



Mountain View  
Whisman  
School District

# Update on Child Nutrition and Meal Cost Increase

March 24, 2022





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School District

# Strategic Plan 2027

# Strategic Plan 2027

## Goal Area 5

- Equitable distribution of resources that support student success.
- Goal 5A: Ensure every child that needs food has the opportunity for a nutritionally balanced daily meal.

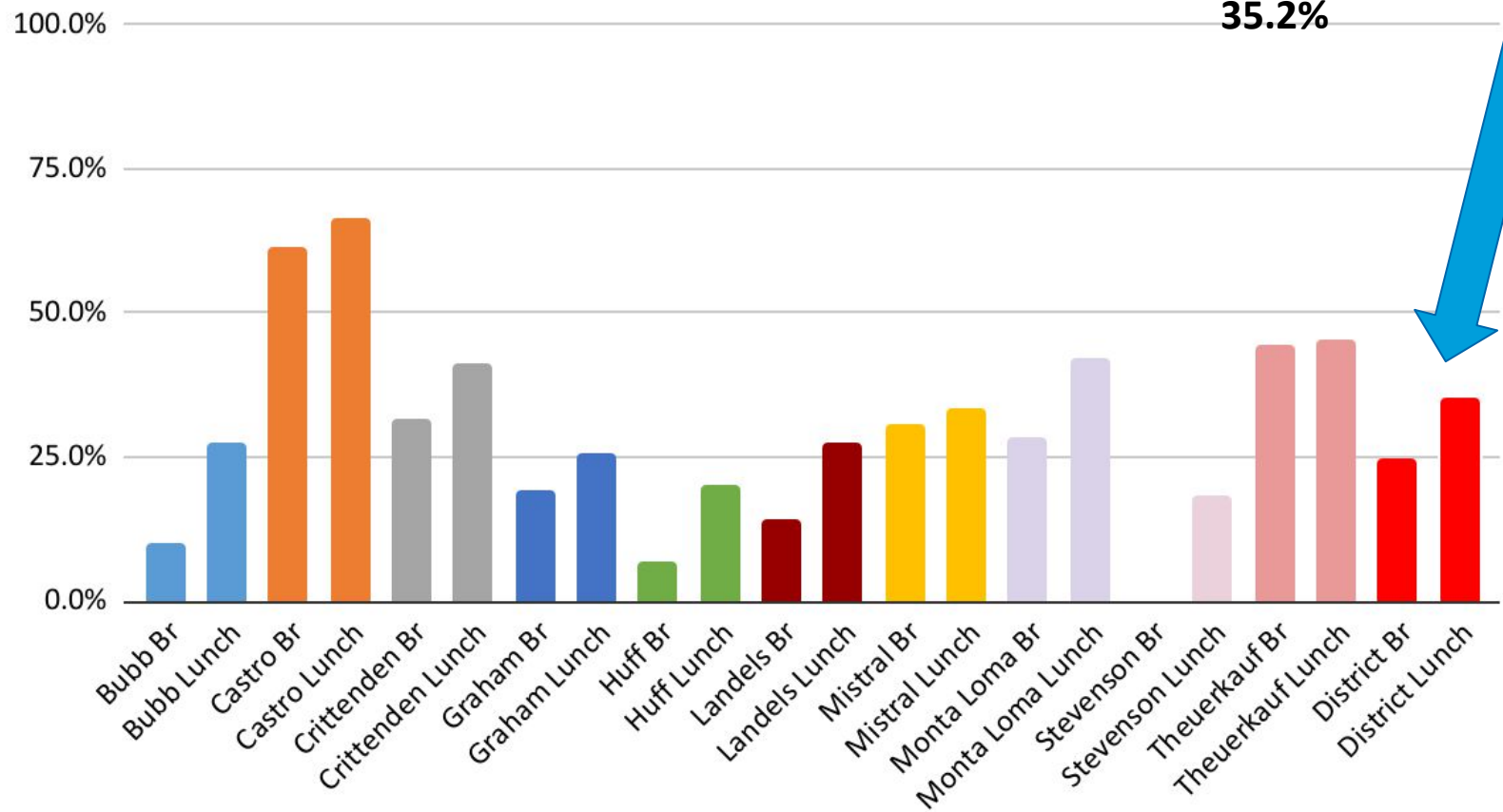


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# Program Overview

# Participation History

Participation Rates Aug-May 2017-2018



District Breakfast

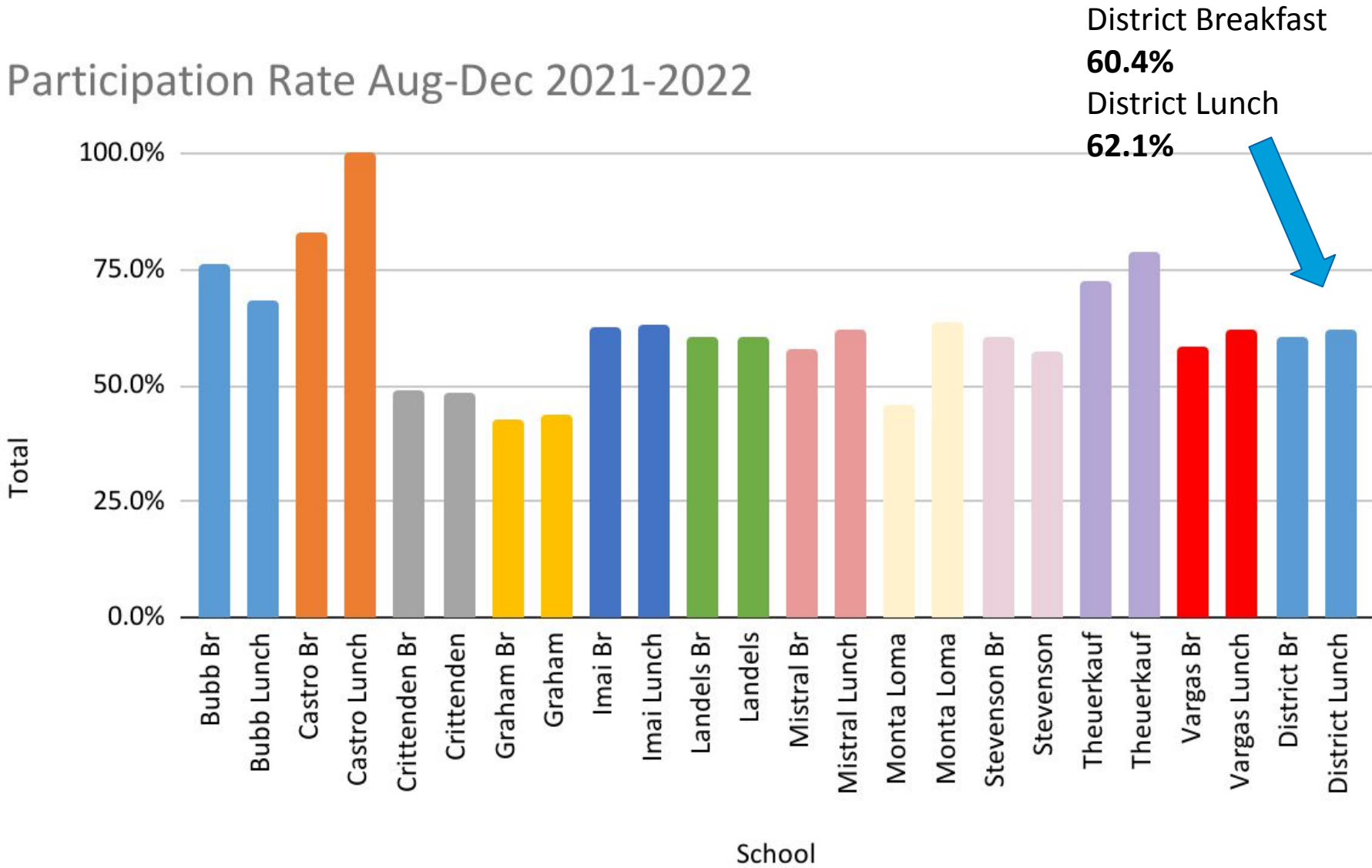
**24.7%**

District Lunch

**35.2%**

# Current Participation Rate

Participation Rate Aug-Dec 2021-2022



# Background

Prior to the pandemic, we participated in the below programs.

- National School Lunch Program (NSLP)
- Child & Adult Care Food Program (CACFP)
- Summer Food Service Program (SFSP) “Summer Seamless”
- Catering, Food Truck, and Partnerships

School meals were provided at three tiers, paid, reduced, and free based on family income.

# Changes Since COVID

- When schools moved to remote learning, we entered Summer Seamless which is managed by the Federal Government (March 2020).
- Historically this was only offered during the summer months, but due to pandemic it was extended past the summer months.



