

Financial Affairs
Edward Marquez, Chief Financial Officer

SUBJECT: RESOLUTION NO. 1, 2003-04 FOOD SERVICE FUND SPRING BUDGET REVIEW

COMMITTEE: BUSINESS AND FINANCIAL SERVICES

The Office of Budget Management, the Office of the Controller and the Department of Food and Nutrition have completed a review of food service operations through April 30, 2004. This resolution decreases budgeted revenues by \$3,721,355, decreases appropriations by \$7,744,095 and increases fund balance by \$4,022,740 to reflect projected results for the year. Decreased revenues in food sales are a result of breakfast being served at no charge to students throughout the district and a decrease in federal reimbursements due to a reduction in enrollment. Favorable adjustments are the result of increased commodity food rebates, lower than anticipated health insurance costs for eligible part-time employees, and reduced capital purchases. Accordingly, it is recommended that budgeted revenues, appropriations and reserves be amended as follows:

REVENUES	Increase (Decrease)
1. Decrease Federal Through State revenues as follows:	\$ (2,740,343)
National School Lunch Act	\$(2,990,343)
USDA Commodities	(400,000)
Other Federal sources	<u>650,000</u>
	\$(2,740,343)
2. Decrease State revenues for Food Service Supplement (\$42,000) and Miscellaneous State (\$52,000).	(94,000)
3. Decrease Local revenues as follows:	(887,012)
a. Decrease Food Sales by (\$842,012) due primarily to no cash collections for breakfast as part of the free breakfast program.	
b. Decrease Interest Revenue by (\$39,000).	
c. Decrease Miscellaneous Local Revenue by (\$6,000).	
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Net Decrease in Revenues	<u>\$ (3,721,355)</u>

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APPROPRIATIONS	Increase (Decrease)
1. Increase salaries \$1,664,763 with a decrease in employee benefits (\$5,176,858). The decrease in employee benefits is due primarily to projections based on actual enrollment in health insurance programs offered to eligible part-time employees.	\$ (3,512,095)
2. Decrease purchased services (\$813,879) and energy services (\$500).	(814,379)
3. Decrease food and supplies.	(974,830)
4. Decrease capital outlay to reflect projected expenditures and outstanding purchase orders at year-end.	(2,277,948)
5. Decrease in Indirect Cost and Other.	<u>(164,843)</u>
Net Decrease in Appropriations	<u>\$ (7,744,095)</u>

RESERVES

Increase projected Ending Fund Balance.	\$ <u>4,022,740</u>
Net Decrease in Appropriations and Ending Fund Balance	<u>\$ (3,721,355)</u>

RECOMMENDED: That The School Board of Miami-Dade County, Florida, approve Resolution No. 1, 2003-04 Food Service Fund Spring Budget Review, decreasing revenues by \$3,721,355, decreasing appropriations by \$7,744,095, and increasing ending fund balance by \$4,022,740.

**MIAMI-DADE COUNTY PUBLIC SCHOOLS
2003-04 FOOD SERVICE BUDGET
SUMMARY OF REVENUES & APPROPRIATIONS
RESOLUTION NO. 1**

	ADOPTED BUDGET 09/10/03	INCREASE (DECREASE)	AMENDED BUDGET 06/16/04
REVENUES & BEGINNING BALANCES			
REVENUES			
Federal Through State			
National School Lunch Act	\$ 89,090,343	\$ (2,990,343)	\$ 86,100,000
U.S.D.A. Commodities	5,000,000	(400,000)	4,600,000
Other	0	650,000	650,000
Subtotal Federal Through State	\$ 94,090,343	\$ (2,740,343)	\$ 91,350,000
State			
Food Service Supplement	\$ 2,920,000	\$ (42,000)	\$ 2,878,000
Other	52,000	(52,000)	0
Subtotal State	\$ 2,972,000	\$ (94,000)	\$ 2,878,000
Local			
Food Sales	\$ 35,832,012	\$ (842,012)	\$ 34,990,000
Interest and Other	134,000	(39,000)	95,000
Miscellaneous	60,000	(6,000)	54,000
Subtotal Local	\$ 36,026,012	\$ (887,012)	\$ 35,139,000
TOTAL REVENUES	\$ 133,088,355	\$ (3,721,355)	\$ 129,367,000
Beginning Fund Balance	\$ 12,764,536	-	\$ 12,764,536
TOTAL REVENUES & BEGINNING BALANCES	\$ 145,852,891	\$ (3,721,355)	\$ 142,131,536
APPROPRIATIONS & RESERVES			
APPROPRIATIONS			
Salaries	\$ 41,835,237	\$ 1,664,763	\$ 43,500,000
Employee Benefits	18,576,858	(5,176,858)	13,400,000
Purchased Services	7,413,879	(813,879)	6,600,000
Energy Services	5,020,500	(500)	5,020,000
Food & Supplies	57,380,830	(974,830)	56,406,000
Capital Outlay	4,677,948	(2,277,948)	2,400,000
Indirect Cost & Other	2,505,843	(164,843)	2,341,000
TOTAL APPROPRIATIONS	\$ 137,411,095	\$ (7,744,095)	\$ 129,667,000
RESERVES			
Ending Fund Balance	8,441,796	4,022,740	12,464,536
TOTAL RESERVES	\$ 8,441,796	\$ 4,022,740	\$ 12,464,536
TOTAL APPROPRIATIONS & RESERVES	\$ 145,852,891	\$ (3,721,355)	\$ 142,131,536