



# Town of Brewster

## Health and Human Services Committee

### MEETING AGENDA

2198 Main St., Brewster, MA 02631

(508) 896-3701

Wednesday, April 3, 2024 @ 4:30 p.m.

#### Health and Human Service Committee Members

Suzanne Kenney  
Chair

Sean Parker  
Vice Chair

Lisa Perkins  
Secretary

Deborah Blackman  
Jacobs

Patricia Hess

Mary Jo Murphy

Anne O'Connell

Robert Ziegler

This meeting will be conducted in person at the time and location identified above. This means that at least a quorum of the members of the public body will attend the meeting in person and members of the public are welcome to attend in person as well. **As a courtesy only, access to the meeting is also being provided via remote means in accordance with applicable law. Please note that while an option for remote attendance and/or participation is being provided as a courtesy to the public, the meeting/hearing will not be suspended or terminated if technological problems interrupt the virtual broadcast or affect remote attendance or participation, unless otherwise required by law.** Members of the public with particular interest in any specific item on this agenda, which includes an applicant and its representatives, should make plans for in-person vs. virtual attendance accordingly.

Members of the public who wish to access the meeting may do so in the following manner:

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/88401842313?pwd=QjIraStPMVNZVE9IS0pCK3ZxU2pSZz09>

Passcode: 283241`

+1 312 626 6799 US (Chicago)

+1 646 931 3860 US

Webinar ID: 884 0184 2313 Passcode: 283241

To request to speak: Tap Zoom "Raise Hand", then wait to be recognized.

When required by law or allowed by the Chair, persons wishing to provide public comment or otherwise participate in the meeting, may do so by accessing the meeting remotely, as noted above. Additionally, the meeting will be broadcast live, in real time, via **Live broadcast** (Brewster Government TV Channel 18), **Livestream** ([livestream.brewster-ma.gov](http://livestream.brewster-ma.gov)), or **Video recording** ([tv.brewster-ma.gov](http://tv.brewster-ma.gov)).

Please note that the Health and Human Services Committee may take official action, including votes, on any item on this agenda.

1. Call to Order
2. Declaration of a Quorum
3. Meeting Participation Statement
4. Recording Statement: As required by the Open Meeting Law we are informing you that the Town will be video and audio taping as well as broadcasting this public meeting. In addition, if anyone else intends to either video or audio tape this meeting they are required to inform the chair.
5. Approval of March 6, 2024 Minutes
6. Presentation of Non-Profit Financials
7. Establish Committee Sub Groups to Review Groupings of Service Areas
8. Meeting Times Going Forward
9. Matters Not Reasonably Anticipated by the Chair
10. Next Meetings: May 1, 2024
11. Adjournment

Date Posted:

Date Revised:

Received by Town Clerk:



**Town of Brewster**  
**Health and Human Services Committee**  
**MEETING MINUTES**

2198 Main St., Brewster, MA 02631

(508) 896-3701

Wednesday, March 6, 2024 @ 4:30 p.m.

Present: Suzanne Kenney (chair), Sean Parker (vice chair), Patricia Hess, Deborah Jacobs, Mary Jo Murphy, Anne O'Connell, Lisa Perkins (secretary), Robert Ziegler; Conor Kenny (town liaison)

Absent: Kari Hoffman (Select Board Liaison)

1. Call to Order: The meeting was called to order at 4:29 pm.
2. Declaration of a Quorum: A quorum was declared by Chair Kenney.
3. Meeting Participation Statement was read by the Chair.
4. Recording Statement was read by the Chair.
5. Approval of February 7, 2024 Minutes: The minutes were approved by a vote of 8-0.
6. **Select Board and Finance Committee Meetings Summation regarding HHS Funding:** Suzanne reviewed the funding recommendation presentations to the above boards. She noted that both bodies approved the recommendations and thanked the committee for their work. Lisa asked if the committee should be seeking ways to offer more information to these boards relative to the increased needs in Brewster that our committee has observed over the years, perhaps increasing our advocacy efforts for these agencies. Anne echoed Lisa's concerns noting that there was even a mention that we would be limited to a 5% increase next year. Mary Jo sought clarification of when we would work to educate the boards relative to the greater need than in the past. Suzanne said that we should be considering that beginning now. It was agreed that we would continue to discuss that in future meetings before next year's presentations.
7. **Discussion and Framework for Reviewing and Recommending Grant Awards:** Suzanne reviewed the rationale for tonight's meeting and indicated that the following questions could serve as guidelines for the discussion:
  - **How should we evaluate cost spent on services compared to other organizations? Are agencies duplicating services and should we fund those**

**who do? How then would we decide on who gets the funds?** Discussion ensued relative to how we can receive more information about agencies' costs and whether we should group decision-making by considering similar agencies that appear to provide the same type of assistance. Discussion also involved whether the UOS costs was a fair way way to evaluate agency effectiveness. A previous inquiry by Anne to Conor about the discrepancy in UOS cost between agencies highlighted that differences in agencies that appeared to provide similar support were often due to factors such as types of services provided and/or cost of those services in Brewster. Suzanne noted that a comment from FinCom highlighted that we have to be clear about the difference between collaboration and duplication. She further said that we need to know what questions to ask to better understand what agencies actually do. Bob asked if the select board makes recommendations about who we fund. Conor noted that the responsibility is left to the HHS. Bob also asked if the same agencies have sought funding for a long time, which many have. Mary Jo suggested going forward that the HHS members read all the applications received, but also each be assigned specific applications to dig deeper to understand the workings of the agencies.

- **What if an agency has a surplus of funds; do they really need Town funds?** Anne noted that this question had a lot of nuance to it. Suzanne indicated that a request has been made to have a CPA at our next meeting to help us understand if an agency really had a surplus. Anne said that it is was not easy to discern if an organization had too much money and did not require town assistance. The bottom line may be more informative than a surplus. Suzanne noted that it was hard to discern how the organization was directing their assets and what limitations were on those assets. She also noted that for some organizations their financials show a large volume of revenues that is just pass through funds such as rental vouchers or in-kind donations but they still need our funds. HAC was an example of needing what is called "shallow subsidies," for those individuals that don't qualify for assistance. Another example is OCHS who uses our money for the unbillable costs for individuals who do not have insurance. Mary Jo noted that some agencies do not have large fund-raising capacities which affects their ability to help. Lisa said that she felt that, given our constraints relative to increases, the smaller agencies are not getting funded according to need and that monies given had greater impact than the same amount given to a larger agency. Patricia noted that she really did not want to forget the little agencies who need the money. Suzanne agreed that the range of services is very important but we need to clarify what the need is.
- **Should we support organizations that serve regional needs? Does charter allow for regional support or agency serving individuals without permanent address?** Anne noted that in reading the charter, it seemed to

indicate that we should not be funding regional agencies. It should be clear that the individuals we help are Brewster residents.

Also, Sean asked if we could put a moratorium on new applications; Suzanne noted that we have a few months to think about this. Deborah said her concern was how do find out about duplication of services. Suzanne noted that there is a lot of housing organizations and they collaborate, but it was hard to really understand if they were doing the same thing. Some are doing more counseling and support to increase independence; others are simply funding housing. She further noted that we should be paying more attention to the agencies that are collaborating. Asked about establishing a goal/guideline by category of services would be helpful for our decision-making, Suzanne noted that clustering them into categories may be worthwhile after we look at agencies. Sean offered an idea that we allocate a certain amount, for example, for housing and ask the 3 housing organization for help on its distribution. Suzanne noted that since we didn't have that much money to give, this might not be worth the agencies' time and energy.

