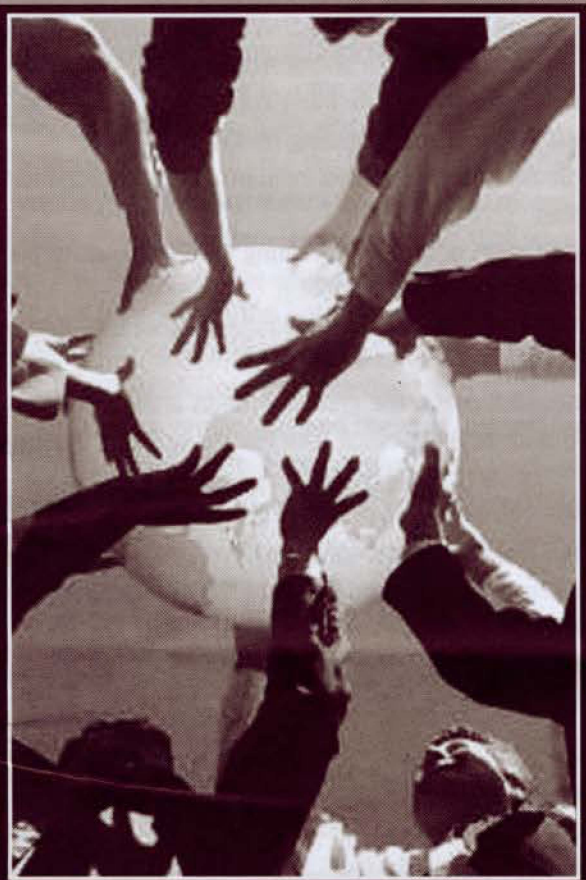


energizing people for generations to come



2004 ANNUAL REPORT

*... an earth made fair,
with all her people one.*



The Mountain

RETREAT & LEARNING CENTERS, INC.

P. O. Box 1299 • Highlands, NC 28741

(828) 526-5838 • fax (781) 846-1295

info@mountaincenters.org

www.mountaincenters.org

President's Annual Report for 2004

Tom Warth

From **Rosemary Bray McNatt** – UU minister 4th Universalist Church New York:

"Perhaps you do not believe in miracles, but I do. The experience of my sons at MountainCamp changed their lives and mine. The healing work of nature, of friendship with children and young adults, the deep attention paid to them by staff and counselors, gave my children back their childhoods. My boys returned to New York with sadness for having left The Mountain, but with the insistence that they return every summer. In ways they do not learn at church, my children have absorbed at The Mountain the lessons of respect, friendship, openness, and reverence that characterize the Unitarian Universalism that Bob and I want them to embody."

From **MountainCamp Planners**:

"Most importantly, the principles of respecting **ALL** people, **ALL** races, **ALL** faiths that we all grew up in are truly exemplified in this place. Here we are taught to bring social justice, change, and peace into our own communities, working together to create a world that works for everyone. Here, we feel like we make a difference."

And from **Ken Nafziger**, Professor of Music, Eastern Mennonite University:

"As a Mennonite who has been to The Mountain in a number of capacities over the past years, I have been enriched by the people, the mission and the place. For me, The Mountain is synonymous with a place of healing, of re-vitalization and refreshment, and a place where reality is faced with honesty and with optimism that, in the words of an anonymous prayer, 'we ain't what we gonna be.'"

As CEO, I am pleased to report that The Mountain is thriving

— thriving as in the dictionary definition of "making steady progress, flourishing, growing vigorously."

Finance

For sure we face serious financial challenges — please read The Mountain's Financial Advisor, R.K. Whitehead's report on page 7. First, we must continue to grow revenue — and we will with the following initiatives:

- Implementation of a new, revitalized marketing and sales plan
- Introduction of a new marketing DVD – a quality piece that will enjoy wide distribution
- A newly constructed and revitalized Mountain Ambassador program
- Concentration on the greater Atlanta area through our new Atlanta satellite office (see related article, "Partners in Peace" on page 4)
- Re-energized outreach to UU congregations, organizations and districts in the southeast
- Marketing of our new "Personal Retreat" program
- Increases in price as appropriate

In addition, we will be running more family and leadership "camps," expanded programs for seniors and young adults, enhanced youth programs including multi-faith and service cons and environmental and justice activism programs.

We must increase cash donations through contributions from new people, re-energized current contributors, more small gifts, more large gifts, more grants – and we will.

And we must continue to control expense. We began in 2004 by reducing our year-round staff from 34 to 22 people, saving almost \$175,000 annually in wages and benefits. For sure this impacts the current staff – bigger jobs, longer hours, more responsibility – but necessary. We can all be proud of and have confidence in The Mountain's current staff. It is more experienced (average length of service the highest ever at 5.2 years), better trained and deeply committed to the mission and vision. Please read the Staff Survey article on page 11.

We must, and we will, manage our cash (see R.K.'s report) and reduce the debt. A comprehensive, 5-year financial plan is being developed that will serve as a roadmap to operating profitability, cash generation, prudent capitalization and most importantly, debt reduction. We will communicate highlights of this plan to all of our supporters this year.

TABLE OF CONTENTS

The Mountain & UUCA: Partners in Peace!	4
A Message from the Board of Trustees	5
Financial Advisor's Report to the Board	7
Financial Statements	8-9
The Mountain Endowment Fund Annual Report	10
2005 Staff Survey	11
Members & Donors	12-15

Peter Senge, author of *The Fifth Discipline*, offers an analogy which I believe sheds light on the financial initiatives we are taking. He writes: "Delays between actions and consequences are everywhere in business and human systems. We invest now to reap a benefit in the distant future. One of the lessons of delays is that **aggressive action often produces exactly the opposite of what is intended.**" Senge uses an example that I think we can all relate to:

"Adjusting the shower temperature for instance is far more difficult when there is a ten second delay before the temperature adjusts, than when the delay takes only a second or two. During the ten seconds after you turn up the heat, the water remains cold. You receive no response to your action; so you perceive that your act has had no affect. You respond by continuing to turn up the heat. When the hot water finally arrives, a 190-degree gusher erupts from the faucet. You jump out and turn it back; and after another delay it's frigid again. On and on you go . . . and the more aggressive your behavior – the more drastically you turn the knobs – the longer it will take to reach the right temperature."

Thoughtful, well planned, consistent behavior will turn The Mountain's financial situation around. Aggressive, "knee jerk" reactions will only take longer to achieve the "right temperature." The Mountain has a board that is committed to and capable of overseeing this process. The staff is committed to and capable of getting it done. I ask you, our supporters, to stay the course with us!

Mission in Motion

"To The Mountain Staff: Your **Elderhostel** last week was a wonderful, enriching experience. I am enclosing a contribution in my husband's memory. He died very suddenly of a rare disease that came on in a week. Originally a Unitarian, I felt I had rejoined his spirit at The Mountain. How he would have loved your Elderhostel program. Most importantly, how he would embrace your philosophy! My time with 'you all' became an important part of some very necessary healing for me."

From a **congregational retreat** participant: "The Mountain is an extraordinary, beautiful, peaceful, healing environment. I came feeling weak and sorrowful, and am leaving feeling strengthened and uplifted."

And from **Rev. Tarawalie**, a minister from Sierra Leone wanting to send two people to our August Interfaith Visions for Peace conference: "The participation of our representatives is very vital as we are just recovering from a 10 year brutal civil war. I think your conference will help us expand our church as that is the present work we are doing."

The Mountain is thriving as a UU values based institution – as **Tony Stringer** said in a recent sermon:

"The Mountain is a Unitarian Universalist experiment. It is an experiment still in progress, the outcome of which we can only hypothesize about. The Mountain is not a UU congregation, and hence the people there are not exclusively Unitarian. We don't exclude non-UUs from The Mountain, we welcome them to our community as guests, as staff, as members and as board trustees. We don't preach Unitarian Universalism at The Mountain, **we live it.** And when you're living it, you've no need to preach about it."

So what's ahead? First, we are committed to guest service – count on it when you come here or when you recommend The Mountain to others.

Second, we are committed to continuing to offer all the great programs you've come to rely on – UU and personal retreats, youth camps, cons and leadership trainings, The Mountain's School for Congregational Leadership, host site for RE Week, Gay Sprit Visions, Womenspirit, SEUUMA and conferences of all types, Elderhostel, family camps, yoga, the arts, music programs and spiritual practices. And our volunteer program is stronger than ever – call us, you are needed.

And lastly, in addition to the above we are enlarging our focus on programs of peace – education, inner peace and community peace work. We believe The Mountain has a role to play with its unique setting, underlying values and heritage, in bringing peace to our world.

Howard Zinn, in his book *Passionate Declarations*, writes:

"One of the scientists who worked on the atomic bomb, who later was a scientific advisor to President Eisenhower, devoted the last years of his life, as he was dying of cancer, to speaking out against the madness of the arms race in every public forum he could find. Toward the very end he wrote in the *Bulletin of the Atomic Scientists*, 'I tell you as my parting words. Forget the channels. There is simply not enough time left before the world explodes. Concentrate instead on organizing, with so many others of like mind, a mass movement for peace such as there has not been before.' . . . He understood that it was not the bomb he had worked on, but the people he had come to work with, on behalf of peace, that were the ultimate power."

