

Financial Services
Mr. Ron Y. Steiger, Chief Financial Officer

**SUBJECT: RESOLUTION NO. 1, FY 2017-18 SPECIAL REVENUE - FOOD
SERVICE FUND MID-YEAR BUDGET REVIEW**

COMMITTEE: FISCAL ACCOUNTABILITY & GOVERNMENT RELATIONS

**LINK TO STRATEGIC
BLUEPRINT: EFFECTIVE AND SUSTAINABLE BUSINESS PRACTICES**

The Department of Food and Nutrition, the Office of Budget Management and the Office of the Controller have completed a review of the food service budget through December 31, 2017. The overall revenues and other financing sources are being increased by \$10,583,269, appropriations are being increased by \$2,766,295 and the ending fund balance is being increased by \$7,816,974.

REVENUES

Projections for federal meal reimbursements are being increased by \$14,500,000 to reflect an increase in federal meal reimbursements as a result of a special waiver received by the Florida Department of Agriculture and Consumer Services (FDACS) due to Hurricane Irma, allowing the district to serve all students free meals and claim meals at the free rate based on attendance from September 18 – October 20, 2017. Other federal revenues which reflect after school meal subsidies are being decreased by \$70,000. Food Service Supplement is being decreased by \$94,731 to reflect the actual amount to be received from the State. Local Food Sales, which reflect the cash collected for paid and reduced-price lunches, vending and a la carte sales, is being decreased by \$3,752,000 due to all meals served free with no cash sales during the waiver period of September 18 – October 20, and the loss of sales during the seven day school closure as a result of Hurricane Irma.

APPROPRIATIONS

Projections for Salaries are being increased by \$1,108,362 to reflect Board negotiated collective bargaining salary increases. Employee Benefits are being decreased by \$1,029,524 to reflect a health insurance abatement credit of approximately \$1,241,000 and to reflect an increase of \$211,476 to FICA due to the negotiated salary increase. Capital Outlay is being increased by \$2,500,000 to reflect increased investments in school food service equipment, cafeteria serving lines and food service technology systems. Purchased Services are being increased by \$200,000 and Indirect Cost is being decreased by \$12,543 to reflect actual projected expenditures.

Projected revenues are being increased by \$10,583,269 and projected appropriations are being increased by \$2,766,295.

<u>REVENUES CHANGES</u>	<u>Increase (Decrease)</u>
1. Increase Federal through State National School Lunch Act	\$14,500,000
2. Decrease Other Federal Revenue	(70,000)
3. Decrease Food Service Supplement	(94,731)
4. Decrease Food Sales	<u>(3,752,000)</u>

Net Increase in Revenues **\$10,583,269**

APPROPRIATIONS CHANGES

1. Increase Salaries	\$ 1,108,362
2. Decrease Employee Benefits	(1,029,524)
3. Increase Purchased Services	200,000
4. Increase Capital Outlay	2,500,000
5. Decrease Indirect Cost & Other	<u>(12,543)</u>

Net Increase in Appropriations **\$ 2,766,295**

ENDING FUND BALANCE CHANGES

Increase in Fund Balance **\$ 7,816,974**

Net Increase in Appropriations and Ending Fund Balance **\$ 10,583,269**

RECOMMENDED: That The School Board of Miami-Dade County, Florida, approve Resolution No. 1, FY 2017-18, Food Service Fund Mid-Year Budget Review, increasing revenues by \$10,583,269, increasing appropriations by \$2,766,295 and increasing ending fund balance by \$7,816,974.

**SUMMARY OF REVENUES AND APPROPRIATIONS
FY 2017-18 FOOD SERVICE BUDGET**

	FY 2017-18 ADOPTED BUDGET 9/6/2017	RESOLUTION 1 INCREASE/ (DECREASE)	FY 2017-18 AMENDED BUDGET 2/21/2018
REVENUES			
Federal Through State			
National School Lunch Act	\$ 137,500,000	\$ 14,500,000	\$ 152,000,000
U.S.D.A. Commodities	11,000,000	-	11,000,000
Other	1,100,000	(70,000)	1,030,000
Total Federal	\$ 149,600,000	\$ 14,430,000	\$ 164,030,000
State			
Food Service Supplement	\$ 1,976,330	\$ (94,731)	\$ 1,881,599
Miscellaneous		-	
Total State	\$ 1,976,330	\$ (94,731)	\$ 1,881,599
Local			
Investment/Interest Income	\$ 80,000	\$ -	\$ 80,000
Food Sales	15,490,000	(3,752,000)	11,738,000
Other		-	
Total Local	\$ 15,570,000	\$ (3,752,000)	\$ 11,818,000
TOTAL REVENUES	\$ 167,146,330	\$ 10,583,269	\$ 177,729,599
BEGINNING FUND BALANCE	\$ 31,932,346	\$ -	\$ 31,932,346
TOTAL REVENUES & BEGINNING FUND BALANCE	\$ 199,078,676	\$ 10,583,269	\$ 209,661,945
APPROPRIATIONS			
Salaries	\$ 48,791,638	\$ 1,108,362	\$ 49,900,000
Employee Benefits	26,772,624	(1,029,524)	25,743,100
Purchased Services	6,750,000	200,000	6,950,000
Energy Services	5,998,775	-	5,998,775
Food & Supplies	80,317,970	-	80,317,970
Capital Outlay	2,000,000	2,500,000	4,500,000
Indirect Cost & Other	4,221,111	(12,543)	4,208,568
TOTAL APPROPRIATIONS	\$ 174,852,118	\$ 2,766,295	\$ 177,618,413
FUND BALANCE END OF YEAR			
Non-Spendable	\$ 2,425,257	\$ -	\$ 2,425,257
Restricted	21,801,301	7,816,974	29,618,275
TOTAL ENDING FUND BALANCE	\$ 24,226,558	\$ 7,816,974	\$ 32,043,532
TOTAL APPROPRIATIONS & FUND BALANCE	\$ 199,078,676	\$ 10,583,269	\$ 209,661,945