

MANNA Food Bank

Budget Draft for 2017-18

Executive Summary

Overall Assumptions: This budget is a reflection of several key activities that are part of the strategic plan for the next fiscal year. We have sought to balance the needs that we see in our service area with what we believe is achievable and *sustainable* going forward.

- Continue with modest growth in product receipts & distributions
- Increase Manna Pack from 10% to 12% of children in need
- Sustain new work begun with Mission Hospital in nutritional nudges and health outcomes
- Continue with modest growth in FNS outreach
- Develop & implement first ever Manager Training program for staff

Revenues: Despite the difficulties encountered in the current fiscal year with the Direct Mail provider, the development team has done an amazing job in filling the gaps. We anticipate that we will end the year on budget. After careful consideration, we have decided to contract with a new direct mail firm beginning in July and we feel confident that this will prove to be a good relationship.

- Contributions and grants increase by 6.7%
- Special Events increase by 27%
- Earned Income (primarily COOP & reclamation) increase by 7.65%
- Overall Revenues increase by nearly 6%

Expenses: We took a serious look at what we believe it will take to sustain some of the new initiatives that we have piloted and are now incorporating into our overall workplans—specifically the MANNA Express distributions and the increased work in nutrition outreach. We also did a very thorough review of the trends we have been seeing in the Ingles Reclamation Program. As a result of these analyses, we have determined that we need to add 2 FTEs:

- 1 FTE for reclamation—previously we had been splitting an FTE between the distribution floor and reclamation but the volume of work in both areas really requires an FTE; in reclamation alone we have had over \$21,000 in overtime for the current fiscal year. By

adding a dedicated FTE we will be able to eliminate the majority of overtime and stay up with the scanning volume; this will create more revenue in the program which will more than pay for the new position

- 1 FTE for Agency Services to manage the MANNA Express program and give us time to transfer responsibilities from a long-term employee who will more than likely be retiring at the end of 2018. Currently, the MANNA Express duties are being handled by one of our Americorp interns whose term will be up in July. Ultimately, we envision that this position will be budget relieving within 18 months or so.
- We have determined that we will not look to add the Program Director position that had been approved for the current fiscal year going forward.
- Also included in this budget is a 3% wage increase; increases will be awarded by managers based on performance and length of service.

Other items to be noted:

- Supplies are being increased to include a new subscription to newsletter/eblast service; building and maintenance supplies, and program supplies
- We have greatly reduced the advertising budget for FNS; after a year of piloting various types of advertising to attract new clients (all of which was grant funded) we have decided that the ROI did not warrant the expense
- Increase in postage expense for direct mail (both in house and mailings done for us by the outside vendor)
- We added cyber security to our insurance coverages
- We decreased freight based on our current year actual expenses
- We adjusted both the revenue & expense portion of our budget for the sales tax related to the COOP sales; this was based on recommendations received from DOR sales tax audit—this is really a net zero effect on the budget but does change the individual line items

Supplemental Budget:

We currently have a grant proposal submitted to Mission Health to expand our nutrition outreach program; in the event this proposal is approved and funding is obtained we will be adding several items to the operating budget:

- Current western zone coordinator would shift to fulltime nutrition instead of only 25% nutrition and a contract labor position would be added
- Supplies, travel, and printing would increase by \$12,850
- Product purchases would increase by \$30,000
- Total net increase would be \$59,300