is providing the 2017/18 to 2020/21 revenue and expenditure projections as of April 19, 2017, along with the assumptions used. The deficit closing plan, along with any updates in the revenue and expenditure projections requested in the February 6, 2017 resolution will be submitted to the BFSA no later than June 30, 2017.

Sincerely,

Geoffrey F Pritchard
Chief Financial Officer

**Draft General Fund Summary of Major Revenue and Expenditure Categories
2017-18 to 2020-21 (Projected)
(in millions)**

	2017-18	2018-19	2019-20	2020-21	4 Year Totals	Four Year Δ \$ (18 to 21)	Four Year Δ % (18 to 21)	Com-pounded Annual Growth
Significant Revenue Categories:								
State Foundation Aid	\$510.9	\$526.2	\$542.0	\$558.3	\$2,184.8	\$47.4	9.3%	3.0%
State Building Aid	115.8	115.8	115.8	115.8	463.2	0.0	0.0%	0.0%
State Other Formula Aids	104.2	105.8	107.7	109.6	432.7	5.4	5.2%	1.7%
State Charter School Transition Aid & Supplemental Aid	11.2	19.9	21.2	22.8	86.7	11.6	103.6%	26.5%
Total State Aid	742.1	767.7	786.7	806.5	3,167.4	64.4	8.7%	2.8%
City Property Tax	70.3	70.3	70.3	70.3	281.2	0.0	0.0%	0.0%
County Sales Tax	42.4	43.0	43.7	44.3	173.4	1.9	4.5%	1.5%
Other (Medicaid & misc.)	16.9	17.1	17.3	17.5	69.4	0.6	3.6%	1.0%
Total Revenues	\$871.7	\$898.1	\$918.0	\$938.6	\$3,691.4	\$66.9	7.7%	2.5%
Significant Expenditure Categories:								
Compensation	\$307.0	\$317.7	\$317.9	\$316.9	\$1,269.4	\$9.9	3.2%	1.1%
Pension Contributions	30.7	30.6	29.8	29.0	118.4	(1.7)	(5.5%)	(1.8%)
Health Insurance - Employees	53.9	55.8	58.2	60.8	235.6	6.9	12.8%	4.1%
Health Insurance - Retirees	68.6	71.9	76.2	80.7	309.5	12.1	17.6%	5.6%
Other Employee Benefits	40.5	41.9	41.9	41.8	167.4	1.3	3.2%	0.9%
Transportation	52.3	53.4	54.4	55.5	215.6	3.2	6.1%	2.0%
Tuition (Agency, Out-of-District, Middle Early College, Davinci)	33.9	33.8	34.1	34.4	136.2	0.5	1.5%	0.7%
Charter School Tuition Payments	123.9	132.2	141.2	146.8	567.0	22.9	18.5%	5.8%
Debt Service	113.7	113.6	113.0	112.7	452.0	(1.0)	(0.9%)	(0.3%)
All Other (Contracts, Facilities, Utilities, Textbooks, Supplies, Misc.)	79.4	80.2	80.7	81.3	323.5	1.9	2.4%	0.7%
Total Expenditures	\$903.9	\$931.1	\$947.4	\$959.9	\$3,794.6	\$56.0	6.2%	2.0%
Baseline Deficit of Recurring Revenues and Expenditure	(\$32.2)	(\$33.0)	(\$29.4)	(\$21.3)	(\$115.9)			
Recommended Use of Reserves	22.0	13.8	7.3	0.0	\$43.1			
Revised Deficit (to be closed by means other than reserves)	(\$10.2)	(\$19.2)	(\$22.1)	(\$21.3)	(\$72.8)			
Projected Reserves Remaining at Year End - Unassigned	56.4	44.1	38.8	38.8				
Projected Reserves Remaining at Year End - All	137.1	123.3	117.0	117.0				

**Buffalo City School District
Projected Deficits**

General Fund

	Projected 2017-18	Variance	Projected 2018-19	Variance	Projected 2019-20	Variance	Projected 2020-21	4 yrs cumulative
Revenues	893,677,177	18,301,415	911,978,592	13,248,178	925,226,770	13,381,449	938,608,219	
Expenditures	903,914,828	(27,200,168)	931,114,996	(16,265,801)	947,380,797	(12,551,924)	959,932,721	
Budgetary surplus (deficit) after planned use of reserves	(10,237,651)	(8,898,753)	(19,136,404)	(3,017,623)	(22,154,027)	829,525	(21,324,502)	(72,852,584)
Appropriated Reserves - Unassigned	6,802,000		12,324,267		6,258,488		-	25,384,755
Appropriated Reserves - Assigned	15,198,000		1,500,000		1,000,000		-	17,698,000
Surplus (deficit) before use of reserves	(32,237,651)		(32,960,671)		(29,412,515)		(21,324,502)	(115,935,339)

Food Service Fund

	Projected 2017-18	Variance	Projected 2018-19	Variance	Projected 2019-20	Variance	Projected 2020-21	4 yrs cumulative
Revenues	35,779,669	(2,102,336)	33,677,333	803,963	34,481,296	829,464	35,310,760	
Expenditures	35,779,669	2,102,336	33,677,333	(803,963)	34,481,296	(829,464)	35,310,760	
Budgetary surplus (deficit) after planned use of reserves	-	-	-	-	-	-	-	-
Appropriated Reserves - Unassigned	3,987,606		1,275,618		1,457,735		1,652,916	8,373,875
Appropriated Reserves - Assigned	(3,987,606)		(1,275,618)		(1,457,735)		(1,652,916)	(8,373,875)

