

## **Organization Information**

### **Legal Name**

FALLBROOK FOOD PANTRY

### **DBA (if Applicable)**

FALLBROOK FOOD PANTRY

### **Program Name/Title**

ALLEVIATING HUNGER IN GREATER FALLBROOK

## **Describe the impact of the program to date. Briefly explain how the service/intervention has worked - including cumulative metrics from the Q1 and Q2 Impact reports.**

FFP's daily food distribution program has made a significant impact in the fight against food insecurity. Over time, we have provided millions of pounds of food to extremely low-income households, ensuring that families have access to the nourishment they need. Each week, hundreds of households receive 50 to 80 pounds of food per visit, including fresh produce, proteins, and pantry staples. Through our dedicated efforts, we have distributed hundreds of thousands of meals, easing the burden for those struggling to put food on the table. This intervention has not only helped to alleviate hunger but also has helped with fostering a stronger, healthier community. Our metrics have indicated that from 2022 to 2024, we had a 39% increase in families needing food assistance, who had not received access from us before. This demand has put a huge strain on our finances. As with the increase in food, rent, insurance, etc. for everyone that this has affected, it also has hit hard for Food Pantries, like ours. In 2022 we were paying \$.89/pound for food and now it has risen to \$2.11/pound. Our food costs went from \$15,000 per year to nearly \$40,000 this past year.

## **Is this a new initiative/service or established program within your organization?**

Established Program

## **Program Information – Type**

Ongoing

## **Funding Amount Being Requested**

100,000

## **Organization's Mission Statement**

The Fallbrook Food Pantry (FFP) provides access to healthy and nutritious food for all. Through food distribution, education, and health monitoring, we work to address food insecurity and the social determinants of health by reducing inequities. Our programs empower our clients to become self-sufficient, independent, and productive community members by offering a well-balanced selection of food, nutrition, wellness, and vocational education.

## **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.

## **Organization History & Accomplishments**

Fallbrook Mission Project was formed in 1991 as a religious service organization to offer economic assistance, emotional support and spiritual nurturing while promoting client self-esteem and dignity. Its work included providing shelter, food, and clothing and helping with medical needs. In 2005 the pantry moved away from its religious status, became an official 501(c)3 and changed its name to the Fallbrook Food Pantry. With a 34-year history of service to Fallbrook, we are deeply ingrained and

involved in the community and have earned the trust of our clients and stakeholders. We focus on building strong personal relationships reflecting the small, rural enclave that makes up the Fallbrook region, and we know all our clients personally. Our semi- isolated community is far from the larger services of the city of San Diego, so our population relies on and trusts FFP to meet the complex needs of our diverse clientele. Since 2023 we are serving more than 5,000 households each month, which is nearly 10% of the overall population in Greater Fallbrook--with another 10% who need services, but have not applied, and we are supplying over 1.5 million pounds of food to our registered clients. This translates to 7,700 unduplicated individuals each year.

## Organization Collaborations

1. Partnerships with SD COUNTY Local Agencies and Grocery Stores
  - How it Supports the Program:
    - A. San Diego Food Bank and Feeding San Diego provide us with bulk food, shipped on pallets weekly, supporting our daily distribution programs.
    - B. Fallbrook stores: Albertson’s, Northgate Market, Grocery Outlet ...AND...
    - C. Vista, Poway, San Marcos, Oceanside and Escondido stores: Albertson’s, Trader Joes, Walmart, Winco, Sprouts, Target, Amazon Fresh, and Frazier Farms provide the pantry with Food Rescue opportunities six days a week
  - Collaborative Action: FFP maintains an open referral system and shares resources with partners to streamline access for new participants.
2. Local Schools & Youth Programs
  - Supports the Program: local schools and after-school programs with Boys ‘n Girls Club in Greater Fallbrook help identify food-insecure children and families who may need supplemental food resources.
  - Collaborative Action: FFP provides food assistance information to schools and coordinates food programs for children to ensure they have nutritious meals outside of school hours.
3. Food Sourcing
  - Supports the Program: FFP collaborates with local farmers, to secure fresh produce and staple foods at low or no cost
  - Collaborative Action: Establish food rescue initiatives with grocery stores and farms to reduce food waste and increase the availability of fresh, healthy food
4. Local Healthcare Clinics and Districts:
  - Supports the Program: Palomar Family Counseling, Fallbrook Family Health Clinic, and the Fallbrook Regional Health District have been an integral part of our processes in ensuring that food insecure individuals have healthy food options right in their own backyard.
  - Collaborative Action: These long-term relationships have allowed FFP to not just feed our hungry community but also work closely with each organization in providing meaningful impact that helps to alleviate hunger, prevent isolation, giving access to free services, and together we all promote healthy living.

## Target Population - Age

	Percent of program participants	Estimated number of participants
Children (infants to 12)	30	2310
Young Adults (13-17)	10	770
Adults (18-60)	38	2926
Seniors (60+)	22	1694
We do not collect this data (indicate with 100%)*		

## Target Population not collected - Age

We serve everyone from all age groups.

## Target Population - Gender

	Percent of program participants
Female	80
Male	20
Non-binary	0
Unknown*	0

## \*Target Population - Gender

We don't discriminate. We serve all genders.

## Target Population - Income Level

	Percent of program participants
Extremely Low-Income Limits, ceiling of \$32,100	75
Very Low (50%) Income Limits, ceiling of \$53,500	25
Low (80%) Income Limits, ceiling of \$85,600	0
Higher Than Listed Limits	0
We do not collect this data (indicate with 100%)*	

## \*Target Population - Income Level

We do make sure that every person, of working age, in every household, meets the FEDERAL GUIDELINES OF POVERTY. This is part of our registration process in order to receive food assistance from us weekly.

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

7700

## Social Determinants of Health (SDOH)

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

1. Economic Stability (Employment, Food Insecurity, Housing Instability, Poverty)
2. Neighborhood & Built Environment (Access to food that support healthy eating patterns, crime & violence, environmental conditions, quality of housing)

## Social Determinants of Health - Economic Stability

FFP addresses the social determinants of health for ECONOMIC STABILITY related to food insecurity by ensuring consistent access to nutritious, culturally appropriate food for extremely low-income individuals and families.

