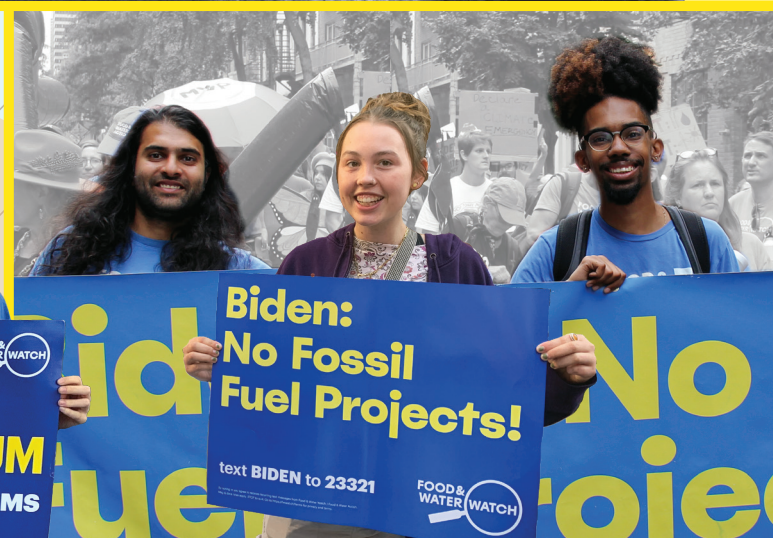




# TOGETHER, WE'RE BUILDING A LIVABLE FUTURE

2023/2024 ANNUAL REPORT





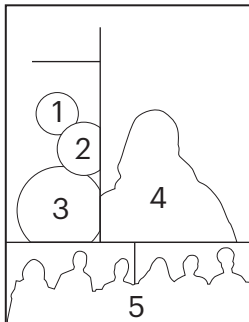
In late March 2023, Food & Water Watch and our allies gathered in California for the Campaign for a Safe and Healthy California press conference. This event took place at a soccer field neighboring the Inglewood Oil Field in Los Angeles County — the largest urban drill site in the U.S. Together, we rallied support to stop a ballot measure that would have overturned a 2022 law that bans oil drilling within 3,200 feet of homes, schools, and other sensitive sites — and we won!





# Contents

<b>Our Shared Values Move Us Forward</b> .....	<b>1</b>
<b>You've Been There When Communities and Our Planet Needed You</b> .....	<b>2</b>
<b>See How You've Changed the World for the Better ... One Milestone at a Time</b> .....	<b>3</b>
<b>Incredible People Like You Are at the Heart of Our Work</b> .....	<b>7</b>
You Strengthen Our Volunteer Network .....	7
You Educate and Spread Awareness .....	10
You Hold Corporations and Agencies Endangering our Resources Accountable .....	11
<b>What Your Community of Livable Future Champions Are Saying</b> .....	<b>14</b>
<b>Let's Continue Building a Livable Future, Together</b> .....	<b>18</b>
<b>Board &amp; Leadership</b> .....	<b>20</b>
<b>Financial Snapshot</b> .....	<b>22</b>



Cover: 1. Marchers at the March to End Fossil Fuels / 2. Activist supporting the NY Heat Act / 3. Community members at a rally to demand the shutdown of Aliso Canyon in California. Photo by Alex Austin / 4. Hilary Flint of Pennsylvania, who is fighting to protect her community after the East Palestine train derailment and from the Shell cracker plant in Beaver County. Photo by Mark Dixon/Blue Lens / 5. Food & Water Watch organizers and activists



*This fiscal year 2024  
annual report covers  
activities from July 1,  
2023, to June 30, 2024.*



# Our Shared Values Move Us Forward



## Mission

Our food, water, and climate are under constant assault by corporations who put profit over the survival of humanity. They have seized control of the very institutions that were built to protect us. We mobilize people to reclaim their political power, hold our elected officials accountable, and resist corporate control — ensuring we all have the essential resources we need to thrive. This is a fight we must win because this planet is the only one we get.



## What We Believe

We all deserve:

- A healthy and livable environment
- Human dignity and to have our basic needs met
- Just and fair treatment and equitable opportunities and outcomes regardless of race, religion, gender, and sexual orientation
- Economic fairness that supports the many, not the few
- Real democracy, so our votes and voices can't be defeated by corporate money



## What We Do

To protect our food, water, and climate, we organize people around the country to build political power. We mobilize at the local, state, and federal levels to win the fights others are afraid to even take on.

From banning fracking to shutting down factory farms, to making sure communities across the country have access to clean water, we've fought against greedy corporations and reckless government agencies, and we've won time after time. We fight — and win — in the courts, in the halls of Congress, and on the ground in every state. Corporations may have the money, but we believe people have the power to make real change. That's why we win.



Engaged  
**2 million+**  
supporters



Pursuing  
**20+**  
active lawsuits



Held nearly  
**250+**  
meetings with  
Congressional offices



Sent  
**133,200+**  
digital letters and petitions on  
**200+** issues



# You've Been There When Communities and Our Planet Needed You

It's been almost 20 years since I founded Food & Water Watch, and some things have changed. Thanks to you, we've grown. We now have a nationwide presence and can respond to threats to our food, water, and climate across the country with speed and skill.

Sadly, some things haven't changed. Our planet continues to send warning signs about the climate crisis — the greatest threat to our food and water — with ever more frequency as each year passes. Corporate greed continues to pollute the places we love and call home, damaging people's health along the way, all in the name of profit.

But I believe in our future. Do you know why? It's because of YOU.

While our fight for sustainable food, safe and affordable water, and a livable climate has never been more urgent, I've seen how you've continuously shown up for communities and our planet when they needed you. And it's remarkable.

Just look at the victories you made possible this year. By working together, we successfully pressured the Biden administration to pause all new liquefied natural gas (LNG) export approvals. We stopped radioactive waste from being dumped into the Hudson River in New York. And, after years of advocacy work with allies, Oregon's SB 85 was signed into law — the first legislation in decades to reform factory farm regulations in the state.

These strides forward bring real relief to communities and lay the groundwork for future protections. It could not have happened without you.

You've shown time and again how much you care about protecting our most precious resources and extended your generosity to communities fighting back to protect what we love. I know that with you and a smart strategy, we'll continue making the progress we need to create a livable future.

Thank you for never giving up on our planet and fighting like you live here!



Wenonah Hauter  
Executive Director



Paused new LNG exports: U.S. is the world's largest LNG exporter, exporting about **12 billion** cubic feet per day in 2023



Stopped **1 million+** gallons of radioactive waste from being dumped into the Hudson River in New York



SB 85 ▷ Stopped a **28,000-cow** mega-dairy and a

**4.5 million-chicken** per year factory farm from opening in Oregon 



# See How You've Changed the World for the Better . . .

Each victory highlighted here is a step toward a future where everyone has sustainably grown food, clean and affordable water, and a livable climate. Each milestone brought real relief to people and communities fighting to protect the people and places they love.

