

Eastside Ministries of Fort Worth, Inc. 2008 Annual Report – March, 2009



Believing in our community...one person at a time



2008 Overview

The number of families in need residing on Fort Worth's eastside increased at troubling rates in 2008. Eastside Ministries (ESM) responded to this increased need by supplying a record level of services, through increased efforts and support from our staff, volunteers and donors. Since its inception by eastside church leaders and pastors in 1984, ESM has committed to providing hope to those in need. We strive toward this using a cooperative and ecumenical approach in operating east Fort Worth's only large food and clothing pantry. In this silver anniversary of our inception, we continued serving persons from qualifying households residing in the 76103, 76112 and 76120 zip codes. Our programs include food, hygiene products, clothing, and school uniform and supply assistance, Thanksgiving and Christmas meal offerings, and other forms of direct support.

Following a record year in service levels in 2007, our services reached even more individuals and families in 2008. In addition to addressing the challenge of rapidly increasing need, ESM faced greater difficulty in keeping our aging facility in good repair. As has so often been the case in our history, these challenges were met by staff, donors and volunteers responding so that service quality did not suffer.

Two contractors volunteered thousands of dollars worth of free materials and labor to repair the roof and electrical system, and two significant donations representing 25% of total 2008 income allowed for other major repairs to the facility. Director Jan Havins not only continued her creative and effective efforts in addressing the challenges of 2008, but brought and kept ESM to its full complement of staff. The ESM community will miss Ms. Jeanne Hall, now a former Trustee from St. Luke's of the Meadow Episcopal Church, who completed her tenure as President in 2008. Jeanne's leadership and contributions will be



long felt at ESM as she led us in hiring our current director, and brought about important facility and organizational improvements. However, our work continues to be ably led, as Ms. Pat Carr of King of Glory Lutheran Church succeeded Jeanne. Pat has continued work in updating the trustee hand book, and progressing ESM's disaster and compliance plans.

ESM is now considered one of the largest food pantries in Tarrant County, as determined by the Tarrant Area Food Bank, which supplies large pantries with most of their inventory. A WFAA news story was broadcast in 2008 featuring ESM's rapid increase in service demand.

Operations and Services

Despite returning to the traditional Monday through Friday morning hours in 2008, and dropping the experimental Saturday hours in the last months of 2007, ESM provided the highest number of families and individuals in our history the largest amount of support in both articles and value. Increased client needs, initially due to Hurricane Ike, followed by the effects of 2008's economic recession and rising unemployment, led us to scale back our holiday program to only Thanksgiving in '08. The school uniform assistance program initiated in 2006 was maintained at '07 support levels. In the last two years ESM has served nearly 1,600 new households. Our household service offerings totaled about 6,700, and represented 19,100 individual service offerings. The value of the food, clothing, and other items offered to clients reached \$642,000 in 2008 (or 20% above 2007, and 36% higher than 2006). All major service categories increased to historically highest levels.

Table 1. - ESM Service Summary

	2008	2007	2006
Service offerings to All Household	6,679	5,171	5,089
Service Offerings to New Househo:	853	735	
Service Offerings to Individuals	19,104	15,051	13,995
Adults	11,323	8,649	
Children	7,781	6,402	
Service Offering Involving:			
Basic Food	2,559	2,213	
Supplemental Food	3,478	2,409	
Clothing	3,618	3,046	
Other Service Offerings	2,705	2,441	
Park Meadows Program	771	686	
*Other Service Offerings			
Diapers/Depends	669	468	
Hygiene	1,771	1,701	
Food Packs for Homeless	520	394	
Formula	11	22	
Rx Assistance	24	26	
Transportation	96	67	
Linens	81	60	
School Supplies	124	219	
School Uniforms	266	267	
Holiday Meal Baskets	359	652	
Value of Offerings (\$)	642,000	534,000	473,000
Food	534,000	444,000	403,000
Clothing & Other Goods	103,100	87,000	68,500
School Uniform & Supplies	4,900	3,000	1,500

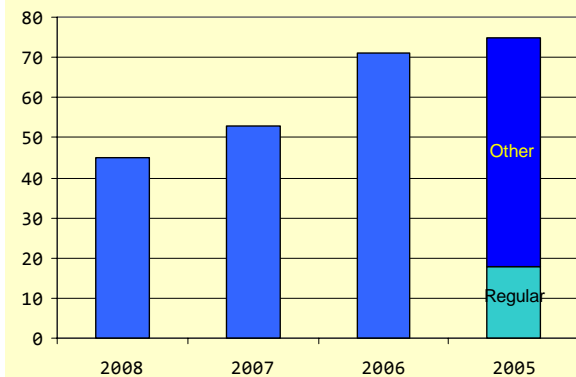
Staff & Volunteers

While staff vacancies helped reduce our payroll costs early in the year, ESM was staffed at its full complement of three part-time paid positions since March of 2008 including Executive Director, Case Worker and Food Pantry Operator. Two additional staff served ESM through a program financed by AARP's Senior Employment Program. We could not have met the challenges of 2008 without effective

leadership and efforts of our executive director and staff, working long dedicated hours, and who receive

compensation and benefits far below what they could earn in today's labor market. This, too, is a great gift to our ministry.

