

# GRANT FUNDING REQUEST FOR COMMUNITY SERVICE ORGANIZATIONS

## 2020 FUNDING REQUEST/CERTIFICATION FORM

ORGANIZATION NAME: VALDEZ CONVENTION & VISITORS BUREAU, INC.

PHONE: (907)835-2984

ADDRESS: 309 FAIRBANKS DR. VALDEZ, ALASKA

ZIP: 99686

CONTACT PERSON: Don Edwards

PHONE: (907)835-4845

CONTACT PERSON E-MAIL: Executive Director@valdezalaska.org

PROGRAM TITLE: Tourism, Marketing and Advertising for the City of Valdez

FUNDING REQUEST FOR 2020: **\$458,245.11**

Non-Profit Corporation? Yes ☒ No

Date of incorporation: 1983 Federal Tax ID #: 92-0090495

Organization's estimated TOTAL 2020 operating budget: **\$537,616.90**

### Historical Funding and Membership Information

	Total CSO Budget	City Total	City % of Funding Total	# of Members
2017	534,418	446,245.00	83.50%	122
2018	534,418	446,245.00	83.50%	129
2019	534,418	446,245.00	83.50%	119
2020	537,616	458,245.11	85%	114

What was previous grant funding used for? Be specific.

Previous grant funding was used to market Valdez as a business and leisure destination. This has been completed through various projects such as:

- Attending consumer and travel trade shows,
- Working with key international markets to promote Valdez,
- Placing advertising in strategic visitor guides and publications,
- Producing the Valdez Vacation Guide and circulating it to perspective and committed travelers to Valdez, and
- Managing and maintaining the Information Center in Valdez on a year-round basis.
- Utilizing a Website, and social media to promote Valdez throughout the year.

**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 2020 budget, including revenues and expenditures. (label page 5)

Copy of your organization's balance sheet and profit and loss as of 6/30/2020\_

**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.



EXECUTIVE DIRECTOR (or equivalent) DATE

8/15/19



PRESIDENT, BOARD OF DIRECTORS  
DAT

08/15/19



**MOST RECENT FISCAL YEAR END FINANCIAL STATEMENT**

**INCLUDING:**

**STATEMENT OF FINANCIAL POSITION**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET  
POSITION**

**STATEMENT OF CASH FLOWS**

**VALDEZ CONVENTION & VISITORS BUREAU**

Valdez, Alaska

*Statements of Financial Position**December 31, 2018 and 2017*

	<u>2018</u>	<u>2017</u>
<b>Assets</b>		
Current assets:		
Cash and equivalents	\$ 303	706
Inventory	12,095	12,095
Accounts receivables, net	3,000	4,041
Prepaid expenses	<u>17,813</u>	<u>27,635</u>
<i>Total current assets</i>	<u>33,211</u>	<u>44,477</u>
Property and equipment, net	<u>1,379</u>	<u>4,182</u>
<i>Total assets</i>	<u>\$ 34,590</u>	<u>48,659</u>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Overdrawn cash	\$ 723	-
Accounts payable	19,629	7,247
Accrued payroll and related liabilities	9,456	21,042
Unearned revenue	<u>47,836</u>	<u>35,740</u>
<i>Total current liabilities</i>	<u>77,644</u>	<u>64,029</u>
<i>Total liabilities</i>	<u>77,644</u>	<u>64,029</u>
Net assets:		
Unrestricted – undesignated	<u>(43,054)</u>	<u>(15,370)</u>
	<u>\$ 34,590</u>	<u>48,659</u>

See accompanying notes to financial statements.

**VALDEZ CONVENTION & VISITORS BUREAU**

Valdez, Alaska

*Statements of Activities**Years ended December 31, 2018 and 2017*

	2018	2017
Revenues and gains:		
Retail sales	\$ 9,719	7,741
Less cost of goods sold	<u>6,602</u>	<u>7,427</u>
Gross profit	3,117	314
Members' dues	8,166	10,189
Local government contributions	446,245	446,245
Grants and special events	-	25,321
Advertising revenue from members	44,199	55,458
Interest and dividend income	-	8
Miscellaneous	<u>6,466</u>	<u>3,486</u>
Total revenues	<u>508,193</u>	<u>541,021</u>
Expenses:		
Program services	431,500	440,894
Support services		
Management and general	103,428	91,588
Fundraising	<u>949</u>	<u>15,432</u>
Total support services	<u>104,377</u>	<u>107,020</u>
Total expenses	<u>535,877</u>	<u>547,914</u>
Change in unrestricted net assets	(27,684)	(6,893)
Net assets at beginning of year	(15,370)	(32,193)
Prior period adjustment	<u>-</u>	<u>23,716</u>
Net assets at beginning of year, restated	<u>(15,370)</u>	<u>(8,477)</u>
Net assets at end of year	<u>\$ (43,054)</u>	<u>(15,370)</u>

See accompanying notes to financial statements.

