

**TOLEDO NORTHWESTERN OHIO
FOOD BANK, INC.**

FINANCIAL STATEMENTS

December 31, 2016 and 2015

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1 -2
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7-13
SUPPLEMENTARY INFORMATION	
Schedules of Food Program Expenses	14
Schedules of Management and General and Fundraising Expenses	15

INDEPENDENT AUDITORS' REPORT

Board of Directors
Toledo Northwestern Ohio Food Bank, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Toledo Northwestern Ohio Food Bank, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Toledo Northwestern Ohio Food Bank, Inc. as of December 31, 2016 and 2015, and the changes in its net assets, functional expenses and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of food program expenses and schedules of management and general and fundraising expenses on pages 14 and 15 are presented for purposes of additional analysis and is 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.

Demarco & Associates CPAs, LLC

Perrysburg, Ohio
January 24, 2018

TOLEDO NORTHWESTERN OHIO FOOD BANK, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2016 and 2015

ASSETS	2016	2015
Current assets		
Cash and cash equivalents	\$ 1,530,388	\$ 1,284,993
Accounts receivable	11,990	13,989
Inventory - food	2,124,826	2,309,351
Prepaid insurance	1,593	1,593
Prepaid media advertising	-	2,250
Prepaid mailing list	112,300	122,822
Prepaid - other	23,604	1,225
Total current assets	3,804,701	3,736,223
Property and equipment - net	781,653	736,765
Other assets		
Investments	1,702,225	1,688,189
Deposits	538	538
Loan Receivable	210,144	163,023
Gift cards	2,400	1,780
Total other assets	1,915,307	1,853,530
Total assets	\$ 6,501,661	\$ 6,326,518
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 109,428	\$ 89,601
Grants payable	1,611	1,611
Total current liabilities	111,039	91,212
Net assets		
Unrestricted	6,340,936	6,171,860
Temporarily restricted	49,686	63,446
Total net assets	6,390,622	6,235,306
Total liabilities and net assets	\$ 6,501,661	\$ 6,326,518

The accompanying notes are an integral part of these financial statements.

TOLEDO NORTHWESTERN OHIO FOOD BANK, INC.
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2016 and 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2016 Totals</u>
Support and revenue			
Donated food and goods	\$ 17,869,079	\$ -	\$ 17,869,079
Shared maintenance fees	299,507	-	299,507
Contributions and grants	1,456,846	17,810	1,474,656
Special events	190,479	-	190,479
Investment income (loss)	84,523	-	84,523
Net assets released from restrictions	<u>31,570</u>	<u>(31,570)</u>	<u>-</u>
Total support and revenue	19,932,004	(13,760)	19,918,244
Expenses			
Food program	19,146,081	-	19,146,081
Management and general	292,280	-	292,280
Fundraising	<u>324,567</u>	<u>-</u>	<u>324,567</u>
Total expenses	<u>19,762,928</u>	<u>-</u>	<u>19,762,928</u>
Change in net assets	169,076	(13,760)	155,316
Net assets - beginning of year	6,171,860	63,446	6,235,306
Net assets - end of year	<u>\$ 6,340,936</u>	<u>\$ 49,686</u>	<u>\$ 6,390,622</u>

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2015 Totals</u>
Support and revenue			
Donated food and goods	\$ 16,781,536	\$ -	\$ 16,781,536
Shared maintenance fees	342,865	-	342,865
Contributions and grants	1,283,628	53,032	1,336,660
Special events	215,864	-	215,864
Investment income (loss)	(1,471)	-	(1,471)
Net assets released from restrictions	15,135	(15,135)	-
	<u>18,637,557</u>	<u>37,897</u>	<u>18,675,454</u>
Expenses			
Food program	16,977,764	-	16,977,764
Management and general	262,306	-	262,306
Fundraising	331,449	-	331,449
	<u>17,571,519</u>	<u>-</u>	<u>17,571,519</u>
Change in net assets	1,066,038	37,897	1,103,935
Net assets - beginning of year	5,105,822	25,549	5,131,371
Net assets - end of year	<u>\$ 6,171,860</u>	<u>\$ 63,446</u>	<u>\$ 6,235,306</u>

The accompanying notes are an integral part of these financial statements.

