

## Organization Information

### Legal Name

Fallbrook Food Pantry

### Year Founded - use date of incorporation

1991

## Program Name/Title

Alleviating Hunger in FB

### Brief Program Description

Our market-style client's choice food pantry model allows our clients the opportunity to choose their own food, giving them a sense of dignity and control. We are committed to empowering our community to be successful in living a healthy and well-balanced lifestyle.

### Is this a new (pilot, recently developed) or established program?

Established Program

### Program Information - Type

Ongoing

### Requested Amount

90000.00

### How much funding was received for this program in the previous 2021.2022 CHC Grant cycle?

77500.00

### Organization's Mission Statement

The Fallbrook Food Pantry is a non-profit organization primarily staffed by volunteers. Our mission is to provide an adequate and nutritious supply of food to individuals in our community who are in-need.

FFP serves low-income individuals and families at no cost to the participant by promoting health and wellness through food distribution and educational programming. We address social determinants of health and/or systems change focused on reducing social and health inequities.

### Organization's Vision Statement

We envision a community where the pain and suffering caused by hunger do not exist. We envision a community where those in-need have access to an adequate and nutritious supply of food.

### Agency Capability

Fallbrook Food Pantry (FFP) has served low-income and disadvantaged families for 30 years. Available to the community 5 days a week, we offer a well-balanced selection of food, promoting wellness for every individual in our community. Year to date we have served 30,000 households,

supplying over 1.5 million pounds of food.

In April of 2019, Fallbrook Food Pantry’s dream of purchasing a new facility came true, thanks to our compassionate and committed donors. We now occupy 6,834 square feet of warehouse, market, and administrative offices. The new learning center space will allow us to expand our programming. The learning center will educate our in-need community on how to make healthier food choices, demonstrate meal preparation using non-cultural produce (such as butternut squash and jackfruit) enhancing food options, and encouraging new food items to be introduced into their daily diets. FFP has experienced tremendous growth in the last three years with the addition of our new Executive Director, Shae Gawlak. The growth in our numbers is a sheer reflection of what is going on in our economy – more individuals are having a difficult time finding jobs that pay them enough to support their family. In the last three years, we have also seen donations increase by 50% over the previous 25 years. We anticipate even more groundbreaking growth as a result of our new Learning Center to support the Fallbrook community in alleviating food insecurity.

### Agency Collaborations

We partner with **San Diego Food Bank, Feeding San Diego, Albertson’s, Grocery Outlet, Major Market, Sprouts, Del Rey Avocado and Kendall Farms**, along with **local farmers and growers** to stock our food pantry and food distribution programs.

Our health education-related community collaborations are with the **Public Health Nursing students from Cal State San Marcos School of Nursing** who assist with the facilitation of "Cooking Matters for Adults and Youth, that educates people about cooking nutritious dishes, meal preparation, and shopping on a budget. Through this program, there were over 300 diabetes and blood pressure screenings performed in 2020. Many of these screenings either detected pre-diabetes, a first-time diagnosis of diabetes, and/or assisted with a prevention program. If one of our nurses discovers that a client has any health concerns, requiring more than a simple screening, they will refer the client to local doctors to receive continued healthcare supervision and support.

**Fallbrook Smiles Project** promote healthy habits, disease prevention, and wellness programs and provide screenings at our monthly Neighborhood Distribution event.

We have an ongoing collaboration with the **Foundation for Senior Care** to use Care Van transportation for our clients. In March 2019, we collaborated with the **Boys & Girls Club** to offer Cooking Matters for Kids, an 6-week course educating youth about healthy choices and meal preparation.

Our longest-running collaborative partnership has successfully been with the **Fallbrook Regional Health District** since 2002. Without this relationship, FFP could not feed thousands of food insecure people each year.

### Target Population - Age

	Percent of program participants
<b>Children (infants to 12)</b>	22
<b>Young Adults (13-17)</b>	18
<b>Adults (18-60)</b>	37

	Percent of program participants
Seniors (60+)	23
We do not collect this data (indicate with 100%)*	

### Target Population not collected - Age

n/a

### Gender

	Percent of program participants
Female	80
Male	20
Non-binary	
Unknown*	

### \*Target Population - Gender

n/a

### Income Level

	Percent of program participants
Extremely Low-Income Limits, ceiling of \$32,100	100
Very Low (50%) Income Limits, ceiling of \$53,500	
Low (80%) Income Limits, ceiling of \$85,600	
Higher Than Listed Limits	
We do not collect this data (indicate with 100%)*	

### \*Target Population - Income Level

n/a

**Projected number of residents that will directly benefit (participant/client) from this program.**

5200

## Social Determinants of Health (SDOH)

### Program/Services Description - Social Determinants of Health

Economic Stability (Employment, Food Insecurity, Housing Instability, Poverty)

Neighborhood & Built Environment (Access to Foods that Support Healthy Eating Patterns, Crime and Violence, Environmental Conditions, Quality of Housing)

## Program/Services Description - FRHD Community Needs Assessment

Health (Healthy Food/Nutrition)

### Statement of Need/Problem

One of the most basic human needs is adequate nutrition. Incomes below the Federal poverty level often are not able to afford nutritious food and face serious food insecurities.

Food insecurity is limited access to sufficient, nutritious food for an active, healthy life. People experiencing severe food insecurity skip meals or go hungry because they lack sufficient financial resources to purchase food or lack access to food.

Food insecurity is often thought of as a "poor people's problem," but not all those living in poverty are food insecure, and not all food-insecure people live in poverty. Food insecurity is a complex issue that is paired with systemic challenges, including poverty, low wages, affordable housing shortages, chronic and acute health problems, high medical costs, and social isolation. The experience of food insecurity is stressful and has been associated with numerous harmful physical and mental health outcomes over the short and long term. Among children, food insecurity is also associated with adverse behavioral and academic outcomes. COVID-19 created unique hardships, particularly for low-income Americans and communities of color, who are at disproportionately higher risk for adverse health and economic outcomes associated with COVID-19. <https://ajph.aphapublications.org/doi/10.2105/AJPH.2020.305953>.

San Diego Hunger Coalition reported, <https://www.sandiegohungercoalition.org/research>, there are 197,000 people at risk of food insecurity in San Diego. This represents 113,000 adults and 84,000 children that are "food secure" but are at risk of food insecurity should they lose CalFresh or WIC benefits."

Households:

- 43% adults and 43% children who live in households below 200% Federal Poverty Level experience food insecurity
  - 43% low-income African Americans experience food insecurity, compared to 42% low-income Latinos, 39% low-income Whites, and 33% low-income Asians.
  - 46% low-income single parent households experience food insecurity.
- 50% low-income adults experiencing food insecurity are living with a disability.
- 55% low-income adults experiencing food insecurity are employed.

### Statement of Need/Problem - Others

### FFP is the only free full-service organization that provides weekly groceries to our local families in need. We pride ourselves in being able to glean fresh produce from local farmers and growers who donate their crops/harvest to us, so that we can pass it on to our clients! Having these relationships not only benefits our community in-need but it also allows FFP to help our partners keep their crops/harvest from being wasted and either ending up in landfills or rotting on their property...which creates methane gas, and reduces the amount of oxygen breathed from the air.

### Program/Services Description - Program Entry

Every client is required to meet with our Case Manager who performs a thorough screening of their current financial and living situation. All households are expected to present 2 months of income

(paycheck stubs), a household bill (electric, water, gas), dependents (birth certificates for children), 2 months of rent receipts and a personal ID. If they meet the Federal Income Guidelines of Poverty, they are immediately approved and allowed to shop each week at the Pantry. We conduct annual renewals for every client and it is expected that they uphold to our guidelines and criteria to continue receiving food assistance.

We practice and champion inclusiveness in our community. We honor the diverse strengths, needs, voices, and backgrounds of all members of our community. Fallbrook Food Pantry does not and shall not discriminate based on race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status in any of its activities or operations.

We serve as stewards for our community Investments and honor the charitable intentions of our donors to meet current and future community needs. We hold ourselves to the highest standards of ethics, integrity, service, and fiduciary responsibility.

### **Program/Services Description - Program Activities**

Our role in alleviating food insecurity goes beyond providing just food...we provide healthy food AND education. FFP addresses long-term health concerns/issues (diabetes, hypertension, cardiovascular disease, etc.) associated with food insecurities, and we help to empower our clients with educational opportunities, supporting them in making healthier choices that affect their daily lives and will ultimately aide in behavioral changes to become self-sufficient and productive community members.

### **Program Goal #1**

Provide a minimum of 2 days of nutritious food to clients in need, each week, giving them 10-12 pounds of food per family member.

### **Program Objectives - Goal #1**

We will provide a weekly menu of supplemental nutritious food to everyone who qualifies for food assistance.

### **Program Outcomes/Measurables - Goal & Objectives #1**

Each person per household will receive a minimum of 10-12 pounds of food each week. This is quantified by the weekly menu, which is weighed before every weekly food distribution begins.

## **Anticipated Acknowledgment**

### **Anticipated Acknowledgment**

Social Media Postings

Signage at Service Sites

Print Materials to Service Recipients

Website Display

### **Anticipated Acknowledgment**

We will acknowledge FRHD on our website, under Major Donors, through our quarterly newsletter, on social media quarterly, as well as displayed throughout our facility with signage.

**CHC GRANT BUDGET FORM**

Agency Name:

**FALLBROOK FOOD PANTRY**

PROGRAM NAME:

**ALLEVIATING HUNGER IN GREATER FALLBROOK**

Not all line items will correspond with your program budget. If the item does not fully align either leave it blank or group it in the best category possible. However, be sure your program budget is fully itemized.