The Special Projects Fund is projected to break even annually

**Buffalo City School District
Revenues**

	Actual 2015-16	Adopted Budget 2016-17	Modified Budget 2016-17	Projected as of 12/31/16 2016-17	Draft Budget 4/19/17 2017-18	Projected Budgets See assumptions on subsequent pages		
						2018-19	2019-20	2020-21
General Fund:								
Real Property Tax (Includes STAR)	\$ 70,322,758	\$ 70,322,758	\$ 70,322,758	\$ 70,322,758	\$ 70,322,758	\$ 70,322,758	\$ 70,322,758	\$ 70,322,758
Erie County Sales Tax	42,362,699	42,000,000	42,000,000	42,100,000	42,400,000	43,036,000	43,681,540	44,336,763
Medicaid Reimbursement (Federal)	1,822,326	2,500,000	2,500,000	2,700,000	2,600,000	2,626,000	2,652,260	2,678,783
State Aid:								
Foundation Aid	464,962,792	494,715,428	494,715,428	494,327,488	510,904,788	526,231,932	542,018,890	558,279,457
Building Aid	115,058,749	115,897,887	115,897,887	115,374,628	115,829,339	115,829,339	115,829,339	115,829,339
Charter School Transitional Aid	3,573,558	4,420,619	4,420,619	4,677,603	7,290,415	10,934,604	11,768,296	12,868,800
Other Formula Aids	92,289,799	93,398,724	93,398,724	92,105,221	100,771,393	101,779,107	102,796,898	103,824,867
Supplemental Charter Tuition Reimbursement	1,894,710	2,781,100	2,781,100	2,768,818	3,900,000	9,000,000	9,460,000	9,966,000
Incremental Aid For Transportation	-	-	-	-	-	3,593,516	4,493,221	5,410,921
Other State Aid/Fed (FEMA)	3,217,113	3,000,000	3,000,000	3,000,000	3,400,000	400,000	400,000	400,000
Gap Elimination Adjustment	(86,989)	-	-	-	-	-	-	-
Total State Aid	\$ 680,909,732	\$ 714,213,758	\$ 714,213,758	\$ 712,253,758	\$ 742,095,935	\$ 767,768,498	\$ 786,766,644	\$ 806,579,384
Other:								
Other (Tuition, Interest, Misc, Interfund)	\$ 17,304,891	\$ 14,033,484	\$ 14,033,484	\$ 14,033,484	\$ 14,258,484	\$ 14,401,069	\$ 14,545,080	\$ 14,690,531
Appropriated Fund Balance - Unassigned (Budgetary Only)		9,630,000	9,630,000	9,630,000	6,802,000	12,324,267	6,258,488	-
Appropriated Fund Balance - Prior Year Claims (Budgetary Only)		-	40,500,000	40,500,000	14,198,000	-	-	-
Appropriated Fund Balance - Capital Contribution (Budgetary Only)		200,000	200,000	200,000	1,000,000	1,500,000	1,000,000	-
Total General Fund	\$ 812,722,406	\$ 852,900,000	\$ 893,400,000	\$ 891,740,000	\$ 893,677,177	\$ 911,978,592	\$ 925,226,770	\$ 938,608,219
Special Projects Fund:								
Categorical Grants:	\$ 12,759,425	\$ 12,759,425	\$ 12,759,425	\$ 12,759,425	\$ 13,974,542	\$ 13,974,542	\$ 13,974,542	\$ 13,974,542
Total Other Grants:	105,015,631	100,940,805	114,236,364	114,236,364	106,054,448	106,054,448	106,054,448	106,054,448
Total Special Projects Fund	\$ 117,775,056	\$ 113,700,230	\$ 126,995,789	\$ 126,995,789	\$ 120,028,990	\$ 120,028,990	\$ 120,028,990	\$ 120,028,990
Food Service Funds:								
State And Federal Aid	\$ 25,109,722	\$ 26,269,741	\$ 26,269,741	\$ 26,269,741	\$ 27,088,565	\$ 27,630,336	\$ 28,182,943	\$ 28,746,602
Federal Aid - Surplus Food	1,714,148	1,518,000	1,518,000	1,518,000	1,918,000	1,956,360	1,995,487	2,035,397
Federal Aid - Summer Food Program	1,204,459	1,483,720	1,483,720	1,483,720	1,476,074	1,505,595	1,535,707	1,566,421
Total State And Federal Aid	28,028,329	29,271,461	29,271,461	29,271,461	30,482,639	31,092,291	31,714,137	32,348,420
Food Sales	703,775	665,000	665,000	665,000	705,000	705,000	705,000	705,000
Interfund Transfers	239,701	548,476	548,476	548,476	540,924	540,924	540,924	540,924
Miscellaneous	57,655	63,500	63,500	63,500	63,500	63,500	63,500	63,500
Fund Balance (Budgetary Only)		9,222,498	9,222,498	9,222,498	3,987,606	1,275,618	1,457,735	1,652,916
Total Food Service Revenues	\$ 29,029,460	\$ 39,770,935	\$ 39,770,935	\$ 39,770,935	\$ 35,779,669	\$ 33,677,333	\$ 34,481,296	\$ 35,310,760
Grand Total - Revenues	\$ 959,526,922	\$ 1,006,371,165	\$ 1,060,166,724	\$ 1,058,506,724	\$ 1,049,485,836	\$ 1,065,684,915	\$ 1,079,737,056	\$ 1,093,947,969

**Buffalo City School District
Expenditures**

	Actual GAAP Basis 2015-16	Adopted Budget 2016-17	Modified Budget 2016-17	Projected as of 12/31/16 2016-17	Draft Budget 4/19/2017 2017-18	Projected Budgets See assumptions on subsequent pages			
						2018-19	2019-20	2020-21	
General Fund:									
Employee compensation:									
BTF (teachers)	\$ 170,426,053	\$ 178,423,480	\$ 192,053,050	\$ 192,053,050	\$ 210,573,647	\$ 219,704,611	\$ 218,592,700	\$ 216,266,541	
<i>employee totals</i>	<i>2,988.1</i>	<i>3,087.9</i>	<i>3,182.2</i>	<i>3,049.0</i>	<i>3,189.0</i>	<i>3,184.0</i>	<i>3,151.0</i>	<i>3,135.0</i>	
BTF other compensation	9,499,889	8,823,300	31,706,788	31,706,788	9,314,791	9,733,957	9,879,966	10,028,165	
Substitutes	7,547,662	6,663,078	6,706,090	8,206,090	6,674,918	6,674,918	6,674,918	6,674,918	
BCSA (administrators)	18,656,715	19,220,037	20,550,785	20,550,785	20,181,670	20,484,395	20,791,661	21,103,536	
<i>employee totals</i>	<i>199.7</i>	<i>206.0</i>	<i>215.0</i>	<i>201.7</i>	<i>207.7</i>	<i>207.7</i>	<i>207.7</i>	<i>207.7</i>	
PCTEA (white collar)	15,470,882	17,648,196	17,628,936	17,078,936	17,873,204	17,873,204	17,873,204	17,873,204	
<i>employee totals</i>	<i>344.4</i>	<i>377.1</i>	<i>375.1</i>	<i>327.2</i>	<i>377.8</i>	<i>377.8</i>	<i>377.8</i>	<i>377.8</i>	
BEST (teacher aides - non certified)	6,658,452	6,966,985	8,995,576	8,495,576	10,302,315	10,302,315	10,302,315	10,302,315	
<i>employee totals</i>	<i>286.2</i>	<i>345.0</i>	<i>447.9</i>	<i>443.0</i>	<i>498.5</i>	<i>498.5</i>	<i>498.5</i>	<i>498.5</i>	
BEST (teaching assistants - certified)	5,971,702	8,241,079	6,803,786	6,503,786	5,927,887	5,927,887	5,927,887	5,927,887	
<i>employee totals</i>	<i>399.0</i>	<i>392.9</i>	<i>308.0</i>	<i>291.3</i>	<i>265.0</i>	<i>265.0</i>	<i>265.0</i>	<i>265.0</i>	
TAB (bus aides) (hourly)	4,479,854	5,292,095	5,320,795	5,320,795	5,749,834	5,749,834	5,749,834	5,749,834	
TRADES (carpenters, plumbers)	2,739,407	3,109,843	3,059,843	2,984,843	3,169,376	3,264,457	3,362,391	3,463,263	
<i>employee totals</i>	<i>29.0</i>	<i>33.0</i>	<i>33.0</i>	<i>28.0</i>	<i>33.0</i>	<i>33.0</i>	<i>33.0</i>	<i>33.0</i>	
Local 264 (blue collar)	2,503,237	2,700,059	2,677,680	2,587,680	2,634,578	2,634,578	2,634,578	2,634,578	
<i>employee totals</i>	<i>59.0</i>	<i>71.0</i>	<i>69.0</i>	<i>58.0</i>	<i>68.0</i>	<i>68.0</i>	<i>68.0</i>	<i>68.0</i>	
Local 409 (engineers)	3,269,230	3,421,306	3,674,426	3,594,426	3,657,726	3,657,726	3,657,726	3,657,726	
<i>employee totals</i>	<i>56.0</i>	<i>58.0</i>	<i>58.0</i>	<i>55.0</i>	<i>58.0</i>	<i>58.0</i>	<i>58.0</i>	<i>58.0</i>	
Board members (9) and exempt	2,810,939	3,641,250	3,711,250	3,636,250	3,964,376	3,964,376	3,964,376	3,964,376	
<i>employee totals</i>	<i>34.7</i>	<i>37.5</i>	<i>38.5</i>	<i>33.5</i>	<i>41.5</i>	<i>41.5</i>	<i>41.5</i>	<i>41.5</i>	
Miscellaneous items & projected contract settlements	466,693	398,036	383,811	383,811	5,358,045	6,108,045	6,858,045	7,608,045	
Overtime	1,943,771	937,979	1,364,170	1,764,170	1,652,028	1,652,028	1,652,028	1,652,028	
<i>employees - grand totals</i>	<i>4,396.1</i>	<i>4,608.4</i>	<i>4,726.7</i>	<i>4,486.7</i>	<i>4,738.5</i>	<i>4,733.5</i>	<i>4,700.5</i>	<i>4,684.5</i>	
Total employee compensation	\$ 252,444,486	\$ 265,486,723	\$ 304,636,986	\$ 304,866,986	\$ 307,034,395	\$ 317,732,331	\$ 317,921,629	\$ 316,906,416	
Employee benefits:									
Civil service retirement	\$ 5,738,815	\$ 5,810,000	\$ 5,848,750	\$ 5,848,750	\$ 6,270,000	\$ 6,320,208	\$ 5,899,208	\$ 5,476,594	
Teachers retirement	27,291,956	26,000,000	27,611,120	27,611,120	24,430,000	24,242,527	23,929,375	23,502,833	
Social security	19,306,590	20,364,973	22,804,937	22,804,937	23,200,000	24,350,023	24,364,505	24,286,841	
Health insurance - employees	53,513,220	59,258,388	54,808,740	54,308,740	53,912,777	55,791,009	58,151,451	60,821,105	
Health insurance - retirees	61,433,960	70,726,000	70,726,000	68,726,000	68,563,000	71,884,372	76,186,942	80,746,452	
Termination pay	4,014,233	3,960,000	3,960,000	3,960,000	4,350,000	4,350,000	4,350,000	4,350,000	
Other benefits	9,496,515	12,324,500	12,765,737	12,215,737	12,905,500	13,172,500	13,152,700	13,143,100	
Total employee benefits	\$ 180,795,289	\$ 198,443,861	\$ 198,525,284	\$ 195,475,284	\$ 193,631,277	\$ 200,110,639	\$ 206,034,181	\$ 212,326,925	
Other:									
Transportation	\$ 45,216,889	\$ 47,987,836	\$ 48,129,960	\$ 48,129,960	\$ 52,308,467	\$ 53,354,636	\$ 54,421,729	\$ 55,510,164	
Utilities	6,848,481	8,709,845	8,575,525	8,575,525	9,372,319	9,559,765	9,750,960	9,945,979	
Tuition	31,124,345	33,573,960	33,573,960	32,798,960	33,569,960	33,820,660	34,073,867	34,414,606	
Contracts - custodian	18,109,188	18,794,701	18,854,211	18,854,211	18,816,280	18,816,280	18,816,280	18,816,280	
Equipment	1,737,906	3,066,096	3,426,650	3,426,650	1,574,693	1,574,693	1,574,693	1,574,693	
Contracts, insurance, miscellaneous	15,962,924	16,604,644	19,078,816	18,328,816	20,328,216	20,328,216	20,328,216	20,328,216	
Reserve for contingency	0	9,212,271	5,980,037	3,080,037	3,000,000	2,000,000	1,000,000	1,000,000	
Rental contracts (equip, facil, cmprtrs)	7,816,455	6,969,257	6,974,257	6,974,257	6,461,348	7,558,268	8,671,642	8,786,717	
Repairs & maintenance & related	2,132,053	2,454,196	2,482,196	2,482,196	3,819,370	3,876,661	3,934,811	3,993,833	
Textbooks	2,291,025	3,003,893	3,372,202	3,372,202	3,456,578	3,491,144	3,526,055	3,561,316	
Supplies & misc related items	8,480,495	8,627,186	9,824,385	9,824,385	9,760,234	9,857,836	9,956,414	10,055,978	
Charter school payments	103,970,846	109,561,554	109,561,554	108,961,554	123,885,000	132,200,000	141,200,000	146,800,000	
Debt service	117,997,871	117,128,977	117,128,977	117,128,977	113,706,691	113,643,867	112,980,320	112,721,598	
Interfund (not debt related)	5,552,819	3,275,000	3,275,000	3,275,000	3,190,000	3,190,000	3,190,000	3,190,000	
total general fund	\$ 800,481,072	\$ 852,900,000	\$ 893,400,000	\$ 885,555,000	\$ 903,914,828	\$ 931,114,996	\$ 947,380,797	\$ 959,932,721	