## Reined in factory farms in Oregon

Together, we won the first legislation in decades to reform Oregon's factory farm regulations (SB85). This bill will require a more intensive water permitting process, increase oversight on the practice of spreading factory farm waste on land, and allow local governments to require setbacks on factory farm siting. Following this victory, two industrial agriculture giants, Easterday Dairy and Foster Farms, canceled their factory farm plans.



## Stopped LNG bomb trains

Thanks to your generosity, our years of organizing against liquefied natural gas (LNG) have won real protections for communities throughout the country. The Department of Transportation suspended a Trump administration rule that allowed LNG to be transported by rail — a dangerous practice with massive risks to public health and safety.

JUL 2023

AUG

SEPT

OCT

## Saved the Hudson River from radioactive waste

Because of you, we stopped Holtec International, the company decommissioning the Indian Point Nuclear Power Station near Peekskill, New York, from dumping radioactive waste into the Hudson River. You powered our New York team to organize nonstop against this dangerous plan and gather the support of communities throughout the region. This forced Holtec to delay, which allowed time for the Save the Hudson bill to be drafted, passed, and signed.

“ Holtec's dangerous plan to dump more than one million gallons of toxic radioactive waste into the Hudson River provoked widespread outrage from the start. Passage of the Save the Hudson Bill was a tremendous victory for our environment, communities, and regional River economy.

— Santosh Nandabalan, Senior New York Organizer



## Powered the March to End Fossil Fuels — the largest demonstration to stop fossil fuels in U.S. history

On September 17, 2023, more than 75,000 people joined us in New York City for the March to End Fossil Fuels. Together, we demanded the Biden administration do more to curb climate change by ending fossil fuel use. This march showed the breadth, diversity, and passion of our movement and is a testament to how your generosity has strengthened our fight for a healthy planet. It was a beautiful sight!





# . One Milestone at a Time

“ Suspending the outrageously dangerous Trump bomb train rule is a welcome relief to the communities that would have turned into sacrifice zones in the name of fossil fuel industry profits.

— Matt Smith,  
New Jersey  
State Director



## Canceled the Navigator carbon pipeline in the Midwest

The massive Heartland Greenway was to be a 1,300-mile carbon pipeline spanning parts of South Dakota, Nebraska, Minnesota, Iowa, and Illinois. Carbon pipelines are part of carbon capture schemes used by dirty energy companies to greenwash their operations. You've been the backbone of our years of organizing against this project, which brought together a broad coalition of grassroots groups.



NOV

DEC

YOUR INCREDIBLE  
IMPACT CONTINUES

## Won new water pollution control rules for slaughterhouses

Together, we compelled the Environmental Protection Agency (EPA) to propose new water pollution control standards for slaughterhouses and rendering facilities. Following lawsuits from Food & Water Watch and our allies, the EPA's new rules could prevent at least 100 million pounds per year of water pollution by strengthening or imposing standards on just a fraction of the country's approximately 5,000 slaughterhouses and rendering facilities.

“ We're happy to see the EPA take this long-overdue first step toward cleaning up one of the nation's dirtiest industries. For too long, corporate meat giants have profited from under-regulated water pollution — often in communities also burdened by those same companies' factory farms.

— Dani Replogle,  
Attorney





# See How You've Changed the World for the Better . . .



“ The administration’s reconsideration of new LNG export projects is a prudent and positive step, but the pause is only as good as it lasts...

Hopefully, this represents the beginning of the end of fossil fuel exports in America.

— *Wenonah Hauter, Executive Director*

## Paused all new LNG export approvals nationally

Thanks to your commitment to a livable climate, together we successfully pressed the Biden administration to pause all new liquefied natural gas (LNG) export approvals. We believe our collective show of power, such as in the March to End Fossil Fuels, contributed to this impactful decision.

## Passed a bill to ban CO<sub>2</sub> fracking in New York State

A company called “Southern Tier CO<sub>2</sub> to Clean Energy Solutions” was planning to skirt New York’s existing, nation-leading ban on fracking by proposing to use carbon dioxide (CO<sub>2</sub>) instead of water for fracking. This experimental and dangerous method of shale gas extraction poses many of the same threats to our water, health, and climate. Because of you, Food & Water Watch and our allies organized quickly, made lots of noise, and won the passage of the CO<sub>2</sub> fracking ban bill. As of this writing, we’re urging the Governor to sign this ban into law.



JAN 2024

FEB

MAR

APR

## Successfully pressured Governor Newsom to phase out fracking in California

After over a decade of continuous advocacy from Food & Water Watch and allied groups — powered by you! — and a three-year de facto ban,

California’s Geologic Energy Management Division (CalGEM) released

its plan to formally phase out fracking by prohibiting the state from issuing new fracking permits. We are currently waiting for the Newsom administration to finalize this rule.



## Won the first-ever regulations on PFAS in drinking water and began holding corporations accountable for PFAS cleanup

Together, we celebrated the EPA’s announcement of regulations on six PFAS — the toxic compounds known as “forever chemicals” — in drinking water. After decades of community organizing, we welcome this critical step in making drinking water safer for people nationwide. This will save lives.

The EPA also finalized its rule designating two types of PFAS, PFOA and PFOS, as hazardous substances. This will begin holding polluters accountable for paying to clean up their toxic mess.



# . One Milestone at a Time (continued)



## Strengthened the environmental review process of polluting projects through restored NEPA rules

The National Environmental Policy Act (NEPA) is a bedrock environmental law that allows communities to weigh in on federal actions that impact their air, water, and public health. When the Trump administration gutted NEPA regulations to stifle community input and to fast-track polluting projects, Food & Water Watch's legal team took action and won! Backed by your generosity, they worked with a broad coalition and challenged this rollback in federal court. In April, the Biden Administration restored NEPA rules to once again give communities a voice, incorporate climate concerns, and consider environmental justice impacts when polluting projects are proposed.

“ Today’s rule restores strong environmental review of federal actions and will go a long way toward having a meaningful process to assess the health and safety impacts of an array of projects.  
— Tarah Heizen, Legal Director



MAY

JUN

ONWARD!



“ Chemical companies have attempted to hide what they have long known about the dangers of PFAS, creating a widespread public health crisis in the process... Today’s new rules are a necessary and important step to jump-start the cleanup process for two types of PFAS.  
— Mary Grant, Public Water for All Director

## Stopped the Williams Pipeline in New York

The Williams Pipeline Co. abandoned its plan to build a fracked gas pipeline that would have destroyed the New York Harbor and Rockaway Peninsula. Your unwavering commitment to protecting our marine ecosystems and frontline communities made sure coalitions in New York and New Jersey could advocate continuously to bat down repeated attempts by Williams to move this pipeline forward.



