



The Corporation of the Town of LaSalle

Date	September 6, 2017	Report No:	R & C 12-17
Directed To:	Council	Attachments:	
Department:	Culture and Recreation	Policy References:	
Prepared By:	Director of Culture and Recreation		
Subject:	Concession Operations – Food Services Delivery		

RECOMMENDATION:

THAT the report from the Director of Culture and Recreation dated October 4, 2017 (C&R 12 - 17) recommending a new business plan for the Concession Operations and Food Service Delivery as presented by the Director of Culture in Recreation in the report be approved;

AND THAT staff report back to Council in the spring of 2018 to provide an overview on the new business plan approach to the Concession Operations including a review of service, sales and hours of operation.

REPORT:

The Culture and Recreation 2017 Budget set out Departmental Goals and Objectives which included a review of food services delivery options at the Vollmer. Upon investigation into the 2016 and 2015 budgets the Hospitality division of our department was showing deficits annually at an increasing rate.

Working with the Finance Department the estimations were provided demonstrating an approximate loss of \$8,000 in 2015 and approximate loss of \$30,000 in 2016. An internal analysis was performed reviewing product, staffing, hours of operation and price points for menu items. It was also discovered that menu prices had not been altered in the last four years to incorporate inflation, operating expense or wholesale product pricing increases. The following is a breakdown of a proposed business plan to improve the efficiencies of the Concession Operations and strengthen the framework for the overall budget of Hospitality Services.

1) Menu

The Team Lead I and Supervisor provided menu items and pricing which was reviewed to ensure the new menu options would address price point for orders, items with minimal spoilage, maximum profit and incorporate popular product purchases. A price analysis had not been completed and prices had not been raised in 4 years.

Some examples of price adjustments are as follows:

<u>Menu Item</u>	<u>2016</u>	<u>2017</u>
Hamburger	\$ 3.50	\$ 4.50
Cheeseburger	\$ 3.75	\$ 4.75
Fries	\$ 2.75	\$ 3.00
Slushie	\$ 1.00	\$ 1.50

*Please see **attachment A** for full menu pricing for 2016 and 2017.

With a few adjustments to items on the menu the pricing is better in line with other concession recreation venues in the County while covering food service delivery costs.

Below highlights the total Sales for September from 2016 and 2017 with the new prices.

<u>MONTHLY SALES</u>	<u>2016</u>	<u>2017</u>	<u>DIFFERENCE</u>
September	\$ 12,000	\$ 14,550	+ \$2, 550

2) Schedule

The schedule was also reviewed and analyzed, taking the 2016 hour-by-hour total sales and reviewing peak times, busy times, quiet times and down times daily. The Concession Operations hours were adjusted to incorporate and support the busy times and peak times that were experienced in 2016.

The total weekly hours for operations in 2016 were 97.75 for staff and 8.5 for Team Leader II. The proposed total hours for 2017 are 82.5 for staff and none for Team Leader II.

	<u>2016 Week</u>	<u>2017 Week</u>	<u>Difference (+/-)</u>	<u>Amount</u>
Staff	97.75 hours	82.5 hours	- 15.25/week	\$195/week
Team Lead II	8.50 hours	0 hours	- 8.5 /week	\$184/week
Approximate reduction in expense for operation: \$19,700 Annually				

The Hours of operation for the concession operations are recommended to reflect the following times:

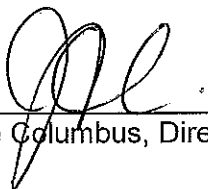
<u>WEEK</u>	<u>2016</u>	<u>2017</u>
Monday:	5:00 – 8:30pm	5:00 pm – 8:00 pm
Tuesday:	5:00 – 8:30pm	5:00 pm – 8:00 pm
Wednesday:	5:00 – 9:00pm	5:30 pm – 9:00 pm
Thursday:	5:00 – 8:30pm	5:00 pm – 8:00 pm
Friday:	4:30 – 9:00pm	5:00 pm – 9:00 pm
Saturday:	8:00 - 9:00pm	10:00 am – 8:00 pm
Sunday:	8:00 – 8:00pm	10:00 am – 6:00 pm

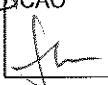

With the reduced hours and increased price points for menu items the hospitality budget should be closer to a break even number.

