

2021-2022

Annual REPORT



**three
square™**

together, we can feed everyone

MEMBER OF
**FEEDING
AMERICA**

www.threesquare.org



Dear Friends

It has been said that when the country gets a cold, Las Vegas gets the flu. This is, perhaps, a sensitive metaphor in the context of the coronavirus pandemic; however, it effectively describes the disproportionate impact serious national (and international) events like public health and economic crises have on our community.

How many times have we seen our community rise to the challenge? The enclosed financial statement shows the magnitude of support Three Square received to respond to the public health and economic havoc wreaked by Covid-19. At the onset of the crisis, when no one could predict its depth or duration, donors, volunteers, and community partners of every stripe stretched their own resources to ensure that our neighbors had the food they needed, even as many fought for their own lives and livelihoods.

Over the course of Three Square's FY21 and FY22 fiscal years, an extraordinary outpouring of support created solid ground for our community to stand on during the pandemic and its uncertain aftermath. From the security of that solid ground, we are moving forward.

Normal food bank operations have been resumed, including all childhood nutrition programs. Meanwhile, our Board of Trustees is conducting a national search to replace Brian Burton and Larry Scott, two exemplary members of Three Square's executive team who steered our food bank through years of challenges, successes and strategic growth with steady and capable hands.

The enclosed financial report is unusual in that it effectively reflects a two-year cycle rather than two one-year cycles represented side-by-side. The important takeaway is that Three Square supporters responded to the pandemic early and with extraordinary generosity, creating the capital reserves needed for an 862-day emergency response resulting in

- 144 million pounds of food distributed
- 119 million meals provided
- 730,000 people served

I hope you take pride in these accomplishments, which were made possible by your donations of time, funds, and food. With your continued support in fiscal year 2023, we will strive to reestablish pre-pandemic annual giving levels while stewarding existing resources to ensure that the next time the country catches a cold, we are ready to knock it back with strong medicine.

With gratitude and warm regards,

Michelle Beck, Interim President & CEO

The **mission** of Three Square is to provide wholesome food to hungry people, while passionately pursuing a hunger-free community. Our **vision** is simple: No one in our community should be hungry. By bringing together the resources, experience and passion of the people and businesses of Southern Nevada, we can make sure no one has to.

Core Values

Compassion - With respect for our diverse community and a willingness to put ourselves in the shoes of others, we act from the heart.

Collaboration - We believe in the power of working together, and we are thankful for those who help us help others.

Innovation - The status quo is yesterday's news; we believe new ideas will drive efficient solutions to this oldest of problems.

Stewardship - By planning ahead and holding ourselves accountable, we ensure the responsible and sustainable use of resources in the long-term.

Transparency - We operate in the public eye, with integrity and respect for those who fund us, and give us their time and trust.

Urgency - It is not enough to plan; we must act with all speed to help those who are hungry.

TOGETHER, WE CAN FEED EVERYONE



- In the fiscal year ending June 30, 2022, Three Square Food Bank distributed more than 42 million meals through our agency partners and programs. This is the equivalent of more than 51 million pounds of food and grocery product.
- Three Square partnered with retail grocery stores to rescue more than 16 million pounds of food that may have otherwise gone to waste.
- Three Square assisted individuals in receiving more than \$3 million in food assistance through our SNAP Outreach program.
- Three Square is supported by the community, and our volunteers dedicated more than 60,000 hours to help feed hungry people.
- Three Square is a member of the Feeding America national network of food banks, serving Clark, Lincoln, Esmeralda and Nye Counties in Southern Nevada.

Financial Position

As of June 30, 2021 and 2022

ASSETS

CURRENT ASSETS

| | 2022 | 2021 |
|-------------------------------------|-------------------|-------------------|
| Cash and cash equivalents | \$ 3,738,999 | \$ 21,336,170 |
| Investments | 48,314,124 | 39,443,415 |
| Investments, restricted | 3,010,099 | 6,989,406 |
| Accounts and other receivables, net | 148,563 | 200,021 |
| Pledges receivable | 613,456 | 540,789 |
| Grants receivable | 840,229 | 1,138,738 |
| Inventory | 2,956,967 | 4,564,275 |
| Prepaid expenses and deposits | 424,085 | 309,469 |
| | <u>60,046,522</u> | <u>74,522,283</u> |

OTHER ASSETS

| | | |
|---|-----------------------|-----------------------|
| Pledges receivable, net | --- | 10,000 |
| Investments, restricted | 71,773,040 | 74,000,000 |
| Property & equipment, net | 21,688,077 | 22,591,691 |
| Property and equipment, net, restricted | 2,051,163 | 2,246,512 |
| | <u>\$ 155,558,802</u> | <u>\$ 173,370,486</u> |