**VALDEZ CONVENTION & VISITORS BUREAU**

Valdez, Alaska

*Statements of Cash Flows**Years ended December 31, 2018 and 2017*

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Change in net assets	\$ (27,684)	(6,893)
Adjustments to reconcile change in net assets to cash flows from operating activities:		
Depreciation	2,803	2,823
(Increase) decrease in assets:		
Accounts receivable	1,041	2,484
Prepaid expenses	9,822	8,323
Inventory	-	24,588
Increase (decrease) in liabilities:		
Bank overdraft	723	-
Accounts payable	12,382	(36,871)
Accrued payroll and related liabilities	(11,586)	(758)
Unearned revenue	12,096	4,998
<i>Net cash flows from operating activities</i>	<u>(403)</u>	<u>(1,306)</u>
Cash flows from investing activities:		
Purchase of equipment	-	(1,343)
<i>Net cash flows from investing activities</i>	<u>-</u>	<u>(1,343)</u>
<i>Net change in cash and cash equivalents</i>	(403)	(2,649)
Cash at beginning of year	<u>706</u>	<u>3,355</u>
<b>Cash at end of year</b>	<b><u>\$ 303</u></b>	<b><u>706</u></b>

See accompanying notes to financial statements

**VALDEZ CONVENTION & VISITORS BUREAU**

Valdez, Alaska

*Statement of Functional Expenses**Year Ended December 31, 2018*

Description	Program Services	Support Services			Totals
		Management and General	Fundraising	Total Support Services	
Salaries and wages	\$ 139,980	69,456	642	70,098	210,078
Advertising	144,983	-	-	-	144,983
Rent	36,000	-	-	-	36,000
Utilities	27,071	-	-	-	27,071
Professional services	15,923	10,068	-	10,068	25,991
Travel and per diem	25,226	-	-	-	25,226
Licenses and permits	14,350	4,804	-	4,804	19,154
Printing and production	12,824	1,399	-	1,399	14,223
Penalties	-	8,711	-	8,711	8,711
Postage and freight	8,006	-	-	-	8,006
Supplies	-	5,087	-	5,087	5,087
Insurance	3,202	-	-	-	3,202
Depreciation	-	2,803	-	2,803	2,803
Equipment	1,525	-	-	-	1,525
Trade shows and promotions	1,300	-	-	-	1,300
Janitorial	1,110	-	-	-	1,110
Bad debt	-	1,100	-	1,100	1,100
Special events	-	-	307	307	307
<b>Total expenses</b>	<b>\$ 431,500</b>	<b>103,428</b>	<b>949</b>	<b>104,377</b>	<b>535,877</b>

See accompanying notes to financial statements.

**VALDEZ CONVENTION & VISITORS BUREAU**

Valdez, Alaska

*Statement of Functional Expenses**Year Ended December 31, 2017*

Description	Program Services	Support Services			Totals
		Management and General	Fundraising	Total Support Services	
Salaries and wages	\$ 129,684	64,348	595	64,943	194,627
Advertising	106,499	-	-	-	106,499
Professional services	25,305	16,000	-	16,000	41,305
Travel and per diem	37,849	-	-	-	37,849
Rent	36,000	-	-	-	36,000
Trade shows and promotions	30,172	-	-	-	30,172
Utilities	18,988	-	-	-	18,988
Special events	-	-	14,837	14,837	14,837
Printing and production	13,701	-	-	-	13,701
Equipment	11,114	-	-	-	11,114
Licenses and permits	8,331	398	-	398	8,729
Postage and freight	8,416	-	-	-	8,416
Supplies	-	8,019	-	8,019	8,019
Insurance	3,010	-	-	-	3,010
Depreciation	-	2,823	-	2,823	2,823
Other	11,825	-	-	-	11,825
<b>Total expenses</b>	<b>\$ 440,894</b>	<b>91,588</b>	<b>15,432</b>	<b>107,020</b>	<b>547,914</b>

See accompanying notes to financial statements.





