



# *Community Arts Center*

A North Carolina not-for-profit corporation

Dear Community,

As we start on this journey of purchasing Shakori Hills, please take a moment to reflect on where we've been, where we are and where we're going.

Shakori Hills Community Arts Center was created with the mission to purchase, preserve and enhance the Shakori Hills Farmstead for community building through music, dance, arts and education.

In April 2003 our community pulled together, against all wet and muddy odds, the first Shakori Hills GrassRoots Festival of Music & Dance. In 2004 the festival grew to a bi-annual event which has been given much support and acclaim from the wonderful folks of central North Carolina.

Over the last seven years we have built much of the infrastructure needed to support and sustain a community arts center. There is a permanent stage, a well-kept barn (known as the coffee barn), campgrounds, a ticket booth, nice gravel roads, showers, a general store, good drinking-water, and a whole lot of beauty. With these amenities in place, Shakori Hills serves as an ideal venue for a wide variety of activities and events.

The community has embraced Shakori Hills as a vibrant gathering place. Events at Shakori Hills range from weddings, family benefits, girl scout camp-outs, fundraisers for a local charter school, a camping space for college students attending an energy summit at UNC Chapel Hill, to more extensive, annual festivals and events.

Events at Shakori Hills are almost entirely volunteer-run. Volunteerism creates a unique opportunity for everyone to work together and to participate in hands-on activities, learn new skills and meet new people. This involvement and participation of many folks has made Shakori Hills a valuable resource for community building.

Chatham Together, a local non-profit organization, who works with “at-risk” youth, makes Shakori Hills GrassRoots Festival a bi-annual event for mentors and their young friends. Volunteering during set-up is a great opportunity for them to work together with others and then see their efforts come to fruition when they attend the festival.

Shakori Hills has also built an important relationship with The Hispanic Liaison of Siler City. The local non-profit works to foster cultural understanding between Latinos and other residents of Chatham County and help empower Hispanics to overcome the challenges they face as immigrants to this country. The Hispanic Liaison holds an annual event at Shakori Hills, Fiesta Latina, which serves as their biggest fundraiser of the year.

Mountain Aid, created by Mike O'Connell of Haw River Films, was hosted by Shakori Hills in June 2009. After releasing his documentary film *Mountain Top Removal* in 2007, Mike coordinated the concert event to help create a clean energy future for North Carolina and beyond. Mountain Aid helped generate awareness of mountain top removal, mobilize support against it, and raised money for the Pennies of Promise campaign to build a new school for the children of Marsh Fork Elementary located in Raleigh County, West Virginia. The children attending Marsh Fork Elementary are threatened daily by a 2.8 billion gallon coal sludge impoundment in the hills above them.

Shakori Hills launched a music in the schools program in conjunction with the GrassRoots Festivals in 2007. Our Hopes & Dreams program is coordinated cooperatively with interns from UNC's APPLS program. Schools in Chatham, Orange and Durham Counties have all benefited from the Hopes & Dreams program. Artists/musicians/dancers come into the school to perform, demonstrate, and involve students in their craft. The Northwood Jazz Band from Northwood High School, as well as a group of young string musicians, The Walker Street Fiddlers from Greensboro, NC perform annually at the GrassRoots Festival. We love making connections with the local schools and involving youth in Shakori Hills programming. Spreading music, art and dance out into the community is central to our mission.

In September 2007 another annual event came to life at Shakori Hills, The Hoppin' John Old-Time & Bluegrass Fiddlers' Convention. In this two-day event, musicians, dancers and music lovers come together to celebrate the traditions of bluegrass and old-time music. They enjoy dance, instrument and band contests, square and contra dances and many unscheduled special musical moments. The convention helps keep traditional music alive and also provides a unique opportunity for young people to play on stage. North Carolina is renowned for old-time and bluegrass fiddlers' conventions and attendees herald Hoppin' John as a new favorite in the state.

The GrassRoots Festival sponsors an on-site Sustainability Fair in which local earth-conscious organizations, green businesses and individuals participate and share their experience and knowledge of sustainable living. In an interactive area, experts give talks and demonstrations and festival-goers dialogue with one another on these specific issues. Examples of participating organizations are: Central Carolina Community College's Green Building Program, Chatham Marketplace, Solar Tech South, LLC, and Piedmont Biofuels.

To be more sustainable, Shakori Hills partnered with the Abundance Foundation and began the Solarize Shakori project in the fall of 2008. Each year Shakori Hills events use approximately 10,000 kilowatt-hours of electricity. To offset our usage we are building a permanent grid inter-tied solar electric system located on-site. We invite our community to be part of the project by donating solar cells at \$10 per cell. Festival-goers and community members have already donated more than \$6500 towards this goal and the first solar array is in place.

