

# **Town Hall Discussion Combating the Food Cost Crisis: A Sharing Session**

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# The Framework

- Small, Medium and Large Districts
- East coast, Middle and West coast
- Rural, large metro urban and small city
  
- What is the Impact?
- How is School Nutrition responding?



**Roswell Independent Schools  
Carlsbad Municipal Schools  
Dexter Consolidated Schools**



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# Demographics: Roswell

- 10,000 students
- 20 schools (13 are Provision 2)
- 7 cooking kitchens
- Heavy satellite needs



# Demographics: Carlsbad

- 6,000 students
- 15 schools
- 14 cooking kitchens
- Universal free breakfast
- 84 miles from the other 2 districts



# Demographics: Dexter

- 1,200 students
- 3 schools
- 2 cooking kitchens
- Universal free breakfast



# Increases in Lunch Prices

- Boards in each district raised prices with no questions asked.
  - Breakfast
    - \$1.25 students
    - \$2.00 adults
  - Lunch
    - \$2.00 elementary
    - \$2.25 secondary
    - \$3.00 adults

72% Free and Reduced



# Bid Prices

- All prices approx. 22-25% higher
- Milk increase of 25% (6 cents)
- Cheese prices doubled



# Fuel Costs (as of 7/2/08)

- \$4.85/gallon for diesel and rising
- \$4.15/gallon for gasoline and rising



# Visalia Unified School District



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# Demographics



- **K-12 District**
  - 53% needy
  - 27,000 students
  - 37 schools
  - 5 contract sites
  - **SHAPE – NSMP**
    - any reasonable approach
- **Meals**
  - 18,000 lunches
  - 6,500 breakfasts
  - 3,100 snacks
  - 3,000 à la carte



# Programs



- National School Lunch Program
- School Breakfast Program
- Especially Needy Breakfast Program
- After School Snack Program – 21 sites
- Provision 2 – 9 sites
- USDA Commodities
- Student Stores
- Student à la carte sales
- Food carts
- Catering
- Coffee Shop



# Operations



- 4 central processing kitchens
- 8 single site cooking kitchens
- Central warehouse
- Commodity cooperative
- 168 employees



# Budget



- Annual Budget (2008-09): \$8,883,000
- Expenses:
  - Salaries = 58%
  - Food/Supply = 36%
  - Other = 6%
- Income:
  - Federal = 65%
  - State = 5%
  - Local = 30%



# Cost Issues

- Dairy 22.4% increase
  - 3.6¢ per unit
  - +1¢ per plate = +\$30,000/year
- Bakery 22.2% increase
- Produce 15% increase
- Labor/benefits 6.2% increase
- New food and beverage regulations

# Solutions

- Labor eliminations and reductions
- Menu considerations
- Student meal price increase
- A la carte price increases
- Eliminate catering department



**Visalia**  
**UNIFIED SCHOOL**  
**DISTRICT**

# The Boston Public Schools



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# BPS Demographics

- 56,190 enrollment, SY08
- 144 Schools
- *Oldest* public school system, 1647
- 72% eligible for FRP (63% free, 9% reduced-price)
- Meals provided in 132 buildings
  - 84 Satellite and 48 Full Service Schools



# BPS Volume

- **Meals served for FY07**
  - Lunch = 34,236/day
  - Breakfast = 22,130/day,
  - Snacks = 6,200 avg./day and
  - SFSP = 27,381 total meals/day
- **Projected Revenues 2008 ~ \$23.2 million**



# Increase in Average Costs

- **FY07 Avg. Meal Cost:**
  - \$2.589
- **Fy08 Avg. Meal Cost\*:**
  - \$2.818 (0.088%)
- **Fy09 Avg. Meal Cost\***
  - \$3.117 (.107%)

\*Holding everything constant except an increase in expenses.  
Computed using meal equivalents



