

Destin Harvest 2018 Annual Report

Last year, DH broke 2017's record of 2,050,109 total distributed meals, or food pounds, in both Okaloosa and Walton County by over 200,000 lbs. Children in Crisis, Mary Esther United Methodist, American Lunch, and Church on the Bay are some agencies DH was able to add to distribution routes in 2018 with the increase of volume. DH distributed food to forty feeding programs throughout both counties in 2018.

Dugas Family Foundation (DFF) awarded DH a challenge grant for \$50,000 that DH successfully matched through various fundraisers and generous support, all locally. Securing this matched support was a major win for DH.

Despite having another record year (thanks to a handful of extraordinary months and cooperative departments at several donor stores), food volume is dropping for DH. Although most Publix locations are donating more food than ever, especially meat, DH's heaviest donors, Walmart and Sam's Club have cut back last year, and continue to do so this year.

Walmart's Customer Value Program (CVP), a markdown program that discounts close-to-date produce, meat, bakery, deli, and dairy items, has been fully adopted by all three Walmart locations and Sam's Club DH picks up from. Instead of donating product early, each department marks down grocery items, in stages, until they've reached a date they can no longer be sold at. This is the crux for why DH's food volume is dropping.

DH's drivers are working extra hard to spread food evenly with recipient feeding programs when food volume is down. Sometimes to no avail. Volume at some stores can be unpredictable some days. DH is considering consolidating Destin, Santa Rosa Beach, and Walton routes and agencies to one route three days a week if this trend continues.

Hunger Statistics in Okaloosa and Walton County

Feeding America's online hunger statistic tool, *Map the Meal Gap*, indicates that in 2016 (their latest data), Okaloosa County had 27,910 food insecure residents. Walton County had 9,280.

Based on their numbers, DH and recipient programs helped serve a total 37,190 unduplicated individuals in Northwest Florida two years ago. The number served in 2016 dropped by 45,840 in 2015.

The annual food budget shortfall for both counties in 2016 was \$22 million. This is the total annualized additional dollar amount that food-insecure individuals report needing, on average, to purchase just enough food to meet their needs. DH was able to supply \$2,902,260 of that deficit in meals in 2016.

The Current State of Panama City and Bay County

Eight months have passed since the terrible devastation of Hurricane Michael that left our Bay County neighbors in literal ruins. Panama City has already expended a \$50 million loan on recovery costs and currently seeks another loan for \$25 million. FEMA has issued \$1.8 million to the city so far, along with \$2 million to Mexico Beach, which will cover at least the annual interest on the loans. City officials hope the loans provide enough cash flow to start working on major reconstruction while waiting for reimbursements from FEMA.

Okaloosa and Walton counties have experienced a stretch in resources as thousands of people impacted in Bay County have been displaced. Staff and volunteers at DH's recipient feeding programs are working extra hard this year to meet the needs of everyone.

Farm Share, a statewide food-rescue and hunger-relief outfit, had the most immediate impact on the food crisis throughout Bay County and surrounding areas. Having a public-private partnership with the Florida Department of Agriculture, and working with emergency response teams, Farm Share distributed more than 2.2 million pounds of food within the first 13 days Hurricane Michael made landfall.

Once Farm Share reached saturation in Bay County (weeks), their 40-pallet semi-deliveries began spilling into Okaloosa and Walton counties. FEMA directed a steady flow of Farm Share deliveries to both counties on a weekly basis for several months.

DH Helping in Meaningful Ways

Due to the incredible need last year, DH went outside the realm of regular operation to do what little it could to assist our Bay County neighbors. DH organized a grassroots effort with seven local businesses in Fort Walton and Destin to collect toys, blankets, and clothes for families directly affected by Hurricane Michael. Those efforts were coupled with a Toys for Tots Christmas Party at the Arnette Horse Farm in December.

Approximately 500 total toys were collected and were all delivered out between Carpet One in Panama City (toys for tots sponsor), the Title 9 program for Homeless Students in Okaloosa, and Toys for Tots at the Santa Rosa Mall. During that time, the Okaloosa County school district's title 9 program had experienced an increase of over 300 displaced or homeless students.