**Buffalo City School District
Expenditures**

	Actual GAAP Basis 2015-16	Adopted Budget 2016-17	Modified Budget 2016-17	Projected as of 12/31/16 2016-17	Draft Budget 4/19/2017 2017-18	Projected Budgets See assumptions on subsequent pages		
						2018-19	2019-20	2020-21

Special Projects Fund:

Categorical grants	\$ 12,759,425	\$ 12,759,425	\$ 12,759,425	\$ 12,759,425	\$ 13,974,542	\$ 13,974,542	\$ 13,974,542	\$ 13,974,542
Total other grants	105,015,631	100,940,805	114,236,364	114,236,364	106,054,448	106,054,448	106,054,448	106,054,448
Total special projects expenditures:	\$ 117,775,056	\$ 113,700,230	\$ 126,995,789	\$ 126,995,789	\$ 120,028,990	\$ 120,028,990	\$ 120,028,990	\$ 120,028,990

Food Service Funds:

Employee compensation	\$ 7,691,902	\$ 7,393,324	\$ 7,393,324	\$ 7,393,324	\$ 7,483,292	\$ 7,632,958	\$ 7,785,617	\$ 7,941,329
Benefits	2,578,116	2,137,988	2,137,988	2,137,988	2,206,966	2,433,180	2,554,839	2,682,581
Building improvements and equipment	679,097	8,252,753	8,252,753	8,252,753	3,292,000	300,000	300,000	300,000
Services & misc supplies	982,291	1,668,755	1,668,755	1,668,755	2,335,912	2,335,912	2,335,912	2,335,912
Cafeteria supplies (non-food)	1,351,637	1,663,970	1,663,970	1,663,970	1,910,000	1,986,400	2,065,856	2,148,490
Food supplies	12,023,555	14,559,425	14,559,425	14,559,425	14,052,425	14,473,998	14,908,218	15,355,465
USDA commodities	1,808,476	1,506,000	1,506,000	1,506,000	1,918,000	1,918,000	1,918,000	1,918,000
Interfund transfers	1,391,537	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Summer food service	1,393,647	1,588,720	1,588,720	1,588,720	1,581,074	1,596,885	1,612,854	1,628,983
Total food service expenditures	\$ 29,900,258	\$ 39,770,935	\$ 39,770,935	\$ 39,770,935	\$ 35,779,669	\$ 33,677,333	\$ 34,481,296	\$ 35,310,760
Grand total - expenditures	\$ 948,156,386	\$ 1,006,371,165	\$ 1,060,166,724	\$ 1,052,321,724	\$ 1,059,723,487	\$ 1,084,821,319	\$ 1,101,891,083	\$ 1,115,272,471

Buffalo City School District

Financial Projections

Rates of Change or Amounts Included in Financial Model

2017-18		2018-19		2019-20		2020-21
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REVENUE ASSUMPTIONS - GENERAL FUND

I Real property taxes (includes STAR):

The property taxes are considered the contribution from the City of Buffalo. The amount of the contribution includes STAR revenues. The City decreased their contribution \$.5 million in 2007-08. Discussions with the City about increase their investment continue at this time, but are not included in the plan to be conservative.

0.0% 0.0% 0.0%

I Sales Tax:

The District currently receives 8.4% of the City's share of the Erie County Sales Tax. Based on the current economic trends and the value of the Canadian dollar, the 17-18 Budget is projected to increase slightly from the prior year, with small increases annually thereafter.

1.5% 1.5% 1.5%

I Medicaid Reimbursement:

The Federal government continues to change the regulations for Medicaid eligible services that can be reimbursed. Based on the recent trend when adjusted for the recoupment of prior year revenues in 2016/17, the revenue in 2017/18 will decline slightly from the 2016/17 projection, with small increases annually thereafter.

-3.85% 1.0% 1.0% 1.0%

I State Aid:

The majority of operating aid increases should flow through Foundation Aid in the future years with high poverty Districts receiving a higher percentage of aid increases. Future year increases are conservatively budgeted for Foundation Aid at 3%. The set-aside for Community Schools is part of Foundation aid, similar to Contract for Excellence.

