

BREAKING THE CYCLE OF POVERTY





A LETTER FROM THE CEO

What an impactful year it's been!

As I reflect on the Food Bank's accomplishments this past year, I am struck by what an honor it is to lead a local nonprofit that serves such a vital role feeding individuals and families in need throughout San Diego County. I am humbled by the contributions that our donors, volunteers, and dedicated staff make throughout the year to ensure that we are able to feed more than 370,000 people every month.

We have many accomplishments this year that I am excited to share with you in this year's annual report, including: the impact of our innovative hunger-relief programs, our many successful fundraising events and campaigns, continued renovations and improvements to our warehouse facility, and our successful acquisition of the North County Food Bank.

Nutrition continues to be our primary focus. It is the common thread that is woven through all of our programs - especially those that serve families. This is because providing healthy, fresh nutritious food to families in need helps prevent nutrition-related disease and ultimately helps break the cycle of poverty. Low-income children struggle to concentrate in school when their stomachs are grumbling from hunger. By providing protein and fresh produce to working-poor families, we ensure that these children have the food they need to focus in the classroom and get the education they need to succeed in life. That is why we distributed more than 7 million pounds of fresh produce to families in need in San Diego County last year.

With nutrition at the heart of our mission, we are tailoring new, cutting-edge programs that not only provide food assistance, but also educate our service population how to eat more healthily. This year, our full-time, registered dietician has created new educational programs that target seniors and low-income parents. For example, part of her syllabus teaches clients how to shop for healthy food on a budget and how to prepare nutritious meals at home using the fresh produce they receive from the Food Bank.

This year we acquired the North County Food Bank, and the acquisition has more than doubled our footprint in North County—adding an additional 77 nonprofit partner agencies, and bringing the total number of nonprofits we serve countywide to more than 400! Through this expanded network, we are now feeding an additional 30,000 to 50,000 people per month in North County.

We also completed several construction and renovation projects in our warehouse facility. We installed a new state-of-the-art warehouse racking system which enables us to store more food and access food more easily. And we opened our new 3,600 sq. ft. Recycling & Composting Center at a ceremony with actor and environmentalist Ed Begley Jr. The Recycling & Composting Center will dramatically reduce our waste and save the Food Bank \$25,000 annually in land disposal fees!

As you can see, we have been busy! And these are just a selection of highlights from our year. What a successful year it has been. We are making great strides every year - from innovative programs and operational efficiency to creating a state-of-the-art facility and generating greater awareness about the problem of hunger in our community.

It takes a community to feed a community, and you, our supporters, make our important work possible. On behalf of the Food Bank's Board of Directors, staff, and family of volunteers, we thank you wholeheartedly for all that you do to support our mission.

Sincerely,



James A. Floros
President & CEO



BREAKING THE CYCLE OF POVERTY THROUGH NUTRITION



THE PROBLEM

What is the “Cycle of Poverty”?

The “Cycle of Poverty” is a phenomenon where poor families become impoverished for at least three generations. They do not have the financial capital or education to get out of poverty. Each successive generation is effectively trapped in poverty, growing up without the education or resources to move out of poverty.

Children Living in Poverty Face a Daily Battle with Hunger

Children living in poverty often have little or no food at home because their parents cannot afford to put food on the table. In the long term, poor nutrition adversely affects a child’s cognitive, physical, and emotional development.

The Link Between Nutrition & Education

Children living in poverty struggle to concentrate in school because they are hungry. Without a proper education, these children will perpetuate the cycle of poverty. They are less likely to graduate from high school and are likely to end up in low-wage jobs like their parents, struggling to provide for their children and thus continuing the cycle of poverty for the next generation.



THE SOLUTION

Nutrition is the Foundation

Helping break the cycle of poverty is at the heart of our mission. By providing healthy, fresh food to working-poor parents, we ensure that their children have the food they need to concentrate in school, get an education, and succeed in life—ultimately breaking the cycle of poverty.

Providing Protein and Fresh Produce to Families Living in Poverty

Of the 22 million pounds of food the Food Bank distributed last year, more than 7 million pounds was fresh produce. By providing nutritious food to our client population, the Food Bank is helping to prevent nutrition-related disease among the families and the children we serve.

Fighting Child Hunger Through the Food 4 Kids Backpack Program

While we provide food to families in need, the Food Bank also provides food directly to children living in poverty through our Food 4 Kids Backpack Program. Every Friday, we provide children on the program with a backpack of food so they do not face hunger over the weekend. It is through our many programs focused on families and children that we are fighting hunger and feeding hope.



CREATING A STATE-OF-THE-ART FOOD BANK

For several years, the Food Bank has undertaken renovation and construction projects to make our facility one of the most state-of-the-art food banks in the country.

