

Business Operations
Ofelia San Pedro, Deputy Superintendent

**SUBJECT: RESOLUTION NO. 2, 2005-06 SPECIAL REVENUE - FOOD SERVICE
FUND SPRING BUDGET REVIEW**

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

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 March 31, 2006. This resolution increases budgeted revenues and other sources by \$3,051,120, increases appropriations by \$1,180,296 and increases fund balances by \$1,870,824 to reflect projected results for the year.

The change in revenue is primarily due to an increase in reimbursable meals served and food sales resulting from enhanced marketing efforts by the district; an increase in food sales resulting from the anticipated summer school participation revenue prior to the end of the fiscal year; and a Transfer In from the General Fund of \$1.8 million for that portion of the Collective Bargaining Reserve that covered Food and Nutrition employees. Before making this transfer, the entire Reserve was maintained in the General Fund.

The change in appropriations is primarily due to an increase in costs associated with the summer school program for this fiscal year; an increase in food and supplies to accommodate the 5-day extension of the school year for the zone schools; and an increase in capital outlay for equipment that will enhance productivity. However, a review of staffing levels and implementation of aggressive efforts to streamline processes and better align resources have resulted in reductions in salaries, purchased services and other indirect costs which partially offset the increase in costs.

Accordingly, it is recommended that budgeted revenues and appropriations be amended as follows:

REVENUES	<u>Increase (Decrease)</u>
1. Increase Federal through State as follows:	\$ 857,120
a. Increase National School Lunch Act	\$ 1,555,120
b. Decrease U.S.D.A. Commodities	(573,000)
c. Decrease Other Revenues	<u>(125,000)</u>
Total Federal through State	\$ 857,120
2. Increase Local Revenues as follows:	2,194,000
a. Increase Interest Revenue	\$ 105,000
b. Increase Food Sales	289,000
c. Transfer In	<u>1,800,000</u>
Total Local Revenues	\$ 2,194,000
Net Increase in Revenues	<u>\$ 3,051,120</u>

APPROPRIATIONS	<u>Increase (Decrease)</u>
1. Decrease Salaries and Fringe Benefits by \$1,179,200 and \$224,800 respectively due to a combination of summer school cost and cessation of security/custodial abatements.	\$(1,404,000)
2. Decrease Purchased Services	(50,000)
3. Increase Food and Supplies due to 5-day extension to the school year for zone schools and the summer school program dates in this fiscal year.	2,118,980
4. Increase Capital Outlay	600,000
5. Decrease Indirect Cost and Other	(84,684)
Net Increase in Appropriations	<u>\$ 1,180,296</u>

ENDING FUND BALANCE

Increase Ending Fund Balance to reflect projected results as follows:	\$ 1,870,824
a. Decrease Reserve for Commodity Inventory	\$(1,056,000)
b. Unreserved	<u>2,926,824</u>
Total	\$ 1,870,824

**Net Increase in Appropriations
And Ending Fund Balance** **\$ 3,051,120**

RECOMMENDED: That The School Board of Miami-Dade County, Florida, approve Resolution No. 2, 2005-06 Food Service Fund Spring Budget Review, increasing revenues and appropriations/ending fund balance by \$3,051,120.

**MIAMI-DADE COUNTY PUBLIC SCHOOLS
2005-06 FOOD SERVICE BUDGET
SUMMARY OF REVENUES & APPROPRIATIONS
RESOLUTION NO.2**

	AMENDED BUDGET 02/16/06	RESOLUTION 2	AMENDED BUDGET 05/10/06
REVENUES & BEGINNING BALANCES			
REVENUES			
Federal Through State			
National School Lunch Act	\$ 85,622,880	\$ 1,555,120	\$ 87,178,000
U.S.D.A. Commodities	5,768,000	(573,000)	5,195,000
Other	650,000	(125,000)	525,000
Subtotal Federal Through State	\$ 92,040,880	\$ 857,120	\$ 92,898,000
State			
Food Service Supplement	\$ 2,780,000	\$ -	\$ 2,780,000
Other	54,000	-	54,000
Subtotal State	\$ 2,834,000	\$ -	\$ 2,834,000
Local			
Interest and Other	\$ 117,000	\$ 105,000	\$ 222,000
Food Sales	37,585,112	289,000	37,874,112
Transfer In	-	1,800,000	1,800,000
Subtotal Local	\$ 37,702,112	\$ 2,194,000	\$ 39,896,112
TOTAL REVENUES	\$ 132,576,992	\$ 3,051,120	\$ 135,628,112
BEGINNING FUND BALANCE	\$ 6,432,230	\$ -	\$ 6,432,230
TOTAL REVENUES & BEGINNING BALANCES	\$ 139,009,222	\$ 3,051,120	\$ 142,060,342
APPROPRIATIONS & RESERVES			
APPROPRIATIONS			
Salaries	\$ 45,797,000	\$ (1,179,200)	\$ 44,617,800
Employee Benefits	21,629,000	(224,800)	21,404,200
Purchased Services	6,000,000	(50,000)	5,950,000
Energy Services	4,865,401	-	4,865,401
Food & Supplies	57,764,020	2,118,980	59,883,000
Capital Outlay	1,000,000	600,000	1,600,000
Indirect Cost & Other	3,358,684	(84,684)	3,274,000
TOTAL APPROPRIATIONS	\$ 140,414,105	\$ 1,180,296	\$ 141,594,401
RESERVES			
Ending Fund Balance:			
Reserved for Commodity Inventory	\$ 3,955,000	\$ (1,056,000)	\$ 2,899,000
Unreserved	(5,359,883)	2,926,824	(2,433,059)
TOTAL RESERVES	\$ (1,404,883)	\$ 1,870,824	\$ 465,941
TOTAL APPROPRIATIONS & RESERVES	\$ 139,009,222	\$ 3,051,120	\$ 142,060,342