1)	A	INDIRECT EXPENSES:	PROGRAM COST	APPLYING ORGANIZATION	OTHER RESOURCES	REQUESTED FROM FRHD
	A1	Security/Fire Protection	6,000.00	3,000.00	3,000.00	
	A2	General Insurance (not program specific )	15,000.00	7,500.00	7,500.00	
	A3	Accounting & audit expenses	11,500.00	11,500.00		
	A4	Professional/Consultant/Contractor Fees	30,000.00	15,000.00	15,000.00	
	A5	Physical Assets (Rent, Facility Costs)	38,000.00	19,000.00	19,000.00	
	A6	Utilities	32,000.00	8,500.00	8,500.00	<b>15,000.00</b>
	A7	IT & Internet	6,000.00	6,000.00		
	A8	Marketing & Communications	20,000.00	10,000.00	10,000.00	
	A9	Office Supplies	12,000.00	6,000.00	6,000.00	
	A10	Licenses/permits/fees	5,000.00	5,000.00		
	A11	Equipment/Building Reserves	60,000.00	20,000.00	40,000.00	
TOTAL INDIRECT EXPENSE			<b>235,500.00</b>	<b>111,500.00</b>	<b>109,000.00</b>	<b>15,000.00</b>
B	PERSONNEL EXPENSES - PROGRAM SPECIFIC		PROGRAM COST	APPLYING ORGANIZATION	OTHER RESOURCES	REQUESTED FROM FRHD
	B1	Salary - Executive Director (1.0)	70,000.00	35,000.00	35,000.00	
	B2	Salary - Program Manager (0.5)	30,000.00	5,000.00	5,000.00	<b>20,000.00</b>
	B3	Salary - Case Manager (0.5)	25,000.00		15,000.00	<b>10,000.00</b>
	B4	Salary (list position)				
	B5	Payroll Expenses (WC, taxes)				
	B6	Benefits				
	B7	Other: specify				
TOTAL PERSONNEL EXPENSE			<b>125,000.00</b>	<b>40,000.00</b>	<b>55,000.00</b>	<b>30,000.00</b>
C	DIRECT PROGRAM EXPENSES		PROGRAM COST	APPLYING ORGANIZATION	OTHER RESOURCES	REQUESTED FROM FRHD
	C1	Equipment	15,000.00	5,000.00	10,000.00	
	C2	Food & Distribution Supplies	60,000.00	15,000.00	15,000.00	<b>30,000.00</b>
	C3	Printing/Duplicating	5,000.00	2,500.00	2,500.00	
	C4	Market (store) operations	30,000.00	10,000.00	10,000.00	<b>10,000.00</b>
	C5	Vehicles	12,000.00	7,000.00		<b>5,000.00</b>
	C6	Development	20,000.00	10,000.00	10,000.00	
	C7	Computer Software (client database)	4,200.00	2,100.00	2,100.00	
	C8	DMS (Kindful)	3,300.00	1,650.00	1,650.00	
	C9					
	C10					
	C11					
	C12					
TOTAL OTHER EXPENSES			<b>149,500.00</b>	<b>53,250.00</b>	<b>51,250.00</b>	<b>45,000.00</b>

W X Y Z

D	TOTAL ALL EXPENSES	PROGRAM COST	% REQUESTED FROM FRHD
		<b>\$ 510,000.00</b>	<b>18%</b>

**2) FUNDING SOURCES**

E	FUNDS FOR PROGRAM		
E1	APPLYING ORGANIZATION	<b>X</b>	204,750.00
E2	OTHER RESOURCES	<b>Y</b>	215,250.00
E3	REQUESTED FROM FRHD	<b>Z</b>	90,000.00
TOTAL ALL FUNDING SOURCES			<b>W</b>
			<b>\$ 510,000.00</b>

NOTE: THIS AMOUNT SHOULD BE EQUAL TO YOUR PROJECT COST.

**3) % OF AGENCY BUDGET**

F	CALCULATE % of Total Agency budget that this Program represents.	\$ 733,500.00	\$ 510,000.00	70%
		AGENCY BUDGET**	PROGRAM COST	% of AGENCY BUDGET

\*\* Agency budget is your agency's entire budget for the year. Fill in the amount.

## FRHD CHC GRANT BUDGET INSTRUCTIONS

This file has a number of pre-formatted pages. Those sections for auto calculations and set formats are shaded in grey and should not be altered. Please keep a copy of this document as it will be used as part of the grant reporting process

There are five tabs to this file:

- 1 Instructions
- 2 Program Budget Form
- 3 Revenue Sources
- 4 Budget Narrative
- 5 Budget Reporting Form

### 1 Instructions:

- > All Yellow sections are to be filled out by the applicant. Grey sections will auto calculate and should not be edited by the applicant. All pages are formatted to print portrait, on 1

### 2 Program Budget Form:

- > PROGRAM COST: This section should reflect the true and total costs of the program.

APPLYING ORGANIZATION: This is the applicant agency's investment in their program.

- > This is the value of the resources the agency will contribute to the program's cost. These may include funds from fundrasing events, private donors, in-kind goods and services, and volunteer efforts.

- > OTHER RESOURCES: These are funds or resources provided from contracts, grants and partnerships that are used to support the program's operations.

- > REQUESTED FROM FRHD: This is the funding request you are putting forward to the District.

- > The line item names may not fully align with your budget. Please edit those items to align with your budget. Explain those items on your Budget Narrative Form as necessary.

#### A INDIRECT EXPENSES:

This section is for expenses that are part of indirect operats of the program, necessary which may not be part of the direct service provision expenses (Adminsitration, facility expenses, general liability ins., etc.). Please refer back to the training materials for clarification of these expenses. The District will not consider funding more than 25% of these expenses

**B PERSONNEL EXPENSES - PROGRAM SPECIFIC:**

As stated, this section is for staffing expenses that are directly related to the provision of the services/program. Please list each position title separately, unless there are multiple of the same title then use (x3) as an indicator. For example, if funding salaries for four separate Drivers, you would indicate as, Driver (x4) and the expense amount would be the cost of all four Drivers. Please include a single line items for general staffing expenses such as personell expenses (Payroll taxes, WC, etc). Benefits (health, retirement, etc) should be listed on a separate line.

**C DIRECT PROGRAM EXPENSES:**

This section is for supplies, items and or specific expenses related to the provision of the services/program. This may include phone, rent, prining, program related insurance (e.g., vehicle), trainings and cetifications.

**3 Revenue Sources**

- > Please list all sources of revenue the agency recieves by category. This Form has two sections, one for Agency Funding and one for Project Funding. Please fill out both sides of the table. Amounts do not need to be exact; however, we ask for best estimates.

**4 Budget Narrative**

- There are headers that align with the Budget Form. These items should be explained (narrative) if they are unusual or have a specific project impact. Explanations regarding
- > utliity expenses are generally understood, but expenses relating to trianing or for a specilayty insurance could be expressed here.

**5 Budget Reporting Form**

- This form will be used for those grantees who are awarded contracts. This form would be
- > submitted with the quarterly Impact Report and should demonstrate that funds were allocated according to the submitted proposal budget.



**CHC GRANT BUDGET FORM**

Agency Name: **FALLBROOK FOOD PANTRY** PROGRAM NAME: **ALLEVIATING HUNGER IN GREATER FALLBROOK**

Not all line items will correspond with your program budget. If the item does not fully align either leave it blank or group it in the best category possible. However, be sure your program budget is fully itemized.

1) A	INDIRECT EXPENSES:	PROGRAM COST	APPLYING ORGANIZATION	OTHER RESOURCES	REQUESTED FROM FRHD
A1	Security/Fire Protection	6,000.00	3,000.00	3,000.00	
A2	General Insurance (not program specific )	15,000.00	7,500.00	7,500.00	
A3	Accounting & audit expenses	11,500.00	11,500.00		
A4	Professional/Consultant/Contractor Fees	30,000.00	15,000.00	15,000.00	
A5	Physical Assets (Rent, Facility Costs)	38,000.00	19,000.00	19,000.00	
A6	Utilities	32,000.00	8,500.00	8,500.00	15,000.00
A7	IT & Internet	6,000.00	6,000.00		
A8	Marketing & Communications	20,000.00	10,000.00	10,000.00	
A9	Office Supplies	12,000.00	6,000.00	6,000.00	
A10	Licenses/permits/fees	5,000.00	5,000.00		
A11	Equipment/Building Reserves	60,000.00	20,000.00	40,000.00	
TOTAL INDIRECT EXPENSE		<b>235,500.00</b>	<b>111,500.00</b>	<b>109,000.00</b>	<b>15,000.00</b>

B	PERSONNEL EXPENSES - PROGRAM SPECIFIC	PROGRAM COST	APPLYING ORGANIZATION	OTHER RESOURCES	REQUESTED FROM FRHD
B1	Salary - Executive Director (1.0)	70,000.00	35,000.00	35,000.00	
B2	Salary - Program Manager (0.5)	30,000.00	5,000.00	5,000.00	20,000.00
B3	Salary - Case Manager (0.5)	25,000.00		15,000.00	10,000.00
B4	Salary (list position)				
B5	Payroll Expenses (WC, taxes)				
B6	Benefits				
B7	Other: specify				
TOTAL PERSONNEL EXPENSE		<b>125,000.00</b>	<b>40,000.00</b>	<b>55,000.00</b>	<b>30,000.00</b>

C	DIRECT PROGRAM EXPENSES	PROGRAM COST	APPLYING ORGANIZATION	OTHER RESOURCES	REQUESTED FROM FRHD
C1	Equipment	15,000.00	5,000.00	10,000.00	
C2	Food & Distribution Supplies	60,000.00	15,000.00	15,000.00	30,000.00
C3	Printing/Duplicating	5,000.00	2,500.00	2,500.00	
C4	Market (store) operations	30,000.00	10,000.00	10,000.00	10,000.00
C5	Vehicles	12,000.00	7,000.00		5,000.00
C6	Development	20,000.00	10,000.00	10,000.00	
C7	Computer Software (client database)	4,200.00	2,100.00	2,100.00	
C8	DMS (Kindful)	3,300.00	1,650.00	1,650.00	
C9					
C10					
C11					
C12					
TOTAL OTHER EXPENSES		<b>149,500.00</b>	<b>53,250.00</b>	<b>51,250.00</b>	<b>45,000.00</b>

D	TOTAL ALL EXPENSES	PROGRAM COST	% REQUESTED FROM FRHD
		<b>\$ 510,000.00</b>	<b>18%</b>

**2) FUNDING SOURCES**

E	FUNDS FOR PROGRAM	
E1	APPLYING ORGANIZATION <b>X</b>	204,750.00
E2	OTHER RESOURCES <b>Y</b>	215,250.00
E3	REQUESTED FROM FRHD <b>Z</b>	90,000.00
TOTAL ALL FUNDING SOURCES <b>W</b>		<b>\$ 510,000.00</b>

NOTE: THIS AMOUNT SHOULD BE EQUAL TO YOUR PROJECT COST.

