Shelburne Farms
Annual Financial Report

Dear Friend,

Shelburne Farms is working to build healthy communities locally and around the world. We view every aspect of life — how food is grown, how energy and water are used, how we shape our living environment and govern ourselves — as opportunities to learn.

The Farm inspires stewardship, in part, by grappling with real challenges and complex issues linked to land, water, food, and economics everyday as we strive to demonstrate our values and practice sustainability in our enterprises.

Educating for a sustainable future is central to everything we do. Our education programs empower young people to make a difference by applying knowledge to real-world situations in the places where they live. We support teachers with professional learning to lead students from inquiry to action. And we engage farmers as educators to grow healthier kids.

Our work is amplified through collaboration and the collective impact of networks. We are proud to play a leadership role in farm to school networks both in Vermont and nationally. We also currently serve as the backbone organization for the growing Farm-Based Education Network, which was co-founded by eleven organizations and celebrated its 10th anniversary in 2016.

The experiences we offer build bridges between students, local farms, and healthy food, and help deepen teacher practice and student learning to improve the quality of life now and for future generations.

Our report highlights the stewardship of the financial resources at Shelburne Farms. And it shows how you help make all of the Farm's work possible. We are deeply grateful to the Farm's new and long-time friends, members, volunteers, customers, and guests.

Thank you for your support!

Lisa Steele
Board Chair

Alec Webb
President

Megan Camp
Vice President & Program Director

Consolidated Statement of Financial Position

December 31, 2016, with comparative totals for 2015

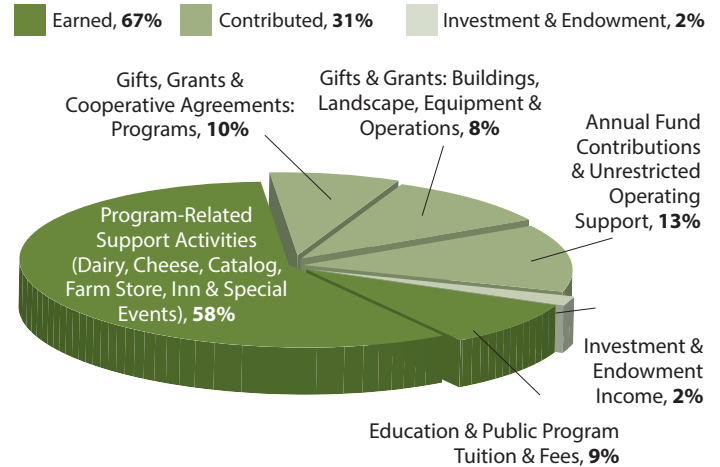| ASSETS	2016	2015
Cash & cash equivalents	4,619,611	2,806,586
Board designated & restricted endowment	5,391,925	5,232,748
Other investments	857,489	780,140
Accounts receivable	233,516	233,875
Inventories	1,085,616	1,047,398
Prepaid expenses & other assets	135,830	93,794
Pledges & bequests receivable	418,550	461,056
Contributions receivable from charitable remainder trusts	298,174	234,194
Antiques & art	243,468	243,468
Land, buildings & equipment	20,251,447	21,119,241
TOTAL ASSETS	33,535,626	32,252,500
LIABILITIES & NET ASSETS		
LIABILITIES:		
Accounts payable	520,426	187,019
Note payable	1,511,086	1,505,792
Deposits & accrued liabilities	800,567	794,592
TOTAL LIABILITIES	2,832,079	2,487,403
NET ASSETS:		
Unrestricted	27,421,316	26,888,031
Temporarily restricted	2,689,235	2,314,795
Permanently restricted	592,996	562,271
TOTAL FUND BALANCE	30,703,547	29,765,097
TOTAL LIABILITIES & NET ASSETS	33,535,626	32,252,500

This is an internally prepared consolidation of all programs and operations at Shelburne Farms in 2016 for simplified presentation purposes only. Operating revenue and expenses include both the nonprofit entity — Shelburne Farms — and its wholly-owned subsidiary, which operates the Inn and other program related supporting activities. Land stewardship, endowment, campaign gifts, campaign capital improvements and other expenditures, as well as a total consolidated depreciation of $853,493 is included in above table. These items are excluded from all other charts.

