

Status:



## THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

2024-09-10

Regular School Board Meeting

CATEGORY: F. Financial Management

DEPARTMENT: Budget

Agenda Item Number: F-7.

Consent or Open Item: Consent

Special Order: NO

Time for Special Order:

## TITLE:

Final Food Service Fund Budget Amendment as of June 30, 2024

## REQUESTED ACTION:

Approve the Food Service Fund Amendment #2 as of June 30, 2024. The Amendment is submitted to the School Board pursuant to School Board Administrative Rule 6A-1.007. District-wide.

## RATIONALE:

For the Requested Actions, Background/History, Alignment to the 2027 Goals and Guardrails, Measurable Outcome(s)/Return on Investment, Financial Impact, and Rational, please see the Executive Summary.

## EXHIBITS:

Executive Summary

Food Service Amendment

## FINANCIAL IMPACT:

A decrease of \$12 million to the Special Revenue - Food Service Fund Balance

## STRATEGIC PLAN ALIGNMENT:

Student Focus Outcomes

N/A

OR Business Operations

## BOARD ACTION:

(For Official School Board Records Only)

**APPROVED**

## SOURCE OF ADDITIONAL INFORMATION

Name: Omar Shim

Phone: 754-321-1990

Name:

Phone:

## THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

Senior Leader &amp; Title

Omar Shim, Task Assigned, Chief Financial Officer

Signature

Omar Shim, Task Assigned, Chief Financial Officer

Electronic Signature

Form \$4189 Revised 7/24

HH/JJS

Approved in

Open Board

Meeting On:

September 10, 2024

By:

*Lois Alade*

School Board Chair



For more information, please contact:

Name: Omar Shim

Title: Chief Financial Officer  
(Task Assigned)

Phone: 754-321-1990

## **EXECUTIVE SUMMARY**

Special Revenue- Food Service Fund Amendment #2 - Final, as of June 30, 2024

**Board Meeting Date:** September 10, 2024

### **Requested Action**

Approve the Special Revenue Food Service Fund Amendment #2.

**District-zone Impact:** District-wide

### **Impact if the Board Voted Yes or No**

**If the Board votes “Yes”:** The District will be following statutory requirements per State Board Administrative Rule 6A-1.007.

**If the Board votes “No”:** The District will be out of compliance with statutory requirements per State Board Administrative Rule 6A-1.007.

### **Background/History**

The School Board shall approve amendments to the District school budget whenever the function amounts in the budget accounts are changed from the original budget approved by the School Board.

### **Alignment to 2027 Goals and Guardrails**

Business Operations

### **Measurable Outcome(s)/Return on Investment**

The District will comply with statutory requirements per SBE administrative rule 6A-1.007.

### **Financial Impact**

The total financial impact is a decrease of \$12.0 million to the Special Revenue - Food Service Fund's fund balance.

## **Executive Summary**

### **Recommendation to Approve the Final Special Revenue-Food Service Fund Amendment #2**

#### **Page 2**

This amendment incorporates the following changes:

There were revenue decreases due to the projected enrollment, meal participation, and revenue generated through the Community Eligibility Provisions (CEP) and Universal Free Meals Program was less than planned along with a reduction of the Supply Chain Assistance (SCA) Funding Grant applied for and awarded to Food and Nutrition services with the final payment in fiscal year 2023-24.

There were also decreases in expenditures due to difficulty securing and retaining staff, with many sites operating vacancies, reducing the amount of salaries paid, and impasse regarding employee raises for the fiscal year that remain unresolved. The project to fund food service custodial was not approved by the state and therefore was not implemented during the fiscal year. The unused budget is returned to the nonprofit school food service fund for enhancement of the program and to fund retroactive salary increases for fiscal year 2023-24 should a decision be made.