We are the ultimate power — we "Mountain people," all of us, can bring peace to our troubled land. But we must stay involved.

Continued on page 4

Staying the Course – Moving into 2005

These are serious and exciting times for The Mountain and for our communities. We must all be engaged — it's not "ok" to sit and watch. If The Mountain is important to you, really important, then I ask you to seriously do the following:

1. Attend programs here, this year!
2. Tell others about The Mountain and get them to attend.
3. Volunteer — we need you, and it makes a real difference.
4. Communicate with us — send us your testimonial, let us know how The Mountain has impacted you in a positive way.
5. And when you've let us know your needs, then help us with our needs — make a donation, make several donations. The Mountain needs your financial contributions more than ever. Read R.K.'s report again, then read the testimonials in this report and then write your check.

The Mountain is thriving — thank you all for your many gifts.

Tom

PS. The following came to me from **Meg Riley**, Director, UUA Advocacy and Witness staff. I think this story will stay with you:

"I wanted to share a story that came my way via a minister in Washington, DC. He told me that he was at a bus stop one day when he saw a young man whom he recognized as a former youth that he had worked with years ago. He had, among other things, taken the young man in a group of inner city youth to The Mountain. He said many of the youth he traveled with had never been out of Washington, DC, and had absolutely no idea that places like The Mountain even existed. When he asked this teenager-grown-to-manhood how life was going, the young man answered that he had just served several years in prison.

"He asked the young man how he had survived spiritually during those years. The young man replied that in the darkest nights of his soul he had soothed himself by calling up to memory what sunsets looked like at The Mountain.

"If you ever doubt that the work you are doing makes a difference, I hope this story will sustain you."

The Mountain and UU Congregation of Atlanta (UUCA): Partners in Peace!

UUCA in Atlanta, through the generous invitation of the **Rev. Paula Gable** and administrative staff, have offered space at UUCA for Mountain staff to "extend our reach" to the Atlanta community. As Associate Minister of the congregation, Paula has been committed to this effort because, as she wrote to us:

In 1979, our members and friends helped found The Mountain. And, they have provided steadfast leadership and financial support to this precious hilltop sanctuary since that time. Now, we want to strengthen and deepen our partnership with our "northern sister" by getting out the word about the new Peace Center Initiatives underway in Highlands, N.C. It is my aspiration that The Mountain staff can use our space in the metro area to promote the practice of peace and understanding in Atlanta, the Southeast and beyond. I hope that all who value peace will visit us to learn more about the Mountain Peace Works Initiatives and ways that each of us can "wage peace instead of war."

Mountain staff will schedule specific days during the week when there will be someone in the beautiful "office" — the Library of UUCA in the administration wing. In the next few

weeks, a telephone line (404-634-5134, ext. 218) will be set up for staff to receive calls there, and the congregation has also offered Internet access. A schedule of staff presence will be posted on The Mountain's web site.

Through this unique partnership, we hope to enhance and help fulfill both UUCA and The Mountain's missions and capacity to serve a broad base of people. The Mountain staff and trustees all deeply appreciate the generosity of UUCA staff!



Standing left to right: Mary Toslow, Ed Mangiafico, Rev. Paula Gable, Tony Stringer, Dan Teslow, Ann Creech, Joe Creech, Claire Keane, and Tom Warth; and seated: Shelley Denham

A Message from The Board of Trustees

**Facing, Embracing Challenges and Opportunities –
Living The Mountain's Vision**

Tony Stringer, Chair

The Mountain, like many small non-profit organizations, faced numerous challenges in 2004 – challenges both daunting and exciting, all of which were faced and embraced by trustees and staff alike. And like many other small non-profits, The Mountain fell far short of its financial goals, but at the same time, had the opportunity to grow and further the mission and vision beyond our expectations. Perhaps most challenging – and yet providing the most opportunities for discovery and how to better serve in the future – were the number of people in 2004 who communicated to Trustees their concerns, encouragement, and genuine care about the future of The Mountain.

Therefore, as part of facing and embracing the challenges and opportunities, Trustees worked diligently to understand the increasing complexity of The Mountain, looking particularly at the areas of Finance, Governance and “Membership.”

Finance

Perhaps most pressing of all concerns in 2004 were finances. As our Financial Advisor says in his article (see page 7), we didn't arrive at the numbers we're seeing overnight, and we're not going to change them overnight either. Many people – including those of us on the Board who are not accountants – expressed consternation over the “going concern” note in The Mountain's audit report. Even among the financially-savvy, there is not unanimity of opinion on what these words mean. I am a neuropsychologist. If I tell one of my patients that she has dysdiadochokinesia, I am not communicating anything useful. Instead, I try to use language that is clear and understandable. At our Memorial Weekend Member forum, Mike Downing of Greene Finney Horton CPA, the independent accounting firm that does our audits, was present and able to explain that “going concern” does not mean “going under.” In fact, a Mountain member at the forum told us that he has run a nonprofit for 25 years and has had a “going concern” noted by his auditor every single year because every year he has to beat the bushes for grant money to keep his organization afloat. The Mountain likewise must generate revenue and development sufficient to pay our expenses.

Governance

The Mountain's Board of Trustees has operated under the structure of the Carver Policy Governance model for many years. The Board, along with staff, is responsible for setting the overall direction of the enterprise, setting policies that support its mission and direction, measuring the organization's

accomplishments and, most importantly, assuring The Mountain's financial viability. In addition, the Board is responsible for selecting and supervising its one employee, the CEO/President.

In looking at the numbers, we all know that earnings are not where we need them to be – and where we intend to take them. But with only four scheduled meetings a year in which to carry out the many necessary discussions to deal with a complex enterprise that requires a deft touch, the worst thing we could do, especially in financially challenging years, is to “lurch the wheel.” What you will get from this board, or any board which takes its job seriously, is cautious, deliberate, steady behavior. The Mountain, as a financial enterprise, is no longer in its adolescence. It is grown up, and it has to behave accordingly.

Among the governance discussions in 2004 was a review of single slate versus multiple slate elections for Board positions. The Mountain has become such a complex enterprise that we look for board candidates with degrees or extensive experience in such areas as corporate management, law, accounting, fund-raising, marketing, personnel management, program evaluation, and ministry. On top of all this they have to be Unitarian Universalists, or people of liberal faith who share our core values and perspectives. They have to have the time to actually do the work of this board; and, frankly, they also have to be nice. Serving on this board is infinitely easier if the people you serve with know how to “play well” with others.

Finding one person for each board position is a struggle, finding two would be a nightmare. And if we did find two such talented, experienced, and nice people for each position, would we really want one of them to lose the election? That doesn't seem to be the best way to make use of our volunteers.

Having a single slate doesn't mean we are not being democratic. Most UU churches and UU organizations hold elections in which there is only a single slate. Members can express their will, even in a single slate election, by voting “No.” If 190 people vote and a candidate gets only 5 votes, that candidate loses the election. You have to get a majority of the votes cast, or you don't get to serve on the Board. That's where democracy asserts itself in The Mountain election, just as it does throughout our Association.

The Board is reassessing the entire nomination and election process and will report back to members and constituents before the end of the year.

Continues on page 6

Our governance model also contains appropriate channels for directing The Mountain constituents when they have questions, comments, concerns. In 2004, we realized that these channels of communication have not always been as obvious as WE thought they were! While Board meetings have always been "open to the public" (except for occasional closed sessions), we are aware that everyone who is interested can't always attend board meetings.

Therefore, in response to requests, the Board has set up a process for timely communication with constituents. Email your questions to the Board at board@mountaincenters.org – or, there is a form on the website you may use to submit your opinions or questions to the Board. When submitted, your question will be seen by all Board members; a response will be forthcoming depending on the urgency of the question. In addition, Board meeting dates, agendas, minutes and other important documents as appropriate are also available on the website.

Membership/Constituency/Stakeholders

The Mountain is over 26 years old now, and in 2004 we looked carefully at what this organization needs to meet its growing financial and programmatic demands. For several years, the question of "membership" has been discussed by trustees. We have considered:

- How is "membership" defined? Should "inactive" members (folks who have not given any money or participated in any way for a number of years) be granted the same influence as "active" members? (Annual donors, program participants and volunteers).
- What are the responsibilities of The Mountain to its members, and of members to The Mountain?
- Who should influence vision and direction?
 - long-ago contributors and/or program participants
 - current contributors and/or program participants
 - current participants (volunteer and program) whose financial support is minimal, but by virtue of their participation, further the mission and affirm the direction
- What is The Mountain's legal and ethical obligation for protecting member privacy when a request is made by an outside party for the names and addresses of our members? Georgia law gives us the right, and as the Mountain's Board, we have the responsibility to refuse to release our membership list if we have reason to believe the list will be used with harmful intent.

The Board hears from, and tries to listen to all of The

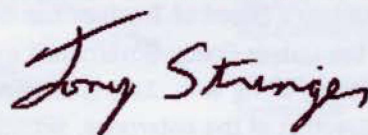
Mountain's constituents. In making its decisions and, in fact, anytime the discussion involves UUs, there are going to be many sides to listen to! The board will never be able to do what every single member/constituent wants. We may not even be able to do what whole groups of people want. But we do try. It is quite possible that even after having access to all the same information as members and constituents, the Board may still see things differently than some of them. And, it will also almost always be the case that the Board will have information that members and constituents don't have. The Board considers all the information available about any situation and arrives at a decision that is in the best interest of The Mountain.

