

OFFICE OF THE SUPERINTENDENT OF SCHOOLS
106 Hancock Rd.
Peterborough, New Hampshire

CONTOOCOOK VALLEY SCHOOL BOARD

Ad-Hoc Food Service Committee

Thursday, October 25, 2018
6:00 p.m.
SAU

Minutes

Committee Members:

- Bernd Foecking
- Jim Fredrickson
- Linda Quintanilha, Chair
- Pierce Rigrod
- Kristen Reilly
- Jerome Wilson
- Savannah Hall, Student Rep.

Present: Bernd Foecking, Jim Fredrickson, Kristen Reilly, Savannah Lee, Kimberly Saunders, Chris Faro (Café Services), Mike Onorato (Café Services)

Kristen Reilly called the meeting to order at 6:02 p.m.

1. Approve minutes of September 27, 2018

Passed Over.

2. Review reports with Café Services, Chris Faro

Chris Faro, Café Services, reported out on information requested of him in the spring (see attached).

Summer Food Service Program –

Financially, the result was an \$11K deficit that would be subsidized by the district. The model of having food service staff at each location drives costs. Unitized meal drop off would result in a significant savings.

Labor Expense actuals total \$35K. \$15K savings could result with unitized meal drop off. The program serves Keene, Jaffrey, Dublin, Antrim, Hillsboro/Deering, and Peterborough. ConVal subsidizes the loss.

Consolidation of positions by adjusting meal times at elementary schools –

Shifting times at Pierce 15 minutes earlier and Hancock 15 minutes later would allow one position to be eliminated.

FES and GES – if times shifted, FES by 15 minutes earlier and 30 minutes later respectively would eliminate one 5 hour position.

No other staff reductions are possible because of distances apart for the schools.

By staggering meal times, a potential of \$25K in labor could be realized.

Kimberly Saunders said that our school schedule is already driven by busing. We cannot add another layer by driving our schedule by food service.

School consolidation –

A monumentally positive impact on the food service budget would occur in the event of consolidation.

Is it possible that administration or staff deliver meals in the small schools that do not prepare meals in their building? It has never been asked.

Kimberly Saunders reported that when Café Services bid the food service program, ConVal was promised to be the “jewel”. At Café Services inception with ConVal, Café Services staff were plenty. That has not been the case since. Miscalculations have resulted in food service reporting.

The circumstances of our district are the same as when the job was bid.

Response time is slow on behalf of Café Services to requests for information.

Savannah Lee asked if we are paying for something that we are not receiving.

Chris Faro outlined the management support. He understands that there is a feeling that support is lacking.

Since Café Services was contracted, four or five directors have been employed.

Kimberly outlined issues that have been ongoing; small meal portions, financial issues, lack of support.

How will sales rise, make the high school a place where kids want to eat? Not that we have to cut services and make shifts in order to succeed.

Kimberly said that she wants to know how the program will improve.

Mike Onorato reported that he joined Café Service in April and he is working to implement several ideas.

Savannah Lee reported that the food service program is confusing at the high school. It is not clear what you get for a meal, so students don't take full advantage of it. She said that she is not sure what exactly comes with a meal.

Pulling the high school out of the National School Lunch Program –

This analysis was performed and it is estimated that there would be a \$144K deficit.

Increase in participation will offset it some, but as a result of the Free and Reduced Lunch population, a loss would result.

23% of students enrolled in the high school qualify for free and reduced meals.

When you leave the national food service program, the program would have to be self-funded.

If you leave the program, can prices be set differently? There are different laws.

How will the concerns addressed tonight go forward? Chris Faro said that the program and the district should work together.

Feedback from students should be more sought after. Surveys were promised.

Discussion took place about the meal sizes and caloric value compared to what is affordable, what kids will eat, and the price.

Chris Faro will call to schedule some time to meet with Kimberly.

3. Non-Public Session

a. Negotiations

None.

4. Review action items and items to be presented to the full board at next meeting.

A report out of tonight's meeting will be shared.

5. Other

None.

6. Adjourn

Jim Fredrickson motioned to adjourn at 6:59 p.m. Bernd Foecking second. Unanimous.

Respectfully submitted,

Brenda Marschok

Recommendation on producing cost savings for Summer Food Service Program

The strongest recommendation on saving money on the Summer Food Service Program is to shift to a unitized meal, drop off model. In this model meals would be packaged as a complete unitized meal (as they are now) but instead of paying a staff member to stay at each site and distribute meals, the meals would be dropped off by a ConVal Food Service staff member and distributed by program staff.

The largest benefit to the program is financial. By moving to a drop off model, we project that the cost savings will be equivalent to the current subsidy for the program, resulting in level funding.

