GRANT FUNDING REQUEST FOR COMMUNITY SERVICE ORGANIZATIONS

2017 FUNDING REQUEST/CERTIFICATION FORM

ORGANIZATION NAME: Valdez Museum & Historical Archive Association, Inc. PHONE: 907-835-2764

ADDRESS: 217 Egan Drive, PO Box 8, Valdez, Alaska ZIP: 99686

CONTACT PERSON: Patricia Relay PHONE: 907-835-2764

CONTACT PERSON E-MAIL: prelay@valdezmuseum.org

PROGRAM TITLE: Valdez Museum & Historical Archive

FUNDING REQUEST FOR 2017: $462,500.00

1. Non-Profit Corporation? Yes X No ____
   Date of incorporation: 1996 Federal Tax ID #: 92-0159463

2. Organization's estimated TOTAL 2017 operating budget: $660,625.00

3. Historical Funding and Membership Information

	Total CSO Budget	City Funding	City % of Total	# of Members
2014	731,336.00	425,000.00	58%	106
2015	755,525.00	425,000.00	56%	114
2016	698,780.00	455,000.00	65%	117
2017	660,625.00	462,500.00	70%	125

4. What was previous grant funding used for? Be specific.

Previous grant funding was used for the management and operations of the Valdez Museum & Historical Archive's two locations: 217 Egan Drive and 436 Hazelet Street, Valdez, Alaska. Specifically, the funds were used for payroll expenses (wages/salaries, taxes, and benefits), utilities (electric and heating oil), and general operating supplies.

ATTACHMENTS: (label as indicated)

- Copy of your organization's most recent fiscal year end financial statements including balance sheet and profit and loss, and sources and uses of revenues. These statements must also show all accumulated fund balances for all of the organization's assets. (label page 2)
- Copy of balance sheets from three prior fiscal years. (label page 3)
- Copy of your organization's estimated current operating budget, including revenues and expenditures. (label page 4)
- Copy of proposed 2017 budget, including revenues and expenditures. (label page 5)
- Copy of your organization's balance sheet and profit and loss as of 6/30/2016

CERTIFICATION: (must be signed by both individuals)

I certify that the information contained in this application, including all attachments and supporting materials, is true and correct to the best of my knowledge.

Patricia Reeg — 8/30/2016

EXECUTIVE DIRECTOR (or equivalent) — DATE

Michelle Cullen — 8-30-2016

PRESIDENT, BOARD OF DIRECTORS (or equivalent) — DATE

Recent Total Organization Financial Statement

Valdez Museum & Historical Archive Association, Inc.

(A Component Unit of the City of Valdez, Alaska)

Statements of Revenues, Expenses and Changes in Net Position

Years Ended December 31,	2015	2014
Operating revenues:		
City funds	$ 425,000	$ 425,000
Grants	15,000	73,460
Donations	106,009	34,067
Admissions	59,074	61,858
Merchandise sales	25,909	30,453
Fundraising	40,771	35,300
Memberships and fees	10,916	11,611
Miscellaneous	6,471	6,714
Total operating revenues	689,150	678,463
Operating expenses:		
Payroll and related expenses	389,706	390,729
Collections and exhibits	81,742	87,137
Utilities	44,677	56,988
Professional fees	32,096	31,061
Fundraising expenses	27,256	30,380
Insurance	21,062	21,732
Merchandise for resale	13,974	19,128
Supplies	12,148	16,636
Janitorial expenses	12,000	15,017
Travel	11,960	9,367
Retirement plan contributions	11,908	12,263
Depreciation	11,007	12,407
Telephone and fax	10,120	10,418
Advertising	9,944	9,277
Education and public programs	9,869	11,161
Store discounts and fees	7,741	4,726
Dues, subscriptions and memberships	6,666	5,975
Printing and reproduction	6,467	7,380
Postage and freight	2,637	4,260
Professional development	1,837	1,920
Minor equipment	1,346	2,062
Rent	910	10
Vehicle expenses	655	667
Board expenses	345	876
Miscellaneous expenses	1,386	537
Total operating expenses	729,459	762,114
Operating loss	(40,309)	(83,651)
Nonoperating revenues - interest income	2,102	1,744
Change in net position	(38,207)	(81,907)
Net Position, beginning of year	292,169	374,076
Net Position, end of year	$ 253,962	$ 292,169

See accompanying notes to financial statements.

VALDEZ MUSEUM
HISTORICAL ARCHIVE

Three Prior Year's Balance Sheets

Valdez Museum & Historical Archive

Balance Sheet

As of December 31, 2015

	Dec 31, 15
ASSETS	
Current Assets	
Checking/Savings	
1023 · CD - 61243443 Reserve Acct	59,018.12
1018 · 1st National Checking	0.00
1020 · CD 61248942 Gen Ops	16,754.13
1021 · CD 61215021 -Phyllis Irish	65,713.25
1022 · 10950 Cash in Drawer	715.69
1001 · Cash In Bank-Operating-WFargo	9,526.39
1003 · Cash In Bank - CMC Savings	38,420.87
1010 · Cash In Bank-WF-Gaming Account	6,062.55
Total Checking/Savings	196,211.00
Accounts Receivable	
1501 · Accounts Receivable	2,010.00
Total Accounts Receivable	2,010.00
Other Current Assets	
1502 · Museum Endowment Fund	784,132.00
Cash on Hand	719.05
2002 · 1120 Inventory Asset	21,993.65
2501 · Prepaid Insurance	20,929.00
Total Other Current Assets	827,773.70
Total Current Assets	1,025,994.70
Fixed Assets	
4000 · Construction in Progress	25,199.00
4001 · Fixed Assets	50,720.21
Total Fixed Assets	75,919.21
Other Assets	
Merchandise Inventory	25.00
Total Other Assets	25.00
TOTAL ASSETS	1,101,938.91
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
5501 · 2000 Accounts Payable	11,865.85
Total Accounts Payable	11,865.85
Credit Cards	
5505 · Bank of America Business Card	2,834.49
Total Credit Cards	2,834.49
Other Current Liabilities	
5503 · Loss on Disposal of Assets	-174.03
5504 · 24700 Customer Deposits	34.00
6601 · Deferred Revenue	24,114.00
6002 · Leave Payable	14,634.30
6003 · 2100 Payroll Liabilities	11,038.62
Total Other Current Liabilities	49,646.89
Total Current Liabilities	64,347.23
Total Liabilities	64,347.23
Equity	

Valdez Museum & Historical Archive

Balance Sheet

As of December 31, 2015

	Dec 31, 15
7503 · Museum Endowment Fund Equity	784,132.00
8079 · Contributed Capital	91,636.18
3000 · Opening Bal Equity	33.93
7502 · 3900 Retained Earnings	200,498.54
Net Income	-38,708.97
Total Equity	1,037,591.68
TOTAL LIABILITIES & EQUITY	1,101,938.91

Valdez Museum & Historical Archive

Balance Sheet

As of December 31, 2014

	Dec 31, 14
ASSETS	
Current Assets	
Checking/Savings	
1023 · CD - 61243443 Reserve Acct	58,654.46
1018 · 1st National Checking	0.00
1020 · CD 61248942 Gen Ops	31,191.12
1021 · CD 61215021 -Phyllis Irish	64,551.33
1022 · 10950 Cash in Drawer	248.10
1001 · Cash In Bank-Operating-WFargo	2,154.56
1003 · Cash In Bank - CMC Savings	59,862.20
1010 · Cash In Bank-WF-Gaming Account	4,252.55
Total Checking/Savings	220,914.32
Accounts Receivable	
1501 · Accounts Receivable	30,245.00
Total Accounts Receivable	30,245.00
Other Current Assets	
1502 · Museum Endowment Fund	776,538.17
Cash on Hand	757.70
2002 · 1120 Inventory Asset	24,237.72
2501 · Prepaid Insurance	19,837.00
Total Other Current Assets	821,370.59
Total Current Assets	1,072,529.91
Fixed Assets	
4001 · Fixed Assets	61,727.02
Total Fixed Assets	61,727.02
TOTAL ASSETS	1,134,256.93
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
5501 · 2000 Accounts Payable	5,765.63
Total Accounts Payable	5,765.63
Credit Cards	
5502 · Wells Fargo Mastercard	-252.07
Total Credit Cards	-252.07
Other Current Liabilities	
5503 · Loss on Disposal of Assets	-174.03
5504 · 24700 Customer Deposits	34.00
6601 · Deferred Revenue	27,364.00
6002 · Leave Payable	9,718.81
6003 · 2100 Payroll Liabilities	11,037.38
Total Other Current Liabilities	47,980.16
Total Current Liabilities	53,493.72
Total Liabilities	53,493.72
Equity	
7503 · Museum Endowment Fund Equity	776,538.17
8079 · Contributed Capital	91,636.18
3000 · Opening Bal Equity	33.93
7502 · 3900 Retained Earnings	282,405.83
Net Income	-69,850.90

Valdez Museum & Historical Archive

Balance Sheet

As of December 31, 2014

	Dec 31, 14
Total Equity	1,080,763.21
TOTAL LIABILITIES & EQUITY	1,134,256.93

Valdez Museum & Historical Archive

Balance Sheet

As of December 31, 2013

	Dec 31, 13
ASSETS	
Current Assets	
Checking/Savings	
1018 · 1st National Checking	58,649.29
1020 · CD 61248942 Gen Ops	30,639.61
1021 · CD 61215021 -Phyllis Irish	63,409.95
1022 · 10950 Cash in Drawer	1,079.97
1001 · Cash In Bank-Operating-WFargo	2,652.55
1003 · Cash In Bank - CMC Savings	103,471.98
1010 · Cash In Bank-WF-Gaming Account	2,072.19
Total Checking/Savings	261,975.54
Other Current Assets	
1502 · Museum Endowment Fund	740,526.90
Cash on Hand	823.31
2002 · 1120 Inventory Asset	17,554.49
2501 · Prepaid Insurance	18,312.00
1017 · Undeposited Funds	-45,240.42
Total Other Current Assets	731,976.28
Total Current Assets	993,951.82
Fixed Assets	
4001 · Fixed Assets	74,134.49
Total Fixed Assets	74,134.49
TOTAL ASSETS	1,068,086.31
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
5501 · 2000 Accounts Payable	3,984.13
Total Accounts Payable	3,984.13
Credit Cards	
5502 · Wells Fargo Mastercard	-2,076.85
Total Credit Cards	-2,076.85
Other Current Liabilities	
5503 · Loss on Disposal of Assets	-174.03
5504 · 24700 Customer Deposits	34.00
6601 · Deferred Revenue	27,364.00
6002 · Leave Payable	9,718.81
6003 · 2100 Payroll Liabilities	12,501.64
Total Other Current Liabilities	49,444.42
Total Current Liabilities	51,351.70
Total Liabilities	51,351.70
Equity	
7503 · Museum Endowment Fund Equity	740,526.90
8079 · Contributed Capital	91,636.18
7502 · 3900 Retained Earnings	288,769.84
Net Income	-104,198.31
Total Equity	1,016,734.61
TOTAL LIABILITIES & EQUITY	1,068,086.31

VALDEZ MUSEUM
HISTORICAL ARCHIVE

Current Operating Budget for Total Organization

9:52 AM
08/11/16
Accrual Basis

Valdez Museum & Historical Archive

Profit & Loss Budget Overview

January through December 2016

		Jan - Dec 16
Ordinary Income/Expense		
Income		
8003 · Fund Development		
8004 · Corporate Sponsorship		12,500.00
8060 · Roadhouse Dinner		20,000.00
8021 · Annual Appeal		5,000.00
8061 · Membership		10,000.00
4030 · Donations Income		
8062 · 6145 In-Kind Income	20,000.00	
8001 · Restricted	66,750.00	
8002 · Unrestricted	11,500.00	
Total 4030 · Donations Income		98,250.00
8152 · Fundraising		
8023 · Designated	500.00	
8005 · Undesignated	0.00	
Total 8152 · Fundraising		500.00
8003 · Fund Development - Other		0.00
Total 8003 · Fund Development		146,250.00
8024 · Earned Revenue		
8025 · Program Fees		
8025.2 · Supply Fees	200.00	
8025.1 · Enrollment Fees	2,500.00	
Total 8025 · Program Fees		2,700.00
4120 · Museum Fees		
8026 · Admissions	55,000.00	
8009 · Admission Fees	6,250.00	
8010 · Archival Fees	1,000.00	
8159 · Space Rental	1,500.00	
4126 · Other	0.00	
Total 4120 · Museum Fees		63,750.00
8027 · Store Sales		
Print	50.00	
Body & Bath Products	500.00	
Playing cards	100.00	
Yo-YOs	200.00	
Seeds	50.00	
Ornament	75.00	
Patterns	75.00	
Candy	75.00	
Maps	50.00	
Umbrella	40.00	
Zipper Pulls	600.00	
Gold Vials	225.00	
Jewelry	1,500.00	
Video/Audio	175.00	
8063 · Copies/Fax	50.00	
Mugs	20.00	
8064 · Galley Sales	500.00	
8164 · Miscellaneous	500.00	
8165 · Audio/Video	1,500.00	
8166 · Post Cards	200.00	
8167 · Plush/Puppets	750.00	
8012 · Cards	250.00	
8013 · Books	7,500.00	
8014 · Childrens Books	400.00	
8015 · Gallery Sales	225.00	