		Increase:		Increase:		Increase:		
\$510,904,788	3.00%		\$526,231,932	3.00%		\$542,018,890	3.00%	\$558,279,457

Building Aid:

Building Aid is paid based on approved Maximum Cost Allowances, amortization schedules for related debt and reimbursement rates set by SED for approved school building projects. The 2016-17 amount is based on the state budget and is projected to remain flat, with the exception of the one time reimbursement (at 98 percent) in 2016-17 for the Building Condition Survey performed in 2015-16.

\$115,829,339 \$115,829,339 \$115,829,339 \$115,829,339

Other Formula Aids: include Transportation, Private & Public Excess High Cost Aids, Textbook, Hardware, Software, Library, and Special Service Aids. These aids will continue to follow their currently legislated formulas, and therefore should increase modestly annually.

Total Other Formula Aids \$100,771,393 1.0% 1.0% 1.0%

Charter School Transitional Aid:

This aid category was established in 2007-08 to help provide relief from the financial drain caused by the significant number of charter school students in certain school districts, including Buffalo. The Charter School Transitional Aid continues on a rolling basis so long as charter school enrollment continues to increase. Therefore, based on the formula, the following amounts of aid are projected based on charter enrollment and tuition assumptions:

\$7,290,415 \$10,934,604 \$11,768,296 \$12,868,800

Supplemental Basic Charter Tuition Reimbursement

With the adoption of the 2014-15 State Budget, a new reimbursement program for charter school tuition was created. The tuition is going to be on a one year lag and calculated as follows:

Reimbursement Amount Per Pupil	\$ 500	\$ 1,000	\$ 1,000	\$ 1,000
Charter Enrollment from the previous year	7,800	9,000	9,460	9,966
Supplemental Tuition Reimbursement	\$ 3,900,000	\$ 9,000,000	\$ 9,460,000	\$ 9,966,000

Buffalo City School District

Financial Projections

Rates of Change or Amounts Included in Financial Model

	2017-18		2018-19		2019-20		2020-21
Incremental State Aid for Transportation Costs:							
Transportation aid is included in the general operating aid payments. However, the aid is annually based on the expenditures of the previous fiscal year. It has historically been reimbursed at 85% of the previous fiscal years expenditures, but starting in 2017 will increase to 86% based on a reduction in the rate of non-allowable expenditures. The increase in aid for 2016-17 is already included in the State Budget. Due to projected increases in transportation costs in 2016-17 and beyond the incremental increase is projected as follows:	\$	-	\$	3,593,516	\$	4,493,221	\$ 5,410,921
Other State Aid:							
The District annually receives aid that is classified as "other" for Incarcerated Youth, Homeless, and Tuition Chapter 47. Since the other aid payments can be sporadic and not be reliably projected from year to year, the District conservatively does not budget for them. However, in 2017/18, we expect to recover approximately \$400,000 through aid maximization initiatives that are included in the budget and continue in the out years.		\$400,000		\$400,000		\$400,000	\$400,000
In 2015-16 and 2016-17, an additional \$1.2 million in legislative aid was included in the State budget for school health services, in addition to the \$5.3 million included in the grants fund. Any such amounts cannot be guaranteed annually and have therefore been excluded from future projections.		\$1,200,000		\$0		\$0	\$0
The District can request a one time Chapter 1 Advance from New York State totaling \$1.8 million if needed. (The aid is then withheld in the subsequent year; and requested again on an ongoing basis.) This is budgeted each year, but not taken. In the plan, it is included in the 2017/18 budget.		\$1,800,000		\$0		\$0	\$0
I Other:							
Other revenues include tuitions, interest, interfund revenues for indirect costs and miscellaneous items. This is expected to increase at a roughly 1% inflation factor.		\$14,258,484		1.0%		1.0%	1.0%
I Fund Balance (Budgetary Only):							
Assigned Fund Balance - Prior Year Claims:							
As of June 30, 2016, the District had \$54.7 million set aside for the settlement of union contracts and another \$3 million set aside for State Aid audits. It is expected that the full \$54.7 million in fund balance set aside for the settlement of union contracts will be depleted to pay for settled contracts.		\$14,198,000		\$0		\$0	\$0
Appropriated Fund Balance for Capital Contributions:							
The District has \$7.8 million of fund balance assigned for capital needs and/or repairs. In previous years, when the District needed to make large numbers of computers for schools coming out of reconstruction or to replenish stock, five year capital bonds were issued. Instead of issuing such bonds, the District will establish a capital project for computer purchases and fund it with reserves. In 2016-17 a small amount will be allocated to unaided projects. Based on refinancing activity over the last decade, which yields \$6.0 million or more annually to the capital project fund, the assignment for capital projects is anticipated to be reduced in 2017/18 through 2019/20 to defray increased repair and maintenance costs and the projected unreimbursable cost of operating Emerson II starting in 2018/19.		\$1,000,000		\$1,500,000		\$1,000,000	\$0
Appropriated Fund Balance for Operations:							
Appropriated fund balance is projected to be maintained at or above the minimum required by policy. Any amount above this can be allocated towards the costs of settling union contracts or transferred to other assigned fund balance classifications. The District does not, in this plan, project using other restricted or unassigned fund balance amounts.		\$6,802,000		\$12,324,267		\$6,258,488	\$0

Buffalo City School District

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	2017-18		2018-19		2019-20
					2020-21

REVENUE ASSUMPTIONS - SPECIAL PROJECTS FUND

I Categorical Grants:

Until 2007-08, the State Categorical Grants included Reading, Improved Pupil Performance, Magnet School, Universal Pre-K, and Early Grade Reduced Class Size. Beginning with the 2007-08 state budget, all categories except Universal Pre-K have been rolled into the General Fund as part of Foundation Aid. As part of the 2017-18 Budget, the Universal Pre-K budget has been combined at the State level with the Priority Pre-K grant, so we are showing the two grants combined.

	\$13,974,542		\$13,974,542		\$13,974,542
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I Other grants:

The District annually receives grant funding from the state and federal governments and local grantors. There are several grants that are given on an annual basis such as Title I, II and III and the IDEA 611 and 619. There are also School Improvement Grants that can fluctuate as the number of schools eligible changes. Since this is a self balancing fund, the projection in the out years will be based on the 2016-17 budget.

	\$106,054,448		\$106,054,448		\$106,054,448
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REVENUE ASSUMPTIONS - FOOD SERVICE FUND

I State and Federal Aid:

The Food Service fund is self sustaining. The budgeted revenue in 2016-17 has increased due to the District's average daily participation in the breakfast and lunch programs, and increased reimbursement rates. In out years, enrollment and participation are expected to remain flat to slightly declining, with 2% increases coming from increased reimbursement for the rising costs of the program.

		2.00%		2.00%		2.00%
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I Food Sales:

It is anticipated that food sales will remain flat over the four years of the plan.

		0.00%		0.00%		0.00%
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I Interfund Transfers:

Transfers are made from the General fund to support operations at the Emerson Commons. The budgeted amount will be projected as the amount to balance the revenues and expenditures.

	\$540,924		\$540,924		\$540,924
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I Miscellaneous Revenues:

The food service funds occasionally collect miscellaneous revenues. To remain conservative, no increases have been projected:

		0.00%		0.00%		0.00%
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I Fund Balance (Budgetary Only):

The food service fund is expecting to use a significant amount of the accumulated fund balance in 2016-17 to expand the commissary to better meet the needs of the District's students and schools. The Commissary expansion is budgeted to amount to \$3.3 million for building improvements and related equipment purchases. Both of these are one time items. The remaining fund balance usage in the out years will be used to balance the budget and avoid any reduction in service.