Going forward, it was agreed that it would be helpful to have the knowledge shared by a CPA and continued discussion—using Suzanne's non-profit experience—to understand how to improve our recommendation process. The committee agreed that it would be good to try to cluster agencies by member groups, with each taking a deep dive into the applications as well as using town data to determine if it serves a great need. We will discuss this at the April meeting. We will discuss what additional organizations we might want to bring in as we discuss how many meetings we will have during the summer. Mary Jo asked if the CPA would be a specialist in non-profits; the designated CPA has some experience in this.

8. Matters Not Reasonably Anticipated by the Chair: Pending meeting schedule for the next several months: May, June, not July, and August. The meetings following our April would include visits from agencies about which we have questions. The suggestion was that Family Pantry of Cape Cod and ASGCC should be invited.
9. Next Meetings: April 3, 2024 at 4:30.
10. Adjournment was at 5:40 p.m.

**Date Posted:**

**Date Revised:**

**Received by Town Clerk:**



133 Queen Anne Road  
Harwich, MA 02645  
www.thefamilypantry.com  
508-432-6519



Christine H. Menard  
Executive Director  
cmenard@thefamilypantry.com

#### Trustees

Shelly O'Neill, *Chairperson*  
Norman Clarke  
Paul Covell  
Lorraine Cowhey  
Nancy Diehl DiGiovanni  
Richard Gomes  
Shirley A. Gomes  
Lisa Griffin  
Eileen Leary  
Peter Moynagh  
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James Peterson  
Thomas H. Peterson, Jr.  
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#### Directors

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Mary Kate Gallagher, *Vice President*  
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Patricia Nadle  
Richard Roy  
Sally Tarbell  
Justin Tavano  
Patty Underwood

September 5, 2023

Mr. Conor Kenny  
Project Manager  
Brewster Town Hall  
2198 Main Street  
Brewster, MA 02631

Dear Mr. Kenny:

Enclosed is an application for the Town of Brewster's Human Services Grant funding for FY 2025. We are applying under Brewster's identified need of hunger and we provide food to all of the groups mentioned as Brewster priorities. Included are 10 copies of the application and the following attachments:

- 501(c)(3) documentation
- Board of Directors List
- 2024 budget
- 2022 & 2021 audited financial statements provided by Sanders, Walsh & Eaton, Certified Public Accountants
- 2022 Annual Report

The Pantry recently celebrated 34 years of providing food and clothing to people throughout Cape Cod. We are the largest pantry on the Cape and provide a multi-faceted approach to hunger relief. The Pantry has received three national credentials:


Charity Navigator: 4 star organization for good governance and fiscal responsibility. 20% of nonprofits achieve this.

Points of Light Service Enterprise best in class volunteer organization. 11% of nonprofits achieve this.

Candid, formerly Guidestar: Platinum Seal of Transparency for financial transparency. 15% of nonprofits achieve this.

Thank you for your previous support and consideration of this request. Please contact me if you have any questions.

Sincerely,

  
Christine H. Menard  
Executive Director

### APPLICATION COVER SHEET FY 2025 Human Services Grant Program

**TO:** Town Administrator, Town of Brewster  
2198 Main Street, Brewster, Massachusetts 02631

The undersigned agency The Family Pantry of Cape Cod hereby submits this application as a Human Services agency serving the residents of the Town of Brewster for FY2025 funding in the amount of \$ 6,000.

*Check the identified Human Services needs addressed by this application (check all that apply):*

<i>✓ if addressed by this application</i>	<i>Identified Human Services Need</i>	<i>Specify group(s) served (e.g., children, elderly, etc.)</i>
	MENTAL HEALTH SERVICES	
	SUBSTANCE ABUSE SERVICES	
✓	SERVICES FOR CHILDREN, TEENS, FAMILIES-AT-RISK, AND ELDERS	all
	DOMESTIC VIOLENCE SERVICES	
	LEGAL SERVICES	
✓	SERVICES ADDRESSING HOUSING NEEDS AND HUNGER	all
	CHRONIC CARE SERVICES	
✓	SERVICES FOR PEOPLE WITH DISABILITIES	all

The undersigned certifies that this application has been made and submitted in good faith and without collusion or fraud with any other person. As used in this certification, the word "person" shall mean any natural person, business, partnership, corporation, union, committee, club or other organization, entity or group of individuals.

Pursuant to MGL Chapter 62C, section 49A, the undersigned duly authorized officer of the company hereby certifies that said organization has complied with all the laws of the Commonwealth of Massachusetts relating to taxes.

AGENCY NAME/PHONE: The Family Pantry of Cape Cod / 508-432-

PRINTED NAME/TITLE: Christine H. Monard / Executive Director <sup>6519</sup>

SIGNATURE:  DATE: 9/6/23

# FY 2025 Brewster Human Services Grant Request

## The Family Pantry of Cape Cod

### A. Description of Operations:

**1. Mission:** The Family Pantry of Cape Cod's mission is to provide food and clothing to ALL who need it.

**2. Trends:** The past few years we have seen significant growth in the number of Brewster residents using our services. The growth in the mobile services was expected since it was new in 2016. It seems to have had the additional effect of making Brewster residents aware of the main pantry in Harwich and the increase in Brewster residents' use of the Harwich facility has been significant.

2022 growth was unprecedented. Records were shattered on every front. It began with the end of the Pandemic relief in early 2022, continued with the Covid-19 logistical issues, ramped up with the start of the Ukrainian war, and then the highest inflation in 40 years. Add to all of this, the seasonal unemployment and lack of affordable housing and the Pantry served the most people in one year in the history of the Pantry, bar none! In October alone, the Pantry saw a 71% increase in visits to the Pantry. In 2022, the Family Pantry fed half of the 23,000 food insecure people on Cape Cod.

Records that were set in 2022:

- Served over 600 families per week
- Saturday Dec 17, we distributed food to 1.2 families per minute
- Increased family visits 44% over 2021
- Distributed the most bags of food in the Pantry's history
- Served the most individuals in the Pantry's history

Total families served: 4,500/11,805 individuals

Total Bags of Food Distributed: 132,962

Total meals served: Over 2.8 million

Total value of food provided: \$6.4 million

Supported 1,718 new family registrations

Total Pounds of Clothes Distributed: 35 tons

We measure growth three ways:

1. Distinct clients: Each household counts once whether they came once or several times to the pantry.
2. Distinct people: Each person counts once whether they came once or several times to the pantry.
3. Client visits: Each visit for each household is counted.

The charts below show the growth for the past four years.

### Distinct Clients

	Total	% increase	Brewster	% increase	Brewster mobile	% increase
2022	4485	38%	329	18%	86	34%
2021	3252	-18	280	-16	64	-6
2020	3983	-12	242	-35	68	33
2019	4519	14	371	47	51	-10
2018	3971	6	253	27	57	10

### Distinct People

	Total	% increase	Brewster	% increase	Brewster mobile	% increase
2022	11,617	35	623	12	113	14
2021	8,574	-12	557	8	109	31
2020	10,022	-4	511	-12	83	41
2019	10,490	12	580	27	59	-23
2018	9,398	2	455	27	64	13

### Client Visits

	Total	% increase	Brewster	% increase	Brewster mobile	% increase
2022	26,560	44	1826	30	582	10
2021	18,469	-6	1406	22	530	48
2020	19,553	-10	1150	-26	358	3
2019	21,644	16	1563	31	347	6
2018	18,744	13	1196	23	326	19

Client visits are projected to increase significantly due to the increase in clients as well as the Pantry decision to allow clients to shop for food every ten days starting in early 2022.