There would be some logistical challenges in working with program staff to properly order meals and record the service of meals. This drop off model is currently in place for our two most successful SFSP sites (Brattleboro and Mascoma) and we would be able to support the program staff and put systems in place to help with the proper ordering and recording of meals.

Consolidation of positions by adjusting meal times at elementary schools -

Substantial cost savings can be achieved by coordinating service times at the elementary schools so that redundant service positions could be eliminated.

The easiest shift would be for Pierce School and Hancock Elementary School. Current serving times are 12:00 at Pierce and 12:30 at Hancock. By shifting Piece 15 minutes earlier and Hancock 15 minutes later the food service program could eliminate a 5 hour position for a savings of approximately \$12,500.

Another possible shift that would be a little more difficult for the schools to work out their schedule would be coordinating the Frankestown (FES) and Greenfield (GES) schedules. FES currently serves at 12:00 and GES at 12:15. To coordinate a schedule that works for food service and stays as close as possible to current school schedules, FES would need to shift service time to 11:45 and GES to 12:45. By doing this the food service program would be able to eliminate another 5 hour position for a savings of approximately \$12,500.

Because of their distance from other schools and each other, consolidating Dublin or Temple into a coordinated schedule is not practical without significant and most likely undesirable changes in service times. Dublin (current service time of 12:00) would be most affected – they would either need to shift to an 11:30 service time to be combined with Temple (which would need to shift from 12:30 to 12:45) or to a 1:00 service time to be added to the end of the Pierce/Hancock route. Temple would not be able to combine on any other route due to the distance from the other schools. In any case, consolidating a third service route would have minimal cost savings, as we would need to add significant labor hours for food preparation to offset the impact on production by eliminating a third position.

By shifting service times for Piece, Hancock and Frankestown by 15 minutes, and Greenfield by 30, the food service program will realize a reduction in expenses of approximately \$25,000 with no impact on service quality.

School Consolidation

The consolidation of schools to reduce the number of elementary buildings would have a monumentally positive impact on the food service budget.

Your current food service program uses 46.5 hours per day of labor to provide an average of around 375 lunches across 7 buildings with a total population of 744 students, for an annual labor expense of approximately \$125,000.

By comparison, Fresh Picks Cafe elementary schools that serve in the range of 200 lunches will on average use 14-16 labor hours per day with an annual labor expense of approximately \$37,000. If the district were to consolidate to two elementary schools from the current 7 schools, your food service program would realize a reduction of expenses of approximately \$50,000 plus an increase in quality (and potentially participation) due to the improved food quality that on site preparation automatically facilitates.

Analysis of taking Con Val High School off the National School Lunch Program (NSLP)

This analysis was performed using a similar model to what was used in other NH public High Schools that have gone off of NSLP (Hanover High School, Londonderry High School). In the model for those districts, students who qualified for meal assistance benefits under USDA guidelines continue to receive meal assistance benefits provided by the school district. Both high schools had a total free & reduced enrollment of less than 10%. For the purpose of providing meal assistance, Hanover plans a subsidy of approximately \$20,000 from the general fund and Londonderry plans a \$40,000 subsidy from the general fund.

As of September 2018, the free & reduced enrollment for Con Val High School was approximately 23.5% - 122 students qualifying for free and 43 for reduced. On average, this group of students participates in the program at a rate of 33% for breakfast and 75% for lunch per day. On an annual basis the school realizes approximately \$12,372 in breakfast reimbursement and \$60,025 in lunch reimbursement (\$72,437 total) from meals served to those students.

In moving to a non- NSLP, it should be anticipated that participation will go up, as the program will be able to offer non-whole grain offerings and other items with higher student acceptability. Based on a forecast of 50% participation for breakfast and 80% for lunch this would equate to \$24,873 in reimbursement for breakfast and \$79,495 for lunch, \$104,332 in total. Under the assumption that the school district will continue to provide meal benefits for these students, this is the amount of revenue that would need to be offset.

The district also receives cash reimbursement for students who do not qualify for meal assistance. Based on current participation rates the school receives approximately \$16,555 in cash reimbursements for these students each school year.

In addition to the cash revenue that would need to be offset, the Con Val Food Service Program receives donated food from the USDA for each lunch served under the NSLP. The cash value of this donated food

for meals served at the high school is approximately \$10,417. This is additional revenue that would need to be offset.

In summary, taking the high school off the NSLP will result in a total of approximately \$99,409 (current participation) to \$131,304 (increased participation for students in need) of unrealized revenue that will need to be offset by increased sales under a non NSLP program.