Figure 1. - Volunteers



ESM's effectiveness in responding to the needs of so many of our neighbors relies on volunteers who so graciously give of their time. The ranks of our volunteers continued to expand in 2008, while hours served were slightly off from a record level in '07.

Prominent among 2008 volunteer resources were Alan Fite and his crews from Century Properties Services and Greg Volz and son both of Volz Electric. These contractors donated thousands of dollars worth of roof and electrical improvements and repairs to ESM's East Lancaster facility. Other volunteers served in our intake and records area, clothing and food pantries, and other maintenance projects. Two teams, one from the Volunteer Center of North Texas and another comprised of Motorola employees participating in that company's Global Day of Service, made important internal and external facility improvements. ESM also participates in county and municipal court-ordered community service programs, logging nearly 300 hours from several individuals in 2008. Seventy-five individuals volunteered time in 2008, representing 9 Member churches, and 6 businesses or volunteer organizations. Of those individuals, 18 regular volunteers helped keep ESM operating through monthly or weekly service visits.



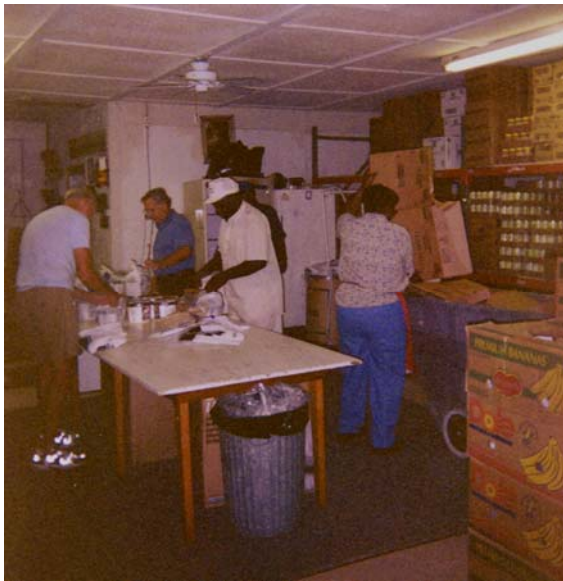
Facility Management

The aging ESM facility continues to add to the challenges of providing services to our clients.

Maintenance expenses increased significantly in 2008 to over \$14,000. Major improvements made to the facility in 2008 include:

- ✓ Replacement of A/C - heating system, due to vandalism/copper theft, at a cost of \$8,500 (after insurance settlement)
- ✓ Installation of concrete drives into back lot and food pantry at a cost of \$3,500
- ✓ Major repairs to roof donated by Alan Fite and Century Property Services
- ✓ Major repairs to electrical system donated by Greg Volz and his son

- ✓ Cleaning and re-striping front parking area organized by Volunteer Center of North Texas
- ✓ Various repairs and improvements to interior by a volunteer team from Motorola



A generous donation from JPMorgan covered over 80% of the cost of the A/C system replacement and paving of the drives. While the generosity of those who donated treasure, time and material towards maintenance is heartening, the overall growing maintenance issue causes ESM leadership to pursue a path to a newer, lower cost facility.

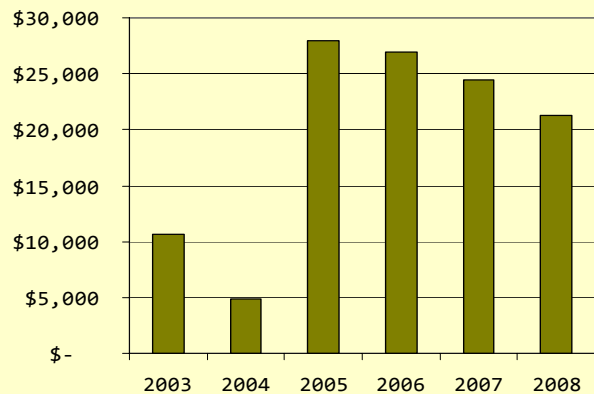
The driveways and A/C replacements are one-time costs. As such overall maintenance costs should subside greatly in the short run from '08 levels. There are no certainties given the underlying age and shortcomings of

our facility, thus maintenance and repair will continue to be a major threat to our service continuity. A Visioning Sub-Committee has been established by President Pat Carr and the Board of Trustees to begin a development plan of options for Trustee and Executive Team review.

Finances

ESM was blessed in 2008 with an increase in funding of 26% versus prior year, totaling \$88,450, the highest in ministry history. Sources contributing to the increase included Individuals, Groups, an upward adjustment in our allotment of local Emergency Food & Shelter (EFSP) Program funds, and an insurance claim payment (accounted for in Table 2 in the Vending & Other source category). Reductions in donated funds were experienced from Member churches and

Figure 2. Cash Balances - Year End



Fundraising (one event in '08 versus two in '07). The Gospel Night at St. Matthew's Methodist continued to be a success. As in 2007, King of Glory Lutheran volunteers arranged participation by Thrivent Financial who donated a supplemental gift related to the number of volunteers contributing to this event. The overall growth in funds enabled our ministry to pay for significantly higher maintenance and repair costs, as well as covering most of the increases in food inventory and payroll costs. As income did not

match spending however, year end cash balance fell \$3,249 versus year end '07 to \$21,231 – an amount equaling about 3 months worth of expected expenses in 2009.