### Bags of Food

	Total	% increase	Brewster total	% increase	Brewster mobile	% increase
2022	131,476	41	8,075	24	1,892	6
2021	93,215	-5	6,496	23	1,785	20
2020	98,327	-6	5,288	-19	1,484	5
2019	104,090	14	6,575	24	1,411	9
2018	91,143	12	5,295	22	1,296	18



The increase in client visits described above is responsible for a similar increase in bags of food distributed.

### **3. New efforts:**

The mobile pantry was started in 2016 and one of our first partners was the Brewster Council on Aging. Brewster was identified as underserved by Feeding America's national study of the Meal Gap which is why we decided to begin providing services there. We have since expanded to include serving people in the Brewster Housing Authority Residence in Brewster. It is very interesting to note that since the launch of the mobile service in Brewster the number of clients who come to the main pantry in Harwich has risen significantly. It seems that many Brewster residents were unaware of the availability of the Pantry.

**4. Services** are provided at our main location which is at 133 Queen Anne Road in Harwich. The pantry is open for services at the following times:

Tuesdays	10AM to 3:30PM
Wednesdays	10AM to noon
Thursdays	10AM to 3:30PM & 5-7PM
Saturdays	9AM to noon

People do not need an appointment to access the services. They can come any time we are open. Everyone goes home from that first visit with food. The quantity is dependent upon the number of people in the household and people are allowed to shop for food every ten days.

Our website [www.thefamilypantry.com](http://www.thefamilypantry.com) has a "client video tour" of the pantry on the home page which shows prospective clients what to expect on their first visit.

### **Services provided include;**

**Food:** The Pantry has always been a full choice pantry meaning the clients select the food they wish to have and nothing is ever specified or pre-bagged. The choices available include: the traditional staples of canned and packaged goods, bakery goods, fresh produce some of which is grown in our garden during the summer season, high quality frozen meats and locally caught frozen fish through our partnership with the Cape Cod Commercial Fishermen's Alliance.

**Clothing:** The Pantry also provides clothing as well as some small household items as available to our client families free of charge. In addition there are special distributions at different times during the year including the following:

September	Back to School supplies
Thanksgiving:	Turkeys and food baskets
December	Toy program

**Food to Encourage:** This is a program for clients with high blood pressure, diabetes or pre-diabetic conditions and it provides weekly health monitoring by Barnstable County Public Health

Nurses while at the Pantry. In addition each client in the program receives a bag of fresh fruit and vegetables as well as a recipe, sample of the recipe and other nutrition advice from our Nutrition Educators.

**Mobile Pantry:** In addition residents of Brewster have the opportunity to access our services through Healthy Meals in Motion which is our mobile pantry. Once a month on the 2<sup>nd</sup> Wednesday of the month from 11AM to noon, Healthy Meals in Motion brings food to the Brewster Housing Authority at 11 Frederick Court in partnership with the Brewster Council on Aging. The food brought has been preselected the week before by each individual and in addition to the expected pantry staples includes fresh produce, frozen meats and locally caught and flash frozen seafood. Anyone wishing to access these services should call the Brewster Council on Aging.

**5. Service Providers:** The Pantry has a very small staff of 10 people: 4 full time (Executive Director, Program Manager, Warehouse Manager, Thrift Shop Manager); 4 part time (Logistics Manager, Office Manager, Thrift Shop Assistant Manager and a very part time Grant Writer) and 1 seasonal (Garden Manager) There is also a group of 650 dedicated volunteers who are the heart and soul of the Pantry.

**B. Funding**

**1. 2024 Budget**

Donations;	\$875,000
Second Glance Thrift Sales	\$700,000
Gala	\$300,000
Grants	\$550,000
Other Income	\$2,300
Total	\$2,427,300

**2. Brewster Services**

Service provided 2022	Brewster Residents	Bags of Food	Cost	Value
Provided food at Pantry location	510	6,193	\$51,773	\$305,005
Provided food at Brewster Mobile Pantry	113	1,922	\$16,068	\$94,649
Total	623	8,115	\$67,841	\$399,664

**3. Use of Funds:** Any funds gratefully received from the Town of Brewster would be used to feed Brewster residents. Each dollar granted will buy 4 meals.

**4. Projected needs:** We anticipated the need for our services to continue to grow. With the current economic uncertainty we are expecting at least modest growth for the next few years. Projected budget for the next three years with modest (5% growth):

2023 \$1,776,300  
 2024 \$2,427,300  
 2025 \$2,550,000

**5. Previous Brewster funding:** We are very grateful for the generous funding from the Town of Brewster in the past three years.

FY 2021 \$4,300  
 FY 2022 \$5,000  
 FY 2023 \$5,000  
 FY 2024 \$5,000

**C. Agency Data**

**1. Effectiveness:** We measure the Pantry’s effectiveness by the increased number of people who use our services each year. Thirty years ago we served 25-50 households each month. For the past 4 years we have served well over 1,500 households each month. In addition we survey our clients periodically and our 2019 survey produced the following results:

- a. 63% of the respondents come to The Family Pantry because it has the best food.
- b. 84% of the respondents believe the variety of fresh fruits and vegetables available are good to excellent.
- c. 95% of the respondents are satisfied or very satisfied by the way they are treated by the Pantry volunteers.

**2. Units of Service:** The units of service that we measure include the following:

- Distinct (unduplicated) number of clients served
- Distinct (unduplicated number of people served
- Visits which is the total number of visits to the Pantry by all clients
- Bags of food provided

**3. Cap on services:** We do not have a cap on the number of people who can be served.

**4. Statistics:**

2022	Total	Brewster
Distinct clients	4,485	329
Distinct people	11,617	623
Total Visits	26,560	1,826
Bags of Food	126,638	8,075
Cost/ distinct person	\$90.91	\$90.91

**Internal Revenue Service**  
P.O. Box 2508  
Cincinnati, OH 45201

**Department of the Treasury**

**Date:** July 21, 2016

THE FAMILY PANTRY OF CAPE COD, CORP  
133 QUEEN ANNE RD  
HARWICH, MA 02645

**Person to Contact:**

Mr. Mayom, ID # 1306800

**Toll-Free Telephone Number:**

877-829-5500

**Employer Identification Number:**

22-3079904

**Form 990 Required:**

Yes

Dear Sir or Madam:

This is in response to your request dated July 14, 2016, regarding your tax-exempt status.

We issued you a determination letter in March 1995, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

Our records also indicate you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

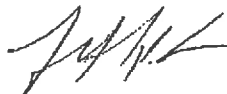
Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If a return is required, you must file Form 990, 990-EZ, 990-N, or 990-PF by the 15th day of the fifth month after the end of your annual accounting period. IRC Section 6033(j) provides that, if you don't file a required annual information return or notice for three consecutive years, your exempt status will be automatically revoked on the filing due date of the third required return or notice.

For tax forms, instructions, and publications, visit [www.irs.gov](http://www.irs.gov) or call 1-800-TAX-FORM (1-800-829-3676).

