

**FOOD BANK OF
CONTRA COSTA AND SOLANO
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2025**

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INTRODUCTORY SECTION

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FOOD BANK OF CONTRA COSTA AND SOLANO

**Financial Statements
For the Year Ended June 30, 2025**

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FOOD BANK OF CONTRA COSTA AND SOLANO

BOARD OF DIRECTORS

JUNE 30, 2025

OFFICERS

Mark Gundacker, Chair
Jill Steele, Vice Chair
Bill Burke, Secretary-Treasurer

BOARD MEMBERS

Andrea Garcia
Bill Burke
Bruce Hironaka
Dan Birkhaeuser
Faheemah Arcement
Gretchen Tai
Jenny Berten
Jill Steele
Keva Dean
Mark Gundacker
Meryl Marr
Nita Jularbal-Walton
Ryan Misasi
Sandra Wingard
Selma Razaghi
Tanya Powell
Todd Berryhill

MANAGEMENT

Caitlin Sly, President and CEO
Darwin Bosen, VP of Operations and Programs
Felix Huang, Director of Operations
Chelo Gonzalez, Director of Programs
Alec Wiley, Director of IT
Kim Castaneda, VP of Development and Communications
Krystine Dinh, Director of Marketing and Communications
Jennifer Costa, Director of People and Culture
Roth Johnson, Director of Finance

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Food Bank of Contra Costa and Solano
Concord, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Food Bank of Contra Costa and Solano (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses 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 Food Bank of Contra Costa and Solano as of June 30, 2025, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Food Bank of Contra Costa and Solano 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 these 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 the 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 the Organization's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt thereafter.

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 and *Government 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 and *Government 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 the Organization'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.

Report on Summarized Comparative Information

The Food Bank of Contra Costa and Solano's 2024 financial statements were audited by other auditors who expressed an unmodified audit opinion on those financial statements in their report dated January 21, 2025. In our opinion, the summarized comparative information as of and for the year ended June 30, 2024 is consistent, in all material respects, with the audited financial statements from which it is derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2025, on our consideration of the Food Bank of Contra Costa and Solano's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Food Bank of Contra Costa and Solano's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Food Bank of Contra Costa and Solano's internal control over financial reporting and compliance.

Maze & Associates

Pleasant Hill, California
December 23, 2025

FOOD BANK OF CONTRA COSTA AND SOLANO
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2025
WITH COMPARATIVE AMOUNTS AS OF JUNE 30, 2024

	2025	2024
ASSETS		
Current Assets:		
Cash and cash equivalents (Notes 2C and 3)	\$15,625,717	\$14,784,701
Receivables (Note 4):		
Grants and contributions receivable	-	562,500
Accounts receivable from affiliated agencies	2,089,226	212,749
Government grants receivable	1,196,835	1,810,590
Inventory (Note 6)	8,865,321	8,481,989
Prepaid expenses and other current assets	533,636	421,240
	<u>28,310,735</u>	<u>26,273,769</u>
Total Current Assets		
Non Current Assets:		
Investments (Note 3)	102,745	93,949
Property and equipment, net (Note 7)	9,464,204	11,160,379
Operating lease right-of-use asset (Note 10)	4,719,843	5,475,138
Finance lease right-of-use assets (Note 10)	48,047	106,248
	<u>14,334,839</u>	<u>16,835,714</u>
Total Non Current Assets		
	<u>\$42,645,574</u>	<u>\$43,109,483</u>
Total Assets		
LIABILITIES		
Current Liabilities:		
Accounts payable	\$865,854	\$666,345
Accrued expenses	937,902	937,455
Refundable advances	640,739	26,209
Current portion of operating lease liability (Note 10)	755,365	711,521
Current portion of finance lease liabilities (Note 10)	37,875	69,721
	<u>3,237,735</u>	<u>2,411,251</u>
Total Current Liabilities		
Non-current Liabilities:		
Operating lease liability, net of current portion (Note 10)	4,161,438	4,916,804
Finance lease liability, net of current portion (Note 10)	32,408	70,283
	<u>4,193,846</u>	<u>4,987,087</u>
Total Non-current Liabilities		
	<u>7,431,581</u>	<u>7,398,338</u>
Total Liabilities		
NET ASSETS (Note 2A)		
Without Donor Restrictions:		
Undesignated	11,477,507	14,466,734
Board designated - building maintenance and enhancement (Note 13A)	100,000	100,000
Board designated - disaster response (Note 13B)	1,000,000	1,000,000
Board designated - impact (Note 13C)	500,000	-
Inventory	8,865,321	7,891,833
Property and equipment	9,464,204	11,160,379
	<u>31,407,032</u>	<u>34,618,946</u>
Total Without Donor Restrictions		
With Donor Restrictions (Note 11)	3,806,961	1,092,199
	<u>35,213,993</u>	<u>35,711,145</u>
Total Net Assets		
	<u>\$42,645,574</u>	<u>\$43,109,483</u>
Total Liabilities and Net Assets		

See accompanying notes to financial statements

FOOD BANK OF CONTRA COSTA AND SOLANO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025
WITH SUMMARIZED AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	Without	With Donor	Totals	
	Donor Restrictions	Restrictions	2025	2024
SUPPORT AND REVENUES (Note 2B)				
Contributions in-kind (Note 5)	\$128,970,373	\$-	\$128,970,373	\$124,476,296
Grants and contributions	15,065,313	4,452,571	19,517,884	21,363,074
Government grants	4,775,307	-	4,775,307	8,278,657
Food sales to other agencies	2,759,307	-	2,759,307	2,001,868
Net investment income	667,238	-	667,238	753,882
Other income	202,039	-	202,039	206,914
Net assets released from restriction (Note 11)	1,737,809	(1,737,809)	-	-
Total Support and Revenue	154,177,386	2,714,762	156,892,148	157,080,691
EXPENSES				
Program services	152,729,076	-	152,729,076	149,130,649
Management and general expenses	1,449,853	-	1,449,853	1,816,534
Fundraising	3,210,371	-	3,210,371	3,212,317
Total Expenses	157,389,300	-	157,389,300	154,159,500
Changes in Net Assets	(3,211,914)	2,714,762	(497,152)	2,921,191
Net Assets at Beginning of Year	34,618,946	1,092,199	35,711,145	32,789,954
Net Assets at End of Year	\$31,407,032	\$3,806,961	\$35,213,993	\$35,711,145

