



ANNUAL SUMMARY REPORT | 2023-2024

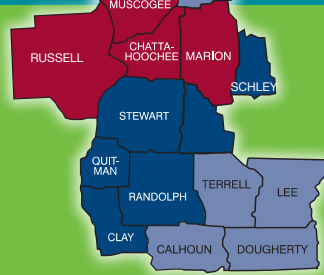




4,537,460 Pounds of Fresh Produce Distributed

23-24 OUR IMPACT!

More Than **15** Million Pounds of Food Distributed



Serving **18** Counties



62,428 Volunteer Hours



5.2 Million Mobile Pantry Pounds Distributed

110 Food Donors

Over **300** Partner Agencies



337,001 Kids Cafe Meals

38,757 Senior Meals



141,925 Kids Cafe Summer Meals

41,250 Buddy Packs



114,440 Mobile Pantry Boxes



ANNUAL SUMMARY REPORT | 2023-2024

Serving Calhoun, Chattahoochee, Clay, Dougherty, Harris, Lee, Marion, Meriwether,
Muscogee, Quitman, Randolph, Schley, Stewart, Talbot, Terrell, Troup,
Webster counties in Georgia and Russell County in Alabama.

OUR MISSION

The mission of Feeding the Valley is to gather food to feed the hungry with a spirit of compassion, good stewardship, dedication, urgency and inclusiveness. The heart of our mission is to feed hungry people.



ANNUAL SUMMARY REPORT | 2023-2024

This year we saw transformational change for Feeding the Valley. It has enabled us to think beyond food distribution and create new pathways for lasting impact, empowering individuals, and striving to build a hunger-free future for all.



On May 15, 2024, we celebrated our opening of the Aflac Hunger Action Center.

There are many significant events to share with you, but the most transformational moment this year was the completion of our Capital Campaign and the expansion of our central warehouse in Columbus! With the help from our state leadership, and leftover CARES Act funding combined with generous donations from foundations and individual donors, we added an impressive 24,000 additional square feet to our warehouse in Columbus, doubled our frozen storage capacity, and created a vibrant, fresh new Aflac Hunger Action Center for our *Hunger Hero* volunteers. This expansion enables us to reach more people in need and make an even greater impact on all the communities we serve.

We converted our former volunteer room into a 5,000 sq. ft. cooler, giving us not one, but two freezers and one cooler. This increase in our cold and frozen storage capacity allows us to provide even more fresh produce and lean meats for the people we serve. During this time when the volunteer room was converted into a new cooler, volunteers packed mobile pantry boxes and buddy packs for children in a temporary area for months. It was crowded at times, but their commitment to our mission never wavered.

This transformation marks a new chapter in our journey to fight hunger.



Expanded dry storage



Hospitality Room



Aflac Hunger Hero volunteers in the Aflac Hunger Action Center



Officer Candidate School (OCS) volunteers from Fort Moore, Ga.

ANNUAL SUMMARY REPORT | 2023-2024

The need is greater than ever.

In the food banking world, we measure many situations in terms of before and after COVID. For Feeding the Valley, and food banks everywhere, the reality is clear: we are serving 35% more people facing hunger than we did before the pandemic.

The economic ripple effects of the pandemic have left many families struggling. Grocery costs are up 28% over the past five years, and there's no sign of relief. Hardworking families are finding it increasingly difficult to keep up with rising housing costs, utilities, and healthcare and prescription expenses.

"Volunteering at Feeding the Valley is about recognizing the silent struggles of others and extending a hand of support."

– Madison Kinninger, CSU Student Volunteer

"This a new era of food insecurity. This isn't an unemployment issue."

– Emily Englehard
Vice President of Research
at FeedingAmerica

Many more families, children, seniors, homebound individuals, veterans, and people experiencing homelessness now rely on Feeding the Valley and our food assistance programs. Despite facing a decrease in food donations due to shortages, we managed to provide 12 million meals last year.

We simply could not achieve this without the support we receive from our generous donors, dedicated partner agencies, and compassionate volunteers.

FOOD INSECURITY IN OUR SERVICE AREA

COUNTY	POPULATION	FOOD INSECURITY RATE - ALL AGES COMBINED	CHILD FOOD INSECURITY RATE	COUNTY	POPULATION	FOOD INSECURITY RATE - ALL AGES COMBINED	CHILD FOOD INSECURITY RATE
Calhoun	5,469	13.00%	22.80%	Quitman	2,249	12.60%	22.70%
Chattahoochee	8,819	14.90%	13.90%	Randolph	6,116	15.00%	27.50%
Clay	2,845	17.40%	31.30%	Russell	58,555	15.70%	23.80%
Dougherty	82,966	14.60%	28.60%	Schley	4,496	12.10%	13.30%
Harris	36,276	7.40%	5.00%	Stewart	4,648	14.30%	27.60%
Lee	33,642	8.40%	7.90%	Talbot	5,747	10.60%	23.20%
Marion	7,449	10.30%	12.10%	Terrell	8,754	15.40%	27.90%
Meriwether	20,845	14.50%	21.80%	Troup	70,191	12.80%	17.10%
Muscogee	202,616	13.30%	20.60%	Webster	2,328	13.90%	17.10%

*Source: Feeding America data 2021

Thank you for being an essential part of our journey and for making a lasting difference!

