

Business Operations
 Ofelia San Pedro, Deputy Superintendent

SUBJECT: RESOLUTION NO. 2, 2006-07 SPECIAL REVENUE - FOOD SERVICE FUND SPRING BUDGET REVIEW

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

LINK TO DISTRICT STRATEGIC PLAN: IMPROVE 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, 2007. This resolution decreases budgeted revenues and other sources by \$3,594,828, decreases appropriations by \$ 2,705,055 and decreases fund balance by \$889,773 to reflect projected results for the year. Decreased revenues are due to a decrease in enrollment resulting in a reduction in the total number of students participating in the program and a decrease in the Vending Access fees. Due to the implementation of the Wellness Program throughout the district, food sales decreased with the elimination of carbonated drinks and higher fat, higher added sugar candy items in vending machines. Decreased appropriations are primarily for a decrease in Food & Supplies to match the decline in participation and a decrease in Indirect Cost. Accordingly, it is recommended that budgeted revenues and appropriations be amended as follows:

REVENUES	Increase (Decrease)
1. Increase (Decrease) Federal through State as follows:	\$ (1,918,662)
a. National School Lunch Act	\$ (2,569,909)
b. USDA Commodities	<u>651,247</u>
	\$ (1,918,662)
2. Increase (Decrease) State Revenues as follows:	2,000
a. Food Service Supplement	\$ 5,000
b. Other	<u>(3,000)</u>
	\$ 2,000
3. Decrease Local Revenues in food sales due to loss of carbonated drinks and vending machine items high in fat and sugar.	(1,878,166)
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Net Decrease in Revenue	\$ (3,794,828)

TRANSFERS	Increase (Decrease)
Establish transfer from General Fund.	\$ <u>200,000</u>
Net Decrease in Revenues/Transfers	\$ <u>(3,594,828)</u>

APPROPRIATIONS

1. Decrease Salary and Fringes in hourly projections. This is due primarily to a transfer of hourly expenditures to the schools discretionary hourly accounts when a school exceeded their cafeteria monitor budget.	\$ (955,000)
2. Decrease Purchased Services based on projections.	(250,000)
3. Decrease Food and Supplies to reflect a decrease in participation.	(1,482,751)
4. Decrease Indirect Cost and Other.	<u>(17,304)</u>
Net Decrease in Appropriations	\$ <u>(2,705,055)</u>

ENDING FUND BALANCE

1. Increase Reserve for Commodity Inventory to project end of year balance.	\$ 1,474,000
2. Decrease Unreserved Fund Balance to reflect projected balance.	<u>(2,363,773)</u>
Net Decrease in Fund Balance	\$ <u>(889,773)</u>
Net Decrease in Appropriations And Ending Fund Balance	\$ <u>(3,594,828)</u>

RECOMMENDED: That The School Board of Miami-Dade County, Florida, approve Resolution No. 2, 2006-07 Food Service Fund Spring Budget Review, decreasing revenues/transfers and appropriations/ending fund balance by \$3,594,828

**MIAMI-DADE COUNTY PUBLIC SCHOOLS
2006-07 FOOD SERVICE BUDGET
SUMMARY OF REVENUES & APPROPRIATIONS
RESOLUTION NO. 2**

	AMENDED BUDGET 02/14/07	RESOLUTION 2	AMENDED BUDGET 06/13/07
REVENUES & BEGINNING BALANCES			
REVENUES			
Federal Through State			
National School Lunch Act	\$ 90,319,909	\$ (2,569,909)	\$ 87,750,000
U.S.D.A. Commodities	6,348,753	651,247	7,000,000
Other	190,000	-	190,000
Subtotal Federal Through State	\$ 96,858,662	\$ (1,918,662)	\$ 94,940,000
State			
Food Service Supplement	\$ 2,718,000	\$ 5,000	\$ 2,723,000
Other	54,000	(3,000)	51,000
Subtotal State	\$ 2,772,000	\$ 2,000	\$ 2,774,000
Local			
Interest and Other	\$ 246,000	\$ -	\$ 246,000
Food Sales	41,778,166	(1,878,166)	39,900,000
Subtotal Local	\$ 42,024,166	\$ (1,878,166)	\$ 40,146,000
TOTAL REVENUES	\$ 141,654,828	\$ (3,794,828)	\$ 137,860,000
TRANSFER FROM GENERAL FUND	\$ -	\$ 200,000	\$ 200,000
BEGINNING FUND BALANCE	72,838	-	72,838
TOTAL REVENUES & BEGINNING BALANCES	\$ 141,727,666	\$ (3,594,828)	\$ 138,132,838
APPROPRIATIONS & RESERVES			
APPROPRIATIONS			
Salaries	\$ 45,696,263	\$ (790,105)	\$ 44,906,158
Employee Benefits	21,936,559	(164,895)	21,771,664
Purchased Services	5,152,023	(250,000)	4,902,023
Energy Services	5,795,853	-	5,795,853
Food & Supplies	58,619,751	(1,482,751)	57,137,000
Capital Outlay	1,000,000	-	1,000,000
Indirect Cost & Other	2,572,304	(17,304)	2,555,000
TOTAL APPROPRIATIONS	\$ 140,772,753	\$ (2,705,055)	\$ 138,067,698
RESERVES			
Ending Fund Balance:			
Reserved for Commodity Inventory	\$ 1,491,000	\$ 1,474,000	\$ 2,965,000
Unreserved	(536,087)	(2,363,773)	(2,899,860)
TOTAL RESERVES	\$ 954,913	\$ (889,773)	\$ 65,140
TOTAL APPROPRIATIONS & RESERVES	\$ 141,727,666	\$ (3,594,828)	\$ 138,132,838