



410 South Commercial Street • Neenah, WI 54956 • Tel: (920) 751-6800 • Fax: (920) 751-6809

Memo To: Board of Education members
 Dr. Mary Pfeiffer, District Administrator
 From: Paul Hauffe, Director of Business Services *PH*
 Vicky Holt, Asst District Admin – Human Resources and Central Services *VH*
 Date: July 6, 2012
 RE: Student Fees

As we develop the 2012-13 budget, it is important to review the revenue generated from student fees, activity participation fees, etc. In concept, the District charges fees to help offset the cost of particular services and/or supplies. Although inflationary pressures have been manageable in recent years, it may be necessary to revise some fees to more accurately reflect their intent.

Some fees have not been adjusted in several years. Following is a discussion of the major student fees that are collected by the District.

1. Student Fees

A student user fee for books and materials was established by the Board beginning in the 1984-85 school year. The intent of this fee was to help partially offset the cost of books and materials, and other consumables, purchased by the District. Following is a recent history of student fees.

	<u>04-05</u> Full fee	<u>06-07</u> Full fee	<u>08-09</u> Full fee
Preschool	\$20	\$24	\$25
Elementary (K-5)	30	36	40
Middle School (6-8)	35	42	45
High School (9-12)	40	48	50
 Total Fees Collected	 \$182,775	 \$211,800	 \$219,231

General student fees were last adjusted in 2008-09. The Administration recommends no change to the student fee schedule for 2012-13.

A reduced fee (40% of full cost) is available for those students eligible to receive free/reduced priced hot lunch.

2. Neenah High School Parking Fees

Neenah High School parking lot fees were implemented in 1994-95. The fee was instituted to generate additional revenues to be used for parking lot maintenance and repair, purchase parking stickers, and provide for some parking lot supervision. Administration has been approached by the City of Neenah to consider leasing a portion of the parking lots located in Memorial Park. There has not been a decision made to lease the parking lot from the City at this time. Administration will continue to meet with the City of Neenah and discuss parking options for Neenah High School students.

<u>Year</u>	<u>NHS Parking Lot Fee</u>	<u>Fees Collected</u>	<u>No. of Parking Tickets sold (Max=530)</u>
1994-95	\$3.00		
2002-03	10.00		
2003-04	15.00	8,280	
2004-05	25.00	12,700	
2005-06	35.00	13,067	
2006-07	45.00	18,120	
2007-08	55.00	21,322	
2008-09	60.00	24,130	
2009-10	65.00	24,497	407
2010-11	70.00	25,945	376
2011-12	70.00	28,118	401
2012-13 (proposed)	45.00	21,500	475

3. Middle and High School Activity Fee

Activity participation fees were initiated to help offset the various costs associated with cocurricular activities such as coaches/advisors salaries and benefits, supplies, transportation, apparel, etc. Cocurricular activities are defined as those activities which generally occur outside the normal school hours, are competitive by nature and are either scored or judged. In 2010-11, activity participation fees were required from participants previously not required to pay – math team, drama, academic decathlon, etc. This generated an additional \$5,000 for the District on an annual basis. In 2012-13, activity participation fees will be required from two clubs whose members were not previously required to pay – lacrosse and bowling. This may generate up to \$1,500 annually.

	<u>2006-07 Fee</u>	<u>2008-09 Fee</u>	<u>2010-11 Fee</u>
Middle School	\$25 Activity/\$50 max student \$100 max family	\$30 Activity/\$60 max student \$120 max family	\$30 Activity/\$60 max student \$120 max family
High School	\$45 Activity/\$90 max student \$180 max family	\$50 Activity/\$100 max student \$200 max family	\$50 Activity/\$100 max student \$200 max family
Total Fees Collected	\$64,574	\$78,600	\$83,077

The Administration proposes no price adjustment to the activity participation fees which were last adjusted for the 2008-09 school year.