**BALANCE SHEETS FROM THREE PRIOR FISCAL YEARS  
(2018, 2017, 2016)**

**Valdez Convention & Visitors Bureau**  
**Balance Sheet**  
**as of December 31, 2018**

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Dec 31, 18

**ASSETS**

**Current Assets Checking/Savings**

11100 · FNBA Checking	-723.47
11200 · FNBA Gaming	140.80
11400 · Front Desk Cash Register	80.00
11500 · Petty Cash Drawer	82.28
<b>Total Checking/Savings</b>	<b>-420.39</b>

**Accounts Receivable**

11000 · Accounts Receivable	3,000.00
<b>Total Accounts Receivable</b>	<b>3,000.00</b>

**Total Current Assets** 2,579.61

**Fixed Assets**

14100 · Office Equipment Original Cost	14,116.00
14200 · Office Equipment Depreciation	-9,933.80
<b>Total Fixed Assets</b>	<b>4,182.20</b>

**Other Assets**

14500 · Inventory Retail	12,095.00
14600 · Inventory Vacation Guides	17,812.50
15100 · Allowance for Bad Debt	1,100.00
<b>Total Other Assets</b>	<b>31,007.50</b>

**TOTAL ASSETS** 37,769.31

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities Accounts Payable**

20000 · Accounts Payable	15,430.33
<b>Total Accounts Payable</b>	<b>15,430.33</b>

**Credit Cards**

21100 · Bank of America	
21110 · BOA - Executive Director	2,262.38
21120 · BOA - Membership Manager	-191.01
21100 · Bank of America - Other	2,127.31
<b>Total 21100 · Bank of America</b>	<b>4,198.68</b>
<b>Total Credit Cards</b>	<b>4,198.68</b>

**Other Current Liabilities**

23000 · Payroll Liabilities	
23100 · Fed / SS / Med Tax	-7,506.24
23600 · Accrued Leave Payable	2,028.33
<b>Total 23000 · Payroll Liabilities</b>	<b>-5,477.91</b>

**Total Other Current Liabilities** -5,477.91

**Total Current Liabilities** 14,151.10

**Total Liabilities** 14,151.10

**Equity**

30000 · Opening Balance Equity	34,882.53
Net Income	-11,264.32
<b>Total Equity</b>	<b>23,618.21</b>

**TOTAL LIABILITIES & EQUITY** 37,769.31

**VALDEZ CONVENTION & VISITORS BUREAU**  
**BALANCE SHEET**  
**As of December 31, 2017**

<b>ASSETS</b>	
Current Assets	
Bank Accounts	\$ -3,617.74
Accounts Receivable	
1200 Accounts Receivable	4,041.24
Allowance for Bad Debt	0.00
<b>Total Accounts Receivable</b>	<b>\$4,041.24</b>
Other Current Assets	
12100 Inventory Asset	6,702.25
1300 Prepaids	-325.23
1499 Undeposited Funds	2.00
Petty Cash	119.34
Security Deposit	0.00
<b>Total Other Current Assets</b>	<b>\$6,498.36</b>
<b>Total Current Assets</b>	<b>\$6,921.86</b>
Fixed Assets	
1610 Accum.Deprec.Office Equipment	-9,933.80
1600 Office Equipment	14,116.00
<b>Total 1610 Accum.Deprec.Office Equipment</b>	<b>4,182.20</b>
<b>Total Fixed Assets</b>	<b>\$4,182.20</b>
<b>TOTAL ASSETS</b>	<b>\$11,104.06</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable	26,295.94
<b>Total Accounts Payable</b>	<b>\$26,295.94</b>
Credit Cards	
2050 Credit Card - VISA ACCOUNT 3534	1,268.02
<b>Total Credit Cards</b>	<b>\$1,268.02</b>
Other Current Liabilities	
2100 Payroll Liabilities	6,021.26
ESC Payable	299.10
FEB/SS/MED Payable	922.06
FUTA payable	0.00
<b>Total 2100 Payroll Liabilities</b>	<b>7,242.42</b>
2200 Deferred Revenue	35,739.96
Employee Health Insurance/401K	4,270.20
<b>Total Other Current Liabilities</b>	<b>\$47,252.58</b>
<b>Total Current Liabilities</b>	<b>\$74,816.54</b>
<b>TOTAL</b>	
<b>Total Liabilities</b>	<b>\$74,816.54</b>
Equity	
1110 Retained Earnings	-63,484.56
3000 Opening Bal Equity	0.00
Net Income	-227.92
<b>Total Equity</b>	<b>\$ -63,712.48</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$11,104.06</b>

**Valdez Convention & Visitors Bureau**  
**Balance Sheet**  
**As of December 31, 2016**

Dec 31, 16  
**ASSETS**  
**Current Assets**

Checking/Savings	
VCVB Operating	-13,283.31
VCVB Savings - FNBA	1,954.98
Total Checking/Savings	-11,328.33
Accounts Receivable	
1200 · Accounts Receivable	5,832.14
Total Accounts Receivable	5,832.14
Other Current Assets	
12100 · Inventory Asset	-1.30
1300 · Prepaids	35,293.70
Petty Cash	245.00
Total Other Current Assets	35,537.40
Total Current Assets	30,041.21
Fixed Assets	
1610 · Accum.Deprec.Office Equipment	
1600 · Office Equipment	13,472.72
1610 · Accum.Deprec.Office Equipment - Other	-7,110.60
Total 1610 · Accum.Deprec.Office Equipment	6,362.12
Total Fixed Assets	6,362.12
<b>TOTAL ASSETS</b>	<b>36,403.33</b>

