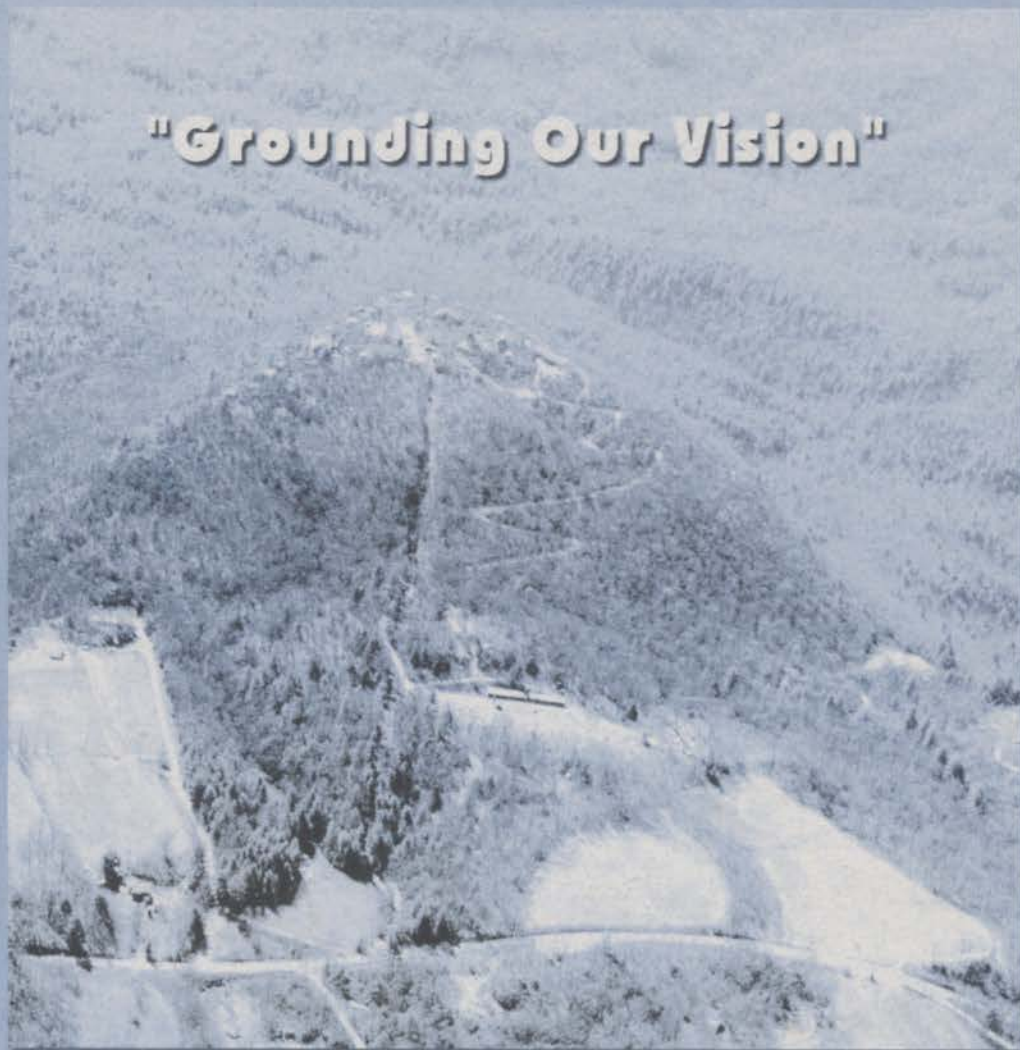


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# 1 • 9 • 9 • 9 ANNUAL REPORT

## "Grounding Our Vision"



*"Embracing the diversity of life,  
creating an environment  
to energize people  
to work for positive change."*

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The Mountain Retreat & Learning Centers, Inc.  
P. O. Box 1299 • Highlands, NC 28741 • (828) 526-5838



# President's Annual Report for 1999

Tom Warth

**1999:** A year of accomplishments, a year of celebration, a year of promises, a year that speaks to the strength of this institution. "The Mountain" (now known as The Mountain Retreat & Learning Centers, Inc.) celebrated its 20th anniversary during 1999. Throughout the year, recognition of our rich history served as a foundation—a "grounding"—for embracing all that The Mountain Retreat & Learning Centers are and a vision of all that they can *and will* become. By honoring the past—people, programs, events—we acknowledged the solid platform upon which we can launch new visions for the future. These visions will be fulfilled through organizational strength, staff competencies, realistic financial plans, additional land and innovative, leading edge programming. Much of what was accomplished in 1999 can be found throughout this report—Finance, Retreat Center, Milestone Learning Center and Development—I encourage you to read it all.

