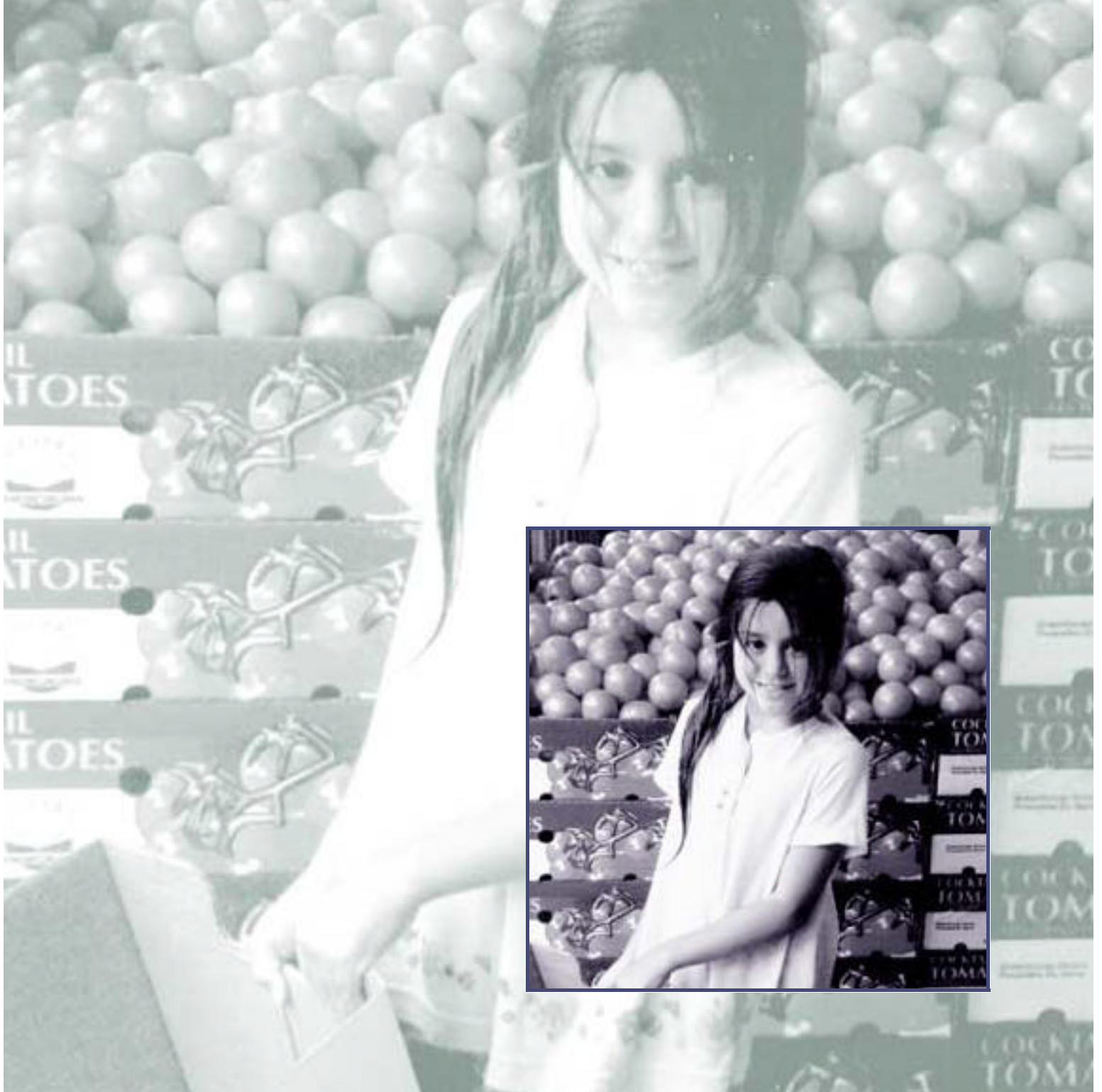


Annual Reports

Second Harvest Greater Minneapolis

Second Harvest St. Paul Food Bank



Messages from the Chair and Executive Director



Your commitment to Second Harvest Heartland is vital to hunger relief efforts in our community. As we share the work of Second Harvest Heartland in this annual report, please know that none of it would be possible without the dedication and contributions of our many stakeholders.

Donors, agencies, volunteers, staff and board members have worked tirelessly to feed more hungry people. All of this has been accomplished in the midst of moving from merger planning to implementation.