- By providing 50–80 pounds of food per household per visit, we reduce financial strain, allowing families to allocate limited resources to other essentials like housing, healthcare, and education.
  - Access to Healthy Food: Our pantry distributes fresh produce, proteins, and pantry staples, improving dietary quality and reducing the risk of diet-related illnesses such as diabetes and hypertension.
    - Community & Social Support: We create a welcoming, stigma-free environment where individuals feel supported and valued, reinforcing social

## **How are other organizations addressing this need in the community?**

As the only full-service food source in Greater Fallbrook (Fallbrook, Bonsall, De Luz, and Rainbow) in North San Diego County for food-insecure families, we support more than 10% of the Fallbrook population.

We focus on building strong personal relationships reflecting the small, rural enclave that makes up the Fallbrook region, and we know all of our clients personally. Our rural community is far from the larger services of the City of San Diego, so our population relies on and trusts us to meet the needs of our diverse clientele suffering from food insecurity.

## **Program/Services Description - Program Entry & Follow Up**

FFP conducts interviews with everyone seeking food assistance, which once completed, every individual and family in need can receive food assistance after qualifying for eligibility, which includes our most important criteria, their income. The Party follows the Federal Guidelines of Poverty to ensure our donors and constituents that our services are not being taken advantage of and that each person in need is treated with the same rules, ensuring fairness for everyone.

How Participants Learn About the Program:

- Community Outreach: Word-of-mouth, referrals from local agencies, and partnerships with shelters, schools, and healthcare providers.
- Online Presence: Social media, website, and local resource directories.
- Direct Engagement: Flyers, faith-based organizations, and community events. Follow-Up & Impact Measurement: FFP does not provide formal follow-up services for post-distribution, but impact is assessed through:
  - Data Tracking: Monitoring the number of households served and food distributed.
  - Participant Feedback: Informal surveys and testimonials to gauge program effectiveness.
  - Community Partnerships: Collaborations with health and social service agencies to understand long-term outcomes for recipients. Through these efforts, FFP ensures ongoing access to food while continually evaluating and improving its impact on food insecurity.

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

FFP Food Assistance Program: Services & Impact

Interventions & Services Provided:

FFP's daily food distribution program provides nutritious, high-quality food to extremely low-income individuals and families facing food insecurity. Each household receives an average of 50–80 pounds of food per visit, which includes:

- Fresh Produce (fruits and vegetables)
- Proteins (meat, poultry, dairy, eggs, and plant-based options)
- Pantry Staples (grains, pasta, rice, canned goods)
- Shelf-stable essentials to help extend meals throughout the week

## **How the Program Assists Participants:**

- Hunger: Ensures individuals and families have consistent access to food.
- Financial Strain: Frees up limited income for other essential needs like rent, healthcare, and utilities.
- Health & Nutrition: Provides fresh, balanced meals that help prevent diet-related illnesses such as diabetes and hypertension.
- Fosters Dignity & Support: Creates a welcoming, stigma-free environment where participants feel valued and respected.

### Programming Benefits & Impact:

- By addressing immediate food needs, FFP helps prevent malnutrition, stress, and financial hardship. The program contributes to better health outcomes, increased stability, and a stronger, more resilient community, ensuring that no one in need goes hungry.

### Program Goal

To reduce food insecurity among extremely low-income individuals and families by providing consistent access to nutritious food, improving health outcomes, and alleviating financial strain.

- Provide nutritious food assistance to extremely low and low-income households experiencing food insecurity, ensuring they have access to 50–80 pounds of food per visit.
- Distribute at least 1.5 million pounds of food annually to serve a minimum of 750 households per week, tracking participation and food distribution data.
- Expand outreach and optimize food sourcing to ensure that all households visiting our pantry receive an adequate supply of food.
- Directly address food insecurity and its impact on health and financial stability, supporting families in meeting their basic needs.
- Achieve these distribution benchmarks within the next 12 months, with ongoing evaluations to measure impact and efficiency.

FFP effectively combats food insecurity, ensuring that families in need receive consistent, reliable, and nutritious food assistance to support their well-being.

### Anticipated Acknowledgment

- Social media
- Signage at service sites
- Printed materials to serve recipients
- Website display

### Anticipated Acknowledgment

FFP is committed to recognizing and promoting the district's name and logo through multiple outreach and communication channels to highlight its support and partnership.

Promotional Methods:

1. Social Media Presence:
  - Facebook (Community updates, event promotions, impact stories)
  - Instagram (Visual storytelling through images, reels, and stories)
  - LinkedIn (Professional networking and partnership highlights)
2. Website & Digital Media –displayed on FFP's website, specifically on the partners/supporters' page and in relevant news articles.
3. Printed & Promotional Materials – The logo will be included on:
  - Flyers, brochures, and posters promoting food distribution events
4. Community Events & Public Acknowledgment – FFP will publicly acknowledge the district's contribution during food distribution events, community meetings, and outreach programs to reinforce its role in supporting the fight against food insecurity.

By integrating the district's name and logo into our promotional efforts, FFP ensures high visibility and recognition of its partnership while reinforcing community awareness and engagement.

### Terms and Conditions

#### Accepted

#### Authorized Signature

#### Eligibility Check

#### Tax Exempt Status

YES

**You are ineligible to apply per the District's Grant Policy & Procedures, please contact District staff if you have questions.**

**Service Area**

Bonsall, De Luz, Fallbrook, Rainbow

**Will no less than 80% of the program recipients live within the communities of Fallbrook, Rainbow, Bonsall or De Luz?**

YES

**Collaborative/Joint Application**

NO

**Organization Information**

**Contact Information**

**Contact Name**

Shae Gawlak

**Title**

CEO

**Primary Contact Phone**

760-728-7608

**Email Address**

director@fallbrookfoodpantry.org

**Organization Physical Address**

140 N. Brandon Road Fallbrook, CA, 92028

**Board of Directors**

*ATTACHMENT PROVIDED*

Financial Documents - Audit

*ATTACHMENT PROVIDED*

**Financial Documents - P&L and Balance Sheet**

*ATTACHMENTS PROVIDED*

**Financial Documents - 990**

*ATTACHMENT PROVIDED*

**Writing Instructions:**

**Programming Information**

**Brief Program Description**

The Fallbrook Food Pantry is committed to ensuring that our extremely low- income families have access to the nutritious food they need to thrive. Weekly, through our daily food distribution program, we provide vital food assistance to families and individuals facing food insecurity.

