



KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Assistant Superintendent

Dave Jones

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Memorandum

To: Members, Board of Education

From: Dave Jones, Assistant Superintendent

Through: Donna Peterson, Superintendent

Date: July 2, 2008

RE: Recommendation for FY 09 Meal Price Increase of \$0.25

I have attached a spread sheet that shows FY 09 lunch prices for Anchorage, Fairbanks and Mat-Su, as well as my recommendation for increasing all full paid meal charges by \$0.25 for FY 09. As you can see, even with these increases we are on the low end when compared to the other districts. Anchorage increased all of their full paid prices by \$0.25 at their June 23, 2008 meeting.

With the escalating costs for food and benefits, the projected FY 09 deficit for Student Nutrition Services is \$621,031. This compares to the actual deficit in FY 07 of \$340,627.

The price increase will not erase the deficit, but it is needed when we look at the cost of meals compared to the revenue received picture. As an example, we currently charge \$2.50 for a full price K-6 lunch and we receive \$.30 in federal reimbursement for a total revenue of \$2.80. In comparison, we receive \$4.01 in federal reimbursement for a free meal we serve. We receive \$1.21 less in revenue for the full paid meal than we do for the free meal. The production and material costs for all meals served significantly exceeds the revenue received for full paid meals.

To finalize, it is my recommendation that we increase all full paid meal charges by \$0.25 for the FY 09 School Year.

Meal Price Comparisons

	2008/2009				Recommended
	Anchorage <u>08/09</u>	Fairbanks <u>08/09</u>	Mat-Su <u>08/09</u>	KPBSD <u>07/08</u>	KPBSD <u>08/09</u>
K-6 Breakfast - Full Price	\$ 1.55	\$ 1.75	Free	\$ 1.50	\$ 1.75
K-6 Lunch - Full Price	\$ 2.90	\$ 3.00	\$ 2.75	\$ 2.50	\$ 2.75
7-12 Breakfast Full Price	\$ 2.00	\$ 2.00	Free	\$ 1.50	\$ 1.75
7-12 Lunch Full Price	\$ 3.75 *	\$ 3.25	\$ 3.50	\$ 3.00	\$ 3.25

* Price stated is for High School, Anchorage also has a Middle School lunch price of \$3.30