If you have questions, call 1-877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific Time).

Sincerely yours,



Jeffrey I. Cooper  
Director, Exempt Organizations  
Rulings and Agreements

## Directors

Contact Type	Name	Address	
Director	Campbell, Allan	57 Kingswood Auburndale, MA 02466	Retired Attorney
Treasurer	DeVito, John	25 Chipmunk Lane Plymouth MA 02360	Cape Cod Five Bank
Vice President	Gallagher, Mary Kate	42 Ridgewood Drive Yarmouth Port, MA 02675	Cape Cod 5 Cents Savings Bank
Director	Kellogg, Kathy	142 Yankee Drive Brewster, MA 02631	
Director	Lyford, Larry	237 North Main Street South Yarmouth, MA 02664	Thirwood Place
Director	Maguire, Maureen	54 Sterling Road Harwich, MA 02645	Retired Teacher
President	Masi, Melissa	3 Rowland Drive Chatham, MA 02650	Paralegal
Secretary	McNamara, Kathy	144 Pond View Drive Brewster, MA 02631	Cape Cod Community College Education Foundation
Director	Morong, Craig	270 Stage Island Road Chatham, MA 02633	Atlantic Financial Partners
Director	Nadle, Patricia	39 Captain Bount Drive South Yarmouth, MA 02664	CEO Outer Cape Healthcare
Director	Roy, Richard	123 Queen Anne Road Harwich, MA 02645	Owner Rick Roy Construction
Director	Tarbell, Sally	45 Seagull Lane West Dennis, MA 02670	
Director	Tavano, Justin	135 Depot Road Chatham, MA 02633	Chatham Deputy Fire Chief
Director	Underwood, Sally	9 Lexington Drive Harwich, MA 02645	Accountant

**The Family Pantry of Cape Cod  
Program & Organizational Budget**

	<b>2024 Budget</b>
<b>Revenue:</b>	
Donations	\$ 875,000.00
Second Glance Sales	\$ 700,000.00
Grants	\$ 550,000.00
Gala	\$ 300,000.00
Textile Income	\$ 2,300.00
<b>Total Revenue</b>	<b>\$ 2,427,300.00</b>
<b>Expenses:</b>	
<b>Food</b>	<b>\$ 655,000.00</b>
<b>Personnel</b>	<b>\$ 588,460.00</b>
<b>Building:</b>	
Maint. Repairs & Cleaning	\$ 50,000.00
Snowplowing	\$ 12,000.00
Equipment	\$ 10,892.00
Supplies	\$ 68,000.00
Utilities & Phone	\$ 65,000.00
Insurance General	\$ 34,998.00
Credit Card & Paypal Fees	\$ 29,320.00
<b>Other Expenses:</b>	
Computers/software	\$ 11,000.00
Easter/xmas/BTS	\$ 20,000.00
Garden	\$ 7,500.00
Truck Expense	\$ 17,000.00
Office supply	\$ 14,000.00
Professional Fees	\$ 13,000.00
Dues and Subscription	\$ 9,000.00
Fundraising	\$ 100,000.00
Volunteer Expense	\$ 35,000.00
Menstrual Products	\$ 45,000.00
Advertising	\$ 6,500.00
Staff Training	\$ 3,000.00
Other	\$ 11,700.00
<b>Total Expenses</b>	<b>\$ 1,806,370.00</b>
<b>Net Ordinary Income</b>	<b>\$ 620,930.00</b>
<b>Other Expenses:</b>	
Depreciation	\$ 115,000.00
Second Glance Building	\$ 8,000.00
Pantry Building	\$ 220,000.00

403B Investment Fees	\$	3,000.00
Board Designate Invest. fees	\$	31,000.00
Mass State Fee	\$	515.00
Donations Made by Pantry	\$	4,000.00
<b>Total Other Expenses</b>	\$	<b>381,515.00</b>
<b>Total Net Revenue</b>	\$	<b>239,415.00</b>

# 2022 WAS A RECORD YEAR!

Because of YOU, the Pantry fed a record-breaking <math>11,855</math> people and...

- Was able to keep up with an extraordinary <math>44\%</math> increase in visits over last year
- Distributed the most bags of food and served the greatest number of people in the Pantry's history
- Served <math>over\ 600</math> families a week
- Registered <math>more\ than\ 1,700</math> new families and <math>4,300</math> new individuals
- Launched new Menstrual Products Program
- Expanded Thursday and Saturday hours at the Pantry

Provided  
**1.9M+**  
Meals  
in 2021

and

**2.8M+**  
Meals  
in 2022

Distributed  
**\$4.0M+**  
Worth  
of Food  
in 2021

and

**\$6.4M+**  
Worth of  
Food  
in 2022



Unique  
Families  
Served



Individuals  
Served



Bags of Food  
Distributed

	Unique Families Served	Individuals Served	Bags of Food Distributed
Barnstable	1,589	4,707	46,372
Brewster	329	639	8129
Chatham	191	478	6287
Dennis	522	1,304	16,582
Eastham	146	317	4171
Harwich	436	959	14,652
Orleans	146	264	4,020
Provincetown	110	219	3,558
Truro & Wellfleet	60	138	1,455
Upper & Off Cape	227	761	5,115
Yarmouth	741	2,069	22,621
<b>Total</b>	<b>4,497</b>	<b>11,855</b>	<b>132,962</b>



**The Mobile Pantry**  
Distributed  
11,870 Bags of Food  
to 545 Clients

Serving  
Brewster, Chatham,  
Dennis, Eastham, Orleans,  
and Provincetown

**650**  
Volunteers  
contribute  
\$2.4M  
in labor



Special  
Giving



We provided  
**600+** Thanksgiving  
turkeys and served  
**600** kids on Toy Day

Garden



Our garden  
produced **6,200 lbs.**  
of fresh vegetables

Second  
Glance  
Thrift  
Boutique



100% of sales support  
the Pantry's food program



The Family  
Pantry  
of Cape Cod



Pallet Program

Distributed 25 pallets of  
food to group homes,  
churches, schools, and  
other community groups

Clothing &  
Household  
Items



Distributed 35 Tons of  
gently used clothing

Assistance



Fuel  
Assistance  
and SNAP  
applications  
continued to be  
handled over the phone

Off-Site Locations



Healthy Meals  
in Motion  
Mobile Pantry

Cape Cod Community  
College Pantry  
Grab & Go

The Family Pantry of Cape Cod began in 1989 with the mission to "provide food and clothing for ALL who need it." Prioritizing **diversity, equity, and inclusion** within our work and throughout our practices and relationships is essential to the Pantry's core beliefs. We strive to ensure that everyone has access to nutritional food and adequate clothing that fits their cultural and individual needs. The Family Pantry advocates for and advances practices that promote diversity, equity and inclusion.



.....

## CREDENTIALS MAINTAINED

.....

DESPITE  
UNPRECEDENTED  
DEMAND!



### CHARITY NAVIGATOR—4 STAR ORGANIZATION

ONLY 20% OF NONPROFIT ORGANIZATIONS ACHIEVE THIS RATING

Charity Navigator is America's premier independent charity evaluator. The organization helps charitable givers make intelligent giving decisions by providing in-depth, objective ratings and analysis of the financial health, accountability, and transparency of America's charities.