Your generosity unlocked all of these meaningful milestones and more. Let’s continue **building a brighter, healthier future together!**

# Incredible People Like You Are at the Heart of Our Work

## You Strengthen Our Volunteer Network

Big, systemic change requires people power. This allows Food & Water Watch and Food & Water Action to connect with communities across the country to push for the bold action we need to stop the climate crisis and protect our food and water.

**Because of you, our grassroots movement and our capacity to create change have grown. This year, we launched dedicated volunteer teams to focus their efforts on the key issues you care about.**

### PLASTIC ACTION TEAM



“ I have worked with other environmental organizations that merely discuss issues. Food & Water Watch is different because it not only provides education and training but also supports volunteer work with legislators and citizens. I am thrilled to be part of the Plastic Action Team that is creating real, sustainable change in Pennsylvania.

— Kathy Cook,  
A Volunteer Leader

### WATER ACTION TEAM

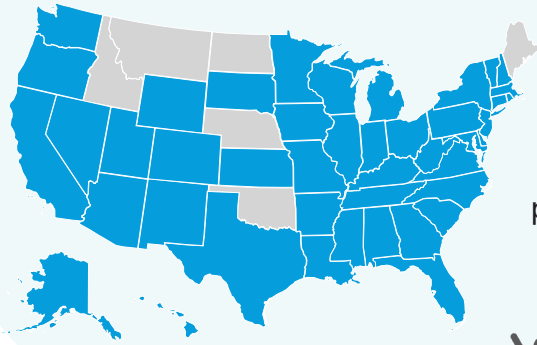


“ I believe everyone deserves safe water. That’s why I’m volunteering with the Water Action Team to support the PFAS Action Act. Thank you for empowering the Water Action Team to fight for this essential human right!

— Analyse Adams,  
A Volunteer Leader



## You Activated Volunteers Across the Country!



**2,531** Volunteers  
activated across  
**45** states  
plus **Puerto Rico**



### Curious About Volunteer Opportunities?

See what events are  
currently on offer  
for Volunteers.



[fwwat.ch/vol-events](http://fwwat.ch/vol-events)

## CLIMATE ACTION TEAM



“ The climate crisis is a massive problem, but I believe that if we work together, we can create a future where everyone can live safe, healthy lives. I want to spend my time and energy working toward this goal with the Climate Action Team because I know we can make a difference. I’m grateful to Food & Water Watch for giving me the tools to help in this fight and so grateful to you for making my team’s work possible!

— Katie Olsson,  
A Volunteer Leader

## FOOD ACTION TEAM



“ Thank you for championing our work to ban factory farms and support resilient, diversified family farms! I believe we can build a world where everyone has access to healthy food that is grown and raised in a way that is good for the farmers, the workers, everyday people like you and me, and the environment.

— Claire Gates,  
A Volunteer Leader

Icons: from the Noun Project, created by illangArtGalley





Food & Water Watch Organizers Alexa Moore and Emily Tucker drew a crowd at "Environment Day at the Legislature" at the New Mexico State Capitol in Santa Fe. They shared information about the urgent need to ban factory farms in New Mexico.





# Incredible People Like You Are at the Heart of Our Work (continued)

## You Hold Corporations and Agencies Endangering our Resources Accountable

Strategic legal actions are some of the best tools for holding polluters and the agencies responsible for regulating them accountable. **Because of you, Food & Water Watch’s legal team is a force to be reckoned with.**

### Tarah Heinzen, Legal Director

I believe in Food & Water Watch’s determination to fight for and win the change we need, not just what seems politically possible or expedient. To secure a livable future, we need to fight for deep, structural change. I value the role Food & Water Watch plays in the broader environmental and progressive movement, emboldening our partners to take stronger positions on critical issues. In my role, that means our legal team also gets to be bold — we bring high-impact lawsuits and provide legal support to strategic organizing campaigns. The range of work we do — from tactical support at the local level to major impact litigation at the national level — keeps our work as interesting as it is meaningful.



### Erin Doran, Senior Attorney

I was drawn to Food & Water Watch because of its dual focus on factory farms and climate. As the climate crisis becomes more and more dire, I feel more and more compelled to engage in this work.

What I look forward to on a typical day is collaborating with partners or other folks at Food & Water Watch and beyond. It’s helpful to have a broad perspective from the different coalitions we’re involved in to strategize about how we can best address complex environmental problems.





## Tyler Lobdell, Attorney

I live in a region with a high concentration of factory farms. I pass large dairies and feedlots frequently. I see the impact they have on local communities and the environment as a whole, like festering sores on the landscape. I feel strongly that the factory farm model is absurd from environmental, public health, and animal welfare perspectives.



I'm connected to my work at Food & Water Watch because it aligns with my personal worldview, beliefs, ethics, and the things I believe need to be accomplished for a livable future. Working at a place that aligns with me in this way is unique and rewarding.

## Emily Miller, Attorney

Growing food in the garden, sharing meals with my family, enjoying the mountains where I live — my deep appreciation of food and the environment shapes who I am.

As a lawyer fighting for a sustainable, transparent food system and resisting the corporate powers polluting our environment and communities, I know it's an uphill battle. So, I put in the time and research to be as well-rounded on the issues as possible so we have the strongest legal arguments.



## Dani Replogle, Attorney

I like to embrace the creativity aspect of what the legal team does at Food & Water Watch. I enjoy legal writing, and that stems from my love of creative writing. So, I want to push back on the idea that legal writing needs to be formulaic and hyper-constrained to deliver a message that judges will understand. I think the best cases, briefs, and memos are pieces of writing that tell a compelling story on behalf of impacted communities and the environment.



### What's Our Legal Team Up To?

Visit our Legal Cases page on our website to learn more about the legal actions Food & Water Watch is pursuing.



[fwwat.ch/legal24](https://fwwat.ch/legal24)





Food & Water Watch organizers and volunteers in New York gave out free ice cream to fight for an affordable transition to renewable energy. They converted volunteer Jon Pope's truck into an "ice cream truck" and handed out cold treats while they talked to constituents and collected petition signatures in support of the NY HEAT Act, a state bill that would phase out natural gas infrastructure and cap rising energy costs.





# What Your Community of Livable Future Champions Are Saying

## Lynne Azarchi Donates to Get More Planet-Protectors Involved

### Please introduce yourself to our readers.

I'm Lynne Azarchi. I'm the Executive Director of Kidsbridge Youth Center outside of Trenton, New Jersey. It's an organization that fosters bullying prevention, diversity appreciation, empathy, anti-bias, and empowerment for youth. I'm also the author of *The Empathy Advantage: Coaching Kids to be Kind, Respectful, and Successful*.