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities Accounts Payable**

2000 · Accounts Payable	30,580.98
Total Accounts Payable	30,580.98
Other Current Liabilities	
2200 · Deferred Revenue	30,742.14
Employee Health Insurance/401K	2,416.26
2100 · Payroll Liabilities	
ESC Payable	1,840.41
FEB/SS/MED Payable	999.47
FUTA payable	-1.36
2100 · Payroll Liabilities - Other	7,091.54
Total 2100 · Payroll Liabilities	9,930.06
Total Other Current Liabilities	43,088.46
Total Current Liabilities	73,669.44
Total Liabilities	73,669.44

**Equity**

1110 · Retained Earnings	59,368.79
Net Income	-96,634.90
Total Equity	-37,266.11
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>36,403.33</b>



**CURRENT OPERATING BUDGET 2019  
REVENUES OVER EXPENSES**

**Valdez Convention & Visitors Bureau**  
**Profit & Loss Budget Overview**  
**January through December 2019**

	<u>Jan - Dec</u> <u>19</u>
Ordinary Income/Expense	
Income	
41100 · City of Valdez Grants	446,245.11
42000 · Membership Income	
42100 · King Membership	3,900.00
42200 · Silver Membership	1,650.00
42300 · Pink Membership	4,450.00
42400 · Adventure Corridor Membership	<u>2,000.00</u>
Total 42000 · Membership Income	12,000.00
43000 · Cooperative Advertising	
43110 · Print Package	12,200.00
43120 · Print & Digital Package	8,000.00
43130 · VIC Television Ads	400.00
43140 · VCVB Wall Advertising	1,550.00
43150 · 50 Fun Things Flipbook	1,500.00
43160 · Vacation Guide Addl Listings	1,200.00
43170 · Show Banner Panel Ad	1,500.00
43180 · Vacation Guide Color Ad	27,760.00
43190 · VIC Display Cases	920.00
43200 · Sandwich Board Ad	500.00
43210 · Discover Valdez Webpage	<u>0.00</u>
Total 43000 · Cooperative Advertising	55,530.00
44100 · Vendor Booth Sales	0.00
44200 · Raffle Ticket Sales	4,000.00
45000 · Retail Sales	
45100 · Clothing	1,960.00
45200 · Collectibles	1,132.00
45300 · Food Goods	2,864.00
45400 · Discounts Given	<u>-356.00</u>
Total 45000 · Retail Sales	5,600.00
46100 · Donations Received	<u>20.00</u>
Total Income	523,395.11
Cost of Goods Sold	
51000 · Cost of Goods Sold	
51100 · Retail Cost of Goods	<u>2,778.21</u>
Total 51000 · Cost of Goods Sold	<u>2,778.21</u>
Total COGS	<u>2,778.21</u>
Gross Profit	520,616.90
Expense	
61000 · Payroll Expenses	
61100 · Director Wages	60,000.00
61200 · Membership Wages	42,000.00

61300 · Services Wages	36,000.00
61400 · Seasonal Wages	21,015.90
61600 · Payroll Tax Expense	18,228.00
61700 · Health, Dental Vision Ins	<u>33,000.00</u>
Total 61000 · Payroll Expenses	210,243.90
62000 · Insurance	
62100 · General Liability	1,660.00
62200 · Board Insurance	1,542.00
62300 · Workers Comp	<u>799.00</u>
Total 62000 · Insurance	4,001.00
63000 · Operating Costs	
63100 · Operating - Admin	
63110 · Rent	36,000.00
63120 · Waste, Water, Sewer	595.60
63130 · Electricity	6,390.15
63140 · Heating Fuel	5,697.25
63150 · Equip Rental and Maint	2,500.00
63160 · Wall Ad Panels	<u>25.00</u>
Total 63100 · Operating - Admin	51,208.00
63200 · Operating - Communication	
63210 · Telephone Office	2,192.02
63220 · Telephone Mobile	1,344.69
63230 · Internet	<u>3,036.45</u>
Total 63200 · Operating - Communication	6,573.16
63300 · Operating - Supplies	
63310 · Office Supplies	3,000.00
63320 · Printing	2,192.24
63330 · Cleaning Fees	<u>942.58</u>
Total 63300 · Operating - Supplies	6,134.82
63400 · Operating - Guides	
63410 · Guide Postage / Shipping	10,000.00
63420 · Guides Distribution	<u>13,000.00</u>
Total 63400 · Operating - Guides	23,000.00
63500 · Operating - Fees	
63510 · Bank Service Charge	500.00
63520 · Licenses and Permits	120.00
63530 · Software / Subscriptions	1,800.00
63540 · Credit Card Acceptance Fees	1,100.00
63550 · Penalties and Fees	<u>15,000.00</u>
Total 63500 · Operating - Fees	18,520.00
63600 · Operating - Professional	
63610 · Accounting Fees	8,065.21
63620 · Financial Audit	<u>20,000.00</u>
Total 63600 · Operating - Professional	<u>28,065.21</u>
Total 63000 · Operating Costs	133,501.19
64000 · Program Work	