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1999 was also a year of significant transitions, as the organization itself prepared to enter the next cycle of MR&LCs' evolution. One of those transitions was the re-definition of my role: this Annual Report is my first new role as President and CEO of The Mountain Retreat & Learning Centers, Inc. I want to share with you my vision for this organization as we move forward into the next decade and beyond.

Richard Rothman, renowned land-use architect who began working with us last fall on strategic land-use planning, captured the essence of our potential when he declared that MR&LCs can "build a community others would want to replicate." I've thought about it often since then and realized that this succinctly articulates my vision for The Mountain Retreat & Learning Centers. We are building and sustaining a community that others **will want to replicate**. And what is that community? It's a community that is values-driven ... values that are articulated and acted upon, a community of people who act with integrity and work to build a better world for all. We have been steadfastly moving toward establishing this type of community and are inspired and challenged by the knowledge that we have so much more we can do.

I'll begin with the value of **environmental stewardship**. Over the years we have been conscientious about protecting the rare white oak bald; we've worked to manage natural resources and have made recycling a priority. We can do more. We are in the

first stages of conducting a base-to-summit biological and archeological study of our 96 acres. The results of these studies will be documented, and will set the standard for land development. They will allow us to do a better job of identifying appropriate walkways and parking areas. All of us—staff, trustees and guests—can and must underscore our commitment to the environment by behaving responsibly, even if it is costly, complex and inconvenient. This means that we will do more with recycling; we will learn how to compost—always meeting or exceeding Health Department regulations. We will develop and implement plans to significantly reduce the vehicles on top of this Mountain. It won't be easy and it will take a lot of education and enrollment—again, of staff, trustees and guests. But these initiatives will be taken, not because it's good PR, but because it is a core value that others will replicate.

We value our **facilities**. We can be proud of all that we have accomplished in upgrading our physical plant—over \$2,000,000 in the last 9 years! But we must continue to develop safe, functional, attractive, environmentally friendly buildings. This requires materials that will last a long time, and may be expensive at the outset, economical in the long run. Accessibility is also a critical value: we will increase our already significant efforts to build ramps where appropriate and install proper lighting and sound equipment in all of our public spaces. We will commit the resources, time and dollars to make it happen.



We value sound **financial management**. We will continue to pay our bills on time, “keep score” accurately and request audits as appropriate. But we must grow guest revenue significantly, across all centers, through price and increased occupancy. We need to manage our costs, providing the best guest services, building upgrades and competitive staff wages in line with our revenues. Our facility and staff investments must pay off in improved earnings. And we must continue to attract “investors”—members, donors, grantors, and individuals who are naming MR&LCs in their wills and codicils. Not only do they allow us to develop and implement our vision, they help us to fulfill the core value of assuring that MR&LCs’ programs and services are financially accessible to all. As we increase price, we also increase scholarships for individuals and groups who want to participate in this community.

We value **relationships with guests, trustees, vendors, and neighbors**. We will do as we say—registration processing, accommodations, program delivery, food needs, and community awareness—if we commit, we deliver. And we will demonstrate in all that we do our commitment to the inherent worth and dignity of every person. In a world where simple courtesy and civility seem to routinely give way to rudeness, uninformed judgements, and violence, we are committed to modeling behaviors that demonstrate—and command—mutual respect.

We value **staff**. We must continue to improve wages and benefits—a benefit plan that is truly tailored to the needs of each individual, a compensa-

tion plan that reflects the quality and skills of the people we want to attract and retain. I want us to be a leader in nonprofit compensation—benefits and wages—a leader for any organization of similar size and skill requirements. In corporate America, it is typical for the CEO’s wages to amount to over 400 times those of the lowest paid staff; here, we will maintain our current commitment to that wage differentiation to be no more than 5 times. And most seriously, I want us to be a staff community that others will want to



*Enjoying the view on Meditation Rock*

replicate because we do not wear out our people—we will find innovative solutions to work schedules in this unique and demanding environment.