With the help of our generous donors, this year we completed the installation of a 3,600 square foot Recycling & Composting Center. We also installed new racking throughout the warehouse. And we completed the first phase of our new Volunteer Center.

Composting & Recycling Center

The Food Bank's 3,600 sq. ft. Recycling & Composting Center houses two larger-than-life recycling and composting machines that have a combined weight of 15 tons and a height topping 18 feet.

The first machine, called a "turbo separator," can take in unopened, but damaged and inedible cans, boxes and jars of food which, using cutting-edge technology, separates the food from its packaging while inside the machine - sending the food waste to a composting machine and discharging the paper, plastic and aluminum for recycling.

After separation from its packaging, the food waste is sent to a 10-ton composting machine that turns the food waste into high-quality, nutrient-dense compost which the Food Bank gives to area nonprofits operating community gardens for low-income families.

The Food Bank previously discarded 600,000 pounds of inedible food and its packaging annually, and paid \$25,000 in land disposal fees. The Recycling & Composting Center moves the Food Bank towards becoming a zero-waste facility, and the money saved in land disposal fees will provide an additional 125,000 meals to San Diegans in need every year.



Volunteer Center - Phase 1

This year, the Food Bank completed the first phase of our new Volunteer Center. The 9,000 square foot space on the east end of the Food Bank's warehouse provides a safe, contained space for the more than 25,000 volunteer visits the Food Bank receives every year.

Phase 2 will include a volunteer reception area at the front of the Food Bank's warehouse and a Volunteer Orientation Room for training and orientation sessions.



New Warehouse Racking

The Food Bank replaced our dated warehouse racking throughout the facility with new cutting-edge racking. The new racking is much more space efficient, enables us to store more food, and to access food more easily than the old racking. The new racking will enable the Food Bank to move to an automated bar coding system that will greatly increase operational efficiency.

ACQUIRING THE NORTH COUNTY FOOD BANK

This year, the Jacobs & Cushman San Diego Food Bank acquired the North County Food Bank. While most people associate North County with affluence, the reality is very different. It is a vastly underserved region, and the level of need in North County is much greater than most people can imagine.

In fact, 1.2 million people live in North County, which accounts for a third of the county's population. And the poverty rate in key communities is higher than the countywide average of 15%. For example, Escondido's poverty rate is the highest at 19.8%. Vista comes in second at 16.6%, and San Marcos comes in third at 15.9%. A surprising 24.9% of households earn less than \$35,000 per year, and 52% earn less than \$75,000 per year.

The acquisition has more than doubled the San Diego Food Bank's footprint in North County and added an additional 77 nonprofit partner agencies – bringing the total number of nonprofits we serve countywide to more than 400.

Through this expanded network, we are now feeding an additional 30,000 to 50,000 people per month in North County – bringing the total number of people served monthly in communities throughout San Diego County by our food bank family to 370,000.

With the establishment of a new North County Advisory Board coupled with a groundswell of support from North County community leaders, the foundation has been set for a much-needed expansion of services to underserved families living in poverty in North County.

North County Advisory Board

James A. Floros
President / CEO

Sara Barthel
Accounting Principals

David Bennett
Tri-City Medical Center

Mike Dahlquist
Minegar Contracting

Jerry Dressel
Dressel Advisory Group

Dale Ganzow
San Diego Business Journal

Ahmed Haque
NRG Energy, Inc. (Chair)

Juanita Hayes
SDG&E (Ret.)

Ed Johnson
Johnson & Wood Insurance/HUB Int'l

Gary Morrison
Carlsbad Police Department (Ret.)

Tom Moyes
Financial Executive

Claudia Obertreis
Stoffer Management Consultants

Dhruv Vakharia
ARS National



**NORTH COUNTY
FOOD BANK**

A CHAPTER OF THE JACOBS & CUSHMAN
SAN DIEGO FOOD BANK

JACOBS & CUSHMAN SAN DIEGO FOOD BANK

By the numbers

\$1 = 5 meals

The number of meals a \$1 donation can provide to San Diegans in need.

467,000

Number of people living in poverty in San Diego County.

370,000

People served in San Diego County by the Food Bank every month.

22 Million

Pounds of food distributed by the Food Bank in the fiscal year 2015-16.

1,509,796

Pounds of food raised through local food drives.

33%

Percentage of fresh produce distributed by the Food Bank.

7 Million

Pounds of fresh produce distributed in the fiscal year 2015-16.

24,415

The number of volunteer visits to the Food Bank's warehouse last year.

174

The number of food distribution sites we host every month in communities throughout San Diego County.

1,633

Number of elementary school children living in poverty who receive a weekend backpack full of food on our Food 4 Kids Backpack Program.

136,000

The number of children living in poverty in San Diego County.

