

Food Service Operations

The food service (“FS”) program operates as a stand-alone entity receiving limited support from the district. The program has been able to effectively service the district with the goal of remaining relatively financially neutral. It is very common throughout Vermont to subsidize a FS program with general fund dollars. Until recently, the Colchester School Board has not supported the FS program through funds from the general fund.

In FY’16, the FS program ended with revenues falling short of expenditures by \$26.8K. However, during the year, the school board agreed to provide the FS program with \$50K of support from the general fund. The purpose of the transfer was to support the anticipated shortfall. This allowed the FS program to finish with a surplus of \$23.2K. From an accounting perspective, the program realized a decrease in its net position by \$86.7K thus reducing its net position from \$187.6K to \$100.8K. The results were in line with the annual budget.

In FY’17, the FS program ended with revenues again falling short of expenditures by \$57.4K. Again during the year, the school board agreed to provide the FS program with \$50K of support from the general fund. The purpose of the transfer was to support the anticipated shortfall. This allowed the FS program to finish with a deficit of \$7.4K. From an accounting perspective, the program realized a decrease in its net position by \$90.4K thus reducing its net position from \$183.8K to \$93.4K. The results were in line with the annual budget.

The results for FY’16 and FY’17 were the result of a number of factors. All of which strained the food service budget and is making it increasingly difficult to stay near breakeven.

- ✚ Increased regulation from the federal government in FY’15 started to drive meal and ala carte participation down;
- ✚ A continued move towards fresh and local fruits and vegetables (higher costs);
- ✚ The need to purchase and replace equipment throughout the district;
- ✚ Increased labor and health care cost;
- ✚ The desire to keep meal prices steady for a number of years.

There are no funds budgeted for the food service program in FY’18 or FY’19.