And perhaps most importantly, we value our **mission**, our purpose for being. The first part of our mission statement is “To embrace the diversity of life.” Our program offerings over the years truly reflect our commitment to diversity. But we can and will do more. With intentionality we will build upon existing programs to appeal to more persons of color, more offerings that will appeal to and energize youth, young adults, seniors, the gay/lesbian community and people of other faiths

and cultures. And we will more proactively reach out to and serve constituents across the spectrum of geographical location and economic status. And the second half of our mission—“to create an environment to energize people to work for positive change.” This is the action part of our identity, and it takes all of us—staff, guests and trustees—to make it happen. It requires work, passion, time and new patterns of thinking, but in the context of “energizing” there is also much laughter, fun, inspiration, recreation

and **RE**-creation! We must lift up the issues of injustice without apology, helping each other to recognize that there is so much yet to be done. I firmly believe that we can care enough, pay attention, and not only embrace but also transcend differences. It is my hope that people will take The Mountain’s mission statement to their hearts and into their communities and that they will dedicate themselves to embracing diversity and creating environments that energize people to work for positive change.

I know the challenges are many and it will take dedication and courage to fulfill our visions. But the rewards are unlimited - personal rewards that will flow into and multiply in the larger community—**they are unlimited**. 1999 was a year of accomplishments, a year of celebration, a year of promises, a year of significant transitions, a year that speaks to the strength of this institution. The future has never looked better. Our visions are vast—**we can and must work together to create communities that others will replicate**, communities that change the world. We invite you to be a part of this journey!



# The Retreat Center

In April 1999, *USA Today* weekend magazine included The Mountain Retreat Center as "One of Ten Great Places to Renew the Soul." A broad range of constituents found this to be true: from (reportedly) the largest gathering of African Drumming and Dancing participants in the United States, to "Wolfsong," (an international group of Native American Elders and participants), spirituality was a highlight of the year. The Retreat Center embraced religious diversity in the form of hosting 14 various faith groups including an Anglican Catholic Camp for some 100 youth, as well as Unity, Methodist and Presbyterian retreats. In addition, twenty-eight Unitarian Universalist congregations and groups, such as Womenspirit, continued to be a consis-

tent presence in the program calendar. Gay Spirit Visions and Lesbian Identity programs flourished in this safe environment, which affirms and promotes the inherent worth and dignity of all people. Elderhostel remained strong, with a growing number of "repeat" participants – a good indication of positive experiences.

In 1979, the vision was for The Mountain to provide a place for families and youth to be in community with one another. Youth Camps have always comprised an essential element of the organization's core values, constituents and identity. In 1999, Gillian Denham, who has lived or worked at The Mountain for over 10 years, served as Summer Youth Camp Director. At her side was Mike Stein, who was an enthusiastic

"hands-on, experiential learner" throughout the summer, taking on responsibility for all Retreat Center Youth Programs by mid-August. It was a joyful and successful transition, and symbolic of the historical paving the way for the future. Over 1,700 youth participated in Camps, Conferences, Enviro-scope and Retreat programs in 1999. Youth programs are high priority, and like all of the programs and services offered, are in capable staff hands.

1999 was a year full of celebration, vision, transition and planning. Through it all, tradition and innovation were carefully balanced in order to continue and increase the potential for the place, the programs and the people to make a difference in the world.





# Milestone Learning Center

Milestone Learning Center (MLC) had an exciting year in 1999, with most of the focus upon "Grounding our vision" — laying the foundation for the future. There were three primary areas of achievement in 1999, including Market Definition/Organizational Partnerships, Funding, and Team Development.

## MARKET DEFINITION and ORGANIZATIONAL PARTNERSHIPS

Based on previously expressed interest in the three primary MLC programs — REFUEL; Senior High Leadership School for Social Justice; and Leadership: Ethical Action Project (LEAP) — the 1999 Revenue projection was overly ambitious. That initial interest didn't lead to program participation, and significant "barriers to entry" were encountered, especially for REFUEL and LEAP. The markets responding were not necessarily those we could or would choose to serve, especially when it came to high-risk individuals with very specific needs and/or issues. Also, potential constituents were requesting programs for a broader age-range than originally envisioned. Therefore, adjustments were quickly made:

- REFUEL was put on hold indefinitely, so as to reassess the design and constituency profile.
- Senior High Leadership School for Social Justice was renamed Leadership School for Social Justice (LSSJ), incorporating models for middle-through-high school youth.
- A more in-depth market assessment and sales and promotion plan was devised and implemented.

All of these efforts were well received by diverse communities — school groups, community centers, congregations (UU and others), and activist organizations. Organizations, both community and faith-based, are looking for a catalyst to come together with other secular and faith groups, and they are seeing Milestone programs as such a catalyst.