# Flexibility of Summer Seamless

- Serve meals to children that were able to be taken home.
- Allowed districts to serve all students regardless of free and reduced status and receive reimbursement.
- Flexibility in nutritional requirements due to supply chain issues.
- No need to track the names of children.

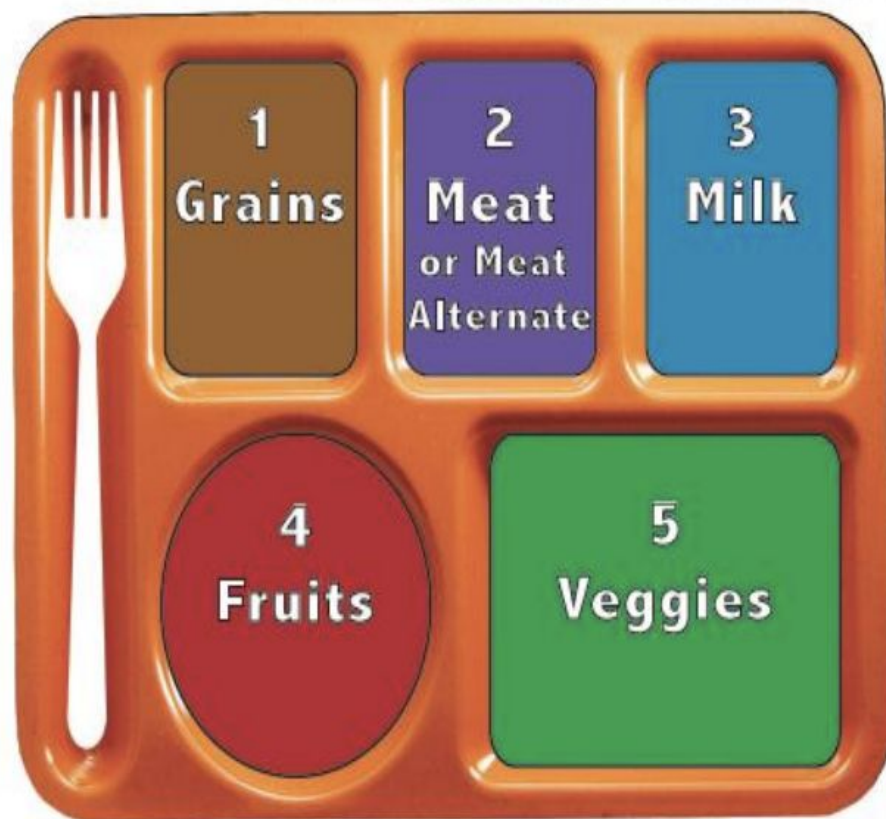
# Current Status

- California is one of two states that has decided to continue a feeding program, regardless of the Federal Government.
- To qualify for free meals, a family of three must earn less than \$30,000 to qualify. This will not apply in California and MVWSD.
- This summer we will only be able to provide food at locations where over 50% of children are eligible (Castro) due to Federal rules.

# OFFER vs SERVE

## The Five Meal Components for School Lunch



Choose ***at least 3*** including:



- $\frac{1}{2}$  Cup of **Fruits** or **Vegetables**
- At Least 2 **Other Food Groups**

