

Child Nutrition Updates & 2026-27 Meal Prices

July 20, 2026



Background

The Smithville ISD Child Nutrition Program is committed to providing nutritious, appealing meals that meet USDA guidelines while attempting to maintain fiscal responsibility. Over the past years, we have experienced substantial increases in the cost of food and supplies. Stricter guidelines by USDA. With an increase in labor cost, the loss of the local food grant and a loss in Free and Reduced percentages this has put a burden on the department. Despite our efforts to absorb these cost, a student meal price increase is necessary to ensure the quality of our meal program.

Overview of Meal Participation & Comparison

		24-25 BREAKFAST	25-26 BREAKFAST	MEALS +/-		24-25 ADP	25-26 ADP		24-25 LUNCH	25-26 LUNCH	MEALS +/-		24-25 ADP	25-26 ADP
MEALS	PAID	36228	18437	-17791		234	120	PAID	64866	56573	-8293		418	367
	REDUCED	4256	4479	+223		27	29	RED	7028	8966	+1938		45	58
	FREE	<u>53552</u>	<u>46959</u>	<u>-6593</u>		346	305	FREE	<u>89147</u>	<u>90140</u>	<u>+993</u>		575	585
	TOTAL	101470	69875	-24161		655	454	TOTAL	174036	155679	-5362		1123	1011

	SCHOOL DAYS- SEPT TO MAY	155	154
	ENROLLMENT	1839	1827
	F/R %	46.24%	50.70%



Lunch Revenue vs. Actual Cost

SISD Paid Meal Examples

<u>Item</u>	<u>Lunch</u>
Food & Paper Goods	\$3.07
Labor Allocation	\$1.02
Minimum Cost to Produce Lunch	\$4.09
Student Paid Meal Price-HS	\$3.50
Federal Paid Reimbursement	\$0.44
Total Paid Meal Revenue	\$3.94
Funding Gap Before Other Expenses	(\$0.15)

The actual minimum cost to produce a school lunch is approximately \$4.09 per meal before considering operational expenses. A paid lunch generates approximately \$3.94 in combined student payment and federal reimbursement, leaving a gap of approximately \$0.15 per meal before operational costs are considered.

The National School Nutrition Association per meal cost is \$4.70



One costs more One feeds a child

**\$4.70. THAT IS WHAT THE FEDERAL GOVERNMENT
REIMBURSES TO FEED A CHILD AT SCHOOL.**

Not just for the food. For everything.

**AND YOUR SCHOOL CAFETERIA TEAM STILL SHOWS UP.
EVERY SINGLE DAY.**



For the 2026-2027 school year, Texas school districts face distinct procurement realities as they calculate budget increases compared to 2025-2026. Because school purchasing cooperatives lock in vendor pricing via contracts tied to specific index caps, inflation varies drastically between food categories and non-food supplies. The baseline cost projections for Texas school nutrition departments follow three core operational areas:

1- Fresh Produce (Highest Volatility)

Predicted increase: 7.7% to 7.8%

Key Drivers: Extreme weather patterns, escalating diesel cost and the USDA regulation of only 10% of non domestic purchases.

2- Paper Products & Kitchen Supplies

Predicted increase: 3.5% to 5.0%

Key Drivers: Paper goods continue rise due to manufacturing overhead and industrial index shifts.

3- Full-Line Food Purchases (Center of the Plate)

Predicted increase 2.5% to 3.4%

Note: Proteins like beef remain exceptionally tight with a projected 12.1% surge. School nutrition departments have seen a cumulative 21% inflation surge over the recent years.

CURRENT CHALLENGES

Rising Costs:

Prices have increased significantly due to inflation and supply issues.

Labor Costs:

Recent increases to have competitive wages are needed to retain and attract Child Nutrition Staff

Reimbursement Shortfall:

Increasing costs without matching evenue. More restrictive USDA meal pattern standards continue to increase food costs, labor demands, staff training, and administrative responsibilities while federal reimbursement has not kept pace with the true cost of providing compliant meals.

Increase in Utility Costs:

Cost of Utilities continue to rise each year.

Quality & Freshness:

To continue to provide fresh fruits, vegetables, whole grains, and quality proteins.

Comparison with Other Districts for SY 2025-2026

<u>District</u>	<u>Elementary Lunch</u>	<u>Secondary Lunch</u>	<u>Breakfast</u>
Smithville ISD	\$2.75/ \$3.00	\$3.25 / \$3.50	\$1.75/\$2.00
Columbus ISD	\$2.75	\$3.15	\$1.75
Bellville ISD	\$3.45	\$3.65	\$2.35
Lago Vista ISD	\$3.30	\$3.30	\$2.20
Wimberley ISD	\$3.10	\$3.35/\$4.00	\$2.15
Navarro ISD	\$3.35	\$3.50/\$3.75	\$1.25
Salado ISD	\$3.75	\$3.75	\$1.60
Marion ISD	\$3.45	\$4.00/ \$4.25	\$2.05/\$2.25

Proposed Student Meal Prices for SY 2026-2027

<u>Meal Type</u>	<u>Brown Primary</u>	<u>Elementary</u>	<u>Jr High</u>	<u>High School</u>
Lunch	\$2.90	\$3.15	\$3.40	\$3.65
Breakfast	\$1.75	\$2.00	\$2.00	\$2.00

These proposed changes include a \$0.15 increase for lunch and no change for breakfast meal prices.

ADDITIONAL STEPS

- CONTINUE TO ENHANCE MEAL QUALITY TO ENCOURAGE INCREASE IN PARTICIPATION
- CONTINUE TO EVALUATE THE NUMBER OF KITCHEN AND CHILD NUTRITION DEPARTMENT STAFF
- CONTINUE TO ALIGN CHILD NUTRITION STAFF WORK DAYS WITH STUDENT SCHOOL DAYS
- ENCOURAGE FAMILIES TO APPLY FOR FREE/REDUCED MEALS
- CONTINUE TO SEEK DONATIONS TO THE HUNGRY TIGER FUND
- INCREASE ALA CARTE AND CATERING SALES
- CONSIDER MEAL PRICE INCREASES AS PROPOSED

Recommendation

The Child Nutrition Department recommends that the SISD Board of Trustees approve the proposed student meal prices for 2026-27. These prices include a \$0.15 increase in lunch and no increase for breakfast.

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CHILD NUTRITION BUDGET

	2025-26 Adopted Budget	2026-27 Draft Proposed Budget
Other Local Revenues (57xx)	\$390,150	\$356,500
State Revenues (58xx)	\$50,000	\$50,000
Federal Revenues (59xx)	\$848,960	\$826,844
Operating Transfer-In* (7xxx)	\$45,400	\$116,670
TOTAL REVENUES	\$1,334,510	\$1,350,014
Food Service	\$1,289,110	\$1,290,214
Utilities	\$45,400	\$59,800
EXPENDITURES	\$1,334,510	\$1,350,014
PROFIT/LOSS	<u>\$0</u>	<u>\$0</u>

**Transfer-in from General Fund for the cost of utilities*