## FUNDING

Securing significant organizational and individual support. In the first half of the year it became clear that granting institutions tend to fund programs with a record of positive impact. Grants also tend to be awarded to partnering organizations and Milestone hadn't yet devel-



1999 Asheville LEAP Group

oped a clear base of networks with which to build such alliances. Therefore, most efforts to obtain institutional grants were suspended, and the focus became individual gifts or private foundations. These included The Barstow Foundation (\$40,000), UU Funding Program (\$8,000), two individual gifts totaling \$50,000, and other gifts totaling approximately \$5,000.

## TEAM DEVELOPMENT

Milestone staff members continued to build on our commitment to operating as a Learning Organization, setting structures for interdependent collaborations, shared goals, values and visions.

Milestone staff began generating much interest and excitement about our work with youth and young adults. Communities are looking for programs for youth in which they can build positive relationships, gain tools and skills, and make a difference. Organizations such as Juvenile Crime Prevention Councils in North Carolina and Public After-School Programs are responding to the value of Milestone programs and our ability to

deliver them. Communities in Schools organizations are looking at partnerships with MLC for pursuing grants and collaborating on projects together. It's exciting to be cultivating these new relationships, which transcend geographic, cultural, racial, religious and economic barriers.

There is no doubt that Milestone's rapid expansion into an ever-growing, diverse constituency was possible because of MR&LCs significant commitment and support. There is also no doubt that Milestone is steadily beginning to add to the reach and influence of MR&LCs, and to fulfillment of the mission. Growing networks and partnerships; an increased understanding of the market; over \$100,000 in grants and gifts; an ambitious, collaborative team — 1999 was indeed a GOOD YEAR. Milestone is ready for 2000 and beyond!



# 1999 PHOTO MEMORIES



## New Year's Millennium I Faculty ...

helped bring 1999 to a close and welcome the New Year with unforgettable explorations of the mind, body and spirit. Shown here from left to right: **Garry Tisdale, Connie Booth, Nancy Heath, Gene Bird, Susan Smith, Shelley Denham, Monroe Gilmour, Mary Knysh, Tom Chulak and Robin Becker.** Note: this was Patron Member Garry Tisdale's last teaching engagement; he died of brain cancer in April, at the age of 56.



## The New Dock and Beach

These volunteers, from the UU Congregation of Gwinnett in Lawrenceville, Georgia, participated with hundreds of others throughout 1999 to accumulate over 10,000 hours total service during the year. That's the equivalent of about 4 extra staff people! Volunteers are one of our most valuable resources, and we are grateful to them all.

## The "Power" of The Mountain

A teen group from Spirit of Life UUs in Dunedin, Florida, attended a Milestone Learning Center, Leadership School for Social Justice weekend at The Mountain. They wrote in their church newsletter: "We had a wonderful trip to The Mountain with the Senior YRUU. Everyone grew and bonded. At the beginning of the weekend, we went to park the vehicles in the parking lot; as we were coming back we could hear a group of voices chanting. When we got to our porch we discovered it was our youth group sitting on the porch of our cabin, looking out over the beautiful valley below, Little Scaly Mountain and the incredible star filled sky, chanting. At the end of the chant, one of the youth said, 'Wow, that was powerful.' He was right."



## Towering Above It All

Only in 1999 could so many people safely gather all at once on top of the old Tower. About half of the 100+ Gay Spirit Visions group celebrated the renovation of the Tower in a true test of structural soundness! The Tower's renovation was completely funded by donors, and among them is one gift that captures 1999's "History-Meets-Future" symbolism of our 20th Anniversary year. A significant contribution was received from the **Parry Family** who purchased this site in 1907 and founded "Camp Parrydise" in the 1920s, and who have recently reconnected with MR&LCs.





# A Message from The Board of Trustees

**John Rakestraw, Chair**

Last year we celebrated 20 years of providing all sorts of spiritually rejuvenating experiences for all sorts of people. The 20 years have been an exciting time, and the celebration of those 20 years during last year's annual meeting was an important event for all those fortunate enough to attend. It might have seemed reasonable to follow up on last year's celebration with a year to recoup and regroup, a year to contemplate where we have been in order to plan where we can go next.

It would have seemed reasonable. But it would not have been very exciting. And, I think the future will prove, in this case it was far more reasonable to capture the excitement of our past in a way that enables us to build for more excitement in our future. I think this will prove far more reasonable because building now will provide a foundation for an organization that can sustain the excitement.