A copy of Shelburne Farms' audited financial statement is available for inspection at Shelburne Farms, 1611 Harbor Road, Shelburne, Vermont 05482, 802-985-8686.
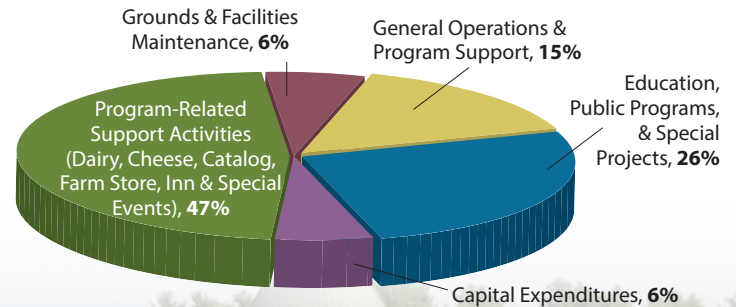
Consolidated Annual Operating Revenue & Expenditures

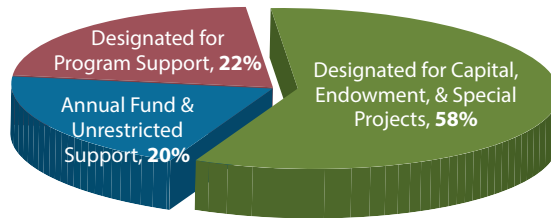Year Ending December 31, 2016

Total Sources: $10,029,100

Earned, **67%**   Contributed, **31%**   Investment & Endowment, **2%**

Gifts, Grants & Cooperative Agreements: Programs, **10%**

Gifts & Grants: Buildings, Landscape, Equipment & Operations, **8%**

Annual Fund Contributions & Unrestricted Operating Support, **13%**

Program-Related Support Activities (Dairy, Cheese, Catalog, Farm Store, Inn & Special Events), **58%**

Investment & Endowment Income, **2%**

Education & Public Program Tuition & Fees, **9%**

Total Uses: $10,029,100

Grounds & Facilities Maintenance, **6%**

General Operations & Program Support, **15%**

Education, Public Programs, & Special Projects, **26%**

Program-Related Support Activities (Dairy, Cheese, Catalog, Farm Store, Inn & Special Events), **47%**

Capital Expenditures, **6%**

Contributor Support

Total Contributions by Fund

Contributions to all funds totaled $4,840,023 in 2016 ($3,420,260 in 2015).

- Designated for Program Support, **22%**
- Designated for Capital, Endowment, & Special Projects, **58%**
- Annual Fund & Unrestricted Support, **20%**

Total Contributions by Source

Shelburne Farms depends upon support from diverse private and public funding sources.

- Corporations, **2%**
- Government, **3%**
- Individuals, **55%**
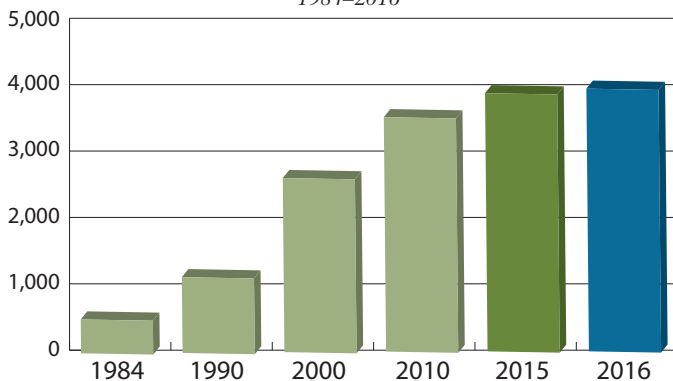- Trusts & Foundations, **40%**
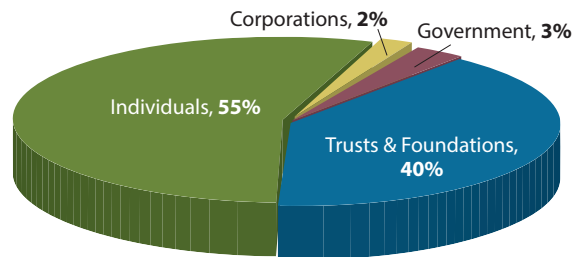
Contributor Demographics

In 2016, Shelburne Farms received contributions from 4,025 individuals, businesses and foundations in 46 states and 7 foreign countries and territories.