For best nutrition, ***choose all 5***

# Current Menu

Monday	Tuesday	Wednesday	Thursday	Friday	
<p>28 Feb.</p> <p><b>Chicken Nuggets</b> W/ Baked Potato Wedges</p> <p><i>Morning Star Veggie Nuggets (V)</i> w/ Potato Wedges <b>Whole Fresh Fruit</b> 1% or Fat Free Milk</p>	<p>1-Mar</p> <p><b>Turkey Taco Nada</b></p> <p><i>Bean &amp; Cheese Nada (v)</i></p> <p><b>Whole Fresh Fruit</b> 1% or Fat Free Milk</p>	<p>2-Mar</p> <p><b>Cheese Pizza (V)</b></p> <p><b>Whole Fresh Fruit</b> Non Fat Chocolate Milk</p>	<p>3-Mar</p> <p><b>Creamy Mac &amp; Cheese</b> w/ Hot Mixed Veggies <b>(V)</b></p> <p>1% or Fat Free Milk</p>	<p>4-Mar</p> <p><b>Mini Turkey Corn Dogs</b> W/ Sun Chips</p> <p><b>Grilled Cheese</b> w/ Sun Chips (V)</p> <p><b>Whole Fresh Fruit</b> Non Fat Chocolate Milk</p>	
<p>7-Mar</p> <p>National School Breakfast Week March 7-11, 2022</p> <p><b>Cheese Burger*</b> w/ Sun Chips <i>Morning Star Veggie Griller Burger (V)</i> w/Cheese &amp; Sun chips <b>Whole Fresh Fruit</b> 1% or Fat Free Milk</p>		<p>8-Mar</p> <p><b>Chicken Pasole Soup</b> w/ Tortilla Chips <b>Veggie Bean Pasole Soup</b> w/ Tortilla Chips (V) <b>Whole Fresh Fruit</b> 1% or Fat Free Milk</p>	<p>9-Mar</p> <p><b>Cheese Pizza (V)</b></p>  <p><b>Whole Fresh Fruit</b> Non Fat Chocolate Milk</p>	<p>10-Mar</p> <p><b>Cheese Tortellini</b> W/ Marinara Sauce (V) w/Mixed Hot Veggie</p>  <p><b>Whole Fresh Fruit</b> 1% or Fat Free Milk</p>	<p>11-Mar</p> <p><b>Fresh Baked Bagel Dog *</b> w/ Sun Chips</p> <p><b>Veggie Bagel Dog</b> w/ Sun Chips (V) <b>Whole Fresh Fruit</b> Non Fat Chocolate Milk</p>

## Breakfast Choices

**Mon: Cereal Bar**  
**Tues: Mini Pancakes Pack**  
**Wed: Fresh Baked Blueberry Muffin**  
**Thursday: Bagel & Lite Cream Cheese or Jam**  
**Fri: Fresh Baked Cinnamon Roll lite Glaze**

**Fresh Fruit Mon- Wed-Friday**  
**Juice Day Tues & Thursdays Only**  
**Fat Free or 1% Low Fat Milk**

## Fresh Vegetable Servings

**Mon: Baby Carrot pack**  
**Tues: Broccoli Florets**  
**Wed: Baby Carrots Pack**  
**Thurs: Hot Mixed Veggie in Entree'**  
**Fri: Baby Carrots pack**



# Individually Packaged Food due to COVID



# Federal Reimbursement Rates

	Federal Revenue Lunch (COVID)	Federal Revenue Breakfast (COVID)	Federal Revenue Lunch <i>*final rate avail. in July 2022</i>	Federal Revenue Breakfast <i>*final rate avail. in July 2022</i>
Free	\$4.5625	\$2.605	\$3.73	\$2.35
Reduced	n/a	n/a	\$3.33	\$2.05
Paid	n/a	n/a	\$0.42	\$0.33

# State Reimbursement Rate

	State Lunch (COVID)	State Breakfast (COVID)	State Lunch (estimate based on last announced rate)	State Breakfast (estimate based on last announced rate)
Free	\$0.2487- in addition to feds	\$0.2487- in addition to feds	\$0.2445	\$0.2445
Reduced	n/a	n/a	\$0.2445	\$0.2445
Paid	n/a	n/a	0	0

## Possible Scenarios

- COVID reimbursement rate based on projections=  
\$5.95-4.81=\$1.13 contribution per meal
- Previous State reimbursement rate based on projections=  
\$5.95-3.97= \$1.98 contribution per meal

