

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

SUBJECT: RESOLUTION NO. 2, FY 2018-19 SPECIAL REVENUE - FOOD SERVICE FUND FINAL BUDGET REVIEW

COMMITTEE: FISCAL ACCOUNTABILITY & GOVERNMENTAL 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, 2019. The overall revenues and other financing sources are being decreased by \$1,579,651; appropriations are being decreased by \$5,339,860 resulting in the fund balance being increased by \$3,760,209.

The National School Lunch Program federal meal reimbursements are being decreased by \$706,877 to reflect the actual amount received. The United States Department of Agriculture (USDA) Commodities have decreased by \$751,636 to reflect actual USDA entitlements received. Other revenues are being increased by \$19,211 as a result of an increase in reimbursable after school meal programs. Food sales are being decreased by \$139,339 to reflect actual cash sales.

Expenditures for salaries are being decreased by \$2,475,555 to reflect actual cost. Fringe Benefits are being decreased by \$1,278,274 to reflect the expenditures in fringe benefits charged to the Food Service fund. Purchased services are being decreased by \$424,082 as a result of lower expenditures. Food and Supplies are being decreased by \$1,839,171 as a result of monitoring and management of inventory and supplies. Capital Outlay is being increased by \$847,048 to reflect enhanced food service investments in school site kitchens, technology, and point of sale stations. Indirect Cost & Other are being decreased by \$167,871 to reflect actual expenditures.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, approve Resolution No. 2, FY 2018-19 Food Service Fund Final Budget Review, decreasing revenues by \$1,579,651, decreasing appropriations by \$5,339,860 and increasing ending fund balance by \$3,760,209.

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<u>REVENUES CHANGES</u>	<u>Increase (Decrease)</u>
1. Increase (Decrease) Federal through State as follows:	\$ (1,439,302)
a. National School Lunch Act	\$ (706,877)
b. U.S.D.A. Commodities	(751,636)
c. Other	<u>19,211</u>
Subtotal	\$ (1,439,302)
 2. Increase (Decrease) Local Revenues as follows:	 (140,349)
a. Interest and Other	\$ (1,010)
b. Food Sales	<u>(139,339)</u>
Subtotal	\$ (140,349)
 Net Decrease in Revenues	 <u>\$ (1,579,651)</u>
 <u>APPROPRIATIONS CHANGES</u>	
1. Decrease salaries and fringe benefits based on actual expenditures	\$ (3,753,829)
2. Decrease purchased services based on actual expenditures	(424,082)
3. Decrease energy services based on actual expenditures	(1,955)
4. Decrease food and supplies based on actual expenditures	(1,839,171)
5. Increase capital outlay based on actual expenditures	847,048
6. Decrease indirect cost and other based on actual expenditures	<u>(167,871)</u>
 Net Decrease in Appropriations	 <u>\$ (5,339,860)</u>
 <u>ENDING FUND BALANCE</u>	
 Net Increase in Fund Balance	 <u>\$ 3,760,209</u>
 Net Decrease in Appropriations and Ending Fund Balance	 <u>\$ (1,579,651)</u>

**SUMMARY OF REVENUES AND APPROPRIATIONS
2018-2019 FOOD SERVICE BUDGET**

	FY 2018-2019 AMENDED 05/08/19	FY 2018-2019 INCREASE (DECREASE)	FY 2018-2019 AMENDED 09/04/19
<u>REVENUES</u>			
Federal Through State			
National School Lunch Act	\$ 131,808,109	\$ (706,877)	\$ 131,101,232
U.S.D.A. Commodities	10,500,000	(751,636)	9,748,364
Other	1,104,100	19,211	1,123,311
Total Federal	\$ 143,412,209	\$ (1,439,302)	\$ 141,972,907
State			
Food Service Supplement	\$ 2,053,658	\$ -	\$ 2,053,658
Miscellaneous	-	-	-
Total State	\$ 2,053,658	\$ -	\$ 2,053,658
Local			
Interest and Other	\$ 112,500	\$ (1,010)	\$ 111,490
Food Sales	15,575,000	(139,339)	15,435,661
Total Local	\$ 15,687,500	\$ (140,349)	\$ 15,547,151
TOTAL REVENUES	\$ 161,153,367	\$ (1,579,651)	\$ 159,573,716
BEGINNING FUND BALANCE	\$ 42,648,920	\$ -	\$ 42,648,920
TOTAL REVENUES & BEGINNING FUND BALANCE	\$ 203,802,287	\$ (1,579,651)	\$ 202,222,636
<u>APPROPRIATIONS AND RESERVES</u>			
APPROPRIATIONS			
Salaries	\$ 52,300,109	\$ (2,475,555)	\$ 49,824,554
Employee Benefits	25,854,792	(1,278,274)	24,576,518
Purchased Services	6,725,024	(424,082)	6,300,942
Energy Services	5,998,775	(1,955)	5,996,820
Food & Supplies	76,750,000	(1,839,171)	74,910,829
Capital Outlay	4,400,000	847,048	5,247,048
Indirect Cost & Other	2,783,876	(167,871)	2,616,005
TOTAL APPROPRIATIONS	\$ 174,812,576	\$ (5,339,860)	\$ 169,472,716
Ending Fund Balance			
Non-Spendable	\$ 2,425,257	\$ -	\$ 2,425,257
Restricted	26,564,454	3,760,209	30,324,663
TOTAL ENDING FUND BALANCE	\$ 28,989,711	\$ 3,760,209	\$ 32,749,920
TOTAL APPROPRIATIONS & FUND BALANCE	\$ 203,802,287	\$ (1,579,651)	\$ 202,222,636