Valdez Museum & Historical Archive

Profit & Loss Budget Overview

January through December 2016

		Jan - Dec 16
8017 · Other Items	100.00	
8027 · Store Sales - Other	11,000.00	
Total 8027 · Store Sales		26,710.00
48600 · Service Sales		
486001 · Shipping	20.00	
Total 48600 · Service Sales		20.00
Total 8024 · Earned Revenue		93,180.00
4200 · Grants		
8032 · 4110 City of Valdez	455,000.00	
8006 · State of Alaska	3,000.00	
8033 · Foundation	14,000.00	
Total 4200 · Grants		472,000.00
8501 · 7015 Interest Income		
Reserve Acct. CD	375.00	
Capital Equip CD	275.00	
Phyllis Irish Memorial Fund CD	1,200.00	
8501 · 7015 Interest Income - Other	0.00	
Total 8501 · 7015 Interest Income		1,850.00
8008 · Miscellaneous Income		0.00
8011 · Reimbursed Expenses		2,000.00
Total Income		715,280.00
Cost of Goods Sold		
8102 · Gallery Commission		1,500.00
8101 · Cost of Goods Sold		15,000.00
Total COGS		16,500.00
Gross Profit		698,780.00
Expense		
8036.3 · Facility Planning		50,000.00
760 · Passthrough Donations		1,750.00
8036.2 · Volunteer Expense		500.00
8036 · Fundraising Expenses		12,000.00
8036.1 · Membership		3,000.00
8037 · IT Services		17,000.00
8039 · Education		3,000.00
8040 · Collections		
8043.1 · Intern	0.00	
8042 · Collections Supplies	1,500.00	
8043 · Acquisitions	750.00	
Total 8040 · Collections		2,250.00
9001 · POS Inventory Adjustments		100.00
9002 · Freight and Shipping Costs		1,250.00
8103 · Personnel Expenses		
8104 · Salaries & Wages	274,698.96	
8105 · ESC Payroll Tax	3,900.00	
8106 · FICA Payroll Tax	22,275.00	
8107 · 403(b) - Employer	12,176.76	
8108 · Health Insurance	97,200.00	
Total 8103 · Personnel Expenses		410,250.72
8044 · Contract Labor		7,000.00
8110 · Professional Fees		
8045 · Accounting	14,000.00	
8065 · Legal Fees	1,000.00	

Valdez Museum & Historical Archive

Profit & Loss Budget Overview

January through December 2016

		Jan - Dec 16
Total 8110 · Professional Fees		15,000.00
8113 · Vehicle Expense		750.00
8047 · Janitoral Services		
8114 · General Janitoral	12,000.00	
Total 8047 · Janitoral Services		12,000.00
8048 · Utilities		
8115 · Electric	27,750.00	
8116 · Heating Oil	21,500.00	
8117 · Water	280.00	
Total 8048 · Utilities		49,530.00
8118 · Telephone		
8124 · Conference Line	100.00	
8119 · Fax	500.00	
8120 · Internet	4,250.00	
8121 · Local Service	4,200.00	
8122 · Long Distance	2,250.00	
Total 8118 · Telephone		11,300.00
8123 · Postage and Delivery		2,000.00
8049 · Supplies		
8125 · Technology	2,500.00	
8126 · Office Supplies	2,500.00	
8127 · Operating	5,500.00	
Total 8049 · Supplies		10,500.00
Exhibits		
8050 · Special Projects	3,000.00	
8051 · Permanent Exhibits	1,739.28	
8052 · Temporary Exhibits	3,000.00	
Total Exhibits		7,739.28
8130 · Dues and Subscriptions		4,000.00
8131 · Printing and Reproduction		6,000.00
8053 · Advertising/Marketing		7,000.00
8133 · Board Expense		100.00
8134 · Rent		
8056.1 · Storage Rent	900.00	
8055 · Building Lease	10.00	
Total 8134 · Rent		910.00
6185 · Insurance		
8137 · Liability Insurance	23,500.00	
Total 6185 · Insurance		23,500.00
8138 · Credit Card Fees		5,000.00
8139 · Bank Service Charges		100.00
8140 · Equipment		
8170 · Office Equipment	500.00	
8141 · Operating Equipment	1,000.00	
Total 8140 · Equipment		1,500.00
8056 · Travel		
8142 · Meals	400.00	
8143 · Travel	6,350.00	
Total 8056 · Travel		6,750.00
8144 · Training & Education		1,500.00
8145 · Licenses and Permits		500.00
8148 · Contributions		

Valdez Museum & Historical Archive

Profit & Loss Budget Overview

January through December 2016

	Jan - Dec 16
8057 · In-Kind Expenses	20,000.00
Total 8148 · Contributions	20,000.00
8150 · Depreciation Expense	0.00
Funds Transfer Expense	0.00
8058 · Public Programs	5,000.00
Total Expense	698,780.00
Net Ordinary Income	0.00
Other Income/Expense	
Other Expense	
8180 · Balancing Adjustments	0.00
Total Other Expense	0.00
Net Other Income	0.00
Net Income	0.00

Proposed 2017 Operating Budget

Valdez Museum & Historical Archive

Profit & Loss Budget Overview

January through December 2017

			Jan - Dec 17	
Ordinary Income/Expense				
Income				
8003 · Fund Development				
8004 · Corporate Sponsorship			10,750.00	
8060 · Roadhouse Dinner				
8060 · Roadhouse Dinner - Other		20,000.00		
Total 8060 · Roadhouse Dinner			20,000.00	
8021 · Annual Appeal			5,000.00	
8022 · Raffle			0.00	
8061 · Membership				
8061 · Membership - Other		10,000.00		
Total 8061 · Membership			10,000.00	
4030 · Donations Income				
8062 · 6145 In-Kind Income		20,000.00		
In-Kind		0.00		
8001 · Restricted		18,500.00		
8002 · Unrestricted		11,500.00		
Total 4030 · Donations Income			50,000.00	
8152 · Fundraising				
8023 · Designated				
8023 · Designated - Other	250.00			
Total 8023 · Designated		250.00		
8005 · Undesignated		0.00		
Total 8152 · Fundraising			250.00	
8003 · Fund Development - Other			0.00	
Total 8003 · Fund Development				96,000.00
8024 · Earned Revenue				
8025 · Program Fees				
8025.1 · Enrollment Fees		2,500.00		
Total 8025 · Program Fees			2,500.00	
4120 · Museum Fees				
8026 · Admissions		55,000.00		
8009 · Admission Fees				
8009 · Admission Fees - Other	7,000.00			
Total 8009 · Admission Fees		7,000.00		
8010 · Archival Fees		2,000.00		
8159 · Space Rental		1,500.00		
Total 4120 · Museum Fees			65,500.00	
8027 · Store Sales				
Print		100.00		
Body & Bath Products		500.00		
Playing cards		100.00		
Yo-YOs		200.00		
Seeds		50.00		
Ornament		75.00		
Patterns		75.00		
Candy		150.00		
Maps		50.00		
Umbrella		80.00		
Zipper Pulls		600.00		
Gold Vials		225.00		
Sackeye Salmon		500.00		
Jewelry		1,500.00		
8029 · Fundraising		0.00		

Valdez Museum & Historical Archive

Profit & Loss Budget Overview

January through December 2017

			Jan - Dec 17
Video/Audio		175.00	
8063 · Copies/Fax		50.00	
Mugs		20.00	
8064 · Galley Sales		500.00	
8164 · Miscellaneous		500.00	
8165 · Audio/Video		1,500.00	
8166 · Post Cards		200.00	
8167 · Plush/Puppets		750.00	
8012 · Cards		250.00	
8013 · Books		7,500.00	
8014 · Childrens Books		400.00	
8015 · Gallery Sales			
8015 · Gallery Sales - Other	500.00		
Total 8015 · Gallery Sales		500.00	
8017 · Other Items			
8017 · Other Items - Other	100.00		
Total 8017 · Other Items		100.00	
8027 · Store Sales - Other		11,000.00	
Total 8027 · Store Sales			27,650.00
48600 · Service Sales			
486001 · Shipping		50.00	
Total 48600 · Service Sales			50.00
Total 8024 · Earned Revenue			95,700.00
4200 · Grants			
8032 · 4110 City of Valdez		462,500.00	
8006 · State of Alaska		7,100.00	
8033 · Foundation		13,000.00	
Total 4200 · Grants			482,600.00
8501 · 7015 Interest Income			
Reserve Acct. CD		370.00	
Capital Equip CD		35.00	
Phyllis Irish Memorial Fund CD		420.00	
Total 8501 · 7015 Interest Income			825.00
8008 · Miscellaneous Income			0.00
8011 · Reimbursed Expenses			2,000.00
4320 · Funds Transfer Income			0.00
Total Income			677,125.00
Cost of Goods Sold			
8102 · Gallery Commission			1,500.00
8101 · Cost of Goods Sold			15,000.00
Total COGS			16,500.00
Gross Profit			660,625.00
Expense			
8036.3 · Facility Planning			0.00
760 · Passthrough Donations			0.00
8036.2 · Volunteer Expense			500.00
8036 · Fundraising Expenses			10,500.00
8036.1 · Membership			3,000.00
8037 · IT Services			17,000.00
8039 · Education			3,000.00
8040 · Collections			
8043.1 · Intern		6,700.00	
8041 · Conservation		0.00	
8042 · Collections Supplies		1,500.00	

Valdez Museum & Historical Archive

Profit & Loss Budget Overview

January through December 2017

		Jan - Dec 17
8043 · Acquisitions	500.00	
Total 8040 · Collections		8,700.00
9000 · Reconciliation Discrepancies		0.00
9001 · POS Inventory Adjustments		100.00
9002 · Freight and Shipping Costs		1,250.00
8103 · Personnel Expenses		
8104 · Salaries & Wages	285,207.00	
8105 · ESC Payroll Tax	3,900.00	
8106 · FICA Payroll Tax	22,275.00	
8107 · 403(b) - Employer	12,858.10	
8108 · Health Insurance	96,000.00	
Total 8103 · Personnel Expenses		420,240.10
8044 · Contract Labor		7,000.00
8110 · Professional Fees		
8045 · Accounting	18,000.00	
8065 · Legal Fees	1,000.00	
Total 8110 · Professional Fees		19,000.00
8113 · Vehicle Expense		750.00
8047 · Janitoral Services		
8114 · General Janitoral	12,000.00	
Total 8047 · Janitoral Services		12,000.00
8048 · Utilities		
8115 · Electric	25,000.00	
8116 · Heating Oil	21,000.00	
8117 · Water	280.00	
Total 8048 · Utilities		46,280.00
8118 · Telephone		
8124 · Conference Line	100.00	
8119 · Fax	500.00	
8120 · Internet	4,250.00	
8121 · Local Service	4,200.00	
8122 · Long Distance	1,200.00	
Total 8118 · Telephone		10,250.00
8123 · Postage and Delivery		
8123 · Postage and Delivery - Other	2,000.00	
Total 8123 · Postage and Delivery		2,000.00
8049 · Supplies		
8125 · Technology	2,500.00	
8126 · Office Supplies	2,500.00	
8127 · Operating	5,500.00	
Total 8049 · Supplies		10,500.00
Exhibits		
8050 · Special Projects	0.00	
8051 · Permanent Exhibits	2,000.00	
8052 · Temporary Exhibits	3,494.90	
Total Exhibits		5,494.90
8130 · Dues and Subscriptions		4,000.00
8131 · Printing and Reproduction		6,000.00
8053 · Advertising/Marketing		7,500.00
8133 · Board Expense		100.00
8134 · Rent		
8056.1 · Storage Rent	900.00	
8055 · Building Lease	10.00	

Valdez Museum & Historical Archive

Profit & Loss Budget Overview

January through December 2017

	Jan - Dec 17	
Total 8134 · Rent		910.00
6185 · Insurance		
8137 · Liability Insurance	23,500.00	
Total 6185 · Insurance		23,500.00
8138 · Credit Card Fees		5,000.00
8139 · Bank Service Charges		50.00
8140 · Equipment		
8170 · Office Equipment	500.00	
8141 · Operating Equipment	1,000.00	
Total 8140 · Equipment		1,500.00
8056 · Travel		
8142 · Meals	1,000.00	
8143 · Travel	6,500.00	
Total 8056 · Travel		7,500.00
8144 · Training & Education		1,500.00
8145 · Licenses and Permits		500.00
8148 · Contributions		
8057 · In-Kind Expenses	20,000.00	
Total 8148 · Contributions		20,000.00
8058 · Public Programs		5,000.00
Total Expense		660,625.00
Net Ordinary Income		0.00
Other Income/Expense		
Other Expense		
8149 · Other Expenses		
8149 · Other Expenses - Other	0.00	
Total 8149 · Other Expenses		0.00
Total Other Expense		0.00
Net Other Income		0.00
Net Income		0.00

PROGRAM INFORMATION

ORGANIZATION NAME: Valdez Museum & Historical Archive Association, Inc.

Program Title: Valdez Museum & Historical Archive (VMHA)

Complete section below. Limit comments to this page.

1. Summarize the program you are proposing. (You will provide the details in the scope of services form.)

   The mission of the VMHA is to safeguard our community's valuable heritage materials; foster broad public understanding and appreciation of our unique heritage; celebrate our community's past and provide context for its future; encourage a sense of community pride; and enhance the quality of life by fostering and supporting cultural artistic programs for the purpose of heritage preservation, education and economic development.

2. Briefly, but specifically, describe why the program to be funded under this proposal is needed and how it will benefit the Valdez community. Is this a new or existing program? How have you determined the need for your program?

   The Valdez Museum is not a new program. The Museum serves a vital role in the economic development of the City of Valdez, acting as a conduit for the information of local knowledge, historic knowledge and common interests with the local community and visitors, the Museum is an institution that is relied upon to present the heritage and culture of the community to the general public. The need is determined by increased visitations and community feedback.

3. Is this program year-round, seasonal, or a one-time event? YEAR AROUND
   Schedule: Beginning date: 01/01/2017 Ending date: 12/31/2017

4. Estimated number of people to be served by this program? 25,743
   Provide formula for estimate:

   General Admissions as of 8/10/2016; 11,517 + projected remaining year 13,497+ Education & Public Programs 729 = 25,743

5. Target population served: (ie: youth, adult, Senior Citizens, disadvantaged, etc.)

   Made up of both local and tourists, we are multi-generational. No one population served.

6. Is membership in your organization required for participation: Yes____ No X

7. Fee to participant: Member $ FREE Non-Member $ VARIABLE

8. Number of paid program staff: Full-time 4 Part-time 3 Temporary 4

ORGANIZATION NAME: Valdez Museum & Historical Archive Association, Inc.

Program Information (continued)

9. Volunteer Services Information:

Number of volunteers:		
	Actual 2014	56
	Actual 2015	57
	Anticipated 2016	52
	Estimated 2017	50

Source of volunteers (parents, members, professionals, others):

We have a wide range of people who volunteer at the Valdez Museum: parents, teens, teachers, business professionals, Coast Guard, missionaries, and retired individuals.

Types of services provided by volunteers:

Volunteers provide assistance as education aides, event coordination planning and setup, exhibit preparation, collections management, mailings, and winter readiness.