**Did this program receive FRHD CHC - Grant funding last funding cycle (FY 23.24).**

YES

**If this program was previously funded, please provide an example of how the District's funding of this program was acknowledged.**

*PICTURE PROVIDED*

## **What language(s) can this program accommodate:**

- English
- Spanish
- Tagalog

## **What demographic group does this program predominately serve:**

- Youth – school based
- Youth – other settings
- Community – Health & Fitness
- Older Adults
- Special populations

## **Social Determinants of Health - Neighborhood and Built Environment**

FFP addresses the social determinants of health for NEIGHBORHOOD & BUILT ENVIRONMENTS related to food insecurity by:

By operating a local, accessible food distribution model, we ensure that food-insecure households—especially those in food deserts—can obtain the nutrition they need without excessive travel or barriers. Through these efforts, we do more than provide food—we promote long-term health, stability, and dignity for our neighbors in need.

## **Statement of Need/Problem**

Food insecurity is a persistent and growing crisis for extremely low-income individuals and families in our community. Many households struggle to afford nutritious and sufficient food, often forced to choose between essential expenses such as rent, utilities, and medical care.

The rising cost of food and economic instability have only increased the demand for food assistance, leaving many individuals without reliable access to meals.

### **Quantitative Data:**

- 1 in 6 households in our service area are facing food insecurity, meaning they lack consistent access to adequate nutrition.
- FFP averages serving 750 households weekly, providing an average of 50–80 pounds of food per visit, or 15-18 pounds per person to help bridge the gap.
- In the past year alone, we have distributed 1.5 million pounds of food ensuring families receive fresh produce, proteins, and pantry “staples”.
- Our service population comprises of 20% who live below the Federal Poverty Level, 70% people of color, 80% women, 7% homeless, 16% military families, and 22% fixed-income seniors, 40% children. Unfortunately, two in five children in our community go to bed hungry every night.

### **Qualitative Data:**

- A single mother shared: "Without FFP, I wouldn't be able to provide balanced meals for my children. This program has been a lifesaver."
- A senior on Social Security noted: "I can't afford both my medications and groceries. The food I receive here helps me stay healthy and independent."
- A working father stated: "Even with two jobs, it's hard to make ends meet. The pantry helps us stretch our budget, so we don't have to skip meals."

## **The Growing Need & Impact**

The demand for food assistance continues to rise, with more families than ever relying on our services. Studies show that food insecurity contributes to higher rates of chronic illnesses, including diabetes and hypertension, making our work critical to improving health outcomes. By providing consistent food access, FFP reduces hunger, promotes economic stability, and fosters a stronger, healthier community. Continued support and resources are essential to sustain and expand our efforts, ensuring that no one in our community goes hungry "...because, when you're hungry, nothing else matters!"

## **Program Objectives & Measurable Outcomes**

### **Provide Consistent Access to Nutritious Food**

- Who & What: Ensure that all households seeking food assistance receive an average of 50– 80 pounds of food per visit, or 15-18 pounds of food per person in the household.
- Measurement: Track the total pounds of food distributed and the number of households served per week and per year.

### **Program Impact & Data Reporting**

FFP will gather and report:

- Total pounds of food distributed (monthly/annually)
- Total number of households served (weekly, monthly, annually)
- Demographic data of participants (age groups, family size, etc.)

By consistently measuring and evaluating these objectives, FFP ensures that its food distribution program meets its goal effectively, providing sustainable, impactful support to those experiencing food insecurity.

## **Financial Reporting & Budget**

### **Funding History**

### **Program Budget**

*ATTCHMENT PROVIDED*



## **BOARD MEMBERS**

### **DR. TIM WILLARD, MEMBER, CO-PRESIDENT**

[t.willard@sbcglobal.net](mailto:t.willard@sbcglobal.net)

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. Tim joined our board in 2021.

### **CATHERINE SOUSA, CO-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.

### **CYNTIA DIAZ, TREASURER**

[cindy.diaz89@gmail.com](mailto:cindy.diaz89@gmail.com)

Cindy spent much of her childhood growing up in Fallbrook, graduating from Fallbrook High School in 2006, she left the state to go to college and returned to Fallbrook in 2010. Cindy's first job was working for the Fallbrook Regional Health District in administration for several years in the early-mid 2000's. For the past seven years, Cindy has worked for Ameriprise Financial Services, in Fallbrook. Cindy joined our board in 2023.

### **JEAN DOOLEY, SECRETARY**

[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.

### **JEFF BRANTLEY, MEMBER**

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

Jeff, along with his wife Mary, owns and operates 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 Hope Clinic for Women. Rick joined the board in 2018.

**CATHY CONRAD, MEMBER**[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.

**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.

**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. Julie joined our board in 2021.

**ZANE ZAMORA, MEMBER**[zzamora@thegarrettgroup.net](mailto:zzamora@thegarrettgroup.net)

Zane was born and raised in Fallbrook and moved to Temecula two years ago. His family's business is located in Fallbrook, so he continues to commute and call Fallbrook his community. Zane is a licensed drone pilot and has a small side business helping companies with their aerial footage needs. Zane is a father and has one son who is 9 years old. They enjoy outdoor hobbies and sports, mostly motorcross, together. Zane joined our board in 2024.

|| SERVING THE COMMUNITY SINCE 1961 ||

Fallbrook  
FOOD PANTRY



When you're hungry,  
nothing else matters.

SPONSORED BY:

Fallbrook Regional  
HEALTH  DISTRICT



**Fallbrook Food Pantry**  
Financial Statements

**December 31, 2023 and 2022**



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**MURRIETA**  
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## 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 statements of financial position as of December 31, 2023 and 2022, 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, 2023 and 2022, 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  
June 12, 2024



**Fallbrook Food Pantry  
Statements of Financial Position  
December 31, 2023 and 2022**



	2023	2022
<b>Assets</b>		
Cash and cash equivalents	\$ 185,359	\$ 196,410
Investments in marketable securities	129,870	121,394
Accounts receivables	14,150	-
Prepaid expenses	6,200	5,090
Inventory, net	50,286	59,989
Property and equipment, net	1,254,058	1,287,221
Other assets	49,500	-
	<b>1,689,423</b>	<b>1,670,104</b>
<b>Total assets</b>	<b>\$ 1,689,423</b>	<b>\$ 1,670,104</b>
<b>Liabilities and Net Assets</b>		
Accounts payable and accrued liabilities	\$ 48,953	\$ 42,033
Mortgage payable, net	486,802	514,172
	<b>535,755</b>	<b>556,205</b>
<b>Total liabilities</b>	<b>535,755</b>	<b>556,205</b>
<b>Net assets</b>		
Net assets without donor restrictions	1,153,668	1,089,892
Net assets with donor restrictions	-	24,007
	<b>1,153,668</b>	<b>1,113,899</b>
<b>Total net assets</b>	<b>1,153,668</b>	<b>1,113,899</b>
<b>Total liabilities and net assets</b>	<b>\$ 1,689,423</b>	<b>\$ 1,670,104</b>