**3) % OF AGENCY BUDGET**

F	CALCULATE % of Total Agency budget that this Program represents.	\$ 844,500.00	\$ 510,000.00	60%
		AGENCY BUDGET**	PROGRAM COST	% of AGENCY BUDGET

\*\* Agency budget is your agency's entire budget for the year. Fill in the amount.

<b>Agency Name:</b>	<b>FALLBROOK FOOD PANTRY</b>
<b>Program Name:</b>	<b>ALLEVIATING HUNGER IN GREATER FALLBROOK</b>
<b>Total Organization Budget (Current Fiscal Year)</b>	<b>\$ 733,500.00</b>
<b>Total Project Budget (Current Fiscal Year)</b>	<b>\$ 510,000.00</b>

**Organization Sources of Revenue**  
(Total Organization Budget)

**Sources of Funding**  
(This Project Request)

Source of funds	\$ Amount	Percent of Total	One-time funding? (Yes/No)	\$ Amount	Percent of Total	One-time funding? (Yes/No)	STATUS
Federal							
State							
City/County*	100000	0.15	NO	100000	0.196	NO	PEND
Other Govt.		0			0		
Proposed FRHD	90000	0.1	NO	90000	0.176	NO	PEND
Legacy Endowment	10000	0.001	NO	9500	0.018	NO	AWARD
Guenther Foundation	100000	0.15	NO	50000	0.1	NO	AWARD
Bank of America	1000	0.001	NO	1000	0.001	NO	AWARD
Pacific Western Bank	5000	0.05	YES	5000	0.05	YES	AWARD
Kendall Farms	10000	0.01	NO	10000	0.01	NO	AWARD
Better World Trust	10000	0.01	NO	10000	0.01	NO	AWARD
Las Patronas	10000	0.01	YES	5600	0.004	YES	AWARD
Sousa Family Trust	10000	0.01	NO	10000	0.01	NO	AWARD
General Donations	250000	0.33	NO	100000	0.196	NO	PEND
Other Internal Organizational Fundraising	137500	0.18	NO	118900	0.233	NO	PEND
Other (list):							
<b>Total</b>	<b>\$733,500.00</b>	<b>100%</b>		<b>\$510,000.00</b>	<b>100%</b>		

\* City/County

If the organization currently receives funding from any Cities or Counties, please list the jurisdiction and contract amount below.

Agency Name:

**FALLBROOK FOOD PANTRY**

Program Name:

**ALLEVIATING HUNGER IN GREATER FALLBROOK**

**INSTRUCTIONS:**

- 1 List items from your PROJECT BUDGET FORM (Sections A and B) where an expense is indicated, that you are seeking FRHD support.
- 2 Provide a brief narrative description of each budget line item to be funded by the proposed grant.
- 3 Your narrative should explain why this expense is necessary to the project and why or how FRHD funding would make an impact.

**A. INDIRECT EXPENSES:** Please indicate by the Line Number and Item Name

#	Name	Narrative:
A6	Utilities	\$15k of the \$32k needed to help cover the utilities--will ensure that our refrigeration is constantly running and operating correctly, to keep our produce and dairy fresh and frozen items stay frozen, as needed.

**B. PERSONNEL EXPENSES -PROGRAM SPECIFIC**

#	Name	Narrative:
B2	Programs Manager	\$20k of the \$30k needed to employ and manage programs--ensures that we can continue running our programs as they are fully intended to.
B3	Case Manager	\$10k of the \$25k needed to employ and manage clients--ensures that we can continue interviewing potential clients and guarantee they are qualified to receive food assistance based on Federal guidelines.

**C. DIRECT PROGRAM EXPENSES**

#	Name	Narrative:
C2	Food / Distribution Supplies	\$30k of the \$60k needed annually to ensure we have enough food to distribute weekly to clients. Dairy, fresh produce and occasionally meats and cheeses need to be purchased, as these are not considered donatable items--only commodities are.
C4	Market Operations	\$10k of the \$30k needed helps to provide shopping carts, shelving, replacements of these items; cleaning supplies, member/client ID cards and replacements; as well as market signage and posted announcements.
C5	Vehicles	\$5k of the \$12K needed helps to ensure that our pick up and delivery vehicles have gas, are registered and insured and receive regular maintenance.

Agency Name: **FALLBROOK FOOD PANTRY**

PROGRAM NAME: **ALLEVIATING HUNGER IN GREATER FALLBROOK**

Not all line items will correspond with your program budget. If the item does not fully align either leave it blank or group it in the best category possible. However, be sure your program budget is fully itemized.

<b>A</b>	<b>INDIRECT EXPENSES:</b>	<b>PROGRAM COST</b>	<b>REQUESTED FROM FRHD</b>	<b>AMOUNT USED Q1</b>	<b>AMOUNT USED Q2</b>	<b>AMOUNT USED Q3</b>	<b>AMOUNT USED Q4</b>
A1	Security/Fire Protection	\$ 6,000.00	\$ -				
A2	General Insurance (not program specific )	\$ 15,000.00	\$ -				
A3	Accounting & audit expenses	\$ 11,500.00	\$ -				
A4	Professional/Consultant/Contractor Fees	\$ 30,000.00	\$ -				
A5	Physical Assets (Rent, Facility Costs)	\$ 38,000.00	\$ -				
A6	Utilities	\$ 32,000.00	\$ 8,000.00				
A7	IT & Internet	\$ 6,000.00	\$ -				
A8	Marketing & Communications	\$ 20,000.00	\$ -				
A9	Office Supplies	\$ 12,000.00	\$ -				
A10	Licenses/permits/fees	\$ 5,000.00	\$ -				
A11	Equipment/Building Reserves	\$ 60,000.00	\$ -				
<b>TOTAL INDIRECT EXPENSE</b>		<b>\$235,500.00</b>	<b>\$8,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>B</b>	<b>PERSONNEL EXPENSES - PROGRAM SPECIFIC</b>	<b>PROGRAM COST</b>	<b>REQUESTED FROM FRHD</b>	<b>AMOUNT USED Q1</b>	<b>AMOUNT USED Q2</b>	<b>AMOUNT USED Q3</b>	<b>AMOUNT USED Q4</b>
B1	Salary - Executive Director (1.0)	\$ 70,000.00	\$ -				
B2	Salary - Program Manager (0.5)	\$ 30,000.00	\$ 22,500.00				
B3	Salary - Case Manager (0.5)	\$ 25,000.00	\$ 10,000.00				
B4	Salary (list position)	\$ -	\$ -				
B5	Payroll Expenses (WC, taxes)	\$ -	\$ -				
B6	Benefits	\$ -	\$ -				
B7	Other: specify	\$ -	\$ -				
<b>TOTAL PERSONNEL EXPENSE</b>		<b>\$125,000.00</b>	<b>\$32,500.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>C</b>	<b>DIRECT PROGRAM EXPENSES</b>	<b>PROGRAM COST</b>	<b>REQUESTED FROM FRHD</b>	<b>AMOUNT USED Q1</b>	<b>AMOUNT USED Q2</b>	<b>AMOUNT USED Q3</b>	<b>AMOUNT USED Q4</b>
C1	Equipment	\$ 15,000.00	\$ -				
C2	Food & Distribution Supplies	\$ 60,000.00	\$ 30,000.00				
C3	Printing/Duplicating	\$ 5,000.00	\$ -				
C4	Market (store) operations	\$ 30,000.00	\$ 3,000.00				
C5	Vehicles	\$ 12,000.00	\$ 5,000.00				
C6	Development	\$ 20,000.00	\$ -				
C7	Computer Software (client database)	\$ 4,200.00	\$ -				
C8	DMS (Kindful)	\$ 3,300.00	\$ -				
C9	0	\$ -	\$ -				
C10	0	\$ -	\$ -				
C11	0	\$ -	\$ -				
C12	0	\$ -	\$ -				
<b>TOTAL OTHER EXPENSES</b>		<b>\$149,500.00</b>	<b>\$38,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
		<b>W</b>	<b>Z</b>				
<b>D</b>	<b>TOTALS</b>	<b>PROGRAM COST</b>	<b>TOTAL FUNDS AWARDED</b>	<b>TOTAL FUNDS EXPENDED YTD</b>			
		<b>\$510,000.00</b>	<b>\$78,500.00</b>	<b>\$0.00</b>			



## **BOARD MEMBERS**

### **CATHERINE SOUSA, PRESIDENT**

[kencatsous@aol.com](mailto:kencatsous@aol.com)

Catherine retired from Bank of America after devoting 32 years. Her last stint with them was as the National Finance Manager in San Francisco. Currently she has been responsible for fundraising and grant applications for the pantry since 2012.