4. Instrument Rental

It has been the practice of the District to purchase and maintain the large class of musical instruments, tubas, cellos, string basses, bass clarinets, French horns, and others since these instruments are not generally available for rent from local music stores and the cost of purchase can be a significant financial burden for parents. During the 2011-12 school year, the repair costs for musical instruments district wide totaled \$22,106 while the fees collected totaled \$4,680.

<u>Year</u>	<u>Instrument Rental Fee</u>
2004-05	\$30
2005-06	\$30
2006-07	\$40/\$80 max family
2007-08	\$50/\$100 max family
2008-09	\$60/\$120 max family
2009-10	\$65/\$130 max family
2010-11	\$70/\$140 max family
2011-12	\$75/\$150 max family

The Administration recommends no change to the instrument rental fees for the 2012-13 school year.

5. Yearbook Fees

Originally, students were charged a yearbook fee to completely offset the production costs of the yearbook. The District was responsible for providing the advisors' salaries and benefits. Over the years, this distinction (or philosophy) has blurred somewhat. Following are two charts that provide financial information related to yearbook fees.

Financial Summary

	<u>2011-12 (Actual)</u>		<u>2012-13 (Estimated)</u>	
	<u>Neenah High School</u>	<u>Middle School</u>	<u>Neenah High School</u>	<u>Middle School</u>
Expenditures				
Publication Costs	47,371	18,661	47,000	19,000
Advisor's Sal/Ben	<u>6,897</u>	<u>3,293</u>	<u>7,050</u>	<u>3,555</u>
Total Expenditures	54,268	21,954	54,050	22,555
Revenues				
Student Fees	61,555	17,435	63,000	18,000

Yearbook Fees (continued)

	1996-97 Fee	1997-98 Fee	2003-04 Fee	2008-09 Fee	2010-11 Fee	2011-12 Fee	2012-13 Fee
Middle School	8.00	10.00	13.00	15.00	15.00	20.00	20.00
High School	26.00	28.00	30.00	40.00	45.00	45.00	45.00

The Administration proposes no adjustment to the Middle School or High School Yearbook fees for the 2012-13 school year.

6. Other fees

In addition to the major student fees listed above, the District does collect smaller fees from students who are enrolled in specific classes. For example, students enrolled in Chemistry class at Neenah High School pay a \$6 safety goggle fee. Students enrolled in various art classes may pay fees based on the supplies needed for their class. There may be other “class-specific” fees that are required of students – sometimes they are just reimbursing for the cost of a particular item.

Note: As part of the budget reduction process for 2010-11, small fees were instituted for such programs as summer school and other support programs. Furthermore, admission fees were required from all who attended a sporting event or activity at Neenah High School.

Lunch Price Adjustment

The Food Service program is designed to be a self-sufficient operation – meaning that program revenues will equal or exceed program expenditures. Needless to say, the last time the Neenah Joint School District concluded a fiscal year with a positive operating balance was 1997-98. Since that time, the Food Service program has experienced annual operating deficits ranging from \$11,916 to \$254,400. It appears as though the 2011-12 fiscal year will also end with a deficit, as well.

The following chart shows the history of school lunch prices over the past fifteen years.

<u>Effective Date</u>	<u>Elementary</u>	<u>Secondary</u>
9/3/1996	1.20	1.50
7/15/2002	1.50	1.75
7/15/2004	1.80	2.00
8/1/2007	2.05	2.25
8/5/2008	2.10	2.35
7/7/2009	2.15	2.40
7/1/2010	2.25	2.50
7/1/2011	2.30	2.55

In addition to our own internal financial situation, a review of external comparables and recent Federal legislation has also provided guidance for school districts to determine an appropriate cost for a paid lunch. The “Healthy, Hunger-Free Kids Act of 2010” has mandated that districts gradually increase their meal prices over the next few years to comply with required benchmarks contained in the Act. Local Boards of Education no longer have full control of what they may charge for student lunches. To comply with the federal regulations, and in consultation with our food service management company, Chartwells, we recommend that lunch prices should be adjusted for the 2012-13 school year as follows:

<u>Student</u>	<u>Neenah (2011-12)</u>	<u>Neenah (2012-13)</u>
Elementary	\$2.30	\$2.35
Middle	\$2.55	\$2.55
High School	\$2.55	\$2.55
Adult	\$3.60	\$3.60
Milk	\$0.35	\$0.35

Note that only an increase in the elementary lunch price is recommended at this time. This price increase will keep the District’s lunch prices in line with the majority of school districts in our area and, more importantly, in compliance with Federal regulations. Many districts have already

adjusted their meal prices upward for 2012-13 and it is widely expected that most districts will increase their meal prices by five to ten cents, annually, over the next several years.