10. Where will you operate this program? What facilities?

In addition to the Museum's two primary locations, 217 Egan Drive and 436 S. Hazelet, the Museum conducts programs at, Valdez City Schools, the Valdez Civic Center, Old Town Valdez, PWSCC, and the Visitors Center to name a few.

11. What is the specific impact on your program if City funding is available at the following percentages of your request?

75% Elimination of Communication & Marketing Manager, Curatorial Assistant, reduction of summer staff and elimination of year around part time attendant.

50% Elimination of Curator of Collections & Exhibits, Curator of Education & Public Programs, Communication & Marketing Manager, Curatorial Assistant, reduction in hours of Museum Services Manager and summer staff

25% All professional staff would be eliminated. The only paid position would be the Museum Service Manager at .75 FTE

0% The Museum would need to be run by all volunteers, All earned revenue would need to support general operations. Year around operations would not be possible.

12. The City is prohibited from contracting with businesses or persons that violate the Americans with Disabilities Act (ADA). What methods does your organization employ to comply with the requirements of ADA?

Museum staff responsible for exhibit installation are versed in ADA requirements and make accessibility a priority when setting up exhibitions. Exhibits are designed to be compliant with ADA needs, including wheelchair accessibility and general public egress. Museum attendants are available to assist visitors with special needs, including reading labels for the visually impaired, pushing wheelchairs and describing exhibits. There is ample room to navigate through the galleries.

ORGANIZATION NAME: Valdez Museum & Historical Archive Association, Inc.

Program Information (continued)

13. Any other comments you would like to make about your program?

Over the last year the Museum Board of Directors and Staff continue to work hard to not only expand our reach to summer visitors, but deepen our relationship with the local community. 2016 has not only been a year that the Valdez Museum continued to sustain and grow our mission driven program of work, but also are nearly complete with a pre-planning phase for a museum capital project that strives to create a museum facility which will contribute to our community's image and wellbeing.

Hitting the ground running, the year started off with exhibit changeovers, workshops, presentations, preparing non-City grants, coordination of upcoming programs & exhibits, and facility planning. As the year continues to unfold we remain resolute in our efforts to bring people together through collaborative efforts with the Valdez City Schools, Pioneers of Alaska, Gold Rush Days, and home school programs to name a few.

Here are a few highlights of what we have been up to at the Valdez Museum We are delighted to report that the Museum has seen an increases in both general admissions and program fees. To date general admissions have increased by 7% and program fees have increased by 52% At the time of this report, Found and Assembled, featuring recycled art by contemporary Alaskan artists, is on display in the Egan Commons at the Museum. Curated by the Anchorage Museum, the show runs from May – September 2016. I hope that you can stop by to see the great works of art from some of Alaska's best contemporary artists. In addition to Found and Assembled, here are a few other highlights: Supported in part by the United Way of Valdez, we hosted summer camp the first part of June, featuring interactive arts and history activities. Bringing together a fabulous group of kids aged 5 through 13, the theme dovetailed with "Found and Assembled." Campers crafted, gathered, assembled and made, then learned about the history of the region. One child quipped that she would pay $1000 to attend. We'd better raise our rates! After two years of development, our online interactive walking tour of Old Town Valdez has been launched. This project has been funded by a generous individual donation.
http://www.valdezmuseum.org/dev/category/education/old-town-walking-tour/#14 In the fall, Decolonizing Alaska, featuring artwork that addresses a host of issues relevant to Alaskans, will be on display. Curated by the Bunnel Street Gallery in Homer, the exhibit will run from September 9-October 23, 2016. Once again, in the fall, we will be partnering with KCHU Radio and the Valdez Library on Big Read. Featuring The Maltese Falcon, the Museum will host speaker, offer lessons for grades four and nine through twelve drawing on the museum's collections; and host Night at the Museum Mystery. Throughout the year the Valdez Museum's Education and Public Programs department will continue its commitment to serve the Valdez community through an enhanced museum program by supporting Valdez City Schools in the classroom and at the museum; grow connections with homeschool families, ; continue serving children who live remotely; give guided walking tours; and offer summer camp and other summer programs.
Always looking for new and creative ways to raise awareness of the Museum, we are collaborated with the City of Valdez Parks Department for the first annual 5K Run/Walk in Old Town

This is just a small sample of what we have been up to at the Valdez Museum in the past year. The Board of Directors and Staff look forward to sharing more at our Annual Meeting with the City Council on Wednesday, October 19, 2016 at 7:00 p.m.

Grant Award History and Current-Year Request

	2015		2016			2017
	Award	Actual	Award	Estimate	Unspent	Request
Personnel & Prof Svcs						
Personnel	389,397.31	401,613.65	410,250.72	410,250.72		420,240.10
Legal						
Accounting						
Insurance						
Dues						
Other						
Total	389,397.31	401,613.65	410,250.72	410,250.72		420,240.10
Program Expenses						
Contract Services	67,500	17,500		50,000		
Supplies						
Promotion						
Other						
Total	37,500	17,500		50,000		
Building, Supplies, Equip.						
Rent						
Utilities	35,602.69	23,386.35	44,749.28	44,749.28		42,259.90
Supplies						
Equipment, Capital						
Maintenance						
Printing, Promotion						
Other						
Total	35,602.69	23,386.35	44,749.28	44,749.28		42,259.90
Grand Total	492,500	442,500	455,000	505,000		462,500.00

ORGANIZATION NAME: Valdez Museum & Historical Archive Association, Inc.

OPERATING EXPENSES OF PROPOSED PROGRAM
(Budget Form #1)

Program Expenses:	Budget	Breakdown
PERSONAL SERVICES:	$ 420,240.10	
Salaries/wages		$ 285,207.00
Employee benefits		$ 122,175.00
Other: 403(B) Retirement Plan, Employer		$ 12,858.10
CONTRACTUAL SERVICES:	$ 77,030.00	
Reproduction/copying		$ 6,000.00
Equipment rental		$ 0
Data processing		$ 0
Dues/subscriptions		$ 4,000.00
Contractual services		$ 42,700.00
Professional fees & services		$ 19,000.00
Other: Credit Card/Bank Fees & Water		$ 5,330.00
OTHER SERVICES:	$ 93,250.00	
Volunteer services		$ 500.00
Communications/postage		$ 12,250.00
Printing		$ 6,000.00
Advertising/promotion		$ 7,500.00
Electricity		$ 25,000.00
Heating		$ 21,000.00
Travel/transportation		$ 7,500.00
Other: Fundraising & Membership Expenses		$ 13,500.00
COMMODITIES:	$ 20,194.90	
Clothing		$ 0
Office supplies		$ 2,500.00
Building maintenance		$ 0
Operating supplies		$ 12,194.90
Parts & supplies - equipment		$ 5,500.00
OTHER CHARGES/EXPENSES:	$ 49,910.00	
Insurance		$ 23,500.00
Contingencies		$ 0
Training		$ 1,500.00
Rent		$ 910.00
Capital equipment		$ 3,500.00
Office equipment		$ 500.00
Other expenses: In-Kind Expenses		$ 20,000.00
TOTAL COST FOR OPERATION OF THIS PROGRAM:	$ 660,625.00	

ORGANIZATION NAME: Valdez Museum & Historical Archive Association, Inc.

FUNDING SOURCES FOR PROPOSED PROGRAM
(Budget Form #2)

This program budget covers the period of January 1, 2017 to December 31, 2017

SOURCES OF PROGRAM FUNDING	GOAL AMOUNT	%	COMMITTED (Y/N)
Parent Organization	$ 0	0%	---
Gifts and Contributions	$ 46,600.00	7%	N
Membership Dues	$ 10,000.00	2%	N
Fees & charges to participants	$ 68,000.00	10%	N
Private sector grants (specify source and date of award)			
AK STATE COUNCIL ON THE ARTS	$ 3,000.00	.5%	N
AK STATE GRANT IN AID	$ 4,400.00	.5%	Y
UNITED WAY - VALDEZ	$ 11,000.00	2%	N
Fundraisers (specify major fundraising events/programs)			
ROADHOUSE DINNER & FUNDRAISER	$ 20,000.00	2.5%	N
APPEALS & DESIGNATED FUNDRAISING	$ 5,250.00	.5%	N
STORE SALES & MISC. INCOME	$ 30,475.00	5%	N
Subtotal of Financial Support for this program:	$ 198,172.00	30%	
Supplemental Funding Requested from City of Valdez:	$ 462,500.00	70%	
TOTAL FUNDING FOR OPERATION OF THIS PROGRAM:	$ 660,625.00	**100%**	

NOTE: Projected program financial support should meet or exceed projected program expenditures. If not, you must provide an explanation. If the financial support is projected to exceed the expenditures by a substantial amount, please provide an explanation as to why grant funds are being requested for this program.

ORGANIZATION NAME: Valdez Museum & Historical Archive Association, Inc.

SCOPE OF SERVICES

Timeline OUTCOMES for 2017 (What do you plan to accomplish in 2017 - be specific)

Through a vibrant collections stewardship, exhibitions, and multi-generational education programs, the Valdez Museum & Historical Archive (VMHA) preserves, presents, and interprets the City of Valdez's historical and art collections. The collections consists of approximately 75,000+ items ranging from large artifacts, photographs, contemporary works of art, multi-media, maps, small artifacts and paper archives covering the entire time line of Valdez from Pre-Russian contact to present day all of which are cared for by the Valdez Museum & Historical Archive Association, Inc. staff and volunteers.

The mission of the VMHA is to safeguard our community's valuable heritage materials; foster broad public understanding and appreciation of our unique heritage; celebrate our community's past and provide context for its future; encourage a sense of community pride; and enhance the quality of life by fostering and supporting cultural and artistic programs for the purposes of heritage preservation, education and economic development.

The VMHA Board and Staff work year round in the following areas on behalf of the City of Valdez:
---Preservation, conservation and development of Collections
---Installation of Permanent and Temporary Exhibits
---Collect oral histories and conduct Research for public
---Development of history programming for the general public and supplemental history curriculum for public, private, and home school children
---Provide Multi-generational Public Programming
---Publish manuscripts from archives for public use.

The museum serves a vital role in the economic development of the City of Valdez. Acting as a conduit for information of local knowledge, historic knowledge and common interests with the local community and visitors, the museum is an institution that is relied upon to present the heritage and culture of the community to the general public.

The Valdez Museum & Historical Archive strives to reach national standards for museums and has an overall desire to increase its educational programming, collections and exhibits. The VMHA continues to strive to fulfill its mission and in addition to the day-to-day operations of managing a year-round facility serving over 20,000 - 25,000 visitors.

Aligned with the Valdez Museum's Strategic Plan, the museum Board and Staff will concentrate on the following scope of work in 2017 (See attached additional pages.) Strategic Plan included.

Attach additional pages if necessary

Definition: Outcome - End product or result accomplished.

ORGANIZATION NAME: **Valdez Museum & Historical Archive Association, Inc.**

SCOPE OF SERVICES

Timeline: Outcomes for 2017 (What do you plan to accomplish in 2017 – be specific).

GOALS FOR 2017

1. **Fundraising Plan** - To accomplish the proposed Scope of Work for 2017 and generate the proposed 30% of non-City funds, the VMHA Board and Staff will work closely to develop a dynamic Fundraising Plan. The Plan will include diverse and strategic methods that will address the changing demographic trends in how individuals, corporations and private sector granting agencies give. In addition to our annual Roadhouse Dinner: we will employ an annual appeal letter; we will find creative fundraising activities such as a "Hurry for History" 5K run walk; we will utilize crowd funding software in partnership with our social media platforms to secure restricted gifts for specific projects; we will strengthen relationships with major donors by hosting an intimate cultivation event in the Pinzon Bar, as well as obtain project centered grants for education programs, collections, exhibits, and capital improvements. A detailed plan will be submitted with our Annual Report and presented to the City Council on Wednesday, October 19, 2016.

2. **Strategic Plan Update** – Looking to the future, the VMHA board members and staff embarked on a two year strategic planning process that came to completion in summer of 2012. The result of this effort was a five year plan. As a working document, the plan has been periodically updated, first in 2014 and more recently in 2015. The Strategic Plan has been a five year road map that articulated the following four goals and associated objectives:

   Goal 1: The Valdez Museum & Historical Archive will be a sustainable organization.
   Goal 2: The Valdez Museum & Historical Archive will have a diverse program.
   Goal 3: The Valdez Museum & Historical Archive will have a dynamic communication program.
   Goal 4: The Valdez Museum & Historical Archive will have a consolidated infrastructure.

   Now that the Plan is due to expire, the Museum Board and Staff will craft a new five year plan that will guide us for the next five years.

3. **Collections & Archives** - "Museums exist to preserve, document and research the material evidence of our world, and make accessible to the public through programs of interpretation, education and exhibition. Everything that museums do flow from their collections." The Manual of Museum Planning Gail Dexter Lord and Barry Lord. At the VMHA, Board and Staff will continue to place a high priority on collections management.

   - **Cataloging Project** – With the continued help of volunteers and interns, the VMHA Curator of Collections & Exhibits will continue work on organizing the 75,000+ collection for accuracy both on the physical shelves and in the collections database. In 2017, the Valdez Museum will continue to target some of the larger bulk collections within the archive backlog, such as the fine art and photograph collections. In continuing the museum's ongoing project of cataloguing and inventory for items on display, inventories are planned for the Gold Rush, Parlor, and Pinzon Bar exhibit areas. The Valdez Museum has confirmed funding through an award from the

Alaska State Museums for the employment of a summer intern who will contribute to the majority of cataloguing efforts for 2017.

- **Outstanding Loans and Found in Collection Objects** – Museum staff are in the process of entering and reconciling records for approximately 4500 old loans of collection items. Data entry for approximately 300 previous, returned loans is anticipated to be completed by November 2016.

  Of the remaining loans, in 2017 Museum staff will attempt to locate the loaned items in the collection. For loans of objects not currently on display but within the museum's interpretive scope, the lenders will be contacted and consulted regarding whether they wish to donate the objects permanently to the collection. Objects donated will be accessioned into the collection; objects for which a return is requested will be returned to the lender. For loaned objects that are deemed out of scope or no longer desired by the museum, lenders will be contacted and objects will be returned to conclude the loan. In the instance that a lender cannot be contacted, the museum will document attempts to communicate with the lender, and the museum will follow procedures dictated by State law to classify the objects as Abandoned Loans.