### How long have you been interested in environmental causes?

I became interested in environmental issues while in college. I joined the lettuce and grape boycotts led by Caesar Chavez — I was horrified when I learned that farm workers were being sprayed with harmful insecticides.

### How did you hear about Food & Water Watch / Food & Water Action, and what motivated you to make your first gift?

I learned about Food & Water Watch more than 15 years ago through one of your emails or mailings. It led me to attend a local meeting in New Jersey, where I met nice people who were activists. They had empathy and cared for others.

### What do you think about Food & Water Watch / Food & Water Action's work and impact on the world?

As a youth educator, one of the things I love about Food & Water Watch is that it uses the same strategies I teach to kids to generate social-emotional skills — like empathy and respect for others, and empathetic action to help others who have less.

### What do you hope to accomplish through your philanthropy?

I hope that Food & Water Watch grows larger, attracting more people to the movement.



“ Food & Water Watch is an extraordinary group of people... It's so rare to have an opportunity to work alongside folks who truly care about others.

— Lynne Azarchi, Donor

I hope my giving inspires more supporters to get involved because everyone deserves clean air and water, and healthy food.

### If you were talking to someone about giving to and getting involved with Food & Water Watch / Food & Water Action, what would you tell them? What do you wish everyone knew about our mission?

Food & Water Watch is an extraordinary group of people... It's so rare to have an opportunity to work alongside folks who truly care about others. I wish more people knew of Food & Water Watch's impressive outcomes, such as winning bans on fracking in several states, getting stronger factory farm regulations, fighting off water polluters, and raising awareness of plastic pollution.

### What gives you hope for the future?

Young people give me hope. I see so many younger people who accept diversity, appreciate difference, and are more empathetic to care about others' health and our precious Earth — and they are standing up and speaking out.

# What Your Community of Livable Future Champions Are Saying (continued)



**Jane Fonda,  
Actor and Activist**

“ In towns, cities, and states across this country, Food & Water Watch organizers are on the ground working every day to lift up the voices of people calling for change — calling for clean air, clean water, sustainable food, an end to fossil fuels — calling for a livable future for all. And they’re holding their elected officials accountable for creating that future. So I thank you, Food & Water Watch, for your leadership.



**Rebecca Wolf,  
Food & Water Watch  
Senior Food Policy  
Analyst**

“ Your generosity allows Food & Water Watch to continue fighting for the future of food — one that’s just and sustainable for all of us — farmers, workers, consumers, a healthy environment, and animals on the land. Thank you!



**Dr Alan and Karen Warren,  
Activists**

“ After the 2016 election, I was devastated, so I got online and found Food & Water Watch — and I felt like these people are my people. They’re fighting the same fight. They have the same concerns. It’s like finding your peeps ... they’re planet protectors, and that matters to me. — *Karen*

“ The way Food & Water Watch shines a light on problems that are so important today — they let us know what issues are coming up, how we can get involved, who we need to talk to to make a change. They get involved with these issues, and they make something happen, and that’s where you want to put your support. — *Alan*





### **Senator Cory Booker**

“ We can make real progress, to start to transform our broken food system and to shift subsidies away from these factory farms and toward farmers that are growing healthy foods and using regenerative practices.

Everyone deserves access to healthy, affordable food that's good for them and good for our environment. We can empower farmers and farm workers and protect our environment. This is why I am so proud to have Food & Water Watch's support on these issues.



### **Liv Perfetti, Food & Water Action Canvasser**

“ I first got involved because I knew how important the [2022] midterm election was, and I just wanted to do everything I could to have an impact...If you ever thought about canvassing, I'd say sign up with Food & Water Action and get out there. I made some really good friends, I was able to connect with so many people in my community, and it was really, really rewarding to feel like I was making a difference in a world where it can feel really hard to do that.



### **Megan McDonough, Food & Water Watch Pennsylvania State Director**

“ Whether it's in communities like East Palestine, Ohio, dealing with the aftermath of dangerous chemicals like vinyl chloride; in Baltimore, Maryland, where we're helping residents fight for clean water; or in Iowa, where we're demanding a moratorium on factory farms — Food & Water Watch will be there to put people first and fight to make sure everyone has access to safe food, clean water, and a livable climate. We're able to do all this thanks to people like you who compassionately support our mission.



Food & Water Action's Oregon team kicked off their Week of Action Against Factory Farming with a community bike ride. The week also included an art build, pizza and trivia night, a call-in day, and a petition drop in Salem to urge elected officials to stop the expansion of factory farms.





# Let's Continue Building a Livable Future, Together

Over the past year, dedicated people like you have shown tremendous passion and care for protecting the health of our families, our communities, and our planet. Thank you!

As we gear up for another year, we're so grateful for your continued commitment to building a world where everyone has sustainably grown food, clean and affordable water, and a climate that allows each and every one of us to thrive.

We'll face plenty of challenges. Powerful and greedy corporations will continue prioritizing their profits at the risk of public health and the environment. The elected officials who do their bidding will continue to stand in the way of progress. And the climate crisis will continue to sound alarm bells with extreme weather and dangerous storms.

By working together and growing our community of compassionate people like you, we can overcome those challenges, and build on our hard-fought and protective wins for our planet. Momentum is on our side! Let's continue building a livable future for all, together.





Food & Water Watch Northeast Region Director Alex Beauchamp took the podium at the New York State Capitol in Albany to applaud the State Assembly and Senate for protecting public health and the environment by passing legislation banning drilling and fracking using carbon dioxide (CO<sub>2</sub>) in the state. Together, we're urging Governor Hochul to sign the bill into law.





# Board & Leadership

## FOOD & WATER WATCH BOARD OF DIRECTORS

Maude Barlow, *Board Chair*  
Wenonah Hauter, *Executive Director*

Rudolf Amenga-Etego  
Elyzabeth Peredo Beltrán  
Robert Howarth  
Shawn McKenzie  
Michele Merkel  
Mary Ricci  
Lisa Schubert

## FOOD & WATER ACTION BOARD OF DIRECTORS

Wenonah Hauter,  
*Founder and Executive Director*

Craig Merrilees  
Adolph Reed  
Mary Ricci  
Daniele Gerard

## LEADERSHIP

Wenonah Hauter,  
*Founder and Executive Director*

## Managing Directors

Caland Barney  
Mitch Jones  
Mark Schlosberg  
Tamara Tripp  
Emily Wurth

## ADVISORY COUNCIL

The Advisory Council serves as a leadership body of members committed to the growth and improvement of Food & Water Watch.

Lynne Azarchi  
Tracy Farwell  
Bill Gee  
Madelaine Haberman  
Craig Merrilees  
Natalie Pien  
Jon Pope  
Abigail Rome  
Eric Strid  
Kitty Ufford-Chase







Food & Water Watch Hudson Valley Senior Organizer Emily Skydel (pictured first on the right) and activist volunteers gather in Manhattan. Wearing orange vests, they distributed signs and organized marchers at the March to End Fossil Fuels.