	\$3,987,606		\$1,275,618		\$1,457,735	\$1,652,916
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Buffalo City School District

Financial Projections

Rates of Change or Amounts Included in Financial Model

	2017-18		2018-19		2019-20		2020-21
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EXPENDITURE ASSUMPTIONS - GENERAL FUND

BASELINE ASSUMPTIONS:

District Enrollment:

	33,500	33,040	32,534	32,287
District				
Charter School	9,000	9,460	9,966	10,213
Total	42,500	42,500	42,500	42,500
Cumulative reduction in District Schools		(460)	(966)	(1,213)
			63	79

Enrollment for the City of Buffalo is expected to remain flat throughout of the four year plan, with the composition changes between District vs. Charter Schools

Employee Compensation:

Employee compensation includes regular salary and longevity increments. The District and BTF settled the long outstanding teachers' contract on October 17, 2016. Based on across the board increases in salaries of 10%, 2% and 2%, the elimination of steps #20/#22 in 2017/18 and #16/#18 in 2018/19, along with the movement of staff along steps, and retirements in the model for the BTF contract cost, the following projected salary increases are expected and will encompass all changes in salary for the existing staff:

BTF contract - expires on 6/30/19	3.4%	4.5%	1.5%	1.5%
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The New Education Bargain - Reduced Class Size

Reduced class size teachers were budgeted in 2016/17 and 2017/18 and included in the overall teacher counts in those years, reducing class sizes in grades K-2. In 2018/19, the final year of the reduced class size expansion is planned for grade 3. No further reduced class size initiatives are included in this plan.

included in budget	1,724,250	0	0	0
FTE:	25.0	-	-	-

Reduction in Teaching Positions - Offset Charter Pupil Growth

This projection assumes a flat enrollment in the City of Buffalo with District and charter students combined totaling 42,500 throughout the four year plan. The District schools are projected to decline as students move to charter schools. This plan assumes that 6.5 teachers can be reduced for every reduction of 100 students. The current teacher to student ratio is 10.9 teachers per 100 students. No adjustment will be made in the plan for Administrators, Aides/Assistants or school clerical to be conservative.

	(2,069,100)	(4,407,480)	(5,605,050)	
Cumulative FTE reduction:	(30.0)	(63.0)	(79.0)	

BCSA - Expired June 30, 2004	1.5%	1.5%	1.5%	1.5%
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II	PCTEA (White Collar)	Expired June 30, 2013	Salary increase	0.0%	0.0%	0.0%	0.0%
II	BEST (Teacher Aides & Assistants)	Expired June 30, 2012	Salary increase	0.0%	0.0%	0.0%	0.0%
II	TRADES (Skilled Tradesmen - Ex - Carpenters, Plumbers, Electricians)	Subject to Prevailing Wage Laws	Salary increase (Estimated)	3.0%	3.0%	3.0%	3.0%
II	LOCAL 264 (Laborers)	Expired June 30, 2013	Salary increase	0.0%	0.0%	0.0%	0.0%
II	LOCAL 409 (Engineers)	Expired June 30, 2010	Salary increase	0.0%	0.0%	0.0%	0.0%
II	BUS AIDES	Expires June 30, 2018	Salary increase	5.0%	0.0%	0.0%	0.0%

Buffalo City School District

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II MISCELLANEOUS COMPENSATION ITEMS - includes non-instructional sick leave replacement and grievance awards (Instructional totals for these items are included in the BTF - Other Compensation line.) The Miscellaneous Compensation line will include an amount for potential contract settlement costs of \$5 million in 17/18, growing annually thereafter. This amount is not broken out by union as active negotiations are taking place and therefore cannot be allocated. In addition, \$1 million has been budgeted directly in the Aides and Assistant's salary lines since they are paid an hourly rate and the additional 25 minutes in the school day resulting from the new teachers' contract will proportionately increase their salaries, regardless of whether a new contract is settled.	0%		0%		0%		0%
	\$5,000,000		\$750,000		\$750,000		\$750,000
II OVERTIME There is significant overtime in the Trades, Transportation and Security areas, and the Board has directed the District to reduce OT further; therefore overtime is not expected to grow in the out years. <div style="text-align: right; margin-right: 20px;">Baseline Annual Overtime</div>	0%		0%		0%		0%
	\$1,652,028		0%		0%		0%

Employee Benefits:

II Civil Service Retirement: All full time employees, except BTF, BCSA & teaching assistants (see below), are members of the NYS and Local Employees Retirement System (ERS). The rates are actuarially set by the ERS and are expected to be decrease and stabilize over the longer term to approximately 11.0%. The rates change every April 1. In 2013, the District opted to amortize a portion of the significantly increasing ERS costs over a period of 12 years. That payment is added below. The model will assume the expenditure to approximate the following percentages of employee compensation (PCTEA, BEST (Aides only), Tradesmen, Local 264, Local 409, and Exempt):	0%		0%		0%		0%
July - March April - June Chapter 57, Laws of 2013 Amortization Payment	15.30%		14.00%		13.00%		12.00%
	\$359,764		\$359,764		\$359,764		\$359,764
II Teachers Retirement: All full time teachers, administrators and teaching assistants are members of the NYS Teachers' Retirement System (TRS). The rates are actuarially set by the TRS. The TRS has provided the 2016-17 and 2017-18 rates as indicated. The model will assume the expenditure to approximate the following percentages of employee compensation (BTF, BCSA & BEST (Assistants only)):	9.8%		9.7%		9.6%		9.5%
II Social Security: Estimated at 7.65% of employee compensation. The District is also liable for FICA and Medicare on Termination Pay. The plan assumes FICA will be one percent times the Termination Pay line due to the governmental plan (403-b) in place with the bargaining units.	7.65%		7.65%		7.65%		7.65%
	1%		1%		1%		1%
II Health Insurance: The projected health insurance costs are a factor of the number of employees, the average rate and the rate of participation of employees (93% excluding BEST; 81% for BEST). Rates in the future years are based on the percentage increases noted and were also arrived at through discussions with the District's insurance consultant.							
Employees: Average per participant (Excluding BEST)	\$13,535	4.5%	\$14,144	4.5%	\$14,780	4.5%	\$15,445
BEST	\$14,660	4.5%	\$15,320	4.5%	\$16,009	4.5%	\$16,729
Retirees: Average per participant	\$15,706	4.0%	\$16,334	4.0%	\$16,987	4.0%	\$17,666
In-lieu of health insurance coverage payments to employees:	\$400,000		\$400,000		\$400,000		\$400,000
BTF Premium Contribution - Starting in 2016/17, Teachers are required to contribute towards the premium on their Health Insurance. The average blended rate is expected to be \$1,100 in 2017/18 and \$1,200 in 2018/19 through 2020/21. These rates will be multiplied by the number of BTF staff contributing	-\$3,507,900		-\$3,820,800		-\$3,781,200		-\$3,762,000

Buffalo City School District

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Healthcare initiatives - The District has incorporated several initiatives into the projected costs of health insurance in 2017/18 that have been budgeted as cost reductions. These conservative estimates are derived in consultation with the District's insurance consultant. In this plan, the reduction of \$2.5 million is shown as an amount that repeats in the future years; however, in reality, these amounts will be incorporated into the premium equivalent rates (lowered rates) going forward.

As required by contract, the District must reimburse employees and retirees for certain differences in prescription coverage. The amounts are estimated as follows:

Employees	\$16,160	1.0%	\$16,322	1.0%	\$16,485	1.0%	\$16,650
Retirees	\$63,630	1.0%	\$64,266	1.0%	\$64,909	1.0%	\$65,558

As of November 2016, there are currently 4,410 retirees receiving health insurance benefits. Additional retirees will also need to be added to the base cost each year, while retirees that pass away need to be subtracted from the base. The projected number of retirees was based upon an aging of the current employees and historical data for the mortality rate:

Net new retirees	100		100		100		100
Blended average contribution paid by new retirees:	1,084		1,241		1,241		1,241
Total number of retirees:	4,559		4,659		4,759		4,859
Retiree contribution (with initial amount of \$2,000,000 as contribution base in 2016/17 before retirements)	(2,108,400)		(2,232,500)		(2,356,600)		(2,480,700)

Forever Blue Savings - savings from the Forever Blue Plan are now included in the cost savings of retiree healthcare. Savings are projected to be \$2,100 per conversion per year, with nearly 700 retirees voluntarily converted into the plan as of January 2017, with an expectation of 150 more per year thereafter.

