

Financial Services
Mrs. Judith M. Marte, Chief Financial Officer

**SUBJECT: RESOLUTION NO. 2, FY 2014-15 SPECIAL REVENUE -
FOOD SERVICE FUND FINAL BUDGET REVIEW**

COMMITTEE: FISCAL ACCOUNTABILITY

**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, 2015. The overall revenues, other financing sources and beginning fund balance are being decreased by \$6,217,000; appropriations are being decreased by \$12,732,494 resulting in the fund balance being increased by \$6,515,494.

Federal reimbursements are being decreased by \$5,120,130 and food sales are being decreased by \$1,674,577 as a result of a decrease in the total number of students in the program. The United States Department of Agriculture (USDA) Commodities have increased by \$559,381 due to an increase in USDA entitlements received.

Actual expenditures for salaries and fringe benefits are being decreased by \$2,035,557 and \$3,111,456 respectively as a result of lower expenditures than projected. Purchased services are being decreased by \$2,692,897 as a result of contractual changes and cost control measures. Food and Supplies are being decreased \$5,643,448 as a result of both close monitoring and reviewing of menu items to control costs and a reduction in the total quantity of food and supplies needed for the program. Capital Outlay is being increased by \$1,024,887 to reflect investments in food service equipment at schools.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, approve Resolution No. 2, FY 2014-15 Food Service Fund Final Budget Review, decreasing revenues and beginning fund balance by \$6,217,000, decreasing appropriations by \$12,732,494 and increasing ending fund balance by \$6,515,494.

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<u>REVENUES CHANGES</u>	<u>Increase (Decrease)</u>
1. Increase (Decrease) Federal through State as follows:	\$(4,560,749)
a. National School Lunch Act	\$ (6,221,361)
b. U.S.D.A. Commodities	559,381
c. Other	<u>1,101,231</u>
Subtotal	\$ (4,560,749)
2. Decrease State revenues for Food Service Supplement	(181)
3. Increase (Decrease) Local Revenues as follows:	(1,656,077)
a. Investment/Interest Income	\$ 17,534
b. Food Sales	(1,674,577)
c. Other	<u>966</u>
Subtotal	\$ (1,656,077)
Net Decrease in Revenues	<u>\$(6,217,007)</u>
 <u>BEGINNING FUND BALANCE</u>	
Beginning Fund Balance adjusted to agree to amount reported on the Annual Financial Report	\$ <u>7</u>
Total Net Decrease in Revenues and Beginning Fund Balance	<u>\$(6,217,000)</u>
 <u>APPROPRIATIONS CHANGES</u>	
1. Decrease salaries and fringe benefits based on actual expenditures	\$(5,147,013)
2. Decrease purchased services based on actual expenditures	(2,692,897)
3. Decrease energy services based on actual expenditures	(6,132)
4. Decrease food and supplies based on actual expenditures	(5,643,448)
5. Increase capital outlay based on actual expenditures	1,024,887
6. Decrease indirect cost and other based on actual expenditures	<u>(267,891)</u>
Net (Decrease) in Appropriations	<u>\$(12,732,494)</u>
 <u>ENDING FUND BALANCE</u>	
Net Increase (Decrease) Fund Balance	<u>\$ 6,515,494</u>
Net (Decrease) in Appropriations and Ending Fund Balance	<u>\$(6,217,000)</u>

**SUMMARY OF REVENUES AND APPROPRIATIONS
FY 2014-15 FOOD SERVICE BUDGET**

	FY2014-15 AMENDED BUDGET 2/11/2015	RESOLUTION 2 INCREASE/ (DECREASE)	FY2014-15 AMENDED BUDGET 9/9/2015
REVENUES			
Federal Through State			
National School Lunch Act	\$ 140,301,000	\$ (6,221,361)	\$ 134,079,639
U.S.D.A. Commodities	9,000,000	559,381	9,559,381
Other	25,000	1,101,231	1,126,231
Total Federal	\$ 149,326,000	\$ (4,560,749)	\$ 144,765,251
State			
Food Service Supplement	\$ 2,210,000	(181)	\$ 2,209,819
Miscellaneous	-	-	-
Total State	\$ 2,210,000	\$ (181)	\$ 2,209,819
Local			
Investment/Interest Income	\$ 15,000	\$ 17,534	\$ 32,534
Food Sales	18,988,645	(1,674,577)	17,314,068
Other	-	966	966
Total Local	\$ 19,003,645	\$ (1,656,077)	\$ 17,347,568
TOTAL REVENUES	\$ 170,539,645	\$ (6,217,007)	\$ 164,322,638
BEGINNING FUND BALANCE	\$ 20,555,826	\$ 7	\$ 20,555,833
TOTAL REVENUES & BEGINNING FUND BALANCE	\$ 191,095,471	\$ (6,217,000)	\$ 184,878,471
APPROPRIATIONS			
Salaries	\$ 43,704,740	\$ (2,035,557)	\$ 41,669,183
Employee Benefits	24,220,686	(3,111,456)	21,109,230
Purchased Services	7,285,188	(2,692,897)	4,592,291
Energy Services	5,827,719	(6,132)	5,821,587
Food & Supplies	89,801,000	(5,643,448)	84,157,552
Capital Outlay	2,000,000	1,024,887	3,024,887
Indirect Cost & Other	2,973,491	(267,891)	2,705,600
TOTAL APPROPRIATIONS	\$ 175,812,824	\$ (12,732,494)	\$ 163,080,330
FUND BALANCE END OF YEAR			
Nonspendable Fund Balance	\$ 6,000,000	\$ (3,169,846)	\$ 2,830,154
Restricted Fund Balance	9,282,647	9,685,340	18,967,987
TOTAL ENDING FUND BALANCE	\$ 15,282,647	\$ 6,515,494	\$ 21,798,141
TOTAL APPROPRIATIONS & FUND BALANCE	\$ 191,095,471	\$ (6,217,000)	\$ 184,878,471