See accompanying notes to financial statements

FOOD BANK OF CONTRA COSTA AND SOLANO
STATEMENT OF FUNCTIONAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025
WITH SUMMARIZED AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	Program Services					
	Pantry/Soup Kitchens	Senior Food Program	Food	Kids	Farm 2 Kids	Extra Helpings
			Assistance Program	Nutrition on Weekends		
SUPPORT AND REVENUES						
Support:						
Contributions:						
Corporate	\$92,111	\$45,455	\$-	\$46,000	\$40,000	\$-
Organizational	315	-	-	8,500	-	-
Individual	12,667	8,649	-	2,400	-	-
Donated food	142,171	-	-	-	-	-
Grants:						
Foundation	182,485	25,000	-	-	-	-
Government	2,340,777	66,186	669,832	15,028	185	224,813
Total Support	<u>2,770,526</u>	<u>145,290</u>	<u>669,832</u>	<u>71,928</u>	<u>40,185</u>	<u>224,813</u>
Revenues:						
Food sales to other agencies	1,628,920	78	216	-	-	-
Agency service fee	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Unrealized gains (losses)	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Total Revenues	<u>1,628,920</u>	<u>78</u>	<u>216</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Support and Revenues	<u>4,399,446</u>	<u>145,368</u>	<u>670,048</u>	<u>71,928</u>	<u>40,185</u>	<u>224,813</u>
EXPENSES						
Personnel expenses:						
Salaries and wages	1,672,632	441,522	942,798	172,569	299,553	194,483
Employee benefits	497,076	156,800	277,864	63,316	104,464	64,387
Payroll taxes	138,681	36,804	78,813	14,440	25,021	16,286
Total personnel expenses	<u>2,308,389</u>	<u>635,126</u>	<u>1,299,475</u>	<u>250,325</u>	<u>429,038</u>	<u>275,156</u>
Donated food	41,016,862	720,359	11,531,028	-	713,091	23,834
Food purchases	2,194,967	1,111,729	78,886	110,162	276,501	128,806
Food acquisition expense	1,187,670	107,215	682,867	10,767	53,099	9,269
Professional services	147,413	38,966	81,436	14,644	26,236	15,130
Depreciation and amortization	734,328	101,535	434,296	23,197	58,499	22,459
Warehouse and office rental	505,274	52,315	289,581	7,925	27,599	7,333
Gift certificates distributed	-	63,599	-	-	-	-
Printing and publications	6,255	1,677	5,507	53	259	45
Transportation	235,314	21,691	135,253	2,067	10,480	1,838
Other staffing expenses	32,067	2,910	18,398	301	1,447	68,340
Food credits to agencies	306,150	-	-	-	-	-
Telephone and utilities	99,863	23,960	55,316	8,360	15,627	8,334
Warehouse supplies	83,046	16,908	47,332	1,542	4,061	898
Equipment	66,282	7,069	37,958	1,143	3,775	1,187
Maintenance and repair	93,793	9,409	53,789	1,320	4,895	1,209
Travel and conferences	45,622	2,906	15,845	282	1,325	2,507
Dues and subscriptions	20,317	3,369	11,466	950	2,055	935
Garbage removal	55,437	5,005	31,875	503	2,479	433
Insurance	21,541	5,847	11,836	2,142	3,878	2,142
Parking lot rental	19,995	5,428	10,987	1,988	3,600	1,988
Miscellaneous	-	-	-	-	-	-
Fees and service charges	8,516	726	1,557	261	478	260
Office supplies	6,250	1,375	2,988	505	865	512
Events and promotional expense	56	5	32	1	3	-
Postage and shipping	1,508	110	145	25	107	25
Property taxes	-	-	-	-	-	-
Grants and agencies	490,811	-	13,580	-	-	-
Total Functional Expenses	<u>\$49,687,726</u>	<u>\$2,939,239</u>	<u>\$14,851,433</u>	<u>\$438,463</u>	<u>\$1,639,397</u>	<u>\$572,640</u>
Percentage of total	<u>31.6%</u>	<u>1.9%</u>	<u>9.4%</u>	<u>0.3%</u>	<u>1.0%</u>	<u>0.4%</u>

(Continued)

See accompanying notes to financial statements

FOOD BANK OF CONTRA COSTA AND SOLANO
STATEMENT OF FUNCTIONAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025
WITH SUMMARIZED AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	Program Services					
	Other Agencies	Cal Fresh	Harvest to Home	Community Produce	Education and Advocacy	School Pantry
SUPPORT AND REVENUES						
Support:						
Contributions:						
Corporate	\$998	\$70,000	\$-	\$5,000	\$10,093	\$118,000
Organizational	-	-	-	-	-	-
Individual	-	-	-	340	-	5,000
Donated food	19,402	-	-	-	-	-
Grants:						
Foundation	-	95,000	-	-	-	200,000
Government	1,266	412,816	50	17,873	-	16,749
Total Support	<u>21,666</u>	<u>577,816</u>	<u>50</u>	<u>23,213</u>	<u>10,093</u>	<u>339,749</u>
Revenues:						
Food sales to other agencies	139,776	-	-	-	-	-
Agency service fee	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Unrealized gains (losses)	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Total Revenues	<u>139,776</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Support and Revenues	<u>161,442</u>	<u>577,816</u>	<u>50</u>	<u>23,213</u>	<u>10,093</u>	<u>339,749</u>
EXPENSES						
Personnel expenses:						
Salaries and wages	352,750	529,963	50,736	757,805	384,595	174,087
Employee benefits	106,618	153,241	16,293	226,914	67,344	60,708
Payroll taxes	30,089	44,296	4,174	63,490	31,310	14,868
Total personnel expenses	<u>489,457</u>	<u>727,500</u>	<u>71,203</u>	<u>1,048,209</u>	<u>483,249</u>	<u>249,663</u>
Donated food	908,528	-	33,308	9,030,221	-	29,514
Food purchases	145,021	-	-	155,198	-	184,413
Food acquisition expense	38,584	-	1,253	305,456	-	18,036
Professional services	31,010	49,830	3,856	69,302	210,467	13,633
Depreciation and amortization	57,644	59,238	5,368	235,503	30,468	24,897
Warehouse and office rental	23,160	12,167	1,470	137,975	6,258	10,406
Gift certificates distributed	-	-	-	-	-	-
Printing and publications	188	2,829	6	7,760	45,069	88
Transportation	7,722	-	238	87,552	29	3,556
Other staffing expenses	1,061	-	37	9,068	8,419	494
Food credits to agencies	47,500	-	-	-	-	-
Telephone and utilities	18,292	29,722	2,195	43,652	13,957	7,611
Warehouse supplies	3,184	910	158	91,508	472	1,457
Equipment	3,246	3,277	222	18,348	4,403	1,449
Maintenance and repair	3,998	1,712	231	25,277	881	1,809
Travel and conferences	1,069	7,550	29	8,051	16,479	493
Dues and subscriptions	3,885	11,013	236	7,070	13,703	935
Garbage removal	1,801	-	58	14,254	-	842
Insurance	4,629	7,086	568	10,232	3,644	1,919
Parking lot rental	4,297	6,577	528	9,498	3,383	1,781
Miscellaneous	-	5,642	-	-	11,162	-
Fees and service charges	679	5,670	69	1,293	440	235
Office supplies	1,041	1,765	122	2,438	1,168	422
Events and promotional expense	2	95	-	14	11,471	1
Postage and shipping	748	115	7	120	95	68
Property taxes	-	-	-	-	-	-
Grants and agencies	-	-	-	-	-	-
Total Functional Expenses	<u>\$1,796,746</u>	<u>\$932,698</u>	<u>\$121,162</u>	<u>\$11,317,999</u>	<u>\$865,217</u>	<u>\$553,722</u>
Percentage of total	<u>1.1%</u>	<u>0.6%</u>	<u>0.1%</u>	<u>7.2%</u>	<u>0.5%</u>	<u>0.4%</u>