We hope you have enjoyed reflecting on where we've been and where we are; we wanted to paint a picture of what we've been working hard at over the past seven years and help you to have a realistic understanding of what you, the community, have helped create. It truly could not have happened without your support. Going forward, Shakori Hills only plans to grow and continue to have a positive impact through music and arts.

This brings us to the financial picture of the organization. During the first four years (2003-2006), the Shakori Hills GrassRoots Festival had common start-up obstacles for a new outdoor festival– inclement weather being the biggest– which held the organization in the red. Though in the Spring of 2007, weather co-operated, the festival had a real name in the central NC area and a profit was made, with a year-end gross income of over \$400,000 (see attached tables). Since then the GrassRoots festivals have continued with a steady growth in attendance, though the current economic climate has most certainly affected our rate of growth. We did not see as great of a jump in income from 2007-2008 or 2008-2009 as we did from 2006-2007. But as you can see from the figures in the attached appendix, the organization is grossing more than \$500,000 per year and continues to grow.

We now have the opportunity to put the Shakori Hills farmstead permanently in the hands of the community and to create an arts center for use as a facility for festivals, arts, education and community gatherings and celebrations of all kinds.

Please pitch in to purchase Shakori Hills. Your contribution will secure the farmstead for you, your family and the community to use and enjoy, now and for generations to come. A down payment of 10% of the purchase price needs to be raised– approximately \$75,000– the rest of the purchase price will be borrowed through a community-owned mortgage which income from the festival will repay. All contributors will be commemorated with an art installation to be built at Shakori Hills for future visitors to view and enjoy.

Sincerely,

The Shakori Hills Community Arts Center Board & Staff

### Shakori Hills GrassRoots Festival of Music & Dance 2007

<b><u>INCOME</u></b>	
Earned Income	416,106.05
Unearned Income	<u>13,848.72</u>
<b>Total Income</b>	<b>429,954.77</b>
<b><u>EXPENSES</u></b>	
Artist Related	200,456.30
Production/Festival Related	172,451.54
Administration	25,330.98
Festival Site	22,706.92
Debt Service	<u>7,881.44</u>
<b>Total Expenses</b>	<b>428,827.18</b>
<b><u>Revenue over Expenses 2007</u></b>	<b>1,127.59</b>

### Shakori Hills GrassRoots Festival of Music & Dance 2008

<b><u>INCOME</u></b>	
Earned Income	506,201.20
Unearned Income	<u>735.61</u>
<b>Total Income</b>	<b>506,936.81</b>
<b><u>EXPENSES</u></b>	
Artist Related	238,661.28
Production/Festival Related	169,667.03
Administration	50,281.26
Festival Site	33,605.61
Debt Service	<u>15,027.60</u>
<b>Total Expenses</b>	<b>507,242.78</b>
<b><u>Revenue over Expenses 2008</u></b>	<b>-305.97</b>

### Shakori Hills GrassRoots Festival of Music & Dance 2009

<b><u>INCOME</u></b>	
Earned Income	532,067.89
Unearned Income	<u>14,021.31</u>
<b>Total Income</b>	<b>546,089.20</b>
<b><u>EXPENSES</u></b>	
Artist Related	236,675.04
Production/Festival Related	185,991.57
Administration	80,699.64
Festival Site	38,284.59
Debt Service	<u>14,539.08</u>
<b>Total Expenses</b>	<b>556,189.92</b>
<b><u>Revenue over Expenses 2009</u></b>	<b>-10,100.72</b>

Below are projections for 2010 and 2011. Based on our past growth and in the current economy, we foresee an 8% increase in earned income for 2010 and a 10% increase in 2011.

**Shakori Hills GrassRoots Festival of Music & Dance 2010 projected**

<b><u>INCOME</u></b>	
<b>Earned Income</b>	<b>575,000</b>
<b><u>EXPENSES</u></b>	
<b>Artist Related</b>	237,000
<b>Production/Festival Related</b>	186,000
<b>Administration</b>	85,000
<b>Festival Site</b>	<u>43,000</u>
<b><u>Total Operational Expenses</u></b>	<b>551,000</b>
<b><u>Revenue over Expenses projected 2010</u></b>	<b>24,000</b>

This table reflects a projected 8% increase in earned income.

**Shakori Hills GrassRoots Festival of Music & Dance 2011 projected**

<b><u>INCOME</u></b>	
<b>Earned Income</b>	<b>632,500</b>
<b><u>EXPENSES</u></b>	
<b>Artist Related</b>	237,000
<b>Production/Festival Related</b>	186,000
<b>Administration</b>	85,000
<b>Festival Site</b>	<u>89,000</u>
<b><u>Total Operational Expenses</u></b>	<b>597,000</b>
<b><u>Revenue over Expenses projected 2011</u></b>	<b>35,500</b>

This table reflects a projected 10% increase in earned income and an increase in festival site expenses due to estimated mortgage payments on the land.