TOLEDO NORTHWESTERN OHIO FOOD BANK, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended December 31, 2016 and 2015

	Food Program Services	Management and General	Fundraising	2016 Totals
Food	\$ 18,115,949	\$ -	\$ -	\$ 18,115,949
Salaries	348,283	-	19,905	368,188
Payroll taxes and employee benefits	43,499	-	1,522	45,021
Management fees	246,959	91,341	16,715	355,015
Utilities	46,196	-	-	46,196
Depreciation	129,333	-	-	129,333
Repairs and maintenance	63,210	13,150	-	76,360
Insurance	25,473	2,756	-	28,229
Real estate taxes	2,756	-	-	2,756
Interest	3,100	-	-	3,100
Rent	28,800	-	-	28,800
Fuel	38,454	-	-	38,454
Freight	28,736	-	-	28,736
Licenses and taxes	3,278	-	-	3,278
Mileage	3,569	-	-	3,569
Grants to others	14,735	-	-	14,735
Office supplies	-	16,433	-	16,433
Dues and subscriptions	-	14,752	-	14,752
Printing and postage	-	40,019	-	40,019
Professional fees	-	25,231	134,443	159,674
Outside services	-	42,392	-	42,392
Training and education	-	679	-	679
Waste collection	-	6,364	-	6,364
Advertising	-	4,460	66,334	70,794
Bank service charges	-	3,065	-	3,065
Miscellaneous	-	7,021	-	7,021
Board volunteer expense	-	3,070	-	3,070
Retirement	-	21,547	-	21,547
Credit card fees	3,751	-	-	3,751
Special events expense	-	-	85,648	85,648
Total expenses	\$ 19,146,081	\$ 292,280	\$ 324,567	\$ 19,762,928

	Food Program Services	Management and General	Fundraising	2015 Totals
Food	\$ 15,966,713	\$ -	\$ -	\$ 15,966,713
Salaries	352,206	-	20,129	372,335
Payroll taxes and employee benefits	44,006	-	1,540	45,546
Management fees	232,364	85,943	15,727	334,034
Utilities	43,987	-	-	43,987
Depreciation	131,672	-	-	131,672
Repairs and maintenance	47,375	9,856	-	57,231
Insurance	20,352	2,202	-	22,554
Real estate taxes	2,367	-	-	2,367
Interest	-	-	-	-
Rent	28,800	-	-	28,800
Fuel	43,714	-	-	43,714
Freight	43,211	-	-	43,211
Licenses and taxes	1,515	-	-	1,515
Mileage	2,323	-	-	2,323
Grants to others	13,660	-	-	13,660
Office supplies	-	14,221	-	14,221
Dues and subscriptions	-	10,928	-	10,928
Printing and postage	-	51,712	-	51,712
Professional fees	-	28,301	150,800	179,101
Outside services	-	13,357	-	13,357
Training and education	-	8,235	-	8,235
Waste collection	-	6,905	-	6,905
Advertising	-	3,520	52,358	55,878
Bank service charges	-	2,258	-	2,258
Miscellaneous	-	4,036	-	4,036
Board volunteer expense	-	1,779	-	1,779
Retirement	-	19,053	-	19,053
Credit card fees	3,499	-	-	3,499
Special events expense	-	-	90,895	90,895
Total expenses	<u>\$ 16,977,764</u>	<u>\$ 262,306</u>	<u>\$ 331,449</u>	<u>\$ 17,571,519</u>

The accompanying notes are an integral part of these financial statements.

TOLEDO NORTHWESTERN OHIO FOOD BANK, INC.
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2016 and 2015

	2016	2015
Cash flows from operating activities		
Change in net assets	\$ 155,316	\$ 1,103,935
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized (gain) loss on investments	(56,614)	55,761
Depreciation	129,333	131,672
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	1,999	19,655
Inventory	184,525	(849,216)
Prepaid and other assets	(57,348)	(46,665)
Increase (decrease) in:		
Accounts payable	19,827	(112,540)
Accrued expenses	-	(16,643)
Net cash provided by operating activities	377,038	285,959
Cash flows from investing activities		
Purchases of property and equipment	(174,221)	(84,943)
Purchases of investments	(11,737)	(429,571)
Proceeds on sale of investments	54,315	-
Net cash used in investing activities	(131,643)	(514,514)
Net increase (decrease) in cash and cash equivalents	245,395	(228,555)
Cash and cash equivalents at beginning of year	1,284,993	1,513,548
Cash and cash equivalents at end of year	\$ 1,530,388	\$ 1,284,993
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ 3,100	\$ -

The accompanying notes are an integral part of these financial statements.

TOLEDO NORTHWESTERN OHIO FOOD BANK, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2016 and 2015

Note A – Significant accounting policies

Nature of operations

Toledo Northwestern Ohio Food Bank, Inc. (the Food Bank) is a nonprofit organization established to feed the hungry of Northwest Ohio by soliciting surplus food from local grocery suppliers, manufacturers and other producers in the Feeding America network and distributing these donations to qualified community charities with feeding programs for the needy. The Food Bank is a member of the Feeding America network, which provides certain performance guidelines and procedures. These guidelines and procedures facilitate program management, control, and comparability.

