

Slide 1. Title: Where is the Money, part 2. This program was presented in Jacksonville at the 2019 convention.

The program done in Dayton was part 1 and only dealt with the General fund operations of NFMC

This program continues with information on the remainder of our assets.

Slide 2 shows you how do find this presentation on the NFMC Website. Click on the dropdown tab called "about us", and click on "Federation Financial Facts", this program is under "Finance PowerPoint."

Slide 3 is a review of your local membership dues. Dues will vary from club to club, depending on your state dues/fees and your local club needs. I chose the Fargo-Moorhead Area Music Club because that is my local club. In 2019 we are celebrating 125 years of musical encouragement in the Fargo-Moorhead area. Our \$35 dues include our national dues of \$6 (gold). Founders day pennies (support for FAMA) of \$1 (grey), state dues of \$9 (orange) and \$19 for local scholarships and activities (blue). Some state also have district dues and special activity fees. Other clubs also have free will offerings at special programs. There is not a "one size fits all" slide for local dues.

Slide 4. At the time this slide was made, the overall assets of NFMC were \$12,743,588 including our building in Greenwood, Indiana. In this slide the general fund only accounts for \$464,003. Starting at 12:00, the sliver of blue is the general fund slice. Continuing clockwise, the large orange slice represents the NFMC endowment fund, the silver is the building and building maintenance, medium blue is a fund for headquarters future needs, the large green represents all our regular awards while the dark blue represents our aid to students at summer centers. The brown represents special projects and the rust represents the MCM and judging fund endowments.

The investment committee has the fiduciary responsibility for all liquid funds. Contributions and earnings combine to be a fund. Only the earnings can be used for awards.

Keeping track of these funds is the responsibility of the NFMC finance committee. The Executive Director and the Finance Division chair check the reports monthly. Our contracted CPA creates quarterly reports that are summarized and posted in Music Clubs Magazine. At the end of the fiscal year (June 30), the 4th quarter/end of year CPA report and other financial statements are sent to our auditor for final review.

Slide 5 pulls out the wedge representing the NFMC Endowment. This fund is funded by Rose Fay Thomas fellowships, miscellaneous contributions and ½ of the fund's annual earnings. (The other half is used to augment NFMC projects). At the time, these slides were made, there was approximately \$1.9 million in this fund. There is an endowment investment earnings committee that recommends how our share of the earnings can best be used .

Slide 6 consists of 3 wedges, one a tiny sliver. These represent the headquarters building, its maintenance fund and an endowment set up the major headquarters repairs or replacements. The combined total of these funds is approximately \$800 thousand.

Slide 7. The two small slices at 11:00 represent special projects (about \$412 thousand) and Other projects (\$478 thousand). The special projects are the archive project and the internet online festival program. Other projects are the Music Clubs Magazine and the judging fund.

Slide 8 The largest amount of our assets is in designated funds for competition awards and summer center awards. This is about \$8.7 million. We have 108 competition awards and 23 summer awards. The amount of each award depends on the total value of each fund. We can't spend the historic value which is the amount that was contributed; we can spend the earnings that have accumulated over the year. We try very hard to limit the awards to 4.5% of the total value of each fund (historic value plus earnings).

Slide 9. This is the most colorful chart and represents all our funds within the award and summer music center categories. You will notice that there are 12 large funds, each has more than \$200,000 and most have been designated for specific awards. For example, the blue award at 11:00 is Young Artist, the light blue at 4:00 is the Ellis piano duo fund, the blue near 6:00 is the Mack which is specific to voice awards. The blue green fund at 1:00 is the Beyer and is used mainly for composition awards at student/collegiate and senior levels. The green at 5:00 is the Fowler; this fund has no specific designation and is used to cover a multitude of smaller award expenses. Unfortunately, there are some very small funds that you can barely see on the chart; these have had to be combined with other funds to give an adequate award. Sometimes 3 or 4 funds are assigned to an award. All funds have retained the names of their donors or designee.

Slide 10 is an example of combining funds. This is a chart of the Young Artist competition awards. If we provided all awards in each of the 4 categories would need \$92,000. No single fund can afford that so you see the splits. The largest contributing funds are NFMC, Fowler, Mack and Christmann. If you start at 12:00 and go clockwise, the pie slices go in the order of those funds listed on the left. This prize allocation has been changed for the 2021 competition but the donors and approximate funding will remain the same.

Slide 11 breaks out the piano category of the Young artist competition. This award has some smaller donors that specifically gave for the awards in this category. The rest of this award is divided fairly equally.

Slide 12 shows the breakout for strings.

Slide 13 shows the breakout for woman's voice. Since the Mack is designated for "singing" awards, that large fund covers nearly half of this award. Here again we have 2 small designated funds.

Slide 14 shows breakout for men's voice and is similar to slide 13 with the Mack covered 45% of the award.

Slide 15 The Getty endowment showed up as a sliver in the men's voice chart. This account started in 1995 with \$1000 and had some early growth but nothing much since 2010. We cut the Getty share of the award back in 2015 in order to build the fund.

Slide 16. Claudette Sorel was a concert pianist who sought equal rights for women in the arts. In the beginning (1992), she put \$1886 into the fund but gave an additional amount of \$350 each year to pay the award. She died in 1999. In 2019, the fund sat at \$9661. The Endowment committee voted to put an additional \$1000 into the historic amount of this fund bringing it over \$10,000. We also lowered the amount of the share to allow the fund to grow.

Slide 17. The Mack Endowment came to us out of the blue. When we received all the installments, there was \$757,000 and all designated to singing awards. Therefore the board gives 3 awards at Chautauqua, 2 at Inspiration Point, plus the vocal performance awards at all levels and major portions of the two vocal Young Artist awards.

Slide 18. This is a bar graph of the uses of the Agnes Fowler Endowment which has about \$513,000 in the fund. Not all of these are given each year but we must plan for the max just in case. You will notice that except for Young Artist and Student/Collegiate auditions, the rest of the awards are given annually.

This ends the 2019 convention presentation on NFMC finances.

Slide 19 is contact information.