**The Family Pantry of Cape Cod maintains a four out of a possible four star rating,** indicating that the Pantry adheres to good governance and other best practices that minimize the chance of unethical activities and consistently executes its mission in a fiscally responsible way.



### POINTS OF LIGHT SERVICE ENTERPRISE ORGANIZATION

ONLY 11% OF NONPROFIT ORGANIZATIONS ACHIEVE THIS RECOGNITION

Points of Light Service Enterprise organizations demonstrate the transformative power of service. Recognition as a Service Enterprise results from extensive key staff training and comprehensive review of organizational and volunteer processes and procedures. A Service Enterprise is an organization that strategically leverages volunteers to achieve operational efficiency and greater social impact. Service Enterprises are among the top 11% of nonprofits in the country in volunteer management and organizational performance.

Research conducted by TCC Group and Deloitte shows that nonprofits operating as a Service Enterprise are as effective as peers but at almost half the median budget, and they are significantly more adaptable, sustainable, and scalable.

**Recognizing The Family Pantry of Cape Cod is a best in class volunteer organization, the Pantry was certified in 2017 and recertified in 2020.**



### CANDID: PLATINUM TRANSPARENCY

ONLY 15% RECEIVE THIS SEAL

Candid, formerly GuideStar, is the world's largest source of information about nonprofit organizations. Candid also works to verify that a Platinum Seal recipient organizations are established and that donated funds are used where the donor intended.

Nonprofit organizations are rated Bronze, Gold, and Platinum for their financial transparency.

**For the fifth year, The Family Pantry of Cape Cod received the Platinum Seal of Transparency,** indicating that the organization shares clear and important information with the public about goals, strategies, capabilities, achievements, and progress indicators that highlight the difference the Pantry makes in the world.

**THE FAMILY PANTRY OF CAPE COD CORPORATION**  
(a nonprofit corporation)

**FINANCIAL STATEMENTS**

For the Years Ended December 31, 2022 and 2021

# THE FAMILY PANTRY OF CAPE COD CORPORATION

## Table of Contents

For the Years Ended December 31, 2022 and 2021

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To the Board of Directors  
The Family Pantry of Cape Cod Corporation  
Harwich, MA

**Opinion**

We have audited the accompanying financial statements of The Family Pantry of Cape Cod Corporation (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Family Pantry of Cape Cod Corporation as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Family Pantry of Cape Cod Corporation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Family Pantry of Cape Cod Corporation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Family Pantry of Cape Cod Corporation'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 Family Pantry of Cape Cod Corporation'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.

*Sanders, Walsh & Eaton, CPAs, LLC*

Osterville, Massachusetts  
April 4, 2023

**THE FAMILY PANTRY OF CAPE COD CORPORATION**

Statements of Financial Position

For the Years Ended December 31, 2022 and 2021

		<b>ASSETS</b>	
		<u>2022</u>	<u>2021</u>
<b>Current Assets:</b>			
Cash and cash equivalents		\$ 5,212,875	\$ 4,302,221
Operating investments		3,172,633	2,373,753
Prepaid expenses		57,264	61,469
Total Current Assets		<u>8,442,772</u>	<u>6,737,442</u>
<b>Noncurrent Assets:</b>			
Property and equipment; net		1,554,061	1,480,459
Endowment Investments		35,620	-
Total Noncurrent Assets		<u>1,589,681</u>	<u>1,480,459</u>
<b>Total Assets</b>		<u>\$ 10,032,454</u>	<u>\$ 8,217,901</u>
		<b>LIABILITIES AND NET ASSETS</b>	
<b>Current Liabilities:</b>			
Accounts payable		\$ 11,383	\$ 8,719
Accrued expenses		33,782	29,532
Total Current Liabilities		<u>45,165</u>	<u>38,251</u>
Total Liabilities		<u>45,165</u>	<u>38,251</u>
<b>Net Assets:</b>			
With donor restrictions		52,783	48,206
<b>Without donor restrictions</b>			
Undesignated		9,924,506	8,121,444
Designated by the Board for an employee emergency fund		10,000	10,000
		<u>9,934,506</u>	<u>8,131,444</u>
Total Net Assets		<u>9,987,289</u>	<u>8,179,650</u>
<b>Total Liabilities and Net Assets</b>		<u>\$ 10,032,454</u>	<u>\$ 8,217,901</u>

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

**THE FAMILY PANTRY OF CAPE COD CORPORATION**

Statement of Activities

For the Years Ended December 31, 2022

	2022		Total
	Without Donor Restrictions	With Donor Restrictions	
Revenue, Gains, and Other Support:			
Contributions and grants	\$ 2,590,467	\$ 42,969	\$ 2,633,435
Special events, less of \$67,605 of direct benefits to donors	238,313	-	238,313
In-kind contributions (Note J)	2,745,167	-	2,745,167
In-kind contributions - thrift shop sales (Note J)	602,370	-	602,370
Other income	2,250	-	2,250
Gain(Loss) on sale of property and equipment	13,808	-	13,808
Investment return, net	(181,239)	-	(181,239)
Net assets released from restrictions	38,392	(38,392)	-
Total Revenue, Gains, and Other Support	<u>6,049,527</u>	<u>4,577</u>	<u>6,054,104</u>
Expenses:			
Program	4,007,122	-	4,007,122
Management and general	176,656	-	176,656
Fund-raising	62,687	-	62,687
Total Expenses	<u>4,246,465</u>	<u>-</u>	<u>4,246,465</u>
Change in Net Assets	1,803,062	4,577	1,807,639
Net Assets, Beginning of Year	<u>8,131,444</u>	<u>48,206</u>	<u>8,179,650</u>
Net Assets, End of Year	<u>\$ 9,934,506</u>	<u>\$ 52,783</u>	<u>\$ 9,987,289</u>

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

**THE FAMILY PANTRY OF CAPE COD CORPORATION**

Statement of Activities

For the Years Ended December 31, 2021

	2021		Total
	Without Donor Restrictions	With Donor Restrictions	
Revenue, Gains, and Other Support:			
Contributions and grants	\$ 2,334,700	\$ 47,500	\$ 2,382,200
Special events, less of \$10,100 of direct benefits to donors	252,120	-	252,120
In-kind contributions (Note J)	2,125,334	-	2,125,334
In-kind contributions - thrift shop sales (Note J)	482,069	-	482,069
Other income	1,813	-	1,813
Gain(Loss) on sale of fixed asset	-	-	-
Investment return, net	77,762	-	77,762
Net assets released from restrictions	39,586	(39,586)	-
Total Revenue, Gains, and Other Support	<u>5,313,383</u>	<u>7,914</u>	<u>5,321,297</u>
Expenses:			
Program	2,946,564	-	2,946,564
Management and general	142,745	-	142,745
Fund-raising	57,780	-	57,780
Total Expenses	<u>3,147,089</u>	<u>-</u>	<u>3,147,089</u>
Change in Net Assets	2,166,294	7,914	2,174,208
Net Assets, Beginning of Year	<u>5,965,150</u>	<u>40,292</u>	<u>6,005,442</u>
Net Assets, End of Year	<u>\$ 8,131,444</u>	<u>\$ 48,206</u>	<u>\$ 8,179,650</u>