Basis of presentation

The financial statements of the Food Bank have been prepared on the accrual basis of accounting. Under this method of accounting, revenues and expenses are identified with specific periods of time and are recorded as incurred, along with acquired assets, without regard to the date of receipt or the payment of cash.

Use of estimates in the preparation of financial statements

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

Cash and cash equivalents

The Food Bank considers all highly liquid investments purchased including certificates of deposits with an original maturity of three months or less to be cash and/or cash equivalents and are deemed to approximate fair value. Cash balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. While the Food Bank's cash balances do at times exceed federally insured limits, the Food Bank feels it is not exposed to any significant risk.

Accounts receivable

At December 31, 2016 and 2015, all accounts receivable were deemed collectible by management of the Food Bank; therefore, there was no allowance for uncollectible accounts. Management uses the direct write-off method to account for uncollectible receivables. Amounts are written off to bad debt expense at the time they are determined by management to be uncollectible.

Investments

The Food Bank's investments and certain cash equivalents are held by a national investment banking and financial services company and managed by an investment advisor in accordance with the terms of an investment advisor agreement.

Investments are recorded at fair market value as determined by quoted market prices of securities held. Unrealized appreciation or depreciation of investments based upon the quoted market values at December 31, 2016 and 2015 are recorded as an increase or decrease in net assets.

TOLEDO NORTHWESTERN OHIO FOOD BANK, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2016 and 2015

Note A – Significant accounting policies (continued)

Inventory

Food donated to the Food Bank is capitalized as inventory and recorded at estimated values of \$1.73 and \$1.67 per pound for the years ended December 31, 2016 and 2015, respectively. In addition to donated food, the Food Bank also maintains an inventory of purchased food which is recorded at cost. Upon distribution, the food is recorded as a decrease in unrestricted net assets and an expense under food.

Property and equipment

Property and equipment is recorded at historical cost, or if donated, at estimated fair value at the date of donation. Property and equipment purchased or donated with a value in excess of \$500 is capitalized. Depreciation is provided over the estimated useful lives of the assets by application of the straight-line method.

Revenue recognition

Contributions of cash are recorded as public support when received. All contributions and revenue are available for unrestricted use unless specified by the donor. Contributions of food that will be resold by the Food Bank are capitalized as inventory and recorded as an unrestricted contribution. Revenue is also recorded as shared maintenance fees when the donated food is sold.

Functional allocation of expenses

The costs of providing the various programs have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Expenses are allocated to program services, management and general and fundraising on the following basis:

- Management and general expenses are allocated on the basis of periodic time and expense studies.
- Personnel expenses are allocated on the basis of direct salaries.
- Building and occupancy costs are allocated on the basis of square footage.
- Depreciation is allocated on the basis of usage of the building, furniture and equipment.

Advertising

In 2011, the Food Bank capitalized \$22,500 of media advertising, which is being amortized over 5 years. Amortization expense for December 31, 2016 and 2015 was \$2,250 and \$4,500, respectively. All other advertising is charged to operations when incurred. Advertising expense for December 31, 2016 and 2015 was \$70,794 and \$55,878, respectively.

The Food Bank has capitalized the acquisition cost of mailing lists purchased from a professional fundraiser. Management believes these lists have a useful life of three years. The costs of the mailing lists were \$57,575 and \$66,797 in 2016 and 2015, respectively. Amortization expense of \$68,098 and \$71,015 in 2016 and 2015, respectively is included in professional fees.

TOLEDO NORTHWESTERN OHIO FOOD BANK, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2016 and 2015

Note A – Significant accounting policies (continued)

Net assets

Net assets are grouped in categories of restrictions on uses of funds.

Unrestricted: Unrestricted net assets are not restricted by donors, or the donor-imposed restrictions have expired.

Temporarily restricted: Temporarily restricted net assets contain donor-imposed restrictions that permit spending as specified. The restrictions are satisfied either by the passage of time or by actions of the Food Bank.

Permanently restricted: Permanently restricted net assets contain donor-imposed restrictions that stipulate resources by maintained permanently for a specified use.

Income and other taxes

The Internal Revenue Service has determined that the Food Bank is qualified as exempt under Section 501(c)(3) of the Internal Revenue Code, and has also determined that the Food Bank is publicly supported. As a result, no provision for federal or state income taxes has been made.

