

Financial Services
Richard H. Hinds, Chief Financial Officer

**SUBJECT: RESOLUTION NO. 2, FY 2011-2012 SPECIAL REVENUE -
FOOD SERVICE FUND FINAL BUDGET REVIEW**

**COMMITTEE: INNOVATION, EFFICIENCY AND GOVERNMENTAL
RELATIONS**

**LINK TO STRATEGIC
FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY**

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, 2012. The overall revenues and other financing sources are being adjusted by \$2,313,228; appropriations are being decreased by \$3,459,302 resulting in the fund balance being increased by \$1,146,074.

Federal reimbursements are being increased by \$796,632 and food sales are being decreased by \$2,240,208. There continues to be a shift from cash sales to federal reimbursements as a result of more students being certified for free meals and an increased student meal participation in this category for the 2011-12 school year. The United States Department of Agriculture (USDA) Commodities have decreased by \$1,092,913 due to a decrease in USDA entitlements.

The appropriation for salaries is being decreased by \$1,192,478 as a result of strict monitoring and increased productivity while providing enhanced training programs to educate the workforce. The appropriation for fringe benefits is decreased by \$1,390,895. Food and supplies decreased by \$572,297 to reflect actual expenditures even with the increase in the purchase of fresh fruits and vegetables for school menus, snack programs and nutrition educational initiatives for students. As a result of contractual changes and cost control measures, purchased services are being reduced by \$333,039 to reflect actual expenditures.

Accordingly, revenues are adjusted by \$2,313,228, appropriations are decreased by \$3,459,302 and the fund balance is adjusted by \$1,146,074.

REVENUES CHANGES**Increase
(Decrease)**

1. Increase (Decrease) Federal through State as follows:		\$ (108,466)
a. National School Lunch Act	\$ 796,632	
b. U.S.D.A. Commodities	(1,092,913)	
c. Other	<u>187,815</u>	
Subtotal	\$ (108,466)	
2. Increase (Decrease) State as follows:		28,140
a. Food Service Supplement	\$ 511	
b. Miscellaneous	<u>27,629</u>	
Subtotal	\$ 28,140	
3. Increase (Decrease) Local Revenues as follows:		(2,232,902)
a. Interest and Other	\$ 7,306	
b. Food Sales	<u>(2,240,208)</u>	
Subtotal	\$ (2,232,902)	

Net (Decrease) in Revenues \$ (2,313,228)**APPROPRIATIONS CHANGES**

1. Decrease salaries and fringe benefits based on vigilant monitoring.	\$ (2,583,373)
2. Decrease purchased services based on actual expenditures	(333,039)
3. Increase energy services based on actual expenditures	26,648
4. Decrease food and supplies based on actual expenditures	(572,297)
5. Increase capital outlay based on actual expenditures	48,778
6. Decrease indirect cost and other based on actual expenditures	<u>(46,019)</u>

Net (Decrease) in Appropriations \$ (3,459,302)**ENDING FUND BALANCE****Net Increase Fund Balance** \$ 1,146,074**Net (Decrease) in Appropriations and Ending Fund Balance** \$ (2,313,228)

RECOMMENDED: That The School Board of Miami-Dade County, Florida, approve Resolution No. 2, FY 2011-12 Food Service Fund Final Budget Review, decreasing revenues and appropriations and ending fund balance by \$2,313,228.

**SUMMARY OF REVENUES AND APPROPRIATIONS
2011-12 FOOD SERVICE BUDGET**

	FY 2011-12 AMENDED BUDGET 2/15/2012	RESOLUTION 2 INCREASE/ (DECREASE)	FY2011-12 AMENDED BUDGET 9/5/2012
REVENUES			
Federal Through State			
National School Lunch Act	\$ 111,993,000	\$ 796,632	\$ 112,789,632
U.S.D.A. Commodities	7,500,000	(1,092,913)	6,407,087
Other	500,000	187,815	687,815
Total Federal	\$ 119,993,000	\$ (108,466)	\$ 119,884,534
State			
Food Service Supplement	\$ 2,261,000	\$ 511	\$ 2,261,511
Miscellaneous	15,000	27,629	42,629
Total State	\$ 2,276,000	\$ 28,140	\$ 2,304,140
Local			
Interest and Other	\$ 7,000	\$ 7,306	\$ 14,306
Food Sales	29,451,000	(2,240,208)	27,210,792
Total Local	\$ 29,458,000	\$ (2,232,902)	27,225,098
TOTAL REVENUE	\$ 151,727,000	\$ (2,313,228)	\$ 149,413,772
BEGINNING FUND BALANCE	\$ 15,043,259		\$ 15,043,259
TOTAL REVENUES & BEGINNING FUND BALANCE	\$ 166,770,259	\$ (2,313,228)	\$ 164,457,031
APPROPRIATIONS			
Salaries	\$ 41,241,261	\$ (1,192,478)	\$ 40,048,783
Fringe Benefits	22,176,800	(1,390,895)	20,785,905
Purchased Services	4,448,000	(333,039)	4,114,961
Energy Services	5,456,283	26,648	5,482,931
Food & Supplies	73,789,000	(572,297)	73,216,703
Capital Outlay	1,835,000	48,778	1,883,778
Indirect Cost & Other	2,199,670	(46,019)	2,153,651
Total Appropriations	\$ 151,146,014	\$ (3,459,302)	\$ 147,686,712
FUND BALANCE END OF YEAR			
Reserved for Commodity Inventory	\$ 3,250,000	\$ -	\$ 3,250,000
Contingency	5,000,000	1,000,000	6,000,000
Unreserved	7,374,245	146,074	7,520,319
TOTAL ENDING FUND BALANCE	\$ 15,624,245	\$ 1,146,074	\$ 16,770,319
TOTAL APPROPRIATIONS & ENDING FUND BALANCE	\$ 166,770,259	\$ (2,313,228)	\$ 164,457,031