In addition, our new Food Service management company, Chartwells, will review a la carte items and adjust prices to keep pace with inflationary food and labor costs. With these increases, we estimate an additional \$15,000 in revenue will be generated for the Food Service program.

Breakfast Price Adjustment

The Neenah Joint School District began the School Breakfast program effective with the 2007-08 school year. Initially, the breakfast program was offered at only two schools, Shattuck and Horace Mann. State and Federal grants received for the purchase of equipment and some labor costs have allowed the District to further expand the breakfast program. In 2009-10, the breakfast program was expanded to include Neenah High School, Hoover, and Roosevelt/ACE. With the addition of Wilson school in 2010-11, the District now offers the breakfast program at six sites.

In its current configuration, the breakfast program is truly a cost neutral component of the total Food Service program. Breakfast prices were increased by ten cents across-the-board in 2011-12. At the current time, the School Breakfast program is not covered by the same rules and regulations contained in the Healthy, Hunger-Free Kids Act of 2010. For that reason, and the fact the breakfast prices were increased significantly in 2011-12, the Administration recommends no adjustment to breakfast prices for the 2012-13 school year.

	Neenah (2011-12)	Neenah (2012-13)
<u>Student</u>		
Elementary	\$1.15	\$1.15
Middle	\$1.15	\$1.15
High School	\$1.20	\$1.20
Adult	\$1.35	\$1.35

Summary

The Administration is recommending two minor adjustments to a number of the fees that are collected from students on an annual basis. Among the factors that have influenced our current fee structures, and any adjustments to them, are: 1) local economic conditions, 2) regional comparisons, and 3) federal and state guidelines.

Suggested Fee and Price increases for 2012-13

<u>Type of Fee</u>	<u>Amount of Increase</u>	<u>Students Affected</u>	<u>Est. Additional Revenues</u>
NHS Parking Fee	-\$25.00	High School only	-\$6,600

Fund 10 Revenues	-\$6,600
-------------------------	-----------------

Type of Fee	Amount of Increase	Students Affected	Est. Additional Revenues
Lunch	\$0.05/meal	K-5	\$15,000

Fund 50 Revenues	\$15,000
-------------------------	-----------------

History of Neenah Joint School District Lunch Price Increases

<u>Effective Date</u>	<u>Elementary</u>	<u>Secondary</u>
9/3/1996	1.20	1.50
7/15/2002	1.50	1.75
7/15/2004	1.80	2.00
8/1/2007	2.05	2.25
8/5/2008	2.10	2.35
7/7/2009	2.15	2.40
7/1/2010	2.25	2.50
7/19/2011	2.30	2.55
2012-13 Proposed	2.35	2.55

Meal Price Comparisons

<u>District</u>	<u>2012-13 Lunch Prices</u>		<u>Change from 2011-12</u>
	<u>Elem</u>	<u>Second</u>	
Appleton	2.30	2.55	+0.05
Hortonville	2.00	2.20	+0.10
Winneconne	2.15	2.40/2.45	+0.10
Ripon	2.50	2.60	+0.05
Kaukauna	2.40	2.65	+0.05
Freedom	2.00	2.25	0.00
Menasha	2.20	2.55	+0.10
Omro	2.50	3.10	+0.10
Oshkosh	2.00	2.10/2.25	+0.10
Ashwaubenon	2.15	2.40	+0.05
Seymour	2.00	2.10	+0.10
Green Bay	2.00	2.50/2.75	+0.10-0.15