

KNOX COUNTY SCHOOLS

ANDREW JOHNSON BUILDING

Bob Thomas, Superintendent



Memorandum

To: Bob Thomas
Superintendent

From: Russ Oaks
Chief Operating Officer

Brett Foster
Executive Director of School Nutrition

Date: April 3, 2018

Subject: Fiscal Year 2019 Preliminary School Nutrition Budget Recommendation

As you know, the School Nutrition Budget is a stand-alone budget that is managed independent of the Knox County Schools General Fund and Capital Fund Budgets. The revenues for this budget come from the sale of breakfast and lunch to students and staff, and from reimbursement from the federal government for free and reduced price meals served to students.

Attached is the Fiscal Year 2019 Preliminary School Nutrition Budget recommendation, which is based on projected revenue from all sources of \$26,685,000. This projects a revenue decrease of approximately \$1.9 million from the revenue projected in the previous year's budget.

The School Nutrition Budget provides for the continuation of the Community Eligibility Provision in our highest need schools. The School Nutrition Department will have to reapply for Community Eligibility Provision in spring 2018, and the list of schools eligible for participation will be finalized in April 2018. The decreased revenue of this budget is based on an anticipated reduction in schools eligible for Community Eligibility Provision.

The School Nutrition Budget is required to maintain a fund balance equal to three months of operating expenses. The Knox County Schools School Nutrition Budget has a healthy fund

balance. As of December 31, 2017, the undesignated fund balance totaled \$8,866,485.22.

The Knox County Schools School Nutrition Program currently provides approximately 50,000 meals per day to students across the county including over 30,000 meals provided to students under the Community Eligibility Provision. The wholesome and nutritious offerings are provided efficiently and are a great value to the students we serve and their families. We look forward to continuing this level of service in the coming year, and we will seek ways to continue to improve our service and operational activities.

KCS Central Cafeteria Fund		
Revenues - Budget Worksheet FY 2019		
REVENUE		
Federal Government:		
29-4-0571	Commodity Revenue	900,000
29-4-0572	Commodity DOD	1,000,000
29-4-0581	USDA - Lunch	13,750,000
29-4-0582	USDA - Breakfast	4,000,000
29-4-0583	USDA - Snack	130,000
State of TN:		
29-4-0833	State Matching	250,000
29-4-0835	State of TN - FFVP	330,000
Charges for Current Services:		
29-4-0803	Café Inc - Student Lunch	3,500,000
29-4-0804	Café Inc - Student Breakfast	310,000
29-4-0805	Café Inc-Adult	225,000
29-4-0806	Café Inc - Ala Carte	1,600,000
Other Local Revenue:		
29-4-0820	Interest Income	25,000
29-4-0830	Other Income	380,000
29-4-0840 cctr 405	Summer Program	285,000
	Total Revenue	26,685,000

KCS Central Cafeteria Fund		
Expenditures - Budget Worksheet FY 2019		
EXPENDITURES		
Contracted Services:		
29-5-3400-333	R/M - Computer	12,000
29-5-3400-336	R/M - Technical Support	46,000
29-5-3400-440	R/M - KCS	300,000
29-5-3400-442	R/M - Contracted Services	150,000
29-5-3900-459	Truck Upkeep - Maint Truck	1,000
29-5-4200-460	Food Exp - Commodity Processing	900,000
29-5-4200-463	Food Exp - Commodity Delivery	180,000
Supplies & Materials:		
29-5-4200-465	Purchased Food Cost	10,400,000
29-5-4300-466	Expendable Supp - Café	1,100,000
29-5-4300-467	Small Equip / Furniture / Fixtures	150,000
29-5-4300-468	Small Wares	50,000
29-5-4300-469	Office Supp - Café	25,000
29-5-4300-470	Office Supp - FSD	5,000
29-5-4201-465	FFVP - Pur Food Cost	330,000
Other Charges:		
29-5-4400-360	Telephone Service	7,000
29-5-4400-380	Travel / Mileage	35,000
29-5-4400-381	Training / Conference	20,000
29-5-4400-382	Marketing / Postage / Printing	4,000
29-5-4400-621	Operational Fees	17,000
29-5-4400-624	Cafeteria Security	1,000
29-5-4400-628	Bank Service Charges	15,000
29-5-4400-631	Employee Uniforms / Linen	70,000
29-5-4400-632	Dues / Memberships	30,000
29-5-4400-701	Workman's Comp	220,000
29-5-4400-702	Utility Subsidy	670,000
29-5-4400-703	Trash Removal	50,000
29-5-4400-704	Pest Control	35,000
29-5-5400-910	Direct Cost	585,000
Personnel Services:		
29-5-5200-130	Salary Exp - Café	7,800,000
29-5-5200-140	Salary Exp - Admn & Clerical	800,000
Employee Benefits:		
29-5-5200-201	Per Exp - Payroll Exp - FICA	650,000
29-5-5200-211	Benefit - Retirement	500,000
29-5-5200-212	Benefit - Life Insurance	17,000
29-5-5200-213	Benefit - Health Insurance	1,350,000
29-5-5200-214	Benefit - Dental Insurance	10,000
Capital Outlay:		
29-5-7600-540	Major Equipment	150,000
		26,685,000