Current revenue per day for the high school (meals only) is approximately \$1,069 in cash and reimbursements and \$58 in donated foods for a total of \$1,127. Projected revenue under the new program with higher participation is approximately \$1,808, of which \$1,229 would come from meal sales to full pay and reduced students and \$579 would be from subsidy for free & reduced students. A la carte revenues are currently \$440 per day and would be projected to increase to \$660 per day. Under these increases total revenue for the school district's food service program fund is projected to increase by \$162,180. Of that increase approximately \$104,000 of the increased revenue would come from sources other than meal sales (i.e., meal assistance to students who qualify).

The attached analysis contains a copy of the current budget for the Con Val food service program, a projected budget with the High School off of the NSLP, and a page to compare the two budgets. The non-NSLP budget assumes: participation rates of 50% breakfast and 80% lunch for students who qualify for meal assistance; 30% breakfast participation and 50% participation for full pay students; meal prices maintained at current levels; menus based on the acceptable parts of NSLP, and only modified for the restrictions with low student acceptability (i.e., not 100% whole grain, larger portions, no fruit or vegetable requirement, relaxed restrictions on snacks & beverages).

The forecasts provided show that NSLP will generate a lower subsidy to the food service program district wide based on sales activity, but create a greater subsidy when maintaining meal assistance is factored in.

This is a basic model that does not take into account modifications the school district could choose to pursue – ideas such as moving completely away from traditional USDA models to introducing more of a restaurant style program where nutrition is not considered or not providing meal assistance to students. To provide an analysis based on different criteria, we would need guidance on the community's specific objectives and goals.

**Conval Summer 2018
Food Service Program**

	July	August	Total
Revenues			
Breakfast Counts	4888	2313	7201
Breakfast Reimbursement	\$ 10,900.24	\$ 5,157.99	\$ 16,058.23
Lunch Counts	5492	2618	8110
Lunch Reimbursement	\$ 21,528.64	\$ 10,262.56	\$ 31,791.20
Total Reimbursement	\$ 32,428.88	\$ 15,420.55	\$ 47,849.43
Expenses			
Food Purchases	\$ 15,680.77	\$ 4,426.00	\$ 20,106.77
Wages	\$ 14,644.08	\$ 11,855.71	\$ 26,499.79
Taxes & Benefits	\$ 4,978.99	\$ 4,030.94	\$ 9,009.93
Total Payroll	\$ 19,623.07	\$ 15,866.65	\$ 35,489.72
Paper Supplies	\$ 376.05	\$ 41.98	\$ 418.03
Cleaning Supplies	\$ 258.56	-	\$ 258.56
Laundry & Uniforms	\$ 669.00	-	\$ 669.00
Supplies/ Travel	\$ 453.54	\$ 172.32	\$ 625.86
Management Fee	\$ 1,038.00	\$ 493.00	\$ 1,531.00
Total Program Expense	\$ 38,098.99	\$ 21,019.95	\$ 59,118.94
Total Subsidy	\$ (5,670.11)	\$ (5,599.40)	\$ (11,269.51)

Current Con Val SFSP Staffing Model

Sites	Staff	Hrs	Days	Pay Rate	Per Day	Total Days	Gross	Net
Keene	FSW 1	6:45-2:30	7.75	\$9.95	\$77.11	30	\$2,313.38	\$3,099.92
	FSW 1	6:45-2:30	7.75	\$9.50	\$73.63	30	\$2,208.75	\$2,959.73
Jaffrey	FSW 1	7:00-2:00	7	\$9.69	\$67.83	30	\$2,034.90	\$2,726.77
Dublin Antrim	FSW 1	8-1:30	5.5	\$9.95	\$54.73	30	\$1,641.75	\$2,199.95
							\$0.00	\$0.00
Hillsboro/Deering	FSW 1	7:00-1:00	5	\$10.50	\$52.50	30	\$1,575.00	\$2,110.50
	FSW 1	7:00-11:00	4	\$9.50	\$38.00	30	\$1,140.00	\$1,527.60
Peterborough	FSW 1	7:00-2:00	6	\$9.95	\$59.70	30	\$1,791.00	\$2,399.94
SMS Production	Program Mgr	6:00-2:00	8	\$18.41	\$147.28	40	\$5,891.20	\$7,894.21
	FSW 1	5:00-11:00	6	\$11.50	\$69.00	18	\$1,242.00	\$1,664.28
	Program Asst. Mgr	5:00-1:00	8	\$17.00	\$136.00	18	\$2,448.00	\$3,280.32
	FSW 1	5:00-11:00	6	\$10.00	\$60.00	30	\$1,800.00	\$2,412.00
	FSW 1	5:00-11:00	6	\$13.50	\$81.00	30	\$2,430.00	\$3,256.20
Total Labor Expense							\$26,515.98	\$ 35,531.41