35

Number of elementary schools on the Food 4 Kids Backpack Program.

57,476

The number of hours our volunteers worked helping to inspect, sort, and package food for individuals and families in need.

90,000

Total square footage of the Food Bank's warehouse in Miramar.

89,000

People served by our Emergency Food Assistance Program which provides food packages at 79 distribution sites throughout the county.

3,352,819

Pounds of food distributed to seniors through our Senior Food Program last year.

92%

Percentage of your donation that goes directly to feeding programs.

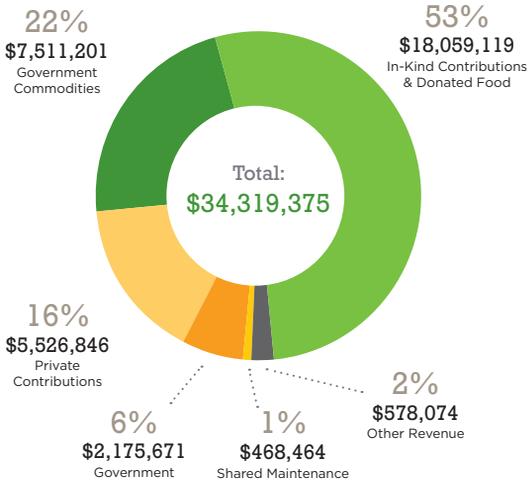
9,200

Number of fixed-income seniors who receive a monthly 30-pound box of food on our Senior Food Program at 47 sites throughout the county.

2,212

Number of households Food Bank staff and volunteers screened for CalFresh.

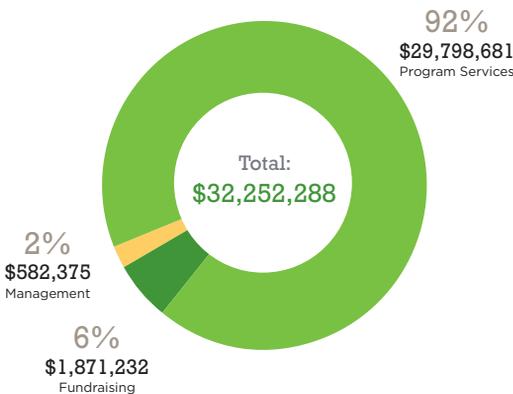
Revenue



2016

FINANCIAL HIGHLIGHTS

Expenses



Total Net Assets: \$21,467,514

Our full financial report and donor list is available online at:
SanDiegoFoodBank.org/AnnualReport

This report covers the fiscal year July 1, 2015 - June 30, 2016.

Board of Directors

Steve Bernstein / Chair
 Wells Fargo Bank

Bob Bolinger / Vice Chair
 Entercom San Diego

Daniel J. Devine / Treasurer
 Bridgepoint Education, Inc.

Harvey C. Berger / Secretary
 Pope, Berger & Williams, LLP

David Bejarano
 City of Chula Vista

Corrine Brindley
 Sea World Parks and Entertainment

Anne M. Carlson
 Coca-Cola Refreshments - West Region

Sergio del Prado
 San Diego Padres

Denise Durkin
 Jenny Craig, Inc.

Aimee Faucett
 San Diego Regional Chamber of Commerce

Jane Finley
 Kaiser Permanente

James A. Floros
 Jacobs & Cushman
 San Diego Food Bank

Ahmed Haque
 NRG Energy, Inc.

Carlos Illingworth
 Vons, A Safeway Company

Richard "Dick" Kelley
 NBC San Diego

Ed McGuire
 San Diego Chargers

Dr. Mihir "Max" Parikh
 NVISION Eye Centers

Jason Puga
 Land Rover San Diego

Steve Rowles
 Morrison & Foerster

Anthony Schwarz
 Qualcomm Technologies, Inc.

Clarence Shelton
 San Diego Chargers (Ret.)

Advisory Board

Stephen P. Cushman /
 Co-chair

Eugene "Mitch" Mitchell / Co-chair

Stephen M. Brigandi

Larry Cleary

Kathy Davis

Doug Dawson

Sheldon Derezin

Erica Fessia

Dale Ganzow

Bill Geppert

Scody Hage

Bruce Hollingsworth

Vince Kasperick

Kimberley Layton

Tim Ney

Honorable William C. Pate

Jennifer L. Perkins

Ed Plant

John Vingas

This year's annual report was generously sponsored by



@SDFoodBank



@SDFoodBank



@SDFoodBank



@Jacobs & Cushman
San Diego Food Bank



9850 Distribution Avenue, San Diego, CA 92121
858.527.1419 | SanDiegoFoodBank.org



CHARITY NAVIGATOR
Four Star Charity



Our full financial report and donor list is available online at: SanDiegoFoodBank.org/AnnualReport