See accompanying notes to the financial statements

**Fallbrook Food Pantry**  
**Statements of Activities**  
For the Years Ended December 31, 2023 and 2022



	2023	2022
<b>Changes in net assets without donor restrictions</b>		
<b>Revenues and support</b>		
Donated food	\$ 2,185,952	\$ 2,054,328
Contributions	337,662	253,509
Grants	311,000	211,617
Special events	173,796	144,267
Interest and gain on investments	5,545	513
Total revenues without donor restrictions	3,013,955	2,664,234
<b>Net assets released from restrictions</b>	24,007	42,058
<b>Total revenues and support without donor restrictions</b>	3,037,962	2,706,292
<b>Expenses</b>		
Program services		
Market distribution	2,612,153	2,439,869
Education	94,410	-
Total program services	2,706,563	2,439,869
Support services		
Fundraising and development	133,698	84,011
Management and general	37,912	42,261
Total supporting services	171,610	126,272
Total program and supporting expenses	2,878,173	2,566,141
Special events expenses	96,013	105,348
<b>Total expenses</b>	2,974,186	2,671,489
<b>Increase in net assets without donor restrictions</b>	63,776	34,803
<b>Changes in net assets with donor restrictions</b>		
Contributions	-	-
Net assets released from restrictions	(24,007)	(42,058)
<b>(Decrease) in net assets with donor restrictions</b>	(24,007)	(42,058)
<b>Increase (Decrease) in net assets</b>	39,769	(7,255)
<b>Net assets at beginning of period</b>	1,113,899	1,121,154
<b>Net assets at end of period</b>	\$ 1,153,668	\$ 1,113,899

See accompanying notes to the financial statements

**Fallbrook Food Pantry**  
**Statements of Cash Flows**  
**For the Years Ended December 31, 2023 and 2022**



	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities</b>		
Change in net assets and prior period adjustments	\$ 39,769	\$ (7,255)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	68,673	61,041
Food inventory adjustment	9,703	5,888
Increase (decrease) in assets:		
Accounts receivable	(14,612)	462
Prepaid expenses	(1,110)	(1,823)
Increase in liabilities:		
Accounts payable and accrued liabilities	18,409	942
Interest payable	(513)	513
<b>Net cash provided by operating activities</b>	<b>120,319</b>	<b>59,768</b>
<b>Cash flows from investing activities:</b>		
Acquisition of property and equipment	(85,010)	(85,158)
Gain on investments	(8,553)	(115,436)
<b>Net cash used in investing activities</b>	<b>(93,563)</b>	<b>(200,594)</b>
<b>Cash flows from financing activities:</b>		
Principal payments on related-party note payable	-	(150)
Principal payments on mortgage	(29,096)	(65,570)
Debt issuance costs, net	1,726	1,726
Principal payments on finance lease obligation	(10,437)	(9,855)
<b>Net cash used in financing activities</b>	<b>(37,807)</b>	<b>(73,849)</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(11,051)</b>	<b>(214,675)</b>
<b>Cash, cash equivalents, and restricted cash - beginning of year</b>	<b>196,410</b>	<b>411,085</b>
<b>Cash and cash equivalents - end of year</b>	<b>\$ 185,359</b>	<b>\$ 196,410</b>
<b>Supplemental disclosures of cash flow information:</b>		
Cash paid during the year for interest	<b>\$ 22,221</b>	<b>\$ 23,747</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:

**Education/Learning Center**

Rooted in Wellness is a comprehensive, evidence-based curriculum tailored for youth and adults, centered around horticulture, ecosystems, and daily life skills. It offers educational opportunities in health and wellness, nutrition, occupational development, and personal growth to communities facing diversity, equity, and inclusion disparities. By utilizing our educational approaches alongside healthcare monitoring, Rooted in Wellness aims to tackle issues such as food insecurity, socioeconomics, and social determinants of health. The program is designed to mitigate inequities that contribute to the development of diseases in at-risk and disadvantaged communities. Rooted in Wellness is a very diverse curriculum that can be implemented into any environment: food banks and pantries, schools (public, private, charter, home school co-ops), colleges/universities, churches, recreation and senior centers, youth and adult clubs, retirement communities, including Special Health Districts, Indian Reservations, and Homeless Shelters.

**Market Distribution**

Qualified families are entitled to food items based on family size and 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. On the last Wednesday of every month, participants may receive fresh produce from the Pantry at the Life Point Church parking lot. The Pantry distributes governmental commodities delivered by the San Diego Food Bank to clients. The Pantry distributes Emergency Food Assistance Program (EFAP) items to clients during the third full week of each month. The Pantry also offers this program to senior clients during extended hours on Wednesday afternoons during the scheduled EFAP distributions weeks. The Senior Food Program or Brown Box is 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. The Pantry coordinates the Adopt-A-Family program with community members and churches to provide children under 16 years of age with holiday gifts. 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 2022 and 2023.





**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, 2023 and 2022**



**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 reserve for credit losses was recorded as of December 31, 2023 and 2022.

**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
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 2023 or 2022.



**Fallbrook Food Pantry  
Notes to Financial Statements  
December 31, 2023 and 2022**



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

**Loan Costs and Amortization**

Loan costs related to the refinanced Pacific Premier Bank mortgage note payable (Note 4) of \$16,975, net of accumulated amortization of \$4,028 as of December 31, 2023, are presented as a contra-liability offsetting the note payable balance in the statements of financial position. Loan costs related to the commercial bank note payable prior to refinance were \$7,177, net of accumulated amortization of \$5,621, as of August 31, 2022, which was the date of the refinance. These loan costs were written off upon recording the refinanced loan. These loan costs are being amortized on a straight-line basis over the term of the associated debt as of December 31, 2023 and 2022. 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, 2023 and 2022 related to the loan costs associated with the Pacific Premier Bank notes were \$4,028 and \$1,726, 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, 2023 is approximately \$1,726.

**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, 2023 and 2022, the Pantry received approximately 1,193,000 and 1,132,000 pounds of contributed food, respectively, and distributed approximately 1,167,900 and 1,386,600 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, 2023 and 2022, the Pantry determined the appropriate approximate value of food per pound to use in valuing the food received and distributed was \$1.88 and \$1.82 per pound, respectively.