ANNUAL SUMMARY REPORT | 2023-2024

“Most people don’t know the harsh reality of not knowing where your next meal lies. It can turn a person into a ravenous beast that will go to any lengths for a meal. But places like Feeding the Valley and St. Anne Community Outreach are truly God’s testament of his helping hands. Your helping hands do not go unnoticed. Thank you.”

– Kenneth

Celebrating 40 Years

In 2023, we proudly celebrated our 40th Anniversary, reflecting on the decades of impact we’ve made and looking forward to the future ahead. Our mission has evolved from simply feeding people to actively working to end hunger, and we couldn’t do it without our more than 300 partner agencies.



Albany, Ga. Partner Agency Meeting at Sherwood Church

As soon as our partner agency meetings wrapped up, we dove straight into our Thanksgiving Big Gobble outreach event. With the help of community volunteers, we successfully prepared and delivered more than 2,500 traditional Thanksgiving meals to homebound individuals, veterans, and to the homeless.

We are so proud of this outreach event because it brings the whole community together for a common purpose. From dedicated volunteers who begin meal preparations in late October to the kind-hearted helpers who arrive early on Thanksgiving morning to deliver the meals, it has become a signature event for Feeding the Valley.



ANNUAL SUMMARY REPORT | 2023-2024

“New Community Church in LaGrange can feed bodies, nourish souls, and foster a sense of community and compassion that extends far beyond the church doors. None of this could happen without Feeding the Valley.”

– Tyrone and Janis Billingsley
who serve at the church food pantry

SNAP Outreach

In 2023, we took a giant leap forward in fighting hunger with the launch of our SNAP Outreach Program—made possible through a special grant.

SNAP, the Supplemental Nutrition Assistance Program (formerly known as Food Stamps), is a lifeline for individuals and families struggling to put food on the table. This federally funded nutrition program helps approved recipients buy nutritious food, stretching their grocery budgets further. With SNAP benefits, families can purchase food at grocery stores, convenience stores, and even some farmer’s markets!

We know that learning about and applying for programs like SNAP can feel overwhelming. That’s where our SNAP Outreach Program comes in!

We’re making it **easier than ever** to access these benefits! Our team is here to explain options, answer questions, and guide applicants through the process from start to finish. And the results speak for themselves:

- **261 applications processed**
- **151,380 meals provided**
- **Support reaching individuals, children, seniors, and rural communities**

We’re not just helping people apply—we’re taking a holistic approach, engaging in tough conversations, listening for key details, connecting individuals with the right resources, making a lasting impact, and ensuring no one in our community goes hungry.

ANNUAL SUMMARY REPORT | 2023-2024

Food as Medicine

In Albany, LaGrange, and Columbus, we're embarking on a journey that marries nutrition and health through our Food as Medicine Programs, in partnership with local healthcare providers. This initiative is more than just about addressing hunger—it's about recognizing food insecurity as a significant health crisis.

When people lack access to nutritious food, the effects ripple beyond empty stomachs. Poor nutrition can lead to serious health conditions like diabetes, a disease that becomes increasingly prevalent as food insecurity worsens. Consider this: in households experiencing mild food insecurity, the rate of diabetes stands at 10%. That number jumps to 16.1% in households facing severe food insecurity. These figures underscore the urgent need for action, and we are stepping up to meet that need.

In Columbus, we provide wholesome meals for patients who need them most. With generous support from the Amerigroup Foundation, we're ensuring that those battling diet-related illnesses have access to the nutrition they need to manage their health effectively.

For many of these patients, particularly those managing diabetes, this program has been a game changer. But we're not stopping at providing meals. We believe in empowering individuals with the tools and knowledge to make lasting changes in their lives. Through our partnership with The Food Mill, we offer cooking classes, practical shopping tips for eating well on a budget, and a collection of delicious, healthy recipes. By equipping people with these resources, we're helping them make healthier choices for themselves and their families.

In Albany, the Catalyst Project is a collaboration with dedicated healthcare partners. Each week, patients receive thoughtfully curated "prescription boxes" filled with nourishing foods that cater to their specific dietary needs. Inside these boxes, they'll find healthful choices such as turkey, shrimp, fresh greens, sweet potatoes, and crisp apples.