And what an exciting year this has been. You would have to be living in a hole – a very deep hole – not to have heard of the cabbage patch. We on the board had actually had a few preliminary conversations about what we might do if and when we were in a position to purchase that property. However, these preliminary conversations were not what drove the decision to respond decisively when the property suddenly became available. What drove the decision was the excitement, grounded in what The Mountain has been to so many people and carrying us into the future to see what it might be to many other people. Because of the support of many of you who are reading this report, we were able to purchase that property in a matter of weeks, and, in the

process, add decisively to the value of our property without incurring any additional debt. The excitement evidenced in the fund-raising was indeed grounded in our past, and the adding of more ground to The Mountain has purchased even more excitement for our future.

You can read details describing how and why The Mountain is growing into the future in other sections of this report. You can read about dreams for new programs and new activities. I hope that these dreams and details will feed your own excitement about what we can become. I hope even more that you will take the time to read between the lines of these details and dreams to see the minds and hearts of the ones who are writing them. While the rest of us live the excitement from a distance and in our occasional visits, the members of The Mountain staff live it full-time. All of them live it in their day-to-day work, in staff meetings and in their work on computers, in the cabins and in their work on the grounds. Many of them live it while on the road away from The Mountain, on a trip to Israel or a fund-raising trip throughout the southeastern United States and other states as well. And it's because they live the excitement that the rest of us are able to feel it. Please take a moment sometime soon to say thanks to the entire staff for the jobs they do and the lives they live. My experience on the board tells me that there are times when the excitement seems buried in the frustrations, but my encounters with them in their work tell me that the commitment and skills they bring to their task will ensure that their excitement – and ours – will remain when the frustrations have been overcome.

## Officers

### **John Rakestraw**

Chair, Board of Trustees

### **Gretchen Bremer-Hosken**

Corporate Secretary

### **Tom Warth**

President & CEO

### **Neal Resch**

Vice President & CFO

## Trustees

### **John Bohstedt**

Elected-At-Large

### **Ivan Cotman**

Board Appointment

### **Lanie Damon**

Elected-At-Large

### **Jim Fason**

Board Appointment

### **Jean Findley**

Financial Advisor  
Board Appointment

### **Hildegard Gray**

Board Appointment

### **Claire Keane**

Recording Secretary  
Board Appointment

### **Ed Mangiafico**

Board Appointment

### **Jeri Moulder**

Elected-At-Large

### **Melanie Morel Sullivan**

Elected-At-Large

## Staff Directors

### **Shelley Jackson Denham**

Director, Milestone Learning Center

### **Bob MacDicken**

Director, The Retreat Center

### **Larry Wheeler**

Director, Development



# The Mountain Endowment Fund, Inc.

## 1999 Annual Report

### Board of Directors 1999-2000

**Dan Boyce**, President  
**Bob Whitney**, Vice President  
**Ann Creech**, Secretary

### Members

**Faith Comstock**  
**Harry Donavon**  
**Bill Pulgram**  
**June Sholin**  
**John Vacher**

### Ad-Hoc Members

**Jeri Moulder**, Trustee Liaison  
**Jeannette Manning**, Recording Secretary  
**Neal Resch**, Treasurer  
**Larry Wheeler**, Staff Liaison  
**Tom Warth**, President MR&LCs

The Board of Directors of The Mountain Endowment Fund, Inc. met at The Mountain twice in 1999. During their May 30 meeting they appointed **Dan Boyce** as President, **Bob Whitney**, Vice President, **Ann Creech**, Corporate Secretary, **Jeannette Manning**, Recording Secretary and **Neal Resch** as Treasurer. They also instituted a policy regarding ongoing financial support of the MR&LC and identified ways to recognize those who give a gift or make a financial commitment to the Endowment Fund. During their November 7-8 meeting, they discussed a long-term investment policy and strategies for building the assets of the Fund (goal = steady, annual increases in the Fund corpus) through education, awareness and recognition. As of December 31, 1999, the Endowment Fund has net assets of \$172,663 and almost \$2,000,000 of wills and codicil commitments.