# Cost Estimate with Pre-COVID Rates - State has not announced new rates

<i>Child Nutrition Summary</i>						
	18-19	19-20	20-21	21-22	22-23	23-24
LOCAL SALES (8634)	647,117	559,175	0.00	0	0	0
FEDERAL INCOME (BREAKFAST/LUNCH) (8220)	1,163,323.00	1,153,018.00	1,564,886.00	3,265,517	1,057,149	1,057,149
STATE INCOME (BREAKFAST/LUNCH) (8520)	90,607.00	91,379.00	267,946.00	200,810	1,679,456	1,679,456
DINNER INCOME (8220)	77,122.00	48,680.00	0.00	35,000	65,000	65,000
INTEREST (8660)	2,546.00	2,770.00	1,226.00	1,200	2,000	2,000
ALL OTHER LOCAL REVENUE (8699)	231,136.00	173,697.00	243,120.00	61,373	61,373	61,373
<b>TOTAL INCOME</b>	<b>1,564,734</b>	<b>1,469,544</b>	<b>2,077,178</b>	<b>3,563,900</b>	<b>2,864,978</b>	<b>2,864,978</b>
FOOD (4700/4710/4712)	775,173	740,071	608,344	1,706,890	1,687,235	1,771,596
FOOD PRODUCTION SUPPLIES (4390)	115,180	77,375	44,484	158,000	172,220	187,720
	<b>890,353</b>	<b>817,446</b>	<b>652,828</b>	<b>1,864,890</b>	<b>1,859,455</b>	<b>1,959,316</b>
<b>OPERATING EXPENSES:</b>	<b>56.9%</b>	<b>55.6%</b>	<b>31.4%</b>	<b>52.3%</b>	<b>64.9%</b>	<b>68.4%</b>
DIRECT SALARIES (2220-2910)	1,231,005	1,492,634	1,360,546	1,662,656	1,748,153	1,816,921
FRINGE BENEFITS (3202-3902)	475,420	557,448	588,370	751,647	858,311	877,121
<b>TOTAL LABOR COST</b>	<b>1,706,425</b>	<b>2,050,082</b>	<b>1,948,916</b>	<b>2,414,303</b>	<b>2,606,464</b>	<b>2,694,042</b>
<b>TOTAL MISC COST (SUPPLIES/FEES/ DUES)</b>	<b>102,483</b>	<b>(87,973)</b>	<b>43,918.00</b>	<b>49,994</b>	<b>54,493</b>	<b>59,398</b>
<b>TOTAL EXPENSE</b>	<b>2,699,261</b>	<b>2,779,555</b>	<b>2,645,662</b>	<b>4,329,187</b>	<b>4,520,412</b>	<b>4,712,756</b>
					(1,655,434)	(1,847,778)
<b>Contribution</b>	<b>628,433</b>	<b>750,836</b>	<b>557,326</b>	<b>766,487</b>	<b>1,655,434</b>	<b>1,847,778</b>



# Cost Estimate with COVID Rates

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DINNER INCOME (8220)	77,122.00	48,680.00	0.00	35,000	65,000	65,000
INTEREST (8660)	2,546.00	2,770.00	1,226.00	1,200	2,000	2,000
ALL OTHER LOCAL REVENUE (8699)	231,136.00	173,697.00	243,120.00	61,373	61,373	61,373
<b>TOTAL INCOME</b>	<b>1,564,734</b>	<b>1,469,544</b>	<b>2,077,178</b>	<b>3,563,900</b>	<b>3,578,862</b>	<b>3,578,862</b>
FOOD (4700/4710/4712)	775,173	740,071	608,344	1,706,890	1,687,235	1,771,596
FOOD PRODUCTION SUPPLIES (4390)	115,180	77,375	44,484	158,000	172,220	187,720
	<b>890,353</b>	<b>817,446</b>	<b>652,828</b>	<b>1,864,890</b>	<b>1,859,455</b>	<b>1,959,316</b>
<b>OPERATING EXPENSES:</b>	<b>56.9%</b>	<b>55.6%</b>	<b>31.4%</b>	<b>52.3%</b>	<b>52.0%</b>	<b>54.7%</b>
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FRINGE BENEFITS (3202-3902)	475,420	557,448	588,370	751,647	858,311	877,121
<b>TOTAL LABOR COST</b>	<b>1,706,425</b>	<b>2,050,082</b>	<b>1,948,916</b>	<b>2,414,303</b>	<b>2,606,464</b>	<b>2,694,042</b>
<b>TOTAL MISC COST (SUPPLIES/FEES/ DUES)</b>	<b>102,483</b>	<b>(87,973)</b>	<b>43,918.00</b>	<b>49,994</b>	<b>54,493</b>	<b>59,398</b>
<b>TOTAL EXPENSE</b>	<b>2,699,261</b>	<b>2,779,555</b>	<b>2,645,662</b>	<b>4,329,187</b>	<b>4,520,412</b>	<b>4,712,756</b>
					(941,550)	(1,133,894)
Mountain Contribution	628,433	750,836	557,326	766,487	941,550	1,133,894