The total value of food received during the year ended December 31, 2023, after deducting the amount of spoiled and composted food of \$56,400 throughout the year, was \$2,185,952. After the Pantry deducted the food distributed throughout the year ended December 31, 2023 of \$2,195,655 from the beginning inventory value and donated food received, the remaining food on hand with a value of \$50,286 was recorded as inventory as of December 31, 2023. The total value of food received during the year ended December 31, 2022, after deducting the amount of spoiled and composted food of \$27,300 throughout the year, was \$2,496,393. After the Pantry deducted the food distributed throughout the year ended December 31, 2022 of \$2,502,281, the remaining food on hand with a value of \$59,989 was recorded as inventory as of December 31, 2022.

The Pantry did not receive in-kind services during the years ended December 31, 2023 and 2022.

**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 is 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 the 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, 2023 and 2022**



**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:

	2023	2022
Revenue:		
Donated food	\$ 2,185,952	\$ 2,054,328
Total revenue	\$ 2,185,952	\$ 2,054,328
Expenses:		
Food distribution	\$ 2,195,655	\$ 2,060,215
Total expenses	\$ 2,195,655	\$ 2,060,215

**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 from exchange transactions amounted to \$217,009 and \$144,267 for the years ended December 31, 2023 and 2022, respectively.

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.

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.

**Advertising Costs**

The Pantry expenses advertising costs as they are incurred. Advertising expenses for the years ended December 31, 2023 and 2022 were \$25,514 and \$23,122, respectively, and are included with marketing expenses in the statements of functional expenses for the years then ended.





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

**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 90% to Market Distribution and 10% to Education for the year ended December 31, 2023. Program costs were allocated 40% to Daily Market, 8% to Neighborhood Distribution, 29% to EFAP, 20% to Senior programs, and 3% to Farmers to Families for the year ended December 31, 2022. Based on the Pantry's operations, general and administrative expenses are allocated 70% to fundraising, 20% to events, and 10% to administration for the years ended December 31, 2023 and 2022. See appendix A for the Statements of Functional Expenses for the years ended December 31, 2023 and 2022.

**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, 2023 or 2022.

The Organization's federal exempt organization returns for tax years 2020 and beyond remain subject to examination by the Internal Revenue Service. The Organization's exempt organization returns of the tax years 2019 and beyond remain subject to examination by the Franchise Tax Board. The Organization did not have unrecognized tax benefits as of December 31, 2023 or 2022 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, 2023 and 2022, the Organization has not accrued interest or penalties related to uncertain tax positions.

**Recent Authoritative Guidance, Adopted**

On January 1, 2023, the Organization adopted ASU 2016-13 Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (ASC 326). This standard replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss ("CECL") methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts and generally applies to financial assets measured at amortized cost, including loan receivables and held-to-maturity debt securities, and some off-balance sheet credit exposures such as unfunded commitments to extend credit. Financial assets measured at amortized cost will be presented at the net amount expected to be collected by using an allowance for credit losses. The adoption did not have a material effect on the consolidated financial statements of the organization as of December 31, 2023.

**NOTE 2 – INVESTMENTS IN MARKETABLE SECURITIES**

Investments in marketable securities are stated at fair value of \$129,870 and \$121,394 as of December 31, 2023 and 2022, respectively. Dividends are reinvested into the securities. There was no change in fair value from December 31, 2021 to December 31, 2022. The change in fair value from December 31, 2022 to December 31, 2023 was recorded as a gain on investments of \$5,329 in the Statements of Activities for the year ended December 31, 2023.



**Fallbrook Food Pantry**  
**Notes to Financial Statements**  
**December 31, 2023 and 2022**



**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 2023 and 2022 amounted to \$35,500 and \$85,158, respectively, and were capitalized upon completion.

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

	2023	2022
Land	\$ 500,000	\$ 500,000
Building and improvements	795,103	795,103
Equipment	180,061	144,550
Autos and trucks	86,796	86,796
Technology equipment and software	9,653	9,653
	1,571,613	1,536,102
Less: accumulated depreciation and amortization	(317,555)	(248,882)
	\$ 1,254,058	\$ 1,287,221

Depreciation expense was \$68,673 and \$61,041 for the years ended December 31, 2023 and 2022, respectively.

**NOTE 4 – NOTES PAYABLE**

On April 3, 2019, the Pantry entered into a 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). In July 2022, the Organization refinanced the loan with Pacific Premier Bank with a principal amount of \$600,000. The terms of the new agreement include monthly principal and interest payments of \$3,276 over ten years at 4.25% with a balloon payment at loan maturity in July 2031 of \$435,560. The Organization was in compliance with the debt coverage ratio loan covenant as of December 31, 2023.

Notes payable consist of the following as of December 31:

	2023	2022
Note payable to Pacific Premier Bank dated April 3, 2019 in the original amount of \$600,000; was refinanced in 2021, bears interest at 4.25%. Monthly principal and interest payments of \$3,276, with final balloon payment estimated at \$435,560; matures on July 1, 2031. Accrued interest payable totaled \$0 at December 31, 2023 and 2022. Net of amortized loan fees of \$12,947 and \$14,673 as of December 31, 2023 and 2022, respectively (Note 1).	\$ 499,749	\$ 528,845
Total notes payable	499,749	528,845
Less: unamortized loan costs	(12,947)	(14,673)
	\$ 486,802	\$ 514,172



**Fallbrook Food Pantry**  
**Notes to Financial Statements**  
**December 31, 2023 and 2022**



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

Interest expense on the loan to the Bank was \$22,221 and \$23,747 for the years ended December 31, 2023 and 2022, respectively. As of December 31, 2023, 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,		
2024	\$	15,165
2025		15,900
2026		16,599
2027		17,329
2028		18,046
Thereafter		403,764
	<u>\$</u>	<u>486,802</u>

**NOTE 5 – NET ASSETS**

Net assets consist of the following at December 31:

	<b>2023</b>	<b>2022</b>
Without donor restriction:		
Designated by the board for building purchase, improvements, operation, and maintenance	\$ -	\$ -
Undesignated	<u>1,153,668</u>	<u>1,089,892</u>
	<u>1,153,668</u>	<u>1,089,892</u>
With donor restriction:		
Learning center kitchen	-	24,007
	<u>-</u>	<u>24,007</u>
Total net assets	<u>\$ 1,153,668</u>	<u>\$ 1,113,899</u>





**NOTE 6 – LIQUIDITY AND FUNDS AVAILABLE**

The following table reflects the Organization's financial assets as of December 31, 2023, 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.