<b>64100 · Advertising</b>	
64110 · Internet and Web Ads	8,166.81
64120 · Social Media	6,000.00
64130 · Branding	3,000.00
64140 · Radio & TV Ads	6,000.00
64150 · Guides & Magazines	15,880.00
64160 · Advertising	15.00
64100 · Advertising - Other	<u>0.00</u>
<b>Total 64100 · Advertising</b>	<b>39,061.81</b>
<b>64200 · Marketing</b>	
64210 · ATIA Leads	3,500.00
64220 · Cruise Ship Prep	1,500.00
64230 · 50 Fun Things	5,370.00
64240 · Valdez Vacation Guide	65,000.00
64250 · Website Design	23,000.00
64260 · Public Relations	<u>3,500.00</u>
<b>Total 64200 · Marketing</b>	<b>101,870.00</b>
<b>64300 · Trade</b>	
64310 · Exhibits	5,580.00
64320 · Familiarization Trips	3,500.00
64330 · Membership Fees	900.00
64340 · Registration Fees	3,000.00
64350 · Sponsorships	<u>1,000.00</u>
<b>Total 64300 · Trade</b>	<b><u>13,980.00</u></b>
<b>Total 64000 · Program Work</b>	<b>154,911.81</b>
<b>65000 · Travel and Fundraising</b>	
65100 · Transportation	5,700.00
65200 · Meals	<u>1,750.00</u>
<b>Total 65000 · Travel and Fundraising</b>	<b>7,450.00</b>
<b>66000 · Special Events</b>	
66100 · Board and Member Meetings	<u>1,000.00</u>
<b>Total 66000 · Special Events</b>	<b>1,000.00</b>
<b>69000 · Contingency</b>	<u>9,509.00</u>
<b>Total Expense</b>	<b><u>520,616.90</u></b>
<b>Net Ordinary Income</b>	<u>0.00</u>
<b>Net Income</b>	<b><u><u>0.00</u></u></b>





## **PROPOSED 2020 BUDGET INCLUDING REVENUE OVER EXPENSES**

**VALDEZ CONVENTION & VISITORS BUREAU**  
**2020 Budget**

Accounts	2019 Budget	2020 Budget	Variance	Notes
<b>Income</b>				
41100 · City of Valdez Grants	446,245.11	458,245.11	12,000.00	increase of \$12k
42000 · Membership Income				
	3,900.00	3,900.00	0.00	
	1,650.00	1,650.00	0.00	
	4,450.00	4,450.00	0.00	
	2,000.00	2,000.00	0.00	
<b>Total 42000 · Membership Income</b>	<b>12,000.00</b>	<b>12,000.00</b>	0.00	
43000 · Cooperative Advertising				
	12,200.00	12,200.00	0.00	
	8,000.00	8,000.00	0.00	
	400.00	400.00	0.00	
	1,550.00	1,550.00	0.00	
	1,500.00	1,500.00	0.00	
	1,200.00	1,200.00	0.00	
	1,500.00	1,500.00	0.00	
	27,760.00	27,760.00	0.00	
	920.00	920.00	0.00	
	500.00	500.00	0.00	
	0.00	0.00	0.00	
	<b>55,530.00</b>	<b>55,530.00</b>	<b>0.00</b>	
	0.00	0.00	0.00	leave at zero keep account active
	4,000.00	4,000.00	0.00	
45000 · Retail Sales				
	1,960.00	11,960.00	10,000.00	10,000 increase in total retail sales
	1,132.00	1,132.00	0.00	
	2,864.00	2,864.00	0.00	
	-356.00	-356.00	0.00	
	<b>5,600.00</b>	<b>15,600.00</b>	<b>10,000.00</b>	
	20.00	20.00	0.00	
	0.00	0.00	0.00	

