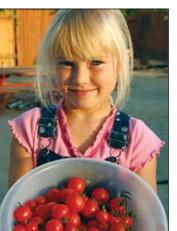


2006 Annual REPORT









NOURISHING THE FUTURE WITH FOOD TODAY

Be a Partner in the Fight Against Hunger—Join Today at **fbcmich.org**

Food Bank Council of Michigan [UII] 501 North Walnut Street Lansing, MI 48933



A Note from the Executive Director



The following is just one of many stories from people who are requesting help from the Food Bank Council of Michigan. "Hi. I was wondering what we have to do in order to get assistance with food and other types of help in Hazel Park. My car is broken down and I can't travel very far. I am embarrassed to go to my children's school to ask for help and would like a resource that would allow me to go somewhere besides the school. I was also wondering if there is a program that we can get a basket for Thanksgiving...just in case I need it. Any info would be appreciated."—Michelle

In 2006, Michigan food banks distributed over 64 million pounds of food to 1.1 million Michigan citizens—42% of whom are children or senior citizens. The Food Bank Council of Michigan works to keep food bank shelves stocked year 'round. Our member food banks deliver food to agencies and familes in all 83 Michigan counties. And, we also serve as advocates on behalf of our members and the the 1 in 10 individuals who are in need of food assistance each year.

We are grateful for the generous support we receive from individuals, corporations and foundations in our efforts to fight hunger. Your support helps ensure that the Food Bank Council of Michigan can continue its work towards the goal of helping to create a hunger-free Michigan.

Jane Marshall

Source: Hunger in Michigan, 2006

Food Bank Council of Michigan Board and Staff

Officers

Anne Lipsey-Chair Kalamazoo Loaves & Fishes

Bob Randels-Vice Chair Food Bank of South Central Michigan

Carolyn Bloodworth-Secretary/Treasurer Consumers Energy

Sherry Mirasola-Member At-Large Michigan Health & Hospital Association

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Alethia Carr WIC

Rusty Hills

State of Michigan

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Connie Larkin

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Ed Raak

Dutchman Orchards

Eileen Spring

Food Gatherers Food Bank

Terri Stangl

Center for Civil Justice

DeWayne Wells

Gleaners Community

Food Bank of

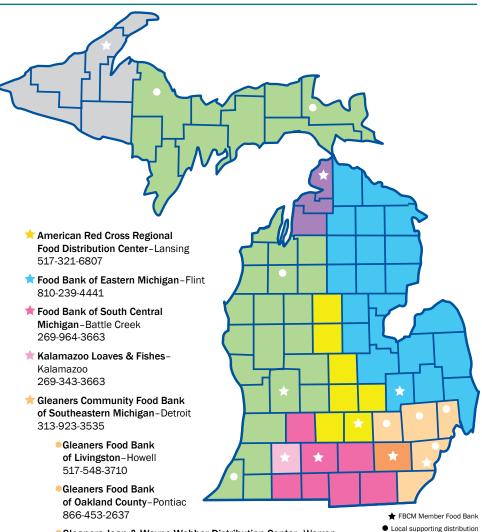
Southeastern Michigan

Kim Halfmann-Accounting and Administrative Manager

Mary Kay Hauck-Development and

Marketing Manager

Member Food Banks and Service Areas



- Gleaners Joan & Wayne Webber Distribution Center-Warren 586-758-6815
- Gleaners Taylor Distribution Center Taylor, 734-946-6374
- Tood Gatherers Food Bank-Ann Arbor, 734-761-2796
- second Harvest Gleaners Food Bank of West Michigan Grand Rapids, 616-784-3250
 - Eastern Upper Peninsula Food Bank-Sault Ste. Marie, 906-632-0348
 - Northwest Gleaners Food Bank-Cadillac, 231-779-0056
 - Southwest Gleaners Food Bank-St. Joseph, 269-983-7260
 - Central Upper Peninsula Food Bank-Ishpeming, 906-485-4988
- manna Project-Petoskey, 231-347-8852
- western Upper Peninsula Food Bank-Houghton, 906-482-5548

Jane Marshall-Executive Director Kim Harkness-Food and Programs Manager warehouse and FBCM member

Programs and Outputs

The Food Bank Council of Michigan operates programs which transport and deliver food to the five regional food banks in Michigan. These programs provide food staples, commodities, fresh produce and emergency food to individuals and families in need.

Michigan Agricultural Surplus System (MASS)

Funding Source: Michigan Department of Agriculture



The MASS program reduces food waste through redistribution of surplus agriculture and other food to the network of food banks throughout Michigan. MASS puts to use millions of pounds of fresh produce that is still wholesome and nutritious, but would normally be unsalable. Without MASS, this food would be sent to land fills or tilled under by the grower.

2006 Output: 5,311,060 pounds procured at an average of 11.9¢ per pound

The Emergency Food Assistance Program (TEFAP)

Funding Source: Michigan Department of Education



TEFAP is a USDA federal program that provides low income households with commodity food items (e.g. peanut butter, milk, pasta, canned fruit, etc...) at no cost. The availability of such staples can help a family through a crisis period such as a job loss, fire, unexpected medical costs or natural disaster.