	<b>2023</b>
Financial assets:	
Cash and cash equivalents	\$ 185,359
Investments in marketable securities	129,870
Financial assets, at year-end	315,229
 Less those unavailable for general expenditure within one year	 -
 Financial assets available to meet cash needs for general expenditures within one year	 \$ 315,229

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

**NOTE 7 – SUBSEQUENT EVENTS (UNAUDITED)**

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 12, 2024, 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.



**Fallbrook Food Pantry  
Statement of Functional Expenses  
For the Year Ended December 31, 2023**

	Program Services			Supporting Services			Total Supporting Services	2023 Total
	Market Distribution	Learning Center	Total Program Services	Special Events	Fundraising	Management and General		
Salaries and wages	\$ 170,864	\$ 28,120	\$ 198,984	\$ 14,645	\$ 51,259	\$ 7,323	\$ 73,227	\$ 272,211
Payroll tax expense	13,447	2,193	15,640	1,153	4,034	576	5,763	21,403
SEP Employer Contribution	4,944	-	4,944	424	1,483	212	2,119	7,063
Food and supplies for distribution	2,229,782	-	2,229,782	-	-	-	-	2,229,782
Rent	187	21	208	18	62	9	89	297
Storage	2,064	-	2,064	-	-	-	-	2,064
Building function and repairs	5,415	602	6,017	516	1,805	258	2,579	8,596
Gas and electric	23,058	2,562	25,620	2,196	7,686	1,098	10,980	36,600
Utilities	8,614	513	9,127	440	1,539	220	2,199	11,326
Paint and material supplies	-	-	-	-	-	-	-	-
Moving expenses	-	-	-	-	-	-	-	-
Vehicles	1,151	-	1,151	-	-	-	-	1,151
Equipment	8,331	-	8,331	-	-	-	-	8,331
Telephone and internet	2,647	294	2,941	252	882	126	1,260	4,201
Security	2,253	250	2,503	215	751	107	1,073	3,576
Marketing	5,356	-	5,356	-	20,158	-	20,158	25,514
Bank fees	-	-	-	-	-	4,965	4,965	4,965
Insurance	5,906	656	6,562	562	1,969	281	2,812	9,374
Interest	15,359	1,707	17,066	1,463	5,120	731	7,314	24,380
Dues and subscriptions	8,934	121	9,055	104	363	13,508	13,975	23,030
Technology hardware and software	6,734	748	7,482	641	2,245	321	3,207	10,689
Janitorial services and supplies	-	-	-	-	-	-	-	-
Office and postage	5,834	648	6,482	556	1,945	278	2,779	9,261
Workers compensation	1,898	211	2,109	181	633	90	904	3,013
Accounting	13,992	1,555	15,547	1,333	4,664	666	6,663	22,210
IT consulting	26,379	140	26,519	2,273	7,956	1,137	11,366	37,885
Fundraising	-	49,231	49,231	-	-	-	-	49,231
Conferences, workshops, and trainings	-	-	-	-	-	3,078	3,078	3,078
Volunteer and donor appreciation	-	-	-	9,355	4,630	-	13,985	13,985
Community collaborative events	3,995	-	3,995	-	-	-	-	3,995
End of Hunger Walk-A-Thon	-	-	-	1,365	-	-	1,365	1,365
GALA Event	-	-	-	53,974	-	-	53,974	53,974
Property taxes	279	31	310	27	93	13	133	443
Miscellaneous	1,474	-	1,474	200	-	855	1,055	2,529
Depreciation and amortization	43,264	4,807	48,071	4,120	14,421	2,060	20,601	68,672
	<b>\$ 2,612,161</b>	<b>\$ 94,410</b>	<b>\$ 2,706,571</b>	<b>\$ 96,013</b>	<b>\$ 133,698</b>	<b>\$ 37,912</b>	<b>\$ 267,623</b>	<b>\$ 2,974,194</b>

**Fallbrook Food Pantry  
Statement of Functional Expenses  
For the Year Ended December 31, 2022**

	Program Services		Supporting Services				2022 Total
	Market Distribution	Total Program Services	Special Events	Fundraising	Management and General	Total Supporting Services	
Salaries and wages	\$ 117,557	\$ 117,557	\$ 54,580	\$ 32,837	\$ 20,442	\$ 107,859	\$ 225,416
Payroll tax expense	9,167	9,167	4,356	2,679	1,674	8,709	17,876
SEP Employer Contribution	2,853	2,853	856	245	122	1,223	4,076
Food and supplies for distibution	2,076,440	2,076,440	-	-	-	-	2,076,440
Rent	630	630	189	54	27	270	900
Storage	1,984	1,984	-	-	-	-	1,984
Building function and repairs	3,746	3,746	1,124	321	161	1,606	5,352
Gas and electric	20,089	20,089	6,027	1,722	861	8,610	28,699
Utilities	7,456	7,456	403	115	58	576	8,032
Vehicles	15,368	15,368	-	-	-	-	15,368
Equipment	523	523	-	-	-	-	523
Telephone and internet	5,170	5,170	1,551	443	222	2,216	7,386
Security	2,969	2,969	890	254	127	1,271	4,240
Marketing	22,042	22,042	1,080	-	-	1,080	23,122
Bank fees	-	-	-	-	100	100	100
Insurance	6,517	6,517	1,955	559	279	2,793	9,310
Interest	18,651	18,651	5,595	1,599	799	7,993	26,644
Dues and subscriptions	7,180	7,180	-	-	12,634	12,634	19,814
Technology hardware and software	1,147	1,147	344	98	49	491	1,638
Janitorial services and supplies	77	77	23	7	3	33	110
Office and postage	8,029	8,029	2,409	688	344	3,441	11,470
Workers compensation	8,705	8,705	2,612	746	373	3,731	12,436
Accounting	13,584	13,584	4,075	1,164	582	5,821	19,405
IT consulting	14,528	14,528	4,359	1,245	623	6,227	20,755
Fundraising	26,883	26,883	-	-	-	-	26,883
Conferences, workshops, and trainings	-	-	-	-	113	113	113
Volunteer and donor appreciation	3,741	3,741	-	-	-	-	3,741
Community collaborative events	1,578	1,578	-	-	-	-	1,578
End of Hunger Walk-A-Thon	-	-	-	3,345	-	3,345	3,345
GALA Event	-	-	-	31,999	-	31,999	31,999
Property taxes	268	268	81	23	12	116	384
Miscellaneous	266	266	20	206	825	1,051	1,317
Depreciation and amortization	42,728	42,728	12,819	3,662	1,831	18,312	61,040
	<b>\$ 2,439,876</b>	<b>\$ 2,439,876</b>	<b>\$ 105,348</b>	<b>\$ 84,011</b>	<b>\$ 42,261</b>	<b>\$ 231,620</b>	<b>\$ 2,671,496</b>