### STATEMENTS OF FINANCIAL POSITION

Unaudited	Dec. 31, 1999	Dec. 31, 1998
<b>ASSETS</b>		
Investment in The Mountain	\$ 172,663	\$ 147,710
<b>Total Assets</b>	<b>\$ 172,663</b>	<b>\$ 147,710</b>
<b>LIABILITIES AND NET ASSETS</b>		
Total Liabilities	\$ 0	\$ 0
Net Assets:		
Unrestricted	6,796	2,843
Permanently restricted	165,867	144,867
<b>Total Net Assets</b>	<b>172,663</b>	<b>147,710</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 172,663</b>	<b>\$ 147,710</b>

### STATEMENTS OF ACTIVITIES

Unaudited	Year Ended Dec. 31, 1999	Year Ended Dec. 31, 1998
<b>Changes in Unrestricted Net Assets:</b>		
<b>REVENUE</b>		
Interest from The Mountain	\$ 11,338	\$ 10,112
Contributions of Board		
Travel Expenses	1,307	105
<b>Total Unrestricted Revenues</b>	<b>12,645</b>	<b>10,217</b>
<b>EXPENSES</b>		
Administration	NONE*	NONE*
Board Travel Expenses	1,307	105
Postage	0	76
<b>Total Expenses</b>	<b>1,307</b>	<b>181</b>
<b>SUPPORT</b>		
Direct Support to The Mountain	7,385	7,193
<b>Total Expenses and Support</b>	<b>8,692</b>	<b>7,374</b>
<b>Increase in Unrestricted Net Assets</b>	<b>3,953</b>	<b>2,843</b>
<b>Changes in Permanently Restricted Net Assets:</b>		
<b>REVENUE</b>		
Contributions	21,000	1,000
<b>Total Permanently Restricted Revenues</b>	<b>21,000</b>	<b>1,000</b>
<b>EXPENSES</b>		
	NONE*	NONE*
<b>Increase in Permanently Restricted Net Assets</b>	<b>21,000</b>	<b>1,000</b>
<b>Increase in Net Assets</b>	<b>24,953</b>	<b>3,843</b>
Net Assets at Beginning of Year	147,710	143,867
<b>Net Assets at End of Year</b>	<b>\$ 172,663</b>	<b>\$ 147,710</b>

\* The Mountain staff has provided administrative services at no cost to The Endowment Fund.

Available notes are an important part of these financial statements



# Report of the Financial Advisor to the Board

Jean Findley

I am pleased to report that 1999 was a year of significant accomplishment and progress for The Mountain Retreat & Learning Centers, Inc. (MR&LC). Asset growth was strong, with Total Assets increasing 28.7% to \$3,128,194. Our Development Revenues were outstanding, showing a 91.4% increase to \$853,887. The review of its liquidity, capital resources, and results of operations, shows it is a healthy, growing, robust organization.

## LIQUIDITY AND DEBT

There are several key financial indicators that track the stability of an organization:

**Current Ratio** measures financial strength and liquidity, by measuring the relative level of net working capital. The closer the ratio is to 100%, the easier it is for the organization to pay current expenses. For 1999, MR&LC had Current Assets of \$322,502 and Current Liabilities of \$733,185, resulting in a Current Ratio of 44.0%. This is an improvement over the 1998 Current Ratio of 38.5% and the 1997 Current Ratio of 40.1%.

**Debt to Total Assets Ratio** measures the amount of Total Assets financed by Debt. It indicates the amount of risk an organization assumes by financial leverage. It uses historical cost of an asset, not current market value in the calculation. For the first time in five years this ratio decreased for MR&LC. It had grown from 77.2% of Total Assets financed by Debt to a high in 1998 of 87.8%. In 1999 it decreased to 83.7%. This was aided by the purchase of the \$395,000 Cabbage Patch property without incurring any new debt. If the current market value of the Total Assets, in

particular the land, were used instead of historical cost in this calculation, the resulting ratio would be lower.

## CAPITAL RESOURCES

Development revenue will continue to be important as the new Strategic Plan for The Mountain is implemented. MR&LC is creating a long-range land-use and building plan for its four centers — The Retreat Center, Milestone Learning Center, the Learning Center for Leadership, and the Residential Community. 1999 was a record year for Development Revenue, with over \$400,000 for general Development and over \$400,000 for the Cabbage Patch. Outstanding! Architects Richard Rothman and Bill Pulgram are working with the Board of Trustees and staff to address site and design issues, environmental issues, and building issues. Funding and budget priorities are also being addressed. To second the comments of Tom Warth, "What an incredible journey we are on."

