Dear Members & Friends,

We have certainly shared a challenging year with storms, floods, earthquakes and fire. At the Farm, we dealt with extensive shoreline road repairs, waterlogged parking and hay fields, cancelled events, and a fire at the inn that fortunately was promptly detected and contained. Despite all this, we were able to continue offering our programs—and this place—to families, students, friends and visitors seeking refuge and inspiration for creating a better world. With your continuing support we weathered all this and were even able to lend a hand to those in Vermont’s farming community who were hit much harder than we were by hurricane Irene. We are very grateful. Thank you!

Alec Webb, President

Thanks to all our supporters & members

You have made all of these projects possible. See our 2010 Annual Report and Contributor Listing online.

2011 Highlights:

VT Students Eat Better
In 2011 Shelburne Farms completed a two-year, CDC-funded cross-program evaluation conducted with statewide partners. Two thirds of Vermont’s 320 elementary schools are engaged in some sort of Farm to School programming, connecting students, local farms and communities to serve healthy meals in school cafeterias. Vermont high school students eat more fresh fruits and vegetables than youth from most other states. Here’s some of what surveyed students reported:

- 68% meet or exceed the recommended fruit and vegetable intake in the Daily Guides for Americans.
- 80% have planted, picked or prepared food from a garden at home or at school.
- 82% have participated in a taste test at school.
- 79% have met a farmer in their area.

Education for Sustainability Guide
Shelburne Farms’ Sustainable Schools Project released the revised Guide to Education for Sustainability. First issued in 2004, this new version reflects the changing field of EFS and shares new strategies we’ve developed over time. We also created the Education for Sustainability Starter Kit, a series of self-guided learning opportunities for schools.

You helped us raise $11,200 for farm flood relief!
Your meals at the Inn, coins at Harvest Fest, and tickets to our ‘Farm’-Raiser benefit helped us raise over $11,200 for the Vermont Farm Disaster Relief Fund, administered by the Vermont Community Foundation and VT Agency of Agriculture.

Reaching Kids
- 3,704 children have experienced a Shelburne Farms school field trip so far this year.
- more than 3,200 children enjoyed a field trip to the Children’s Farmyard as part of an independent school, daycare, camp, or afterschool program.
- More than 650 children attended our Summer Camps.

Growing Farm-Based Education
Jill Keating (right) was named 2011 Farm-Based Educator of the Year. She and Rebecca Holcombe (left) work at Common Ground High School, Urban Farm, & Environmental Education Center in New Haven, CT.

We organized and hosted the 5th annual Farm-Based Education Conference in November, welcoming a sold-out audience of more than 240 people from as far away as California and Italy.

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Transforming Teachers & Teaching
Cheryl Joloza, a grade 4-5 science teacher in Havorford, PA was jazzed after attending our Summer Education for Sustainability workshop. “As a teacher,” she shared, “you’re always asking, Where am I going to go next? As soon as I walked through the door here, I knew, this is the direction I need to take with my classroom. I’m looking forward to giving back to my school” she goes on. “I have a million ideas I want to try.” Some of the ideas are for her family. “We need to change our eating, change some of our decision-making,” she says firmly. “I can only put sustainability in practice in my classroom if I’ve made the changes at home.”

Prize-Winning History

The Faces of our Food System
Producing food at Shelburne Farms is part of our educational fabric. Our delicious cheese, lamb, or veggies help us tell the story of our connections to the land, and how we might live more sustainably on it. We are fortunate to have a team committed not only to producing great food, but to the educational mission behind it. Here’s some of what they helped us accomplish in 2011:

- 72% of the value of food served at the Inn & Farm Cart was grown/produced in Vermont (including from our Market Garden).
- 145,000 lbs. of cheese will be made by the end of the 2011.
- 3,000 lbs. of Farm-raised lamb were served at the Inn.
- 900 lbs. of heirloom tomatoes, 1,026 lbs. of mesclun greens, 1,300 lbs. of winter squash. This is just a sampling of what the Market Garden supplied the Inn restaurant in 2011.

For Soil’s Sake
- 2,000 feet of drainage pipe was laid in Market Garden to improve the long-term productivity of our heavy clay soil.
- 17 new raised beds built in education garden, for 1,600 ft² of growing space for vegetables
- 1 ½ acres of new ground plowed to expand production
- 40 tons of organic fertilizer (bar and granite dust) spread on fields
- Refining our compost system, including building mixing pad.

Old Dairy Barn Bolstered
Further stabilization work on the Old Dairy Barn replaced rotted structural timbers and installed an interim roof to protect the building until its future restoration as a residential learning center. At the front of the barn, we removed a milk house addition (c.1930) to expose the building’s original facade.

A New Trail
We added a new, gravel pedestrian path along North Gate Road to the lake. For walkers—especially folks with strollers—it’s a beautiful and safer way to enjoy the property.

Removing milk house dating from the 1930s.

Stewarding this place

Major Progress on the Inn Formal Gardens Restoration Project
The major elements of Phase 2 of the Formal Gardens Restoration Project were all completed this year: the lily pool, overlook balustrade, and supporting brickwork.

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- Refining our compost system, including building mixing pad.

Housing
A new dairy staff house runs on completely renewable fuels: wood and solar. That’s the goal for all our buildings at the Farm. Now we’re one step closer.