New possibilities and opportunities to support our community abound. Dedicated staff is working to streamline the two food banks. Our agencies remain on the front line, meeting the needs of people in the cities, suburbs and rural communities in western Wisconsin and half of Minnesota. Donations of

food and dollars are being used in new and creative ways to support and strengthen the mission of Second Harvest Heartland.

On behalf of all of our stakeholders, to all of our stakeholders, thank you for making effective hunger relief possible. There is much to celebrate; yet there is more to be done. With your support, our seniors will remain healthy, our children will grow to be strong and nutritious food will not go to waste.

I thank you in advance for your continued support of Second Harvest Heartland.



Michael Griffin, Chairman of the Board of Directors



It is with humble respect for my predecessors, the Reverend Richard (Dick) Goebel and Cheryl Landgre, that I take on the awesome responsibility for feeding the hungry today while working to end hunger for a better tomorrow. Dick and Cheryl's tenure as founder/directors of the Second Harvest Food Banks of St. Paul and Greater Minneapolis ended in 2001, but their dedicated service has left a legacy that will endure far into the future in the newly merged Second Harvest Heartland.

2001 was a year of unparalleled innovation by the two Boards of Directors and their staffs as they worked through the myriad of details that led to the merger votes in June and the official merger on October 1. They had great expectations as they poured through documents and participated in endless meetings. Their goals are very clear: more food for the hungry and a stronger public voice to combat hunger.

We are all faced with the paradox of the existence of hunger in the richest country in the world. We are learning more about the devastating mental, emotional and physical impact that poor nutrition has on our children. We hear of our older citizens faced with the impossible choice of buying food or purchasing needed prescription drugs. We see the faces of frightened adults who have lost their jobs and need to turn to food shelves for the first time in their lives in order to feed their families. And we know that we have work to do.

Second Harvest Heartland is blessed with dedicated donors, volunteers, agencies, board members and staff. The tasks ahead may at times be daunting, but taken one at a time and spread across the many willing hands, we will accomplish the goals and fulfill the vision that we share with America's Second Harvest of realizing a hunger-free nation. Your on-going involvement is needed and deeply appreciated.



R. Jane Brown, Executive Director

Second Harvest Reports

This Annual Report is unusual. It is actually two reports. It contains the final organizational information of both Second Harvest St. Paul and Second Harvest Greater Minneapolis. This is because as of October, 2001, these two organizations merged to become Second Harvest Heartland.

Second Harvest Heartland is embarking on an expanded effort in the critical battle against hunger. Under the leadership of our new Executive Director, R. Jane Brown, Second Harvest Heartland is working to deliver more food to hungry people through direct distribution programs as well as increased food and services to our 700 member agencies that work on the frontlines of hunger relief. Expansion plans for the upcoming year include initiating a direct purchase program and bringing the Kitchen of Opportunities into full production, allowing Second Harvest Heartland to prepare up to 2,000 hot meals each day.

The new Second Harvest Heartland serves food shelves, hot meal programs, after school programs, and community agencies in 61 counties of central Minnesota and western Wisconsin. In addition, we transport bulk food items to other Food Banks throughout Minnesota. As a partner in the national food distribution network of America's Second Harvest, we receive, store and distribute products from large national food producers as well as local corporations and community food drives.

In this time of expanded promise, a special "Thank You" goes to the many donors, funders and volunteers whose generosity has helped us reach our goals. Through your contributions you have provided the means for thousands of meals to reach our neighbors. Recognition lists will be on our website (www.2harvest.org) beginning May 1, 2002. Second Harvest Heartland's future annual reports will include a list of our supporters. Your caring involvement has always been at the heart of Second Harvest's commitment to combat hunger. As we expand and increase our services, your continued involvement will help us leverage our resources, eliminate waste and, most importantly, provide more food to more hungry people.

***The first harvest is from the field,
the second harvest is from the heart.***

Second Harvest of Greater Minneapolis Annual Report

Board of Directors

Michael Griffin (Chair)
Catholic Charities/
Office for Social Justice

Kirby Bennett (Vice-chair)
Twin Cities Public Television

Jim Beirne
General Mills, Inc.

Peter Dross (Secretary)
Center for Victims of Torture

Ron Grell (Treasurer)
KPMG LLP

Jeff Bradley
The Pillsbury Co.