- Out-of-State Contributors, **28%**
- Shelburne Residents, **15%**
- Other Vermont Residents, **57%**
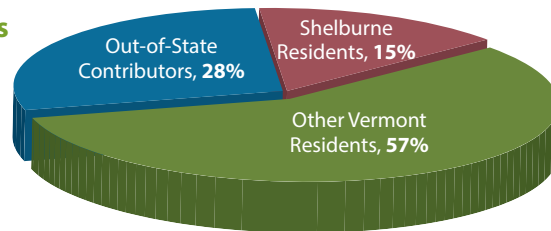
Total Number of Contributors
1984–2016

Year	Contributors
1984	~500
1990	~1,100
2000	~2,600
2010	~3,500
2015	~3,900
2016	~4,000

A Snapshot of Our Contributors

- **1,435** Individual/Dual Members (up to $50)
- **1,270** Family Members ($65+)
- **759** Donors ($100+)
- **180** Sponsors ($250+)
- **128** Patrons ($500+)
- **191** Stewards ($1,000+)
- **8** Benefactors ($5,000+)
- **41** Sustainers ($10,000+)
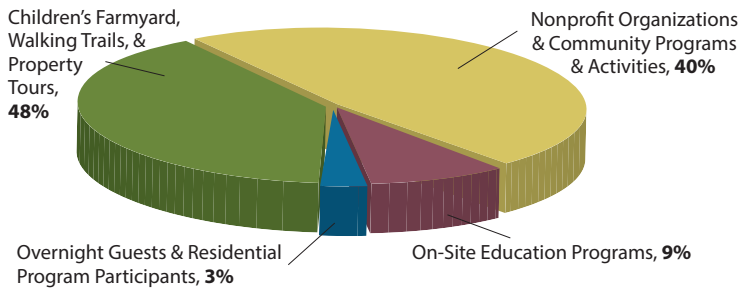- **13** Major Gift Donors ($50,000 – $300,000)

How Contributors Support Us

- **4,215** Individual gifts
- **338** Volunteers
- **348** Gifts for special projects
- **131** Gifts from foundations & trusts
- **91** Gifts in honor of others
- **186** Gifts in memory of loved ones
- **47** Endowment gifts
- **120** Corporate gifts
- **31** Gifts in-kind
- **18** Matching gift companies

Stewardship Circle

As of December 2016 **87** individuals or couples have notified us that they have included the Farm as a beneficiary of their estate plans.
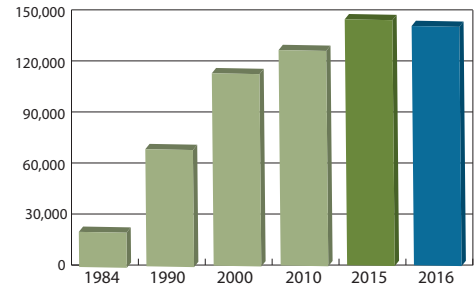
Program & Visitor Attendance

Shelburne Farms served 142,448 people in 2016 through education and visitor programs, and by making its campus available for use by others.
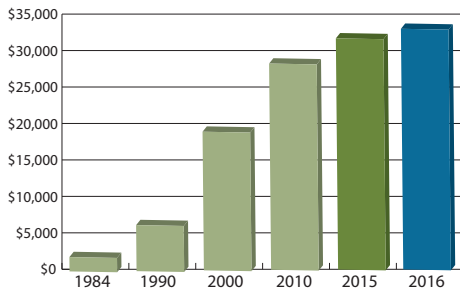
Children's Farmyard, Walking Trails, & Property Tours, **48%**