3) Service

In a recreation complex it is important to ensure that the Food Services Delivery is meeting the needs of our consumers and user groups. As the sales were very low on Saturday and Sunday Mornings between 8am – 10am with a majority of coffee and beverages being sold we felt the need to investigate options to continue this service. A local vendor who installs hot beverage machines met with the staff to sample products and present a solution. The Vollmer has several on site cold beverage machines dispensing various options including juice, power aid and pop. On a trial basis, we have installed at no cost to the municipality a hot beverage machine to offer patrons an option including coffee, tea, hot chocolate and specialty hot beverages. The machine will eventually provide profit sharing to be put towards our revenue and allow us to keep our overall operating cost down while still filling the need.

With the three areas of improvements in the business plan for Food services delivery the 2017/2018 Hospitality Budget should see a significant overall improvement. The Department can continue to offer a service while being fiscally responsible.


Julie Columbus, Director of Culture & Recreation

Reviewed by:							
CAO 	Treasury 	Clerks	Public Works	DSI	Culture & Rec	Building	Fire

New Concession Prices

In the column that has the old prices, I have put what the price that staff currently round to first – and the price that comes up in Max Galaxy in brackets.

Concession Item	NEW Price	OLD Price
Breakfast Menu (until 12 pm)		
Sausage and Cheese Muffin	\$2.50	\$1.50
Sausage Muffin Combo	\$3.00	\$2.75
Hashbrown (2)	\$1.50	\$1.00
English Muffin	\$1.25	- New to menu
Lunch/Dinner * All combo's are served with fries and a medium beverage *		
Cheeseburger	\$4.75	\$3.75
Cheeseburger Combo	\$8.50	\$6.05 *without beverage*
Hamburger	\$4.50	\$3.50
Hamburger Combo	\$8.00	\$5.60 *without beverage*
Hot Dog	\$3.00	\$3.00
Hot Dog Combo	\$7.00	\$4.90 *without beverage*
Chicken Fries	\$4.00	\$4.00
Fries	\$3.00	\$2.75
Poutine	\$5.00	\$4.00
Pizza (16 slices)	\$16.50	\$16.15
Pizza Slice * Viper Nights only*	\$3.50	\$1.50
Snacks		
Candy/Chocolate/Halls	\$1.50	Candy/halls-\$1.15 Chocolate-\$1.25
Chips	\$1.50	\$1.15
Popcorn	\$3.00	\$1.85
Soft Pretzel	\$3.00	\$2.25
Frozen Yogurt	\$3.00	\$2.50
Nachos and Cheese	\$3.50	\$2.50
Extra Cheese	\$1.00	\$0.50
Extra Gravy	\$1.00	\$0.50
Beverages		
Coffee, Tea	Regular- \$1.75 Large \$2.00	Medium - \$1.60 Large - \$1.75
Specialty Drink: French Vanilla, Hot Chocolate, English Toffee	Regular- \$2.50 Large - \$2.75	Small - \$1.40 Medium - \$1.60 Large - \$1.75
Fountain Drink: Pepsi, Diet Pepsi, 7 UP, Root Beer, Orange Crush, Iced Tea	Regular - \$1.60 Large -\$1.75	Small - \$1.55 Medium - \$1.75
Bottled Water	\$1.50	\$1.50 (\$1.49)
Dole Juice: Apple, Tropical, Orange	\$1.50	\$1.50
Slushie	Regular - \$1.50 Regular - \$2.75	Mini - \$1.00 Regular - \$2.40
Chocolate Milk	\$2.50	\$2.25