	(1,732,500)		(2,047,500)		(2,362,500)		(2,677,500)
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II Termination Pay:

Represents the payments to new retirees for a combination of accumulated leave time balances and an early retirement incentive (formula based calculation) for BTF and BCSA members that are paid upon separation from employment and are based upon union contracts. Projected amounts are based on the actual number of employees eligible to retire, their estimated termination pay benefit and the percentage expected to retire based on trend data.

	\$4,350,000		\$4,350,000		\$4,350,000		\$4,350,000
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II Other Benefits:

Other benefits includes supplemental benefits, workers compensation, unemployment, and other minor miscellaneous benefits. Each category has a different assumption as follows:

Supplemental Benefits:

Each union is paid a rate set by their collective bargaining agreement on or about July 1, based upon the number of employees as of the previous fiscal year. Without updated union contracts, the rates will remain the same.

BTF:	\$575		\$600		\$600		\$600
BCSA:	\$530		\$530		\$530		\$530
PCTEA:	\$575		\$575		\$575		\$575
BEST:	\$550		\$550		\$550		\$550
Local 409: Engineers	\$500		\$500		\$500		\$500
Custodial Staff	\$450		\$450		\$450		\$450
Total	\$2,970,000		\$2,967,000		\$2,947,200		\$2,937,600

Workers' Compensation

Based upon the historical trend and increasing medical costs, offset by an expected reduction in the number of non-assault costs for teachers, workers compensation is estimated as follows:

	\$7,489,500		\$7,489,500		\$7,489,500		\$7,489,500
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Buffalo City School District

Financial Projections

Rates of Change or Amounts Included in Financial Model

	2017-18	2018-19	2019-20	2020-21

Unemployment

The District incurs some unemployment annually due to substitutes and other partial year employees. Increase in 2018/19 conservatively included an amount for potential reductions as noted above.

	\$1,750,000	\$2,020,000	\$2,020,000	\$2,020,000
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Miscellaneous Other Benefits

These costs include life insurance, leave time incentives and buy backs. The total amount is projected as follows:

	\$696,000	\$696,000	\$696,000	\$696,000
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II Transportation:

Transportation expenditures include costs for public and private providers. The District transports public, non-public, private and charter school students within the District. The District re-bid the private carrier (yellow bus) services for 2015-16 and beyond. The contract is subject to annual increases. Beginning in 2015-16, an approximately \$2 million increase relates to bussing a charter school that the District settled litigation with. The District anticipates the rates to change as follows:

	2%	2%	2%	2%
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II Utilities:

Through the utilization of pooled rates with the City and the overall cost of utilities, the District has budgeted for a utility rates decreases in both 2015-16 and 2016-17. It is expected that rates will increase in the out years as follows:

	2%	2%	2%	2%
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II Tuition:

The majority of the tuitions are for special needs students and rates are established by New York State and the following increase was used:

Agency Tuition	\$ 31,258,960			
Foster & Resident Student Tuition	\$ 1,500,000			
DaVinci Tuition (included in the contracts - misc. category)	\$ 190,000			
Middle Early College Tuition (ECC tuition will phase out to zero by 2019-20)	\$ 870,000	-\$85,000	-\$85,000	
	<u>\$ 33,818,960</u>			

II Contracts - Custodian:

The Engineers negotiated collective bargaining agreement expired June 30, 2010. Absent a new agreement, there will be no significant increases budgeted.

	0%	0%	0%	0%
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II Equipment:

Equipment expenditures are anticipated to remain flat. With the Smart Schools Bond Act, incremental growth is expected to be funded through that funding source.

	0%	0%	0%	0%
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II Contracts - Miscellaneous:

Contracts are expected to remain relatively constant. Historically, the District over-budgets this line, so no increases are anticipated.

	0%	0%	0%	0%
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II Reserve for Contingency

The General contingency in 2017/18 will be \$3 million and reduce \$1 million annually through 2019-20. It is anticipated that any costs needed to be absorbed in the general fund from grants as a result of higher salaries will be covered with these amounts in 2017/18 and 2018/19, allowing for a reduced contingency in 2020/21.

	\$3,000,000	\$2,000,000	\$1,000,000	\$1,000,000
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Buffalo City School District

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Rates of Change or Amounts Included in Financial Model

		2017-18		2018-19		2019-20		2020-21
II	Rental Contracts (Equipment, Facilities, Computers): The District has contractual agreements for the rental of equipment (e.g. copiers), computer services/access and facilities. Some of these contracts stipulate annual increases in accordance with the CPI or some other factor. The annual increases are projected as follows:			1.5%		1.5%		1.5%
II	Rental Contracts - Emerson II The District is in negotiation with several developers to build an Emerson II facility that would be used on a long term lease. The opening date does not appear to be any earlier than 2018-19. The bulk of the lease cost would be eligible for building aid, but there still will be annual maintenance and other costs resulting from the program. Projected unreimbursed costs are as follows:	\$0		\$1,000,000		\$1,000,000		\$1,000,000
II	Repairs and Maintenance Related: This group of expenditures includes maintenance contracts, materials and supplies. As the JSCB reconstruction projects are complete, these facilities must be maintained. The projected increases are as follows:			1.5%		1.5%		1.5%
II	Textbooks: The District pays for books for all children within the district including public, non-public, private and charters. Based on a five year textbook adoption cycle, the District intends to keep the total textbook expenditures constant; unless additional revenue is utilized for additional textbook purchases.			1%		1%		1%
II	Supplies and Misc. Related Items: This total includes numerous instructional and office related supplies. These are expected to increase slightly in the out years.			1%		1%		1%
II	Charter School Payments: Payments to the charter schools are a function of the number of students and the rate set by the State. The budget adopted by the State froze charter tuition at the 2010-11 amount for 2011-12, 2012-13 and 2013-14. For 2014-15 through 2016-17, the state budget established the annual increases identified of between \$100 and \$250 annually. For 2017-18, the State budget established a \$500 increase in tuition, with increases in future years dependent on a future events. These future increases are budgeted at \$200 annually at this time and updated as future dependencies in the formulas become known. Enrollment increases are based on current enrollment and estimated changes for new charters. The District has estimated the expenditure as follows:							
		9,000	Inc 460	9,460	Inc 506	9,966	Inc 247	10,213
		\$13,765	200	\$13,965	200	\$14,165	200	\$14,365
		\$123,900,000		\$132,200,000		\$141,200,000		\$146,800,000
	Number of Charter Schools:	17	0	17	0	17	0	17
	Enrollment change from prior year for existing charters:	602		460		506		247
	Enrollment increase from prior year for new charters:	120		0		0		0
II	Debt Service Costs: The District's General Fund Principal and interest expenditures are based on the debt service schedules. The model lists out the scheduled principal and interest payments below, including JSCB debt service:	\$113,706,691		\$113,643,867		\$112,980,320		\$112,721,598
II	Interfund Transfers: The District transfers monies to other funds to support the summer handicapped program, JROTC, special projects, capital projects and Emerson food service operations. Based upon historical trends and anticipated local share contributions, the following transfer amounts are anticipated:	\$3,190,000		\$3,190,000		\$3,190,000		\$3,190,000

Buffalo City School District

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	2017-18		2018-19		2019-20
					2020-21

EXPENDITURE ASSUMPTIONS - SPECIAL PROJECTS FUND

I Categorical Grants:

Until 2007-08, the State Categorical Grants included Reading, Improved Pupil Performance, Magnet School, Universal Pre-K, and Early Grade Reduced Class Size. Beginning with the 2007-08 state budget, all categories except Universal Pre-K have been rolled into the General Fund as part of Foundation Aid.