Table 2. ESM Sources of Funds, 2006-2008

Source	2008		2007		2006	
	\$'s	% chg vs '07	\$'s	% chg vs '06	\$'s	% chg vs '05
Members	\$ 29,470	-12%	\$ 33,615	23%	\$ 27,276	-21%
Individuals	\$ 21,802	159%	\$ 8,408	-11%	\$ 9,408	-25%
Groups	\$ 19,998	28%	\$ 15,645	-4%	\$ 16,244	-56%
US/EFS Program	\$ 8,454	30%	\$ 6,500	30%	\$ 5,000	nc
Fund Raisers	\$ 3,678	-29%	\$ 5,167	113%	\$ 2,430	-8%
Vending & Other	\$ 5,049	364%	\$ 1,089	-39%	\$ 1,773	194%
TOTAL INCOME	\$ 88,450	26%	\$ 70,424	13%	\$ 62,130	-29%

Historically ESM's Member churches provided close to half of our funds. Generally, over the last five years, these churches have seen their congregations age and decline in number. This had led to reductions in giving from churches' general funds. Some churches have responded with more Sunday school and affiliated club fundraising activity. Two former churches, Sandy Lane and Meadowbrook Christian Churches merged to become Trinity Christian. ESM Members now total 14: thirteen eastside churches representing 7 denominations, and Universal Health Services, ESM's one non-church member. Donations from Members (not counting member sponsored fundraising) was down 12% or \$4,145, leaving that source at its lowest share of total funds, just 33%.

Over 60 individuals gave a record \$21,800, with 4 households contributing \$1,000 or more, and 29 giving \$100 or more. Individual giving was up almost 160% over '07, due to one large gift of \$10,000 received in December. Group giving was up as well, as JPMorgan donated \$12,000 resulting grant development support from its Senior Vice President Robert Lansford, and ESM Trustee and JP Morgan employee Tana McClure. The federal government's Emergency Food & Shelter Program (EFSP), which is administered by a local EFSP panel and is led by Tarrant County's Director of Human Development, increased its allotment to ESM on 2008 by about \$2,000. ESM was notified in early 2009 that its allotment will rise another \$2,000 in 2009. An insurance claim on the vandalism of the A/C system added \$3,700 towards replacement cost related to that incident, which totaled \$11,200.

Our spending in 2008 grew 21% over 2007 to \$91,700. Most of this increase was in response to critical and significant repair and maintenance, increased client volume, higher food inventory requirements and payroll increases. Utility payments were down as ESM changed its electrical service provider, and eliminated the lightly attended Saturday morning hours maintained in the last 4 months of '07. Our clothing pantry and hygiene provisions are provided almost totally from donated items, and therefore do not draw on cash funds. This is largely due to the generosity of clothing donors and the effective efforts of the clothing pantry coordinator and volunteers who support our clothing pantry efforts.

Table 3. Uses of Funds, 2006-2008

Use	2008		2007		2006	
	\$'s	% chg vs '07	\$'s	% chg vs '06	\$'s	% chg vs '05
Payroll	\$ 45,432	15%	\$ 39,463	17%	\$ 33,701	4%
Food Pantry Inventory	\$ 12,538	12%	\$ 11,173	15%	\$ 9,744	-21%
Utilities	\$ 9,198	-22%	\$ 11,841	53%	\$ 7,727	-16%
Misc Office	\$ 3,082	18%	\$ 2,611	-43%	\$ 4,600	-16%
Insurance & Bank Fees	\$ 2,864	40%	\$ 2,043	-31%	\$ 2,959	-21%
School Uniform Program	\$ 2,962	1%	\$ 2,937	96%	\$ 1,498	na
Facility & Equipment Maint.	\$ 14,666	215%	\$ 4,656	175%	\$ 1,691	-14%
Vehicle Fuel, Maint. & Taxes	\$ 516	23%	\$ 418	8%	\$ 387	-17%
Fund Raising & Other	\$ 447	-33%	\$ 668	561%	\$ 101	-69%
TOTAL EXPENSES	\$ 91,705	21%	\$ 75,811	21%	\$ 62,408	-5%

Given the increased size in spending and donations, President Pat Carr and the Board of Trustees instituted a Financial Audit Committee to execute an annual internal audit beginning with fiscal year 2008.

Hope for the Future

The ESM community of church and corporate members, contributors, and volunteers continues to look to the future with faith and hope that the necessary and important efforts towards eastside Fort Worth's needy families will continue to strengthen. Challenges of increased demands and an ailing facility continue to be met with increasing concern and charity from those who are more blessed. Efforts to increase our financial resources and improve our facility situation will hopefully develop into a more solid foundation from which we can bring hope and support to our neighbors in need.