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



**THE FAMILY PANTRY OF CAPE COD CORPORATION**

Statement of Functional Expenses

For the Year Ended December 31, 2022

	Program	Management and General	Fund Raising	Total
Expenses:				
Food & clothing	\$ 3,202,238	\$ -	\$ -	\$ 3,202,238
Salaries and wages	327,592	110,754	31,854	470,200
Payroll taxes	29,142	9,853	2,834	41,829
Employee benefits	22,741	8,361	2,341	33,442
Contract labor	3,862	-	-	3,862
Advertising	2,475	-	3,024	5,499
Transportation	19,455	-	-	19,455
Utilities	51,013	3,401	-	54,414
Office expenses	21,981	7,431	19,833	49,246
Repairs and maintenance	114,329	7,622	-	121,951
Insurance	27,594	4,162	-	31,756
Professional fees	-	17,535	2,800	20,335
Garden expenses	6,692	-	-	6,692
Credit card fees	24,768	-	-	24,768
Volunteer expense	22,258	-	-	22,258
Other	1,473	389	-	1,862
Grants and other assistance	22,289	-	-	22,289
Depreciation	107,222	7,148	-	114,370
<b>Totals</b>	<b>\$ 4,007,122</b>	<b>\$ 176,656</b>	<b>\$ 62,687</b>	<b>\$ 4,246,465</b>

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

**THE FAMILY PANTRY OF CAPE COD CORPORATION**

Statement of Functional Expenses  
For the Year Ended December 31, 2021

	Program	Management and General	Fund Raising	Total
Expenses:				
Food & clothing	\$ 2,288,232	\$ -	\$ -	\$ 2,288,232
Salaries and wages	270,639	91,498	26,316	388,454
Payroll taxes	23,595	7,977	2,294	33,866
Employee benefits	17,063	6,273	1,756	25,092
Contract labor	1,120	-	-	1,120
Advertising	2,755	-	3,366	6,121
Transportation	13,757	-	-	13,757
Utilities	33,576	2,238	-	35,815
Office expenses	19,839	6,707	18,847	45,394
Repairs and maintenance	85,695	5,713	-	91,408
Insurance	24,526	3,700	-	28,226
Professional fees	-	12,051	5,200	17,251
Garden expenses	6,907	-	-	6,907
Credit card fees	21,133	-	-	21,133
Volunteer expense	17,189	-	-	17,189
Other	2,691	713	-	3,404
Grants and other assistance	29,726	-	-	29,726
Depreciation	88,121	5,875	-	93,996
<b>Totals</b>	<b>\$ 2,946,564</b>	<b>\$ 142,745</b>	<b>\$ 57,780</b>	<b>\$ 3,147,089</b>

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

## THE FAMILY PANTRY OF CAPE COD CORPORATION

### Statements of Cash Flows

For the Years Ended December 31, 2022 and 2021

	2022	2021
Cash Flows from Operating Activities:		
Change in net assets	\$ 1,807,639	\$ 2,174,208
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	114,370	93,996
Realized and unrealized (gain) loss on operating investments	225,757	(63,195)
Endowment net investment (return)	(620)	-
(Gain) loss on sale of property and equipment	(13,808)	-
Contributed property and equipment capitalized	(2,500)	(16,890)
Contributions restricted to endowment	(35,000)	-
(Increase) / decrease in assets:		
Inventory, net	-	9,238
Grants receivable, net	-	4,000
Prepaid expenses	4,204	-
Increase / (decrease) in liabilities:		
Accounts payable and accrued expenses	6,914	(2,636)
Net Cash Provided by Operating Activities	2,106,956	2,198,721
Cash Flows from Investing Activities:		
Purchases of operating investments	(1,024,638)	(8,527)
(Additions to)/withdrawals from endowment	(35,000)	-
Purchases of property and equipment	(187,664)	(1,628,550)
Proceeds from sale of property and equipment	16,000	-
Net Cash Used by Investing Activities	(1,231,302)	(1,637,077)
Cash Flows from Financing Activities:		
Collections of contributions restricted to endowment	35,000	-
Net Cash Provided by Investing Activities	35,000	-
Net Change in Cash and Cash Equivalents	910,654	561,643
Cash and Cash Equivalents, Beginning of Year	4,302,221	3,740,577
Cash and Cash Equivalents, End of Year	\$ 5,212,875	\$ 4,302,221

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

# THE FAMILY PANTRY OF CAPE COD CORPORATION

## Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

#### Nature of Organization

The Family Pantry of Cape Cod Corporation (the "Family Pantry") was established in 1990 for the purpose of acquiring and distributing food to the poor and needy. Its principal activity is the collection, storage and re-distribution of food, furniture and clothing. Revenues are derived primarily from public and private donations, grants and thrift shop sales.

#### Basis of Accounting

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 (US GAAP).

#### Cash and Cash Equivalents

The Family Pantry considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

#### Property and Equipment

The Family Pantry records property and equipment additions over \$1,000 at cost, or if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years. When assets are sold or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Family Pantry reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended December 31, 2022 and 2021, respectively.

#### Investments

The Family Pantry records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

#### Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited on a reasonable basis that is consistently applied. The expenses that are allocated include utilities, depreciation, which are allocated on a square footage basis, as well as salaries and wages, employee benefits, payroll taxes, professional fees, office expenses, insurance, advertising, repair and maintenance, and other, which are allocated on the basis of estimates of time and effort.

**THE FAMILY PANTRY OF CAPE COD CORPORATION**  
Notes to Financial Statements  
For the Years Ended December 31, 2022 and 2021

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):**

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor- (or certain grantor-) imposed restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an employee emergency fund.

*Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Family Pantry reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. The Family Pantry reports conditional contributions restricted by donors as increases in net assets without donor restrictions if the restrictions and conditions expire simultaneously in the reporting period. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are released when received and released from restrictions when the assets are placed in service.

Revenue and Revenue Recognition

The Family Pantry recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Revenue related to grants that are considered reciprocal transactions or purchases of services, the results of which are turned over to the grantor, is recognized as the work under the contract is performed. Grants that are considered nonreciprocal transactions or contributions that further the programs of the Family Pantry are recorded when the Family Pantry receives notification of the grant award or contribution, or, if conditions for performance are imposed, revenue is recognized when conditions have been met.

*Special events revenue is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference. The Family Pantry recognizes special events revenue equal to the fair value of direct benefits to donors when the special event takes place. The Family Pantry recognizes the contribution element of special event revenue immediately, unless there is a right of return if the special event does not take place.*

Thrift shop sales are recognized at the time of purchase. Payments are required at the time of sale.

All goods and services are transferred at a point in time.

The Family Pantry is supported primarily by food donations, contributions, and grants. Approximately, 45% and 40% of the Family Pantry's total revenue came from food donations for the years ended June 30, 2022 and 2021, respectively.

**THE FAMILY PANTRY OF CAPE COD CORPORATION**  
**Notes to Financial Statements**  
For the Years Ended December 31, 2022 and 2021

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):**

Advertising

The Family Pantry follows the policy of charging the costs of advertising to expense as incurred. Advertising costs for the years ended December 31, 2021 and 2020 totaled \$5,499 and \$6,121, respectively.

Compensated Absences

The Family Pantry's employees earn vacation leave at a rate that is based on length of service. Up to 10 days of vacation leave can be carried over from one year to the next and any unused vacation leave is paid out upon termination. Accordingly, accrued compensated absences for the years ended December 31, 2022 and 2021 were \$10,282 and \$10,282, respectively.