<b>Total Income</b>	<b>523,395.11</b>	<b>545,395.11</b>	<b>22,000.00</b>	
Cost of Goods Sold				
				<i>this is a deduction from income</i>
	2,778.21	7,778.21	5,000.00	addl \$5000 to COGS
	<b>2,778.21</b>	<b>7,778.21</b>	<b>5,000.00</b>	
	<b>2,778.21</b>	<b>7,778.21</b>	<b>5,000.00</b>	
<b>Gross Profit</b>	<b>520,616.90</b>	<b>537,616.90</b>	<b>17,000.00</b>	<b>increase of \$17k</b>
	60,000.00	61,200.00	1,200.00	<i>includes 2% pay raise</i>
	42,000.00	42,840.00	840.00	<i>includes 2% pay raise</i>
	36,000.00	36,720.00	720.00	<i>includes 2% pay raise</i>
	21,015.90	21,435.90	420.00	<i>includes 2% pay raise</i>
	0.00	0.00	0.00	(part of wages above)
	18,228.00	18,228.00	0.00	
	33,000.00	33,000.00	0.00	
	<b>210,243.90</b>	<b>213,423.90</b>	<b>3,180.00</b>	<b>(total increase of \$3180)</b>
	1,660.00	1,660.00	0.00	
	1,542.00	1,542.00	0.00	
	799.00	799.00	0.00	
	<b>4,001.00</b>	<b>4,001.00</b>	<b>0.00</b>	
63110 · Rent	36,000.00	36,000.00	0.00	
63120 · Waste, Water, Sewer	595.60	595.60	0.00	
63130 · Electricity	6,390.15	6,390.15	0.00	
63140 · Heating Fuel	5,697.25	5,697.25	0.00	
63150 · Equip Rental and Maint	2,500.00	2,500.00	0.00	
63160 · Wall Ad Panels	25.00	25.00	0.00	
	<b>51,208.00</b>	<b>51,208.00</b>	<b>0.00</b>	
63210 · Telephone Office	2,192.02	2,192.02	0.00	
63220 · Telephone Mobile	1,344.69	1,344.69	0.00	
63230 · Internet	3,036.45	3,036.45	0.00	
	<b>6,573.16</b>	<b>6,573.16</b>	<b>0.00</b>	

63310 · Office Supplies	3,000.00	3,000.00	0.00	
63320 · Printing	2,192.24	2,192.24	0.00	
63330 · Cleaning Fees	942.58	942.58	0.00	
	<b>6,134.82</b>	<b>6,134.82</b>	<b>0.00</b>	
63410 · Guide Postage / Shipping	10,000.00	10,000.00	0.00	
63420 · Guides Distribution	13,000.00	13,000.00	0.00	
	<b>23,000.00</b>	<b>23,000.00</b>	<b>0.00</b>	
63510 · Bank Service Charge	500.00	500.00	0.00	
63520 · Licenses and Permits	120.00	120.00	0.00	
63530 · Software / Subscriptions	1,800.00	3,000.00	1,200.00	increase \$1200
63540 · Credit Card Acceptance Fees	1,100.00	1,100.00	0.00	
63550 · Penalties and Fees	15,000.00	0.00	- 15,000.00	no penalties and fees
	<b>18,520.00</b>	<b>4,720.00</b>	<b>- 13,800.00</b>	
63610 · Accounting Fees	8,065.21	4,000.00	-4,065.21	for quarterlies and audit
63620 · Financial Audit	20,000.00	18,000.00	-2,000.00	projected 3 year agreement
	<b>28,065.21</b>	<b>22,000.00</b>	<b>-6,065.21</b>	
	<b>133,501.19</b>	<b>113,635.98</b>	<b>- 19,865.21</b>	
64110 · Internet and Web Ads	8,166.81	8,166.81	0.00	
64120 · Social Media	6,000.00	18,000.00	12,000.00	\$12k increase
64130 · Branding	3,000.00	3,000.00	0.00	
64140 · Radio & TV Ads	6,000.00	8,000.00	2,000.00	increase \$2k
64150 · Guides & Magazines	15,880.00	18,380.00	2,500.00	increase \$2500 AK travel
64160 · Advertising	15.00	15.00	0.00	
	<b>39,061.81</b>	<b>55,561.81</b>	<b>16,500.00</b>	
64210 · ATIA Leads	3,500.00	3,500.00	0.00	
64220 · Cruise Ship Prep	1,500.00	3,000.00	1,500.00	increase \$1500
64230 · 50 Fun Things	5,370.00	5,370.00	0.00	reduce size and price???
64240 · Valdez Vacation Guide	65,000.00	65,000.00	0.00	
64250 · Website Design	23,000.00	23,000.00	0.00	
64260 · Public Relations	3,500.00	7,894.21	4,394.21	increase \$4394.21