(Continued)

See accompanying notes to financial statements

FOOD BANK OF CONTRA COSTA AND SOLANO
STATEMENT OF FUNCTIONAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025
WITH SUMMARIZED AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	Program Services					
	Donated Food	BTE	Mobile Food Pharmacy	NOR/Cluster and Other Food Banks	NOR/CSFP	Disaster
SUPPORT AND REVENUES						
Support:						
Contributions:						
Corporate	\$-	\$5,000	\$-	\$5,000	\$-	\$-
Organizational	-	-	-	-	-	-
Individual	-	5,000	-	-	-	-
Donated food	128,714,071	-	-	-	-	-
Grants:						
Foundation	-	-	-	-	-	-
Government	-	80,525	203,409	-	557,432	-
Total Support	<u>128,714,071</u>	<u>90,525</u>	<u>203,409</u>	<u>5,000</u>	<u>557,432</u>	<u>-</u>
Revenues:						
Food sales to other agencies	-	234,469	-	90,418	-	665,430
Agency service fee	-	-	-	-	-	318
Investment earnings	-	-	-	-	-	-
Unrealized gains (losses)	-	-	-	-	-	-
Other revenue	-	43,875	-	91,602	-	-
Total Revenues	<u>-</u>	<u>278,344</u>	<u>-</u>	<u>182,020</u>	<u>-</u>	<u>665,748</u>
Total Support and Revenues	<u>128,714,071</u>	<u>368,869</u>	<u>203,409</u>	<u>187,020</u>	<u>557,432</u>	<u>665,748</u>
EXPENSES						
Personnel expenses:						
Salaries and wages	-	176,045	140,927	133,668	114,440	-
Employee benefits	-	41,692	51,310	30,662	29,583	-
Payroll taxes	-	14,409	12,441	10,826	9,454	-
Total personnel expenses	<u>-</u>	<u>232,146</u>	<u>204,678</u>	<u>175,156</u>	<u>153,477</u>	<u>-</u>
Donated food	1,499,237	7,709,569	1,981,875	51,400,777	1,830,229	213,931
Food purchases	(126,059)	291,721	52,718	79,508	-	665,430
Food acquisition expense	-	-	90,937	-	-	-
Professional services	-	12,662	12,211	8,364	9,702	-
Depreciation and amortization	-	14,767	59,167	10,269	11,542	-
Warehouse and office rental	-	3,033	38,835	2,109	2,371	-
Gift certificates distributed	-	-	-	-	-	5,300
Printing and publications	-	-	444	-	-	-
Transportation	-	43,328	28,782	56,516	19,064	-
Other staffing expenses	-	9	2,641	7	67	-
Food credits to agencies	-	70,503	-	1,708	-	-
Telephone and utilities	-	6,764	7,978	4,704	5,287	-
Warehouse supplies	-	960	6,417	159	481	-
Equipment	-	1,130	5,099	342	749	-
Maintenance and repair	-	427	7,203	297	334	-
Travel and conferences	-	2,143	2,092	1,232	536	-
Dues and subscriptions	-	695	1,590	483	543	-
Garbage removal	-	-	4,245	-	-	-
Insurance	-	1,766	1,736	1,228	1,381	-
Parking lot rental	-	1,640	1,611	1,140	1,282	-
Miscellaneous	-	-	-	-	67,361	-
Fees and service charges	-	213	227	148	167	-
Office supplies	-	601	457	263	295	-
Events and promotional expense	-	-	4	-	-	-
Postage and shipping	-	333	20	124	16	-
Property taxes	-	-	-	-	-	-
Grants and agencies	-	-	-	-	-	-
Total Functional Expenses	<u>\$1,373,178</u>	<u>\$8,394,410</u>	<u>\$2,510,967</u>	<u>\$51,744,534</u>	<u>\$2,104,884</u>	<u>\$884,661</u>
Percentage of total	<u>0.9%</u>	<u>5.3%</u>	<u>1.6%</u>	<u>32.9%</u>	<u>1.3%</u>	<u>0.6%</u>

(Continued)