### **HENRY LYKKEN III, PAST PRESIDENT**

[hlykken@gmail.com](mailto:hlykken@gmail.com)

Henry is retired from IBM after 30 years, he was active in systems design, sales, marketing, and management. He is a graduate of the University of Minnesota in business administration. Henry has served as an advisor to the business incubator of Austin, TX and has held the position of Board President of their local water board. Henry started at the Pantry as a volunteer in January 2019, in October 2019 he was voted onto the board and in February 2020 was voted to be President-Elect.

### **SANCIA OBERMUELLER, TREASURER**

[sanciaobermueller@gmail.com](mailto:sanciaobermueller@gmail.com)

Sancia is a licensed real estate agent for Sotheby's International out of Carlsbad, California. She has spent the last seven years working with clients seeking their dream homes along the coast of Southern California. Sancia is a mother to three children and two dogs. She enjoys runs along the beach, days playing in the sand with her kids and enjoying friends and family sipping local wines in the sunshine.

### **CATHY CONRAD, SECRETARY**

[cathy.conrad@gmail.com](mailto:cathy.conrad@gmail.com)

Cathy has a BA in Psychology from the University of Colorado, and her career has been in real estate finance. Cathy has been an active board member since 2017.

### **YOUNG MILTON, MEMBER**

[ymilton@gmail.com](mailto:ymilton@gmail.com)

Young has a bachelor's degree in Information Systems Management from Brigham Young University and worked as a billing systems analyst for many years. She is a member of the National Charity League and is the President of the Fallbrook American Association of University Women. Young has been an active member of the FFP board since 2006.

### **JEFF BRANTLEY, MEMBER**

[fallbrook@groceryoutlet.com](mailto:fallbrook@groceryoutlet.com)

Jeff, along with his wife Mary, own and operate Grocery Outlet in Fallbrook. He has been in the food retail industry for over 40 years; recently retiring from a 38-year run with Safeway/Vons /Albertsons Company. Jeff joined the board in 2018.

### **RICK KOOLE, MEMBER**

[rskoole@aol.com](mailto:rskoole@aol.com)

Dr. Richard Koole is the Senior Pastor of LifePointe Church in Fallbrook. In addition, he serves as Chairman of the Board of the Pacific Church Network. Dr. Koole is married to Carolyn, who is the Executive Director of the Fallbrook Pregnancy Resource Center. Rick joined the board in 2018.

**JEAN DOOLEY, MEMBER**[jeandooley@gmail.com](mailto:jeandooley@gmail.com)

Jean is a retired teacher. She moved to Fallbrook in 1977. Jean and her husband Jim have two married sons, who grew up in Fallbrook, who are now married and live in Oceanside and Fair Oaks, California. Jean has been active with the pantry since 2008.

**PETE FREDERICKSEN, MEMBER**[fearlessfred46@hotmail.com](mailto:fearlessfred46@hotmail.com)

Pete was a Marine who served our country in Vietnam with several tours and retired after 20 years of service. He also is a retired Special Needs School Teacher with 21 years of educational instruction. Pete has been an active member of the pantry since 2013.

**VI DUPRE, MEMBER**[vidupre43@gmail.com](mailto:vidupre43@gmail.com)

Vi is retired and was the administrator of the Fallbrook Regional Healthcare District, from 2006-2017. She was the Treasurer for the Pantry from 2017-2020. Vi has been an active member of the board since 2016. Vi enjoys "digging" in the dirt and spending quality time with her kids and grandkids.

**JASON KENDALL, MEMBER**[Jasonk@kendall-farms.com](mailto:Jasonk@kendall-farms.com)

Jason Kendall and his family own Kendall Farms in Fallbrook, California and have been operating their flower growing business since 1987. Jason is married and has two children. He and his family enjoy outdoor adventures, from snow skiing in Mammoth, to mountain biking in Montana. Jason is passionate about his community and giving back to others. He and his wife are active members of North Coast Church and they enjoy spending quality time entertaining with friends and family.

**DR. TIM WILLARD, MEMBER**

Dr. Tim Willard earned the Ph.D. in educational administration, from the University of Colorado. He is also a graduate of the Institute for Educational Management (IEM) at Harvard University. Dr. Willard has written, lectured, and consulted in the fields of institutional advancement, American philanthropy, non-profit management, and board development. From 1974 to 2011 Dr. Willard has been personally involved in managing, directing, and assisting in the raising of more than \$120 million in annual, capital and planned gifts. He has served as vice-president for development in three colleges and universities. He currently teaches courses in non-profit management at UCSD.

**TERRA VARGAS, MEMBER**[hello@terrasoldesign.com](mailto:hello@terrasoldesign.com)

Terra Vargas loves working with people. It's the main reason she enjoyed running her own companies over the past fifteen years. From fashion design in New York to interior design locally in North County, being able to connect with people one on one and help them realize their dreams has been a dream come true for Terra. Now, with a local shop in her new community of Fallbrook she can tap into two professional passions along with the real feeling of connection while making new friends and establishing new partnerships in business.

**JULIE REEDER, MEMBER**[jreeder@reedermedia.com](mailto:jreeder@reedermedia.com)

Julie Reeder is the owner of our local newspaper, The Village News. She leads a group of 30 people who produce the best source for news and marketing across multiple platforms in North San Diego County and Southwest Riverside County reaching 300k to 500k monthly. Her previous experience includes working at the Los Angeles Times in a non-editorial capacity and working as a producer and fill-in host at local radio station AM1000 and later KOGO AM600. She's published three books. Two for a client and one of her own. She enjoys being able to communicate to the community not only hard news stories, but also the great things that kids, volunteers and residents are doing every day. Julie was the recipient of the "2002 Woman of the Year" from the California Senate and the "2002 Dove Award" from the Arc of San Diego County for support of community and nonprofit organizations.



**Fallbrook Food Pantry**  
Financial Statements

**December 31, 2020 and 2019**

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Fallbrook Food Pantry

### Opinion

We have audited the accompanying financial statements of Fallbrook Food Pantry (the "Organization"), a nonprofit organization, which comprise the statement of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fallbrook Food Pantry as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Fallbrook Food Pantry and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Fallbrook Food Pantry's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.





In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Fallbrook Food Pantry's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

SWENSON ADVISORS, LLP  
San Diego, California  
April 15, 2021

**Fallbrook Food Pantry  
Statements of Financial Position  
December 31, 2020 and 2019**



	2020	2019
<b>Assets</b>		
Cash and cash equivalents	\$ 287,668	\$ 52,937
Investments in marketable securities	13,888	934
Accounts receivable	420	80
Prepaid expenses	6,378	3,326
Inventory, net	81,443	200,241
Property and equipment, net	1,294,315	1,313,099
<b>Total assets</b>	<b>\$ 1,684,112</b>	<b>\$ 1,570,617</b>
<b>Liabilities and Net Assets</b>		
Accounts payable and accrued liabilities	\$ 14,853	\$ 9,397
Interest payable	-	11,859
Capital lease obligations	34,125	42,912
Related-party notes payable	190,082	275,000
Mortgage payable, net	576,514	587,031
<b>Total liabilities</b>	<b>815,574</b>	<b>926,199</b>
<b>Net assets</b>		
Net assets without donor restrictions	868,538	637,168
Net assets with donor restrictions	-	7,250
<b>Total net assets</b>	<b>868,538</b>	<b>644,418</b>
<b>Total liabilities and net assets</b>	<b>\$ 1,684,112</b>	<b>\$ 1,570,617</b>

See accompanying notes to the financial statements

**Fallbrook Food Pantry  
Statements of Activities  
For the Years Ended December 31, 2020 and 2019**



	<u>2020</u>	<u>2019</u>
<b>Changes in net assets without donor restrictions</b>		
<b>Revenues and support</b>		
Donated food	\$ 2,117,512	\$ 1,861,735
Contributions	343,853	126,999
Grants	264,750	127,400
Rental income	-	21,413
Special events	69,534	67,259
Special event donations	56,135	36,050
Donated services	-	6,959
Gain on investments	1,994	1,024
Total revenues without donor restrictions	<u>2,853,778</u>	<u>2,248,839</u>
<b>Net assets released from restrictions</b>	<u>7,250</u>	<u>-</u>
<b>Total revenues and support     without donor restrictions</b>	<u>2,861,028</u>	<u>2,248,839</u>
<b>Expenses</b>		
Program services		
Daily market	1,058,160	1,223,211
Neighborhood distribution	263,426	301,942
Farmers to families	107,302	-
Food for thought	-	3,906
Senior food program	339,752	52,650
EFAP	709,492	278,688
Total program services	<u>2,478,132</u>	<u>1,860,397</u>
Support services		
Fundraising and development	73,042	71,961
Management and general	25,735	22,286
Total supporting services	<u>98,777</u>	<u>94,247</u>
Total program and supporting expenses	<u>2,576,909</u>	<u>1,954,644</u>
Special events expenses	<u>52,749</u>	<u>68,225</u>
<b>Total expenses</b>	<u>2,629,658</u>	<u>2,022,869</u>
<b>Increase in net assets without     donor restrictions</b>	<u>231,370</u>	<u>225,970</u>
<b>Changes in net assets with donor restrictions</b>		
Contributions	-	7,250
Net assets released from restrictions	<u>(7,250)</u>	<u>-</u>
<b>(Decrease) increase in net assets     with donor restrictions</b>	<u>(7,250)</u>	<u>7,250</u>
<b>Increase in net assets</b>	<u>224,120</u>	<u>233,220</u>
<b>Net assets at beginning of period</b>	<u>644,418</u>	<u>411,198</u>
<b>Net assets at end of period</b>	<u>\$ 868,538</u>	<u>\$ 644,418</u>