	<b>101,870.00</b>	<b>107,764.21</b>	<b>5,894.21</b>	
64310 · Exhibits	5,580.00	5,580.00	0.00	
64320 · Familiarization Trips	3,500.00	3,500.00	0.00	
64330 · Membership Fees	900.00	2,450.00	1,550.00	addl \$1550 for memberships
64340 · Registration Fees	3,000.00	4,700.00	1,700.00	addl \$1700 ABA registration
64350 · Sponsorships	1,000.00	1,000.00	0.00	
	<b>13,980.00</b>	<b>17,230.00</b>	<b>3,250.00</b>	
	<b>154,911.81</b>	<b>180,556.02</b>	<b>25,644.21</b>	<b>total increase of \$25644.21</b>
	5,700.00	7,700.00	2,000.00	addl \$2k to attend shows
	1,750.00	2,300.00	550.00	addl \$550 to attend shows
	<b>7,450.00</b>	<b>10,000.00</b>	<b>2,550.00</b>	
	1,000.00	1,000.00	0.00	
	0.00	0.00	0.00	
	<b>1,000.00</b>	<b>1,000.00</b>	<b>0.00</b>	
Other Income/Expense				
Other Expense				
93000 · Contingency	9,509.00	15,000.00	5,491.00	contingency for exp paid in Jan
<b>Total Other Expense</b>	<b>9,509.00</b>	<b>15,000.00</b>	<b>5,491.00</b>	
<b>Total Expense</b>	<b>520,616.90</b>	<b>537,616.90</b>	<b>17,000.00</b>	
<b>Net Income</b>	<b>0.00</b>	<b>0.00</b>		<b>grand total increase \$26,509</b>

## PROGRAM INFORMATION

ORGANIZATION NAME: VALDEZ CONVENTION & VISITORS BUREAU

Program Title: TOURISM MARKETING & ADVERTISING OF THE CITY OF VALDEZ

Complete section below. Limit comments to this page.

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

Design and implementation of destination marketing program to encourage travel to Valdez as a year-round destination.

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 marketing of Valdez as a destination is essential to maintain and grow the tourism industry in our community. The programs that will be implemented in 2020 will continue these efforts by not only retaining successful programs, but by developing new programs that will allow the origination to reach more targets. Our continued mission will preserve Valdez on the itineraries of groups and independent travelers and draw others to Valdez benefiting our local economy. The benefits of a healthy tourism industry provide jobs throughout the community, increases revenues for local businesses, and allows an assortment of activities for local residents to enjoy.

Is this program year-round, seasonal, or a one-time event? YEAR-ROUND Schedule: Beginning date: 01/01/2020 Ending date: 12/31/2020

Estimated number of people to be served by this program? Entire Valdez Community  
Provide formula for estimate:

All residents and connected businesses benefit from a strong tourism industry in Valdez. The spending of visitors' dollars and then those dollars in turn being spent in the community.

Target population served: (i.e.: youth, adult, Senior Citizens, disadvantaged, etc.)

The potential travelers to Valdez are multi-generational. The effects of the program serve all the business and residents of Valdez.

Is membership in your organization required for participation: Yes x No    

Fee to participant: Member \$200 – 4000 Non-Member \$ n /a

Number of paid program staff: Full-time 3 Part-time     Temporary 5

ORGANIZATION NAME: Valdez Convention & Visitors Bureau, Inc.  
Program Information (continued)

Volunteer Services Information:

Number of volunteers:	Actual 2017	<u>15</u>
	Actual 2018	<u>15</u>
	Actual 2019	<u>15</u>
	Estimated 2020	<u>18</u>

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

Members, Businesses, Residents of Valdez

Types of services provided by volunteers:

Assisting with events, program development serving on the Board of Directors and associated committees

Where will you operate this program? What facilities?

The business office and Visitors Information Center is located on Fairbanks Drive. Sales activities take place in Alaska and across the US.

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

75% REDUCTION IN STAFFING, NO SEASONAL/TEMPORARY EMPLOYMENT, CANCELLATION OF ALL PROGRAMS, LIMITED HOURS OF OPERATION

50% NO MARKETING & ADVERTISING – ONE STAFF MEMBER TO MANAGE THE GUIDE

25% ONLY THE VACATION GUIDE PRODUCTION - NO CENTER OPEN AT ALL

0% CLOSE BUSINESS

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?

Our visitors Information Center has ramp access for guests and an accessible restroom facility

The VCVB building is spacious and open allowing guests with disabilities plenty of room to move around freely

ORGANIZATION NAME:       VALDEZ CONVENTION & VISITORS BUREAU      

Program Information (continued)

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

"Tourism is an essential piece of the Valdez economy and ideally will grow to be a larger part of our community's economic base.

For our businesses to stabilize and grow we must ensure that Valdez is active and competitive in the marketplace as travelers research and consider Alaska.

Simply stated:- It is the State of Alaska's task to plant the seed of Alaska as a destination and convert perspective travelers to committed travelers.- It is the community of Valdez's job, via VCVB, to take those committed Alaskan travelers and ensure that they include Valdez in their Alaska itinerary.- It is the businesses of Valdez's job to take those travelers that VCVB has reached out to and convert/book that business.