Cathy Cruz Gooch
Catalina Specialty Foods

Lynne Dancha
HealthPartners

Patrick Kerrigan
Youth Farm and Market
Project

Taslina Khaled
Metropolitan State University

Nancy Kleeman
MN State Bar Association

Janine Laird
Hunger Solutions Minnesota

Michael Luker
Sunny Fresh Foods

Pam McCarthy
Pam McCarthy & Associates

Bill Miller
Community Volunteer

Margaret Murphy
Marquette Financial
Companies

Paul Noreau
Senior Food Shelf

Bridget Ryan
Greater Minneapolis Council
of Churches

Doug Schwab
SUPERVALU, Inc.

Doug Stansbury
The Meridian Group

Debbie Von Felden
SUPERVALU, Inc.

Mike Witt
SUPERVALU, Inc.

Financial Statements*

Statement of Financial Position

December 31, 2000 and 1999

Assets	2000	1999
Inventory in Kind	\$ 778,571	\$ 733,139
Other Current Assets	1,316,897	1,272,087
Total Current Assets	\$ 2,095,468	\$ 2,005,226
Property and equipment, net of accumulated depreciation of \$449,443 in 2000 and \$405,196 in 1999	\$ 244,985	\$ 202,427
Other Assets:	5,521	5,521
Total Assets:	<u>\$ 2,345,974</u>	<u>\$ 2,213,174</u>
<i>Liabilities</i>		
Total Current Liabilities	\$ 68,200	\$ 65,113
Total Net Assets	2,277,774	2,148,061
Total Liabilities & Net Assets	<u>\$ 2,345,974</u>	<u>\$ 2,213,174</u>

2000 Statement of Activities

Income	2000	1999
Food Donations - In Kind	\$ 12,570,592	\$ 10,691,743
Operating Revenue & Support	2,682,868	2,576,765
Total Revenue & Support	<u>\$ 15,253,460</u>	<u>\$ 13,268,508</u>
<i>Expenses</i>		
Food Distribution - In Kind	\$ 13,261,525	\$ 11,567,140
Operating Expenses	1,871,748	1,423,791
Total Expenses	<u>\$ 15,133,273</u>	<u>\$ 12,990,931</u>
(Support - \$595,260 Program - \$14,538,013)		

Change in Net Assets	<u>\$ 120,187</u>	<u>\$ 277,577</u>
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Major Program Activity

January 1 - December 31, 2000

	Expenditures
FoodBank	\$ 14,496,497

Financial Activity

From Audited Year-End Through Merger Date

Assets	9/30/01
Inventory in Kind	\$ 881,932
Other Current Assets	1,097,024
Total Current Assets	<u>\$ 1,978,956</u>
<i>Liabilities</i>	
Total Current Liabilities	\$ 222,301
Total Net Assets	2,007,986
Total Liabilities & Net Assets	<u>\$ 2,230,287</u>

Income	1/1/01-9/30/01
Food Donations - In Kind	\$ 11,669,033
Total Revenue & Support	13,049,357
<i>Expenses</i>	
Food Distribution - In Kind	11,575,928
Operating Expenses	13,319,147
Change in Net Assets	(\$ 269,790)

*Complete audited financial reports are available upon request.

Second Harvest St. Paul Food Bank Annual Report

Board of Directors

Grant Wacker (President)
Wells Fargo Private Client Services

Mike Banks (Vice President)
Ramsey County Human Services

Maureen Hooley Bausch
(Secretary)
Mall of America

John Williams (Treasurer)
Cub Foods/Retired

Dale Anderson
Ramsey Action Programs

Kathleen Anderson
Computer Training Specialist

Susand Asplund
St. Andrew's Lutheran Church

Bonnie Bassett
Land O'Lakes

Marian Briggs
Padilla, Spear, Beardsley

Nancy Cinoccta
Ramsey County Community Human Services

Michael Dreyer
United Food and Commercial Workers Local 789

Dean Fenner
3M/Retired

Jerry Guevara
Hispanos en Minnesota

Tim Hughs
Alliance Bank

Mary Pat Raimondi
The Milestone Group

Tom Schurig
General Mills

Andrea Thomas
Lab School

Debbie VonFelden
SUPERVALU, Inc.