LIABILITIES & NET ASSETS

CURRENT LIABILITIES

| | | |
|--|------------------|------------------|
| Accounts payable | \$ 1,392,400 | \$ 709,250 |
| Accrued expenses and other current liabilities | 393,054 | 687,124 |
| Capital lease payable, current portion | 264,407 | 236,066 |
| Long-term debt, current portion | --- | 1,100,000 |
| | <u>2,049,861</u> | <u>2,732,440</u> |

LONG-TERM LIABILITIES

| | | |
|---|------------------|------------------|
| Capital lease payable, net of current portion | 816,005 | 999,099 |
| Long-term debt, net of current portion | 6,122,964 | 5,928,806 |
| | <u>8,988,830</u> | <u>9,660,345</u> |

NET ASSETS

| | | |
|----------------------------|-----------------------|-----------------------|
| Without donor restrictions | 69,122,216 | 79,923,435 |
| With donor restrictions | 77,447,756 | 83,786,706 |
| | <u>146,569,972</u> | <u>163,710,141</u> |
| | <u>\$ 155,558,802</u> | <u>\$ 173,370,486</u> |

Statement of Activities

Fiscal year ended June 30, 2022



| | Without Donor Restrictions | With Donor Restrictions | Total |
|---------------------------------------|---------------------------------------|------------------------------------|------------------------------|
| UNRESTRICTED NET ASSETS | | | |
| Revenue, gains and other support: | | | |
| In-kind contributions | \$ 77,258,777 | \$ --- | \$ 77,258,777 |
| Donations and contributions | 15,038,760 | 183,800 | 15,222,560 |
| Government Grants | 4,829,205 | --- | 4,829,205 |
| Program Fees | 1,180,286 | --- | 1,180,286 |
| Investment Return, net | (9,635,641) | (4,205,423) | (13,841,064) |
| Gain on debt forgiveness | 1,100,000 | --- | 1,100,000 |
| Other income | 110,927 | --- | 110,927 |
| | <u>89,882,314</u> | <u>(4,021,623)</u> | <u>85,860,691</u> |
| Net assets released from restrictions | 2,317,327 | (2,317,327) | --- |
| | <u>92,199,641</u> | <u>(6,338,950)</u> | <u>85,860,691</u> |
| Expenses and losses: | | | |
| Food Program | 98,336,468 | --- | 98,336,468 |
| Management and general | 1,674,118 | --- | 1,674,118 |
| Fundraising | 2,990,274 | --- | 2,990,274 |
| | <u>103,000,860</u> | <u>---</u> | <u>103,000,860</u> |
| DECREASE IN NET ASSETS | (10,801,219) | (6,338,950) | (17,140,169) |
| NET ASSETS, BEGINNING OF YEAR | 79,923,435 | 83,786,706 | 163,710,141 |
| NET ASSETS, END OF YEAR | <u><u>\$ 69,122,216</u></u> | <u><u>\$ 77,447,756</u></u> | <u><u>\$ 146,569,972</u></u> |



Statement of Activities

Fiscal year ended June 30, 2022

UNRESTRICTED NET ASSETS

| | Without Donor Restrictions | With Donor Restrictions | Total |
|--|---------------------------------------|------------------------------------|------------------------------|
| Revenue, gains and other support | | | |
| In-kind contributions | \$ 109,583,450 | \$ --- | \$ 109,583,450 |
| Contributions and grants | 43,223,119 | 62,469,374 | 105,692,493 |
| Shared maintenance fees | 7,632,921 | --- | 7,632,921 |
| Catering and rental income | 1,079,084 | --- | 1,079,084 |
| Investment return | 8,169,783 | 3,179,299 | 11,349,082 |
| Other income | 39,552 | --- | 39,552 |
| | <u>169,727,909</u> | <u>65,648,673</u> | <u>235,376,582</u> |
| Net assets released from restrictions | <u>5,421,360</u> | <u>(5,421,360)</u> | <u>---</u> |
| | 175,149,269 | 60,227,313 | 235,376,582 |
| Expenses and losses: | | | |
| Food Program | 126,535,138 | --- | 126,535,138 |
| Management and general | 1,769,986 | --- | 1,769,986 |
| Fundraising | 2,387,607 | --- | 2,387,607 |
| | <u>130,692,731</u> | <u>---</u> | <u>130,692,731</u> |
| | 201,321 | --- | 201,321 |
| Loss on disposal of assets | 4,089 | --- | 4,089 |
| Bad debt expense | <u>130,898,141</u> | <u>---</u> | <u>130,898,141</u> |
| | <u>44,251,128</u> | <u>60,227,313</u> | <u>104,478,441</u> |
| INCREASE (DECREASE) IN NET ASSETS | <u>44,251,128</u> | <u>60,227,313</u> | <u>104,478,441</u> |
| NET ASSETS, BEGINNING OF YEAR | <u>35,672,307</u> | <u>23,559,393</u> | <u>59,231,700</u> |
| NET ASSETS, END OF YEAR | <u><u>\$ 79,923,435</u></u> | <u><u>\$ 83,786,706</u></u> | <u><u>\$ 163,710,141</u></u> |



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