

Fairfield Public Schools
Food Service Program
Financial Report as of November 30, 2013

Revenue

Proceeds and meal counts vary considerably each month based on the number of days school is in session. Exams, snow days and conference schedules also impact meals served but not to the same extent. For these reasons, meals served per day are the best measurement of progress. Meals served per day increased each month through November 2013. Also, November year-to-date meals served per day have increased 9% over the same period in 12-13. Other significant sources of revenue i.e., federal and state reimbursements are not level each month which complicates an evaluation of the programs' financial condition after 3 months of operation.

Expenses

There has been a concerted effort to reduce operating costs where possible without compromising program standards. Positions were reduced through attrition where warranted. Program expenses are relatively consistent throughout the year with the exception of food costs. Inventory and the delivery/use of USDA commodities cause fluctuations in the purchase and cost of food.

Cash

As of November 30, 2013, the program has a cash balance of approximately \$500,000. Food service has two separate cash accounts which consist of a checking account and a STIF account (savings). Periodically, funds are transferred from the STIF account to the checking account as needed. The cash balance mentioned above is the total of both accounts and was acquired exclusively through food service operations. There has been no transfer of funds from the BOE operating budget.

Liabilities

The food service program closed the 12-13 fiscal year with a liability to the BOE of approximately \$200,000. As the 12-13 year developed, it was clearly not feasible for the program to reimburse the BOE in total. Approximately one-half of last year's debt is owed to the BOE and the balance to the medical retention fund. In addition, the program's 13-14 liability to the BOE at November 30, 2013 is approximately \$430,000, of which almost \$170,000 is owed to the medical retention fund.

Fund Balance

Federal guidelines recommend school food programs maintain a fund balance equal to 1 -2 months of operating expense, but no more than 3 months. As of November 30, 2013, the computed operating position is (\$120,000) or (.36) months.

In August 2013 the Board of Education authorized the Superintendent to issue an RFP to contract with a food service management company. The RFP was issued in early December and proposals are due on February 4, 2014. Management companies will be completely aware of the program's financial status and are expected to address the situation in their proposals.

Submitted: January 9, 2014
Doreen T. Munsell

**Fairfield Public Schools
Food Service Program
Budget 2013-2014**

	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Interim Budget 2013-2014 (2012-2013)	Revised Budget 2013-2014	Difference vs Revised Budget 2013-2014	Actual 2013-2014 11/30/2013
Balance On Hand 7/1	\$802,822	\$771,286	\$482,558	\$200,196	\$200,196	(\$282,362)	\$200,196
Revenue							
Receipts	\$2,425,444	\$2,422,315	\$2,194,413	\$2,803,053	\$2,363,480	\$169,067	\$787,293
Federal Aid	\$442,865	\$452,790	\$422,151	\$471,516	\$434,983	\$12,832	\$147,236
Meal pattern Subsidy			\$28,684	\$37,099	\$34,341	\$5,657	\$11,459
State Reimbursement	\$30,613	\$35,056	\$36,733	\$31,592	\$24,535	(\$12,198)	\$28,748
Approximate State Reimbursement - Public Act 06-63	\$60,081	\$69,533	\$71,387	\$67,081	\$33,296	(\$18,091)	\$0
Special Revenue (Catering)	\$15,770	\$14,545	\$15,530	\$12,000	\$16,000	\$470	\$6,917
Rebates	\$15,674	\$14,950	\$5,764	\$12,000	\$6,000	\$236	\$585
Interest (Pos Balance & Interest Rate)	\$707	\$564	\$526	\$500	\$500	(\$26)	\$63
Total Current Revenue	\$2,991,154	\$3,009,753	\$2,775,188	\$3,434,841	\$2,933,135	\$157,947	\$982,301
Disbursements							
Food	\$1,225,918	\$1,275,120	\$1,205,951	\$1,310,889	\$1,210,591	\$4,640	\$430,983
Supplies	\$106,145	\$139,364	\$115,111	\$160,598	\$115,554	\$443	\$35,439
Delivery & Storage	\$5,083	\$3,447	\$2,339	\$4,000	\$2,650	\$311	\$795
Salaries	\$1,223,169	\$1,220,553	\$1,238,278	\$1,263,560	\$1,188,105	(\$50,173)	\$402,816
Fringe Benefits	\$396,000	\$364,488	\$382,300	\$396,580	\$445,420	\$63,120	\$130,482
Training/Travel/Conferences/Dues/Purchased Service	\$38,715	\$19,357	\$73,744	\$14,200	\$6,700	(\$67,044)	\$1,997
Repairs & Maintenance (Incl. Signage)	\$52,698	\$50,219	\$44,643	\$44,475	\$49,415	(\$228)	\$38,891
Equipment	\$1,618	\$25,136	\$0	\$12,000	\$0	\$0	\$0
Software Maint/License Fee	\$11,453	\$9,658	\$7,965	\$9,658	\$8,132	\$167	\$8,132
Hurricane Sandy			\$5,719		\$0	(\$5,719)	\$0
Custodial / Utility Fees		\$167,454	\$162,751	\$162,751	\$161,436	(\$1,315)	\$48,432
Total Disbursements	\$3,060,799	\$3,274,795	\$3,243,801	\$3,378,711	\$3,188,003	(\$55,798)	\$1,097,967
Change In Fund Balance 6/30	(\$89,645)	(\$265,043)	(\$468,613)	\$56,130	(\$254,868)	\$213,745	(\$115,666)
Accounts Receivable/Payable Adjustment To Convert To Cash*	\$38,109	(\$23,685)	\$186,251	\$186,251	\$81,283	(\$104,968)	\$417,363
Cash Balance On Hand 6/30	\$771,286	\$482,558	\$200,196	\$442,577	\$26,611	(\$173,586)	\$501,893
Accounts Receivable 6/30	\$93,784	\$92,224	\$133,402	\$113,203	\$106,470	(\$26,932)	\$148,182
Value of Inventory on Hand 6/30	\$32,230	\$48,061	\$40,049	\$40,087	\$40,113	\$64	\$74,339
Accounts Payable 6/30	(\$159,954)	(\$156,453)	(\$375,630)	(\$375,630)	(\$375,630)	\$0	(\$844,986)
Computed Operating Position @ 6/30 Using State Calculation	\$737,346	\$466,390	(\$1,983)	\$220,247	(\$202,436)	(\$200,453)	(\$120,572)
Number of Month's Expense on Hand 6/30	2.41	1.42		0.65			

* This represents the change in the Accounts Receivable (Federal Reimbursement, Credit Card Receivables, Bad Checks), Accounts Payable (Student P.O.S. System, Payroll Withholdings, Commodity Fees...) and Inventory (Supplies, Food) balances from July 1 to June 30.