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# Costs Over the Years

# Financial Comparison

<b>Revenue:</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>
Federal	1,240,445	1,201,698	1,564,886	3,300,517
State	90,607	91,612	267,946	200,810
Local	880,799	735,642	243,511	62,573
<b>Total</b>	<b>2,211,851</b>	<b>2,028,952</b>	<b>2,076,343</b>	<b>3,563,900</b>
<b>Expenditures:</b>				
Classified Salaries	1,231,005	1,492,634	1,360,546	1,662,656
Employee Benefits	475,420	557,448	588,370	751,647
Food, Supplies, and Other Services	820,974	729,473	696,745	1,916,084
Capital Outlay	171,862			
<b>Total</b>	<b>2,699,261</b>	<b>2,779,555</b>	<b>2,645,661</b>	<b>4,330,387</b>
<b>Profit / (Loss)</b>	<b>(487,410)</b>	<b>(750,603)</b>	<b>(569,318)</b>	<b>(766,487)</b>

# Historical General Fund Contribution



# Labor vs. Food Cost

- Current labor cost is 68% of revenue.
- Our current food and supplies cost is 53% of revenue.
  - Standard labor and food costs should be about 40%-45% of revenue each according to Financial Crisis and Management Assistance Team (FCMAT)

# Meals Per Labor Hour (MPLH)

- FCMAT suggests 30 MPLH (pre-made menu)
- MVWSD is at 25.56 MPLH (mix of from-scratch and pre-packaged)
  - To address this we need to
    - increase the number of meals served at sites
    - consider taking on outside meal service with other districts.



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# Meal Prices

# Audit

During our last audit in 2020, the auditor stated that we needed to increase our paid meal cost to be at least the reimbursement rate.

- Free and reduced meals should not supplement our paid meals.



# Current Meal Prices

## Breakfast

- Paid \$2.50
  - Reduced \$0.30
  - Free \$0.00
  - Adults \$3.00
- Students have not paid in two years

## Lunch

- Paid \$3.50
- Reduced \$0.40
- Free \$0.00
- Adults \$4.50

# Current Cost Per Meal

- 2019-20 Average cost per meal (before COVID shutdown) **\$4.67**
- 2020-21 Average cost per meal was **\$6.25**
- 2021-22 Average cost per meals is **\$4.59**  
(July-December)- dropped due to scale
- Projected cost for 2022-23 will be **\$5.95** based on current conditions.
  - The District's general fund supplements the cost of every meal.
  - In order to continue to receive reimbursement (National School Lunch Program) MVWSD needs to raise the cost of our paid meals

# Options to Consider

## Breakfast

- Paid \$ 3.50 (\$1.00 increase)
- Reduced \$.40 (\$0.10 increase)
- Adults \$ 4.00 (\$1.00 increase)

## Lunch

- Paid \$5.50 (\$2.00 increase)
- Reduced \$.40 (same)
- Adults \$6.50 (\$2.00 increase)

\*The reduced price meal cost is set at the Federal level



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# Current Constraints

# Issues our Child Nutrition Program Faces

- Staffing
  - Similar to all service fields, our Child Nutrition program is struggling with finding reliable staffing.
- Supply chain disruptions
  - Example: when we put in an order for 50 cases of chicken nuggets, 1 case is delivered.
- Increased costs for materials
  - Paper trays went from \$51.00 to \$107.00 per unit.
  - Vendors are now charging fuel cost.

# Food Costs Have Increased

- 7.4% increase from January 2021 to January 2022 (USDA).
- Globally food prices have risen at the fastest pace in 41 years.
  - 20.7% increase across the globe.
- Local produce has risen over 18%.
- Fresh fruit and vegetables have doubled in price.

# Current Menu Offerings

- At the middle school, stations are set up around campus.
- Due to how meals are packaged, we must give all five components of the meal for it to be reimbursable.

# Moving Back to MUR Distribution

## Positives

- More choice for students
- Less food waste

## Challenges

- Longer lines due to 2 times more students needing to queue and find lunch cards
- Children will need more help getting lunch card
- Finding a way to serve approximately 50% more students within 15 minutes in comparison to pre-pandemic times





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# Recommendations and Next Steps

# Getting Back to Normal Service

- In alignment with District COVID protocols, we recommend a return to indoor food service when we return to indoor dining which will include more choice for students.
- This could be done as early as April 4th based on Board direction.
- Choice will include an entree choice and 3 of 5 components.

# Recommendations

- Increase the paid price of lunch
  - \$5.50 for students
  - \$6.50 for adults
- Increase the paid price of breakfast
  - \$3.50 for students
  - \$4.00 for adults
- The changes will go into effect next school year
- For the next two years meals will be free to all students due to the State.



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# Questions