

School Board Workshop:

May 11, 2009

Subject:

2009-10 Meal Prices

Presenter:

Marilyn Splinter

SUGGESTED SCHOOL BOARD ACTION:

For Board Review.

DESCRIPTION:

The food service department is an enterprise account. The revenues must exceed expenditures. The initial budget projections for 2009-10 considered a 2% shift in the number of students eligible for paid meals to free/reduced eligibility. That consideration shifted categories of revenue. It also, logically, called for a potential reduction in ala carte spending. We expect the reduction in ala carte/catering within the district to continue. The projected revenue and expenditures are very, very close.

We can not expect to establish the cash reserves, established in board policy, without an increase in revenue and a decrease in expense. The food service fund balance as of June 30, 2008 was down to 10 days operating capital. A price increase for 2009-10 will enable us to better deal with unforeseen expenditures, downturns in ala carte, catering or participation.

We have proactively worked with staff and vendors to contain costs. We have recently entered into a very satisfactory primary vendor agreement. We have agreements with the current bread and milk vendors to extend our contract, with no change in price, for the next year. We are working with our staff to streamline operations and increase efficiency.

One example of increased efficiency is using technology to distribute meal account balances and pin numbers. We will eliminate thousands of paper copies and many, many hours of labor involved with printing, sorting and distributing pin numbers.

The recommendation is that the Board approves a \$0.10/meal increase in prices with the adoption of the 2009-10 budgets.