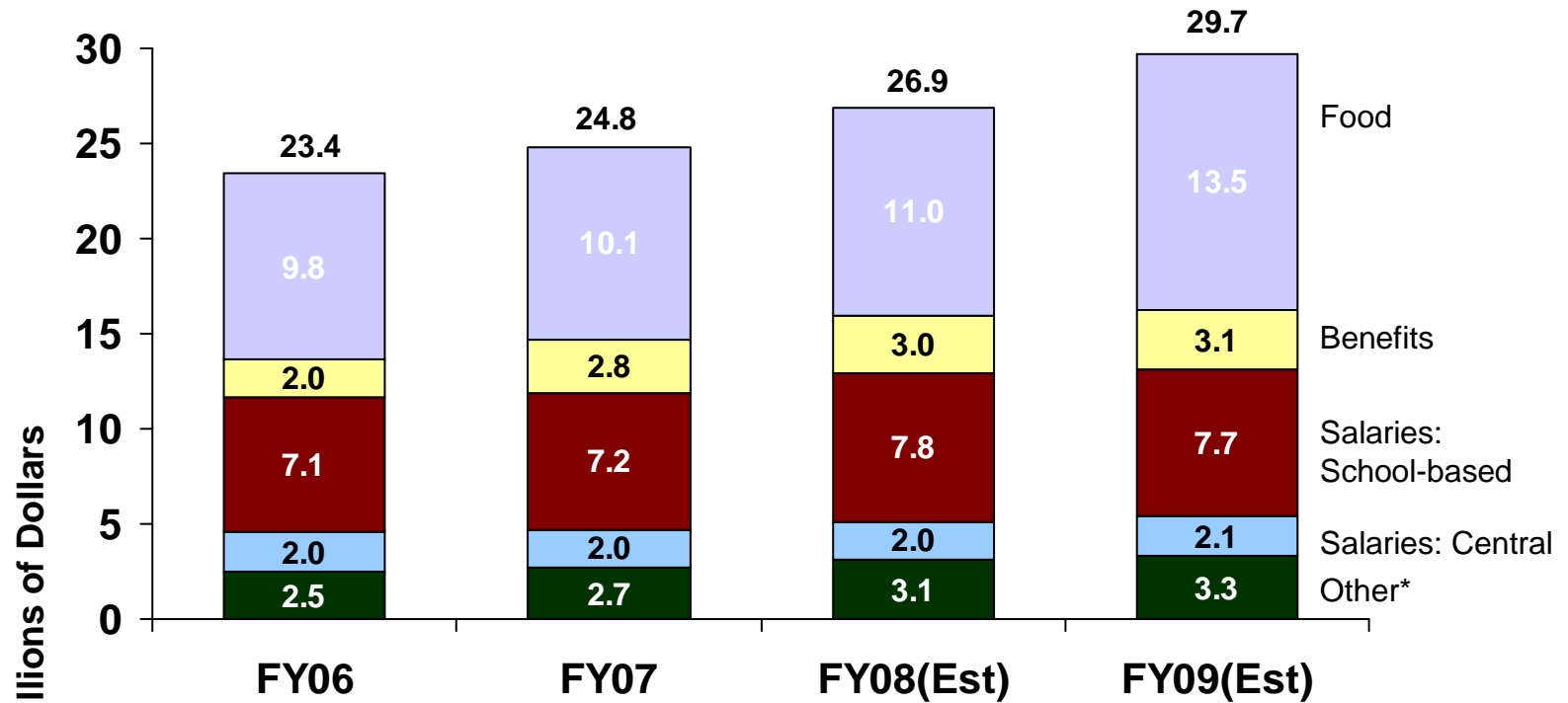
# Largest Cost Challenges

- Food overall up 23%
  - ( cafeteria 15%, satellite 24%)
- Milk up 20%
- Bread up 74%
- Fresh Pizza up 15%
- Commodity Processing up 10%
- Lack of Competition



