

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

SUBJECT: RESOLUTION NO. 2, FY 2017-18 SPECIAL REVENUE - FOOD SERVICE FUND FINAL 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 operations through June 30, 2018. The overall revenues and other financing sources are being increased by \$320,738; appropriations are being decreased by \$10,284,650 resulting in the fund balance being increased by \$10,605,388.

The National School Lunch Program federal meal reimbursements are being decreased by \$88,027 to reflect the actual amount received. The United States Department of Agriculture (USDA) Commodities have decreased by \$232,664 to reflect actual USDA entitlements received. Other revenues are being increased by \$159,387 as a result of an increase in reimbursable after school meal programs. Food sales are being increased by \$418,694 to reflect the increase in cash sales. Other small revenue accounts increased by \$63,348.

Expenditures for salaries are being decreased by \$1,209,759 to reflect actual expenditures. Fringe Benefits are being decreased by \$1,170,645 to reflect the expenditures in fringe benefits charged to the Food Service fund. Purchased services are being decreased by \$1,361,187 as a result of lower expenditures than anticipated. Food and Supplies are being decreased \$6,452,859 as a result of close monitoring and reviewing of inventory and supplies in addition to lower student enrollment resulting in a decrease in total meals served. Capital Outlay is being increased by \$396,751 to reflect enhanced food service investments in school site kitchens, technology, and point of sale stations. Indirect Cost & Other are being decreased by \$478,215 to reflect actual expenditures.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, approve Resolution No. 2, FY 2017-18 Food Service Fund Final Budget Review, increasing revenues by \$320,738 decreasing appropriations by \$10,284,650 and increasing ending fund balance by \$10,605,388.

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<u>REVENUES CHANGES</u>		<u>Increase (Decrease)</u>
1. Increase (Decrease) Federal through State as follows:		\$ (161,304)
a. National School Lunch Act	\$ (88,027)	
b. U.S.D.A. Commodities	(232,664)	
c. Other	<u>159,387</u>	
Subtotal	\$ (161,304)	
2. Increase (Decrease) Total State as follows:		14
a. Food Service Supplement	<u>\$ 14</u>	
Subtotal	\$ 14	
3. Increase (Decrease) Local Revenues as follows:		482,028
a. Interest and Other	\$ 63,334	
b. Food Sales	<u>418,694</u>	
Subtotal	\$ 482,028	
Net Increase in Revenues		<u>\$ 320,738</u>
 <u>APPROPRIATIONS CHANGES</u>		
1. Decrease salaries and fringe benefits based on actual expenditures		\$ (2,380,404)
2. Decrease purchased services based on actual expenditures		(1,361,187)
3. Decrease energy services based on actual expenditures		(8,736)
4. Decrease food and supplies based on actual expenditures		(6,452,859)
5. Increase capital outlay based on actual expenditures		396,751
6. Decrease indirect cost and other based on actual expenditures		<u>(478,215)</u>
Net (Decrease) in Appropriations		<u>\$ (10,284,650)</u>
 <u>ENDING FUND BALANCE</u>		
Net Increase in Fund Balance		<u>\$ 10,605,388</u>
Net Increase in Appropriations and Ending Fund Balance		<u>\$ 320,738</u>

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

	FY 2017-18 AMENDED BUDGET 2/21/2018	RESOLUTION 2 INCREASE/ (DECREASE)	FY 2017-18 AMENDED BUDGET 9/5/2018
REVENUES			
Federal Through State			
National School Lunch Act	\$ 152,000,000	\$ (88,027)	\$ 151,911,973
U.S.D.A. Commodities	11,000,000	(232,664)	10,767,336
Other	1,030,000	159,387	1,189,387
Total Federal	\$ 164,030,000	\$ (161,304)	\$ 163,868,696
State			
Food Service Supplement	\$ 1,881,599	\$ 14	\$ 1,881,613
Miscellaneous		-	
Total State	\$ 1,881,599	\$ 14	\$ 1,881,613
Local			
Investment/Interest Income	\$ 80,000	\$ 63,334	\$ 143,334
Food Sales	11,738,000	418,694	12,156,694
Other		-	
Total Local	\$ 11,818,000	\$ 482,028	\$ 12,300,028
TOTAL REVENUES	\$ 177,729,599	\$ 320,738	\$ 178,050,337
BEGINNING FUND BALANCE	\$ 31,932,346	\$ -	\$ 31,932,346
TOTAL REVENUES & BEGINNING FUND BALANCE	\$ 209,661,945	\$ 320,738	\$ 209,982,683
APPROPRIATIONS			
Salaries	\$ 49,900,000	\$ (1,209,759)	\$ 48,690,241
Employee Benefits	25,743,100	(1,170,645)	24,572,455
Purchased Services	6,950,000	(1,361,187)	5,588,813
Energy Services	5,998,775	(8,736)	5,990,039
Food & Supplies	80,317,970	(6,452,859)	73,865,111
Capital Outlay	4,500,000	396,751	4,896,751
Indirect Cost & Other	4,208,568	(478,215)	3,730,353
TOTAL APPROPRIATIONS	\$ 177,618,413	\$ (10,284,650)	\$ 167,333,763
FUND BALANCE END OF YEAR			
Non-Spendable	\$ 2,425,257	\$ 438,894	\$ 2,864,151
Restricted	29,618,275	10,166,494	39,784,769
TOTAL ENDING FUND BALANCE	\$ 32,043,532	\$ 10,605,388	\$ 42,648,920
TOTAL APPROPRIATIONS & FUND BALANCE	\$ 209,661,945	\$ 320,738	\$ 209,982,683