  As per State of Alaska statutes, both Abandoned Loans and objects Found in Collection are subject to a legal procedure in order for the museum to acquire title. Found in Collection items are defined as objects in the collection for which no ownership verification has been found. State Law requires that a public notice, followed by a public appeal period, be completed before the museum can acquire title. At the conclusion of appeal period, objects that the museum wishes to keep for the collection will be accessioned, and the remaining objects will be disposed as determined appropriate and dictated in the museum's collection policies. The public notice for Abandoned Loans and items Found in Collection during 2016 and 2017 will be posted in the Spring of 2017.

- **Research & the Archives** - The Archives of the VMHA is an active place. VMHA staff receive requests for information from around the world for personal, educational, and commercial reasons. The Curator of Collections & Exhibits will continue to field inquiries from researchers. As an aid to publicizing the collection and assistance to researchers, the museum's goal is to update its online collections database two to four times per year.

- **Acquisitions and Donations** – Due to space considerations, expansion of the collection is anticipated to continue slowly and with careful consideration of available remaining storage space. As interpretive planning moves forward, VMHA staff will identify needed areas for expansion as defined through the interpretive goals within a forthcoming Exhibits Plan dovetailing with the Master Interpretive Plan.

3. Exhibits – As interpretive planning continues, the VMHA has decided to suspend any further large-scale exhibit upgrades.

- **Permanent Exhibits** – Minor upgrades have been planned for the Parlor, and Alaska Native exhibits, consisting of added interpretation for items currently on display and refreshing the

exhibit cases. The museum will continue to maintain and monitor the condition and functionality of all exhibitions.

- **Remembering Old Valdez Exhibit** – No major upgrades or changes to ROVE. Interpretive activity will focus on continuing to tie the displays in with the development of Old Town buildings walking tours and the Old Town waterfront site.
- **Temporary Exhibit Programs** - With supplemental funding from the Alaska State Council on the Arts we have planned three temporary art exhibits featuring artists in Prince William Sound region, and one in-house temporary history exhibit. Debra Lowney (November 10, 2016 – February 18, 2017) is a Homer-based artist who creates painted carved-wood sculpture and three-dimensional wall-mounted pieces; her exhibition, "Going with the Flow" explores Valdez's relationship with its surrounding bodies of water. The annual Student Show (March 10 –May 14) has been a favorite exhibit for several years featuring over 300 works by student artists. Photographers, watercolorists, fiber artists and mixed media artists have all been featured and shared with the local community. The summer exhibition, "Treasure Trove: Unearthing the Collection" (May 26 – early September), is a history exhibit with hands-on elements that will focus on museum collections and serve to highlight the efforts of the past decade of cataloguing. Visitors will learn about recent discoveries concerning objects in the museum collection, hear first-person accounts of cataloguing interns' experiences working at the Valdez Museum, and learn about principles and techniques for preserving their own family treasures. The fourth-quarter exhibition running mid-September through the end of the year, remains to be determined; staff has been investigating the option of developing a group exhibition of Ahtna artists from the Copper River Basin.

4. **Education–** Valdez and Prince William Sound, Alaska, form the nexus where events of both national and global significance originated and continue to resonate. These include the 1964 Earthquake, Exxon Valdez Oil Spill, World Extreme Skiing, Building of the Pipeline and the 1898 Gold Rush. The VMHA's education department thoughtfully presents the region's unique history of disaster, recovery, resilience, and innovation providing luminous examples of Alaskans who persevered and made history in the face of many challenges. The lives of these notable figures unfold in an array of museum offerings, creating opportunities for community members and visitors who hail from around the globe to learn about their compelling stories and ultimately, enduring issues.

   Museum education plays a vital role in the Valdez community. In 2017 the VMHA will bring local and regional heritage and culture to life for students of all ages through classroom teaching and museum field trips coupled with public programs, guided tours and workshops.

   The museum is uniquely positioned to teach using primary sources and authentic items from its collections and will do so both at the museum proper and in local classrooms during 2017. The VMHA educator's role is to provide access to museum originals and prompt meaningful exchanges in light of experiencing authentic items. Throughout the year students of all ages will be given the rare opportunity to explore, discover and learn from original documents, exceptional photographs and unusual artifacts that signal and convey the important stories of the region.

   In 2017 VMHA will offer a range of lessons on a variety of subjects, oftentimes featuring those that dovetail and support public school and homeschool curriculum. The wonderful teaching collaboration with elementary school teachers and their students who are learning social studies and local, regional and state history will continue to flourish in 2017. High school history classes will

benefit from museum partnerships and primary source lessons as well as Visual Thinking Strategies sessions. Middle school 7th graders will kayak again to Old Town and spend a morning learning about gold rush history and the establishment of the original town site from VMHA educators. Additionally, when invited, VMHA educators will join teachers and students on field trips throughout the region offering historical support to the planned lessons and experience.

Because of the vibrant ongoing partnership between Chugachmiut, Inc. and the museum, teachers and students in elementary grades through high school will have access to heritage kits again in 2017. These rich storied displays coupled with varied hands-on activities and Alaska Native curriculum originate in Anchorage and travel to Valdez where they are exhibited at the museum and shared with visitors and students alike. Components go on loan to teachers and travel to local classrooms where students learn the importance of preserving the culture, practice and language of those Native Alaskans who reside in Prince William Sound and Lower Cook Inlet communities.

Home school families affirm regularly that the museum is a great resource for learning using authentic originals in a rich layered learning environment. New programs geared to homeschool educators and their families can be expected in 2017. VMHA will provide transportation to the museums two different sites for local students on an as needed basis.

In 2017 the VMHA will grow its use of technology to bring Old Town Valdez to life for locals, summer tourists and remote users of the museum's website. The very popular Old Town walking tour, now accessible through the website portal and on visitors' tablets and phones using QR codes, will amp up the ability of anyone anyplace in the world to learn about the history of Valdez. Guided Old Town walking tours and Historic Homes walking tours will be offered again in 2017, some tailored to coincide with an activity such as photography, journaling or art-making.

Education staff will employ a combination of formative, remedial and summative evaluation tools to measure the visitor experience at the museum and learning outcomes. A vibrant engaging public museum program will grow and flourish if it is responsive and inclusive. An evaluation plan can provide the tools and suggest procedures that invite our public into the museum dialogue, test our assumptions, prototype our components and document what our audience needs and wants. It will guide us to make small or significant changes to museum exhibits and programs in response.

4. **Public Programs –** The museum offers year-round programs featuring content experts, regional authors, historians, artists and naturalists.

2017 Program Samples:

"Hands-on history and art camp" will return in June of 2017 with a theme that dovetails with the summer exhibition "Treasure Trove: Unearthing the Collection." Summer camp's enrollment continues to remain stable with campers returning annually and several new ones joining in the fun. Staff will lead campers in multi-faceted experiences located both, indoors and out, at the museum and in the community.

Tuesday Nite History Talks, will return in the summer and punctuate the fall and winter months in 2017. These popular and well-attended talks will feature topics such as gold rush history, road

building, early photography and more. Scientists versed in earthquakes and tsunamis will lecture and give an up-to-date report on the state of Port Valdez.

Creative hands-on activities will be offered during the remarkably popular **12 Free days of Christmas** in December 2017. At that time, the museum is open to the public at no cost to the visitor. 2017 saw a dramatic increase in the number of participants in December activities.

Drawing and Writing Upon the Collection workshops that mix history, culture, museum collections with either creative writing or art-making in three hour workshops will be offered in 2017. These are gauged to families and students in grades 3 to adult. Workshops will focus upon such topics as aviation, gold rush, historic figures, Native heritage and oil and water.

Guided walking tours will be offered during the spring, summer and fall at Old Town, in coordination with low tides when evidence of the original site is visible

Artists' talks and workshops will take place year round and dovetail with the changing exhibitions slated for January through December at the museum. Homer artist, Deb Lowney will give a lecture and workshop to coincide with an exhibit of her work titled "Go with the Flow." Local artists will regather at a Valdez eatery for a wonderful evening that pairs 5 minute artistic presentations with Q & A and social networking, food and drink during the 2nd "5 and the Floor: Artist Speak" open forum.

5. **Community Collaborations** -A resurgence of long-standing collaborations between the museum and community stakeholders will occur in 2017 with new partnerships on the horizon. These include, but are not limited to:
    - *Spring into Art: 2017 Annual Student Art Show* collaboration with Valdez Consortium Library
    - City of Valdez, Pink Salmon Festival
    - Gold Rush Days, historic homes and Old Town walking tours and free admission to the museum
    - Annual Christmas Tree Lighting Ceremony, refreshments
    - Valdez High School Library Programs
    - Hurry for History Run/Walk at Old Town in collaboration with Parks and Rec
    - 2nd Valdez Big Read, a program supported of the National Endowment for the Arts in partnership with Arts Midwest, in collaboration with KCHU Radio, PWSC, Whitney Museum, Valdez High School Library, Cordova Library, Copper Valley Library and Wrangell Center

6. **Outreach** - The museum educator will travel and teach at Tatitlek for Peksulineq, heritage week, in May of 2107. Museum staff will coordinate efforts to provide new resources and hands-on interactives that teach Native culture and practice in the Native Gallery including a variety of heritage kits celebrating the Alutiiq people and their language, Sugt' stun.

    Education staff will travel to communities in Prince William Sound and Copper River Basin to meet with teachers, scholars and elders and ultimately grow the human resource base that can inform new museum programs and vital regional collaborations. In addition, VMHA educators will share their knowledge of best practices in museums on panel presentations at state and regional conferences.

7. **Communication, Advocacy & Marketing -** The Valdez Museum Board and Staff are committed to promoting the Museum's program of work through a variety of vehicles including action based strategies that extend beyond conventional methods to reach a wider audience. In 2014 the Museum laid the foundation for this effort. First, a new full time paid Communication and Marketing Manager was created. Secondly, the Board of Directors created an Advocacy Committee to support staff in efforts. The goal of the following area is to convey to stakeholders the true nature of the Valdez Museum, the issues that we deal with, and our accomplishment to the community. In 2017 we will sustain efforts to communicate effectively to our stakeholders, community and elected officials about the important role the Valdez Museum plays in preserving our heritage and culture for future generations.
    a. **Communications:** Communication is the process of transmitting ideas and information. In 2017, Board and Staff will utilize the following methods to disseminate information to the community:
        i. Word of mouth
        ii. News stories in both print and broadcast media
        iii. Press releases
        iv. Posters, brochures and fliers
        v. Outreach and presentations to community groups and organizations
        vi. Special events and free public offerings.
    b. **Advocacy:** Advocacy occurs when you make the case for museums & cultural centers broadly. Advocacy is something we do every day. The US Internal Revenue Service explicitly preserves your right to advocate on behalf of your museum and its mission. In 2017 the Museum Board and Staff will continue to work collaboratively to educate government officials at every level about the good work that the Valdez Museum is doing and to share what our needs are. To accomplish this goal, first, the Board of Directors Advocacy Committee will convene to develop a strategic Advocacy Plan. In 2014, the Executive Director created an Advocacy Inventory of the Museum. This document will serve to develop the Plan. Secondly, the Executive Director will continue to serve on the state-wide Museums Advocacy committee; coordinate, attend and participate in the annual "Culture Humanities, Arts, and Museums Partners" Advocacy Day in Juneau - January; and attend Museum Advocacy Day in Washington DC – February.
    c. **Marketing:** In setting out to increase public participation in the museum's activities a series of motivational and strategically tactical dissemination methods will be employed. Socio-cultural, socio-demographic and socio-economic factors will be applied to determine which strategies will increase participation. Taking a close look at our two primary segmented audiences, summer visitors and local residents, publicity will not only utilize the traditional forms of media distribution, but will also apply creative and cost-effective strategies.

        ✓ To reach the summer visitor segment, strategic partnerships with professional associations and the local convention and visitor's bureau will be strengthened. Cooperative advertising, the Internet, e-news, blogs, and social media will be utilized. This will be the most cost-effective method to reach the broadest market.
        ✓ The local resident segment, which encompasses a diverse mix of families (both transitory and long term), requires a more personal touch to deepen their relationship with the museum. This audience has already had some interaction with the museum. They may have visited as part of a school group or brought

out-of-town guests with them to the museum. The goal is to get this segment to keep coming back. Local residents need constant relationship building. Publicity for this audience will not only include traditional forms of media such as print advertisements, posters, handbills, radio spots, e-news, social media, and word of mouth, but making connections through collaborations with other community organizations and public and private schools and celebrating significant anniversaries and community events together. Outreach to local Alaskan Natives requires a very thoughtful and diverse strategy. Convincing Native community members to come to the museum and participate in programs and activities has been difficult in the past. The plan for this segment is to reach out through educational programming about Native life and traditions and make the museum more accessible, tangible and relevant.

8. **Development Planning –** In 2016 the Valdez Museum Board & Staff completed the pre-planning phase for a museum capital project. The result of this work is a Master Interpretive Plan. On August 4, 2016 the Museum presented a draft of the Master Interpretive Plan to the Valdez City Council. Pending approval to proceed by the Valdez City Council, the next phase of Development will include the following steps:
   a) Compile a Case Statement: A fundraising tool, the Case Statement is the expression of the cause and all the reasons why prospective donors might want to contribute to advance the cause. The Case describes the Museum's goals and objective; covers the programs and services provided; and explains the role of philanthropy in achieving the Museum's goals. This conversation is not about the Building. It is about the program of work inside the building that will make the greatest impact for the community.
   b) In conjunction with the Case Statement a Plan of Finance will be developed: The plan outlines the various categories of revenue, how much will be raised from each, and which entities in each category will be approached to secure support. The Plan is all about leveraging dollars. Raising funds for a capital project is one of the biggest tasks an organization will undertake. It's never been easy, especially now with the change in Alaska's funding climate. The old way of securing national, state and large grants from a single private source is over.
      a. The following funding options will be vetted for optimal potential:
         i. Charitable Support: foundations, corporations, individuals
         ii. Debt: low interest loans, tax credits, conventional loans, etc.
         iii. Reserves
         iv. Government funds
         v. Bonds, taxes etc.
         vi. Sale of existing capital
   c) Procure project management and design team services: Teamwork is essential to realize a museum capital project and effective teamwork is critical to a successful project. The Museum Board and Staff will work with City Administration to identify the roles and responsibilities for a Museum Capital Project Team. The Project Coordination Team will consist of the Museum Director, City Project Manager, Chairs of the Museum and Building Teams. In a Museum Capital Project there are two sub groups, Museum Functional Task Groups and the Building Design Team.