## RESULTS OF OPERATIONS

Operating Expense to Operating Revenue Ratio measures the ability of Operations to support itself without reliance on development funds or additional debt. If Operations is self-supporting, the percentage will be 100% or smaller. Over the past three years the percentage has grown from 108.0% in 1997 and 117.5% in 1998 to 124.6% in 1999. Fees charged to guests for operations should cover the costs of those operations instead of using development funds. The development funds can then be used to reduce the debt level, to fund capital improvements, and to launch new programs.

Change in Operating Revenue and Expense can provide meaningful infor-

mation about an organization's financial condition. The 1999 Operating Revenue of \$975,414 exceeded the 1998 Operating Revenue by 2.2% and the Operating Expense of \$1,215,267 exceeded the 1998 Operating Expense by 8.4%. This has been the trend over the past few years, Operating Expense growing at a faster rate than Operating Revenue. Since the beginning of 1997 Operating Revenue has increased 11.3% while Operating Expense has increased 42.4%. Over this period of time MR&LC has increased staff size, compensation and benefits, marketing research, and publications. It has positioned itself well for the future. The challenge for 2000 is to increase Operating Revenue to cover Operating Expense.

Return on Assets (ROA) is a key measure of how well management is able to make assets work for the organization. This measure is used to assess the productivity by how efficiently it uses its capital. For 1999, MR&LC had an increase in Net Assets of \$217,167 and Total Assets of \$3,128,194 for a ROA of 6.9%. This is an improvement over prior years. In 1997 and 1998, ROA was negative, due to the decrease in Net Assets.

## CONCLUSION

Improvements in the level of working capital, the decreased amount of Total Assets financed by Debt, and increased productivity of our Assets, all point to increased financial strength and liquidity of The Mountain Retreat & Learning Centers. Thanks to the Staff, the Board of Trustees, and the Members for an extraordinarily successful 1999. We look forward to the challenges and achievements ahead.



# The Mountain Retreat & Learning Centers, Inc.

## Financial Report 1999

### STATEMENTS OF FINANCIAL POSITION

Unaudited	Dec. 31, 1999	Dec. 31, 1998
<b>ASSETS</b>		
Cash and cash equivalents	\$ 88,000	\$ 69,207
Donor pledges receivable, net	194,880	154,658
Inventories, net	14,035	18,498
Prepaid expenses	8,180	9,122
Other current assets	<u>17,407</u>	<u>14,265</u>
	322,502	265,750
Property and equipment, net	<u>2,805,692</u>	<u>2,162,019</u>
<b>Total Assets</b>	<b><u>\$3,128,194</u></b>	<b><u>\$2,427,769</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
Accounts payable	\$ 89,884	\$ 80,973
Accrued expenses	84,498	65,778
Notes payable-bank	271,579	325,000
Current portion of long-term debt	160,000	150,000
Deferred revenue	126,461	64,991
Other current liabilities	<u>763</u>	<u>3,626</u>
	733,185	690,368
Long-term debt, less current portion	<u>1,884,710</u>	<u>1,444,269</u>
<b>Total Liabilities</b>	<b><u>2,617,895</u></b>	<b><u>2,134,637</u></b>
<b>Net Assets:</b>		
Unrestricted	510,299	282,065
Temporarily restricted	<u>0</u>	<u>11,067</u>
<b>Total Net Assets</b>	<b><u>510,299</u></b>	<b><u>293,132</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$3,128,194</u></b>	<b><u>\$2,427,769</u></b>



Available notes are an important part of these financial statements

### STATEMENT OF CASH FLOW

Unaudited	For the Year Ended December 31, 1999
<b>Cash Flows From Operating Activities:</b>	
Change in net assets	\$ 217,167
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	104,751
Gain on sale of fixed assets	(23,354)
In Kind Donations	(31,783)
(Increase) decrease in current assets:	
Donor pledges receivable, net	(40,222)
Inventories, net	4,463
Prepaid expenses	942
Other current assets	(3,142)
Increase (decrease) in current liabilities:	
Accounts payable	8,911
Accrued expenses	18,720
Current notes payable-bank	(53,421)
Current interest payable	10,000
Deferred revenue	61,470
Other current liabilities	<u>(2,863)</u>
<b>Net Cash from Operating Activities</b>	<b><u>271,639</u></b>
<b>Cash Flows From Investing Activities:</b>	
Proceeds on sale of fixed assets	112,500
Purchases of fixed assets	<u>(837,096)</u>
<b>Net Cash from Investing Activities</b>	<b><u>(724,596)</u></b>
<b>Cash Flows From Financing Activities:</b>	
Proceeds from borrowings	766,687
Repayment of long-term debt-bank	(26,616)
Repayment on notes payable	(297,774)
Long-term interest payable	<u>29,453</u>
<b>Net Cash from Financing Activities</b>	<b><u>471,750</u></b>
<b>Net Increase in Cash</b>	<b>18,793</b>
Cash at Beginning of Year	<u>69,207</u>
<b>Cash at End of Year</b>	<b><u>\$ 88,000</u></b>