See accompanying notes to financial statements

FOOD BANK OF CONTRA COSTA AND SOLANO
STATEMENT OF FUNCTIONAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025
WITH SUMMARIZED AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	Total Program Services	Management and General	Fundraising	Totals	
				2025	2024
SUPPORT AND REVENUES					
Support:					
Contributions:					
Corporate	\$437,657	\$96,928	\$1,636,169	\$2,170,754	\$3,030,772
Organizational	8,815	-	273,416	282,231	181,525
Individual	34,056	2,400	13,044,202	13,080,658	13,389,188
Donated food	128,875,644	-	-	128,875,644	124,371,598
Grants:					
Foundation	502,485	-	3,576,165	4,078,650	4,866,287
Government	4,606,941	168,216	152	4,775,309	8,278,657
Total Support	<u>134,465,598</u>	<u>267,544</u>	<u>18,530,104</u>	<u>153,263,246</u>	<u>154,118,027</u>
Revenues:					
Food sales to other agencies	2,759,307	-	-	2,759,307	2,001,868
Agency service fee	318	-	-	318	-
Investment earnings	-	635,713	-	635,713	728,908
Unrealized gains (losses)	-	31,524	-	31,524	24,974
Other revenue	135,477	65,141	1,422	202,040	206,914
Total Revenues	<u>2,895,102</u>	<u>732,378</u>	<u>1,422</u>	<u>3,628,902</u>	<u>2,962,664</u>
Total Support and Revenues	<u>137,360,700</u>	<u>999,922</u>	<u>18,531,526</u>	<u>156,892,148</u>	<u>157,080,691</u>
EXPENSES					
Personnel expenses:					
Salaries and wages	6,538,573	786,162	1,386,702	8,711,437	8,998,087
Employee benefits	1,948,272	158,159	218,771	2,325,202	2,198,021
Payroll taxes	545,402	63,159	113,431	721,992	737,105
Total personnel expenses	<u>9,032,247</u>	<u>1,007,480</u>	<u>1,718,904</u>	<u>11,758,631</u>	<u>11,933,213</u>
Donated food	128,642,363	-	-	128,642,363	124,115,823
Food purchases	5,349,001	-	-	5,349,001	5,490,491
Food acquisition expense	2,505,153	-	-	2,505,153	2,425,524
Professional services	744,862	186,960	559,570	1,491,392	1,737,864
Depreciation and amortization	1,883,177	51,855	114,827	2,049,859	1,686,502
Warehouse and office rental	1,127,811	13,507	23,584	1,164,902	1,171,711
Gift certificates distributed	68,899	100	-	68,999	819,363
Printing and publications	70,180	-	505,398	575,578	808,619
Transportation	653,430	-	-	653,430	715,591
Other staffing expenses	145,266	36,518	51,905	233,689	574,874
Food credits to agencies	425,861	-	-	425,861	478,698
Telephone and utilities	351,622	25,596	52,598	429,816	402,506
Warehouse supplies	259,493	803	1,914	262,210	344,509
Equipment	155,679	6,691	6,931	169,301	306,301
Maintenance and repair	206,584	1,499	3,319	211,402	202,823
Travel and conferences	108,161	24,746	26,703	159,610	165,334
Dues and subscriptions	79,245	3,805	38,284	121,334	140,364
Garbage removal	116,932	-	-	116,932	121,961
Insurance	81,575	18,521	23,576	123,672	105,720
Parking lot rental	75,723	5,757	12,749	94,229	104,698
Miscellaneous	84,165	121	7,176	91,462	82,278
Fees and service charges	20,939	43,681	15,696	80,316	79,915
Office supplies	21,067	3,458	4,792	29,317	56,611
Events and promotional expense	11,684	3,214	21,134	36,032	45,107
Postage and shipping	3,566	448	21,311	25,325	26,981
Property taxes	-	15,093	-	15,093	9,115
Grants and agencies	504,391	-	-	504,391	7,004
Total Functional Expenses	<u>\$152,729,076</u>	<u>\$1,449,853</u>	<u>\$3,210,371</u>	<u>\$157,389,300</u>	<u>\$154,159,500</u>
Percentage of total	<u>97.0%</u>	<u>0.9%</u>	<u>2.0%</u>	<u>100.0%</u>	

See accompanying notes to financial statements

FOOD BANK OF CONTRA COSTA AND SOLANO
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025
WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	(\$497,152)	\$2,921,191
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation and amortization	2,049,859	1,686,502
In-kind contributions of food (including government and non-government)	(128,875,644)	(124,371,598)
Distribution of food received in-kind	128,642,363	124,115,823
Net realized and unrealized (gains) losses on investments	(382,518)	(9,668)
Amortization of operating lease right-of-use assets	755,295	735,342
Loss on disposal of property and equipment	11,578	188,265
Changes in operating assets and liabilities:		
(Increase) in accounts receivables	(700,222)	(998,283)
(Increase) in inventory	(383,332)	(666,398)
(Increase) decrease in prepaid expenses	(41,463)	284,028
(Increase) in rent and other deposits	(70,933)	(448,842)
Increase in accrued liabilities	202,779	20,790
(Decrease) increase in accrued vacation	(2,823)	26,209
Increase (decrease) in refundable advances	614,530	(669,500)
Total Adjustments	1,819,469	(107,330)
Net Cash Provided by Operating Activities	1,322,317	2,813,861
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES:		
Purchase of property and equipment	(716,321)	(4,197,362)
Proceeds from sale of investments	305,819	-
Net Cash (Used) by Investing Activities	(410,502)	(4,197,362)
CASH FLOWS PROVIDED (USED) BY FINANCING ACTIVITIES:		
Repayment of principal - finance lease liabilities	(70,799)	(90,648)
Net Cash (Used) by Financing Activities	(70,799)	(90,648)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	841,016	(1,474,149)
Cash and cash equivalents, beginning of year	14,784,701	16,258,850
Cash and cash equivalents, end of year	\$15,625,717	\$14,784,701
Supplemental disclosure of cash flow information:		
No taxes or interest were paid by the Organization during 2025 or 2024.		
Donation of Food - Noncash activity	\$128,875,644	\$124,371,598

See accompanying notes to financial statements

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 1 – REPORTING ENTITY

A. Organization

The Food Bank of Contra Costa and Solano (Food Bank) was incorporated on July 28, 1975. The Food Bank was established to efficiently gather, warehouse and distribute food products to Contra Costa charities meeting emergency food needs. In November 1996, the Food Bank took over responsibility for providing food to Solano County charities. The Food Bank currently operates out of two warehouses located in Concord and Fairfield, California, totaling 144,000 square feet. In furtherance of its purpose, the Food Bank provides food to supplemental feeding programs, promotes awareness of hunger, food waste and the value of proper nutrition and has grown to become second responders during times of crisis caused by economic downturns, government shutdowns, and natural disasters. The Food Bank is a member of the national organization food banks, Feeding America, and provides oversight to 14 counties throughout Northern California. The Food Bank is governed by a Board of Directors comprising seventeen members. The Food Bank receives funding from private and public sources.

B. Programs

The Food Bank's programs include:

Pantry/Soup Kitchens Program – this program provides food to local non-profit agencies that provide food baskets and hot meals to people in need in Contra Costa and Solano Counties.

Community Produce Program – this program distributes fresh fruits and vegetables to low income neighborhoods throughout Contra Costa and Solano Counties. Two refrigerated trucks serve as mobile distribution vehicles and together make 71 stops per month.

Mobile Pantry Program – In addition to fresh fruits and vegetables, participants also receive shelf-stable pantry staples, proteins and dairy products. These distribution sites are held at 17 locations across Contra Costa and Solano

NOR Cluster Program and Other Food Banks – the Food Bank has the responsibility for distributing food to collaborating food banks in Northern California and Nevada through the “cluster” distribution system encouraged by our national network. In addition, the Food Bank shares food with local banks in the Bay Area / Northern California area in order to increase the amount and variety of food available to the Food Bank and other partners.

School Pantry Program – this program provides shelf-stable food items to high schools and middle schools where 50% or more of the students receive free or reduced-price lunches.

Senior Food Program – senior citizens in need in Contra Costa and Solano Counties are provided with a nutritious bag of food on a twice a month basis under this program.