	\$13,974,542	\$13,974,542	\$13,974,542	\$13,974,542
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I Other grants:

The District annually receives grant funding from the state and federal governments and local grantors. There are several grants that are given on an annual basis such as Title I, II and III and the IDEA 611 and 619. There are also School Improvement Grants that can fluctuate as the number of schools eligible changes. Since this is a self balancing fund, the projection in the out years will be based on the 2016-17 budget.

	\$106,054,448	\$106,054,448	\$106,054,448	\$106,054,448
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EXPENDITURE ASSUMPTIONS - FOOD SERVICE FUND

I Employee Compensation:

Employee compensation includes regular salary, longevity, incentives and step increments. With the passage of the 2016-17 State Budget, there is a minimum wage increase phased in over several years. The precise impact on food service staff costs is still being calculated, but is projected here to increase 2% in 2017-18 and beyond.

	\$7,483,292	\$7,632,958	\$7,785,617	\$7,941,329
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I Employee Benefits

Benefit growth is projected at 5% annually

	\$2,317,314	\$2,433,180	\$2,554,839	\$2,682,581
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I Building Improvements and Equipment

\$3.3 million in building improvements/expansion of the commissary, along with related equipment purchases are anticipated in 2017-18. These are one time costs do not recur in the out years, where only minor equipment purchases are expected thereafter.

	\$3,292,000	\$300,000	\$300,000	\$300,000
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I Services and Miscellaneous Supplies:

This category includes delivery and equipment repair costs, the rental cost of the commissary and various miscellaneous contracts and supplies. These costs included an increased rental cost related to the Commissary expansion

	\$2,335,912	\$2,335,912	\$2,335,912	\$2,335,912
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I Cafeteria Supplies (Non-Food)

This category is for all non food supplies associated with the operation of the cafeterias. The following annual increases are applied in the out years:

	4%	4%	4%
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I Food Supplies

This category is for all food supplies necessary to operate the cafeterias and commissary. The increase in 2016-17 is due to the District's recent increased student enrollment, average daily participation in the breakfast and lunch programs, and increased costs of food supplies. The following annual increases are applied in the out years:

	3%	3%	3%
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I USDA Commodities

The USDA provides food commodities as they become available. While the District does not pay for the donated commodities, a revenue and expenditure are recorded for the value of them. There is no projected growth.

	0%	0%	0%
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I Interfund Transfers

The food service fund annually provides payment to the general fund for its share of indirect costs. The rate is established by New York State and applied to a portion of the food service funds expenditures. While both the rate and expenditure totals will change, the net transfer is projected to remain flat.

	0%	0%	0%
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I Summer Food Service:

Summer Food Service increases are expected to grow at 1% annually.

	\$1,581,074	\$1,596,885	\$1,612,854	\$1,628,983
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BUFFALO CITY SCHOOL DISTRICT

CASH FLOW 2015-16 FISCAL YEAR UNAUDITED (in thousands)

	ACTUAL July 2015	ACTUAL August 2015	ACTUAL September 2015	ACTUAL October 2015	ACTUAL November 2015	ACTUAL December 2015	ACTUAL January 2016	ACTUAL February 2016	ACTUAL March 2016	ACTUAL April 2016	ACTUAL May 2016	ACTUAL June 2016	Total
BEGINNING CASH & INVESTMENTS	208,383	149,264	144,132	142,879	108,357	128,259	121,687	183,442	190,188	259,525	235,389	224,985	208,383
CASH RECEIPTS:													
Basic Formula Aid <small>(net of Medicaid Takeback)</small>	20	-	-	-	39,028	30,233	122,739	49,134	119,142	13,819	49,134	16,387	439,636
Excess Cost <small>(Includes State Medicaid)</small>	-	14,550	1,780	-	-	24,133	-	-	44,108	-	-	13,671	98,242
Aid withheld for JSCB Bond Payments	-	-	-	-	-	(15,584)	(17,315)	(17,316)	(36,363)	-	-	-	(86,578)
Aid withheld for MBBA Bond Payment	-	-	-	-	-	-	-	-	(1,083)	-	-	-	(1,083)
JSCB Refinancing cash transfer to Capital Fund	-	-	(3,709)	-	-	(3,710)	-	-	(3,710)	-	-	(3,709)	(14,838)
Lottery Aid <small>(June is net of 713K debt payment)</small> & VLT Lott Grant	-	-	40,872	-	4,577	4,577	4,577	4,577	6,398	-	-	21,047	86,625
Property Taxes <small>(Less Capital Debt of \$11 M)</small>	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	59,520
Erie County Sales Tax	3,002	3,193	3,179	4,176	3,274	4,443	3,262	3,433	2,849	3,880	3,166	4,404	42,261
Food Service	2,174	827	494	2,693	2,982	2,464	2,436	2,579	2,142	2,417	2,520	2,760	26,488
Title I	-	-	-	-	22,717	5,208	-	4,236	-	5,972	-	5,043	43,176
Medicaid (Federal)	104	137	137	40	119	150	152	233	386	-	179	204	1,841
Other State & Federal	3,162	6,938	8,344	11,091	13,778	8,969	8,613	8,054	7,045	10,139	3,606	16,882	106,621
Other	1,582	350	826	714	230	13,203	3,728	219	581	1,306	775	1,046	24,560
TOTAL CASH RECEIPTS	15,004	30,955	56,883	23,674	91,665	79,046	133,152	60,109	146,455	42,493	64,340	82,695	826,471
CASH DISBURSEMENTS:													
Salary & FICA	25,042	9,132	23,855	30,145	30,411	46,245	30,793	31,246	31,675	30,276	31,001	32,238	352,059
Termination Pay	128	1,961	194	522	141	14	209	266	50	199	99	28	3,811
Carry Over Accounts Payable	15,154	10,018	591	509	-	-	-	134	-	-	-	-	26,406
Services & Supplies	4,699	3,474	4,471	7,737	7,764	18,906	7,620	5,371	9,174	10,585	8,615	7,947	96,363
Health Insurance	11,487	11,496	11,428	11,565	11,577	11,519	12,143	11,660	11,612	11,614	11,558	11,599	139,258
Transportation	2	6	776	903	1,986	5,066	124	920	5,131	11,060	2,821	1,614	30,409
Tuition Payments	-	-	842	5,040	2,595	3,868	3,521	3,756	2,282	2,895	3,671	3,370	31,840
Charter School Payments	17,611	-	15,979	1,775	17,289	-	16,987	10	17,194	-	16,979	-	103,824
TOTAL CASH DISBURSEMENTS	74,123	36,087	58,136	58,196	71,763	85,618	71,397	53,363	77,118	66,629	74,744	56,796	783,970
MONTHLY CASH & INVESTMENTS	(59,119)	(5,132)	(1,253)	(34,522)	19,902	(6,572)	61,755	6,746	69,337	(24,136)	(10,404)	25,899	42,501
ENDING CASH & INVESTMENTS	149,264	144,132	142,879	108,357	128,259	121,687	183,442	190,188	259,525	235,389	224,985	250,884	250,884

BUFFALO CITY SCHOOL DISTRICT

PROJECTED CASH FLOW AS OF APRIL 15, 2017

2016-17 FISCAL YEAR

UNAUDITED
(in thousands)