Before joining the Catalyst Project, processed foods were often the staple of their diets. Now, they can enjoy lean, wholesome foods that support their well-being.



"Before, I did not take care of my diabetes, now I can eat lean, healthy food, which helps so much. My mood has improved! When I was not eating the right foods and taking care of myself, I felt mentally distressed. When I eat right, I feel better!"

– Henry

ANNUAL SUMMARY REPORT | 2023-2024



Thanks to our generous friends at Publix Charities, we added a Farmer's Truck to our fleet, and it was a special day when it set off on its very first mission this spring, fully loaded with fresh, healthy fruits and vegetables. Our focus was on reaching senior living communities and remote areas in our southern counties, places where it can be hard to find nutritious food options. As soon as we parked, it didn't take long for our shelves to empty, and soon, bags were full, and so were the smiles on people's faces!

Together, with our partners, we're making strides in tackling food insecurity and promoting better health outcomes. It's a collective effort—a community coming together to nurture and support one another. One meal at a time, we're building a healthier, stronger future for everyone.

ANNUAL SUMMARY REPORT | 2023-2024



Thank you!

Change is the heartbeat of transformation. As we move forward, we're reminded of the 40 year journey we've undertaken together and the possibilities that lie ahead. While there is still much work to be done, we are invigorated by a shared vision—a future where every individual in our community has access to nutritious food and the opportunity to thrive.

This vision is not just ours; it belongs to all of us and is powered by the trust, generosity, and commitment of our donors, partners, volunteers, and the dedicated Feeding the Valley team. Your belief in our mission fuels our determination and inspires us every day. We are honored to have your trust and partnership as we continue this important work.

Let's keep moving forward and build stronger and healthier communities.



6744 Flat Rock Road, Midland, GA 31820 | P.O. Box 8904, Columbus, GA 31908 | 706-561-4755

feedingthevalley.org



**Member of Feeding America
2023– 2024 Summary Annual Report**

Our Programs

Family Food Distribution through our Partner Agencies

The core program of our operation is partnering with more than 350 member agencies that extend outreach throughout our 18-county service area. These partner agencies include soup kitchens, food pantries, senior and youth centers, shelters, churches, and non-profit organizations that provide food assistance. In 2023-2024, we distributed more than 15 million pounds of food through this delivery channel.

Mobile Pantry Program

This program is rapidly becoming the primary method for distributing half of our food throughout our rural areas and provides direct distribution to families in need in locations where there is limited access to emergency food pantries. Food boxes, hand-packed by volunteers include staple food items along with fresh produce, frozen meat, dairy, and bakery products. More than **5.2 million pounds** of food is distributed through this program at 48 sites in our service area.

Kids Café Program

This program provides after-school meals in a safe environment. Nutritious meals are prepared in a commercial kitchen at the central warehouse and delivered to 11 locations throughout Columbus, Ga. and Phenix City, Ala. Working with the Housing Authority and local non-profit after-school programs, more than **479,000** meals, summer meals, and snacks were provided in the year.

Weekend Buddy Pack Program

This program serves children who will likely experience hunger during the weekend when free breakfasts and lunches are not available. Children are identified by the school and their privacy is protected. Partner agencies, who pack the backpacks with nutritious, kid-friendly food for distribution by the school, can sponsor a Buddy Pack for approximately \$4.00 per student per week. In the last school year, more than **41,000** Buddy Packs were delivered to schools for students to take home for the weekend.

Senior Meals Program

38,757 senior meals were prepared for homebound seniors.

Food As Medicine

In Summer 2024, we expanded our impact by launching the Food as Medicine Program in collaboration with healthcare partners in Columbus and LaGrange. This initiative ensures patients with diet-related illnesses receive 10 nutritious, medically tailored meals weekly for 90 days, alongside cooking classes and SNAP benefits assistance, addressing critical food access challenges in our community.



FOOD (Pounds) Distribution by County

July 2023 – June 2024

County	Pounds Distributed
Calhoun	320,368
Chattahoochee	215,282
Clay	226,372
Dougherty	2,574,350
Harris	542,823
Lee	465,212
Marion	351,326
Meriwether	339,867
Muscogee	5,667,828
Quitman	217,369
Randolph	472,121
Russell	1,201,303
Schley	233,729
Stewart	216,562
Talbot	800,168
Terrell	535,615
Troup	717,015
Webster	367,186
CAF	
Others	17,209
Total Distribution	15,481,705



Member of Feeding America

2023 -2024 Summary Annual Report

Feeding the Valley Board of Directors

David Payne, Board Chair
Tom Waynick, Vice Board Chair
Greg Auten, Treasurer
Angela Drakeford, Secretary