**Fallbrook Food Pantry**  
**Balance Sheet Prev Year Comparison**  
As of December 31, 2024

	<u>Dec 31, 24</u>	<u>Dec 31, 23</u>	<u>\$ Change</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
<b>Checking/Savings</b>			
<b>100 - ASSETS</b>			
101 A - BANC OF CALIFORNIA - Checking	145,000.12	133,405.55	11,594.57
110 - Regular Savings-Pac West #4141	746.38	26,743.36	-25,996.98
122 - MM CASH RESERVED FUNDS #1944	304.47	25,359.98	-25,055.51
124 - Ameriprise Investment Account	91,076.12	129,870.08	-38,793.96
<b>Total 100 - ASSETS</b>	<u>237,127.09</u>	<u>315,378.97</u>	<u>-78,251.88</u>
<b>Total Checking/Savings</b>	237,127.09	315,378.97	-78,251.88
<b>Other Current Assets</b>			
12000 - *Undeposited Funds	5,408.83	14,149.80	-8,740.97
<b>180 - PREPAID EXPENSES</b>			
180.001 - PREPAID INSURANCE	5,537.35	6,199.66	-662.31
<b>Total 180 - PREPAID EXPENSES</b>	<u>5,537.35</u>	<u>6,199.66</u>	<u>-662.31</u>
<b>192 - MORTGAGE LOAN FEES</b>			
192.01 - PPBI MORTGAGE LOAN FEE	16,974.82	16,974.82	0.00
192.02 - ACCUM AMORT MORTGAGE LOAN FEES	-5,754.00	-4,027.80	-1,726.20
<b>Total 192 - MORTGAGE LOAN FEES</b>	<u>11,220.82</u>	<u>12,947.02</u>	<u>-1,726.20</u>
<b>Total Other Current Assets</b>	<u>22,167.00</u>	<u>33,296.48</u>	<u>-11,129.48</u>
<b>Total Current Assets</b>	<u>259,294.09</u>	<u>348,675.45</u>	<u>-89,381.36</u>
<b>Fixed Assets</b>			
<b>150 - FIXED ASSETS</b>			
150.001 - BUILDING - 140 BRANDON RD	589,922.57	589,922.57	0.00
150.002 - EQUIPMENT & FURNITURES	131,845.50	131,845.50	0.00
150.003 - LAND	500,000.00	500,000.00	0.00
150.004 - BUILDING IMPROVEMENTS	205,180.19	205,180.19	0.00
150.005 - TECHNOLOGY EQUIPMENT/SOFTWARE	9,653.00	9,653.00	0.00
150.006 - VEHICLE	86,796.45	86,796.45	0.00
150.007 - CAPITAL LEASE EQUIPMENT	48,215.29	48,215.29	0.00
<b>Total 150 - FIXED ASSETS</b>	<u>1,571,613.00</u>	<u>1,571,613.00</u>	<u>0.00</u>
<b>151 - ACCUMULATED DEPRECIATION</b>			
151.001 - BLDGS, IMPRVMTS, EQUIPMT, FURNI	-322,542.00	-274,943.00	-47,599.00
151.002 - LEASED EQUIPMENT	-48,215.00	-42,612.00	-5,603.00
<b>Total 151 - ACCUMULATED DEPRECIATION</b>	<u>-370,757.00</u>	<u>-317,555.00</u>	<u>-53,202.00</u>
<b>Total Fixed Assets</b>	<u>1,200,856.00</u>	<u>1,254,058.00</u>	<u>-53,202.00</u>
<b>Other Assets</b>			
194 - FOOD INVENTORY	79,290.82	50,286.24	29,004.58
195 - TIMESHARE DONATED PROPERTIES	19,500.00	19,500.00	0.00
196 - DONATED FISHING BOAT	0.00	30,000.00	-30,000.00
<b>Total Other Assets</b>	<u>98,790.82</u>	<u>99,786.24</u>	<u>-995.42</u>
<b>TOTAL ASSETS</b>	<u><u>1,558,940.91</u></u>	<u><u>1,702,519.69</u></u>	<u><u>-143,578.78</u></u>

**Fallbrook Food Pantry**  
**Balance Sheet Prev Year Comparison**  
As of December 31, 2024

	<u>Dec 31, 24</u>	<u>Dec 31, 23</u>	<u>\$ Change</u>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Credit Cards</b>			
<b>210 - CREDIT CARDS</b>			
<b>210.3 - Pacific Western Bsns Mastercard</b>			
210.31 - GAWLAK - PW 2249	1,565.99	0.00	1,565.99
210.33 - FREDERIKSEN - PW 8078	1,124.92	0.00	1,124.92
210.34 - MILLER - PW 8217-9407	1,941.65	0.00	1,941.65
210.3 - Pacific Western Bsns Mastercard - Other	0.00	5,852.82	-5,852.82
<b>Total 210.3 - Pacific Western Bsns Mastercard</b>	<u>4,632.56</u>	<u>5,852.82</u>	<u>-1,220.26</u>
<b>Total 210 - CREDIT CARDS</b>	<u>4,632.56</u>	<u>5,852.82</u>	<u>-1,220.26</u>
<b>Total Credit Cards</b>	4,632.56	5,852.82	-1,220.26
<b>Other Current Liabilities</b>			
<b>201 - Payroll Liabilities</b>			
201.01 - Payroll Tax Liabilities	531.84	525.46	6.38
201.03 - 401K Employee Contribution	1,160.00	1,080.00	80.00
201 - Payroll Liabilities - Other	5,138.77	5,077.10	61.67
<b>Total 201 - Payroll Liabilities</b>	<u>6,830.61</u>	<u>6,682.56</u>	<u>148.05</u>
<b>207 - ACCRUED LIABILITY</b>			
207.01 - Accrued VACATION	12,234.86	17,366.00	-5,131.14
207 - ACCRUED LIABILITY - Other	0.00	14,523.71	-14,523.71
<b>Total 207 - ACCRUED LIABILITY</b>	<u>12,234.86</u>	<u>31,889.71</u>	<u>-19,654.85</u>
<b>270 - CAPITAL LEASED EQUIPMENT</b>			
270.001 - NAVITAS CREDIT CORP	0.00	4,528.40	-4,528.40
<b>Total 270 - CAPITAL LEASED EQUIPMENT</b>	<u>0.00</u>	<u>4,528.40</u>	<u>-4,528.40</u>
<b>Total Other Current Liabilities</b>	<u>19,065.47</u>	<u>43,100.67</u>	<u>-24,035.20</u>
<b>Total Current Liabilities</b>	<u>23,698.03</u>	<u>48,953.49</u>	<u>-25,255.46</u>
<b>Long Term Liabilities</b>			
<b>250 - PACIFIC PREMIER BANK</b>	474,564.73	499,748.95	-25,184.22
<b>Total Long Term Liabilities</b>	<u>474,564.73</u>	<u>499,748.95</u>	<u>-25,184.22</u>
<b>Total Liabilities</b>	498,262.76	548,702.44	-50,439.68
<b>Equity</b>			
<b>300 - EQUITY</b>			
300.01 - UNRESTRICTED FUND BALANCE	226,142.47	226,142.47	0.00
300.02 - OPEN BAL EQUITY	36,046.26	36,046.26	0.00
300.03 - PRIOR YEAR ADJUSTMENT	109,802.12	109,802.12	0.00
<b>Total 300 - EQUITY</b>	<u>371,990.85</u>	<u>371,990.85</u>	<u>0.00</u>
<b>320 - Unrestricted Net Assets</b>	781,826.40	742,059.51	39,766.89
<b>Net Income</b>	-93,139.10	39,766.89	-132,905.99
<b>Total Equity</b>	<u>1,060,678.15</u>	<u>1,153,817.25</u>	<u>-93,139.10</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>1,558,940.91</u></u>	<u><u>1,702,519.69</u></u>	<u><u>-143,578.78</u></u>