Food Assistance Program – this U.S. Department of Agriculture program funds the distribution of commodities to people in need in Contra Costa and Solano Counties.

Other Agencies Program – these include local charitable organizations.

Kids Nutrition On Weekends (K-NOW) – this program provides two breakfasts, two lunches and two snacks to bridge the weekend meal gap for school-aged children.

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 1 – REPORTING ENTITY (Continued)

Farm 2 Kids Program – this program provides fresh fruits and vegetables to children of low-income families through partnerships with after school programs.

Extra Helpings Program – this program serves low-income individuals in Contra Costa County who are chronically ill and in case management. Funding for this program comes from the Ryan White Care Act.

CalFresh Program – Food Bank staff and volunteers help clients determine if they are eligible and assist in applying for Cal Fresh. This helps increase the number of people who are eligible receive benefits as well as debunk common myths surrounding the program.

Harvest to Home – fresh produce and bread are distributed to low-income housing complexes twice a month.

Education and Advocacy Program – The Food Bank continues its efforts to educate the public about the reasons hunger exists in our community. By educating the community and urging them to take steps to address hunger, the Food Bank works to improve the circumstances of people in need. The Food Bank is involved in Nutrition Education and Advocacy.

Mobile Food Pharmacy Program – The Mobile Food Pharmacy is a mobile pantry with healthy food at Solano County Public Health clinics. Public health patients who are food insecure are prescribed healthy food boxes to help reduce instances of diet related diseases. They are given a box of shelf-stable items as well as fresh produce.

Commodity Supplemental Food Program (CSFP) – The Food Bank operates the Commodity Supplemental Food Program that distributes government commodities to low-income adults 60 years and older. This program is operated in partnership with 260 smaller nonprofit organizations throughout inland Northern California.

Disaster Program – The Food Bank of Contra Costa and Solano Disaster Program includes any personnel and non-personnel expenses related to the Food Bank’s response to serving areas effected by disasters.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in the Accounting Standards Codification (ASC), No. 958, *Financial Statements of Not-for-Profit Organizations*.

The Food Bank follows standards of accounting and financial reporting for voluntary health and welfare organizations. In accordance with GAAP, the Food Bank reports its financial position and operating activities in two classes of net assets: without donor restrictions and with donor restrictions.

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets Without Donor Restrictions – include those assets used to carry out the operations of the Food Bank. Under this category, the Food Bank maintains an operating fund, any net assets designated by the Board for specific purposes, inventory, and property and equipment funds.

Net Assets With Donor Restrictions – include those assets which are subject to donor restriction and for which the applicable restriction was not met as of the end of the current reporting period.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions on the net assets are reported as reclassifications between the applicable classes of net assets.

B. Support and Revenues

The Food Bank relies on contracts with governmental units, grants from foundations, contributions from individuals and corporations, and donations of food. Public contributions are recorded upon receipt. All contributions and grants are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as support and revenues with donor restrictions. When a restriction expires, restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

C. Cash and Cash Equivalents

The Food Bank considers all highly liquid instruments purchased with a maturity of three months or less to be cash and cash equivalents. At June 30, 2025, the Food Bank’s cash and cash equivalents were held in three financial institutions and consisted of the following:

	2025	2024
Cash in bank	\$1,569,008	\$14,784,701
Money market	14,056,709	-
Total	\$15,625,717	\$14,784,701

D. Concentration of Credit Risk

The Federal Deposit Insurance Corporation (FDIC) insures account balances at each insured institution up to \$250,000. At various times during the year, cash at these institutions exceeded federally insured limits, however, management believes the Food Bank is not exposed to any significant credit risk related to cash.

E. Investments

Investments are measured at fair value on the statements of financial position. Unless donor or law restricts the income or loss, investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in the increase in net assets without donor restrictions.

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Fair Value Measurements

The Food Bank reports certain assets and liabilities at fair value in the financial statements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accounting standards set a framework for measuring fair value using a three tier hierarchy based on observable and non-observable inputs. Observable inputs consist of data obtained from independent sources. Non-observable inputs reflect industry assumptions. These two types of inputs are used to create the fair value hierarchy, giving preference to observable inputs.

The three-tier hierarchy categorizes the inputs as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3: Unobservable inputs for the asset or liability. In these situations, the Food Bank develops inputs using the best information available in the circumstances.

G. Accounts Receivable from Affiliated Agencies

Accounts receivable represent amounts due from affiliated agencies and are stated at the amount the Food Bank expects to collect for food sales to other agencies. Accounts receivable are recorded net of expected credit losses. The Food Bank estimates the expected credit losses based on historical information, current conditions, and reasonable and supportable forecasts. Management considers all accounts receivable from affiliated agencies as of June 30, 2025 and 2024, respectively, to be fully collectible.

H. Grants and Contributions Receivable

Government grants receivable represent grants from government agencies. Non-government grants and contributions receivable represent grants and contributions from foundations, corporations, and individuals. An allowance for doubtful grants and contributions receivables is established based on management's judgment including such factors as prior collection history and current aging of the receivables. Management considers all grants and contributions receivable as of June 30, 2025 and 2024, respectively, to be fully collectible.

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Grants and Contributions

Grants and contributions are recognized when the donor makes a pledge to give that is, in substance, an unconditional promise. Grants and contributions that are considered conditional promises to give which contain barriers and a right of return or right of release are not recognized until the conditions on which they depend on are met, at which time, the gifts are recognized as grants and contributions with or without donor restrictions. Grants and contributions are recorded as with or without donor restrictions depending on the nature of donor restrictions. Restricted grants and contributions are reported as increases in net assets without donor restrictions if the restrictions have been met in the same period as receipt. If the restriction has not been met by the end of the period of receipt, the amount is reported as an increase in net assets with donor restrictions. When the restriction is finally met on a grant or contribution received in a prior fiscal period, the amount is shown as a reclassification from net assets with donor restrictions to net assets without donor restrictions.

J. Contribution In-Kind

Donated non-government products' valuation is based on a cost study conducted for Feeding America. Donated equipment and other donated goods are recorded at their estimated fair value as of the date of the donation. Contributed services, which require a specialized skill and which the Food Bank would have paid for if not donated, are recorded at the estimated fair value at the time the services are rendered. The Food Bank also receives donated services that do not require specific expertise but which are nonetheless central to the Food Bank's operations. While these contributed services are not reflected in the financial statements, the estimated value of these services is disclosed in Note 5.

K. Property and Equipment

Purchased furniture and equipment are stated at cost. Furniture and equipment contributed to the Food Bank are stated at estimated fair value at the time of contribution. Such contributions are reported as support without donor restrictions unless the donor has restricted the donated asset for a specific purpose. Property and equipment contributed with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as support with donor restrictions. 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 net assets with donor restrictions to net assets without donor restrictions at that time. Expenditures that materially increase the value or life of property and equipment are capitalized and depreciated over the remaining useful life of the asset.