Property Information

WELCOME CENTER & FARM STORE
Open daily, year-round except Thanksgiving & Christmas. Winter hours (Oct. 17–May 11): 10:00 AM–5:00 PM. 802-985-8442

WALKING TRAILS: Open daily, year-round weather permitting. Check in at Welcome Ctr. Leashed dogs only, November 1–March 31. Sorry, no dogs April 1–October 31

CHILDREN’S FARMYARD & PROPERTY TOURS
Open May 12, 2012. 802-985-8442.

MCCLURE CENTER FOR SCHOOL PROGRAMS
School programs Monday–Friday thru May.

THE INN AT SHELBURNE FARMS
Opens May 10. Breakfast, dinner, overnight: 802-985-8498

Front row: Farmyard Manager Sam Smith; Assistant Market Gardner Amanda Landry; Market Gardener Josh Carter; Inn Chef David Hugo; Back row: Cheesemaker Paul Hartnett; Dairy Manager Sam Dixon; Cheesemaker Tom Gardner; Cheesemaker Nat Bacon; Herdsman Renee LaCoss
Consolidated Statement of Financial Position
December 31, 2011, with comparative totals for 2010

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; cash equivalents</td>
<td>2,467,605</td>
<td>3,137,127</td>
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<tr>
<td>Board designated &amp; restricted endowment</td>
<td>4,398,979</td>
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<td>Other investments</td>
<td>879,184</td>
<td>682,102</td>
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<td>Accounts receivable</td>
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<td>Inventories</td>
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<td>Prepaid expenses &amp; other assets</td>
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<td>83,414</td>
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<tr>
<td>Pledges &amp; bequests receivable</td>
<td>303,174</td>
<td>491,158</td>
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<tr>
<td>Antiques &amp; art</td>
<td>243,468</td>
<td>243,468</td>
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<tr>
<td>Land, buildings &amp; equipment</td>
<td>19,279,172</td>
<td>18,443,334</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>29,031,205</td>
<td>28,767,570</td>
</tr>
</tbody>
</table>

LIABILITIES & NET ASSETS

| LIABILITIES:                    |           |           |
| Accounts payable                | 338,936   | 402,878   |
| Deposits & other liabilities   | 879,201   | 767,525   |
| **TOTAL LIABILITIES**          | 1,218,137 | 1,170,403 |

| NET ASSETS:                    |           |           |
| Unrestricted                   | 25,864,327| 25,608,581|
| Temporarily restricted          | 1,647,064 | 1,680,808 |
| Permanently restricted          | 301,677   | 307,778   |
| **TOTAL FUND BALANCE**         | 27,813,068| 27,597,167|

**TOTAL LIABILITIES & NET ASSETS**
29,031,205  28,767,570

---

Consolidated Annual Operating Cash Flow
Year Ending December 31, 2011

**Total Sources:** $9,611,900

- Earned, 61%
- Contributed, 37%
- Investment & Endowment, 2%

**Total Uses:** $9,611,900

- Grounds & Facilities Maintenance, 5%
- General Operations & Program Support, 13%
- Education, Public Programs & Special Projects, 24%
- Capital Expenditures, 16%
- Program-Related Support Activities (Dairy, Cheese, Catalog, Farm Store, Inn & Special Events), 42%
- Gifts, Grants: Buildings, Landscape, Equipment & Operations, 19%
- Gifts, Grants & Cooperative Agreements: Programs, 8%
- Investment & Endowment Income, 2%

This is an internally prepared consolidation of all programs and operations at Shelburne Farms in 2011 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 and campaign capital improvements and other expenditures are not included. Total consolidated depreciation of $728,800 is also not included.

A copy of Shelburne Farms’ audited financial statement is available for inspection at Shelburne Farms, 1611 Harbor Road, Shelburne, Vermont 05482, 802-985-8686.
Financial Trends, 1984 – 2011  (In thousands of dollars)

- Total Assets
- Depreciation
- Debt
- Consolidated Operating Revenue
- Net Available for Capital Needs from Operations & Unrestricted Gifts (before depreciation)
- Board Designated and Restricted Endowment Funds

Program & Visitor Attendance

Shelburne Farms served 138,063 people in 2011 through its education and visitor programs, and by making its facilities available for use by others.

**Total Attendance 1984–2011**

- Education Programs, 21%
- Inn & Restaurant, 18%
- Property Tours, 7%
- Children’s Farmyard & Walking Trails, 32%
- Nonprofit Organizations & Community Events, 22%

**2,545**

Professional Development: Curriculum support for educators in schools, nonprofit organizations & government agencies in Vermont, the U.S. and abroad

**2,518**

Adult Programs: Life-long learning programs, volunteers, educational tour groups & visitors, archive researchers

**4,265**

Overnight Guests: The Inn at Shelburne Farms & Guest Cottages

**24,835**

Youth & Family Programs: Early childhood & school programs, summer camps, 4-H, Work & Learn, campfires, Renaissance School

**26,561**

Nonprofit & Community Events: Meetings, conferences, special functions, concerts, weddings, festivals, Art Show

**77,339**

Day Visitors: Children’s Farmyard, Walking Trails, Property Tours, Restaurant