Jim Evans
Donovan Granville
Marvin B. Laster
Bob May
Lisa Roberts
Andy Sullivan
Teddie Ussery
Ashley Valentini
Bala Yadlapalli
Donna Yeiser

Feeding the Valley Staff

Frank Sheppard, President & CEO
Steve Watson, Director of Operations
Margalena Remington, Food Sourcing Manager
Jennifer Shawa, Director of Development
Jay Cannon, Albany Site Manager
Carleen Frokjer, Marketing and Community Relations Manager
Amanda Jones, Volunteer Coordinator
Michelle Henry, Agency Relations Manager
Jimmy Pruitt, LaGrange Site Manager
Hannah Skipworth, SNAP Benefits Coordinator
Shelby Williams, Development Operations & Business Manager
Tammy Wilson, Columbus Headquarters Coordinator
Keya Youngstrom, Donor Relations Manager

Feeding the Valley, Inc.
Columbus, Georgia
Financial Statements and Supplemental Information
June 30, 2024

Table of Contents

Independent Auditor's Report	Page	1-3
Financial Statements		
Statement of Financial Position		4
Statement of Activities		5
Statement of Cash Flows		6
Notes to Financial Statements		7-15
Supplemental Information		
Schedule of Program and Supporting Services Expenses		16
Schedule of State Contractual Assistance		17



Gus McMurray
Certified Public Accountant

Mary Frances Pickett
Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Feeding the Valley, Inc.

Opinion

We have audited the accompanying financial statements of Feeding the Valley, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and cash flows for the year 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 Feeding the Valley, Inc. as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 Feeding the Valley, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 Feeding the Valley, Inc.'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 auditor's 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 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.

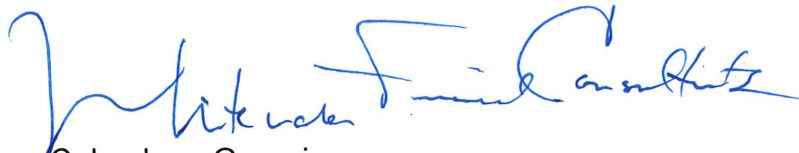
In performing an audit in accordance with generally accepted auditing standards, we:

- 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 Feeding the Valley, Inc.'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 Feeding the Valley, Inc.'s ability to continue as a going concern for a reasonable period of time.

Report on Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules on pages 14-15 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates

directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Columbus, Georgia

January 16, 2025

Feeding the Valley, Inc.
Statement of Financial Position
Year End June 30, 2024

Assets

Current Assets	
Cash and cash equivalents	\$ 4,239,614
Accounts receivable	526,672
Unconditional promises to give (net of allowance for uncollectible promises)	25,000
Inventory-donated	1,335,700
Inventory-purchased	586,405
Inventory-USDA	1,986,205
Total current assets	<u>8,699,596</u>
Other Assets	
Operating lease right-of-use asset, net	<u>264,456</u>
Fixed Assets (net of accumulated depreciation)	<u>12,644,470</u>
Total assets	<u><u>\$ 21,608,522</u></u>

Liabilities and Net Assets

Liabilities

Current Liabilities	
Accounts payable	\$ 184,173
Accrued taxes other than income	85,359
Current portion of operating lease liability	76,717
Due to member agencies	3,233,202
Total current liabilities	<u>3,579,451</u>
Operating lease liability, less current portion	<u>\$ 187,739</u>
Total liabilities	<u>3,767,190</u>

Net Assets

With donor restrictions	407,000
Without donor restrictions	17,434,332
Total net assets	<u>17,841,332</u>
Total liabilities and net assets	<u><u>\$ 21,608,522</u></u>

See accompanying notes.

Feeding the Valley, Inc.
Statement of Activities
Year Ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support, Revenue, and Reclassifications			
Public Support			
United Way		\$ 409,000	\$ 409,000
State Nutrition Assistance Program		580,421	580,421
Federal grants		396,716	396,716
Grants		1,159,335	1,159,335
Contributions	\$ 731,157	2,286,310	3,017,467
Donated goods	14,160,594		14,160,594
Special events		63,717	63,717
Other income	205,480		205,480
Total public support	<u>15,097,231</u>	<u>4,895,499</u>	<u>19,992,730</u>
Revenue			
Shared maintenance (membership fees)	695,928		695,928
Total revenue	<u>695,928</u>		<u>695,928</u>
Net assets released from:			
Purpose restrictions	4,432,129	(4,432,129)	
Time restrictions	409,000	(409,000)	
Total reclassifications	<u>4,841,129</u>	<u>(4,841,129)</u>	
Total support, revenue, and reclassifications	<u>20,634,288</u>	<u>54,370</u>	<u>20,688,658</u>
Expenses			
Program services	18,949,750		18,949,750
Supporting services			
General and administrative	249,784		249,784
Fundraising	160,550	56,370	216,920
Total expenses	<u>19,360,084</u>	<u>56,370</u>	<u>19,416,454</u>
Increase (decrease) in net assets	1,274,204	(2,000)	1,272,204
Net Assets, June 30, 2023	<u>16,160,128</u>	<u>409,000</u>	<u>16,569,128</u>
Net assets, June 30, 2024	<u>\$ 17,434,332</u>	<u>\$ 407,000</u>	<u>\$ 17,841,332</u>