All property and equipment purchases above \$5,000 are capitalized. Depreciation is computed by the straight-line method over the estimated useful lives of the assets (ranging from three to thirty years). Depreciation is charged as an expense against operations.

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Inventory

Inventory consists of donated non-government food, United States Department of Agriculture ("USDA") food commodities received from the government, and purchased food. Donated non-government food was valued at \$1.97 per pound as of and for the years ended June 30, 2025 and 2024, respectively. Donated government food was valued at \$1.74 per pound as of and for the years ended June 30, 2025 and 2024, respectively. This valuation is based on a cost study conducted for Feeding America. Purchased food is valued at the latest purchase price.

M. Government Grants

The Food Bank generates a significant amount of support from providing services to accomplish its program and support services through cost reimbursement government funded programs. The support generated from these services is recorded as government grants in the statement of activities. These government grants meet the criteria to be classified as conditional contributions under GAAP revenue recognition for nonprofit organizations as they contain barriers related to the incurrence of qualifying expenditures and a right of return or release. The Food Bank has elected a simultaneous release option to account for these grants. Therefore, they are recorded as government grants without donor restrictions upon satisfaction of the barriers. In the event amounts are received but the barriers have not been met, the Food Bank records such amounts as refundable advances.

N. Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Expenses are charged directly to program or management and general categories based on specific identification. Those expenses which cannot be specifically identified by function type have been allocated to functions based upon management's best estimate of usage. Personnel costs, including salaries and fringe benefits, are allocated based on the estimated percentage of time each position works in each program or administration. Other costs are allocated using the pounds distributed and/or the full-time equivalent ratio for personnel in each program.

O. Accrued Vacation

Accrued vacation is comprised of unused vacation leave and certain compensated time off, which are accrued as earned. The liability is determined monthly. Management has determined that all balances are classified as current.

P. Advertising Costs

Advertising costs, if any, are expensed as incurred.

Q. Lease Accounting

Food Bank recognizes and measures its leases in accordance with FASB ASC 842, *Leases*. Food Bank determines if an arrangement is a lease, or contains a lease, at inception of a contract when the terms of the existing contract are changed. As of June 30, 2025, Food Bank recorded two leases applicable to FASB ASC 842 on the financial statements. See Note 10 for more information.

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. *Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

S. *Prior Year Totals*

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Food Bank's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

T. *Income Tax Status*

The Food Bank is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. Accordingly, no provision for income taxes has been provided in these financial statements. In addition, the Food Bank qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private Organization under Section 509(a)(1). Unrelated business income, if any, may be subject to income tax. The Food Bank paid no taxes on unrelated business income in the years ended June 30, 2025 and 2024, respectively.

Generally accepted accounting principles require the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in The Food Bank's tax returns. Management has determined that the Food Bank does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Food Bank's tax returns will not be challenged by the taxing authorities and that the Food Bank will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Food Bank tax returns remain open for federal income tax examination for three years from the date of filing.

U. *Subsequent Events*

The Food Bank evaluated subsequent events for recognition and disclosure through December 23, 2025, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since June 30, 2025 that require recognition or disclosure in such financial statements.

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 3 – CASH AND INVESTMENTS

Cash and investments consist of the following as of June 30:

	2025	2024
<i>Investments</i>		
With donor restrictions:		
Mutual funds	\$102,745	\$93,949
Total investments	102,745	93,949
<i>Cash and cash equivalents</i>	15,625,717	14,784,701
Total cash and investments	\$15,728,462	\$14,878,650

Investments in money market mutual funds, are reported at their fair market value in the statement of financial position. All investments are level 1 identical assets (see Note 2F). There are no level 2 or 3 assets as of June 30, 2025 and 2024, respectively. Unrealized gains and losses are included in the statement of activities.

At June 30, 2025, investments with donor restrictions included \$5,524 in mutual funds for the Cherie Howard Endowment. The Cherie Howard Endowment Fund requires the principal and income be used for Food Bank operations equally over a twenty-five year period.

At June 30, 2025, investments with donor restrictions consist of \$97,221 in mutual funds for the Laurel Resources Endowment Fund. The Laurel Resources Endowment Fund requires the principal of \$75,600 be invested in perpetuity, and the income be used to support the Food Bank's operations.

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 4 – ACCOUNTS RECEIVABLE

Accounts receivable consists of the following as of June 30:

Granting Agency	2025	2024
Crescent Porter Hale	\$150,000	\$-
City of Concord	5,259	3,761
Contra Costa County	373,189	99,446
Contra Costa County Cal Fresh	22,500	22,500
Contra Costa County Health Services	35,044	71,647
Crescent Porter Foundation	300,000	450,000
Department of Health Services	116,248	97,770
Food Bank of Yolo County	1,588	1,601
Kaiser Foundation	150,000	-
Napa Valley Food Bank	52,572	51,499
Placer Food Bank	-	45,059
Sacramento Food Bank	11,432	11,526
Solano County	94,391	160,683
Sunlight Giving Foundation	600,000	-
The Emergency Food Assistance Program	545,366	1,348,898
Other	978,472	221,449
Total accounts receivable	<u>\$3,286,061</u>	<u>\$2,585,839</u>

NOTE 5 – IN-KIND DONATIONS

The estimated fair value of donated food, equipment, rent, expert services, and supplies received are recorded as contributions. Donated government food and non-government products were valued at \$1.74 and \$1.97 per pound for the years ended June 30, 2025 and 2024, respectively. The valuation was based on a cost study conducted for Feeding America. Donated rent recognized was valued at the estimated fair value of current rates for rent of similarly sized and located properties. All donated rent are utilized by the Food Bank for program services, management and general and fundraising purposes.

Contributions in-kind for the year ended June 30 are as follows:

	2025	2024
Government support - in-kind food		
Food - government	\$12,384,797	\$12,564,904
Contributions in-kind - non-government		
Food - non-government	116,490,848	111,806,694
Donated rent	94,728	104,698
Total in-kind contributions	<u>\$128,970,373</u>	<u>\$124,476,296</u>

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 5 – IN-KIND DONATIONS (Continued)

The Food Bank also receives donated services that do not require specific expertise but which are nonetheless central to the Food Bank’s operations. The Food Bank relies on volunteers from the community to sort, clean, and repack donated food. The estimated value of these services for the years ended June 30, 2025 and 2024, based on the estimated dollar value of volunteer time calculated by Independent Sector, amounted to \$4,248,648 and \$4,493,104, respectively. In accordance with accounting principles generally accepted in the United States of America, the value of these services is not reflected in the financial statements.