Proposed Con Val SFSP Staffing Model

Sites	Staff	Hrs	Days	Pay Rate	Per Day	Total Days	Gross	Net
Production/Delivery	Program Manager	6:00-2:00	8	\$18.41	\$147.28	40	\$5,891.20	\$7,894.21
	FSW 1	5:00-10:00	5	\$12.00	\$60.00	30	\$1,800.00	\$2,412.00
	FSW 2	5:00-10:00	5	\$12.00	\$60.00	30	\$1,800.00	\$2,412.00
	Delivery	6:00 - 2:00	8	\$12.00	\$96.00	30	\$2,880.00	\$3,859.20
	Delivery	6:00 - 2:00	8	\$12.00	\$96.00	30	\$2,880.00	\$3,859.20
Total Labor Expense							\$15,251.20	\$20,436.61
Current Labor Expense								\$ 35,531.41
Labor Expense Savings								\$ 15,094.80

Contocook Valley

Food Service Budget NSLP

<u>Projected Income</u>	
Student Breakfast	31750
Adult Sales	42500
Student Lunch	265250
A la carte	126450
Special Functions/Vending	40250
Fed and State Reimbursements	348840
Total Income	855040
<u>Projected Costs</u>	
Labor Costs	506500
Food Cost	347800
Commodity Value	-41000
Paper Supplies	13000
Cleaning Supplies	5500
Laundry & Uniforms	4000
Repairs/Maintenance	2000
Insurance	11112
Promotions	1000
Postage/Office Supplies	1750
Training	1000
USDA Delivery	4000
Depreciation	12310
Food Service & Other Licenses	4700
Software Licenses	5000
Administrative/Service Fee	75000
Total Costs	953672
Net (cost)/ return to District	-98632

Contocook Valley
Food Service Budget Non NSLP

<u>Projected Income</u>	
Student Breakfast	81806
Adult Sales	51000
Student Lunch	348295
A la carte	166050
Special Functions/Vending	40250
Fed and State Reimbursements	252359
Total Income	939760
<u>Projected Costs</u>	
Labor Costs	506500
Food Cost	361807.6
Commodity Value	-31000
Paper Supplies	15000
Cleaning Supplies	5500
Laundry & Uniforms	4000
Repairs/Maintenance	2000
Insurance	11112
Promotions	1000
Postage/Office Supplies	1750
Training	1000
USDA Delivery	4000
Depreciation	12310
Food Service & Other Licenses	4700
Software Licenses	5000
Administrative/Service Fee	75000
Total Costs	979680
Student Subsidy	104332
Net (cost)/ return to District	-144252

Contocook Valley

NSLP vs. Non NSLP Budget Comparison

	Current	No NSLP	Difference
<u>Projected Income</u>			
Student Breakfast	\$ 31,750	\$ 81,806	\$ 50,056
Adult Sales	\$ 42,500	\$ 51,000	\$ 8,500
Student Lunch	\$ 265,250	\$ 348,295	\$ 83,045
A la carte	\$ 126,450	\$ 166,050	\$ 39,600
Special Functions/Vending	\$ 40,250	\$ 40,250	\$ -
Fed and State Reimbursements	\$ 348,840	\$ 252,359	\$ (96,481)
Total Income	\$ 855,040	\$ 939,760	\$ 84,720
<u>Projected Costs</u>			
Labor Costs	\$ 506,500	\$ 506,500	\$ -
Food Cost	\$ 347,800	\$ 361,808	\$ 14,008
Commodity Value	\$ (41,000)	\$ (31,000)	\$ 10,000
Paper Supplies	\$ 13,000	\$ 15,000	\$ 2,000
Cleaning Supplies	\$ 5,500	\$ 5,500	\$ -
Laundry & Uniforms	\$ 4,000	\$ 4,000	\$ -
Repairs/Maintenance	\$ 2,000	\$ 2,000	\$ -
Insurance	\$ 11,112	\$ 11,112	\$ -
Promotions	\$ 1,000	\$ 1,000	\$ -
Postage/Office Supplies	\$ 1,750	\$ 1,750	\$ -
Training	\$ 1,000	\$ 1,000	\$ -
USDA Delivery	\$ 4,000	\$ 4,000	\$ -
Depreciation	\$ 12,310	\$ 12,310	\$ -
Food Service & Other Licenses	\$ 4,700	\$ 4,700	\$ -
Software Licenses	\$ 5,000	\$ 5,000	\$ -
Administrative/Service Fee	\$ 75,000	\$ 75,000	\$ -
Total Costs	\$ 953,672	\$ 979,680	\$ 26,008
Gross (cost)/return to District	\$ (98,632)	\$ (39,920)	\$ 58,712
Student Subsidy		\$ 104,332	\$ 104,332
Net (cost)/ return to District	\$ (98,632)	\$ (144,252)	\$ (45,620)