2006 Output: 6,453,881 pounds of food distributed

Michigan Mobile Food Bank

Funding Source: Michigan Department of Human Services



Food bank shelves are stocked with donated products from all over the country. The products are free, but there is a huge expense in transporting them, which is a cost-prohibitive barrier to individual food banks. The Michigan Mobile Food Bank helps transport large amounts of surplus food to regional food banks, plus delivers food for community food distribution in areas without established emergency food agencies.

2006 Output: 17,439,619 pounds transported at an average of 1.6¢ per pound

Family Food Box Program

Funding Source: Michigan Department of Human Services



The Family Food Box Program provides a one-time 23-lb. box of food to low-income, pregnant women or families with children. The box contains assorted grocery staples such as soup, juice, pasta, cereal, tuna fish and more. Each box holds enough food to feed a family of three for 3–5 days. A Family Food Box can really make a difference to a family struggling with an immediate crisis situation.

2006 Output: 13,250 boxes provided totaling 304,750 lbs. at a cost of 82¢ per pound

Michigan Harvest Gathering

Funding Source: Michigan corporations, foundations and individuals



Michigan Harvest Gathering is an annual event to raise funds and food to feed Michigan's families who are in need. Money raised through Michigan Harvest Gathering also helps offset the high cost of transporting emergency food throughout the state.

2006 Results: \$302,039 raised and 353,677 donated pounds of food

Michigan Alliance to Stop Hunger (M*A*S*H*)

Funding Source: MAZON: A Jewish Response to Hunger



M*A*S*H* is a network of emergency food providers, anti-hunger advocates and individuals whose common goal is to strengthen the anti-hunger message and to build communication between service providers around the state.

Independent Auditor Report

Board of Directors Food Bank Council of Michigan Lansing, MI

We have audited the accompanying statement of financial position of the Food Bank Council of Michigan, Inc. as of December 31, 2006, and the related statements of activities, changes in net assets, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of the Food Bank Council of Michigan, as of December 31, 2006, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Manor, Costerisan & Ellis, P.C. Certified Public Accountants

ASSETS

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$909,289
Grants receivable	\$301,469
Accounts receivable	\$44,369
TOTAL CURRENT ASSETS	\$1,255,127
OFFICE EQUIPMENT AND FURNITURE	
(less accumulated depreciation of \$27,398 in 2006)	\$7,563
TOTAL ASSETS	<u>\$1,262,690</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts payable	\$238,781
Deferred grant revenue	\$34,663
Accrued payroll and related items	\$6,858
TOTAL CURRENT LIABILITIES	\$280,302
NET ASSETS	\$982,388
TOTAL LIABILITIES AND NET ASSETS	\$1,262,690

Corporate and Foundation Donors

MAZON: A Jewish Response to Hunger Michigan Health & Hospital Association

W.K. Kellogg Foundation

Country Fresh L.L.C.

General Motors Foundation

Daimler Chrysler Corporation Fund

General Mills/Yoplait

The Herbert H. and Grace A. Dow Foundation

Dow Chemical Company

Dutchman Orchards

Rollin M. Gerstacker Foundation

Consumers Energy Foundation

DTE Energy Foundation

Edw. C. Levy Co.

The Charles J. Strosacker Foundation

Meijer, Inc.

The Dick and Betsy De Vos Foundation

Altria Group, Inc.

Verizon Communications

Blue Cross Blue Shield of Michigan

and Blue Care Network

Chemical Financial Corporation

Michigan Center for Orthopedic Surgery

Alticor Enterprises

Detroit Shock

Spartan Stores

Merrill Lynch

The Bottle Crew

Michigan Potato Industry Commission

Delta Dental Plan of Michigan

Dart Bank

Accident Fund Company

Dow Corning Corporation
Comerica Charitable Foundation

Cliffs Michigan Mining Company

GreenStone Farm Credit Services

Central Transport

Universal Forest Products, Inc.

MASCO Corporation Straits Corporation

Telemux Capital Partners LLC

Ace Communications Group

F & AM

Michigan Farm Bureau

Capitol Services, Inc.

Michigan Chamber of Commerce

NuUnion Credit Union

Muchmore, Harrington, Smalley

& Associates

Chelsea Milling Company

Grand Hotel

UAW Local 6000

Western Michigan Fleet Parts, Inc.

Pridgeon Farms

UAW Local 4911

National Marine Manufacturers Association

Michigan Dental Association

Centron Data Services

Lochmoor Chrysler Plymouth Jeep, Inc.

Lassen Pontiac

Battle Creek Honda

Palace Sports & Entertainment

MASS Donors (Michigan Agricultural Surplus System)

Blackhawk Produce

Buurma Farms

David Dietrich

Dutchman Orchards

Erke Farms

Holthouse Farms

Jack Brown Produce

LeGrande Ranch

Mr. & Mrs. Norbert Styma

Ridgeview Orchards

Smith Brothers

Var Dra Jac

Veg. Pro. Inc.

Blakes Orchards

Chelsea Milling Co.

Deletka Farms

Elmaple Farm

Great Lakes Expo

Huffman Farms

Jenkins Potato Farm

Michigan Sportsmen Against Hunger

Oliver Farms

Riveridge Produce Marketing, Inc.

Styma Potato Farm