See accompanying notes.
Page 5

Feeding the Valley, Inc.
Statement of Cash Flows
Year Ended June 30, 2024

Cash flows from operating activities:	
Increase (decrease) in net assets	<u>\$ 1,272,204</u>
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:	
Depreciation and amortization	856,905
(Gain) loss on sale of fixed assets	356
(Increase) decrease in accounts receivable	205,286
(Increase) decrease in unconditional promises to give (net of allowance for uncollectible promises)	50,000
(Increase) decrease in inventory	(1,650,952)
(Increase) decrease in other assets	(264,456)
Increase (decrease) in accounts payable	113,497
Increase (decrease) in accrued taxes other than income	44,807
Increase (decrease) in dues to member agencies	<u>1,102,373</u>
Total adjustments	<u>457,816</u>
Net cash provided (used) by operating activities	<u>1,730,020</u>
Cash flow from investing activities:	
Proceeds from sale of fixed assets	28,500
Acquisition of fixed assets	<u>(2,972,212)</u>
Net cash provided (used) by investing activities	<u>(2,943,712)</u>
Cash flows from financing activities:	
Lease obligations	264,456
Net cash provided (used) by financing activities	<u>264,456</u>
Net increase (decrease) in cash and cash equivalents	(949,236)
Cash and cash equivalents, beginning of year	<u>5,188,850</u>
Cash and cash equivalents, end of year	<u><u>\$ 4,239,614</u></u>

Feeding the Valley
Notes to Financial Statements
Year Ended June 30, 2024

Note A: Nature of Activities

Feeding the Valley, Inc. (the "Food Bank") is a not-for-profit, tax-exempt organization established to provide food assistance to other not-for-profit agencies serving food insecure individuals and families in the Chattahoochee Valley. The Food Bank solicits surplus food as well as purchases food under the Georgia Nutrition Assistance Program (GNAP) and serves as an agent by distributing the food to its member agencies. The member agencies contribute a membership fee (shared maintenance) to support the operations of the Food Bank. The Food Bank extends credit to these agencies which are primarily located in the Chattahoochee Valley area.

Note B: Summary of Significant Accounting Policies

Basis of Accounting and use of estimates - the financial statements of the Food Bank have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

Basis of Presentation - financial statement presentation follows the recommendations of the Financial Accounting Standards Board's (FASB) Standards Codification (ASC) 958, Not-for-Profit Entities. Under ASC 958, the Food Bank is required to report information regarding its financial position and activities according to two classes of net assets: unrestricted net assets and restricted net assets. As permitted by the statement, the Food Bank does not use fund accounting.

Without Donor Restrictions - Unrestricted net assets are the net assets that are neither permanently restricted nor temporarily restricted by donor-imposed stipulations.

With Donor Restrictions - Restricted net assets result from contributions whose use is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Food Bank pursuant to those stipulations. Net assets may be temporarily restricted for various purposes, such as use in future periods or use for specified 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 certain reported amounts of assets, liabilities and disclosures. Accordingly, actual results could differ from those estimates.

Feeding the Valley
Notes to Financial Statements
Year Ended June 30, 2024

Note B: Summary of Significant Accounting Policies (Continued)

Donated inventory - the Food Bank reports the fair value of donated food over which it has control (i.e., variance power) as public support, without donor restrictions, and immediately thereafter, as expense when donated to the network. Other donated goods and services meeting recognition criteria under U.S. GAAP are also recorded as public support and as expense, based on estimated fair values. The Food Bank did not monetize any contributed nonfinancial assets and unless otherwise noted, contributed nonfinancial assets did not have donor restrictions.

Purchased inventory - at June 30, 2024, purchased inventory consists of food acquired through the Georgia Nutrition Assistance Program and is valued at its original purchase price.

Property and Equipment - the Food Bank capitalizes property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Food Bank reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Food Bank reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the assets, which is generally five to forty years.

Contributions - contributions received are recorded as with or without donor restrictions depending on the existence or nature of any donor restraints.

