

RIVER ROAD INDEPENDENT SCHOOL DISTRICT
BOARD OF EDUCATION
AMARILLO, TEXAS

Subject: Cafeteria Price Increases

Date: Monday, April 13, 2015

Presented By: Mike Hodgson, Business Manager
Kim Terry, Food Service Director

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ACTION

BACKGROUND INFORMATION:

We are requesting approval to increase the full price meals as follows for the 2015-2016 SY to comply with the Meal Equity Pricing regulation that stipulates full price lunch meals must provide the same level of financial support for the Food Service program as free and reduced price lunches.

RRISD - PROPOSED MEAL PRICES FOR 2015-2016			
Breakfast Meals		Lunch Meals	
Rolling Hills Elementary	No Charge	Rolling Hills Elementary	\$2.45
Willow Vista Intermediate	\$1.80	Willow Vista Intermediate	\$2.60
River Road Middle School	\$1.80	River Road Middle School	\$2.75
River Road High School	\$1.80	River Road High School	\$2.95
Reduced(Except RHE-No Charge)	\$0.30	Reduced (all campuses)	\$0.40
Adult Breakfast	\$2.25	Adult Lunch	\$3.55

RRISD - CURRENT MEAL PRICES FOR 2014-2015			
Breakfast Meals		Lunch Meals	
Rolling Hills Elementary	No Charge	Rolling Hills Elementary	\$2.40
Willow Vista Intermediate	\$1.75	Willow Vista Intermediate	\$2.55
River Road Middle School	\$1.75	River Road Middle School	\$2.75
River Road High School	\$1.75	River Road High School	\$2.90
Reduced(Except RHE-No Charge)	\$0.30	Reduced (all campuses)	\$0.40
Adult Breakfast	\$2.25	Adult Lunch	\$3.55

Affected student population: approximately 38%. Remainder qualifies for either free or reduced price meals.

We also request permission to increase the price of a la carte items to more accurately reflect market price changes.

The Federal Government continues to implement stricter nutrition standards for school meals that require more expensive whole grain, low fat, reduced sodium food products. Breakfast will continue to require an additional fruit serving and both breakfast & lunch must offer 100% whole grains and maintain the sodium reduction level by a third for the 2015-2016 SY. We estimate that our food costs will increase anywhere from 2-6%.

PRESENTATION/PURPOSE:

This is the presentation to the Board of a request of RRISD to increase meal prices for the 2015-16 school year.

BOARD ACTION REQUESTED:

We request that the Board approve the request to increase meal prices as presented.

SY 2015-16 Price Adjustment Calculator

[Go to Instructions](#)

SY 2015-16 Weighted Average Price Requirement	
Requirement price to the nearest cent	Optional price requirement ROUNDED DOWN to nearest 5 cent
\$ 2.70	\$ 2.70
<i>Note: Above prices are based on adjusting SY 2014-2015 price requirement by the 2% rate increase plus the Consumer Price Index (2.19%)</i>	

SY 2014-15 Weighted Average Price Calculator

Enter the paid prices and number of paid lunches sold at each price for
October 2014.

	Monthly # of Paid Lunches	Paid Lunch Price	Monthly Revenue	SY 2014-15 Weighted Average Price
1.	1,672	\$ 2.40	\$ 4,012.80	
2.	1,258	\$ 2.55	\$ 3,207.90	
3.	939	\$ 2.75	\$ 2,582.25	
4.	2,001	\$ 2.90	\$ 5,802.90	
5.			\$ -	
6.			\$ -	
7.			\$ -	
8.			\$ -	
9.			\$ -	
10.			\$ -	
TOTAL	5,870		\$ 15,605.85	\$ 2.66
<i>Note: SY 2014-15 Weighted Average Price equal to or above \$2.70 are compliant for SY 2015-16. \$2.70 is the difference between the Free and Paid reimbursement rates for SY 2014-15.</i>				

Total Price Increase for SY 2015-16
\$ 0.04

Required price increase for SY 2015-16 (with 10 cent cap)
\$ 2.70

Remaining increase carried forward to SY 2016-17
\$ -

Remaining credit carried forward to SY 2016-17
\$ -

[Go to SY2015-2016 Report](#)

Step 3 (Optional)

Pricing Estimation Calculator

Below is a tool allowing users to manipulate prices to achieve the required new weighted average price.

	Monthly # of Paid Lunches	Paid Lunch Price	Monthly Revenue	Weighted Average Price
1.	1,672	\$ 2.45	\$ 4,096.40	
2.	1,258	\$ 2.60	\$ 3,270.80	
3.	939	\$ 2.75	\$ 2,582.25	
4.	2,001	\$ 2.95	\$ 5,902.95	
5.			\$ -	
6.			\$ -	
7.			\$ -	
8.			\$ -	
9.			\$ -	
10.			\$ -	
TOTAL	5,870		\$ 15,852.40	\$ 2.70

Note: This tool is created to allow the user to only enter the number of paid lunches and the related prices. If any other parts of the tool are modified, the user runs the risk of calculating an incorrect new average price. Users should not modify the tool's current functionality.