**FRHD 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 FUNDERS	REQUESTED FROM FRHD
A1	CEO	95,000.00	95,000.00		
A2	General Insurance (not program specific)	15,000.00	15,000.00		
A3	Accounting & audit expenses	15,000.00	15,000.00		
A4	Consultant/Contractor Fees	25,000.00	25,000.00		
A5	Physical Assets (Rent, Facility Costs)	46,000.00	46,000.00		
A6	Utilities: GAS & WATER	10,000.00	-	10,000.00	
A7	IT & Internet	6,500.00	6,500.00		
A8	Marketing & Communications	20,000.00	20,000.00		
A9	Office Supplies	8,000.00	8,000.00		
A10	Technology	15,000.00	10,000.00	5,000.00	
A11	Other: specify				
TOTAL INDIRECT EXPENSE		<b>255,500.00</b>	<b>240,500.00</b>	<b>15,000.00</b>	<b>-</b>

B	PERSONNEL EXPENSES - PROGRAM SPECIFIC	PROGRAM COST	APPLYING ORGANIZATION	OTHER FUNDERS	REQUESTED FROM FRHD
B1	Programs Manager-Food Distribution	77,500.00	47,500.00	15,000.00	15,000.00
B2	Client Relations Manager	35,000.00	15,000.00	5,000.00	15,000.00
B3	Warehouse Manager	35,000.00	15,000.00	5,000.00	10,000.00
B4	Receptionist	30,000.00	15,000.00	15,000.00	
B5	Payroll Expenses (WC, taxes)	38,000.00	38,000.00		
B6	Benefits	6,500.00	6,500.00		
B7	Other: specify				
TOTAL PERSONNEL EXPENSE		<b>222,000.00</b>	<b>137,000.00</b>	<b>40,000.00</b>	<b>40,000.00</b>

C	DIRECT PROGRAM EXPENSES	PROGRAM COST	APPLYING ORGANIZATION	OTHER FUNDERS	REQUESTED FROM FRHD
C1	Food	50,000.00	15,000.00	10,000.00	25,000.00
C2	Distribution & Cleaning Supplies	15,000.00	5,000.00		10,000.00
C3	Refrigeration Repairs & Maintenance	10,000.00	5,000.00		5,000.00
C4	Refrigeration: Utilities - Electricity	35,000.00	5,000.00	10,000.00	20,000.00
C5	Volunteer Appreciation	10,000.00		10,000.00	
C6	Marketing of Programs	10,000.00		10,000.00	
C7					
C8					
C9					
C10					
C11					
C12					
C13					
C14					
C15					
TOTAL OTHER EXPENSES		<b>130,000.00</b>	<b>30,000.00</b>	<b>40,000.00</b>	<b>60,000.00</b>

D	TOTAL ALL EXPENSES	PROGRAM COST	% REQUESTED FROM FRHD
		<b>\$ 607,500.00</b>	<b>16%</b>

**2) FUNDING SOURCES**

E	FUNDS FOR PROGRAM	
E1	APPLYING ORGANIZATION	<b>X</b> 407,500.00
E2	OTHER FUNDERS	<b>Y</b> 95,000.00
E3	REQUESTED FROM FRHD	<b>Z</b> 100,000.00
TOTAL FUNDING SOURCES		<b>\$ 602,500.00</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.	\$ 675,000.00	\$ 607,500.00	90%
		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 REPORTING FORM**

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

The main categories align with the budget submitted with your application. Aggregate totals are all that should be reported under each heading.

1)	<b>A</b>	<b>INDIRECT EXPENSES:</b>	PROGRAM COST	REQUESTED FROM FRHD	AMOUNT USED Q1	AMOUNT USED Q2	AMOUNT USED Q3	AMOUNT USED Q4
		TOTAL INDIRECT EXPENSE	<b>\$255,500.00</b>	<b>\$0.00</b>				
	<b>B</b>	<b>PERSONNEL EXPENSES - PROGRAM SPECIFIC</b>	PROGRAM COST	REQUESTED FROM FRHD	AMOUNT USED Q1	AMOUNT USED Q2	AMOUNT USED Q3	AMOUNT USED Q4
		TOTAL PERSONNEL EXPENSE	<b>\$222,000.00</b>	<b>\$40,000.00</b>				
	<b>C</b>	<b>DIRECT PROGRAM EXPENSES</b>	PROGRAM COST	REQUESTED FROM FRHD	AMOUNT USED Q1	AMOUNT USED Q2	AMOUNT USED Q3	AMOUNT USED Q4
		TOTAL OTHER EXPENSES	<b>\$130,000.00</b>	<b>\$60,000.00</b>				
	<b>D</b>	<b>TOTALS</b>	PROGRAM COST	FRHD Funds Awarded	Total Amount Q1	Total Amount Q2	Total Amount Q3	Total Amount Q4
			<b>\$607,500.00</b>	<b>\$0.16</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

 Total funds expended to date: **\$0.00**