Valdez Museum & Historical Archive

Strategic Plan
2012 – 2017

Adopted on the 16th day of August in the year 2012 by the VMHA Board of Directors.
Revised: 17th day of April, 2014 by the VMHA Board of Directors
Revised: 16th day of April, 2015 by the VMHA Board of Directors

Organizational Profile: The Valdez Museum & Historical Archive's mission is to "preserve, present, and interpret, the heritage and culture of Valdez, the Copper River Basin, and Prince William Sound, Alaska."

Valdez's first museum was established in 1901 by prospector Joseph Bourke, who put together a small exhibit of curios that was displayed in various Valdez buildings until 1964. These objects are part of the Valdez Museum's core collection, now numbering approximately 75,000 objects, photographs, and historical documents related to Valdez's regional history.

In 1976, the Valdez Heritage Board formed, hired a curator, and opened the Valdez Museum. Initially, the Museum functioned as a City of Valdez department with an advisory board providing input on operations.

Formed in 1996, the Valdez Museum & Historical Archive (VMHA) is a private 501c(3) Non-Profit organization. Its purpose is to contract with the city to manage and operate the museum with the goals of decreasing dependence on city funding, increasing the museum's ability to care for and manage the community's heritage materials, and to continue to serve the community of Valdez. The VMHA Board of Directors governs the corporation and is accountable to the voting membership, made up of the members of the City Council. The membership, in turn, represents the residents of Valdez. The collection remains the property of the city. A non-voting associate membership program that was merged with the Friends of the Museum in 1999 consists of 300 individuals and businesses.

The VMHA is governed by an 11 member volunteer board of directors and staffed with 4 permanent full time professionals, 1 permanent part-time employee, 9 temporary part-time employees and numerous volunteers. Board & staff work closely to develop fund-raising efforts, museum activities, and community relationships that strengthen the museum's mission to share local and regional history. The museum mounts at least four temporary exhibitions each year. It balances preservation of collections with interpretation by rotating newly acquired artifacts and existing collections in and out of exhibits in a timely manner. This in turn provides access to the remaining collections by researchers and scholars.

Located in the heart of Valdez, AK, the VMHA exhibits are located in two buildings that are four blocks apart. The main building on Egan Drive offers an overview of the region's history with stories about the 1898 gold rush, Native culture, aviation, tourism, transportation, the oil industry, and a selection of temporary exhibits. At its second location, the annex, the museum provides a broader interpretation of the 1964 Good Friday Earthquake.

Each year, the VMHA serves approximately 15,000 visitors. Of that more than 1000 are local and regional school children, 500 participate in multi-generation programs and presentations, and 200 are researchers who access the collections and archives.

Looking to the future, the VMHA board members and staff embarked on a two year strategic planning process that recently came to completion in summer of 2012. The new Strategic Plan is a five year road map that articulates the following four goals and associated objectives:

Goal 1: The Valdez Museum & Historical Archive will be a sustainable organization.
Goal 2: The Valdez Museum & Historical Archive will have a diverse program.
Goal 3: The Valdez Museum & Historical Archive will have a dynamic communication program.
Goal 4: The Valdez Museum & Historical Archive will have a consolidated infrastructure.

Embedded within each of the strategic goals are objectives, milestones and action items which will guide board and staff for years to come.

Goal 1: The Valdez Museum & Historical Archive will be a sustainable organization.

A. Expand and develop new sources of revenue.

	Milestones	Action Items	Responsible Party	Timeline/ Status	Comments
I.	Write a business plan to focus on earned revenue sources	Research best practices in developing a business plan	Executive Director, Museum Services Manager, & Communication & Marketing Manager	Fall 2014	
II.	Write and implement a Fund Development Plan	Increase endowment through strategic planned giving	Endowment Committee & Executive Director	Fall 2012	Appeal mounted in Summer of 2013
		Implement an annual appeal letter	Executive Director & Board President	Ongoing	
		Implement 2 membership drives a year: Spring and Fall	Membership Committee & Staff	Ongoing	
		Host 4 cultivation events a year (small scale): 2 member and 2 donor parties	Board	Ongoing	Two Events held in 2013
		Increase non-city grants	Staff	Ongoing	
		Plan 2 Raffles a year. 1 in the summer and 1 for Roadhouse	Board & Staff	Ongoing	
III.	Develop mission driven products to sell in the store	Two new products a year (striving for Alaskan made, or made in USA)	Museum Services Manager, Communication & Marketing Manager, & Staff	Ongoing	custom printed scarves, & aviator jackets
IV.	Develop fee based public programs	Offer 4 workshops annually	Curator of Education & Public Programs	Ongoing	

B. Strengthen human capacity *(board and staff)*

	Milestones	Action Items	Responsible Party	Timeline/ Status	Comments
I.	Develop the Board for maximum participation	Create Board Development Committee	Bylaws Committee	Completed Spring 2013	
		Develop Annual Calendar for Board Meetings/Events	Communications & Marketing Manager	Annually at the beginning of the year	Up on Museum website
		Review/Amend Policies and Procedures for clarity and relevancy	Board Development Committee & Executive Director	Ongoing	
		Update Board Manual	Board Development Committee & Executive Director	1st Quarter 2015	
		Develop job descriptions for officers and committees	Bylaws Committee	Completed Spring 2013	
II.	Enhance volunteer program	Create a volunteer needs assessment	Staff	Fall 2012	Updated 2013
		Designate a volunteer manager	Executive Director	Winter of 2013	Andrea was designated
		Create a volunteer recruitment plan. Design corresponding marketing materials.	Museum Services Manager, & Communication & Marketing Manager	Ongoing	
		Create annual event calendar for which volunteers are needed. Schedule volunteers.	Museum Services Manager, Curator of Collections & Exhibitions, & Curator of Education & Public Programs	Ongoing	
		Create monthly volunteer tracking system	Museum Services Manager	Ongoing	Updated Regularly
III.	Provide professional development opportunities for paid staff	Budget for Professional Staff to attend a minimum of 1 conference a year	Finance Committee & Executive Director	Annually	AAM & MA

IV.	Provide enhanced training for summer staff	Develop training materials to include museum history and interpretation. Set training schedule.	Staff	Ongoing	
V.	Build more active relationship with members	Offer 2 Behind the Scenes and 2 Special Tours/Events a year of Museum Collections	Curator of Collections & Exhibitions, & Communication & Marketing Manager	Annually	2 Offered, Only 1 Completed

C. Improve efficiency of existing infrastructure

	Milestone	**Action Items**	**Responsible Party**	**Timeline/ Status**	**Comments**
I.	Implement energy efficient improvements	Upgrade lighting to LED lights; Replace halogen lights in Egan Commons	Curator of Collections & Exhibitions	Summer 2014	
II.	Reduce electric energy consumption	Turn on display lighting when first patron of day arrives, turn off display lighting when patrons leave	Staff	Ongoing	
		Investigate replacing old lighting tracks with more energy-efficient ones	Curator of Collections & Exhibitions	Completed	
		Renovate front entrance and office area	Executive Director & City Maintenance	Spring 2014	Planned by the City

Goal 2: The Valdez Museum & Historical Archive will have a diverse program.

A. Evaluate the Museum Program

	Milestones	Action Items	Responsible Party	Timeline/ Status	Comments
I.	Develop Visitation Tracking System	Create monthly visitation reports	Communication & Marketing Manager	Ongoing	
II.	Evaluate the visitor experience	Identify evaluation manager(s)	Executive Director	Completed	Faith has been identified as the evaluation manager
		Create an assortment of evaluation tools including surveys, tracking forms, exit interviews, etc.	Curator of Education & Public Programs & Education Assistant	Ongoing	Now using survey monkey to track
		Conduct surveys	Curator of Education & Public Programs, Education Assistant, Curator of Collections & Exhibitions, & Seasonal Staff	Ongoing	
		Map galleries and track visitors.	Education Assistant & Seasonal Staff	2014	
		Compile evaluation data in accessible retrievable electronic system and share with staff regularly	Curator of Education & Public Programs, Education Assistant, Curator of Collections & Exhibitions, & Seasonal Staff	Ongoing	
		Identify actions needed to improve visitor experience from compiled data	Curator of Education & Public Programs, Museum Services Manager, & Staff	Ongoing	
		Evaluate hours of operation for maximum visitation	Museum Services Manager, Curator of Education &	Fall 2014	

			Public Programs, & Curator of Collections & Exhibitions		
III.	Determine best locations to provide Museum public programs	Meet with community individuals and organizations to determine programmatic needs.	Curator of Education & Public Programs	Ongoing	

B. Expand programming for maximum mission impact

	Milestones	Action Items	Responsible Party	Timeline/ Status	Comments
I.	Focus on 50 year Anniversary of the Good Friday Earthquake	Complete the earthquake exhibit: A Moving Experience	Curator of Collections & Exhibitions	Scheduled Completion by March 27th 2014	Complete
		Implement Communities, Disasters, & Change, traveling exhibit	Curator of Collections & Exhibitions	May 2014 – January 2016	Q4 2015
		Update earthquake education curriculum	Curator of Education & Public Programs	Develop in Spring and launch in summer of 2014	Ongoing
		Enhance Old Town walking tours	Curator of Education & Public Programs	Develop in Spring and launch in summer of 2014	Ongoing
II.	Improve Native Culture Programs	Work with Native Organizations	Native Gallery Committee Chair, Curator of Collections & Exhibitions, & Curator of Education & Public Programs	Ongoing	Have worked to strengthen partnerships with Chugachmiut and Tatitlek
III.	Revitalize Native Gallery Committee	Update Native Gallery Exhibits	Native Gallery Committee Chair, Curator of Collections & Exhibitions, & Curator of Education & Public Programs	Pending Facility Planning	
		Identify native heritage knowledge keepers in varying communities.	Curator of Education & Public Programs & Curator of	Ongoing	

			Collections & Exhibitions		
		Create a database of potential native program presenters, artists, educators, etc.	Curator of Education & Public Programs & Curator of Collections & Exhibitions	Ongoing	
		Travel to native communities and meet with stakeholders. Consult and collaborate with them on museum programs.	Curator of Collections & Exhibitions, & Curator of Education & Public Programs	Annually	
		Add hands-on education elements that expand the interpretation of Native Gallery	Staff	Ongoing	Healing Plants Kit
		Offer programs based upon established Native curriculum in Gallery	Staff	Ongoing	
IV.	Develop Publishing Plan	Evaluate cost and feasibility Evaluate and assess list of potential publishing options Assess the best delivery process	Executive Director, Curator of Collections & Exhibitions, & Curator of Education & Public Programs	Summer 2013	Evaluated – Not Feasible

C. Enhance Community Engagement

	Milestones	**Action Items**	**Responsible Party**	**Timeline/ Status**	**Comments**
I.	Increase Visitors	Increase number of visitors to the Museum by 10%	Executive Director, Museum Services Manager, & Communication & Marketing Manager	Pending Visitation Tracking System	2014 Success
		Broaden & strengthen collaborations between organizations in the region by 2 per year	Board & Staff	Ongoing	KCHU & CDC

II.	Establish Programmatic Advisory Groups	Identify advisors from educational institutions, seniors, students and community members.	Curator of Collections & Exhibitions, & Curator of Education & Public Programs	Ongoing	Building Committee
		Define advisor's role and draft a schedule when their input will be needed.	Curator of Collections & Exhibitions, & Curator of Education & Public Programs	Ongoing	Earthquake Advisory Committee, & Building Committee
		Involve students in museum life in a variety of capacities. Work with schools, institutions and agencies to identify matches and opportunities.	Curator of Education & Public Programs	Ongoing	High School Docents

D. Increase accessibility

	Milestones	Action Items	Responsible Party	Timeline/ Status	Comments
I.	Increase Virtual Accessibility	Budget for software/hardware improvements	Finance committee & Executive director	Completed Summer 2013	Past Perfect Online
		CDC Blog	Curator of Collections & Exhibitions, Archival Curator's Assistant, & Communications & Marketing Manager	2014	Done!
		Put collections online	Curator of Collections & Exhibitions & Communications & Marketing Manager	Pending Priority	Done!
		Upgrade and develop an interactive online version of the Gold Rush Name Database	Curator of Collections & Exhibitions, Communications & Marketing	Phase 2 2015	Phase 1 completed Summer 2013

			Manager, & Web Designer		
		Install technology and furnishings into Gold Rush gallery	Curator of Collections & Exhibitions	Completed Spring 2012	
II.	Increase Physical Accessibility	Work with the city to have a new handicap accessible front door installed.	Executive director, & City Maintenance	Spring 2014	

E. Maintain and Improve Professional levels of Collections Care & Management

	Milestones	Action Items	Responsible Party	Timeline/ Status	Comments
I.	Evaluate human resources needed to maintain Collections Management	Assess need for intern and volunteers	Curator of Collections & Exhibitions & Executive director	May of 2013	Hired Curatorial Assistant
II.	Improve mezzanine storage	Organize mezzanine artifacts and move small artifacts into compacting shelving,	Curator of Collections & Exhibitions	Began Fall 2012	Partially Completed
		replace wooden shelving on mezzanine,	Curator of Collections & Exhibitions		Pending New Facility Plan
		construct storage for large signage,	Curator of Collections & Exhibitions		Pending New Facility Plan
III.	Develop plan to address acceptable storage of items currently off-site	Assess items in storage, move and re-house smaller items	Curator of Collections & Exhibitions & Curatorial Assistant		Accessed still needs to be rehomed
		Update storage options	Staff		Pending New Facility Plan
IV.	Plan for Stabilization of exterior artifact displays	Conduct Condition Survey by Boatwright for Perry	Curator of Collections & Exhibitions, Collections Committee, & Consultant	2015	Done

		budget for exterior redevelopment (Main Museum)	Finance Committee		Pending New Facility Plan