Nonprofit Organizations & Community Programs & Activities, **40%**

Overnight Guests & Residential Program Participants, **3%**

On-Site Education Programs, **9%**

Total Attendance
1984–2016

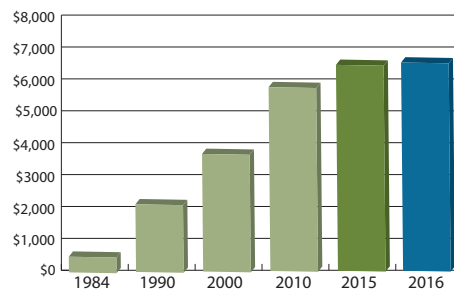| Year	Attendance
1984	~20,000
1990	~70,000
2000	~115,000
2010	~127,000
2015	~147,000
2016	~142,000

Financial Trends, 1984* – 2016 (In thousands of dollars)

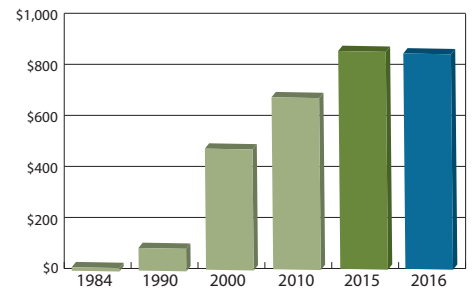**1984 was the year the property of Shelburne Farms was bequeathed to the nonprofit.*
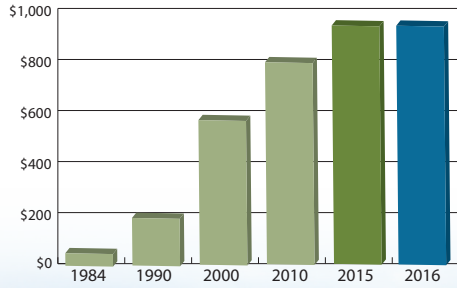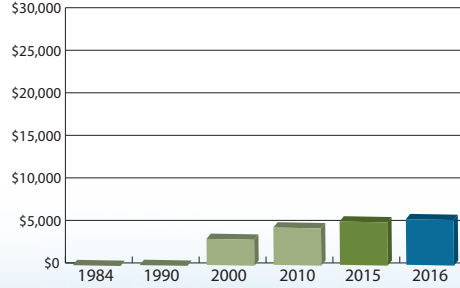
Total Assets

Year	Value
1984	~$1,500
1990	~$6,000
2000	~$19,000
2010	~$28,500
2015	~$31,500
2016	~$33,000

Earned Operating Revenue[1]

Year	Value
1984	~$400
1990	~$2,100
2000	~$3,700
2010	~$5,700
2015	~$6,500
2016	~$6,600

Depreciation

Year	Value
1984	~$10
1990	~$90
2000	~$480
2010	~$680
2015	~$860
2016	~$850

Annual Fund Gifts & Grants[2]

Year	Value
1984	~$40
1990	~$190
2000	~$570
2010	~$800
2015	~$940
2016	~$940

Board Designated and Restricted Endowment Funds

Year	Value
1984	~$0
1990	~$100
2000	~$3,000
2010	~$4,500
2015	~$5,200
2016	~$5,400

Notes Payable[3]

Year	Value
1984	~$10
1990	~$140
2000	~$950
2010	~$20
2015	~$2,050
2016	~$2,050
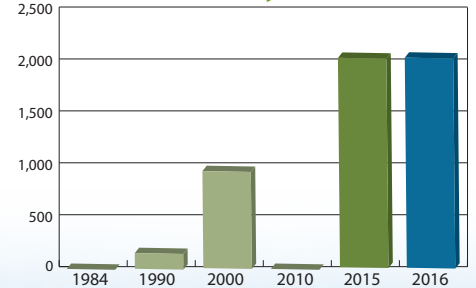
NOTES: [1]*Does not include investment/endowment income.* [2]*The Farm also relies on additional unrestricted special gifts for operating support.* [3]*Funds were borrowed from outside sources ($1.5m) and from internal sources ($0.5m) in 2014 for a key property acquisition.*