There were many boxes of brand-new clothes and blankets collected too. DH dropped anything that wasn't a toy off at Heartbeat of Backroad's office in Destin. Their small office, behind the Destin Commons shopping center, has been an important volunteer and drop-site for relief efforts in Panama City.



Carpet One (Toys for Tots)- Panama City



Santa Rosa Mall (Toys for Tots) – FWB



Toys designated for Okaloosa County's Title 9 Program

Later that month, a similar initiative emerged from three relief organizations, Heartbeat of Backroads, the Cajun Navy, and Project 25. The group raised funds online to purchase bikes and toys for the families in Panama City.

DH's coordinator, Eric Campbell, connected with Heartbeat of Backroads and offered to help load and deliver the toys and bikes to the Bay County Sheriff's Office on Christmas Eve.

Eric delivered all 40 bikes early that morning.

In addition to the bikes, the group purchased and donated over 500 toys!



Eric Campbell handing off bikes to BSCO



40 Bikes and toys lined up outside BCSO

Internal Affairs

DH has a great working relationship with both retail food donors and recipient agencies. This is largely due to the daily commitment and professionalism of DH's drivers. Both Willie Hutchins and Eric Campbell do much more than just show up every day to fulfill pick-up and distribution routes. They work closely with food donors and agencies to maximize the amount of food each department donates and to provide commodities each program can really use. DH's stores know they can depend on both drivers and will not hesitate to call whenever they have food.

In addition to driving, Eric is DH's program coordinator and has truly become an asset to the operation. He helps record food pounds, coordinates with agencies, schedules oil changes and truck repairs, and conducts many other routine tasks that make it possible for DH to stay on top of operation.

Willie Hutchins has been with DH for 11, going on 12, years now. At least half of all food DH has captured and distributed since inception he has mobilized. It goes without saying, DH would not be nearly as successful without Willie's exceptional hard work and genuine commitment to the mission all these years.

Willie is considering retiring by the end of the year, which is hard to imagine. He has been an integral part of DH's mission. Willie will always be recognized as a fundamental to DH's success.

2018 Harbor Docks Thanksgiving Dinner and Golf Tournament

If not for the outstanding support of Harbor Docks, DH would not have come close to matching \$50k for the challenge grant. DH really counts on the restaurant's generous fundraisers each year to help finance operation costs during some of the most expensive seasons. Harbor Docks' Caddyshack Classic Golf Tournament and Charity Auction weekend, along with the Annual Thanksgiving Dinner, take a tremendous deal of time, work, and careful organization to be as successful as they are. Every year, the restaurant, staff, and volunteers make these events possible. Between both events, Harbor Docks raised \$21,791.83 for DH last year!

DH is truly fortunate for this hardworking team of givers.