See accompanying notes to the financial statements

**Fallbrook Food Pantry  
Statements of Cash Flows  
For the Years Ended December 31, 2020 and 2019**



	2020	2019
<b>Cash flows from operating activities</b>		
Change in net assets and prior period adjustments	\$ 224,120	\$ 343,022
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	60,180	70,632
Food inventory adjustment	118,798	(200,241)
Net unrealized and realized (gain) loss on investments	(12,954)	283
Decrease (increase) in assets:		
Accounts receivable	(340)	(80)
Prepaid expenses	(3,052)	(3,326)
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	5,456	6,013
Interest payable	(11,859)	11,859
<b>Net cash provided by operating activities</b>	<b>380,349</b>	<b>228,162</b>
<b>Cash flows from investing activities:</b>		
Acquisition of property and equipment	(40,678)	(1,383,731)
<b>Net cash used in investing activities</b>	<b>(40,678)</b>	<b>(1,383,731)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from related-party note payable	-	275,000
Proceeds from mortgage	-	600,000
Principal payments on related-party note payable	(84,918)	-
Principal payments on mortgage	(11,235)	(6,211)
Debt issuance costs, net	-	(6,758)
Capital lease for the acquisition of equipment	-	48,215
Principal payments on capital lease obligation	(8,787)	(5,303)
<b>Net cash (used in) provided by financing activities</b>	<b>(104,940)</b>	<b>904,943</b>
<b>Net increase (decrease) in cash, cash equivalents, and restricted cash</b>	<b>234,731</b>	<b>(250,626)</b>
<b>Cash, cash equivalents, and restricted cash - beginning of year</b>	<b>52,937</b>	<b>303,563</b>
<b>Cash, cash equivalents, and restricted cash - end of year</b>	<b>\$ 287,668</b>	<b>\$ 52,937</b>
<b>Supplemental disclosures of cash flow information:</b>		
Cash paid during the year for interest	<b>\$ 59,997</b>	<b>\$ 33,425</b>
In-kind contributions:		
Mutual funds	<b>\$ 1,084</b>	<b>\$ -</b>
Stock	<b>\$ 9,928</b>	<b>\$ -</b>

See accompanying notes to the financial statements



**NOTE 1 – SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

**ORGANIZATION**

Fallbrook Food Pantry (the “Organization” or the “Pantry”) incorporated in June 1991 as a religious corporation under the name Fallbrook Mission Project and received exempt status under section 501(c)(3) of the Internal Revenue Code exclusively for religious purposes. In June 1995, the name of the Organization was changed to Fallbrook Community Project. In August 2002, the Organization restated its articles of incorporation, classifying the Organization as a public benefit corporation, organized under the nonprofit public benefit corporation law for charitable purposes. In September 2004, the Organization changed its name to the Fallbrook Food Pantry. The Pantry’s purpose is to aid those in its community who are in need of food; to refer those in need of shelter and medical care; to equip them to be self-sufficient, independent, and productive members of society; and to give love and hope through nurturing and emotional support. The Pantry’s mission is to provide an adequate and nutritious supply of food to individuals in the community who are in need while improving the health of the community through education on healthy food choices and preparation. The following is a list of descriptions of the Organization’s programs:

**Weekly Distribution**

Based on family size, qualified clients are entitled to food items that are determined by a menu that is developed each week, which is planned to provide balanced meals for 4-5 meals per week. This amounts to approximately 10-12 pounds per person within each client household.

**Neighborhood Distribution**

On the last Wednesday of every month, everyone in the community may receive fresh produce from the Pantry at the Life Point Church parking lot.

**Emergency Food Assistance Program (“EFAP”)**

The Pantry distributes governmental commodities delivered by the San Diego Food Bank to clients. The Pantry distributes EFAP items to clients during the third full week of each month.

**EFAP for Seniors**

The Pantry offers the EFAP program to senior clients during extended hours on Wednesday afternoons during the scheduled EFAP distributions weeks.

**Senior Food Program (Brown Box)**

A USDA program designed to improve the health of low-income seniors who are 60 years or older, residents of San Diego County, and meet program income guidelines. The Senior Food Program provides qualified clients with a monthly food package containing items such as canned vegetables, fruit juice, pasta, milk, cereal, canned meat, and a block of cheese.

**Adopt-A-Family**

Clients must apply and meet specific criteria to qualify for this program. The Fallbrook Food Pantry coordinates this program with community members and churches to provide children under 16 years of age with holiday gifts.

**Food for Thought (Temporarily Discontinued December 2019)**

Through this program, high school students are able to receive weekend meals from the Pantry during the school year. This program was discontinued in December 2019 and has no clear date on which it will resume, due to the uncertainty of in-person school resumption resulting from the COVID-19 shutdowns.

**Farmers to Families (Established July 2020)**

During the COVID-19 lockdowns, farmers were unable to sell produce to restaurants and grocery stores in as high a capacity as usual. Due to federal government programming, food banks across the nation benefitted from the farmers’ excess crops at no cost, while the government paid the farmers for their goods. The Pantry distributed the excess crops received to its clients during 2020.



**NOTE 1 – SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES,  
(CONTINUED)**

**SIGNIFICANT ACCOUNTING POLICIES**

**Financial Statement Presentation**

The financial statements have been prepared using the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. The significant accounting policies followed are described below:

**Net Assets**

Net assets and revenues, expenses, gains and losses are classified based on the existence or the absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported in the following two classes:

**Net assets without donor restrictions** – Net assets that are not subject to donor-imposed stipulations, including those resources currently available for use in the Organization’s operations and those designated by the board for specific future uses.

**Net assets with donor restrictions** – Net assets subject to donor-imposed stipulations which have not yet been met, including those that have been restricted in perpetuity, such that they are maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Fair Value of Financial Instruments**

Financial instruments include cash and cash equivalents, accounts receivable, investments in marketable securities, accounts payable, deposits and notes payable. The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable, and deposits approximate fair market value because of the short maturity of those instruments. The carrying value of the Organization’s notes payable approximates fair market value based on the current rates offered to the Company for debt with similar terms or maturities. The investments in marketable securities are measured at fair value on a recurring basis.

Topic 820 in the FASB’s Accounting Standards Codification, Fair Value Measurements and Disclosures, establishes a three-tier valuation hierarchy for classification of fair value measurements as follows:

Level 1 – Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 – Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, at the measurement date.

Level 3 – Inputs are unobservable for the asset or liability and usually reflect the reporting entity’s best estimate of what market participants would use in pricing the asset or liability at the measurement date.

The Organization’s statement of financial position includes investments in contributed stock that are considered Level 1 assets and are reported at fair value based on quoted prices in active markets for identical assets at the measurement date.

**Fallbrook Food Pantry  
Notes to Financial Statements  
December 31, 2020 and 2019**



**NOTE 1 – SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES,  
(CONTINUED)**

**Cash and Cash Equivalents**

The Pantry considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation (“FDIC”), which provides basic deposit coverage with limits up to \$250,000 per account holder. Generally, these deposits may be redeemed upon demand and therefore, are believed to bear minimal risk.

**Accounts Receivable**

Management believes that all accounts receivables are fully collectible, and therefore no allowance for doubtful accounts was recorded as of December 31, 2020 and 2019.

**Land, Buildings and Equipment and Depreciation**

Land, buildings and equipment are recorded at cost. The Organization capitalizes items with a value in excess of \$2,500 and an expected life of five years or more. Donations of land, buildings, and equipment are recorded as support at their estimated fair value. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire buildings and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Assets under construction are not depreciated until placed into service. Buildings and equipment are depreciated using the straight-line method over the estimated useful asset lives as follows:

	<u>Years</u>
Building and improvements	15-39
Equipment	5-7
Autos and trucks	5-7
Equipment under capital lease	5-7
Technology equipment and software	5

Maintenance, repairs, and minor renewals are charged to operations as incurred. Upon sale or disposition of land, buildings, and equipment, the asset and the related accumulated depreciation taken prior to the sale are removed from the Organization’s records and any resultant gain or loss is credited or charged to earnings.

**Impairment of Real Estate**

The Organization reviews its investment in real estate for impairment whenever events and changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted net cash flows expected to be generated by the rental property and any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of real estate exceeds the fair value of such property. There were no impairment losses recognized in 2020 or 2019.

**Fallbrook Food Pantry**  
**Notes to Financial Statements**  
**December 31, 2020 and 2019**



**NOTE 1 – SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES,  
(CONTINUED)**

**Loan Costs and Amortization**

Loan costs related to the Pacific Premier Bank mortgage note payable (Note 4) of \$7,177, net of accumulated amortization of \$1,136 and \$419 as of December 31, 2020 and 2019, respectively, are presented as a contra-liability offsetting the note payable balance in the statements of financial position. These loan costs are being amortized on a straight-line basis over the term of the associated debt as of December 31, 2020 and 2019. GAAP requires that the effective yield method be used to amortize loan costs; however, the effect of using the straight-line method is not materially different from the results that would have been obtained under the effective yield method. Total amortization for the years ended December 31, 2020 and 2019 related to the loan costs associated with the Pacific Premier Bank note was \$718 and \$419, respectively, and is presented as interest expense in the statements of functional expenses, in accordance with ASU 2015-03, *Simplifying the Presentation of Debt Issuance Costs*. Estimated interest expense for each of the five years following December 31, 2020 is approximately \$718.

