

Financial Services
Richard H. Hinds, Chief Financial Officer

**SUBJECT: RESOLUTION NO. 2, FY 2012-13 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, 2013. The overall revenues and other financing sources are being adjusted by \$2,172,654; appropriations are being decreased by \$8,284,650 resulting in the fund balance being increased by \$10,457,304.

Federal reimbursements are being increased by \$1,922,803 and food sales are being decreased by \$885,622. Increased federal reimbursements were a result of significant increases in student breakfast participation and compliance with federal lunch requirements under the Healthy Hunger Free Kids Act. The United States Department of Agriculture (USDA) Commodities have increased by \$1,046,577 due to an increase in USDA entitlements received.

Actual expenditures for food and supplies are being decreased by \$3,466,695 as food costs for the new federal meal requirements were lower than anticipated due to controls over food service operations and contract management. As a result of contractual changes and cost control measures, purchased services are being reduced by \$2,720,249 to reflect actual expenditures. The appropriation for fringe benefits is decreased by \$2,824,152 to reflect actual health benefit costs for food service employees.

<u>REVENUES CHANGES</u>	<u>Increase (Decrease)</u>
1. Increase (Decrease) Federal through State as follows:	\$ 2,983,925
a. National School Lunch Act	\$ 1,922,803
b. U.S.D.A. Commodities	1,046,577
c. Other	<u>14,545</u>
Subtotal	\$ 2,983,925
2. Increase (Decrease) State as follows:	35,924
a. Food Service Supplement	\$ 71
b. Miscellaneous	<u>35,853</u>
Subtotal	\$ 35,924
3. Increase (Decrease) Local Revenues as follows:	(847,195)
a. Interest and Other	\$ 38,427
b. Food Sales	<u>(885,622)</u>
Subtotal	\$ (847,195)
 Net Increase in Revenues	 <u>\$ 2,172,654</u>
 <u>APPROPRIATIONS CHANGES</u>	
1. Decrease salaries and fringe benefits based on actual expenditures	\$(2,783,170)
2. Decrease purchased services based on actual expenditures	(2,720,249)
3. Increase energy services based on actual expenditures	74,179
4. Decrease food and supplies based on actual expenditures	(3,466,695)
5. Increase capital outlay based on actual expenditures	689,130
6. Decrease indirect cost and other based on actual expenditures	<u>(77,845)</u>
Net (Decrease) in Appropriations	<u>\$ (8,284,650)</u>
 <u>ENDING FUND BALANCE</u>	
Net Increase Fund Balance	<u>\$ 10,457,304</u>
 Net (Decrease) in Appropriations and Ending Fund Balance	 <u>\$ 2,172,654</u>

RECOMMENDED: That The School Board of Miami-Dade County, Florida, approve Resolution No. 2, FY 2012-13 Food Service Fund Final Budget Review, increasing revenues appropriations and ending fund balance by \$10,457,304.

**SUMMARY OF REVENUES AND APPROPRIATIONS
FY2012-13 FOOD SERVICE BUDGET**

	FY2012-13 AMENDED BUDGET 3/13/2013	RESOLUTION 2 INCREASE/ (DECREASE)	FY2012-13 AMENDED BUDGET 9/3/2013
REVENUES			
Federal Through State			
National School Lunch Act	\$ 120,250,000	\$ 1,922,803	\$ 122,172,803
U.S.D.A. Commodities	7,200,000	1,046,577	8,246,577
Other	50,000	14,545	64,545
Total Federal	\$ 127,500,000	\$ 2,983,925	\$ 130,483,925
State			
Food Service Supplement	2,146,060	71	2,146,131
Miscellaneous	40,000	35,853	75,853
Total State	\$ 2,186,060	\$ 35,924	\$ 2,221,984
Local			
Interest and Other	13,000	38,427	51,427
Food Sales	22,431,000	(885,622)	21,545,378
Total Local	\$ 22,444,000	\$ (847,195)	\$ 21,596,805
TOTAL REVENUE	\$ 152,130,060	\$ 2,172,654	\$ 154,302,714
BEGINNING FUND BALANCE	\$ 16,770,319	\$ -	\$ 16,770,319
TOTAL REVENUES & BEGINNING FUND BALANCE	\$ 168,900,379	\$ 2,172,654	\$ 171,073,033
APPROPRIATIONS			
Salaries	\$ 41,629,658	40,982	41,670,640
Fringe Benefits	25,052,389	(2,824,152)	22,228,237
Purchased Services	7,608,314	(2,720,249)	4,888,065
Energy Services	5,577,815	74,179	5,651,994
Food & Supplies	77,937,500	(3,466,695)	74,470,805
Capital Outlay	1,150,000	689,130	1,839,130
Indirect Cost & Other	2,879,068	(77,845)	2,801,223
Total Appropriations	\$ 161,834,744	\$ (8,284,650)	\$ 153,550,094
FUND BALANCE END OF YEAR			
Nonspendable Fund Balance	\$ 2,378,185	\$ 730,690	\$ 3,108,875
Assigned Fund Balance	4,687,450	2,312,550	7,000,000
Unassigned Fund Balance			7,414,064
TOTAL ENDING FUND BALANCE	\$ 7,065,635	\$ 10,457,304	\$ 17,522,939
TOTAL APPROPRIATIONS & ENDING FUND BALANCE	\$ 168,900,379	\$ 2,172,654	\$ 171,073,033