2004 was certainly a year that required us to **face and embrace the challenges** of The Mountain – and it was also a year that had many reasons to celebrate and rejoice. Our programs offered many people, young and old, life-changing experiences, spiritual renewal, education, training, and yes, transformation.

With a vision "to be a relevant institution for generations to come, actively working with others to create communities committed to peace, justice, civility and compassionate behavior," The Mountain provides a context for **living into** this vision each and every day. ALL of us – those who give lots of money, those of us who volunteer and participate, and yes, those of us who can no longer be part of the community but watch The Mountain from afar, can be inspired by the vision and mission of this incredible place of peace, retreat, learning and hope.

"For generations to come" – today, we hold this Mountain in trust for our youth and their tomorrows. What are they learning from us? How can we preserve this Mountain for them? There are signs all around The Mountain that say: "Children are watching – what are they learning?" The best we can do for our children is to live our UU principles as best we are able – embracing diversity, respecting the inherent worth and dignity of every individual and by being peace-makers in our time.

I trust that each and every one of The Mountain's members and constituents can see beyond the current numbers, and understand that The Mountain needs careful stewardship of its mission and values, and an ever-increasing base of financial and programmatic support. Thank you for what I hope will be your continued support of The Mountain in 2005. Together, we can "be the change we wish to see" and contribute to this thriving, wonderful Mountain we all love and want to nurture.



Financial Advisor's Report to the Board

R.K. Whitehead

The year 2004 was a financially challenging year for The Mountain. Many members were present at the financial discussions over the Memorial Day Weekend and so now have a better appreciation and understanding for where the Mountain has been over the past ten years, from both an Operations and Development perspective and an Expense, Capital Asset Investment, and Debt perspective. A copy of that presentation is available by calling The Mountain office.

Statement of Activities

The finances of The Mountain can be broken down into several categories, those being Operating Revenue and Expenses (which captures the day-to-day programmatic income and costs of The Mountain), Development or Charitable Contribution Revenue and Expenses, and Depreciation and Interest Expenses.

For 2004, Operating Revenue was up 5.6% to \$1,217,000 compared to \$1,152,000 in 2003, and Operating expenses increased less than 1% to \$1,556,000. The expense reduction plans put in place during 2004 resulted in a \$54,000 improvement (less of a loss) in Operations compared with 2003, and over a \$150,000 improvement from 2002. However, the total revenue from Development was \$296,000 for the year compared to \$418,000 in 2003. Subtracting the direct expenses for the year of \$109,000 associated with the Development efforts left \$187,000 to cover the operating deficit, depreciation and interest expenses in 2004, compared to \$311,000 to cover these expenses in 2003. Total interest and depreciation for 2004 was \$348,000, compared with \$312,000 in 2003. The net loss for the 2004 year was \$499,000, versus a net loss in 2003 of \$393,000.

These significant losses led our auditor, Greene, Finney, & Horton, to issue in 2004, as they did in 2003, what in the accounting world is known as a "going concern" opinion. There is not a definitive definition under either GAAP or FASB of what the accounting term "going concern" means. However, in general, some of the characteristics an auditor considers are deteriorating ratios of current assets to current liabilities, recurring losses resulting in significant negative Net Asset balances, and loss of significant market share or market segment that dramatically affects operating income. An auditor's "going concern" opinion does not mean that business failure, bankruptcy or liquidation, is imminent. It is, however, a wake up call. It means that without timely changes in the underlying operating performance of an organization, at some point,

the ability of the organization to meet its obligations in the future will be compromised.

Balance Sheet

For 2004, Total Assets are \$3,528,000. The largest portion of that, the Property and Equipment, is shown at \$2,623,000, which is net of accumulated depreciation. The total accumulated depreciation since The Mountain started is over \$1,300,000. However, because the annual depreciation expense must be included every year in the "earnings" calculations, a significant portion of the historical losses can be attributed to this "non-cash" item. The total cost of the assets are \$3,930,000, which includes all the land, buildings, and other equipment. It is very important to note that from an accounting standpoint, these figures are carried on the books at what is called "At Cost," meaning how much money was actually paid for these assets. In The Mountain's case, this "At Cost" amount is significantly less than the current value of the assets. In early 2004, an appraisal of The Mountain was done and the value placed on it by the appraiser was \$7,200,000. The current condition of The Mountain from an asset perspective is far better than the financial statements might otherwise indicate.

Total debt owed by The Mountain at the end of 2004 stood at \$4,068,545, which is an increase of \$320,000 from 2003. This amount includes all Member Promissory Notes plus Accrued Interest, Bank Debt, Lines of Credit, Charitable Gift Annuities, and obligations to The Mountain Endowment Fund. Of this debt, only \$1,046,531, or 26%, is owed to banks in the form of mortgage or installment loans.

Total Liabilities of the Mountain as of Year-End 2004 are \$4,296,707, compared to \$4,027,568 at Year-End 2003. Netting Total Liabilities against the Total Book Value of the Assets yields a negative Net Asset Value of \$769,104 at Year End versus negative \$269,673 at Year-End 2003.

Statement of Cash Flows

In 2004, the total cash used in running The Mountain day to day was \$182,600. If you compare 2003 to 2004, you see that the earnings loss was almost \$100,000 greater in 2004, but the resultant cash use this year was actually \$10,000 better than last year. This was a direct result of the significant focus in 2004 on Cash Flow instead of Earnings. It is also important to note that cash from Development increased 67%, from \$293,000 in 2003 to \$489,000 in

Continued on page 9

The Mountain Retreat & Learning Centers, Inc.

Financial Statements 2004

Greene Finney Horton CPA

STATEMENTS OF FINANCIAL POSITION

	(Unaudited) Dec. 31, 2004	(Audited) Dec. 31, 2003
ASSETS		
Cash and cash equivalents	\$ 48,728	\$ 24,590
Donor pledges receivable, net	67,044	252,531
Inventories, net	10,594	9,262
Prepaid expenses	36,743	20,311
Other current assets	30,366	52,253
Total Current Assets	193,475	358,947
Donor pledges receivable, less current portion	361,175	384,375
Property and equipment, net	2,622,953	2,664,573
Other Assets	350,000	350,000
Total Assets	\$3,527,603	\$3,757,895
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 65,647	\$ 53,210
Accrued expenses	90,660	89,703
Accrued interest	233,867	175,639
Notes payable to a bank	-	350,000
Amount due under letters of credit	268,653	-
Current portion of long-term debt	273,089	391,000
Deferred revenue	36,623	89,102
Other current liabilities	35,232	47,264
Total Current Liabilities	1,003,771	1,195,918
Long-term debt, less current portion	3,292,936	2,831,650
Total Liabilities	4,296,707	4,027,568
Net Assets:		
Unrestricted	(1,293,104)	(794,715)
Temporarily restricted	524,000	525,042
Total Net Assets	(769,104)	(269,673)
Total Liabilities and Net Assets	\$3,527,603	\$3,757,895

Available notes are an important part of these financial statements

STATEMENTS OF CASH FLOWS

	(Unaudited) Year Ended Dec. 31, 2004	(Audited) Year Ended Dec. 31, 2003
Cash Flows From Operating Activities:		
Change in net assets	\$ (499,431)	\$ (392,946)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	130,206	123,218
Gain on disposal of property and equipment	(33,305)	-
(Increase) decrease in current assets:		
Donor pledges receivable, net	208,687	(79,446)
Inventories, net	(1,332)	(1,403)
Prepaid expenses	(16,432)	(1,536)
Other current assets	21,887	(13,547)
Increase (decrease) in current liabilities:		
Accounts payable	12,437	20,455
Accrued expenses	59,185	114,494
Deferred revenue	(52,479)	(8,969)
Other current liabilities	(12,032)	47,264
Net Cash Used in Operating Activities	(182,609)	(192,416)
Cash Flows From Investing Activities:		
Purchases of property and equipment	(101,459)	(81,069)
Proceeds from disposal of property	46,178	-
Net Cash Used in Investing Activities	(55,281)	(81,069)
Cash Flows From Financing Activities:		
Proceeds from borrowings	1,356,838	607,794
Repayment of debt	(1,094,810)	(349,217)
Net Cash Provided by Financing Activities	262,028	258,577
Net Increase (decrease) in Cash	24,138	(14,908)
Cash at Beginning of Year	24,590	39,498
Cash at End of Year	\$ 48,728	\$ 24,590