**Donated Goods and Services**

The Pantry reports the fair value of contributions of donated food and grocery products as contributions without donor restriction and, shortly thereafter, as expense when distributed to its clients. During the years ended December 31, 2020 and 2019, the Pantry received approximately 1,276,000 and 1,137,000 pounds of contributed food, respectively, and distributed approximately 1,331,100 and 1,000,900 pounds of purchased and contributed food to clients, respectively. The Pantry utilizes approaches developed and applied by nationally recognized food banks and food pantries that approximate the average wholesale value of one pound of donated food. For the years ended December 31, 2020 and 2019, the Pantry determined the appropriate approximate value of food per pound to use in valuing the food received and distributed was \$1.68 and \$1.66 per pound, respectively.

The total value of food received during the year ended December 31, 2019, after deducting the amount of spoiled and composted food of \$25,896 throughout the year, was \$1,861,735. After the Pantry deducted the food distributed throughout the year ended December 31, 2019 of \$1,661,494, the remaining food on hand with a value of \$200,241 was recorded as inventory as of December 31, 2019. The total value of food received during the year ended December 31, 2020, after deducting the amount of spoiled and composted food of \$26,208 throughout the year, was \$2,117,512. After the Pantry deducted the food distributed throughout the year ended December 31, 2020 of \$2,236,310 from the beginning inventory value and donated food received, the remaining food on hand with a value of \$81,443 was recorded as inventory as of December 31, 2020.

The Pantry also received \$6,959 worth of in-kind services throughout the year ended December 31, 2019 related to work performed on the building improvements in 2019. The Pantry did not receive in-kind services during the year ended December 31, 2020.

**Revenue Recognition**

When monies or other assets are received, the Organization classifies the transaction as either a contribution (i.e. a nonreciprocal transaction) or an exchange (i.e. a reciprocal transaction).





**NOTE 1 – SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES,  
(CONTINUED)**

**Revenue Recognition, Continued**

**Contributed Revenue** – In accordance with Accounting Standards Update (“ASU”) No. 2016-14, *Not for Profit (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* (“ASU 2016-14”), when a transaction is determined to be a contribution, the Organization then determines whether it is conditional or unconditional. According to ASU 2018-08, *Not for Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made* (“ASU 2018-08”), conditional contributions contain i) donor-imposed barrier(s) that must be overcome before the Organization is entitled to the assets transferred or promised and ii) a right of return to the contributor for assets transferred or a right of release of the promisor from its obligation to transfer assets. When the condition(s) are substantially met, the contribution becomes unconditional. Unconditional contributions are those that are absent of any indication that the Organization is only entitled to the transfer of assets or a future transfer of assets if it has overcome a barrier, or that the agreement does not contain a right of return of assets transferred or a right of release from obligation. Unconditional contributions are classified as either net assets with donor restrictions or net assets without donor restrictions and are recorded in accordance with the guidelines outlined in Subtopic 958-605, *Not-for-Profit Entities – Revenue Recognition*. Unconditional contributions are recognized when the donor makes a promise to give to the Organization. Contributions that are restricted by the donor are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. All contributions are considered available for unrestricted use unless specifically restricted by the donor or subject to other legal restrictions. Expenses are recorded when incurred in accordance with the accrual basis of accounting. Contributions received with restrictions that are met in the same reporting period as received are reported as unrestricted support and increase net assets without donor restrictions.

Grant revenue is recognized in the period that the related work is performed in accordance with the terms of the grant. Grants receivable are recorded when revenue earned under a grant exceeds the cash received. Deferred revenue is recorded when cash received under a grant exceeds the revenue earned.

Donated property and equipment are recorded at fair market value at the date of gift. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

Donated stock is recorded at fair market value at the date of gift. If donors stipulate how long the stock must be held, the contribution is recorded as restricted support. In the absence of such stipulations, contributions of marketable securities are recorded as unrestricted support.

The Organization receives substantial in-kind donations of food, which is valued as noted above at the time of donation as contributions without donor restriction. The Pantry receives donated and contributed volunteer time for the limited participation of many individuals in fundraising and day to day Pantry activities. The valuation of volunteer time is not reflected in these statements since they do not require specialized skills. Occasionally, the Pantry receives credits applied to service costs from service organizations. Since these services require specialized skills, the value of the time and services provided are recorded as in-kind contributions without donor restriction.

The Pantry receives contributions from sponsors at the Organization’s special events. Unless specified as restricted at the time of donations, these contributions are recorded as without donor restrictions.

**Fallbrook Food Pantry**  
**Notes to Financial Statements**  
**December 31, 2020 and 2019**



**NOTE 1 – SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)**

**Revenue Recognition, Continued**

**Contributed Revenue, Continued** – The following is a summary of revenue and expenses related to donated items for the years ended December 31:

	<b>2020</b>	2019
Revenue:		
Donated food	\$ 2,117,512	\$ 1,861,735
Donated services	-	6,959
Total revenue	\$ 2,117,512	\$ 1,868,694
Expenses:		
Food distribution	\$ 2,236,310	\$ 1,661,494
Services	-	627
Total expenses	\$ 2,236,310	\$ 1,662,121

**Exchange Transactions** – The Organization accounts for exchange transactions in accordance with ASU No. 2014-09 (ASC Topic 606), *Revenue from Contracts with Customers* (“Topic 606”).

Special event revenues are recognized when the event is presented. Ticket sales for admission to or sponsorships for the events that have been received as of December 31 for which the performance obligations are not yet complete are recorded as contract liabilities in the statements of financial position. The tickets sold for events are the identified contracts between the Pantry and its event attendees. The transaction price for each ticket varies depending on the event. The performance obligation for these tickets is entry into the event. The performance obligation for these sales is the Pantry’s obligation to put on the event or to carry out the program. Ticket sales between the Pantry and its event attendees are identified as event revenues and are recognized at a point in time, which is when the event is presented. Ticket fees that have been received as of December 31 for which the performance obligation is not yet complete are recorded as contract liabilities in the statements of financial position. Special event revenue amounted to \$69,534 and \$67,259 for the years ended December 31, 2020 and 2019, respectively. Contract liabilities for events was \$0 as of December 31, 2020 and 2019.

The Pantry maintains donated stock investments in marketable securities. The Organization recognizes investment returns based on the fair value of the funds, which are classified as without donor restrictions in the statements of activities. When the Organization sells donated stock, any difference between the proceeds received from the sale of donated securities and the fair value on the date the donated securities were received are recognized as a realized gain or loss on the statements of activities.

From April through July 2019, the Pantry entered into a short-term lease agreement with the former owner of the property that the Pantry purchased (Note 3). The rent received through the terms of this lease agreement totaled \$21,413 and were recognized as rental income in accordance ASC 840: *Leases* (Note 6) in the statements of activities for the year ended December 31, 2019.

The Organization has determined that the revenue sources have already been appropriately disaggregated in the statement of operations based on obligations that are substantially the same and have the same pattern of transfer to the end customer. As such, the Organization has not disaggregated revenue differently than the revenue sources depicted in the statement of operations.

**Fallbrook Food Pantry  
Notes to Financial Statements  
December 31, 2020 and 2019**



**NOTE 1 – SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES,  
(CONTINUED)**

**Advertising Costs**

The Pantry expenses advertising costs as they are incurred. Advertising expenses for the years ended December 31, 2020 and 2019 were \$8,339 and \$6,261, respectively, and are included with marketing expenses in the statements of functional expenses for the years then ended.

**Allocated Expenses**

Expenses by function have been allocated among program and supporting services classifications based on internal records and estimates made by the Organization's management. Program services are allocated based on the number of families served through each program as a percentage of total families served throughout the year. Based on these criteria, program costs were allocated 43% and 66% to Weekly Distribution, 11% and 16% to Neighborhood Distribution, 28% and 15% to EFAP, 14% and 3% to Senior programs, 4% and 0% to Farmers to Families, and 0% and less than 1% to Food for Thought for the years ended December 31, 2020 and 2019. Based on the Pantry's operations, general and administrative expenses are allocated 70% to fundraising, 20% to events, and 10% to administration. See appendix A for the statements of functional expenses for the years ended December 31, 2020 and 2019.

**Income Tax Status**

Fallbrook Food Pantry is a nonprofit organization and is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. The Pantry is not a private foundation.

The Organization uses a loss contingencies approach for evaluating uncertain tax positions and continually evaluates changes in tax law and new authoritative rulings. No loss contingencies were recognized for the years ended December 31, 2020 or 2019.

The Organization's federal exempt organization returns for tax years 2017 and beyond remain subject to examination by the Internal Revenue Service. The Organization's exempt organization returns of the tax years 2016 and beyond remain subject to examination by the Franchise Tax Board. The Organization did not have unrecognized tax benefits as of December 31, 2020 or 2019 and does not expect this to change significantly over the next 12 months. The Organization recognizes interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense. As of December 31, 2020 and 2019, the Organization has not accrued interest or penalties related to uncertain tax positions.

**Recent Authoritative Guidance, Not yet adopted**

In February 2016, the FASB issued new lease accounting guidance in ASU No. 2016-02, *Leases* ("Topic 842"). This new guidance was initiated as a joint project with the IASB to simplify lease accounting and improve the quality of and comparability of financial information for users. This new guidance would eliminate the concept of off-balance sheet treatment for "operating leases" for lessees for the vast majority of lease contracts. Under Topic 842, at inception, a lessee must classify all leases with a term of over one year as either finance or operating, with both classifications resulting in the recognition of a defined "right-of-use" asset and a lease liability on the balance sheet. However, recognition in the income statement will differ depending on the lease classification, with finance leases recognizing the amortization of the right-of-use asset separate from the interest on the lease liability and operating leases recognizing a single total lease expense. Lessor accounting under ASU No. 2016-02 would be substantially unchanged from the previous lease requirements under U.S. GAAP. On April 8, 2020, in response to the coronavirus pandemic, the FASB voted to defer the effective date for Topic 842 for private companies and private nonprofit companies to fiscal years beginning after December 15, 2021. Early adoption is permitted and for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, lessees and lessors must apply a modified retrospective transition approach. The Organization is evaluating ASU No. 2016-02 and its effect on the presentation of its financial statements.