F. Maintain & Improve Permanent & Temporary Exhibits

	Milestones	Action Items	Responsible Party	Timeline/ Status	Comments
I.	Upgrade 1 long-standing exhibit per year	Establish priorities	Curator of Collections & Exhibitions		The Earthquake Exhibit was updated this year
II.	Mount 4-5 temporary exhibits annually	Coordinate temporary exhibit selection with educator and dovetail exhibit and program budgets strategically	Curator of Collections & Exhibitions	Ongoing	
III.	Procure better display cases: more secure, better lighting, fresher appearance and energy-efficient	Research options	Curator of Collections & Exhibitions		Pending New Facility Plan

G. Maintain & Improve Education Programs

	Milestones	Action Items	Responsible Party	Timeline/ Status	Status
I.	Evaluate human resources to maintain and grow education programs	Solicit paid and volunteer help for summer programs	Curator of Education & Public Programs & Executive Director	Begin Fall 2012	Education Assistant was hired
II.	Schedule a minimum of ~~5~~ 3 visits throughout the year to schools and	Visit schools in Kenny Lake, Tatitlek, Copper Center, Glennallen and others	Curator of Education & Public Programs	Ongoing	Visited Tatitlek & Chugachmu it in 2013

	organizations with shared programmatic goals				
II.	Evaluate criteria for an education collection.	Designate storage space for existing education collection in archives	Curator of Education & Public Programs	Ongoing	
		Purchase and borrow items for an education collection	Curator of Education & Public Programs	Ongoing	
III	Create an organized, accessible, easily retrievable storage system for education.	Share system with stakeholders. Clean and organize storage closet.	Curator of Education & Public Programs	Ongoing	
		Purchase standardized storage bins. Label.	Curator of Education & Public Programs	Ongoing	
IV.	Present new museum educational program to public, schools and educators	Publish list of new and existing programs	Curator of Education & Public Programs, & Communication & Marketing Manager	Ongoing	
		Identify curriculum matches	Curator of Education & Public Programs & School Admin	2014	Working with Beverly Colapietro
		Access feasibility of annual teacher in-service programs at the museum	Curator of Education & Public Programs	Annual	Began in 2012
		Revise existing education narrative on VMHA Website	Curator of Education & Public Programs, Communication & Marketing Manager, & Web designer	Begin 2013	Completed with the launch of the new website
IV	Develop new educational programs	Research, develop and launch Visual Thinking Strategies in classrooms and at the museum	Curator of Education & Public Programs	Ongoing	Launched in 2013

H. Maintain & Improve Public Programs

	Milestones	Action Items	Responsible Party	Timeline/ Status	Comments
I.	Expand summer programming	Solicit paid and volunteer help for summer programs	Curator of Collections & Exhibitions, & Curator of Education & Public Programs	Ongoing	
		Review community calendars and events. Collaborate. Schedule programs in smart niches.	Staff	Ongoing	Summer Camp & CDC

Goal 3: The Valdez Museum & Historical Archive will have a dynamic communication program.

A. Increase Public Awareness

	Milestones	Action Items	Responsible Party	Timeline/ Status	Comments
I.	Identify a Communication & Marketing Manager	Budget for Position	Executive Director & Finance Committee	4th Quarter 2013	Brittany was appointed the Position
II.	Analyze our market	Develop a marketing Audit (1st step in a marketing plan that researches demographics stakeholders, potential partners, assets and liabilities)	Executive Director, Communication & Marketing Manager, & Board	June 2014	
III.	Implement a marketing plan	Define best way to advertise with locals	Communication & Marketing Manager & Executive Director		Pending Marketing Audit
		Develop marketing plan that implements best practices for the largest impact	Communication & Marketing Manager & Executive Director		Pending Marketing Audit
		Expand and upgrade technological resources	Communication & Marketing Manager & Executive Director	Ongoing	
		Create a plan to increase the Museum's off site presence at Fairs, trade shows and festivals	Communication & Marketing Manager, Executive Director, & Staff		Pending Marketing Audit & Budget
IV.	Create a unified VMHA Brand	Redesign printed materials to align with new website aesthetic	Communication & Marketing Manager &	Spring 2013	Completed Stationary & Business cards

			Executive Director		
		Redevelop regional & national ads to align with unified branding	Communication & Marketing Manager & Executive Director	Summer 2014	
		Update Chenega/Egan Museum sign	Executive Director	Spring 2015	
V.	Develop advocacy plan (board & staff)	Create an Advocacy Inventory	Executive Director	Completed	
		Write a case statement	All Board & All Staff	Summer 2014	
		Create a communications plan	All Board & All Staff	Summer 2014	

B. Expand & Enhance Technological Resources

	Milestones	Action Items	Responsible Party	Timeline/ Status	Comments
I.	Upgrade website for easier navigation, interactive for education, exhibition and fund development	Budget for new & improved website	Finance Committee & Executive Director	Complete	
		Provide staff training for maintenance and upgrade	Communication & Marketing Manager & Staff	Winter 2014	
		Update educational and programmatic section	Communication & Marketing Manager & Staff	Winter 2014	
		Expand offerings for research and interaction	Communication & Marketing Manager & Staff	Spring 2014	
II.	Develop a technology plan for hardware & software	Work with Arctic IT to develop a course of action	Executive Director	Ongoing	

Goal 4: The Valdez Museum & Historical Archive will have a consolidated infrastructure.

A. Evaluate existing Museum facility

	Milestones	Action Items	Responsible Party	Timeline/ Status	Comments
I.	Predevelopment Evaluation	Submit Foraker Predevelopment Application	Executive Director, Board President, & City Manager	2nd Quarter 2014	Application Denied
II.	Building Committee	Form Committee	Board, Executive Director, & City administration	1st Quarter 2015	Done
		Stakeholder Analysis	Building Committee, Executive Director, & City administration	1st Quarter 2015	Done
		Recruit Master Interpretive Planner	Building Committee, Executive Director, & City administration	2nd Quarter 2015	
		Attain City Approval to move forward	Board & Executive Director	3rd Quarter 2015	

B. Develop a Facility/ Master Interpretative Plan

	Milestones	Action Items	Responsible Party	Timeline/ Status	Comments
I.	Develop a Planning Team	Hire a Project Manager	Building Committee, Executive Director, & City administration	3rd Quarter 2015	
		Hire an Architect	Building Committee, Executive Director, & City administration	3rd Quarter 2015	

		Hire and Environmental Engineer	Building Committee, Executive Director, & City administration	3rd Quarter 2015	
II.	Develop a design plan	Work with planning team to design a facility that fits the museums needs	Board, Staff, & City Administration	2016	

C. Implement a Funding Plan

	Milestones	Action Items	Responsible Party	Timeline/ Status	Comments
I.	Create a Capitol Campaign Committee	Identify a committee chair & members from the Board	Board Development Committee & Executive Director	1st Quarter 2016	
		Select a Co-Chair from the community		1st Quarter 2016	
		Develop Funding Plan	Capital Campaign Committee & Executive Director	1st Quarter 2016	
II.	Mount Capitol Campaign	Solicit diverse donors & funders	Capital Campaign Committee & executive Director	2nd Quarter 2016	

D. Build Facility

Copy of Balance Sheet and Profit and Loss as of 6/30/2016

Valdez Museum & Historical Archive

Balance Sheet

As of June 30, 2016

	Jun 30, 16
ASSETS	
Current Assets	
Checking/Savings	
1023 · CD - 61243443 Reserve Acct	59,385.03
1018 · 1st National Checking	0.00
1020 · CD 61248942 Gen Ops	16,774.23
1021 · CD 61215021 -Phyllis Irish	66,121.79
1022 · 10950 Cash in Drawer	1,002.10
1001 · Cash In Bank-Operating-WFargo	4,516.12
1003 · Cash In Bank - CMC Savings	136,050.36
1010 · Cash In Bank-WF-Gaming Account	793.00
Total Checking/Savings	284,642.63
Accounts Receivable	
1501 · Accounts Receivable	1,903.50
Total Accounts Receivable	1,903.50
Other Current Assets	
1502 · Museum Endowment Fund	798,124.00
Cash on Hand	649.75
2002 · 1120 Inventory Asset	25,981.31
2501 · Prepaid Insurance	20,929.00
1017 · Undeposited Funds	-312.00
Total Other Current Assets	845,372.06
Total Current Assets	1,131,918.19
Fixed Assets	
4000 · Construction in Progress	25,199.00
4001 · Fixed Assets	50,720.21
Total Fixed Assets	75,919.21
Other Assets	
Merchandise Inventory	25.00
Total Other Assets	25.00
TOTAL ASSETS	1,207,862.40
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
5501 · 2000 Accounts Payable	12,294.00
Total Accounts Payable	12,294.00
Credit Cards	
5505 · Bank of America Business Card	2,651.72
Total Credit Cards	2,651.72
Other Current Liabilities	
5503 · Loss on Disposal of Assets	-174.03
5504 · 24700 Customer Deposits	34.00
6601 · Deferred Revenue	24,114.00
6002 · Leave Payable	14,634.30
6003 · 2100 Payroll Liabilities	11,708.24
Total Other Current Liabilities	50,316.51
Total Current Liabilities	65,262.23
Total Liabilities	65,262.23

Valdez Museum & Historical Archive

Balance Sheet

As of June 30, 2016

	Jun 30, 16
Equity	
7503 · Museum Endowment Fund Equity	798,124.00
8079 · Contributed Capital	91,636.18
3000 · Opening Bal Equity	33.93
7502 · 3900 Retained Earnings	161,789.57
Net Income	91,016.49
Total Equity	1,142,600.17
TOTAL LIABILITIES & EQUITY	1,207,862.40

Valdez Museum & Historical Archive

Profit & Loss

January through June 2016

		Jan - Jun 16	
Ordinary Income/Expense			
Income			
8003 · Fund Development			
8004 · Corporate Sponsorship		1,200.00	
8021 · Annual Appeal		250.00	
8061 · Membership		4,375.00	
4030 · Donations Income			
8062 · 6145 In-Kind Income	1,500.00		
8001 · Restricted	120.00		
8002 · Unrestricted	8,574.37		
Total 4030 · Donations Income		10,194.37	
8152 · Fundraising			
8023 · Designated	65.00		
Total 8152 · Fundraising		65.00	
Total 8003 · Fund Development			16,084.37
8024 · Earned Revenue			
8025 · Program Fees			
8025.1 · Enrollment Fees	1,562.00		
Total 8025 · Program Fees		1,562.00	
4120 · Museum Fees			
8026 · Admissions	16,428.50		
8009 · Admission Fees	2,282.50		
8010 · Archival Fees	1,883.00		
8159 · Space Rental	550.00		
Total 4120 · Museum Fees		21,144.00	
8027 · Store Sales			
Body & Bath Products	47.25		
Childrens Toys	-16.00		
Playing cards	5.00		
Seeds	20.55		
Ornament	14.00		
Patterns	36.00		
Candy	159.00		
Maps	15.90		
Umbrella	60.00		
Zipper Pulls	111.00		
Gold Vials	166.50		
Sackeye Salmon	210.00		
Jewelry	1,460.50		
Video/Audio	50.00		
8063 · Copies/Fax	17.25		
8064 · Galley Sales	44.00		
8164 · Miscellaneous	310.44		
8165 · Audio/Video	511.41		
8166 · Post Cards	26.50		
8167 · Plush/Puppets	251.00		
8012 · Cards	34.20		
8013 · Books	2,790.85		
8014 · Childrens Books	367.46		
8015 · Gallery Sales			
Gallery Commissions	398.89		
8015 · Gallery Sales - Other	40.00		
Total 8015 · Gallery Sales		438.89	
8017 · Other Items		160.00	
8027 · Store Sales - Other		4,297.74	
Total 8027 · Store Sales		11,589.44	

Valdez Museum & Historical Archive

Profit & Loss

January through June 2016

		Jan - Jun 16
48600 · Service Sales		
486001 · Shipping	25.95	
Total 48600 · Service Sales		25.95
Total 8024 · Earned Revenue		34,321.39
4200 · Grants		
8032 · 4110 City of Valdez	341,250.00	
8033 · Foundation	11,000.00	
Total 4200 · Grants		352,250.00
8501 · 7015 Interest Income		
Reserve Acct. CD	366.91	
Capital Equip CD	20.10	
Phyllis Irish Memorial Fund CD	408.54	
Total 8501 · 7015 Interest Income		795.55
8011 · Reimbursed Expenses		953.89
Total Income		404,405.20
Cost of Goods Sold		
8102 · Gallery Commission		512.70
8101 · Cost of Goods Sold		6,283.12
Total COGS		6,795.82
Gross Profit		397,609.38
Expense		
8036.3 · Facility Planning		13,981.00
8036.2 · Volunteer Expense		500.00
8036 · Fundraising Expenses		3,009.11
8036.1 · Membership		730.79
8037 · IT Services		8,061.62
8039 · Education		1,678.08
8040 · Collections		
8042 · Collections Supplies	1,023.62	
8043 · Acquisitions	653.18	
Total 8040 · Collections		1,676.80
9001 · POS Inventory Adjustments		-564.22
9002 · Freight and Shipping Costs		958.74
8103 · Personnel Expenses		
8104 · Salaries & Wages	131,256.00	
8105 · ESC Payroll Tax	1,937.09	
8106 · FICA Payroll Tax	10,041.08	
8107 · 403(b) - Employer	6,282.46	
8108 · Health Insurance	46,888.44	
Total 8103 · Personnel Expenses		196,405.07
8044 · Contract Labor		2,205.00
8110 · Professional Fees		
8045 · Accounting	13,845.00	
Total 8110 · Professional Fees		13,845.00
8113 · Vehicle Expense		150.46
8047 · Janitoral Services		
8114 · General Janitoral	6,000.00	
Total 8047 · Janitoral Services		6,000.00
8048 · Utilities		
8115 · Electric	14,366.34	
8116 · Heating Oil	7,626.62	
8117 · Water	138.72	