NOTE 6 – INVENTORY

Inventory consisted of the following for the years ended June 30:

	<u>2025</u>	<u>2024</u>
USDA food commodities	\$2,456,184	\$2,755,591
Donated non-government food	3,772,875	3,073,124
Fund Food	1,040,172	1,120,281
Purchased food	1,034,462	942,837
Gift Certificates	561,628	590,156
Total inventory	<u>\$8,865,321</u>	<u>\$8,481,989</u>

NOTE 7 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following for the years ended June 30:

	<u>2025</u>	<u>2024</u>
Non-depreciable assets:		
Land	\$500,237	\$500,237
Construction in Progress	-	1,435,313
Total non-depreciable assets	<u>500,237</u>	<u>1,935,550</u>
Depreciable assets:		
Buildings	3,576,448	3,308,664
Building improvements	3,137,239	2,624,528
Leasehold improvements	2,963,828	2,782,058
Furniture and equipment	4,103,773	3,603,058
Computer hardware	605,364	352,782
Computer software	222,303	195,491
Vehicles	5,245,820	5,505,387
Total depreciable assets	<u>19,854,775</u>	<u>18,371,968</u>
Less accumulated depreciation	<u>(10,890,808)</u>	<u>(9,147,139)</u>
Total net depreciable assets	<u>8,963,967</u>	<u>9,224,829</u>
Total fixed assets, net	<u>\$9,464,204</u>	<u>\$11,160,379</u>

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 7 – PROPERTY AND EQUIPMENT (Continued)

For the year ended June 30, 2024, the Food Bank had recorded Construction in Progress of \$1,435,313 related to purchases of food lockers for agencies. During the year ended June 30, 2025, the Food Bank determined that the food lockers were not the property of the Food Bank and should not be capitalized, and therefore, expensed these costs.

Depreciation and amortization expense for the years ended June 30, 2025 and 2024 totaled \$2,049,859 and \$1,686,502, respectively.

NOTE 8 – INSURANCE COVERAGE

The following insurance was in force at June 30, 2025:

<u>Coverage</u>	<u>Limit</u>	<u>Deductible</u>
Commercial:		
General Liability	\$2,000,000	\$0
Personal Property	1,720,283	15,000
Real Property	11,304,655	20,000
Automobile	1,000,000	0
Abuse or Molestation	500,000	0
Professional Liability	2,000,000	0
Crime	50,000-100,000	1,000
Cyber Liability	2,000,000	25,000
Electronic Equipment	441,000	1,000
Special Floater	303,779	1,000
Earthquake	10,142,000	15% of loss occurrence (subject to a minimum per loss occurrence of \$50,000)
Directors & Officers	1,000,000	0-10,000
Employment Practice	1,000,000	35,000
Fiduciary Liability	1,000,000	0
Umbrella	5,000,000	10,000
Volunteer Accident & Health	500,000	0
Worker's Compensation	1,000,000 (per occurrence)	0

NOTE 9 – RETIREMENT PLAN

The Food Bank maintains a 403(b) defined contribution retirement plan for all qualified employees. The Food Bank matches up to 3% of qualified compensation for the benefit of qualified employees. For the years ended June 30, 2025 and 2024, employer contributions to the plan were \$202,931 and \$182,528, respectively.

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 10 – LEASES

In August 2020, the Food Bank entered into a noncancelable operating lease with a third party to lease a 104,000 square foot warehouse in Fairfield, California, to be used for general office administration, warehouse and distribution of food and food related products. The ten-year lease commenced December 1, 2020 and runs through February 28, 2031. No payment was required for the first three months. The monthly base rent of \$65,520 began on March 1, 2021, and increases 2.625% annually on December 1st. The Food Bank also pays monthly operating and common area maintenance fees of approximately \$16,640.

The Food bank has entered into several finance lease agreements to finance the purchase of vehicles and other equipment. The lease agreements mature at various dates through April 2027 and require monthly payments ranging from \$2,317 to \$3,286. As of June 30, 2025, the Food Bank has only one lease remaining for the financing of its printers.

The components of lease costs as of June 30, 2025 were as follows:

Operating Lease Cost	\$906,579
Finance lease cost:	
Amortization of right of use assets	58,202
Interest on lease liabilities	2,857
Variable lease cost	197,264
Total lease cost	\$1,164,902

The following summarizes the weighted average remaining lease term and discount rate as of June 30, 2025:

Weighted average remaining lease term	
Operating lease	5.67
Finance leases	1.83
Weighted average discount rate	
Operating lease	2.56%
Finance leases	2.89%

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 10 – LEASES (Continued)

Future minimum lease payment under non-cancelable leases as of June 30, 2025 were as follows:

Year ending June 30	Operating	Finance	Total
2026	\$885,456	\$39,312	\$924,768
2027	908,702	32,760	941,462
2028	932,555	-	932,555
2029	957,034	-	957,034
2030	982,156	-	982,156
Thereafter	668,340	-	668,340
	<u>5,334,243</u>	<u>72,072</u>	<u>5,406,315</u>
Less: imputed interest	<u>(417,440)</u>	<u>(1,789)</u>	<u>(419,229)</u>
Lease liabilities, net of imputed interest	4,916,803	70,283	4,987,086
Current portion	<u>(755,365)</u>	<u>(37,875)</u>	<u>(793,240)</u>
Non current portion	<u><u>\$4,161,438</u></u>	<u><u>\$32,408</u></u>	<u><u>\$4,193,846</u></u>

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at June 30:

	2025	2024
Restricted for a specific purpose:		
Senior food	\$400,000	\$519,040
Other purpose restrictions	120,368	87,935
CalFresh	68,397	69,066
Leadership	30,000	60,000
Budgeted general operations	381,250	-
General operations	737,000	-
School and kids programs	110,000	-
Healthy food distribution	10,665	-
Diaper program	608,602	-
CSFP food purchases	21,558	-
Summer feeding program	150,000	-
Season of sharing: Contra Costa	338,313	-
Season of sharing: Solano	194,875	-
NorCal grocery recovery grant	-	18,575
Cherie Howard Term Endowment Fund - subject to appropriation and spending policy	5,524	7,103
Laurel Resources Endowment Fund - subject to appropriation and spending policy	21,621	11,246
Purpose restrictions	3,198,173	772,965
Time restrictions	533,188	243,634
To be held in perpetuity:		
Laurel Resource Endowment Fund	75,600	75,600
Total net assets with donor restrictions	\$3,806,961	\$1,092,199

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Net assets with donor restrictions released from restriction during the years ended June 30 were as follows:

	2025	2024
Restricted for a specific purpose:		
Senior food	\$369,041	\$53,718
Other purpose restrictions	148,567	245,306
CalFresh	165,669	125,934
Leadership	30,000	-
Budgeted general operations	243,750	-
Food purchases	94,335	-
Diaper program	209,582	-
CSFP food purchases	245,835	-
Summer feeding program	100,000	-
NorCal grocery recovery grant	18,575	143,799
Cherie Howard Term Endowment Fund - subject to appropriation and spending policy	2,039.00	1,983
Raley's grant	-	159,890
Purpose restrictions	1,627,393	730,630
Time restrictions	110,416	172,770
Total net assets released from restrictions	\$1,737,809	\$903,400

NOTE 12 – ENDOWMENTS

Food Bank's endowments consist of the Laurel Resource Endowment Fund and the Cherie Howard Endowment Fund, which were established to generate income, as restricted by the donors. The Laurel Resources Endowment Fund requires the principal be invested in perpetuity, and the income be used for Food Bank's operations. The Cherie Howard Endowment Fund requires the principal and income be used for Food Bank operations equally over a twenty-five year period beginning January 1, 2004. As required by Generally Accepted Accounting Principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 12 – ENDOWMENTS (Continued)

A. *Interpretation of Relevant Law*

The Food Bank is subject to the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The Board of Directors of the Food Bank has interpreted UPMIFA as not requiring the preservation of the fair value of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, the Food Bank retains in perpetuity (a) the original value of initial and subsequent gift amounts donated to the Endowment, and (b) any accumulations to the Endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Food Bank in a manner consistent with the standard of prudence prescribed by UPMIFA. The Food Bank considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the endowment fund
- The purposes of the Organization and the endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Food Bank
- The investment policies of the Food Bank

B. *Return Objective and Risk Parameters*

The Food Bank has adopted an investment policy with the primary investment objective to attempt to maximize total return, while assuming an appropriate level of risk given the nature of the funds under management. The goal is to produce a growing level of income and principal to ensure that the funding for the activities supported by the endowment can be maintained in the face of inflation.

C. *Strategies Employed for Achieving Objectives*

Endowment assets are invested in mutual funds. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

D. *Funds with Deficiencies*

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the permanent value of the endowed funds. In accordance with U.S. GAAP, deficiencies of this nature are reported in net assets without donor restrictions. There were no deficiencies as of June 30, 2025 and 2024, respectively.

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 12 – ENDOWMENTS (Continued)

E. Endowment composition

Endowment net asset composition by type as of June 30, 2025 is as follows:

	Subject to Appropriation and Spending Policy	Held in Perpetuity	Total
Cherie Howard Endowment Fund	\$5,524	\$ -	\$5,524
Laurel Resources Endowment Fund	21,621	75,600	97,221
	<u>\$27,145</u>	<u>\$75,600</u>	<u>\$102,745</u>

Endowment net asset composition by type as of June 30, 2024 is as follows:

	Subject to Appropriation and Spending Policy	Held in Perpetuity	Total
Cherie Howard Endowment Fund	\$7,103	\$ -	\$7,103
Laurel Resources Endowment Fund	11,246	75,600	86,846
	<u>\$18,349</u>	<u>\$75,600</u>	<u>\$93,949</u>

Changes in endowment net assets for the fiscal years ended June 30, 2025 are as follows:

	Subject to Appropriation and Spending Policy	Held in Perpetuity	Total
Beginning Balance at July 1, 2024	\$18,349	\$75,600	\$93,949
Dividends and realized gains	6,025	-	6,025
Unrealized gains and adjustments	4,901	-	4,901
Appropriation of endowment for expenditure	(2,130)	-	(2,130)
Endowment net assets at June 30, 2025	<u>\$27,145</u>	<u>\$75,600</u>	<u>\$102,745</u>

Changes in endowment net assets for the fiscal years ended June 30, 2024 are as follows:

	Subject to Appropriation and Spending Policy	Held in Perpetuity	Total
Beginning Balance at July 1, 2023	\$8,681	\$75,600	\$84,281
Dividends and realized gains	3,947	-	3,947
Unrealized gains and adjustments	7,704	-	7,704
Appropriation of endowment for expenditure	(1,983)	-	(1,983)
Endowment net assets at June 30, 2024	<u>\$18,349</u>	<u>\$75,600</u>	<u>\$93,949</u>

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 13 – BOARD DESIGNATED NET ASSETS

A. Building maintenance and enhancement

The Food Bank maintains a reserve to cover needs arising from future building maintenance and enhancement projects. The building maintenance and enhancement reserves balances as of June 30, 2025 and 2024 was \$100,000, respectively.

B. Disaster response

The Food Bank maintains a reserve to cover unexpected needs or revenue shortfall due to emergency response and recovery efforts associated with natural, technological, man-made, and/or economic emergencies. The disaster response reserve balance as of June 30, 2025 and 2024 was \$1,000,000, respectively.

C. Impact

The Food Bank of Contra Costa and Solano has launched a million-dollar campaign to accelerate development, execution, and evaluation of forward-thinking initiatives that target the root causes of food insecurity. In January 2025, the Food Bank’s Board of Directors approved a seed investment of \$500,000, to fund innovative solutions to eradicate hunger in our community.

NOTE 14 – LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, consisted of the following at June 30:

	2025	2024
Total current financial assets:		
Cash and cash equivalents	\$15,625,717	\$14,784,701
Investments	102,745	93,949
Accounts receivable	3,286,061	2,585,839
Total current financial assets	19,014,523	17,464,489
Contractual or donor-imposed restrictions:		
Time and purpose restrictions	(3,731,361)	(1,016,599)
Laurel Resources endowment (Held in perpetuity)	(75,600)	(75,600)
Total contractual or donor-imposed restrictions	(3,806,961)	(1,092,199)
Board designated reserves:		
Building maintenance and enhancement	(100,000)	(100,000)
Disaster response	(1,000,000)	(1,000,000)
Impact	(500,000)	-
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	\$13,607,562	\$15,272,290

The available financial assets include board-established reserves of \$100,000 for building maintenance and enhancement, \$1,000,000 for disaster response and \$500,000 for impact. If needed, these reserves could be made available in their entirety.

FOOD BANK OF CONTRA COSTA AND SOLANO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 15 – COMMITMENTS AND CONTINGENCIES

Contingent Grant Liabilities

Certain federal grants which the Food Bank administers and for which it receives reimbursements are subject to audit and final acceptance by federal granting agencies. Current and prior year costs of such grants are subject to adjustment upon audit. The amount of expenditures that may be disallowed by the grantor, if any, cannot be determined at this time, although the Food Bank expects such amounts, if any, would not have a significant impact of the financial position of the Food Bank.

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