2018 Meals Delivered

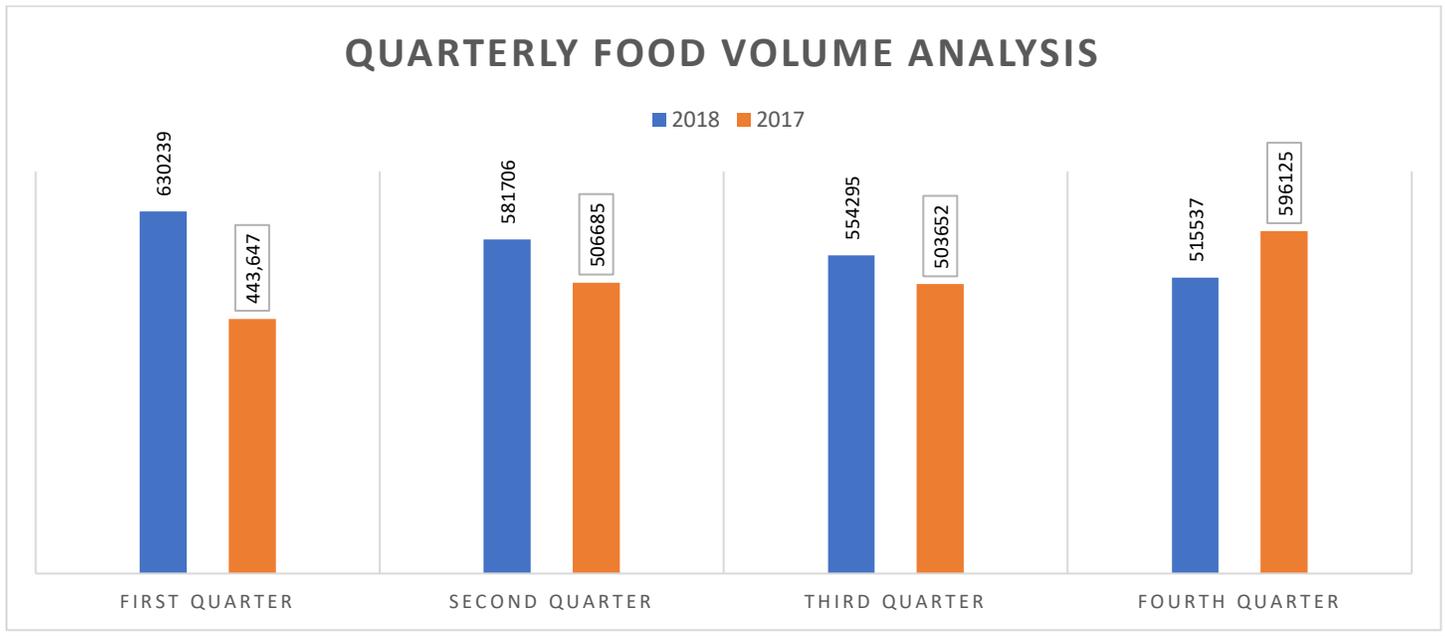
DH distributed a total 2,279,621 pounds, or meals, directly to 40 feeding programs in both Okaloosa and Walton County at an operational cost of .12 a pound. This is an increase of 11 percent, or 230,964 pounds, from 2017.

Below is a chart of DH's recipients that received the largest volume of food last year

Organization	Category	Location	Meals Received 2018
Hollywood Church of God in Christ	Soup kitchen, food pantry, and community outreach	Fort Walton Beach	157,912
Family of Faith	Food Pantry / Food give away	Fort Walton Beach	157,422
Seventh Day Adventist of FWB	Food pantry, soup kitchen, community outreach, cold night	Fort Walton Beach	136,466
First Baptist on the Bay	Food pantry, food give away	SRB	135,439
House of Deliverance	Soup kitchen, food pantry, and community outreach	Fort Walton Beach	134,551
Westminster Presbyterian	Food give away	Fort Walton Beach	112,322
Helping Hands	Food give away, food distribution center	Defuniak Springs	104,259
Fishes and Loaves	Food give-away	SRB	85,325
Elder Services	Meals on Wheels	Fort Walton Beach	83,647
The Matrix Outreach Center	Food give away, food distribution center	Defuniak Springs	64,853
S4P Synergy	Food Pantry / Food give away	Fort Walton Beach	64,653