STATEMENTS OF ACTIVITIES

Available notes are an important part of these financial statements

	(Unaudited) Year Ended December 31, 2004			(Audited) Year Ended December 31, 2003
	Unrestricted	Temporarily Restricted	Totals	Totals
REVENUES AND OTHER SUPPORT				
Retreats & Conferences	\$ 403,921	\$ -	\$ 403,921	\$ 379,700
Senior Programs	271,020	-	271,020	292,594
Youth Programs	315,707	-	315,707	279,806
Mountain Design Programs	47,193	-	47,193	62,920
Non-Program Guests	21,126	-	21,126	28,103
Store Margin	5,702	-	5,702	5,418
Other	89,501	-	89,501	18,338
Milestone	-	-	-	12,162
Learning Center for Leadership	62,775	-	62,775	73,024
Contributions	277,206	-	277,206	403,662
Support from The Endowment Fund	18,908	-	18,908	14,336
Net Assets Released from Restriction	1,042	(1,042)	-	-
Total Revenues	1,514,101	(1,042)	1,513,059	1,570,062
EXPENSES				
Programs:				
Retreats & Conferences	297,508	-	297,508	272,022
Senior Programs	167,660	-	167,660	221,913
Youth Programs	246,405	-	246,405	342,430
Mountain Design Programs	53,124	-	53,124	62,244
Non-Program Guests	14,363	-	14,363	54,953
Milestone	-	-	-	5,854
Learning Center for Leadership	95,139	-	95,139	92,836
Total Program Expenses	874,199	-	874,199	1,052,252
Support Services:				
Administration & Board	681,320	-	681,320	492,144
Development	109,315	-	109,315	107,194
Financing/Interest	230,485	-	230,485	201,126
Depreciation, excluding vehicles	117,171	-	117,171	110,292
Total Support Services Expenses	1,138,291	-	1,138,291	910,756
Total Expenses	2,012,490	-	2,012,490	1,963,008
Changes in Net Assets:	(498,389)	(1,042)	(499,431)	(392,946)
Net Assets at Beginning of Year	(794,715)	525,042	(269,673)	123,273
Net Assets at End of Year	\$ (1,293,104)	\$ 524,000	\$ (769,104)	\$ (269,673)

Continued from page 7

2004. A portion of this was due to payment by donors on prior year pledges, but the rest is a function of the increased emphasis on cash donations versus multi-year pledges.

There was a net outflow of \$55,000 for Property, Plant & Equipment and a net inflow of cash from borrowing activities of \$262,000. Total change in cash position for 2004 was an increase of \$24,000.

It is important to recognize that **The Mountain's current financial condition didn't occur overnight**. Likewise, it is not realistic to expect to solve the financial problem overnight either. With continued focus on cash flow and expense control, emphasis on generating new sources of revenue that don't rely solely on the longstanding and supportive membership, and rigorous attention to the financial viability of current and future Mountain programs, The Mountain will continue to thrive.

The Mountain Endowment Fund, Inc.

2004 Annual Report

By: Hal Reed, Chair, Mountain Endowment Fund, Inc.
Board of Directors

The purpose of the Mountain Endowment Fund, Inc., is to provide perpetual support to The Mountain Retreat & Learning Centers, Inc. The Board of Directors of the Endowment Fund meets twice a year to manage the fund and to develop ways to encourage supporters of The Mountain to include the fund in their estate plans. The stock assets of the fund are invested in two low-cost, diversified socially responsible index funds: the Vanguard Calvert Social Index Fund and the TIAA-CREF Social Choice Fund. As of December 31, 2004, total assets of the Endowment Fund stood at \$305,094.34.

Planned gifts can be made in several ways. These include bequests, trusts, and life insurance or retirement plan beneficiary designations. You may also support the Fund through a tax-deductible gift that pays you income for the rest of your life, such as a charitable remainder trust or gift annuity. Persons who commit to a planned gift to benefit the Mountain Endowment Fund, Inc., or make a lifetime contribution become members of the President's Society.

If you are interested in learning how you can make a permanent commitment to the mission of The Mountain through a planned or deferred gift, we encourage you to contact us. You may contact either The Mountain's CEO, **Tom Warth**, at 828-526-5838, ext. 218, or one of the board members of the Endowment Fund: **Hal Reed, Kay Giese, Neal Andreae, Bob Hornberger, Frony Ward, John Wood, Suzie Armstrong** or **Anne Staley**.

Please consider your legacy and how it can benefit The Mountain Retreat & Learning Centers, Inc. for generations to come. To include the Endowment Fund in any of your estate plans, please use our official name: **The Mountain Endowment Fund, Inc.**, c/o The Mountain Retreat & Learning Centers, Inc., P.O. Box 1299, Highlands, NC, 28741.

TREASURER'S REPORT

	Year Ended Dec. 31, 2004	Year Ended Dec. 31, 2003
Equity Assets:		
Vanguard Calvert Social Index Fund	\$ 62,525.40	\$ 54,158.22
TIAA-CREF Social Choice Equity Fund	65,391.62	54,645.99
MRLCs Original Note	158,385.08	166,669.54
MRLCs Second Note	15,000.00	15,000.00
Cash		
Wachovia Checking	\$ 3,564.88	\$ 3,566.83
Wachovia Money Market *	-0-	7,514.62
Total Assets	\$304,866.98	\$301,555.20
Account Receivable		
Interest on MRLCs' Second Note **	\$ 900.00	
Accounts Payable ***		
Mountain Note Cards	\$ 351.48	
MEF Telecon 11/6/04	321.16	
Net Assets	\$305,094.34	

* Account closed 11/10/04 – \$7,552.05 to checking then 50/50 to Funds

** Sixteen months @ 4.5%

*** To be paid January 2005

NOTE: Only MEF 2004 income was Money Market interest (<\$40), Dividends reinvested in both Funds and interest on MRLCs Original Note which is deducted quarterly from the MEF support payment reducing the Note balance.

Respectfully Submitted,
Neal Andreae, Treasurer

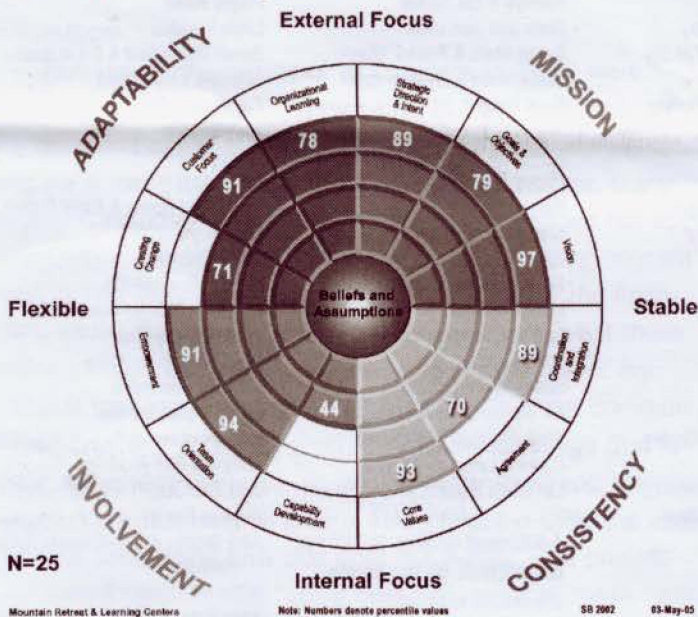


2005 Staff Survey

In 1996, and again in April 2005, MR&LCs hired AVIAT Consultants to conduct an "organizational culture survey." AVIAT distributes and provides analysis of The Denison Organizational Culture Survey, developed by Daniel Denison and William S. Neale. This survey provides a way to link organizational culture to tangible bottom-line performance. All employees were asked to participate including our current Spanish speaking employees (the questionnaire was available in Spanish). Each staff person completed the survey independently without any preparation or coaching by anyone. Answer sheets were completed confidentially and mailed directly to the research company for scoring.

Individual surveys were collectively tabulated by AVIAT into a graphic profile that compares our organization's culture to that of higher and lower-performing organizations. As you examine these results, keep in mind that "well managed" companies should be in the fourth quartile.

Mountain Retreat & Learning Centers



The survey results are indicative of a healthy staff and organization and reflect the following:

1) We are doing a better job of screening, hiring, training, communicating and releasing people than we have in previous years. We are working to have the "right people on the bus, the wrong people off the bus and the right people in the right seats" (from the book *Good to Great Companies* by author Jim Collins).

2) "When there isn't a widely shared vision, the pettiness of self-interest will prevail and the inevitable cliquishness

of human behavior will spread bad morale." (Dan Mulhern, Author, Educator). We have worked hard to make the mission, vision and core values a part of the day-to-day workplace. THIS staff shares the vision of interfaith, peace and justice work based on The Mountain's values (Unitarian Universalist principles).

Average Length of Staff Service

- In 1990 the average length of service for year-round staff was 2.1 years.
- This year the average length of service for year-round staff is 5.2 years even AFTER the retirements of several long-service employees.
- These numbers include 17 staff with more than 2 years service of which 10 staff have more than 5 years service.

Guest Feedback

Every program participant is asked to complete an evaluation form at the end of the program. Close attention is paid to what the guests say in completing these forms. Here is a sample from an Elderhostel guest, the week of May 8, 2005:

"Hiring practices have resulted in a mature staff who do not need to fill unmet needs on the job. These staff persons are appropriate and healthy in establishing boundaries. This is no small accomplishment. The patience displayed by each staff member must also be noted. Impatience by any staff member could have adversely affected the entire experience. It never occurred!"



In a 24 x 7 operation like ours, it is hard to get the whole staff together at one time. We did our best! Missing from the photo are: Jacque Campbell, Denise Carlin, Mark Gramlich, Claire Keane, Lola Nasution and Craig Whitworth.

