

Hanover Public Schools

Matthew A. Ferron
Superintendent of Schools



Thomas R. Raab, Ed.D.
Business Manager

Deborah St. Ives
Assistant Superintendent

Joan Woodward
Student Services Director

Memorandum

To: Hanover School Committee
From: Thomas R. Raab, Business Manager
Cc: Matthew A. Ferron, Superintendent of Schools
Date: January 18, 2017
Re: Proposed Increase in Lunch Prices for FY '18

Consistent with our Strategic Objectives 2016-2018, I am pleased to provide the committee with some research regarding lunch prices and make an initial recommendation regarding a proposed modest increase for FY '18. Initiative #4 of Objective #3: Sustainable Funding states, "Evaluate current food costs, compare with industry standards and surrounding town information to recommend possible increase in meal costs."

Currently we charge, \$2.60 for an elementary lunch (K-4), \$2.85 for a secondary lunch (5-12) and \$3.85 for an adult lunch. These prices were put into effect on July 1, 2014 and have remained consistent for three years. Based on comparisons with surrounding towns, federal minimum standards, an analysis of meals per labor hour, and the current fiscal condition of the Food Services Department, we are recommending a 15 cent increase in prices across the board for FY '18 beginning in September, 2017. As a result, the proposed prices would be \$2.75 (K-4), \$3.00 (5-12), and \$4.00 for an adult lunch. Breakfast prices would remain the same.

On February 1, Lynn Petrowski, Food Services Director, will present on the proposed increase and provide a full explanation and rationale. I am providing a comparison of surrounding towns for your information at this time and will ask for consideration and a vote on the proposed change after Lynn's presentation.

Lunch Prices FY2017				
Surrounding towns	Elementary	MS	HS	Adults
Hanover	\$2.60	\$2.85	\$2.85	\$3.85
Abington	\$2.50	\$2.75	\$2.75	\$4.00
Holbrook	\$2.75	\$2.85	\$2.85	\$4.00
Rockland	\$2.65	\$2.90	\$2.90	\$4.00
Marshfield	\$2.75	\$3.00	\$3.00	\$4.00
Pembroke	\$2.65	\$2.75	\$3.00	\$4.00
Scituate	\$3.00	\$3.00	\$3.00	\$4.00
Norwell	\$2.75	\$3.00	\$3.25	\$4.00
Hull	\$3.00	\$3.25	\$3.25	\$4.00
Dedham	\$2.75	\$3.00	\$3.50	\$4.00
Hingham	\$3.00	\$3.25	\$3.50	\$4.00

Hanover School Nutrition

Providing the Fuel for Learning at School

Hanover Public Schools

Demographics 2016-2017

- Student population: 2521
- Free & Reduced: Free: 262 (11%), Reduced Price: 36 (1%)
- Employees: Twenty-four
- Budget: \$950,000
- Schools: Five (5); 1 High School, 1 Middle School, 3 Elementary Schools

Participation: October 2016 (20 days)

- Breakfast: 641 (2%)-served at secondary level only
- Lunch: 25,086 (52%)
- Overall: 71%-includes a la carte purchases

Strategic Plan

- Initiative # 4: Develop and sustain funding to support ongoing maintenance of equipment for the Food Service Program
- Evaluate and identify current equipment needs based on operational and food safety standards
- Develop, publish, and execute a food service equipment replacement plan for individual buildings based on operational and safety standards in conjunction with Town Facilities Department
- Explore grant possibilities for large equipment replacement
- Evaluate current food costs, compare with industry standards and surrounding town information to recommend possible increase in meal costs

Budget Development

Incremental budget: based on previous years history

Consider:

- Revenue
- Expenditures
- Food & Labor Cost Percentages
- Participation Trends
- Student Demographics
- Equipment Needs

2015-2016

- Revenue = \$972,836
- Expenditures = \$968,297
- Food & Labor Cost Percentages = Food: 45%, Labor: 53%
- Equipment Replacement and Repair Costs = 2%

Participation Rates = October 2016 (20 days)

- Breakfast: 641 (2%)-served at secondary level only
- Lunch: 25,086 (52%)
- Overall: 71%-includes a la carte purchases

FY 2016-2017 Equipment/Repair

- Equipment Purchases:

- Cedar School reach in freezer: \$7,170.00
- Elementary Schools commercial electric can openers: \$2,000.00
- High School/Wellness Fair commercial blender: \$450.00
- Sylvester Stove: \$9,000
- Sylvester Convention Oven: \$4,000

- Repairs:

- High School Refrigeration: \$1,816.00
- Middle School Refrigeration: \$368.00
- Cedar Refrigeration: \$1431.00
- High School Skillet: \$170.00
- Middle School Steamer: \$3275.00
- Center School Oven: \$643.00
- Sylvester School Oven: \$ 533.00

2017-2018 Capital Outlay Requests

- Facilities Management has requested the following project funding for FY 2018
- Middle School serving line replacement: \$34,000.00
- Cedar School walk in cooler and freezer replacement: \$30,000.00

Paid Lunch Equity

- A provision of the Healthy Hunger Free Kids Act of 2010, which reauthorized child nutrition programs.

Regulations at 7 CFR 210.14 require school food authorities to ensure sufficient funds are provided to the non-profit school food service account for meals served to students not eligible for free or reduced price meals.

Paid Lunch Equity

- SFA's must, on average, charge for paid lunches at least the difference between the federal reimbursements for free and paid lunch
- \$2.51 for SY 2012-13
- \$2.59 for SY 2013-14
- \$2.65 for SY 2014-15
- \$2.70 for SY 2015-16
- \$2.78 for SY 2016-17

Comparison Lunch Pricing

Lunch Prices as of FY2017				
Surrounding towns	Elementary	MS	HS	Adults
Hanover	\$ 2.60	\$ 2.85	\$ 2.85	\$ 3.85
Abington	\$ 2.50	\$ 2.75	\$ 2.75	\$ 4.00
Holbrook	\$ 2.75	\$ 2.85	\$ 2.85	\$ 4.00
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Hingham	\$ 3.00	\$ 3.25	\$ 3.50	\$ 4.00

Looking Ahead

- Increasing lunch costs to:
- \$2.75 at the Elementary Level
- \$3.00 at the Secondary level
- Will increase income by approximately:
 - \$162.00/day (based on current participation rates)
 - \$29,160.00 annually