Contributed Services - no amounts have been reflected in the financial statements for donated services. The Food Bank generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that contribute significantly to the Food Bank. The services provided do not meet the criteria for recognition and, therefore, are not reflected in these financial statements.

Income Taxes - the Food Bank is a not-for-profit organization that is exempt from federal and state income taxes under Code Section 501 (c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. Accordingly, the Food Bank does not record a provision for income taxes on its related earnings. The Food Bank's open tax periods are the years ended on or after June 30, 2021.

Feeding the Valley
Notes to Financial Statements
Year Ended June 30, 2024

Cash and Cash Equivalents - the Food Bank considers all highly liquid investments available for current use with an initial maturity of three months or less to be considered cash equivalents. Cash is composed of available cash balances. The Food Bank maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Food Bank has not experienced any losses in such accounts and management believes that the Food Bank is not exposed to any significant credit risk on cash.

Accounts Receivable – Accounts receivable consist primarily of shared maintenance fees charged to member agencies, United Way and the Georgia Nutrition Assistance Program. Bad debts are accounted for based on experience and current evaluation of accounts and are written off when the Food Bank determines the payments will not be received.

Fundraising Expenses – Fundraising expenses are expensed as incurred. Revenue from fundraising events is recognized in the period in which the event takes place.

Allocation of Expenses – The costs of providing the Food Bank’s program services and supporting services have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated based on management’s estimate of time spent by the individuals in each functional category as well as each department’s allocation of expenses.

Promises to Give - Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Adopted accounting pronouncement - The FASB issued ASU 2016-02, Leases (Topic 842). The guidance in this ASU supersedes the leasing guidance in FASB ASC Topic 840, Leases, which is intended to increase transparency and comparability among organizations related to their leasing arrangements. The new lease standard, including all the related amendments subsequent to its issuance; supersedes the current guidance for lease accounting and requires lessees to recognize a ROU asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term for substantially all leases, as well as disclose key quantitative and qualitative information about leasing arrangements.

The Food Bank adopted Topic 842 effective on July 1, 2022, using the optional transition method to the modified retrospective approach, which eliminates the requirement to restate the prior period financial statements.

Feeding the Valley
Notes to Financial Statements
Year Ended June 30, 2024

Under this transition provision, the Food Bank has applied Topic 842 to reporting periods beginning on July 1, 2022.

In addition to policy election choices, Topic 842 includes practical expedient choices. The Food Bank elected the package of practical expedients available in the standard and as a result, did not reassess the lease classification of existing leases, whether a preexisting contract is deemed to be or to include a lease or the initial direct costs associated with existing leases. The Food Bank had no leases prior to the implementation of the new leasing standard.

The Food Bank determines if an arrangement is a lease at inception of the contract. Under Topic 842, a lease is a contract, or part of a contract, that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Food Bank's contracts determined to be or contain a lease include explicitly or implicitly identified assets where the Food Bank has the right to obtain substantially all of the economic benefits of the assets and has the ability to direct how and for what purpose the assets are used during the lease term.

Leases are classified as either operating or finance. The Food Bank currently has only one operating lease.

For operating leases, the Food Bank recognizes a lease liability equal to the present value of the remaining lease payments, and a right-of-use (ROU) asset equal to the lease liability, subject to certain adjustments, such as for prepaid rents and other lease incentives. The lease term may include options to extend or terminate the lease when it is reasonably certain that the Food Bank will exercise such option. The Food Bank's lease has one such (single-year) extension period, and the Food Bank is expecting to take advantage of that lease extension period, and the balance sheet reflects this fact.

When the rate implicit in the lease is not readily determinable, the Food Bank has made a policy election to use a risk-free rate, based on the United States Treasury rates, to determine the present value of the lease payments for all classes of assets. For this audit period, the Food Bank is using 4%.

The Food Bank defines a short-term lease as any lease arrangement with an original lease term of twelve months or less that does not include an option to purchase the underlying asset. The Food Bank has made a policy election to not recognize ROU assets and lease liabilities for short-term leases. As a result, short-term lease payments are recognized as expense on a straight-line basis over the lease term, and variable lease payments are recognized in the period in which the obligation is incurred.

For lease arrangements with lease and non-lease components, the Food Bank has made a policy election to account for lease and non-lease components, separately, for all classes of assets. Currently no such agreements exist.

Feeding the Valley
Notes to Financial Statements
Year Ended June 30, 2024

Note C: Receivables

Receivables are due from the following:

United Way	\$ 407,000
Georgia Department of Human Resources, Division of Family & Children Services	65,491
Georgia Nutrition Assistance Program	36,112
Other accounts receivable	<u>18,069</u>
 Total receivables	 <u>\$ 526,673</u>

Note D: Promises to Give

Unconditional Promises to Give total \$25,000. Since the full amount is expected to be received in the subsequent year, there is no unamortized discount or allowance for uncollectible promises recorded on the financial statements.