1st Row, l to r: Julia Jamieson, Jim Short, Gillian Denham, Gregorio Gonzalez, Virginia Gonzalez;

2nd Row, l to r: Teri Helma, Janet Norwood, Susanne Walker, Betsy Burnet, Susanne Milroy and Shelley Denham;

3rd Row, l to r: Carole Ann Mackey, Ellen Westnedge, Gumer Pacheco, Don McCown;

4th Row, l to r: Bruce Kitchell, Mark Walker, Jane Warth, Kerry Kennedy, Tom Warth, Ian Denham, Glenn Carver.

Members & Current Donors

The Mountain especially appreciates those who made financial contributions in 2004.

Annual Members/Donors in 2004

Jeffrey Adams & Anita Campitelli
Lorna & Richard Ahrens
Bill & Gunilla Alford
Harriet Altman & David Altman
Linda & Bill Anderle
Buggie & Dave Anderson
Peter Arata
Suzie Armstrong
Kim & Andy Arnette
Bernard & Pamela Awtrey
Cyndy Bailes
Bill Baker
Beverly and Bill Baker
Selby Bateman
Stephen & Sharon Benedict
Bruce J. & Bonnie Benedict
David & Jean Bergmark
Richard Bird
Birmingham Unitarian Church
Doug & Carol Bissland
Lucy Bivins
David Boggs & Gail Thomas
Margot & Kirk Bogue
Daniel A. Bohlman
Ron Belcher & Joan Boltz
Pat Boyd
Susan Brittain
Charlene Brose
Betty Brothers
Helen Christine Brownlie
Juanita Bryant
Rebecca Cabral & Mark Livezey
Cathleen Camacho
Gordon & Sue Certain
Nancy Chadwick
Barbara Cheney
Sharon & Pritindra Chowdhuri
Cincinnati's Heritage Universalist
Unitarian Church
Clergy Samaritan
Sean & Andrea Cottingham
Ivor & Shirley Collins
Betsy Culpepper & John Lampert
Tom Comstock
Anne Coogler
Shirley & Roger Cunningham
First UU Church of Dallas
Sandy Danforth
Patricia & Martin Davidson
Don Donart
Marjory and Bertram Donn
Deborah & Bruce Dubendorff
Richard & Cathryn DuBow
Stefamoe Due
Janet & Raymond Eisenhauer
Ens & Outs of UUCA (Atlanta)
Hope Everson
Gary Feder & Alice Fleming
Arnold Feinstein
Pat & Speedy Felkel
Kimberly & Bradley Fisher

Rice Flanders
Gordon & Elaine Fletcher
Peter & Karin Fontneau
Anna & Bill Forbis
Linda and Jim Foshee
Don Foster & Cynthia Vermillion-
Foster
Abby & Stephen Fowler
Geraldine Fox
Debra Frasier & James Henkel
Jim & Kathy Frost
Paula & Philip Gable
Joyce & Shayne Gad
Thomas and Gale Gaines
Martha Garner-Holman
Ruth Garrison & Jack Zylla
Park & Susan Gerdine
Paige Getty
Sam Gilbert
Dan Gottlieb & Liz Shaw
Laura Gordon
Susan Gore
Nancy and Michael Gore
Robert & Elise Gray
Joseph Greenberg
Lisa & John Guyton
George & Betty Guzyski
Carol Hamilton & Peter Johnson
Homestead Handcrafts
Jean Hansgen
Darryl Hansome
Ralph Hanson
Cheryl Harper & Barbara Renfro
Merridee Harper & David
Blumberg
Lindy Harrell
Joan Hawthorne
Elaine Head
Carrie Hedges
Teri & Robert Helma
Myrtle Eakes Hepler
Christy and Mark Hickey
Russell & Sharon Hiett
Sara Hill
George & Barbara Hochschild
John & Edmar Hoppe
Mark & Rebecca Hornbuckle
Diantha & Bill Horton
Doug & Quida Hotch
Cynthia Howe & Dan McBride
Joe Huber & Stevie Hoffman-
Huber
Calley Jackson
Jean Reller
Kathy Jewell
John Johnson
John & Rachel Johnson
Ted Jones
Joseph Priestly District of the
UUA
Ann Coker & Isaac Joyner
Pat & Richard Kahn
Eric & Cathy Kaminetzky
Steve & Caryl Kaplan
Dick & Jane Kenan
Thomas & Sandra Kester
Myra Kibler
Priscilla & Brian King

Scott & Heather Kleiner
Robin Krivanek and Jack
McAllister
Walter Kropf
Michael & Barbara Kurko
Jean Lacey
Geoffrey A. Larson
Andrew Lawler
Corinne LeBovit
Steve & Karen Lewis
Bob & Sheryl Linsenmayer
Karen & Bernie LoBracco
Randall & Sandra Locke
June & Frank MacArtor
Nick & Mona Magnis
Jon Makay & Jimmy McNeese
Ellen & Joel Mandelbaum
Barbara Masson
Noelle Masukawa
Jill & John McBurney
Sue McConnell
Boyd McKeown
Jan Mervine
Sally Ann Meyer
Hester & Ronald Meyers
Deb & Jim Millette
Priscilla Milliman
Charles L. Milone
Russell & Linda Mobley
Charlotte Mooney & Tim Ely
Harry Moore
Alan Moore & Carol Harden
Don & Jean Morrison
Makanah Morriss
Elaine Morse
John & Kavyo Motsinger
Dennis & Judy Murphy
Nancy Myers
Harriett Myers
Alice Naylor
Janet Newman
Marianne Newman
Irvin Nickerson
David and Susan Ott
Carol Ann Padgett & Shirley
Brown
Stephen Pararo
Maryann Peterson & Don
McCown, Jr.
Ronny Pinckard
Art Polansky
James & Karen Porter
Kenneth & Colleen Rand
Richard & Helen Redfern
Charlie & Birdie Reed
Andy & Alice Reese
Jay & Layne Richard-Hammock
Fran & Dave Richey
Grace Rising & Allan Kurche
Bill & Kaye Ritinger
Patricia Robison
David & Meg Rohal
Eric and Dee Ross
UU Metro Atlanta North
Congregation
Carolyn & Jack Salmon
Ruth Sanford
Margaret Scales & Graydon

Pleasants
Kathleen Schenkel
Will & Sue Schick
Susie de Ville Schiffl
Alice & Charles Schneider
Louis Schwebius
John & Carol Scott
Lenore Shamey
Sally Shumaker & Phillip
Hammond
Randy Siegel & David Watkins
Bette Sikes & Joan Pederson
Boris Silberberg & Frances
Williams
George A. Smith
Sandra Smith
Patricia Smoothwater
Jeff and Brenda Stein
Gail & Vincent Stephenson
Allan Stern
Peter & Pearl Stevens
UU Congregation of Swannanoa
Valley
Ken Sweeton
Marj Taylor
Randy Taylor
Charlotte Troxell
Kathryn & Bill Tucker
Doris and Joel Ullis
Sarah Walls & Patrick Morris
Leslie Ward & Ed Dombeyer
Mark Ward
Jean Westmoreland
Bill Turner & Barbara Woshinsky
Peggy Turner
Barry and Pamela White
Nancy and Cliff White
Judy Wilmeth
Susan & Dale Wilson
Harriet Wilson
Laurie Winterberg
John & Selina Witt
Susan Wynn
Ed Wynne & John Payne
John and K. C. Yakemovic
David & Laura Yamashita
Geraldine Zurek

Additional donors in 2004 at the various giving levels are noted with an " * "

Life Giving Level - \$1,000-\$2,000

William Adkins
Emily W. Adler
Dan Aldridge
Marisa Allen
Paul Allen
Mary Alm & Darrell Russell *
Al Almand *
Laurel & Fred Amabile
Melissa G. Amos
Mary Andrus-Overley & Don
Halford *
Shawn Angell *
Bonnie Arbuckle *
Richard & Barbara Arends

Mary W. Arndt (D)
Robert & Martha Atherton *
David Auburn & Frances
Rosenfeld *
Fred & Gertrude Badger
Bill Baker *
Jim & Janet Baldwin
Bill & Linda Ball
Ruth & Russell Ball
Viola S. Barclay
Laura Baum
Rebecca Baum
Rey & Lynn Baumele
Lenora Beale
Doug & Patricia Beers
Barbara Belfiglio
Cecil Bennett & Myrtle Staples *
Eunice Benton
Kim & Mark Berry
Nancy J. Bessler
Michael & Cindy Bignault
Sam Bignault
Elizabeth Bishop-Martin
Nancy Bivins *
Anne B. Blair
Stan & Paula Blair *
John & Joan Bliss *
Peggy Block
Linda Bloedau
Susan Bloomfield & Bill Mareska
Jeffrey & Linda Blum
Cecelia Bonfils
Judy Bonner
Sue Boone
Joy & Tony Borra
Dana Paul Bowie & Ethel Duffett
Fran Boyle
Helen Brandt *
Myra P. Bregger (D)
Gretchen Bremer-Hosken (D)
W. S. & Viola Brian
Houston & Betty Brice
Theresa Brichetto
Ron & Karen Bringle
Nan Brockerman *
Audrey & Earl Brodhag
Jack Bronson
Eugene Brooks
Amy Brooks & Christopher
Paradise *
William & Carolyn Brown
Allan & Jean Brown
William B. Buckley
Rev. John Burciaga
Laura C. Burnham
John & Nancy Burns
Dixon Burns
Gene & Rosemary Burr
Audrey Burt
Ed & Barbara Butenhof
Larry & Clare Camp
Sam & Ella Camp
Tim A. Campbell *
Bob & Mildred Carpenter
Marge Carrison
Elizabeth Carter
Evelyn Carter *
Libby & Les Case