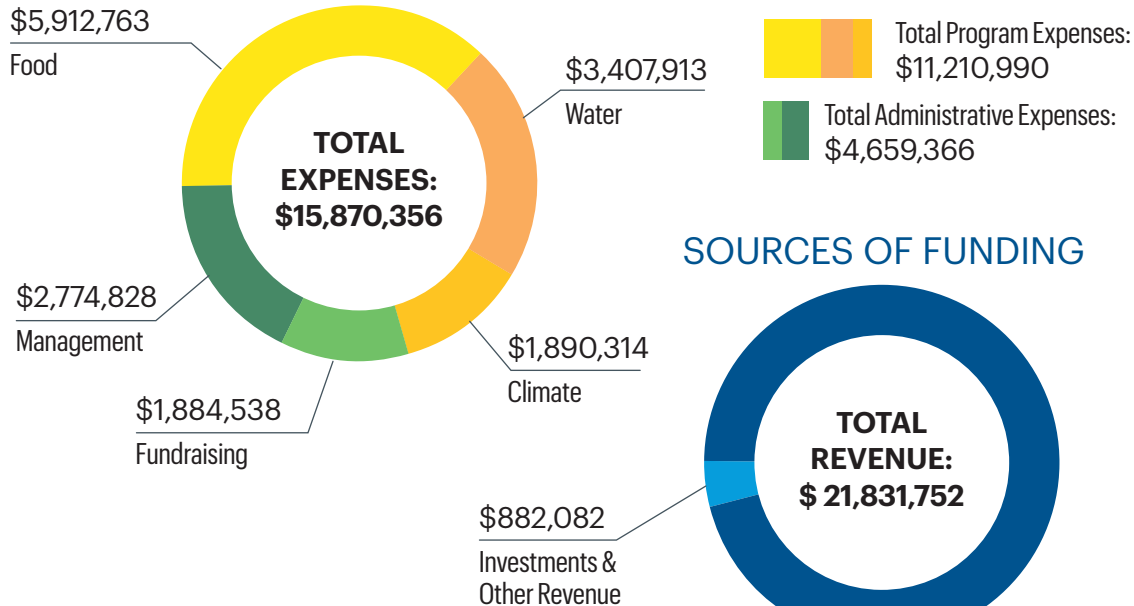


# Financial Snapshot

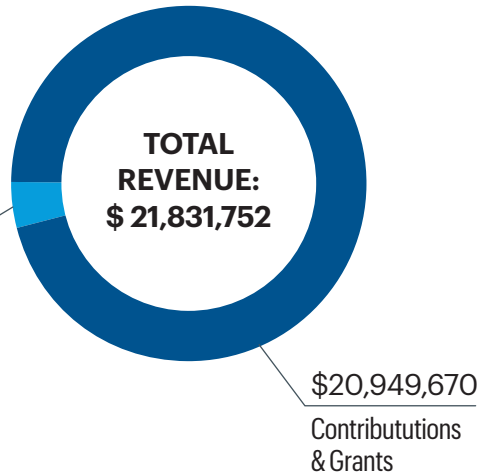
For fiscal year 2024: July 1, 2023, to June 30, 2024

## Food & Water Watch

YOUR GENEROSITY AT WORK

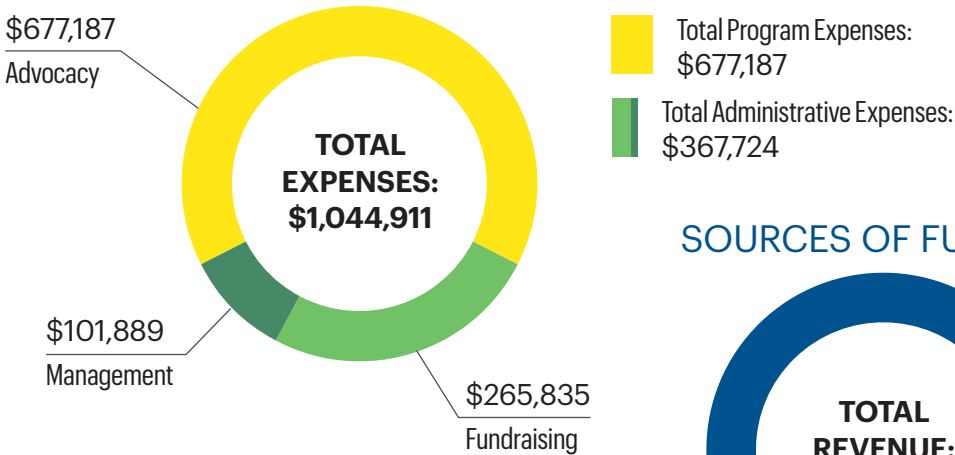


### SOURCES OF FUNDING

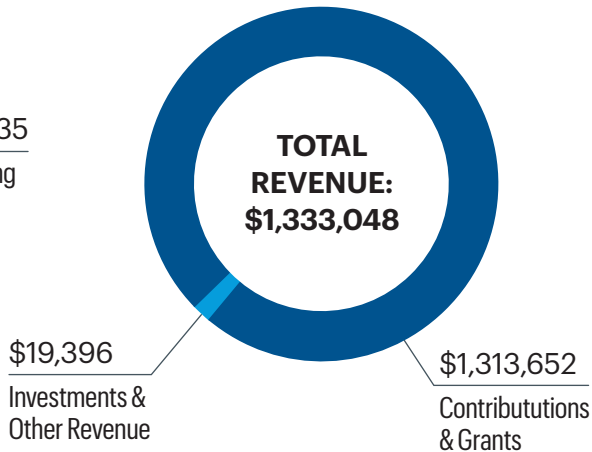


## Food & Water Action

YOUR GENEROSITY AT WORK



### SOURCES OF FUNDING



## 2023/2024 ANNUAL REPORT



**NATIONAL OFFICE**  
1616 P Street NW, Suite 300  
Washington, DC 20036  
T: (202) 683-2500  
Toll-free: 855-340-8083



### [foodandwaterwatch.org](https://foodandwaterwatch.org)

Food & Water Watch is a 501(c)3 non-profit organization that mobilizes regular people to build political power to move bold and uncompromised solutions to the most pressing food, water, and climate problems of our time. We work to protect people's health, communities, and democracy from the growing destructive power of the most powerful economic interests.



### [foodandwateraction.org](https://foodandwateraction.org)

Food & Water Action is a 501(c)4 affiliate organization of Food & Water Watch. While donations to Food & Water Action are not tax deductible, this gives us the ability to aggressively lobby legislators on issues that are important to you, support political candidates that will make a difference, and engage voters to strengthen our democracy.