No conditional promises to give exist at June 30, 2024. The Food Bank had a conditional promise to give of \$350,000 at June 30, 2023, representing a completion challenge grant from an anonymous community foundation. The Food Bank met a private monetary philanthropic goal by the required date and the grant was paid in full in November 2023.

Note E: Fixed Assets

Property and equipment at June 30, 2024 consisted of the following:

Land	\$ 881,736
Automobiles	1,600,899
Buildings	7,709,571
Computers	65,756
Improvements	513,258
Furniture and fixtures	355,099
Equipment	<u>4,723,451</u>
	15,849,770
Less: accumulated depreciation	<u>(3,205,300)</u>
 Total	 <u>\$12,644,470</u>

Note F: Due to Member Agencies

Due to member agencies represents the value of donated inventory at year-end that the Food Bank is holding in an agent capacity for the benefit of its member agencies. At June 30, 2024, the Food Bank had approximately 695,677 pounds of donated inventory.

Feeding the Valley
Notes to Financial Statements
Year Ended June 30, 2024

Note G: Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the United Way allocation in the amount of \$407,000. The United Way allocation is a time restriction because it is to be used for expenses for the year ended June 30, 2024. Capital Campaign contributions are restricted for the acquisition and renovation of facilities.

The Capital Campaign expansion project in Columbus has been substantially completed as of April 2, 2024 and the related depreciation is disclosed herein.

Note H: Credit Risk

At June 30, 2024 the Food Bank had an uninsured bank balance of \$3,746,831.

Note I: Georgia Nutrition Assistance Program (GNAP)

During the year ended June 30, 2024, the Food Bank received funds totaling \$580,421 for the purchase of food inventories under the Georgia Nutrition Assistance Program (“GNAP”). GNAP is funded with federal monies from the Temporary Assistance for Needy Families program which is designed to serve low income families with children. These funds passed through the Georgia Department of Human Resources and the Atlanta Community Food Bank to Feeding the Valley, Inc. During the year ended June 30, 2023, the the GNAP food allocations were altered materially due to a reinterpretation of the federal rules regarding reimbursements. This resulted in the reduction of receipts from the state.

Note J: Retirement Plan

The Food Bank maintains a tax sheltered annuity program for its full time or benefits eligible employees. Each employee must elect to be in the program. Plan expense for the year ended June 30, 2024 was \$41,021.

Note K: Fair Value Disclosures

The Food Bank’s investments and donated commodities are reported at fair value in the accompanying statement of financial position. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Food Bank believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Food Bank’s assets at fair value as of June 30, 2024:

Feeding the Valley
Notes to Financial Statements
Year Ended June 30, 2024

Assets at Fair Value as of June 30, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Unconditional Promises to Give	\$25,000	\$ - 0 -	\$ - 0 -	\$25,000
Donated Inventory	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>1,335,700</u>	<u>1,335,700</u>
Total Assets at fair value	<u>\$ 25,000</u>	<u>\$ - 0 -</u>	<u>\$1,335,700</u>	<u>\$1,360,700</u>

ASC Topic 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Food Bank uses appropriate valuation techniques based on the available inputs to measure the fair value of investments. The Food Bank measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

No level 2 inputs were available to the Food Bank, and Level 3 inputs were only used when Level 1 and Level 2 inputs were not available.

When estimating the fair value of unconditional promises to give, management considers the relationship with the donor, the donor's past history of making timely payments, and the donor's overall creditworthiness, as well as, general economic conditions in the area, and incorporates those items into a fair value measurement computed using present value techniques. The interest element resulting from amortization of the discount for the time value of money, computed using the effective interest rate method, is reported as contribution revenue.

Donated inventory value was determined based upon the pounds received as of calendar year end 2022 and 2021 and studies performed by Feeding America. Each of the annual studies involves a review of 31 product categories and wholesale prices using a national wholesaler's pricing catalogs. Other independent sources may also be used as necessary for items not included in the catalogs. The average value of one pound of donated product will vary from year-to-year based on the mix of product items donated and the current value of the product. As part of the study, Feeding America analyzes and reviews the results to determine the accuracy and understand the key components of the valuation and the year-over-year changes.

The policy of the Food Bank is to recognize transfers into and out of Level 3 as of the date of the event or change in circumstances that caused the transfer.

Feeding the Valley
Notes to Financial Statements
Year Ended June 30, 2024

Note L: Donated Inventory

Donated inventory for the fiscal year ended June 30, 2024 is summarized below:

	<u>Amount</u>
Balance, beginning of year, adjusted	\$1,498,110
Total receipts	14,160,594
Total distributions	<u>(14,323,004)</u>
Balance, end of year	<u>\$1,335,700</u>

Donated inventory consists of food which includes the following main categories: proteins, produce, dairy, bread and beverages as well as a minimal amount of essential household and personal products.