**Fallbrook Food Pantry  
Notes to Financial Statements  
December 31, 2020 and 2019**



**NOTE 2 – INVESTMENTS IN MARKETABLE SECURITIES**

The Pantry received stock donations with a total fair market value of \$9,928 and mutual funds with a total fair market value of \$1,084 throughout 2020. Investments in marketable securities are stated at fair value of \$13,888 and \$934 as of December 31, 2020 and 2019, respectively. Dividends are reinvested into the securities. The change in fair value from December 31, 2019 to December 31, 2020 was recorded as a gain on investments of \$1,942 in the statements of activities for the year ended December 31, 2020. The change in fair value from December 31, 2018 to December 31, 2019 was recorded as a loss on investments of \$283 in the statements of activities for the year ended December 31, 2019.

**NOTE 3 – LAND, BUILDINGS AND EQUIPMENT**

In April 2019, the Organization purchased the land and building at 140 Brandon Road in Fallbrook, California. The land was valued at \$500,000 and the remaining amount of the purchase price for the property was allocated between the capitalized loan costs of \$7,177 (Note 1) and the building cost of \$589,923. Building improvements throughout 2020 and 2019 amounted to \$21,273 and \$111,243, respectively, and were capitalized upon completion.

Land, buildings and equipment consist of the following at December 31:

	<b>2020</b>	2019
Land	\$ <b>500,000</b>	\$ 500,000
Building and improvements	<b>722,439</b>	701,166
Equipment	<b>57,306</b>	37,901
Autos and trucks	<b>86,796</b>	86,796
Equipment under capital lease	<b>48,215</b>	48,215
Technology equipment and software	<b>9,653</b>	9,653
	<b>1,424,409</b>	1,383,731
Less: accumulated depreciation and amortization	<b>(130,094)</b>	(70,632)
	<b>\$ 1,294,315</b>	\$ 1,313,099

Depreciation expense was \$59,462 and \$37,939 for the years ended December 31, 2020 and 2019, respectively.

**NOTE 4 – NOTES PAYABLE**

On March 22, 2019, the Pantry entered into a related-party note payable agreement with a board member for a principal amount of \$275,000, which was used towards the down payment for the purchase of the 140 Brandon Road property. This note is secured by a deed of trust with assignment of rents on the 140 Brandon Road property. The terms of the agreement include a balloon payment of all unpaid principal and accrued interest at 5.75% upon maturity on March 22, 2024.

On April 3, 2019, the Pantry entered into a new loan agreement with Pacific Premier Bank (“the Bank”) for a principal amount of \$600,000, which was used to purchase the property at 140 Brandon Road (Note 3). The terms of the agreement include monthly principal and interest payments of \$3,804 on a 10 year amortization at 5.75% with a balloon payment at loan maturity in May 2029.

**Fallbrook Food Pantry  
Notes to Financial Statements  
December 31, 2020 and 2019**



**NOTE 4 – NOTES PAYABLE, (CONTINUED)**

Notes payable consist of the following as of December 31:

	2020	2019
Related-party note payable to board member dated March 22, 2019 in the original amount of \$275,000; secured by a deed of trust with assignment of rents on the property at 140 Brandon Road; bears interest at 5.75%. Unpaid principal and accrued interest will be due as a balloon payment upon maturity at March 22, 2024. Accrued interest payable totaled \$0 and \$11,859 at December 31, 2020 and 2019, respectively (see Note 9).	<b>\$ 190,082</b>	\$ 275,000
Note payable to Pacific Premier Bank dated April 3, 2019 in the original amount of \$600,000; bears interest at 5.75%. Monthly principal and interest payments of \$3,804, with final balloon payment estimated at \$457,666; matures on May 1, 2029. Accrued interest payable totaled \$0 at December 31, 2020 and 2019. Net of amortized loan fees of \$6,041 and \$6,758 as of December 31, 2020 and 2019, respectively (Note 1).	<b>582,555</b>	593,789
Total notes payable	<b>772,637</b>	868,789
Less: unamortized loan costs	<b>(6,041)</b>	(6,758)
	<b><u>\$ 766,596</u></b>	<b><u>\$ 862,031</u></b>

Interest expense on the related-party note payable was \$13,723 and \$11,859 for the years ended December 31, 2020 and 2019, respectively. Interest expense on the loan to the Bank was \$34,415 and \$20,419 for the years ended December 31, 2020 and 2019, respectively. As of December 31, 2020, the Organization was in substantial compliance with the covenants, conditions, and restrictions included in the loan agreements.

The future principal payments on the notes payable are as follows:

Years ending December 31,		
2021	\$	45,655
2022		21,972
2023		23,280
2024		151,601
2025		15,146
Thereafter		514,983
	<b>\$</b>	<b><u>772,637</u></b>

**NOTE 5 – NET ASSETS**

When it voted to open the Pacific Premier Bank Money Market Building Fund, the Pantry's Board of Directors designated all funds held in the account to the acquisition of a suitable building for the primary location of the Fallbrook Food Pantry, in addition to any necessary improvements as appropriate for the continuation and expansion of the Pantry's services, and the continued operation and maintenance of the acquired location. As such, the entire balance of the Money Market Building Fund is classified as board-designated net assets without donor restriction as of December 31, 2020 and 2019.

**Fallbrook Food Pantry  
Notes to Financial Statements  
December 31, 2020 and 2019**



**NOTE 5 – NET ASSETS, (CONTINUED)**

Net assets consist of the following at December 31:

	2020	2019
Without donor restriction:		
Designated by the board for building purchase, improvements, operation, and maintenance	\$ 15,047	\$ 6,203
Undesignated	853,491	630,965
	868,538	637,168
With donor restriction:		
Learning center kitchen	-	7,250
	-	7,250
Total net assets	\$ 868,538	\$ 644,418

**NOTE 6 – LEASE AGREEMENTS**

**Capital leases**

Equipment under capital lease consists of a walk-in freezer and cooler with total capitalized costs of \$48,215 at December 31, 2020 and 2019. The assets and liabilities under capital lease are recorded at the lower of present value of the minimum lease payments or the fair value of the assets. The assets are amortized over the estimated productive life. Amortization of assets under capital leases was \$9,648 and \$4,020 for the years ended December 31, 2020 and 2019, respectively, and is included in depreciation and amortization expense. Interest on the capital lease was \$2,238 and \$1,147 for the years ended December 31, 2020 and 2019, respectively. Future minimum lease payments are as follows for the years ending December 31:

2021	\$	11,025
2022		11,025
2023		11,025
2024		4,594
		37,669
Amount representing interest		(3,544)
		\$ 34,125

**Rental Income**

The Organization owns the building located at 140 Brandon Road, Fallbrook, California and leased the entire building to the former owner of the property under a short-term operating lease from April through July 2019. Rental income under the lease agreement totaled \$21,413 for the year ended December 31, 2019.

**Fallbrook Food Pantry  
Notes to Financial Statements  
December 31, 2020 and 2019**



**NOTE 7 – EFFECTS OF THE CORONAVIRUS PANDEMIC**

In December 2019, an outbreak of a novel strain of coronavirus (“COVID-19”) occurred in Asia and has since spread worldwide. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, the U.S. declared a state of emergency. COVID-19 has caused a severely negative impact on the world economy, and has contributed to significant declines and volatility in financial markets.

Many of the Pantry’s older volunteers had to pause their service due to the high-risk nature of their age group. This caused difficulties in maintaining sufficient personnel to serve the Pantry’s clients throughout the year. Since the Pantry experienced an increase in households requiring the Organization’s services, employees had to work excess hours to keep up with the increased need. The Pantry cancelled its Thanksgiving Walk/Run event in 2020, but still held its annual Golf Tournament Event in August 2020. Although the golfing portion of the event occurred in person, the meal portion of the event was held virtually. In March, the Pantry transitioned from a market-style distribution format to a pre-bagged walk-up format to limit the contact of individuals with each other, Pantry volunteers, and the food being distributed. Neighborhood distribution occurred both in a drive-up style and a market-style of distribution. Due to the closure of schools, the Pantry’s Food for Thought program was discontinued indefinitely during 2020. Additionally, due to the limited services allowable to restaurants and grocery stores, the Farmers to Families program was started (Note 1). Despite the decrease in volunteers, the Pantry was able to sustain distribution to the increased number of households served during the year.

Due to the pandemic, the Pantry received \$56,750 coronavirus-related grants during the year ended December 31, 2020. Additionally, the Pantry received increased monetary and food donations during the year as the community generously responded to the increased need for the Pantry by households experiencing difficulties due to the pandemic and mandated lockdowns.

**NOTE 8 – LIQUIDITY AND FUNDS AVAILABLE**

The following table reflects the Organization’s financial assets as of December 31, 2020, reduced by amounts not available for general expenditure within one year. Financial assets include assets that are considered unavailable when illiquid or not convertible to cash within one year and receivables not available for general expenditure.

	<u>2020</u>
Financial assets:	
Cash and cash equivalents	\$ 287,668
Investments in marketable securities	13,888
Accounts receivable	420
Financial assets, at year-end	<u>301,976</u>
Less those unavailable for general expenditure within one year	<u>-</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 301,976</u>

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.