Doyle Chadwick & JoAnn Hasty	Carolyn W. & Arthur R. Fixel	Edith & Melvin Hetland	Jenny King	Luci Mattingly
Karen Chandler	Terry & Jane Flesher *	Mildred K. Higgins (D)	Sarah Joyce King *	Sue McAndrew
Julia Chansen	Connie & Bob Fletcher	Nikki Highsmith	F. Carlton King & Joyce Fleming *	Elinore McCandless (D)
Tom Chulak	Sue Folk	Debbie Highsmith	Eden King	Cindy & Kurt McCarney
Jean & Joe Chulak *	Dan & Judy Ford	Dorothy & Scotty Hiles	Ben King	Carol McCarus
Marcia Clark	Estelle Ford-Williamson	Bob Hill	Folly & John King *	Donna & Richard McComas
Tom Clephane & Robert Cox *	Hugh Fordyce & David Self	Rentz Hilyer & Mair McCafferty *	David King (D)	Daniel C. McCormick *
Brian Clipp	Gail Brownlee & Chris Foreman *	John Forrest Hilyer	Ruth & Shep Kinsman	Bob & Patricia McDonald
Lauren Clipp	Melody Foti & Judi Soule	Jim & Nan Hobart	Wally & Lyn Klarman	Lucy McDonald
J.R. Coe	Martha Fowler & Jim Ingram	Karen Leanne Hodges	Karen Kleiber & Andrew Hunter	Martha M. McDonough *
Jim Colby *	Tom & Daisy Fowler	Clifton Hoffman (D)	Gene & Barbara Klein	Mike & Terry McGee
Harold Cole	Willard C. Frank *	Ernie & Jan Hoffman	Elizabeth Kloss	Shane & Shelly McGee
Peg Collison	Arlene & Ron Fredrick	Margaret & Richard Hogue *	Tim Kloth & Lisa VanDivender *	Alan & Mary McGill
Ralph L. Cook (D)	Tracy Taylor Fritchman	Betty V. Holcomb *	Lee Knight	Miles & Dixie McGinty *
Elizabeth Cooper	Sandy Gaither *	Lindsay & Marie Holliday	Knob Knobel	Marsha & Ralph McGovney
Al Cotton	Willard Gannett	Lind & Ernie Hollingsworth	Gin Kohl	John & Susan McKee
Kate Couch	Diane L. Gardner	Bruce Hollingsworth	Kathy Warnock & William Kohn	Susanne McKelvey
Dan Couch & Deirdre Cochran	Marita Garin	Lisa Holt	James & Margie Kolde	Mary Nell McLaughlin
C. Cowtan, G. Courter & A. Marquis	Madelynn Ely Garner	Marilyn Hooper	Thomas Kondratick	Jean Glinn McLennan & Pat McConkey *
Charles Courtois	William & Gay Gauch	Roberta Hopkins	Karl & Barbara Kortemeier	Sharon McMahan
Glenda S. Cowart	Rolfe & Susan Gerhardt	Suzanne Hopkins & S.G. Subramanian *	Grace Koza	Martha McMullen *
Rob & Christine Cowgill	Justin A. & Kathy Giacoletti	Frances Howard	Harm & Marian Kraai	Rosemary Bray McNatt & Bob McNatt
Heather Cramer	Judith & Gordon Gibson *	Robin Canady & Berry Howard	Anne Fishkin & Bill Kroesser	Vincent Meade
Elliot Cramer	Griff & Susan Gilbert	Ray Hubbard	Kirstin Krone	Marcia Menard
Roberta Crocker *	Harriette S. Glasner (D)	Ray Hubbard	Tanya Moering Kroon *	George Menteer
Jack Cross (D)	Ruth H. Gogel *	Meg Hudson	Jenny Fairburn-Kropf & Robert Kropf *	Pat & Ed Mercer
Yoko & Rick Crume	William D. Gooch, Jr	Dorothy Huenecke *	Sandy & George Kunkle *	Anne Michaelson
Ruth Dahlke	Frances Gooding	Mark Hunter	Charles & Carolyn Lamb	Chris Michaelson
Helena Dailey	Shirley Goodman	Bob & Marge Hybels	Kate & David Lambeth *	Audrey & Donald Micklewright
Stephen & Sheryll Daniel *	Liz Goodson *	Jennie Hyde	Gilbert & Rita Lange	Nick & Kirsten Miles
Ted & Priscilla Danielson	Jewel & Paul Graham	Ed Ice	Bruce & Jean Larson *	Krystyna Miller
Charlotte Danly	Erin Graves	Ken & Jill Ihlo	Michael Lassiter	Ed & Patricia Miller
Steve Dante	Matt Graves *	Linda Irving	Alice Lassiter-Thorn	Jim Miller
Marguerite David	Anika Ridgeway Green	Rand & Diann Irwin *	Paula Lautzenheiser	Merlin Miller
Violet & Donald Dawe	Elise Green	Brian Irwin	Sarah Colleen Lawrence	Sandra & Simon Miller *
Margaret Annora Day	Nils Green	Martin Isganitis *	Mary & Rick Lawson	John & Elaine Miller
Todd A. Deaver	Erik Green	Rennselear Resch	Joseph LeBlanc	Susanne Milroy *
Kit Deaver	Ruth Green	Nancy Jacobsen	Richard Lee (D)	Louise & Felix Mitchell
E.J. & Suzanne Deering	Dan & Beth Greenwood	Cecile James	Howard & Stephanie Lewis *	Karen Mitchell
Sylvia Delzell	John S. Griffin	Tony James *	Larry & M. J. Lieberman	George Mitchell
Gillian Denham	Kate Griffin	Julia Jamieson & Kerry Kennedy *	Erik Light-Selvey	Eloise Mitchum
Kim & Warren Dennis	Adam Griffith	Diana & Alan Johanson	Melissa Lindholm & James Atkinson *	Nicola Moering *
John DeVault	Albert Gruensfelder	Sadie C. Johnson (D)	Alice K. Lingswiler	Matthew J. & Elizabeth Montgomery *
Victoria DeWeese *	Cynthia & Steve Hackney	Perry & Helene Johnson	Janet Link & Carl Dahle	W. Reid Moody, Jr. *
Joe DiBona (D)	Nancy Hagman & Rose Coon	Angie Johnson	James David Link	Elizabeth Moore
Eva & Wayne Dick	Terry Hale-Hicks	Walt & Sara Johnson *	Verda L. Little *	Bill Moore
Celeste Dickson	Norma I. Halley	Leonard Johnson *	Claire & Chris Little *	Bill & Susan Moore
Virginia Dickson	Harry Hamil	Janice Marie Johnson *	Susanne Loar & Emily Diaz-Loar	Brian Moores
Merrill Dillon *	Chet Hamilton	Bill & Jone Lewis *	Nilsa Lobdell	Stan & Lauren Mudd *
Lydia Dodge	Mark & Sally Hamilton	Marian Jones	Bill Loomis	William & Cindy Murchison
Heather Donovan	Phil Hamlin	Meta Jones	Thomas & Marjory Looney	Thomas & Shaelagh Murphy
Sharon Drew & Roy Goderstad	John & Pat Hammer *	Anne & John Jones	Gordon & Sharon Love *	Brigitte Nahmias & Don Norton
Wayne Duckworth & Larry King *	William D. Hammond	Marjean & Howard Jones *	George & Virginia Love	Helen Nash
Nancy & Bob Duggan *	Harriette Hance	Susan Jordan	Laurie Reynolds & Joe Love	Martin Nash
John M. Durham	Elizabeth Barrett Hardner	Cheri Jorgenson	Gerald Lowrey	Geneva A. Nelson
Marty Dybiczy	Adam & Ishiuan Hargrove	Janet Judge	Bob MacDicken & Eileen Ross	Albert & Linda Neumann
Safwan Elchahal	Sarah Hargrove	Jeremy Judge	Ted & Jan Machler	J. P. & Judy Newell
Jan & Ted Elders	John & Kathleen Harkey	Jason Judge	Sally & Chris MacMillan	Hans Nitsch
Don M. Elkins	Mike Harris	Eva Pryor & Charles Kahn	Lisa Macy *	Lynn & Hubert Normile, Jr.
Phillip & Joyce Elliott	Jean & Henry Harsch	Joan & Charlie Kahn-Schneider	Terry Komp & Sherry Male	Jennifer Nourse
Randy & Luanne Elliott	Catherine Hart	Amy Karon	Walter Manka	Leonard & Nancy Nowak
John & Billie Elsea	Jake Haun III	Sarah Rachel Karon	Fay Mann	Mary Ann & Godfrey Oakley
Bernadine Evans	Frank Haun	Mike & Chris Kayes	Richard & Peggy Coale Marsh	Kay Ohanneson
Rebecca Evans	Harvie Haun	Terri Keane	A. C. Marshall	Cherie & Donald O'Keefe
Paula Feldman & Peter Muggleston	Al & Ione Hayden	Anna Keane (D)	Don Marshall & Dena Short	Dorothy & Roy Oliver
Dick & Carol Fencil *	Robert & Dixie Haywood	Jim & Bert Gose Kelley *	Carolyn Marshall	Sandy Olson
Chris Fenninger	Ann Heacker & Robert Kimbro *	Keith Kenny & Marilyn McCredie	Hubert & Claudia Martin	Brian & Deborah Osgood
Shirley Ann & Robert Ference	Donald Hedden & Lou Wolcott	Jim & Liz Key *	John T. Mason	Cathy Owen & Erin Owen
Kelly Fields	Peter Helwig & Sue Harris	Kerry Keys	Pauline Masterton	
Jim Filler	Graham & Carol Henderson	Maureen Killoran & Peter Hyatt *	Jay Matthews	
	Betty Henderson	Doris Kimbel		
	Sara & Charles Hertwig, Jr. *	Mary Kiner		