During the fiscal year ended June 30, 2024, the Food Bank donated 7,335,541 pounds of food product to its network members. The food product was donated to the Food Bank by local and national donors. The donated food is recorded in the financial statements as public support and as expense at the estimated average fair value of one pound of donated food product at the national level of \$1.92.

Note M: Leases

The Food Bank has a single contract to lease real estate for warehouse space in LaGrange, Georgia with an initial lease term expiring during 2027. The lease includes a single-year renewal option. Under FASB ASC Topic 842, the lease term at the lease commencement date is determined based on the non-cancellable period for which the Food Bank has the right to use the underlying asset, together with any periods covered by an option to extend the lease if the Food Bank is reasonably certain to exercise that option, periods covered by an option to terminate the lease if the Food Bank is reasonably certain not to exercise that option, and periods covered by an option to extend (or not to terminate) the lease in which the exercise of the option is controlled by the lessor. The Food Bank anticipates availing itself of the extension period in this lease.

FASB ASC Topic 842 includes a number of reassessment and re-measurement requirements for lessees based on certain triggering events or conditions, including whether a contract is or contains a lease, assessment of lease term and purchase options, measurement of lease payments, assessment of lease classification and assessment of the applicable discount rate. The Food Bank reviewed the reassessment and re-measurement requirements and did not identify any events or conditions during fiscal year 2024, that required a reassessment or re-measurement. In addition, there were no impairment indicators identified during fiscal year 2024 that required an impairment test for the Food Bank's ROU assets or other long-lived assets in accordance with ASC 360-10.

Feeding the Valley
Notes to Financial Statements
Year Ended June 30, 2024

This real estate lease is a basic, 3-year lease with one extension year and does not contain an annual escalation clause, period of rent abatement, or tenant construction allowances. Payments made to, or on behalf of, the lessee represent tenant incentives or allowances that should be considered reductions of rental expense and amortized over the initial term of the lease within the new operating lease, right-of-use asset.

The components of lease expense and supplemental cash flow information related to leases for fiscal year 2024, are as follows:

Operating lease costs	\$67,717
Variable lease costs	\$ None

Other lease-related information as of and for the year ended June 30, 2024, is as follows:

Cash paid for amounts included in the measurement of operating lease liabilities:

Operating cash flows from operating lease	\$39,000
Remaining lease term on operating lease	3.5 years
Discount rate for operating lease	4.00%

As of June 30, 2024, maturities of the Food Bank's lease liabilities are the discounted amount of cash flows for the single lease at \$78,000 per year as follows:

2024	38,549
2025	76,336
2026	73,348
2027	70,476
2028	<u>5,747</u>
Total Lease Obligations/Payments	<u><u>\$264,456</u></u>

Note N: Evaluation of Subsequent Events

The Food Bank has evaluated subsequent events through January 16, 2025, the date which the financial statements were available to be issued. As is often the case, there have been a number of pledges both promised and received subsequent to the fiscal year end. None of them individually would represent a material impact to the financial statements.

Feeding the Valley, Inc.
Schedule of Program and Supporting Services Expenses
Year Ended June 30, 2024

Program Services expense	
Advertising	\$ 62,594
Conference and meetings	30,463
Depreciation and amortization expense	856,905
Donated goods distributed	14,183,174
Dues and memberships	6,887
Employee benefits	287,719
Insurance	126,748
Miscellaneous	39,718
Outreach expense	2,160
Payroll taxes	123,937
Postage and shipping	6,737
Professional fees	20,690
Printing and publications	15,692
Purchased food distributed	621,333
Rental equipment and maintenance	319,550
Rental warehouses	67,717
Salaries	1,365,213
Supplies	372,360
Telecommunications	26,087
Temporary staffing	16,355
Travel	152,169
Utilities	245,542
Total Program Services Expense	<u>\$ 18,949,750</u>
Supporting Services Expense	
Salaries	\$ 229,002
Payroll taxes	20,782
Total Supporting Services Expense	<u>\$ 249,784</u>
Fundraising Expense	<u>\$ 216,920</u>
Total Expenses	<u>\$ 19,416,454</u>

Feeding the Valley, Inc.
 Schedule of State Contractual Assistance
Year Ended June 30, 2024

	<u>Contract Number</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Due (To) From State</u>
Passed through the Georgia Department of Human Resources, Division of Family and Children Services				
TEFAP, Food Storage and Distribution	42700-040-0000032484	\$396,716	\$396,716	\$0