# Fight Like You Live Here.



**FINANCIAL STATEMENTS**



**FOR THE YEAR ENDED JUNE 30, 2024**

# FOOD & WATER WATCH

## CONTENTS

	<b>PAGE NO.</b>
INDEPENDENT AUDITOR'S REPORT	2 - 3
EXHIBIT A - Statement of Financial Position, as of June 30, 2024	4
EXHIBIT B - Statement of Activities and Change in Net Assets, for the Year Ended June 30, 2024	5
EXHIBIT C - Statement of Functional Expenses, for the Year Ended June 30, 2024	6
EXHIBIT D - Statement of Cash Flows, for the Year June 30, 2024	7
NOTES TO FINANCIAL STATEMENTS	8 - 14





## CPAs & ADVISORS

### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Food & Water Watch  
Washington, D.C.

#### Opinion

We have audited the accompanying financial statements of Food & Water Watch (the Organization), which comprise the statement of financial position as of June 30, 2024, and the related statement of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2024, and the change in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

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The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

A handwritten signature in cursive script that reads "Gelman Rosenberg & Freedman".

December 12, 2024



**FOOD & WATER WATCH**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF JUNE 30, 2024**

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$ 7,001,852
Investments	16,947,615
Grants and contributions receivable	2,849,215
Due from related party	425,910
Prepaid expenses	<u>597,475</u>

Total current assets 27,822,067

**PROPERTY AND EQUIPMENT, NET**

844,681

**NONCURRENT ASSETS**

Security deposits	123,331
Right-of-use asset, net	<u>2,331,966</u>

Total noncurrent assets 2,455,297

**TOTAL ASSETS**

**\$ 31,122,045**

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable and accrued expenses	\$ 351,824
Accrued payroll and related benefits	1,664,488
Operating lease liability	<u>1,468,878</u>

Total current liabilities 3,485,190

**NONCURRENT LIABILITIES**

Security deposits	5,500
Operating lease liability, net	<u>1,835,963</u>

Total noncurrent liabilities 1,841,463

Total liabilities 5,326,653

**NET ASSETS**

Without donor restrictions	23,928,918
With donor restrictions	<u>1,866,474</u>

Total net assets 25,795,392

**TOTAL LIABILITIES AND NET ASSETS**

**\$ 31,122,045**

## FOOD &amp; WATER WATCH

STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>SUPPORT AND REVENUE</b>			
Grants and contributions	\$ 17,557,617	\$ 3,392,053	\$ 20,949,670
Net investment return	750,954	-	750,954
Other revenue	131,128	-	131,128
Net assets released from donor restrictions	<u>3,790,579</u>	<u>(3,790,579)</u>	<u>-</u>
Total support and revenue	<u>22,230,278</u>	<u>(398,526)</u>	<u>21,831,752</u>
<b>EXPENSES</b>			
Program Services:			
Food	5,912,763	-	5,912,763
Water	3,407,913	-	3,407,913
Climate	<u>1,890,314</u>	<u>-</u>	<u>1,890,314</u>
Total program services	<u>11,210,990</u>	<u>-</u>	<u>11,210,990</u>
Supporting Services:			
Fundraising	1,884,538	-	1,884,538
Management and General	<u>2,774,828</u>	<u>-</u>	<u>2,774,828</u>
Total supporting services	<u>4,659,366</u>	<u>-</u>	<u>4,659,366</u>
Total expenses	<u>15,870,356</u>	<u>-</u>	<u>15,870,356</u>
Change in net assets before other items	6,359,922	(398,526)	5,961,396
<b>OTHER ITEMS</b>			
Proceeds from settlement	467,333	-	467,333
Gain from lease modification	<u>577,921</u>	<u>-</u>	<u>577,921</u>
Change in net assets	7,405,176	(398,526)	7,006,650
Net assets at beginning of year	<u>16,523,742</u>	<u>2,265,000</u>	<u>18,788,742</u>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 23,928,918</u></b>	<b><u>\$ 1,866,474</u></b>	<b><u>\$ 25,795,392</u></b>



## FOOD &amp; WATER WATCH

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2024

	Program Services			Total Program Services	Supporting Services			Total Expenses
	Food	Water	Climate		Fundraising	Management and General	Total Supporting Services	
Salaries, benefits, and payroll taxes	\$ 3,945,242	\$ 2,491,879	\$ 1,162,956	\$ 7,600,077	\$ 1,100,476	\$ 1,875,426	\$ 2,975,902	\$ 10,575,979
Occupancy	469,017	111,403	90,579	670,999	84,140	107,083	191,223	862,222
Contracted services	171,806	98,763	88,254	358,823	94,324	84,389	178,713	537,536
Database	236,790	102,417	65,361	404,568	53,526	43,205	96,731	501,299
Technology	125,981	95,550	75,978	297,509	38,032	25,617	63,649	361,158
Printing and copying	139,842	78,609	70,139	288,590	62,718	5,690	68,408	356,998
Accounting	-	-	-	-	-	331,961	331,961	331,961
Postage, shipping, and delivery	95,913	28,731	13,414	138,058	136,776	2,255	139,031	277,089
Contributions	44,759	81,069	116,902	242,730	-	-	-	242,730
Depreciation and amortization	80,222	51,054	28,854	160,130	28,467	42,470	70,937	231,067
Mailhouse	68,917	20,537	9,281	98,735	106,792	-	106,792	205,527
Telephone and internet	90,245	59,843	45,094	195,182	1,876	1,764	3,640	198,822
Travel	59,865	19,042	68,833	147,740	46,089	812	46,901	194,641
Legal	170,091	-	-	170,091	-	16,796	16,796	186,887
Dues and subscriptions	95,601	11,876	10,088	117,565	16,665	28,358	45,023	162,588
Office expense	18,386	7,544	2,848	28,778	15,779	91,689	107,468	136,246
Insurance	19,777	5,385	4,462	29,624	4,571	101,939	106,510	136,134
List rental	28,940	11,804	8,220	48,964	58,584	-	58,584	107,548
Miscellaneous	4,363	90,162	112	94,637	-	3,797	3,797	98,434
Organizational membership	34,211	25,658	25,658	85,527	-	5,000	5,000	90,527
Caging	-	-	-	-	32,701	-	32,701	32,701
Equipment and maintenance	10,021	4,572	1,241	15,834	1,383	1,220	2,603	18,437
Promotional items	947	10,646	690	12,283	300	-	300	12,583
Staff development	590	535	516	1,641	1,339	1,721	3,060	4,701
Recruitment	125	-	-	125	-	3,636	3,636	3,761
Graphic design/art	1,112	834	834	2,780	-	-	-	2,780
<b>TOTAL</b>	<b>\$ 5,912,763</b>	<b>\$ 3,407,913</b>	<b>\$ 1,890,314</b>	<b>\$ 11,210,990</b>	<b>\$ 1,884,538</b>	<b>\$ 2,774,828</b>	<b>\$ 4,659,366</b>	<b>\$ 15,870,356</b>

See accompanying notes to financial statements.