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**  
**2023-24 Special Revenue - Food Service Fund Amendment #2 - Final**  
**As of June 30, 2024**

<b>ESTIMATED REVENUES</b>	<b>PREVIOUS BUDGET</b>	<b>INCREASE/ (DECREASE)</b>	<b>REVISED BUDGET</b>
<b>FEDERAL THROUGH STATE</b>			
National School Lunch Act	\$ 103,961,629	\$ (30,588,402)	\$ 73,373,227
School Breakfast Reimbursement	-	16,497,644	16,497,644
After School Snack Reimbursement	-	916,180	916,180
Child Care Food Program	-	5,522,701	5,522,701
USDA Donated Commodities	6,522,000	(1,207,457)	5,314,543
Cash in Lieu of Donated Foods	-	383,337	383,337
Summer Program	-	1,256,277	1,256,277
Other Food Services	7,086,622	(2,023,173)	5,063,449
<b>Total Federal Through State</b>	<b>117,570,251</b>	<b>(9,242,893)</b>	<b>108,327,358</b> (A)
<b>FEDERAL THROUGH LOCAL</b>			
Community Based Job Training	-	-	-
<b>Total Federal Through Local</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>STATE</b>			
School Breakfast Supplement	382,846	188	383,034
School Lunch Supplement	652,872	203	653,075
Miscellaneous	-	-	-
<b>Total State</b>	<b>1,035,718</b>	<b>391</b>	<b>1,036,109</b>
<b>LOCAL</b>			
Investment Income	500,000	1,690,800	2,190,800
Food Service	5,585,000	(1,705,961)	3,879,039
Other Miscellaneous Local Sources	50,100	212,895	262,995
<b>Total Local</b>	<b>6,135,100</b>	<b>197,734</b>	<b>6,332,834</b> (B)
<b>OTHER FINANCING SOURCES</b>	<b>-</b>	<b>75,626</b>	<b>75,626</b>
<b>BEGINNING FUND BALANCE</b>	<b>65,926,117</b>		<b>65,926,117</b>
<b>TOTAL ESTIMATED REVENUES &amp; FUND BALANCE</b>	<b>\$ 190,667,186</b>	<b>\$ (8,969,142)</b>	<b>\$ 181,698,044</b>
<b>APPROPRIATIONS</b>	<b>PREVIOUS BUDGET</b>		<b>REVISED BUDGET</b>
Salaries	\$ 40,566,497	(7,399,231)	\$ 33,167,266
Employee Benefits	19,090,722	492,159	19,582,881
Purchased Services	8,563,796	(829,766)	7,734,030
Energy Services	2,094,462	207,916	2,302,378
Materials and Supplies	57,851,024	(7,085)	57,843,939
Capital Outlay	3,310,464	833,743	4,144,207
Other Expenses	3,722,080	(689,955)	3,032,125
<b>Total Appropriations</b>	<b>135,199,045</b>	<b>(7,392,219)</b>	<b>127,806,826</b> (1)
<b>TRANSFERS OUT</b>			
To General Fund	-	-	-
<b>ENDING FUND BALANCE</b>	<b>55,468,141</b>	<b>(1,576,923)</b>	<b>53,891,218</b>
<b>TOTAL APPROPRIATIONS, TRANSFERS OUT &amp; FUND BALANCE</b>	<b>\$ 190,667,186</b>	<b>\$ (8,969,142)</b>	<b>\$ 181,698,044</b>

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**  
**2023-24 Special Revenue - Food Service Fund Amendment #2 - Final**  
**As of June 30, 2024**  
**Explanation Summary**

<u><b>CHANGES IN ESTIMATED REVENUES</b></u>		<u><b>INCREASE / (DECREASE)</b></u>
<b>(A) FEDERAL THROUGH STATE</b>		<b>\$ (9,242,893)</b>
The decrease is due to the projected enrollment, meal participation and revenue generated through the Community Eligibility Provision ( CEP) and Universal Free Meals Program was less than planned along with a reduction of the Supply Chain Assistance (SCA) Funding Grant applied for and awarded to Food and Nutrition Services with the final payment in fiscal year 23/24.		\$ (9,242,893)
<b>(B) LOCAL</b>		<b>\$ 197,734</b>
The unexpected increase in investment income generated the additional revenue.		\$ 197,734
<u><b>CHANGES IN APPROPRIATIONS</b></u>		<u><b>INCREASE / (DECREASE)</b></u>
<b>(1) APPROPRIATIONS</b>		<b>\$ (7,392,219)</b>
The decrease in expenditures is due to difficulty to securing and retaining staff, with many sites operating with vacancies, reducing the amount of salaries paid, Impasse with employee raises for the fiscal year unresolved. Project to fund Food Service custodial was not implemented by the end of the fiscal year. The unused budget is returned to the nonprofit school food service fund for enhancement of the program and to fund retroactive salary increases for FY23/24 should a decision be made.		\$ (7,392,219)