

**BEMIDJI AREA SCHOOLS
BEMIDJI, MINNESOTA**

DATE: JULY 18, 2022

TO: BOARD OF EDUCATION, ISD #31

FROM: KRISI L FENNER, CPA, DIRECTOR OF BUSINESS SERVICES

SUBJECT: FOOD SERVICE MEAL PRICES

COMMENTS:

Attached is a narrative from Tammie Colley, Food and Nutrition Services Coordinator for the Bemidji School District. She is recommending meal price increases of \$.10 per lunch.

Our Food Service program has an annual budget of \$3.7 million and serves over 1 million meals each year.

The factors driving the meal price increase are MDE mandates, inflation, a number of years without price increases, reduced free/reduced price lunch qualifications, and a desire to keep the free breakfast program at grades k-3.

ACTION:

The motion was offered by _____, seconded by _____
and, carried () to approve meal price increases of \$.10 per lunch as presented.

TO: BEMIDJI AREA SCHOOLS CABINET & BOARD OF DIRECTORS

FROM: TAMMIE COLLEY, FOOD & NUTRITION SERVICES COORDINATOR

RE: MEAL PRICE INCREASES 2022-2023

	LUNCH	Propose
ELEM -	\$2.80	\$2.90
MS -	\$3.00	\$3.10
HS -	\$3.10	\$3.20
ADULT	\$4.25	\$4.30
ENTRÉE	\$2.25	\$2.30

I am recommending the above meal price increases for school year 2022-2023. The recommendation is based on MDE mandates, the number of years without meal price increase, inflation out weighing past price increases, a decline in the free/reduced rate and maintaining free elementary breakfast. The food service department operates with a budget of \$3,700,000, and as the past year ended in the red there is the need to raise prices.

Administration and staff continue to see the benefits of eating breakfast for students of all ages. Breakfast is incorporated with learning in the classroom and areas outside of the cafeteria which encourages social skills and allows for academic time while eating. For the benefit of the students and academic success free breakfast for elementary students would be recommended to continue. In order to continue this, a plan to increase meal prices is required. In the State of Minnesota breakfast is free for all Kindergarten.

USDA and the State of MN require the completion of the Paid Lunch Equity Tool to calculate the weighted average price requirements. In completing the tool November 2019 the weighted average price requirement is \$2.92. Thus lunch prices were raised .30 for school year 2020-2021. For school years 2020-2021 and 2021-2022 meals have been provided free to all students under USDA federal waivers and the price increase has not been experienced by families. Recent completion of the PLE tool for school year 2022-2023 indicates a weighted average price requirement of \$3.05, recommending a price increase of .10 for

school year 2022-2023. The price increase would be a .40 increase since families last paid for meals in the spring of 2020. An increase would just get us ahead of the minimum for getting to a positive fund balance, while working on satisfying the debt to the general fund. The proposed pricing projects a revenue increase towards a balanced budget for 22/23.

The state of MN makes the following recommendations in the response to the completed Paid Lunch Equity Tool:

1. Based on detailed information, the Bemidji SFA (school food authority) needs to raise paid student meal prices for SY 2022-23.
2. The SFA is urged to review the pricing of extra entrée, smart snack and ala carte items purchased by students and other guests. The SFA has reviewed costs and pricing of those items. Changes will be made in these areas for school year 2022-2023, and will have further review to make additional price changes accordingly.

I have supporting documentation for all facts presented in this proposal and I thank you for taking the time to consider and decide on this need. Please advise if further information is needed.

Respectfully submitted,

Tammie Colley

Food & Nutrition Services Coordinator, Bemidji Area Schools