**FOOD & WATER WATCH**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ 7,006,650
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	231,067
Unrealized loss on investments	(48,450)
Realized gain on investments	147
Amortization of right-to-use asset	621,426
Gain from lease modification	(577,921)
Receipt of contributed securities and other assets	(4,041,927)
Proceeds from the sale of contributed securities	4,041,780
Loss on disposal of fixed assets	980
(Increase) decrease in:	
Grants and contributions receivable	(1,630,289)
Due from related party	347,354
Prepaid expenses	(104,975)
Security deposits	49,141
Increase (decrease) in:	
Accounts payable and accrued expenses	55,091
Accrued payroll and related benefits	633,796
Deferred revenue	(20,659)
Operating lease liability	<u>(838,862)</u>
Net cash provided by operating activities	<u>5,724,349</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchases of property and equipment	(38,778)
Purchases of investments	(5,238,060)
Proceeds from sales of investments	<u>115,541</u>
Net cash used by investing activities	<u>(5,161,297)</u>
Net increase in cash and cash equivalents	563,052
Cash and cash equivalents at beginning of year	<u>6,438,800</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>\$ 7,001,852</u></b>

**SCHEDULE OF NONCASH TRANSACTIONS:**

<b>Right-of-Use Asset</b>	<b><u>\$ 2,398,012</u></b>
<b>Operating Lease Liability for Right-of-Use Asset</b>	<b><u>\$ 3,368,706</u></b>



## FOOD & WATER WATCH

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

##### Organization -

Food & Water Watch (the Organization) is a nonprofit corporation that works with grassroots organizations and other allies around the world to stop corporate control of the public's food and water and finds solutions to create an economically and environmentally viable future. The Organization is supported primarily by grants from foundations and contributions from individuals. The Organization's program areas are:

**Food** - The Organization provides public education about health and environmental issues that promote food production that is sustainable and local, chemical free, humanely raised, family farmed, and clearly labeled.

**Water** - The water program educates and advocates about affordable, publicly-controlled drinking water, health and environmental dangers of bottled water, health and environmental dangers of fracking and fossil fuels, the importance of moving from fossil fuels to safe, renewable energy, and the importance of public investment in infrastructure.

**Climate** - The Organization is working at the state and local level to pass meaningful legislation to stop catastrophic climate change by eliminating the production and use of fossil fuels which makes progress towards banning fracking and stopping new and existing fossil fuel infrastructure.

##### Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) related to nonprofit entities. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions.

Descriptions of the two net asset categories are as follows:

- **Net Assets without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Net assets set aside solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions.
- **Net Assets with Donor Restrictions** - Net assets may be subject to donor-imposed stipulations that are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

##### Cash and cash equivalents -

The Organization considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents and excluding money market funds held by investment managers. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000. At times during the year, the Organization maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

## FOOD & WATER WATCH

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

##### Investments -

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized gains and losses are included in investment return, which is presented net of investment expenses paid to external investment advisors, in the accompanying Statement of Activities and Change in Net Assets. Investments acquired by gift, such as contributed securities, are recorded at their fair value at the date of the gift. The Organization's policy is to liquidate all gifts of investments as soon as possible after the gift.

##### Grants and contributions receivable -

Grants and contributions receivable are recorded at their net realizable value, which approximates fair value. Management considers all amounts to be fully collectible within one year. Accordingly, an allowance for doubtful accounts has not been established.

##### Property and equipment -

Property and equipment in excess of \$1,000 are capitalized and stated at cost. Property and equipment are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to five years. Leasehold improvements are amortized over the lesser of the useful life of the asset or the remaining life term of the lease. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense for the year ended June 30, 2024 totaled \$231,067.

##### Income taxes -

The Organization is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code ("IRC"), as an organization described in IRC Section 501(c)(3). Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Organization is not a private foundation.

##### Grants and contributions -

The majority of the Organization's revenue is received through grants and contributions. Grants and contributions are recognized in the appropriate category of net assets in the period received. The Organization performs an analysis of the individual contribution agreement to determine if the funding stream follows the contribution rules or if it should be recorded as an exchange transaction depending upon whether the transaction is deemed reciprocal or nonreciprocal in accordance with ASC Topic 958.

Support from contributions is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions, including grants qualifying as contributions, that are unconditional but have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor imposed restrictions and satisfaction of time restrictions. Contributions with donor restrictions either in excess of expenses incurred or with time restrictions are shown as net assets with donor restrictions in the accompanying financial statements.

Conditional contributions contain a right of return and a measurable barrier. Contributions are recognized when conditions have been satisfied. Conditional contributions received in advance of meeting specified conditions established by donors are recorded as refundable advances. However, the Organization had no refundable advances as of June 30, 2024.



## FOOD & WATER WATCH

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

##### Grants and contributions (continued) -

In addition, the Organization may obtain funding source agreements related to conditional contributions, which will be received in future years. However, the Organization had no conditional contributions to be received in future years as of June 30, 2024.

##### Use of estimates -

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

##### Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of the Organization are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of estimated time and effort.

##### Investment risks and uncertainties -

The Organization invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

#### 2. INVESTMENTS AND FAIR VALUE MEASUREMENTS

In accordance with FASB ASC 820, *Fair Value Measurement*, the Organization has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

**Level 1.** These are investments where values are based on unadjusted quoted prices for identical assets in an active market the Organization has the ability to access.

**Level 2.** These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

**Level 3.** These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

**FOOD & WATER WATCH**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**2. INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)**

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used and there were no transfers between levels in the fair value hierarchy during the year ended June 30, 2024. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Money Market Funds* - The money market funds are open-end funds that are registered with the Securities and Exchange Commission (SEC) and are deemed to be actively traded.
- *Mutual Funds* - Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily value and to transact at that price. Mutual funds held by the Organization are deemed to be actively traded.
- *U.S. Treasury Bills* - Fair value is based upon current yields available on comparable securities of issuers with similar ratings, the security's terms and conditions, and interest rate and credit risk.

The table below summarizes investments, which are measured at fair value on a recurring basis, by level within the fair value hierarchy as of June 30, 2024.