In-Kind Contributions

Contributed nonfinancial assets include donated professional services, donated equipment, supplies and other in-kind contributions which are recorded at the respective fair values of the goods or services received (Note J). In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the consolidated financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation.

Income Taxes

The Family Pantry is organized as a Massachusetts nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as an organization described in IRC Section 501(c)(3), qualify for the charitable contribution deduction under IRC Sections 170(b)(1)(A)(vi) and (viii), and has been determined not to be a private foundation under IRC Sections 509(a)(1) and (3), respectively. The Family Pantry is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Family Pantry is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. Management has determined that the Family Pantry is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Financial Instruments and Credit Risk

The Family Pantry manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Family Pantry has not experienced losses in any of these accounts. Investments are made by diversified investment managers whose performance is monitored by management and the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, management and the Board of Directors believe that the investment policies and guidelines are prudent for the long-term welfare of the Family Pantry.

## THE FAMILY PANTRY OF CAPE COD CORPORATION

### Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

#### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

##### Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

#### NOTE B - PROPERTY AND EQUIPMENT:

Property and equipment consists of the following at December 31, 2022 and 2021:

	2022	2021
Automobiles	\$ 236,570	\$ 164,939
Furniture and fixtures	33,530	38,805
Machinery and equipment	216,191	168,716
Land and improvements	387,201	387,201
Buildings and improvements	1,746,790	1,733,114
Other	27,281	28,881
	<u>2,647,563</u>	<u>2,521,656</u>
Less accumulated depreciation	<u>(1,093,502)</u>	<u>(1,041,196)</u>
Total	<u>\$ 1,554,061</u>	<u>\$ 1,480,459</u>

#### NOTE C - LINES OF CREDIT:

The Family Pantry has a revolving line of credit with TD Bank, due on demand with a maximum borrowing limit of \$50,000. As part of the conditions precedent to each advance, the Family Pantry is required to provide a security agreement to the lender granting security interest in all its property (the collateral). The aggregate principal balance outstanding bears interest at a rate of one (1.00%) above the Wall Street Journal prime rate, adjusted by any minimum or maximum rate limitations. Lender is also entitled to collect an annual fee of two hundred and fifty dollars (\$250) to cover costs incurred by the lender to service and administer the credit facility.

The Family Pantry has a revolving line of credit with Cape Cod Five, due on demand with a maximum borrowing limit of \$500,000. The Family Pantry grants a security interest in all its property (the collateral). The note carries a variable interest rate based on changes in the Wall Street Journal prime rate, adjusted by any minimum or maximum rate limitations. Under no circumstances will the interest rate on the note be less than 3.25%.

## THE FAMILY PANTRY OF CAPE COD CORPORATION

### Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

#### NOTE D - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The following reflects the Family Pantry's financial assets as of the statements of financial position date reduced by amounts not available for general use because of donor-imposed restrictions within one year of the statements of financial position date. Amounts not available include board designated amounts set aside for an employee emergency fund that could be drawn upon if the governing Board approves that action. However, amounts already appropriated from either donor-restricted funds or Board designated funds for general expenditure within one year of the statements of financial position date have not been subtracted as unavailable.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following:

	2022	2021
Financial assets at year end:		
Cash and cash equivalents	\$ 5,212,875	\$ 4,302,221
Operating and endowment Investments	3,208,253	2,373,753
Total financial assets at year end	8,421,128	6,675,973
Less those unavailable for general expenditures within one year, due to:		
Restricted by donor with purpose restrictions	(17,163)	(48,206)
Subject to appropriation and expenditures when specified event occurs	(35,620)	-
Board Designations:		
Amount set aside for employee emergency fund	(10,000)	(10,000)
Financial assets available to meet cash needs for general expenditure within one year	\$ 8,358,345	\$ 6,617,767

The Family Pantry is supported by both restricted and unrestricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Family Pantry must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Family Pantry's liquidity management plan, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Cash in excess of daily requirements is invested in short-term investments, CDs, and money market funds. In the event of unanticipated liquidity need, the Family Pantry could also draw upon \$550,000 of available lines of credit or its Board designated fund.

#### NOTE E - INVESTMENT RETURN:

Investment income for the years ended December 31, 2022 and 2021, consisted of the following:

	2022	2021
Interest	\$ 9,261	\$ 6,039
Dividends	56,796	20,830
Realized gains (losses)	(22,589)	4,468
Unrealized gains (losses)	(203,168)	58,727
Investment fees	(21,539)	(12,303)
Total Investment Income (Loss)	\$ (181,239)	\$ 77,762



## THE FAMILY PANTRY OF CAPE COD CORPORATION

### Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

#### NOTE F - FAIR VALUE MEASUREMENTS AND DISCLOSURES:

The Family Pantry reports certain assets, at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be access 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, inputs are developed using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset or liability.

A significant portion of investment assets are classified within Level 1 because they comprise publicly trade equity securities with daily quoted market prices and open-end mutual funds with readily determinable fair values based on daily redemption values.

The following table presents assets measured at fair value on a recurring basis, except those measured at cost at December 31, 2022:

**THE FAMILY PANTRY OF CAPE COD CORPORATION**

Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

**NOTE F - FAIR VALUE MEASUREMENTS AND DISCLOSURES (Continued):**

Assets	Fair Value Measurements at Report Date Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Operating Investments				
Money market funds (at cost)	\$ 282,528	\$ -	\$ -	\$ -
Fixed income - mutual funds	1,659,206	1,659,206	-	-
Equity securities	1,230,899	1,230,899	-	-
Totals	<u>\$ 3,172,633</u>	<u>\$ 2,890,105</u>	<u>\$ -</u>	<u>\$ -</u>
Endowment Investments				
Money market funds (at cost)	\$ 35,620	\$ -	\$ -	\$ -
Totals	<u>\$ 35,620</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The following table presents assets measured at fair value on a recurring basis, except those measured at cost at December 31, 2021:

Assets	Fair Value Measurements at Report Date Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Operating Investments				
Money market funds (at cost)	\$ 831,700	\$ -	\$ -	\$ -
Fixed income - mutual funds	857,926	857,926	-	-
Equity securities	684,127	684,127	-	-
Totals	<u>\$ 2,373,753</u>	<u>\$ 1,542,053</u>	<u>\$ -</u>	<u>\$ -</u>
Endowment Investments				
Money market funds (at cost)	\$ -	\$ -	\$ -	\$ -
Totals	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## THE FAMILY PANTRY OF CAPE COD CORPORATION

### Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

#### NOTE G - ENDOWMENT FUND

The Family Pantry's endowment (the Endowment) consists solely of donor-restricted funds.

The Board of Directors has interpreted the Massachusetts Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At December 31, 2022 and 2021, there were no such donor stipulations. As a result of this interpretation, the Family Pantry retain in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts 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 us in a manner consistent with the standard of prudence prescribed by UPMIFA.

The Family Pantry considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the organization and the endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of interments
- (6) Other resources of the organization
- (7) The organization's investment policies.