Valdez Museum & Historical Archive

Profit & Loss

January through June 2016

		Jan - Jun 16
Total 8048 · Utilities		22,131.68
8118 · Telephone		
8124 · Conference Line	34.67	
8119 · Fax	203.22	
8120 · Internet	1,555.74	
8121 · Local Service	2,446.56	
Total 8118 · Telephone		4,240.19
8123 · Postage and Delivery		1,162.11
8049 · Supplies		
8125 · Technology	390.99	
8126 · Office Supplies	1,071.63	
8127 · Operating	3,361.85	
Total 8049 · Supplies		4,824.47
Exhibits		
8050 · Special Projects	2,552.88	
8051 · Permanent Exhibits	1,376.31	
8052 · Temporary Exhibits	995.17	
Total Exhibits		4,924.36
8130 · Dues and Subscriptions		2,669.00
8131 · Printing and Reproduction		3,126.95
8053 · Advertising/Marketing		5,582.75
8133 · Board Expense		72.00
6185 · Insurance		
8137 · Liability Insurance	74.00	
Total 6185 · Insurance		74.00
8138 · Credit Card Fees		1,819.42
8139 · Bank Service Charges		40.00
8056 · Travel		
8142 · Meals	371.53	
8143 · Travel	3,097.66	
Total 8056 · Travel		3,469.19
8144 · Training & Education		353.00
8145 · Licenses and Permits		10.00
8148 · Contributions		
8057 · In-Kind Expenses	1,500.00	
Total 8148 · Contributions		1,500.00
8058 · Public Programs		1,956.32
Total Expense		306,592.89
Net Ordinary Income		91,016.49
Net Income		91,016.49

Client#: 1134680 VALDEMUS

ACORD™ # CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 8/02/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
USI Alaska, Kibble & Prentice
3800 Centerpoint Dr., Suite 540
Anchorage, AK 99503
855 874-1300

CONTACT NAME: Tara Koloski, CISR
PHONE (A/C, No, Ext): 855 874-1300 FAX (A/C, No): 855 216-9730
E-MAIL ADDRESS: tara.koloski@usi.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Great American Assurance Compan	26344
INSURER B : Great American Insurance Compan	16691
INSURER C : Alaska National Insurance Compa	38733
INSURER D : Executive Risk Indemnity Inc.	35181
INSURER E :	
INSURER F :	

INSURED
Valdez Museum & Historical Archive Asso
PO Box 8, 217 Egan Drive
Valdez, AK 99686-0008

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY	X		PAC344844517	01/01/2016	01/01/2017	EACH OCCURRENCE	$1,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$100,000
							MED EXP (Any one person)	$5,000
							PERSONAL & ADV INJURY	$1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$3,000,000
	POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$3,000,000
	OTHER:							$
A	AUTOMOBILE LIABILITY	X		CAP344844617	01/01/2016	01/01/2017	COMBINED SINGLE LIMIT (Ea accident)	$
	X ANY AUTO						BODILY INJURY (Per person)	$1,000,000
	ALL OWNED AUTOS / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$1,000,000
	X HIRED AUTOS / X NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
B	X UMBRELLA LIAB X OCCUR	X		UMB344844717	01/01/2016	01/01/2017	EACH OCCURRENCE	$3,000,000
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$3,000,000
	DED X RETENTION $10000							$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			15AWW92051	01/01/2015	01/01/2016	X PER STATUTE / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N N (Mandatory in NH)	N/A					E.L. EACH ACCIDENT	$1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$1,000,000
							E.L. DISEASE - POLICY LIMIT	$1,000,000
D	Directors & Offic			81678342	01/01/2016	01/01/2017	1,000,000	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

City Of Valdez
212 Chenega Street
Valdez, AK 99686

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Clifton S. Barker

© 1988-2014 ACORD CORPORATION. All rights reserved.

Valdez Museum & Historical Archive Association, Inc.

(A Component Unit of the City of Valdez, Alaska)

Financial Statements

Years Ended December 31, 2015 and 2014

(With Independent Auditor's Report Thereon)

This report was issued by BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.

BDO

Valdez Museum & Historical Archive Association, Inc.

(A Component Unit of the City of Valdez, Alaska)

Financial Statements

Years Ended December 31, 2015 and 2014

(With Independent Auditor's Report Thereon)

Valdez Museum & Historical Archive Association, Inc.

(A Component Unit of the City of Valdez, Alaska)

Table of Contents

	Page
Independent Auditor's Report	1-2
Management's Discussion and Analysis	4-6
Financial Statements	
Statements of Net Position	8
Statements of Revenues, Expenses and Changes in Net Position	9
Statements of Cash Flows	10
Notes to Financial Statements	11-17

Tel: 907-278-8878
Fax: 907-278-5779
www.bdo.com

3601 C Street, Suite 600
Anchorage, AK 99503

Independent Auditor's Report

Members of the Board
Valdez Museum & Historical Archive Association, Inc.
Valdez, Alaska

Report on the Financial Statements

We have audited the accompanying financial statements of Valdez Museum & Historical Archive Association, Inc. (the Museum), a component unit of the City of Valdez, Alaska, as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Museum's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Valdez Museum & Historical Archive Association, Inc. as of December 31, 2015 and 2014, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4-6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

BDO USA, LLP

Anchorage, Alaska
May 24, 2016

Management's Discussion and Analysis

Valdez Museum & Historical Archive Association, Inc.

Management's Discussion and Analysis

The Valdez Museum & Historical Archive Association, Inc. (VMHA) is a 501(c) 3 non-profit organization. It was established in 1997 to manage the City of Valdez's museum and historical collection for the benefit of the public. The Museum's mission is to safeguard our community's valuable heritage; foster broad public understanding and appreciation of our unique heritage; celebrate our community's past and provide context for its future; encourage a sense of community pride; and enhance the quality of life by fostering and supporting cultural programs; for purposes of heritage preservation, education and economic development.

The Museum manages, preserves, presents, and interprets historical collections, develops exhibits and conducts educational programs for children and adults year round.

Following is a discussion and analysis of the VMHA's 2015 financial statements.

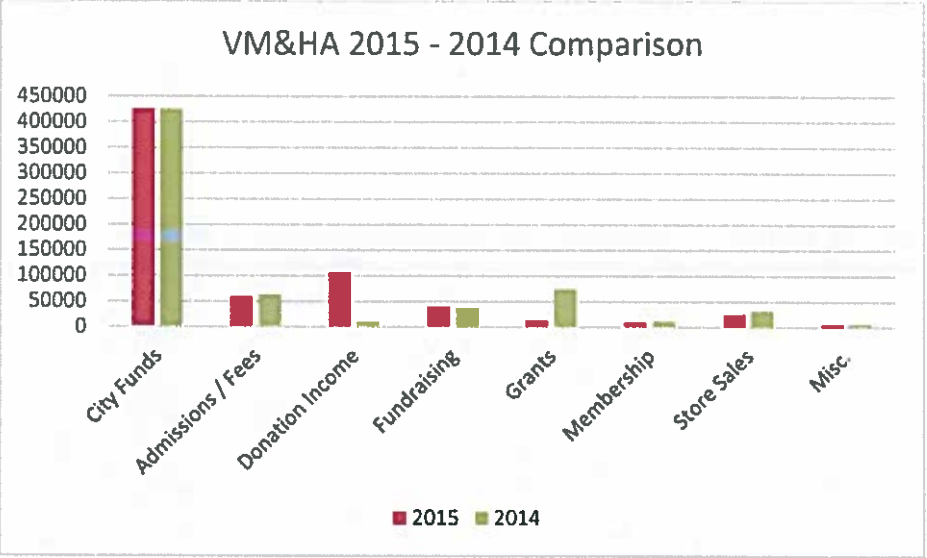
The total current assets of the VMHA totaled $242,399 and $295,992 at the end of 2015 and 2014 respectively. This breaks down into the following categories: cash, accounts receivable, prepaid insurance and museum store merchandise inventory. The most significant portion of the current assets was cash and cash equivalents at $172,808 and $194,308 at the end of 2015 and 2014 respectively. Prepaid insurance was valued at $20,929 and $19,837 at the end of 2015 and 2014 respectively. Accounts receivable and merchandise inventory accounted for $24,548 and $54,583 at the end of 2015 and 2014 respectively.

Total non-current assets include equipment, fixtures and facility planning fees with purchase prices over $500 less accumulated depreciation on these items. The net book value of the equipment and fixtures was $75,920 and $61,728 at December 31, 2015 and December 31, 2014 respectively.

The VMHA's **liabilities** are all short-term or current. At the end of 2015, the balances were for accounts payable, annual leave payable to employees, state unemployment taxes and deferred revenue, which is funding from the State of Alaska Treasury for temporary exhibits and the City of Valdez for capital improvements. The total for these accounts was $64,357 and $65,551 at December 31, 2015 and 2014, respectively.

The **net position** can be broken down into three areas: invested in capital equipment $75,920 and $61,728 at December 31, 2015 and 2014, respectively; restricted by donor for special projects $63,391 and $78,715 at December 31, 2015 and 2014, respectively; and unrestricted $114,651 and $151,726 at December 31, 2015 and 2014, respectively.

The 2015 and 2014 **total operating revenues** were $689,150 and $678,463 respectively. While 2015 City Funds, Membership, and Miscellaneous Income remained the same and stable, there are notable increases in Donation Income, Fundraising; and notable decreases in Grants with minor decreases in Admissions and Store Sales. The significant changes in Donation Income and Grants is directly attributed to project and programmatic areas of change, specifically Facility Planning in 2015 and enhanced offerings for the 50 Year Anniversary of the Good Friday Earthquake in 2014.



1. City funds remained the same; 2015 was $425,000 compared with $425,000 in 2014.
2. Admission & Fee income decreased slightly; 2015 was $59,074 compared with $61,858 in 2014. This decrease can be attributed to increased operations for 2014 50 year Anniversary of Good Friday Earthquake.
3. Donation Income increased: 2015 was $106,009 compared with $34,607 in 2014. This is directly credited to restricted gifts for 2015 projects associated with the F/V Perry Salvage, Facility Planning, and restricted gifts for youth programming.
4. Fundraising increased: 2015 was $40,771 compared with $35,300 in 2014. While Event Income and other efforts remained stable, the notable success in Fundraising in 2015 was the Annual Appeal which saw a 60% increase over 2014.
5. Grants, which include both State and Foundation awards, decreased; $15,000 in 2015 compared to $73,460 in 2014. All grants that supported programs and projects associated with the 2014 50 Year Anniversary of the Good Friday Earthquake were received, completed and expended in 2014.
6. Membership decreased in 2015; $10,916 compared with $11,611 in 2014. Board and Staff are currently revamping the Membership program to address this trend.
7. Store sales decreased; $25,909 compared with $30,453 in 2014. Similar to Admission, the decrease can be attributed to increased operations for 2014 50 year Anniversary of Good Friday Earthquake
8. Miscellaneous income decreased to $6,471 in 2015; compared with $6,714 in 2014.

The total operating expenses are $718,452 and $749,707 in 2015 and 2014 respectively. Operating expenses decreased by 4% for 2015. Overall, the 2015 operating budget performed well with reductions in most accounts, such as Utilities and Payroll, with notable exceptions in Travel, Store discounts and fees, and Rent. This is attributed to staff being invited to present at the national conference of American Alliance of Museums; costs associated with reimbursing erroneous charges caused by a glitch in the Point of Sale computer; and rental costs for storing the F/V Perry, respectively.

The VMHA net position at beginning of the year was $292,169 and $374,076 in 2015 and 2014 respectively. The net position at end of year was $253,962 and $292,169 in 2015 and 2014 respectively.

The Museum made no contributions to the Museums' Endowment Fund in 2015. The Endowment Fund was transferred to the City of Valdez in 1999 and is accounted for separately as part of City's Permanent Fund. The balances of the Endowment Fund at December 31, 2015 and 2014 were $784,132 and, $776,538 respectively.

Since its inception in 2001, the VMHA organization has continued to create a dynamic museum through programming, exhibit display and as a community center. A multi-year fund development program that has diversified the revenue streams has been put in place, thus creating a more sustainable non-profit organization with a broader base of support.

This Management Discussion and Analysis was prepared to provide readers with an overview of the Valdez Museum & Historical Archive Association, Inc.'s financial activities and status for 2015. Questions about this report may be addressed to Patricia Relay, Executive Director, Valdez Museum & Historical Archive Association, Inc., PO Box 8, Valdez, AK 99686, Tel. 907-835-2764, E-mail director@valdezmuseum.org.

Financial Statements

Valdez Museum & Historical Archive Association, Inc.

(A Component Unit of the City of Valdez, Alaska)

Statements of Net Position

December 31,	2015	2014
Assets		
Current Assets		
Cash and cash equivalents:		
Unrestricted	$ 172,808	$ 194,308
Temporarily restricted	24,114	27,364
Accounts receivable	2,530	30,245
Prepaid insurance	20,929	19,837
Merchandise inventory	22,018	24,238
Total Current Assets	242,399	295,992
Capital assets, net of accumulated depreciation - equipment and fixtures	75,920	61,728
Total Assets	318,319	357,720
Liabilities		
Current Liabilities		
Accounts payable	14,570	10,568
Accrued leave	14,634	12,099
Payroll liabilities	11,039	15,520
Unearned revenue	24,114	27,364
Total Liabilities	64,357	65,551
Net Position		
Net investment in capital assets	75,920	61,728
Restricted for projects and displays	63,391	78,715
Unrestricted	114,651	151,726
Total Net Position	$ 253,962	$ 292,169

See accompanying notes to financial statements.

Valdez Museum & Historical Archive Association, Inc.

(A Component Unit of the City of Valdez, Alaska)

Statements of Revenues, Expenses and Changes in Net Position

Years Ended December 31,	2015	2014
Operating revenues:		
City funds	$ 425,000	$ 425,000
Grants	15,000	73,460
Donations	106,009	34,067
Admissions	59,074	61,858
Merchandise sales	25,909	30,453
Fundraising	40,771	35,300
Memberships and fees	10,916	11,611
Miscellaneous	6,471	6,714
Total operating revenues	689,150	678,463
Operating expenses:		
Payroll and related expenses	389,706	390,729
Collections and exhibits	81,742	87,137
Utilities	44,677	56,988
Professional fees	32,096	31,061
Fundraising expenses	27,256	30,380
Insurance	21,062	21,732
Merchandise for resale	13,974	19,128
Supplies	12,148	16,636
Janitorial expenses	12,000	15,017
Travel	11,960	9,367
Retirement plan contributions	11,908	12,263
Depreciation	11,007	12,407
Telephone and fax	10,120	10,418
Advertising	9,944	9,277
Education and public programs	9,869	11,161
Store discounts and fees	7,741	4,726
Dues, subscriptions and memberships	6,666	5,975
Printing and reproduction	6,467	7,380
Postage and freight	2,637	4,260
Professional development	1,837	1,920
Minor equipment	1,346	2,062
Rent	910	10
Vehicle expenses	655	667
Board expenses	345	876
Miscellaneous expenses	1,386	537
Total operating expenses	729,459	762,114
Operating loss	(40,309)	(83,651)
Nonoperating revenues - interest income	2,102	1,744
Change in net position	(38,207)	(81,907)
Net Position, beginning of year	292,169	374,076
Net Position, end of year	$ 253,962	$ 292,169

See accompanying notes to financial statements.