David Woldt
General Mills/Retired

Becky Wolfram
Urban Coalition

Li Cho Xene Xai
St. Paul Pioneer Press

Financial Statements*

Statement of Financial Position

June 30, 2001 and 2000

Assets	2001	2000
Inventory in Kind	\$ 3,870,167	\$ 3,296,167
Other Current Assets	741,941	919,604
Total Current Assets	\$ 4,612,108	\$ 4,215,771
Property and equipment, net of accumulated depreciation of \$1,388,108 in 2001 and \$1,231,705 in 2000	\$ 1,539,655	\$ 1,596,910
Other Assets:	76,235	72,363
Total Assets:	<u>\$ 6,227,998</u>	<u>\$ 5,885,044</u>
Liabilities		
Total Current Liabilities	\$ 264,694	\$ 341,054
Total Longterm Liabilities	1,096,692	1,131,610
Total Liabilities	\$ 1,361,386	\$ 1,472,664
Total Net Assets	4,866,612	4,412,380
Total Liabilities & Net Assets	<u>\$ 6,227,998</u>	<u>\$ 5,885,044</u>

2001 Statement of Activities

Income	2001	2000
Food Donations - In Kind	\$ 26,338,953	\$ 25,328,757
Operating Revenue & Support	3,612,410	3,279,680
Total Revenue & Support	<u>\$ 29,951,363</u>	<u>\$ 28,608,437</u>
Expenses		
Food Distribution - In Kind	\$ 25,747,330	\$ 26,632,103
Operating Expenses	3,749,801	3,404,726
Total Expenses	<u>\$ 29,497,131</u>	<u>\$ 30,036,829</u>
(Support - \$875,163 Program - \$28,621,968)		
Change in Net Assets	<u>\$ 454,232</u>	<u>(\$ 1,428,392)</u>

Major Program Activity

July 1, 2000 - June 3, 2001

	<u>Expenditures</u>
Food Bank	\$ 22,821,654
CSFP	3,356,696
Twelve Baskets	2,279,463
Product Recovery Center	225,710
Membership	113,572
Mis-En-Place (Kitchen of Opportunities)	96,244

Financial Activity

From Audited Year-End Through Merger Date

Assets	9/30/01
Inventory in Kind	\$ 3,128,449
Other Current Assets	745,875
Total Current Assets	<u>\$ 3,874,324</u>
Liabilities	
Total Current Liabilities	\$ 1,478,262
Total Net Assets	4,023,338
Total Liabilities & Net Assets	<u>\$ 5,501,600</u>

Income	7/1/01-9/30/01
Food Donations - In Kind	\$ 5,941,937
Total Revenue & Support	6,656,304

Expenses	
Food Distribution - In Kind	6,661,034
Operating Expenses	7,499,578
Change in Net Assets	(\$ 843,274)

*Complete audited financial reports are available upon request.

Second Harvest Heartland

Joining forces to fight hunger

West Office

8405 Tenth Avenue North
Minneapolis, MN 55427-4422
Phone: 763.593.9844
Fax: 763.593.2712

East Office

1140 Gervais Avenue
St. Paul, MN 55109-2042
Phone: 651.484.5117
Fax: 651.484.1064

Far too many of our neighbors are leading a fragile existence. Second Harvest Heartland combats hunger through food banking, direct food distribution, food rescue, a community kitchen and advocacy for public policies to lessen hunger.

Board of Directors

Michael Griffin (Chair)
Catholic Charities/ Office for
Social Justice

Grant Wacker (Vice Chair)
Wells Fargo Private Client
Services

Mary Pat Raimondi
(Secretary)
The Milestone Group

Margaret Murphy
(Treasurer)
Marquette Financial
Companies

Dale Anderson
Ramsey Action Programs

Mike Banks
Ramsey County Human
Services

Bonnie Bassett
Land O'Lakes

Maureen Hooley Bausch
Mall of America

Jeff Bradley
General Mills

Marian Briggs
Padilla, Spear, Beardsley

Cathy Cruz Gooch
Catalina Specialty Foods,
Inc.

Jerry Guevara
Hispanos en Minnesota

Pat Kerrigan
Youth Farm and Market
Project

Taslina Khaled
Metropolitan State University

Michael Luker
Sunny Fresh Foods, Inc.

Bill Miller
Community Volunteer

Paul Noreau
Senior Food Shelf

Tom Schurig
General Mills

Doug Stansbury
The Meridian Group

Debbie VonFelden
SUPERVALU, Inc.

John Williams
Cub Foods/Retired

Li Cho Xene Xai
St. Paul Pioneer Press

*To learn more about Second Harvest Heartland and hunger relief efforts in
our community go to
www.2harvest.org*

Second Harvest Heartland partners with:

