



SPENCERPORT CENTRAL SCHOOL DISTRICT

Assistant Superintendent for Business

71 Lyell Avenue - Spencerport, NY 14559

RICK WOOD

Assistant Superintendent for Business

Phone: (585) 349-5111

Fax: (585) 349-5011

TO: Board of Education
Dr. Pam Kissel, Interim Superintendent

FROM: Rick Wood, Asst. Supt. for Business *R. Wood*

RE: School Lunch – Fund Balance Deficit

DATE: June 25, 2021

The School Lunch Fund is used to account for the transactions of the district's, breakfast, lunch and milk programs. Administration continues to monitor the finances and operations of the program and works to develop strategies to alleviate the operating losses incurred over the last few years. The pandemic certainly attributed to some of the operating loss over the last year and a half.

To address this deficit, I am recommending the approval of an inter-fund transfer to the school lunch fund. The feasibility of this option has been discussed with our external auditor and involves the use of 2020-21 savings to reduce or eliminate the current fund balance deficit in the school lunch fund and the anticipated 2020-21 operating loss.

In prior years, this transfer was part of the approved budget, however, the current budget did not include this line item expense. Therefore, the board must declare this to be a contingent expense and authorize the transfer. Similar to what the Board of Education approved in May 2016, the resolution text would read as follows:

Resolved, based on the recommendation of the Interim Superintendent, the Board declares the prior year deficit and current year operating loss incurred in the School Lunch Fund to be an ordinary contingent expense item and authorizes an inter-fund transfer to School Lunch in the amount up to \$350,000 to be funded from the following transfer;

<i>Budget</i>	<i>Description</i>	<i>Transfer Amount</i>
A.00.9020.800	Teacher's Retirement System	-\$350,000
A.00.9901.930	Transfer to School Lunch	\$350,000

Please do not hesitate to contact me with any questions.

Our Mission is to educate and inspire each student to love learning, pursue excellence and use knowledge, skills and attitudes to contribute respectfully and confidently to an ever-changing global community.