Continued on page 14

Continued from page 13

Bill & Jan Palich
 Krissa Palmer & Michael Licht
 E.B. & Brydie Palmore
 Victor & Diantha Pare
 C. Waverly Parker
 Nick Payne & Cynthia Heinrich *
 Jim Percival (D)
 Pam & John Phelps
 Richard Phillips
 Brendan W. Pirie
 Heather Tisdale & Thomas Pitchford
 Merridy Pitts
 Amanda Plummer
 Patrick & Mary Pohl
 Brian L. Pohl
 Melynda A. Ely Ponder
 Mag Potashnick
 Betty Powers & John Kopynec
 June Preston
 Gerald & Lynn Priegel
 Nick Prosch
 Dick & Sandy Purdy
 Ann L. Ragan
 Qiyamah Rahman *
 Penny Raney *
 Peter Raoul
 Irene Ratner *
 Io Rayner (D)
 Helga Reaves
 K. C. Reddy
 Sarah Smith Redmond
 Susan Ernst Murray
 Bob & Jeanne Reed *
 Hal Reed & Terry Morales *
 Gladys Reese (D)
 Glenn & Susan Reider
 Doug & Darlene Reisner
 Nelson & Wanda Resch
 Tom & Ticie Rhodes
 Warren M. Riley
 Bob & Joan Ritter
 Kate & Ed Robie
 Marnie Rode
 Jordan Rode
 John Rodgers
 Carla Rood
 Simone Rosa
 Mary Lou Skinner Ross (D)
 John & Shirley Ross
 Maia Williams & Wyman Rousseau *
 John D. Rowland
 Bruce & Cece Russell-Jayne
 Ray & Muriel Rutledge
 Randy & Kate Safford *
 Susan Safford
 Ed & Julia Sallin *
 David Salman & Nancy Mayer
 Agnes Sanborn
 Janet Sanders
 Marion S. Sangree (D)
 Steve Sarnier
 Lee Ann Sholin Sarnier
 Harry C. Savage (D)
 Bill & Carolyn Sax
 Robin Scheib
 Deborah Schillo
 Cecile Naylor & Herman Schmidt
 Ken & Jean-Anne Schmidt, Jr.

Anneliese Schmidt
 Sally Schumacher
 Ruth & Arthur Schwartz
 Adam Schwartz
 Ben Schwartz
 Mary R. Scripp
 Rachel Secrest *
 Carrie Shaklee
 Phyllis & John Sharpe
 Richard Sharpe
 Sarah Shea
 Ray & Dardanella Shenefelt
 Enid Sheppard (D)
 Marilyn Waters & Eugene Shepherd
 Judy Shepherd
 Larry & Maethel Shindelman
 Susan Shipley
 Jeanne Shirley & Sal Nuccio *
 Suzanne Short
 Jim Short *
 Lee Young Sievers
 Jennifer Sikes & Steve Jones
 Boris Silberberg & Frances Williams
 Charlie & Polly Simpson
 Mark Simpson
 Chuck & Susan Sklar
 Jack Slate & Laura Miller
 Richard Smith
 Myles Smith & Ortrude White
 Hilary Smith
 ID Smith & JoAnn Stokes-Smith
 Quentin & Barbara Smith
 Pete and Velma Smith (D)
 Judith & Paul Smith-Valley
 Penny Snyder & Sue Ann Lott
 Winthrop Southworth III
 Richard & Janet Speck
 Joe Speidel & Pippa Purcell *
 Leon Spencer
 Joan & Peter Staple
 James & Elaine Stauffer
 Darcie Stehman
 Jenny & Mike Stein
 Barbara Stenstrom
 W. E. & Anna Stephens *
 Bill & Sharon Stepler
 Sandra Stimpson *
 John & Susan Stoll *
 Bob Strain *
 Ruth & Bob Strauss *
 Lilo Strauss *
 Michael & Melissa Streppa
 Ken & Jeannine Suda
 Jerry Sullivan
 Stephen Sullivan
 Janine Sutphen (D)
 Bill & Deedi Sutton
 Eugene & Kathryn Sutton (D)
 Emery Swan
 Lois Swan
 Leonard Swing
 Carla Syverson *
 Maxim Tabory
 Tom & Molly Tami *
 Jill Tarbel
 Kathleen Moloney-Tarr & Brian Tarr
 James I. Taylor
 Carol Taylor & Joel Weaver *
 Carl & Holly Taylor

Mary Tebo & Daniel Simberloff
 Vince Teeter & Kathee Williams *
 Danielle Teslow
 King Thackston (D) *
 John Thomas
 Rod & Mary Alice Thompson
 Susan Thompson
 Laura Thorn
 Jennifer Thorn
 Noland Thuss
 Pete Tolleson
 William & Joan Trathen
 Margaret Tuck *
 Jeff & Julie Tucker
 Carey Rahn Tucker
 Ann Tyndall
 Tom Tyre & Andy LaTorre
 Anna P. Uhde
 Joe & Martha Usatine
 Alex Usatine
 David & Linda Vanderlaan
 Peg Vandever (D)
 Emily B. VanValkenburgh
 Fred & Gerry Vermillion *
 Marge & Arch Wakefield
 Tom Wakelyn
 Marlene Walker
 Jerome & Melissa Walker
 Susanne & Mark Walker
 Perla Wall
 Bob Wall
 John & Sylvia Wallace
 Jim & Ann Wallace
 Robert Walsh
 Doug Walters & Alisa Wood-Walters
 Mary K. Ward *
 Helen Ward
 Bob & Nancy Warren *
 Steve & Linda Watkins
 David Watkins
 Paula Watson & Rick Irwin
 Sidney Watson
 John Watt
 Madeline Watt
 Beverly Roberts Weinberg *
 Robert E. Wells
 Herb & Myrna West *
 Frances & Bill West
 Neal & Cindy Westmoreland
 Frederick Westover (D)
 Ken & Lorraine Wheeler
 Abby Marie Wheeler
 Jean & Brian Wheeler
 Bruce Whitney
 Molly Wilcox
 Ed Wilde *
 Elizabeth L. Williams
 Virginia Wilson *
 Elaine Wimberly
 Robert Winchester
 Charlie & Arlene Wollmer
 Kristen Pirie Woolenhaus
 Barbara Woolf
 Karen Woolhouse
 Alice Young
 Alice Zawadzki *
 Sharon Zens
 Barbara Zimmerman
 Reid Zimmerman
 Donna Zurcher

Community Life Memberships

Gay Spirit Visions *
 UU Womenspirit
 Minister, UU Church of Asheville
 RE Director, UU Church of Asheville
 Minister, UU Congregation of Atlanta *
 Minister, Thomas Jefferson Memorial Church - Charlottesville
 Minister, UU Church - Chattanooga
 Minister, UU Fellowship of Clemson *
 Minister, UU Fellowship - Hendersonville
 RE Director, UU Fellowship of Hendersonville
 Minister, Tennessee Valley UU Church, Knoxville
 Minister, UU Church of Tallahassee