# Expenses grew 8.4% in FY08, far outpacing revenue growth

## FNS Expenses (Historical & Projected)

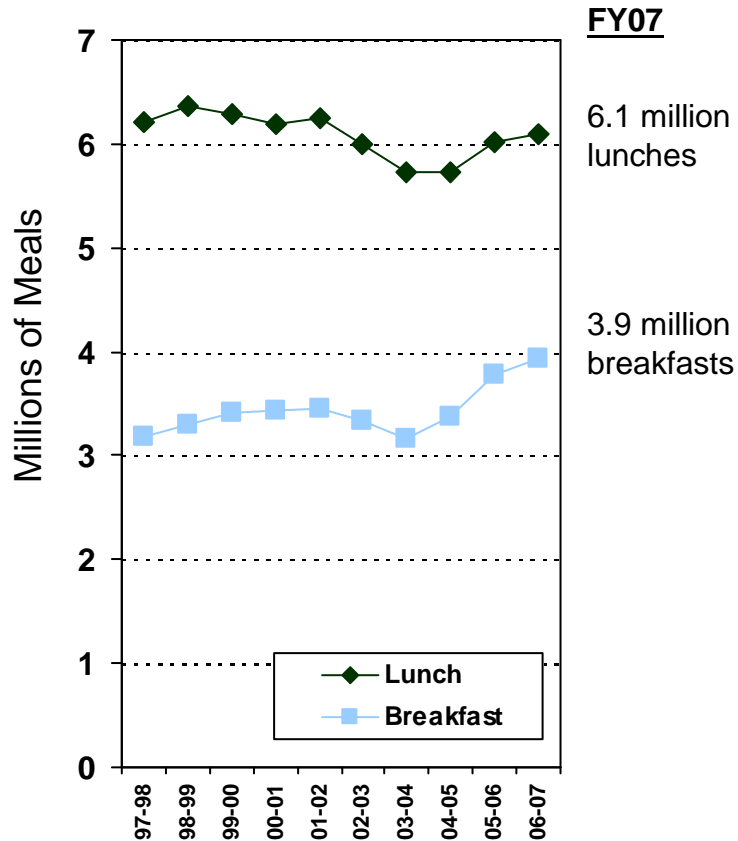


\* Other includes exterminators, accountability software, equipment purchase, maintenance & repair, etc.

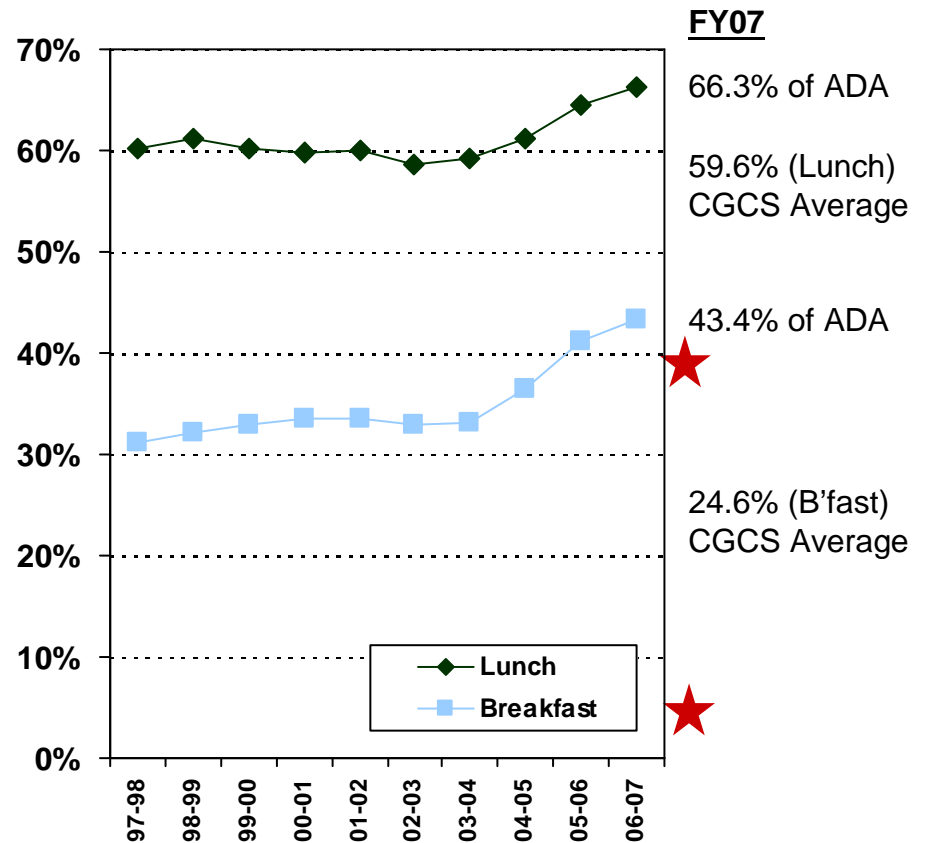


# Meal Participation

**Number of Meals Served Per Year**



**Avg. Meals Served as % of Avg. Daily Attendance**



**SCHOOL  
NUTRITION  
ASSOCIATION**

# BPS Recovery Plan

- Infrastructure Improvements
- Cost Reductions
- Revenue Enhancements



# Support Needed and Next Steps

- **School Committee, Superintendent and Exec. Team Support**
- **Clear expectations of and shared commitment from School leaders**
- **Lobby increase reimbursement rates at state and federal level**
- **Assess Options for major structural changes**



# Town Hall Discussion



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# Where to from Here?

- Federal advocacy efforts to continue
- Grassroots campaign around election 2008
- Continue media outreach
- Bring in parents, allied groups, education
- Culmination in Reauthorization 2009

