

## Selected Financial Information for Music in the Mountains, Inc.

Music in the Mountains, Inc. is a corporation organized under Colorado law that qualifies under federal law as a 501(c)(3) nonprofit entity. The organization was created in 1987 and operates on a fiscal year basis with each year commencing on October 1<sup>st</sup> and ending on September 30<sup>th</sup> of the next succeeding calendar year. The organization's accounts are maintained by an accountant working part time in the office, with statements of financial position reviewed on an annual basis by a third party accounting firm. Complete copies of the organization's reviewed financial statements are available upon request.

For the fiscal year ending September 30, 2017 (the most recent fiscal year for which reviewed accounts have been completed), the organization had total assets of \$488,071 (the bulk of which constituted cash, cash equivalents, and financial investments) and net assets of. For historical perspective, the organization had net assets of \$419,432 at the end of the fiscal year ending in 2016, \$410,973 at the end of the fiscal year ending in 2015, \$339,682 at the end of the fiscal year ending in 2014, and \$260,325 at the end of the fiscal year ending in 2013. The organization had no liability or debt other than accounts payable and accrued expenses cumulating \$44,048 and deferred revenue of \$8,500.

After expenses, investing activities, and other adjustments, the organizations had an increase in net assets for the fiscal year of \$16,091. For historical perspective, the increase in net assets for the organization was \$23,863 for the fiscal year ending in 2016, \$66,240 for the fiscal year ending in 2015, \$61,809 for the fiscal year ending in 2014, and \$61,114 for the fiscal year ending in 2013.

The organization has historically been self-funding with little or no local or other government direct financial support. For the 2017-2018 fiscal year, gross revenues are currently projected to be in excess of \$750,000. The sources of this revenue are varied and range from corporate and individual donations, ticket sales, fees paid by participants in the summer conservatory, advertising sales, concessions, miscellaneous receptions and other events, and investment income. The largest contributor to revenues are individual and corporate donations, representing approximately fifty-five percent of total revenues. After donations, revenue from ticket sales and educational activities are the largest contributors, reflecting approximately eighteen percent and nine and one-half percent of total revenue, respectively.

The organization has recently renewed its focus on mechanisms to reduce some of the risk of relying on annual fund raising efforts to cover the entire cost of the organizations activities. There currently is approximately \$123,330 in endowments that is invested to provide medium to long term financial support to the organization. The goal is to increase this amount materially through both lifetime and testamentary gifts, whether for dedicated to specific purposes or for the organization generally. The organization has also recently created a formal operating reserve account, the intent of which is to provide short to medium term support to the organization during years in which there may be a shortfall in revenue. Unlike endowment accounts, all of the operating reserve, not just income from the funds in the reserve, would be available to meet expense obligations of the organization.