Quarterly Food Donation Analysis

Below is a 2018 quarterly analysis comparing volume in pounds to 2017



2018 Food Donor Quarterly Breakdown	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Total
Wal Mart (Destin)	52,615	49,459	39,020	55,270	196,364
Wal Mart (SRB)	42,530	42,540	50,720	27,860	163,650
Wal Mart (Fort Walton)	49,440	42,480	28,419	40,610	160,949
Wal Mart Totals	144,585	134,479	118,159	123,740	520,963
Sams (Fort Walton)	109,950	104,446	134,016	115,000	463,412
Publix (Destin)	34,354	35,809	32,260	23,730	126,153
Publix (Sandestin)	24,850	24,680	21,300	23,160	93,990
Publix (Mary Esther,FWB)	25,290	31,730	25,260	23,630	105,910
Publix (Racetrack,FWB)	16,500	19,590	14,510	19,800	70,400
Publix (Perry,FWB)	18,910	16,110	14,970	22,560	72,550
Publix Totals	103,404	127,919	108,300	112,880	469,003
Whole Foods	70,578	67,309	46,840	34,119	218,846
Winn Dixie (San Destin)	17,639	14,360	13,630	15,690	61,319
Winn Dixie (Destin)	14,965	14,560	13,038	9,037	51,600
Winn Dixie (Eglin,FWB)	8,228	5,580	3,930	8,970	26,708
Winn Dixie (Beal,FWB)	28,790	30,910	28,680	27,350	115,730
Winn Dixie Totals	69,622	65,410	59,278	61,047	255,357
Fresh Market (Destin)	21,400	24,493	24,720	20,090	90,703
Target (Destin)	8,920	14,660	12,360	2,660	38,600
Target (Mary Esther)	8,460	10,530	10,020	10,170	39,180

2017	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Total
Publix	86980	85033	71136	90250	333399
Wal Mart	133670	140395	149379	160232	583676
Winn Dixie	78500	91801	69620	73664	313585
Sams Club	47350	82800	81840	108380	320370
Total	346,500	400,029	371,975	432,526	1,551,030

2018 Financial Report

DH Income Summary

Individual contributions: \$140,000

Dugas Family Foundation: \$50,000

Harbor Docks: \$21,791.83

Charity Auction \$10,000.00

Thanksgiving Fundraiser \$11,791.83

Other Foundations / Local Support — \$21,039.78

Food donations (value based on 2017's value per pound) \$3,943,744.33

Total Contributions: \$4,176,575.94

DH Operation Expense Summary

Truck Expenses: \$47,761.01

Truck Fuel and Misc. \$14,620.01

Truck Insurance \$13,056.10

Truck maintenance \$20,084.90

Food Costs (.02 surcharge by FTGC for every pound captured by DH at select stores): \$19,676.96

Foods Delivered donations (value based on 2017's value per pound): \$3,943,744.33

Payroll: \$170,144.76

Wages and salaries \$147,697.80

payroll taxes, workers comp, and fees \$22,446.96

Administration

Office Rent, Utilities, Phone, admin: \$11,646.46

Service Charges and registration fees: \$428.25

Marketing: \$904.28

General Liability: \$3,656.82

Accounting: \$2,000.00

Short term loan repayment: \$5,500.00

Employee Benefits: \$2,418.64

Total Program Expenses - \$4,207,881.18

Moving Forward

DH has already acquired three new stores this year - The Publix in Freeport and the Walmart and Winn Dixie in Defuniak. The food bank had a church that routinely picked up from the Walmart in Defuniak, but the church recently closed their food ministry. FTGC does not want to detour one of their drivers two to three times a week to pick up from the store. Their closest warehouse is in Milton.

FTGC picks up from all the grocery stores in Niceville and Crestview. DH could apply for funds through Impact 100 to expand food pick ups to these areas, if the food bank is willing to give DH access to the retail stores in both areas. DH is already distributing hundreds of thousands of pounds into Crestview annually and has been making weekly deliveries there since 2011.

At this point, however, there is no indication that FTGC has any plans of releasing stores in those areas.

With food volume continuing to decrease, DH is considering consolidating the Destin, Santa Rosa Beach, and north Walton route, along with respective recipient agencies, into one route. Some of DH's feeding programs are getting the short end of the stick by being on the delivery route on the wrong days. The SRB route is just significantly lighter than the Destin route. DH has already adopted the stores in Defuniak and Freeport onto both routes.

If food volume continues to decrease, DH will need to somehow source from more local food providers. DH's drivers are working very hard to provide equitable distribution to all recipient agencies. Every month a new program in Okaloosa or Walton County seeks DH's assistance. With the influx of families and individuals from Bay County displaced from the hurricane last year, DH and feeding programs need more resources.

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Chris Leavenworth — Executive Director

Eric Campbell — Program Coordinator

Willie Hutchins — Senior Driver

Mission Statement:

“Destin Harvest Bridges the Gap Between Food Surplus and Local Hunger”