As of December 31, 2022 and 2021, the Organization had the following endowment net asset composition by type of fund:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment
<u>December 31, 2022</u>			
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ -	\$ 35,000	\$ 35,000
Accumulated investment gains (losses)	-	620	620
	<u>\$ -</u>	<u>\$ 35,620</u>	<u>\$ 35,620</u>
	Without Donor Restrictions	With Donor Restrictions	Total Endowment
<u>December 31, 2021</u>			
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donors	\$ -	\$ -	\$ -
Accumulated investment gains (losses)	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## THE FAMILY PANTRY OF CAPE COD CORPORATION

### Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

#### NOTE G - ENDOWMENT FUND (Continued)

From time to time, the fair value associated with individual donor-restricted endowment funds may fall below the level required to be maintained by the donor or by law (underwater endowment). The Family Pantry has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. At December 31, 2022 and 2021, there are no underwater endowments.

The Family Pantry has adopted investment and spending policies for the Endowment that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the Endowment investments. The target minimum rate of return is the Consumer Price Index plus 5 percent on an annual basis. Actual returns in any given year may vary from this amount. To satisfy this long-term rate-of-return objective, the investment portfolio is structured on a total-return approach through which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). A significant portion of the funds are invested to seek growth of principal over time.

The Family Pantry uses an endowment spending-rate formula to determine the maximum amount to spend from the Endowment, including those endowments deemed to be underwater, each year. The rate, determined and adjusted from time to time by the Board of Directors, is applied to the average fair value of the Endowment investments for the prior 12 quarters at December 31 of each year to determine the spending amount for the upcoming year. During 2022 and 2021, the spending rate maximum was 4.5 percent. In establishing this policy, the Family Pantry considered the long-term expected return on the Endowment and set the rate with the objective of maintaining the purchasing power of the Endowment over time.

Changes in Endowment net assets for the years ended December 31, 2022 and 2021 are as follows:

Year ended December 31, 2022	Without Donor Restrictions	With Donor Restrictions	Total Endowment
Endowment net assets, beginning of year	\$ -	\$ -	\$ -
Investment return, net	-	620	620
Contributions	-	35,000	35,000
Appropriation of endowment assets pursuant to spending-rate policy	-	-	-
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 35,620</u>	<u>\$ 35,620</u>
Year ended December 31, 2021	Without Donor Restrictions	With Donor Restrictions	Total Endowment
Endowment net assets, beginning of year	\$ -	\$ -	\$ -
Investment return, net	-	-	-
Contributions	-	-	-
Appropriation of endowment assets pursuant to spending-rate policy	-	-	-
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**THE FAMILY PANTRY OF CAPE COD CORPORATION**

Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

**NOTE H - NET ASSETS WITH DONOR RESTRICTIONS:**

Net assets with donor restrictions are restricted for the following purposes:

	<u>2022</u>	<u>2021</u>
Subject to expenditure for a specific purpose:		
Fish for Families Program	\$ 9,814	\$ 47,500
Menstrual Product Program	7,349	-
Healthy Meals in Motion Program	-	-
Other	-	706
	<u>17,163</u>	<u>48,206</u>
 Endowments:		
Perpetual in nature, earnings from which are subject to endowment spending policy and appropriation:		
General use	<u>35,620</u>	-
	<u>35,620</u>	-
	<u>\$ 52,783</u>	<u>\$ 48,206</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or other events specified by the donors as follows for the years ended December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Satisfaction of purpose restrictions:		
Fish for Families Program	\$ 37,686	\$ 10,000
Healthy Meals in Motion Program	-	29,586
College Pantry Program	-	-
Other	706	-
	<u>38,392</u>	<u>39,586</u>
 Restricted-purpose spending-rate policy and appropriations		
General use	-	-
	<u>\$ 38,392</u>	<u>\$ 39,586</u>

**NOTE I - EMPLOYEE BENEFITS**

The Family Pantry sponsors a tax-deferred annuity plan (the Plan) qualified under IRC Section 403(b) covering substantially all employees. The plan provides that all employees may voluntarily contribute up to 100 percent of their earnings to the Plan, up to the maximum contribution allowed by the IRS. The Family Pantry does not match employee voluntary contributions. The Family Pantry incurred \$1,535 and \$1,033 in plan administration fees at December 31, 2022 and 2021, respectively.



## THE FAMILY PANTRY OF CAPE COD CORPORATION

### Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

#### NOTE J - IN-KIND CONTRIBUTIONS:

For the years ended December 31, 2022 and 2021, contributed nonfinancial assets recognized within the statements of activities included the following:

	December 31, 2022			
	Program Services	Management and General	Fundraising	Total
Machinery	\$ 2,500	\$ -	\$ -	\$ 2,500
Used household goods and clothing	602,370	-	-	602,370
Food:				
Greater Boston Food Bank - Misc.	1,316,311	-	-	1,316,311
Greater Boston Food Bank - USDA	440,413	-	-	440,413
Greater Boston Food Bank - MEFA	546,727	-	-	546,727
Individuals and organizations	439,216	-	-	439,216
	\$ 3,347,537	\$ -	\$ -	\$ 3,347,537

	December 31, 2021			
	Program Services	Management and General	Fundraising	Total
Professional services	492	2,033	-	2,525
Supplies	700	-	-	700
Building and land improvements	16,890	-	-	16,890
Used household goods and clothing	482,069	-	-	482,069
Food:				-
Greater Boston Food Bank - Misc.	1,023,755	-	-	1,023,755
Greater Boston Food Bank - USDA	298,064	-	-	298,064
Greater Boston Food Bank - MEFA	427,222	-	-	427,222
Individuals and organizations	356,178	-	-	356,178
	\$ 2,605,370	\$ 2,033	\$ -	\$ 2,607,403

The Family Pantry received donations of machinery in amount of \$2,500 and construction services for building and land improvements in amount of \$16,890, for the years ended December 31, 2022 and 2021, respectively. Both the machinery and the construction services for building and land improvements were capitalized. The machinery was valued using estimated U.S wholesale prices (principal market) for identical equipment. The construction services were valued based on current rates for similar construction services.

The used household goods and clothing donations represent donated items sold in the Family Pantry's thrift shop. The Family Pantry's policy is to sell all donated household items and clothing immediately upon receipt unless items are not in salable conditions, in which case they are donated. Proceeds from household goods and clothing are valued according to actual cash proceeds on their disposition.

Contributed professional services are valued at the estimated fair value based on current rates for similar services. Contributed supplies are valued using estimated U.S. wholesale prices (principal market) of identical or similar products using pricing data under a "like-kind" methodology considering the goods' condition and utility for use at the time of the contribution.

## THE FAMILY PANTRY OF CAPE COD CORPORATION

### Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

#### NOTE J - IN-KIND CONTRIBUTIONS (Continued):

The Family Pantry receives food donations from the general public. It also receives food from the USDA and the Massachusetts Emergency Food Assistance Program through the Greater Boston Food Bank (GBFB). Contributed food is valued at \$1.94 and \$1.62 per pound for the years ended December 31, 2022 and 2021, respectively, the approximate average wholesale value of one pound of donated food product at the national level, as outlined in studies performed by Feeding America. GBFB also provides salvage food to the Family Pantry valued at nineteen cents a pound, which covers the GBFB's handling fees and transportation costs.

All gifts-in-kind received during the years ended December 31, 2022 and 2021 were unrestricted.

#### NOTE K - RELATED PARTIES:

Rick Roy Construction, LLC, owned by a member of the Board of Directors provided construction services totaling \$0 and \$35,856 to the Family Pantry for the years ended December 31, 2022 and 2021, respectively.

#### NOTE L - SUBSEQUENT EVENTS:

The Family Pantry has evaluated subsequent events through April 4, 2023, the date which the financial statements were available to be issued.