Valdez Museum & Historical Archive Association, Inc.

(A Component Unit of the City of Valdez, Alaska)

Statements of Cash Flows

Years Ended December 31,	2015	2014
Cash Flows from Operating Activities		
Cash receipts from customers and patrons	$ 249,150	$ 156,849
Cash receipts from City and grantors	467,715	528,215
Cash paid to employees for service	(403,612)	(397,594)
Cash paid to suppliers	(314,907)	(332,612)
Net cash for operating activities	(1,654)	(45,142)
Cash Flows from Capital and Related Financing Activities		
Acqisition of capital assets	(25,199)	-
Cash Flows from Investing Activities		
Interest income received	2,103	1,744
Net decrease in cash and cash equivalents	(24,750)	(43,398)
Cash and Cash Equivalents, beginning of year	221,672	265,070
Cash and Cash Equivalents, end of year	$ 196,922	$ 221,672
Cash and cash equivalents:		
Unrestricted	$ 172,808	$ 194,308
Temporarily restricted	24,114	27,364
	$ 196,922	$ 221,672
Reconciliation of Change in Net Position to Net Cash from Operating Activities		
Change in net position	$ (40,309)	$ (83,651)
Adjustments to reconcile change in net position to net cash for operating activities:		
Depreciation	11,007	12,407
(Increase) decrease in assets:		
Accounts receivable	27,715	29,755
Prepaid insurance	(1,092)	(1,525)
Merchandise inventory	2,220	(6,584)
Increase (decrease) in liabilities:		
Accounts payable	4,002	(942)
Accrued leave	2,535	2,380
Payroll liabilities	(4,481)	3,018
Unearned revenue	(3,250)	-
Net Cash for Operating Activities	$ (1,653)	$ (45,142)

See accompanying notes to financial statements.

1. Nature and Membership of Museum

The Valdez Museum & Historical Archive Association, Inc. (the Museum) was incorporated pursuant to the provisions of the Alaska Non-Profit Corporation Act on December 11, 1995. The Museum was organized exclusively for the collection, preservation, and interpretation of Valdez area history for charitable, literary, or educational purposes within the meaning of section 501(c) (3) of the Internal Revenue Code.

The Museum has members who appoint the Board of Directors and approve their actions at annual meetings. Membership in the Museum Corporation is limited to those persons holding office on the City Council of the City of Valdez, Alaska. A Member shall retain membership until his/her successor takes office on the City Council. Other classes of non-voting membership may be established from time to time by a Board of Directors appointed by the Members. The Chairman of the Board of Directors and the City Manager will serve as non-voting *ex officio* Members.

The Board of Directors (Board) consists of eleven voting directors that meet once a month. The Board establishes policies and procedures, exercises, conducts and controls the powers, business and property of the Museum.

Because the Valdez City Council appoints the Museum Board of Directors and approves the annual operating budget of the Museum, the Museum is a component unit of the City of Valdez, and is included in the City's basic financial statements. As a component unit of the City of Valdez, the Museum follows accounting principles that are applicable to local governments.

2. Significant Accounting Policies

Basis of Presentation

The accounts of the Museum are organized like an enterprise fund. An enterprise fund is a proprietary type fund used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Museum considers cash, restricted cash, and short-term investments that are readily convertible to known amounts of cash and that present an insignificant risk of change in value due to changes in interest rates or other factors to be cash equivalents.

Accounts Receivable

Accounts receivable consist of all revenues earned at year end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

Merchandise Inventory

Inventories, consisting of merchandise for resale, are stated at the lower of cost (first-in, first-out basis) or market (net realizable value).

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accompanying financial statements are reported using the "economic resources measurement focus," and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Collections

The Museum has adopted a policy of not capitalizing artwork and other items maintained in its collections. No assets have been recognized from the acquisition of collection items. The collections are also the property of the City of Valdez.

Capital Assets

Museum property and equipment, exclusive of the land and building, were transferred from the City of Valdez at the end of 1998. The Museum land and building are owned by the City, and are included in the City's capital assets.

Depreciation

Depreciation of equipment and fixtures is computed using the straight-line method over the economic lives of the assets. The economic lives for most assets range from three to five years.

Income Tax Status

The Internal Revenue Service has determined that the Museum is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Reclassification

Certain amounts included in the prior year financial statements have been reclassified to conform to current year classification.

3. Cash and Cash Equivalents

Components of cash and cash equivalents at December 31, 2015 and 2014 follow:

	2015		2014	
	Carrying Amount	Bank Balance	Carrying Amount	Bank Balance
Cash on hand	$ 1,426	$ -	$ 1,006	$ -
Checking accounts	15,589	34,727	6,407	29,010
Savings accounts	38,421	34,669	59,862	48,467
Certificates of deposit	141,486	141,486	154,397	154,397
	$ 196,922	$ 210,882	$ 221,672	$ 231,874

Custodial credit risk: Custodial credit risk is the risk that in the event of a bank failure, the Museum's deposits may not be returned to it. As of January 1, 2014, the Federal Deposit Insurance Corporation (FDIC) will no longer provide separate, unlimited deposit insurance coverage for noninterest-bearing transaction accounts. Deposits held in noninterest-bearing transaction accounts are now aggregated with any interest-bearing deposits the company may hold, and the combined total is insured up to $250,000 by the FDIC. The Museum does not have a deposit policy for custodial credit risk. At December 31, 2015, all of the Museum's deposits are insured.

4. Capital Assets

Capital assets consisted of the following at December 31, 2015 and 2014:

2015	Balance January 1, 2015	Increases	Decreases	Balance December 31, 2015
Capital assets not being depreciated:				
Construction in progress	$ -	$ 25,199	$ -	$ 25,199
Capital assets, being depreciated:				
Office equipment	127,840	-	-	127,840
Lifeboat shelter	22,685	-	-	22,685
Vehicles and other assets	31,634	-	-	31,634
Total capital assets, being depreciated	182,159	-	-	182,159
Less accumulated depreciation for:				
Office equipment	(77,833)	(10,099)	-	(87,932)
Lifeboat shelter	(10,964)	(908)	-	(11,872)
Vehicles and other assets	(31,634)	-	-	(31,634)
Total accumulated depreciation	(120,431)	(11,007)	-	(131,438)
Total Capital Assets Being Depreciated, net	61,728	(11,007)	-	50,721
Total Capital Assets, net	$ 61,728	14,192	$ -	$ 75,920

2014	Balance January 1, 2014	Increases	Decreases	Balance December 31, 2014
Capital assets, being depreciated:				
Office equipment	$ 134,009	$ -	$ (6,169)	$ 127,840
Lifeboat shelter	22,685	-	-	22,685
Vehicles and other assets	31,634	-	-	31,634
Total capital assets, being depreciated	188,328	-	(6,169)	182,159
Less accumulated depreciation for:				
Office equipment	(72,502)	(11,500)	6,169	(77,833)
Lifeboat shelter	(10,057)	(907)	-	(10,964)
Vehicles and other assets	(31,634)	-	-	(31,634)
Total accumulated depreciation	(114,193)	(12,407)	6,169	(120,431)
Total Capital Assets Being Depreciated, net	$ 74,135	$ (12,407)	$ -	$ 61,728

During 2015, the Museum expended $25,199 in facility planning costs in anticipation of future expansion. These costs have been capitalized as construction in progress. Once the determination has been made regarding title of the new facility, these costs may transfer to the City as contributed capital.

5. Accrued Leave

Accrued leave activity for the years ended December 31, 2015 and 2014 follows:

	Balance January 1,	Accrued	Used	Balance December 31,
2015	$ 12,099	$ 12,533	$ 9,998	$ 14,634
2014	9,719	10,169	7,789	12,099

6. Unearned Revenue

Unearned revenue consists of amounts received from grantor agencies which are restricted as to use and have not been expended for the intended use. The unearned revenue at December 31, 2015 and 2014 is $24,114 and $27,364, respectively.

7. Endowment Fund

Periodically, the Museum makes contributions to an Endowment Fund. To maximize investment income, the Endowment Fund was transferred to the City of Valdez in 1999 where it is accounted for separately as part of the City's Permanent Fund. The balances of the Endowment Fund at December 31, 2015 and 2014 were $784,132 and $776,538, respectively. The Museum did not contribute to the Endowment Fund in 2015 and 2014.

8. Net Position Restrictions and Designations

Net positions at December 31, 2015 and 2014 have been restricted by donors for the following projects and displays:

	2015	2014
City of Valdez - Facility Planning Fund	$ 38,991	$ -
Robert Felland Revocable Trust	14,216	15,370
Communities, Disaster, and Change	5,000	30,000
State of Alaska - Arts council	2,500	4,600
Museums of Alaska CMF- Map Storage	1,000	-
Native gallery local display	444	444
Forget Me Nots Denzel Mauldin	401	401
Exhibit materials	375	375
Pinzon Bar neon sign	304	304
Katie Dewing Cataloguing Project	100	100
Gold Rush exhibits	60	60
Museums Alaska, Inc. - Art Acquisition	-	13,200
Museums Alaska, Inc. - Collections Transition Plan	-	8,960
State of Alaska - Intern	-	4,400
Museums Alaska, Inc. - Bob Reeve Jacket	-	416
Perry restoration	-	85
Total Restricted For Projects And Displays	$ 63,391	$ 78,715

Unrestricted net position consists of designated and undesignated amounts as follows:

	2015	2014
Designated for:		
Jim Lethcoe fund	$ 68	$ 68
Annex exterior construction improvements	7,064	7,064
Phyllis Irish Fund - special projects	65,712	64,551
Undesignated	41,807	80,043
Total Unrestricted Positions	$ 114,651	$ 151,726

9. Leases

The City of Valdez owns the Museum's real property. The Museum has an agreement with the City to lease the building and property for ten dollars a year expiring on January 1, 2017 and is renewable for one additional 5-year period.

10. Advertising Costs

Advertising costs are expensed as incurred. Advertising expense totaled $9,944 for 2015, which included $1,500 in donated services, and $9,277 for 2014.

11. Retirement Plan

The Museum participates in a 403(b) tax deferred annuity plan that is available to most employees working at least 20 hours per week. Employees may contribute to the plan on a payroll deduction basis. The Museum will match the employee contributions up to a maximum of 6.75% of eligible compensation. Eligible employees may participate any day on or following their date of hire and their contributions are fully vested. Eligible employees participate in employer matching contributions after completing six months of service. Total contributions to the plan by the Museum were $11,908 and $12,263 for 2015 and 2014, respectively.

12. New Accounting Pronouncements

The Governmental Accounting Standards Board has passed several new accounting standards with upcoming implementation dates. Management has not fully evaluated the potential effects of these statements.

GASB 72 - *Fair Value Measurement and Application* - Effective for year-end December 31, 2016 - This statement defines fair value and describes how fair value should be measured, what assets and liabilities should be measured at fair value, and what information about fair value should be disclosed in the notes to the financial statements. This statement is expected to primarily affect investment disclosures.

GASB 73 -*Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* - This statement contains certain clarifications and amendments to GASB 67 and 68 as well as establishing requirements for both defined benefit and defined contribution pensions not within the scope of GASB 68. Effective for fiscal year-end December 31, 2016—except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for financial statements for year-end December 31, 2017, with earlier application encouraged.

GASB 74 - *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* - Effective for year-end December 31, 2017, with earlier application encouraged - This statement contains financial reporting guidelines for Postemployment Benefit Plans. This is the Plan side requirements applicable to OPEB benefits and generally brings the OPEB reporting rules into alignment with the new GASB 67 Pension rules.

GASB 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* - Effective for year-end December 31, 2018, with earlier application encouraged - This statement contains accounting and financial reporting guidelines for OPEB related activities at the participating employer level and generally brings the OPEB reporting rules into alignment with the new GASB 68 Pension rules.

GASB 76 - *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* - Effective for year-end December 31, 2016 - This statement clarifies the hierarchy of generally accepted accounting principles to be used in the preparation of state and local government financial statements. This statement supersedes the previous hierarchy established in GASB 55.

GASB 77 - *Tax Abatement Disclosures* - Effective for year-end December 31, 2016 - This statement requires local governments to provide financial disclosures relating to tax abatements affecting the government. This includes information about abatement agreements entered into directly by the government, including conditions and criteria under which taxes can be abated, and the type and dollar amount of the tax. In addition, the statement requires disclosure of tax abatements issued by other governments that affect the local government's revenue recognition and reporting.

GASB 78 - *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans* - Effective for year-end December 31, 2016 - This statement amends the scope and applicability of GASB 68 to exclude pensions provided to employees through a cost-sharing multiple-employer defined benefit pension plan that is (1) not a state or local government pension plan,(2) used to provide defined benefit pensions to employees of both government and non-government employers, and (3) has no predominant state or local government employer, either individually or collectively with other governmental employers providing pensions in the plan.

GASB 79 - *Certain External Investment Pools and Pool Participants* - Effective for year-end December 31, 2016 - This statement establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes.

GASB 80 - *Blending Requirements for Certain Component Units* - Effective for year-end December 31, 2017, with earlier application encouraged - This statement requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. This statement amends the previous requirements established in paragraph 53 of GASB 14. The criterion specified in GASB 80 does not apply to component units included in the financial reporting entity pursuant to GASB 39.

GASB 81 - *Irrevocable Split-Interest Agreements* - Effective for year-end December 31, 2017, with earlier application encouraged - This statement establishes recording and recognition criteria for Governments who receive resources pursuant to an irrevocable split-interest agreement.

GASB 82 - *Pension-Issues - an amendment of GASB Statements No. 67, No. 68, and No. 73* - Effective for year-end December 31, 2017, with earlier application encouraged - This statement further amends prior pension reporting to redefine "covered payroll" for required supplementary information, clarifies deviations from Actuarial standards, and clarifies the classification of employer-paid member contributions.