	ACTUAL July 2016	ACTUAL August 2016	ACTUAL September 2016	ACTUAL October 2016	ACTUAL November 2016	ACTUAL December 2016	ACTUAL January 2017	ACTUAL February 2017	ACTUAL March 2017	April 2017	May 2017	June 2017	TOTAL
BEGINNING CASH & INVESTMENTS	250,884	179,233	181,672	173,372	145,268	140,884	111,556	193,019	189,723	263,616	234,468	217,462	250,884
CASH RECEIPTS:													
Basic Formula Aid (net of Medicaid Takeback)	-	-	2,925	-	43,446	32,194	153,122	49,617	115,130	17,175	49,617	8,617	471,843
Excess Cost (Includes State Medicaid)	-	15,923	-	-	-	24,433	-	-	43,979	-	-	14,659	98,994
Aid withheld for JSCB Bond Payments	-	-	-	-	-	(17,083)	(18,981)	(18,981)	(39,861)	-	-	-	(94,906)
Aid withheld for MBBA Bond Payment	-	-	-	-	-	-	-	-	(1,082)	-	-	-	(1,082)
JSCB Refinancing cash transfer to Capital Fund	-	-	(1,619)	-	-	(1,620)	-	-	(1,620)	-	-	(1,620)	(6,479)
Lottery Aid (June is net of 713K debt payment) & VLT Lott Grant	-	-	40,290	4,584	4,584	4,584	4,584	4,584	6,387	-	-	20,314	89,911
Property Taxes (Less Capital Debt of \$11 M)	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	59,520
Erie County Sales Tax	2,932	3,418	3,402	4,301	3,315	4,709	2,900	3,535	2,920	3,900	2,900	3,800	42,032
Food Service	2,001	882	582	2,617	3,050	2,728	2,434	2,857	2,234	3,050	3,000	2,650	28,085
Title I	-	2,805	-	-	5,173	-	3,110	4,113	1,177	4,000	4,000	3,000	27,378
Medicaid (Federal)	191	1,368	1,136	285	522	535	1,556	761	479	100	100	100	7,133
Other State & Federal	1,604	10,311	4,769	8,699	3,479	7,430	9,255	7,299	14,803	5,000	4,000	10,000	86,649
Other	1,679	442	710	1,016	398	12,618	1,045	231	717	500	500	500	20,356
TOTAL CASH RECEIPTS	13,367	40,109	57,155	26,462	68,927	75,488	163,985	58,976	150,223	38,685	69,077	66,980	829,434
CASH DISBURSEMENTS:													
Salary & FICA	25,750	9,259	24,192	30,822	32,405	70,976	36,843	34,063	32,706	35,283	35,283	52,924	420,506
Termination Pay	82	1,912	302	171	17	27	100	62	51	50	50	50	2,874
Carry Over Accounts Payable	23,269	11,009	1,370	55	261	69	29	420	30	-	-	-	36,512
Services & Supplies	5,551	3,378	4,557	8,564	7,030	17,339	8,418	6,070	8,425	12,000	12,000	13,000	106,332
Health Insurance	12,052	12,066	11,995	12,062	12,166	12,156	12,154	12,148	12,188	11,500	11,500	11,500	143,487
Transportation	-	46	1,445	676	1,343	782	4,953	4,869	809	5,500	5,500	14,849	40,772
Tuition Payments	-	-	3,017	2,216	2,836	3,467	2,408	4,640	4,885	3,500	3,500	3,500	33,969
Charter School Payments	18,314	-	18,577	-	17,253	-	17,617	-	17,236	-	18,250	-	107,247
TOTAL CASH DISBURSEMENTS	85,018	37,670	65,455	54,566	73,311	104,816	82,522	62,272	76,330	67,833	86,083	95,823	891,699
MONTHLY CASH & INVESTMENTS	(71,651)	2,439	(8,300)	(28,104)	(4,384)	(29,328)	81,463	(3,296)	73,893	(29,148)	(17,006)	(28,843)	(62,265)
ENDING CASH & INVESTMENTS	179,233	181,672	173,372	145,268	140,884	111,556	193,019	189,723	263,616	234,468	217,462	188,619	188,619

BUFFALO CITY SCHOOL DISTRICT

PROJECTED CASH FLOW - APRIL 2017⁽¹⁾

2017-18 FISCAL YEAR
UNAUDITED
(in thousands)

	July 2017	August 2017	September 2017	October 2017	November 2017	December 2017	January 2017	February 2017	March 2017	April 2017	May 2017	June 2017	TOTAL
BEGINNING CASH & INVESTMENTS	188,619	133,913	134,415	116,457	82,421	67,235	54,845	97,957	99,334	168,761	163,600	153,164	188,619
CASH RECEIPTS:													
Basic Formula Aid <small>(net of Medicaid Takeback)</small>	-	-	4,500		45,000	36,000	123,405	53,000	125,000	46,000	53,000	25,000	510,905
Excess Cost <small>(Includes State Medicaid)</small>	-	16,250	-	-	-	26,000	-	-	46,000	-	-	15,950	104,200
Aid withheld for JSCB Bond Payments	-	-	-	-	-	(17,088)	(18,987)	(18,987)	(39,873)	-	-	-	(94,935)
Aid withheld for MBBA Bond Payment									(1,082)				(1,082)
JSCB Refinancing cash transfer to Capital Fund			(1,622)			(1,622)			(1,622)			(1,622)	(6,488)
Lottery Aid <small>(June is net of 713K debt payment) & VLT Lott Grant</small>	-	-	40,500	5,000	5,000	5,000	5,000	5,000	6,500	-	-	22,333	94,333
Property Taxes <small>(Less Capital Debt of \$11 M)</small>	5,860	5,860	5,860	5,860	5,860	5,860	5,860	5,860	5,860	5,860	5,860	5,860	70,320
Erie County Sales Tax	3,100	3,200	3,200	4,200	3,300	4,600	3,300	3,500	3,000	4,000	3,000	4,000	42,400
Food Service	2,300	900	500	3,000	3,000	3,000	2,750	3,000	2,750	3,000	3,000	2,700	29,900
Title I	-	2,800	-	3,700	-	4,000	-	3,500	-	4,000	5,800	3,000	26,800
Medicaid (Federal)	100	150	150	50	125	150	150	250	400	375	300	426	2,626
Other State & Federal	7,200	10,000	4,500	7,500	4,500	7,500	7,500	7,500	12,250	1,000	3,000	5,000	77,450
Other	700	250	750	750	250	10,000	1,000	250	500	250	350	250	15,300
TOTAL CASH RECEIPTS	19,260	39,410	58,338	30,060	67,035	83,400	129,978	62,873	159,683	64,485	74,310	82,897	871,729
CASH DISBURSEMENTS:													
Salary & FICA	23,100	10,192	33,830	33,830	33,830	50,745	35,500	34,180	33,830	33,830	33,830	50,745	407,442
Termination Pay	-	2,500	1,000	50	25	25	100	100	60	100	50	50	4,060
Carry Over Accounts Payable	14,000	11,000	1,000	1,000	500	-	-	-	-	-	-	-	27,500
Services & Supplies	6,000	5,000	7,000	12,000	12,000	21,000	11,900	12,000	12,000	12,000	12,000	12,000	134,900
Health Insurance	10,216	10,216	10,216	10,216	10,216	10,220	10,216	10,216	10,216	10,216	10,216	10,220	122,600
Transportation	-	-	1,500	2,000	2,000	9,800	5,000	2,000	10,000	10,000	5,000	5,000	52,300
Tuition Payments	-	-	1,100	5,000	3,000	4,000	3,500	3,000	3,500	3,500	3,000	4,000	33,600
Charter School Payments	20,650	-	20,650	-	20,650	-	20,650	-	20,650	-	20,650	-	123,900
TOTAL CASH DISBURSEMENTS	73,966	38,908	76,296	64,096	82,221	95,790	86,866	61,496	90,256	69,646	84,746	82,015	906,302
MONTHLY CASH & INVESTMENTS	(54,706)	502	(17,958)	(34,036)	(15,186)	(12,390)	43,112	1,377	69,427	(5,161)	(10,436)	882	(34,573)
ENDING CASH & INVESTMENTS	<u>133,913</u>	<u>134,415</u>	<u>116,457</u>	<u>82,421</u>	<u>67,235</u>	<u>54,845</u>	<u>97,957</u>	<u>99,334</u>	<u>168,761</u>	<u>163,600</u>	<u>153,164</u>	<u>154,046</u>	<u>154,046</u>

⁽¹⁾ This cash flow is only intended for inclusion in the Four Year Plan - The Official 2017-18 Projected Cash Flow will be prepared once the 2017-18 budget is finalized and the final 2016-17 cash flow is known in July.