FASB ASC #740, *Income Taxes*, requires entities to disclose in their financial statements the nature of any uncertainties in their tax position. Tax years including the year ended December 31, 2013 and later are subject to examination by tax authorities. Areas that IRS and state authorities consider when examining tax returns of a charity include, but may not be limited to, tax-exempt status and the existence and amount of unrelated business income. The Food Bank does not believe that it has any uncertain tax positions with respect to these or other matters, and has not recorded any unrecognized tax benefits or liability for penalties and interest.

The Food Bank is not aware of any circumstances or events that make it reasonably possible that tax benefits may increase or decrease within 12 months of the date of these financial statements.

Reclassification

Certain reclassifications have been made to the 2015 financial statements to conform to the 2016 financial statement presentation. Such reclassifications had no effect on change in net assets as previously reported.

Subsequent events

Subsequent events were evaluated through January 24, 2018, the date the financial statements were issued.

TOLEDO NORTHWESTERN OHIO FOOD BANK, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2016 and 2015

Note B – Property and equipment

Property and equipment at December 31, 2016 and 2015 consisted of the following:

	2016	2015
Buildings and improvements	\$ 638,068	\$ 619,382
Office furniture and fixtures	41,956	41,019
Office equipment	166,170	158,745
Warehouse equipment	179,013	170,428
Vehicles	755,086	644,919
Total costs	<u>1,780,293</u>	<u>1,634,493</u>
Less accumulated depreciation	<u>998,640</u>	<u>897,728</u>
Net property and equipment	<u>\$ 781,653</u>	<u>\$ 736,765</u>

Depreciation expense for the years ended December 31, 2016 and 2015 was \$129,333 and \$131,672, respectively.

Note C – Line of credit

The Food Bank has an unsecured line of credit with a bank which permits borrowings up to \$250,000 with interest at the bank's prime rate (3.75% at December 31, 2016). The Food Bank had no outstanding borrowings on its line of credit as of December 31, 2016 and 2015. Interest expense related to the line of credit was \$3,100 and \$0 for the years ended December 31, 2016 and 2015, respectively.

Note D – Net assets

Net assets are comprised of unrestricted and temporarily restricted net assets. The unrestricted net assets have not been designated by the Board of Directors for specific purposes.

Temporarily restricted net assets at December 31, 2016 and 2015 consisted of unspent funds for future program operations.

Note E – Concentrations

During the years ending December 31, 2016 and 2015, two donors accounted for approximately 42% and 45% of food donations, respectively.

Note F – Leases

During 2013, the Food Bank began leasing additional off-site warehouse storage on a month-to-month basis. Monthly rental payments are \$2,400 per month. The lessee is responsible for all utilities. Rental expense for the years ended December 31, 2016 and 2015 was \$28,800.

TOLEDO NORTHWESTERN OHIO FOOD BANK, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2016 and 2015

Note G – Retirement plan

Effective January 1, 2012, the Food Bank established a 401(k) defined contribution retirement plan, which covers substantially all employees. Eligible employees may defer a portion of their salaries to the plan. In addition, the Food Bank makes a discretionary contribution based upon years of service and Board recommendations. Employer contributions to the plan in 2016 and 2015 were \$21,547 and \$19,053, respectively.

Note H – Related party transactions

Second Harvest is a nonprofit management company that has been organized to share management and accounting functions among its members. Its membership consists of Toledo Northwestern Ohio Food Bank, Inc. and James C. Caldwell Community Center. Related party transactions consisted of the following:

- The Food Bank paid management fees of \$355,015 and \$334,034 to Second Harvest Community Services of Northwest Ohio (Second Harvest) for the years ended December 31, 2016 and 2015, respectively.
- Second Harvest paid rent of \$0 and \$4,224 to the Food Bank for each of the years ended December 31, 2016 and 2015, respectively.
- Accounts receivable/loan receivable due from Second Harvest to the Food Bank was \$36,488 and \$22,592 as of December 31, 2016 and 2015, respectively.
- The Food Bank paid James C. Caldwell Community Center \$10,000 and \$12,132 to be used towards the Red Nose Grant, Back Pack, Kids Cafe and Safe Haven Programs for the years ended December 31, 2016 and 2015, respectively.
- The Food Bank had accounts receivable/loan receivable of \$173,656 and \$140,431 due from the James C. Caldwell Community Center as of December 31, 2016 and 2015, respectively, for various advances.