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Investments:</b>				
Money market funds	\$ 10,878,197	\$ -	\$ -	\$ 10,878,197
Mutual funds	5,823,173	-	-	5,823,173
U.S. Treasury bills	-	246,245	-	246,245
<b>TOTAL INVESTMENTS</b>	<b>\$ 16,701,370</b>	<b>\$ 246,245</b>	<b>\$ -</b>	<b>\$ 16,947,615</b>

Net investment return consisted of the following for the year ended June 30, 2024:

Interest and dividends	\$ 721,923
Unrealized gain	48,450
Realized loss	(147)
Investment advisor fees	(19,272)
<b>NET INVESTMENT RETURN</b>	<b>\$ 750,954</b>

**3. PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at June 30, 2024:

Equipment	\$ 443,947
Computer equipment	994,230
Leasehold improvements	1,565,219
Total property and equipment	3,003,396
Less: Accumulated depreciation and amortization	(2,158,715)
<b>PROPERTY AND EQUIPMENT</b>	<b>\$ 844,681</b>



## FOOD & WATER WATCH

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

#### 4. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at June 30, 2024:

Subject to expenditure for specified purpose:	
Food	\$ 775,000
Climate	723,474
Water	<u>368,000</u>

**TOTAL NET ASSETS WITH DONOR RESTRICTIONS** **\$ 1,866,474**

The following net assets with donor restrictions were released from donor restrictions by incurring expenses (or through the passage of time) which satisfied the restricted purposes specified by the donors:

Purpose restrictions accomplished:	
Climate	\$ 1,515,024
Water	1,040,555
Food	960,000
Passage of time	<u>275,000</u>

**NET ASSETS RELEASED FROM DONOR RESTRICTIONS** **\$ 3,790,579**

#### 5. LIQUIDITY AND AVAILABILITY

The Organization has a policy to structure its financial assets to be available and liquid as its obligations become due. Financial assets available for use for general expenditures within one year of the Statement of Financial Position date comprise the following:

Cash and cash equivalents	\$ 7,001,852
Investments	16,947,615
Grants and contributions receivable	2,849,215
Less: Donor restricted funds	<u>(1,866,474)</u>

**FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR  
GENERAL EXPENDITURES WITHIN ONE YEAR** **\$ 24,932,208**

#### 6. LEASE COMMITMENTS

The Organization follows FASB ASC 842 for leases. The Organization has elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and is applying this expedient to all relevant asset classes. The Organization has also elected to use a risk-free rate as the lease discount rate for all leases as allowed under FASB ASC 842.

##### Operating Leases:

On August 31, 2017, the Organization amended its lease agreement for office space in Washington, D.C to extend the term of the lease through September 2029. The lease contains an annual base rent of \$817,652, subject to annual escalation of 2.5% which is being amortized on a basis to achieve straight-line rent expense over the life of the lease. The lease also include a 12-month rate abatement incentive and a build-out allowance of \$1,486,640. The Organization has a one-time right to terminate the lease effective June 30, 2025, by submitting a termination notice at least one year in advance. On July 12, 2024, the Organization exercised this option and amended the lease to partially terminate the existing lease with respect to occupying the 4th floor. A one-time termination fee of \$898,664 was paid subsequent to year-end.

**FOOD & WATER WATCH**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**6. LEASE COMMITMENTS (Continued)**

**Operating Leases (continued):**

Due to the reduction in square feet occupied, the Organization wrote off \$1,304,199 from the operating right-of use asset and \$1,882,120 from the operating lease liability. As a result, the Organization recorded a gain on lease modification totaling \$577,921 during the year ended June 30, 2024. These modification date amounts were determined by calculating the present value of all future rent amounts due under the amended terms of the lease using a risk-free rate of 4.77% as the discount rate.

In April 2023, the Organization entered into a lease agreement for office space in Brooklyn, New York commencing in July 2023. The lease contains a annual base rent of \$72,000, which is subject to annual escalation of 3.0%. These amounts were determined by calculating the present value of all future rent amounts due under the amended terms of the lease using a risk-free rate of 4.565% as the discount rate. The initial operating lease right-of-use asset and operating lease liability were \$207,440.

For all operating leases, the Organization's operating lease right-of-use assets were \$2,331,966 and operating lease liabilities were \$3,304,841 as of June 30, 2024.

The Organization also leases office space under various short-term operating leases for spaces in California, New Jersey, and Belgium, and has elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and is applying this expedient to all relevant asset classes. Lease costs for these short-term leases totaled \$57,715 for the year ended June 30, 2024.

Lease costs, including costs passed-through as occupancy expenses for the year ended June 30, 2024, totaled \$779,662 and are included in occupancy expense in the Statement of Functional Expenses. Cash paid for all leases totaled \$997,098 for the year ended June 30, 2024. As of June 30, 2024, the weighted-average remaining lease term and discount rate for all operating leases is 5 years and 4.76%, respectively.

The following is a schedule of the future minimum lease payments due under the operating lease, net of imputed interest:

<b><u>Year Ending June 30,</u></b>	
2025	\$ 1,921,050
2026	425,450
2027	357,791
2028	366,736
2029	375,904
Thereafter	<u>96,325</u>
	3,543,256
Less: Imputed interest	<u>(238,415)</u>
	3,304,841
Less: Current portion	<u>(1,468,878)</u>
<b>LONG-TERM PORTION</b>	<b><u>\$ 1,835,963</u></b>



**FOOD & WATER WATCH**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**7. RETIREMENT PLAN**

The Organization has a 403(b) retirement plan (the Plan) which is available to all eligible employees. Employees become eligible to participate in the Plan at the beginning of the calendar year following their one year anniversary. Contributions to the Plan are approved annually by the Board of Directors. The Plan also allows employees to defer a portion of their salary up to the maximum legal amount. The retirement expense for the year ended June 30, 2024 was \$597,431 and is included in salaries, benefits, and payroll taxes on the accompanying Statement of Functional Expenses.

**8. PROCEEDS FROM SETTLEMENT**

The Organization was a plaintiff in a lawsuit in the Superior Court of the District of Columbia. In May 2024, the Organization reached a settlement with the defendant and received proceeds in the amount of \$467,333, which is reported as an other item in the accompanying Statement of Activities and Change in Net Assets.

**9. RELATED PARTY**

The Organization shares common management and employees with the Food & Water Action Fund (the Fund), a 501(c)(4) organization whose purpose is to lobby elected officials on behalf of citizens on issues of safe food and clean water. The Fund is billed by the Organization for its share of personnel costs and office expenses. These costs approximated \$403,154 for the year ended June 30, 2024. At June 30, 2024, the Fund owed the Organization \$425,910 for shared costs and is noted as a due from related party in the accompanying Statement of Financial Position.

**10. ALLOCATION OF JOINT COSTS**

During the year ended June 30, 2024, the Organization conducted activities that included requests for contributions considered as fundraising as well as program contributions and management and general contributions. These activities included direct mail campaigns. The cost of conducting these activities included a total of \$721,932 of joint costs, which are not specifically attributed to a particular component of the activities.

These joint costs were allocated as follows:

Program	\$ 242,140
Management and General	218,431
Fundraising	<u>261,361</u>
<b>TOTAL JOINT COSTS</b>	<b><u>\$ 721,932</u></b>

**11. SUBSEQUENT EVENTS**

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through December 12, 2024, the date the financial statements were issued.