# STATEMENTS OF ACTIVITIES

Unaudited

	Year Ended December 31, 1999				Year Ended Dec. 31, 1998
	Retreat Center	Milestone Center	Learning Center for Leadership	Totals	Totals
<b>Changes in Unrestricted Net Assets:</b>					
<b>REVENUE</b>					
Retreat/Conference Center	\$ 262,355	\$ 0	\$ 0	\$ 262,355	\$ 260,439
Senior Programs	233,745	0	0	233,745	228,865
Youth Programs	243,549	0	0	243,549	248,070
Mountain Design Programs	138,927	0	0	138,927	122,983
Drop In	43,956	0	0	43,956	55,946
Store Margin	4,609	0	0	4,609	1,851
Other	15,902	0	0	15,902	13,753
Milestone	15,916	16,455	0	32,371	22,605
Sub-total	958,959	16,455	0	975,414	954,512
Contributions	796,699	57,188	0	853,887	446,236
Support from The Endowment Fund	7,386	0	0	7,386	7,193
Sub-total	804,085	57,188	0	861,273	453,429
Gain on sale of fixed assets	23,354	0	0	23,354	0
<b>Total Unrestricted Revenues</b>	<b>1,786,398</b>	<b>73,643</b>	<b>0</b>	<b>1,860,041</b>	<b>1,407,941</b>
Net assets released from restrictions:					
Satisfaction of program restrictions	11,067	0	0	11,067	10,000
<b>Total Unrestricted Revenues and Other Support</b>	<b>1,797,465</b>	<b>73,643</b>	<b>0</b>	<b>1,871,108</b>	<b>1,417,941</b>
<b>EXPENSES</b>					
Programs:					
Retreat/Conference Center	175,033	0	0	175,033	178,471
Senior Programs	189,832	0	0	189,832	177,494
Youth Programs	287,425	0	0	287,425	296,549
Mountain Design Programs	116,689	0	0	116,689	107,085
Drop In	58,344	0	0	58,344	49,973
Milestone	14,586	122,877	0	137,463	66,846
Learning Center for Leadership	0	0	4,995	4,995	0
<b>Total Program Expenses</b>	<b>841,909</b>	<b>122,877</b>	<b>4,995</b>	<b>969,781</b>	<b>876,418</b>
Support Services:					
Administration & Board	240,232	5,254	0	245,486	245,079
Development	175,131	434	0	175,565	120,796
Financing/Interest	147,291	0	0	147,291	120,213
Depreciation	104,751	0	0	104,751	86,275
<b>Total Support Services Expenses</b>	<b>667,405</b>	<b>5,688</b>	<b>0</b>	<b>673,093</b>	<b>572,363</b>
<b>Total Expenses</b>	<b>1,509,314</b>	<b>128,565</b>	<b>4,995</b>	<b>1,642,874</b>	<b>1,448,781</b>
<b>Increase (decrease) in Unrestricted Net Assets</b>	<b>288,151</b>	<b>(54,922)</b>	<b>(4,995)</b>	<b>228,234</b>	<b>(30,840)</b>
<b>Changes in Temporarily Restricted Net Assets:</b>					
Contributions	0	0	0	0	11,067
Net assets released from restrictions	(11,067)	0	0	(11,067)	(10,000)
<b>Increase (decrease) in Temporarily Restricted Net Assets</b>	<b>(11,067)</b>	<b>0</b>	<b>0</b>	<b>(11,067)</b>	<b>1,067</b>
<b>Increase (decrease) in Net Assets</b>	<b>277,084</b>	<b>(54,922)</b>	<b>(4,995)</b>	<b>217,167</b>	<b>(29,773)</b>
Net Assets at Beginning of Year	325,949	(32,817)	0	293,132	322,905
<b>Net Assets at End of Year</b>	<b>\$ 603,033</b>	<b>\$ (87,739)</b>	<b>\$ (4,995)</b>	<b>\$ 510,299</b>	<b>\$ 293,132</b>

Available notes are an important part of these financial statements