Patron Giving Level - \$5,000

Sybil & Tom Ackerman
 Afesa Adams *
 Manley & Elissa Allen
 M. E. Anderson
 Juliet Araujo & Carl Erickson *
 Wayne Arnason & Kathleen Rolenz *
 Harriet J. & William Ball *
 Terry & Garry Beale
 Sara Beard *
 Clint Betz *
 John & Sharon Blevins *
 Bob & Connie Booth *
 Frances Boozer
 Pat Boyle & Lem Arnold *
 Barbara C. Burnham *
 Donald L. Chery
 Laury Christie
 Carole Colley *
 Carol & John Collins
 Ivan & Jeanetta Cotman
 Oddy Curtiss (D)
 John & Hanne Lore Daniel *
 Lillian & Walter Dean *
 Susan B. Deaver
 Nancy & Tom DeLux
 Bob & Trudy Deyle *
 Elinor Elfner *
 Mark Evans *
 Murray Evans & Dee Montie *
 Margaret & Bud Evans
 Jim Fason & Chris Uberto
 Stuart & Kay Fors
 Bonnie & Fred Forte
 Mike Gilbert *
 Bill & Fran Gimby *
 Matt & Allie Gooding
 Leslie & Joni Grady
 Mark & Bonnie Gramlich *
 Libba Green
 Nancy Hall *
 Hilary Hamlin *
 Anne Heath *
 Paula Heusinkveld & Jorge Medina
 Jim & Wendie Highsmith
 Elvin & Nancy Hilyer
 Georgeanne Hoegerman
 Albert & Berniece Holt
 Don & Betty Hostetler *
 Russell Hunnewell & Jim Urbanski
 Donna & Bob Jaric
 Walt & Marcia Jenison
 Esther & Jorgen Jensen
 Jean & Roger Johnson *
 Olivia & Karl Kappus *
 Kate Killebrew & John Karon
 Dawn Kenny
 Zed & George Kesner
 Sandy Kirchner & Carole Soucaze *
 Bill & Margaret Kleiber
 Sean Korb *
 Ignacy & Gloria Kuczmanski
 Larry Landrum
 Mike & Ellen Lappa
 James & Pamela Griner Leavy
 Marion Leiserson
 Alan & Anna Belle Leiserson *
 Margaret Ann Link
 Don & Sue Male
 Jeannette Manning *
 Nancy Maseng & Joe Watterson *
 Joy & Rich McConnell *
 Dee Medley
 Tedd & Krista Meinersmann
 Don & Mary Miles *
 George Miller
 Kay Montgomery
 Joan Moore
 Melanie Morel-Ensinger *
 Roberta Jordan & Carl Mott *
 Jeri Moulder & Paul Murray
 Margrit Nash
 Alice Noggle
 Missy James & Jack Nolan
 Sarah & Ernest Palmore *
 Bill Perkins *
 Priscilla & Steve Phillips *
 Walt Pirie *
 Herbert & Ellie Pomerance (D)
 Betty & Milton Rahn *
 Hilda Ratner
 Margaret Redfield
 Roy Reynolds & Jean Lamer *
 Christine Robinson & William Baker
 Richard & Micheline Rothman *
 Robbin Ryan *
 Ernie & Donna Schmid *
 Margaret Schmidt
 Donna Schmitt
 David & Anna Smillie *
 Norman & Emily Sokoloff
 Ray & Helen Solomon
 Sue-Ann Soloway
 Bonnie Sheppard & Bill Spurgin
 Ruth & Mani Subramanian *
 Sharon Sweede & Bill Sbrocco
 Joe Tomczyk & Verlie Leatherwood *
 Jane & Bill Upshur *
 George Vila *
 David Ward Vosper
 Annette Walker & Kent Sidel
 Greg Ward *
 Bob & Trudy Wendt

Richard Wertzler *
William L. Williams & Joyce
Heslip *
Gary & Darcy Wolfson
Suzanne Wright
Virginia Talbot & Dean Zuch

**Vision Holder Flame Azalea
Giving Level – \$10,000+**

Emilu Bailes & Gerald Robison
Sharon Beecher *
Nina Benedetto & Rev. Dan King *
Louise Birch
Helen Bishop & Susan Grider *
Helen S M Blackwood *
John & Kathy Bohstedt *
Barbara & Ronald Buck
Bill Cherry *
Carl & Pat Clements
Polly & Hiram Cody, Jr. *
Dorothy S. Conlon *
Lanie Damon & Bruce Kitchell
Scott & Darla Davis *
Fred & Margo Smith Dixon *
Timothy & Elizabeth Eble
Jean & Ed Findley *
Alice R. Grinnell (D)
Carolyn & Bob Hargrove *
William & Frances Hollister *
Paul Howard & Barbara James
Barbara Jamestone & Ben Martin
Kay & Michael Kami
Marian Kern & John Beck
Jack Lawrence
Roxy Leiserson

Bobbie & Jim Littlefield
Larry & Juana Mae Long *
Paul & Jerolyn Lowry
John Rakestraw & Mary
Katherine Morn *
Wayne Morris
Jay Noe
Jan & Don Osgood *
Charlotte Palmer *
Juanita Polk
Sonya Prestridge & Arvid Straube *
Theodora Reeve (D)
Neal Resch & Don Smith *
Chase Robinson *
Virginia Sayles
Maurice & Eugenia Schwartz
Robert Senghas *
Dianne Seville & Dick Britton *
Dillman & Robert Sorrells *
Rem & Lee Stokes *
Sekayi & Anthony Stringer *
Kay Giese & David Sweat *
Rebecca Tisdale *
Anne & Gene Todd
John & Ruth Tori *
Tom & Judy Turnipseed *
Savie Underhill *
Annette VanHowe (D)
Christine Lucas & Lewis Walker *
Nancy & Chris Welles *
Randy & Barbara Whitt *
Alan & Jan Wilcox *
Joan Willey & Charlie Stehman *
Linda Winn-Brown & Charles
Brown *

**Vision Holder Mountain
Laurel Giving Level –**

\$15,000+
Bob & Diane Baum *
Marty Beech *
Carl Bretz & Rosemary Burns
Ian & Shelley Denham *
Walter & Alicia Hodges
Susan Kimball *
Tom Larson & Janine Leland *
Elizabeth McMaster
Mike & Linda Plummer *
Helen Ranney
Nancy M. Wylie *

**Vision Holder Rhododen-
dron Giving Level –**

\$20,000+
Marcia Bystrom
Virginia Carver & Hank Raichle *
Paul & Sandra Clipp
Arnold & Marjorie Gelbin *
Bob Hornberger *
Alan S. Hutchinson *
Bruce & Sandy Kirkman *
John Lantz & Jane Royall *
Gladys Light
Elmo & Cliff McCray
Patricia McGiverin *
Bruce Parrish *
Laird & Shawna Parry *
Ellen Stewart
Fred & Phyllis Sweeton *
James & Joan Wamsley *

**Vision Holder Chinquapin
Giving Level – \$25,000+**

Toni & Jonathan Black *
Sue & Dan Boyce *
Roger W. & Faith Comstock *
Ann & Joe Creech *
Mary Ann Ely *
Betty & Philip Green *
David & Charlyn Jackson *
Irving & Millie Kagan *
Claire Keane *
Ed & Jean Mangiafico *
Judy Shaklee
Robert E. & Susan Smith *
Daidee Springer & Steven
Hollingsworth *
Phil & Linda Sterner *
Hildegard Gray & John Vacher *
John and Jerri Wood *

**Vision Holder White Oak
Giving Level – \$35,000+**

Neal Andrae & Nancy Mitchell *
Elizabeth Ellis
Jennifer Lawrence
William & Lucia Pulgram *
Mary Spivey Teslow & Dan
Teslow *
Sophronia Ward & Allan Morgan *
Larry Wheeler & Nancy Heath *
Laura & RK Whitehead *
Sue & Bob Whitney *

**Vision Holder Frasier
Magnolia Giving Level –**

\$50,000+
Beverly Cree & Charles West *
Jacob Haun, Jr.
Bill & Mary Nelson
John & Margaret Norris *
Marjorie & Ed Riley (D)
Mo Wheeler

**Vision Holder Tulip Poplar
Giving Level – \$75,000+**

Harry & Rene Donavon *
Carole Light & Alex Redmountain *
Art and Myrtle Lockwood (D) *

**Vision Holder Trillium
Giving Level – \$100,000+**

Elinor Artman
Harold & Charlotte Johnson *
Margaret Schilling
June Cravens Sholin
Darwin & Myra Smith *
Anne Staley
Tom & Jane Warth *

Please email any corrections to
this list to:
claire.keane@mountaincenters.org

(D) denotes deceased members

Thanks to . . .

- UUFP (The Unitarian Universalist Funding Panel) for \$5,000 plus \$7,000 matching grant for the Peace Training Initiatives in Collaboration with the International Rescue Committee.
- The Atlanta, Georgia Rotary Club for \$5,000 in scholarships to MountainCamp for International Rescue Committee Youth.
- Unitarian Universalist Metro Atlanta North (UUMAN), Unitarian Universalist Congregation of Atlanta (UUCA) and other individuals for Hurricane Relief.

Board of Trustees: 2005

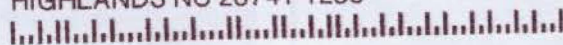
Tony Stringer	Chair
Suzie Armstrong	Development
John Blevins	Org. Relationships
Betty V. Holcomb	Org. Relationships
Janice Marie Johnson	Mission/Vision
Bruce Kirkman	Planning
Ed Mangiafico	Planning
Ashley Munday	Development
Dan Rosemergy	Mission/Vision
Mary Spivey Teslow	Recording Secretary
Tom Warth	President
R. K. Whitehead	Financial Advisor & Corporate Secretary



The Mountain
Retreat & Learning Centers, Inc.
P. O. Box 1299
Highlands, NC 28741

Presorted
Non-Profit
US Postage
PAID
Highlands, NC
Permit No. 46

Tom & Jane Warth
PO BOX 1299
HIGHLANDS NC 28741-1299



**2004
Annual Report**



To embrace the diversity of life, creating an environment to energize people to work for positive change.

THE MOUNTAIN
RETREAT & LEARNING CENTERS

New Logo • Drop Down Menus for easier navigation

We have a NEW LOOK!

Be sure to visit our Internet web pages —
www.mountaincenters.org

To embrace the diversity of life, creating an environment to energize people to work for positive change.

THE MOUNTAIN
RETREAT & LEARNING CENTERS