TOLEDO NORTHWESTERN OHIO FOOD BANK, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2016 and 2015

Note I – Investments

As of December 31, 2016 and 2015, investments consisted of marketable securities managed by a third party brokerage firm. Each of these securities is stated at current market values. The change during the period in the aggregate market value of marketable securities held at the end of the period is reported as the appreciation or depreciation of investments. Investments consisted of the following as of December 31, 2016 and 2015, measured at quoted prices in active markets for identical assets (level 1):

	<u>2016</u>	<u>2015</u>
Mutual funds	\$ 1,480,119	\$ 1,500,068
Closed end and exchange traded funds	222,106	188,121
Total investments	<u>\$ 1,702,225</u>	<u>\$ 1,688,189</u>

Investment income for the years ended December 31, 2016 and 2015 consisted of the following:

	<u>2016</u>	<u>2015</u>
Interest and dividends	\$ 55,436	\$ 68,509
Realized appreciation (depreciation)	(27,527)	(14,219)
Unrealized appreciation (depreciation)	56,614	(55,761)
Total	<u>\$ 84,523</u>	<u>\$ (1,471)</u>

Note J – Fair Value Measurements

FASB ASC 820, *Fair Value Measurements and Disclosures*, (ASC 820) establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Food Bank has the ability to access.

TOLEDO NORTHWESTERN OHIO FOOD BANK, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2016 and 2015

Note J – Fair Value Measurements (continued)

Level 2: Inputs to the valuation methodology include

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the assets or liability has a specified (contractual term), the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following table sets forth by level, within the fair value hierarchy, the Food Bank's assets at fair value as of December 31, 2016 and 2015:

<i>Assets at fair value as of December 31, 2016</i>	<u>Level 1</u>
Cash and cash equivalents	\$ 1,530,388
Investments – mutual funds	\$ 1,480,119
Investments – close end and exchanged traded funds	\$ 222,106
<i>Assets at fair value as of December 31, 2015</i>	<u>Level 1</u>
Cash and cash equivalents	\$ 1,284,993
Investments – mutual funds	\$ 1,500,068
Investments – close end and exchanged traded funds	\$ 188,121

SUPPLEMENTARY INFORMATION

TOLEDO NORTHWESTERN OHIO FOOD BANK, INC.
SCHEDULES OF FOOD PROGRAM EXPENSES
Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Food program expenses		
Food	\$ 18,115,949	\$ 15,966,713
Personnel		
Salaries	348,283	352,206
Payroll taxes and employee benefits	43,499	44,006
Total personnel	<u>391,782</u>	<u>396,212</u>
Occupancy		
Utilities	46,196	43,987
Depreciation	52,213	53,157
Repairs and maintenance	43,867	32,878
Insurance	12,058	9,634
Real estate taxes	2,756	2,367
Interest	3,100	-
Rent	28,800	28,800
Total occupancy	<u>188,990</u>	<u>170,823</u>
Transportation		
Depreciation	77,120	78,515
Fuel	38,454	43,714
Repairs and maintenance	19,343	14,497
Insurance	13,415	10,718
Freight	28,736	43,211
Licenses and taxes	3,278	1,515
Mileage	3,569	2,323
Total transportation	<u>183,915</u>	<u>194,493</u>
Credit card fees	3,751	3,499
Grants to others	14,735	13,660
Management fees	<u>246,959</u>	<u>232,364</u>
Total food program expenses	<u>\$ 19,146,081</u>	<u>\$ 16,977,764</u>

See independent auditors' report.

TOLEDO NORTHWESTERN OHIO FOOD BANK, INC.
SCHEDULES OF MANAGEMENT AND GENERAL AND FUNDRAISING EXPENSES
Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
General and administrative expenses		
Management fees	\$ 91,341	\$ 85,943
Office supplies	16,433	14,221
Dues and subscriptions	14,752	10,928
Printing and postage	40,019	51,712
Professional fees	25,231	28,301
Outside services	42,392	13,357
Training and education	679	8,235
Waste collection	6,364	6,905
Advertising	4,460	3,520
Repairs and maintenance	13,150	9,856
Bank service charges	3,065	2,258
Miscellaneous	7,021	4,036
Insurance	2,756	2,202
Board volunteer expense	3,070	1,779
Retirement	21,547	19,053
	<u>292,280</u>	<u>262,306</u>
Total general and administrative expenses	\$ <u>292,280</u>	\$ <u>262,306</u>
Fundraising expenses		
Professional fees	\$ 134,443	\$ 150,800
Advertising	66,334	52,358
Salaries	19,905	20,129
Management fees	16,715	15,727
Payroll taxes and employee benefits	1,522	1,540
Special events expense	85,648	90,895
	<u>324,567</u>	<u>331,449</u>
Total fundraising expenses	\$ <u>324,567</u>	\$ <u>331,449</u>

See independent auditors' report.