**NOTE 9 – SUBSEQUENT EVENTS (UNAUDITED)**

During 2021, the Pantry accelerated the planned payments made to pay down the related-party note payable (Note 4). As of April 15, 2021, the Pantry has repaid \$136,669 in principal to the related-party note payable.

**Continued effects of health epidemics including the recent coronavirus outbreak** – The COVID-19 pandemic (Note 7) has continued to affect the Pantry's programs and operations through April 15, 2021. In February 2021, the Pantry resumed its market-style distribution, with additional precautions in place such as pre-bagged produce and sufficient room for social distancing. The Pantry is planning to resume special events as in-person events during 2021.

The Pantry continues to struggle with maintaining sufficient volunteers to assist in serving the community. Additionally, as unemployment continues to be a problem, the Pantry's client base has consistently increased. However, as vaccines continue to be given, volunteers who paused their services have been steadily returning to serve the increasing need within the community.

While the Pantry has maintained positive cash flows since the pandemic began, if needed, the Pantry is able to obtain additional funds by applying for additional grants, obtaining a line of credit, refinancing the mortgage note payable with equity cash out, or selling real properties. Additionally, the Pantry is able to limit its spending if needed by reducing staff, reducing salaries, or deferring salaries.

Due to its cash position as of April 15, 2021, and due to its ability to obtain additional funding if needed, the Pantry does not believe the pandemic will have a significant long-term effect on its financial condition. The Pantry expects its donors to continue providing generous support, and does not expect significant decreases in its cash position through April 2021. The Pantry cannot anticipate all the ways in which health epidemics such as COVID-19 could adversely impact its operating results. Although the Pantry is continuing to monitor and assess the effects of the COVID-19 pandemic on its programs and operations, the ultimate impact of the COVID-19 outbreak or a similar health epidemic is highly uncertain and subject to change.

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through April 15, 2020, the date the financial statements were available to be issued, and determined that no additional subsequent events have occurred that would require recognition on the consolidated financial statements or disclosure in the notes thereto.





**Appendix A**

**Fallbrook Food Pantry  
Statement of Functional Expenses  
For the Year Ended December 31, 2020**



	Program Services					Supporting Services				2020 Total	
	Daily Market	Neighborhood Distribution	Farmers to Families	Senior Programs	EFAP	Total Program Services	Special Events	Fundraising	Management and General		Total Supporting Services
Salaries and wages	\$ 18,667	\$ 4,647	\$ 1,893	\$ 5,994	\$ 12,516	\$ 43,717	\$ 22,101	\$ 28,688	\$ 14,295	\$ 65,084	\$ 108,801
Payroll tax expense	1,627	405	165	522	1,091	3,810	1,780	2,376	1,147	5,303	9,113
Food and supplies for distribution	965,460	240,348	97,903	309,988	647,334	2,261,033	-	-	-	-	2,261,033
Storage	548	136	55	175	366	1,280	-	-	-	-	1,280
Building function and repairs	2,748	685	279	883	1,844	6,439	552	1,932	276	2,760	9,199
Gas and electric	4,417	1,099	448	1,418	2,961	10,343	887	3,103	443	4,433	14,776
Utilities	2,929	729	297	940	1,964	6,859	119	418	60	597	7,456
Vehicles	2,620	652	266	841	1,756	6,135	-	-	-	-	6,135
Equipment	82	21	8	27	56	194	-	-	-	-	194
Telephone and internet	2,014	501	204	647	1,351	4,717	404	1,415	202	2,021	6,738
Security	1,099	273	111	353	736	2,572	220	772	110	1,102	3,674
Marketing	5,338	1,329	541	1,714	3,580	12,502	4	1,786	2	1,792	14,294
Bank fees	-	-	-	-	-	-	-	-	364	364	364
Insurance	2,625	654	266	843	1,761	6,149	527	1,845	264	2,636	8,785
Interest	15,271	3,802	1,549	4,903	10,240	35,765	3,066	10,730	1,533	15,329	51,094
Dues and subscriptions	3,046	758	309	978	2,043	7,134	2,400	-	4,010	6,410	13,544
Technology hardware and software	1,009	251	102	324	676	2,362	202	708	101	1,011	3,373
Janitorial services and supplies	54	14	6	17	36	127	11	38	5	54	181
Office and postage	3,215	800	326	1,032	2,156	7,529	645	2,259	323	3,227	10,756
Workers compensation	336	84	34	108	225	787	68	236	34	338	1,125
Accounting	5,974	1,488	606	1,919	4,007	13,994	1,200	4,199	600	5,999	19,993
IT consulting	1,795	447	182	576	1,203	4,203	360	1,261	180	1,801	6,004
Conferences, workshops, and trainings	-	-	-	-	-	-	-	-	25	25	25
Volunteer and donor appreciation	507	126	51	163	340	1,187	-	-	-	-	1,187
Community collaborative events	468	116	47	150	314	1,095	-	-	-	-	1,095
Golf tournament	-	-	-	-	-	-	14,623	-	-	14,623	14,623
Property taxes	(1,742)	(434)	(177)	(560)	(1,169)	(4,082)	(350)	(1,225)	(175)	(1,750)	(5,832)
Miscellaneous	281	70	29	90	188	658	362	14	152	528	1,186
Depreciation	17,772	4,425	1,802	5,707	11,917	41,623	3,568	12,487	1,784	17,839	59,462
	<b>\$ 1,058,160</b>	<b>\$ 263,426</b>	<b>\$ 107,302</b>	<b>\$ 339,752</b>	<b>\$ 709,492</b>	<b>\$ 2,478,132</b>	<b>\$ 52,749</b>	<b>\$ 73,042</b>	<b>\$ 25,735</b>	<b>\$ 151,526</b>	<b>\$ 2,629,658</b>

**Fallbrook Food Pantry  
Statement of Functional Expenses  
For the Year Ended December 31, 2019**



	Program Services					Supporting Services				2019 Total	
	Daily Market	Neighborhood Distribution	Food for Thought	Senior Programs	EFAP	Total Program Services	Special Events	Fundraising	Management and General		Total Supporting Services
Salaries and wages	\$ 22,830	\$ 5,635	\$ 73	\$ 983	\$ 5,201	\$ 34,722	\$ 19,980	\$ 24,844	\$ 12,996	\$ 57,820	\$ 92,542
Payroll tax expense	1,801	444	6	77	410	2,738	1,569	1,954	1,020	4,543	7,281
Food and supplies for distribution	1,102,969	272,261	3,523	47,474	251,292	1,677,519	-	-	-	-	1,677,519
Rent	13,462	3,323	43	579	3,067	20,474	1,755	6,143	878	8,776	29,250
Storage	1,389	343	4	60	316	2,112	-	-	-	-	2,112
Building function and repairs	2,202	544	7	95	502	3,350	287	1,005	144	1,436	4,786
Gas and electric	9,670	2,387	31	416	2,203	14,707	1,261	4,412	630	6,303	21,010
Utilities	5,695	1,406	18	245	1,298	8,662	142	495	71	708	9,370
Paint and material supplies	851	210	3	37	194	1,295	111	388	55	554	1,849
Moving expenses	929	229	3	40	212	1,413	121	424	61	606	2,019
Vehicles	2,404	594	8	103	548	3,657	-	-	-	-	3,657
Equipment	67	17	-	3	15	102	-	-	-	-	102
Telephone and internet	3,171	783	10	137	723	4,824	413	1,447	207	2,067	6,891
Security	915	226	3	39	209	1,392	119	418	60	597	1,989
Marketing	3,139	775	10	135	715	4,774	60	2,498	30	2,588	7,362
Bank fees	-	-	-	-	-	-	-	-	54	54	54
Insurance	2,619	646	8	113	597	3,983	341	1,195	171	1,707	5,690
Interest	15,577	3,845	50	670	3,549	23,691	2,031	7,107	1,015	10,153	33,844
Dues and subscriptions	778	192	2	34	177	1,183	1,981	-	2,614	4,595	5,778
Technology hardware and software	2,327	574	7	100	530	3,538	303	1,062	152	1,517	5,055
Janitorial services and supplies	97	24	-	4	22	147	13	44	6	63	210
Office and postage	2,770	684	9	119	631	4,213	361	1,264	181	1,806	6,019
Workers compensation	568	140	2	24	129	863	74	259	37	370	1,233
Accounting	1,157	286	4	50	264	1,761	151	528	75	754	2,515
IT consulting	1,969	486	6	85	449	2,995	257	899	128	1,284	4,279
Fundraising	-	-	-	-	-	-	-	6,000	-	6,000	6,000
Conferences, workshops, and trainings	-	-	-	-	-	-	-	-	150	150	150
Volunteer and donor appreciation	1,302	321	4	56	297	1,980	-	-	-	-	1,980
Community collaborative events	296	73	1	13	68	451	-	-	-	-	451
Golf tournament	-	-	-	-	-	-	27,722	-	-	-	27,722
Thanksgiving walk/run	-	-	-	-	-	-	6,206	-	-	-	6,206
Property taxes	3,523	870	11	152	803	5,359	459	1,608	230	2,297	7,656
Miscellaneous	1,273	314	4	55	289	1,935	232	-	183	415	2,350
Depreciation and amortization	17,461	4,310	56	752	3,978	26,557	2,276	7,967	1,138	11,381	37,938
	<b>\$ 1,223,211</b>	<b>\$ 301,942</b>	<b>\$ 3,906</b>	<b>\$ 52,650</b>	<b>\$ 278,688</b>	<b>\$ 1,860,397</b>	<b>\$ 68,225</b>	<b>\$ 71,961</b>	<b>\$ 22,286</b>	<b>\$ 162,472</b>	<b>\$ 2,022,869</b>