Without the second step, ensuring that Valdez is included in a travelers journey, our community will easily be overlooked and oversold by other destinations in Alaska. Generic marketing for Valdez is essential for our tourism industry. The VCVB will work with the State of Alaska and other regions in Alaska to leverage marketing dollars. By doing this we will use funds as efficiently as possible to attract new and returning visitors.

In the past we have been asked to write a plan and budget that is necessary to market the community of Valdez, not a budget that is based on the available Accommodations Tax. For 2020 we have taken the approach of continuing with successful programs, whilst spending the next 12 months researching and developing niche markets to separate Valdez from the rest of Alaska, creating value to the community. In addition, the VCVB will be working more closely with Ports & Harbor Dept, and the Economic Development Dept, creating diversity within our areas that adds further value to the community of Valdez.

In 2020 the City of Valdez cruise ship visits are forecast to double in size. This will require additional staffing, both printed and digital marketing, and a more aggressive approach with social media.

Therefore, the VCVB is requesting an additional \$12,000 to support this strategy.

The 2020 programs being implemented by the VCVB can be found in the Scope of Services within this application.



**OPERATING EXPENSES OF PROPOSED PROGRAM**

(Budget Form #1)

<u>Program Expenses:</u>	<u>Budget</u>	<u>Breakdown</u>
<b>PERSONAL SERVICES:</b>	<b>\$ 213,423.90</b>	
Salaries/wages		\$ 162,195.90
Employee benefits		\$ 33,000.00
Other: Payroll Taxes		\$ 18,228.00
<b>CONTRACTUAL SERVICES:</b>	<b>\$ 29,220.00</b>	
Reproduction/copying		\$
Equipment rental		\$ 2500.00
Data processing		\$
Dues/subscriptions		\$ 3000.00
Contractual services		\$
Professional fees & services		\$ 22,000.00
Other: Cred. Crd, Bank Fees, H2O		\$ 1,720.00
<b>OTHER SERVICES:</b>	<b>\$ 232,479.42</b>	
Volunteer services		\$
Communications/postage		\$ 29,573.16
Printing		\$ 72,562.24
Advertising/promotion		\$ 110,186.02
Electricity		\$ 6,390.15
Heating		\$ 5,697.25
Travel/transportation		\$ 7,450.00
Other: Dumpster/City Fees		\$ 620.60
<b>COMMODITIES:</b>	<b>\$ 3,942.58</b>	
Clothing		\$
Office supplies		\$ 3,000.00
Building maintenance		\$ 942.58
Operating supplies		\$
Parts & supplies - equipment		\$
<b>OTHER CHARGES/EXPENSES:</b>	<b>\$ 58,551.00</b>	
Insurance		\$ 4001.00
Contingencies		\$ 15,000.00
Training		\$ 1,000.00
Rent		\$ 36,000.00
Capital equipment		\$
Office equipment		\$
Other expenses: Event Expenses		\$ 2,550.00
<b>TOTAL COST FOR OPERATION OF THIS PROGRAM:</b>	<b>\$ 537,616.90</b>	

<b><u>SOURCES OF PROGRAM FUNDING</u></b>	<b><u>GOAL AMOUNT</u></b>	<b><u>%</u></b>	<b><u>COMMITTED (Y/N)</u></b>
Parent Organization	\$ 0.00	0%	N/A
Gifts and Contributions	\$	0%	N
Membership Dues	\$ 12,000.00	2.7%	N
Fees & charges to participants	\$ 55,530.00	10.4%	N
Private sector grants (specify source and date of award)			N
			N
			N
Fundraisers (specify major fundraising events/programs)			
Raffle	\$ 4,000.00	.3%	N
Retail Sales	\$ 7821.79	1.6%	N
			N
<b>Subtotal of Financial Support for this program:</b>	<b>\$ 79,351.79</b>	<b>15%</b>	
<b>Supplemental Funding Requested from City of Valdez:</b>	<b>\$ 458,245.11</b>	<b>85%</b>	
<b><u>TOTAL FUNDING FOR OPERATION OF THIS PROGRAM:</u></b>	<b>\$ 537,616.90</b>	<b>100%</b>	

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 CONVENTION & VISITORS BUREAU

## SCOPE OF SERVICES

Timeline      OUTCOMES for 2020 (What do you plan to accomplish in 2020 - be specific)

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PLEASE REFER TO ATTACHED DOCUMENTATION.

### **2020 Scope of Services**

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Attach additional pages if necessary  
*Definition: Outcome - End product or result accomplished*

**2020**



## **2020 Scope of Services**

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# MISSION STATEMENT

The Valdez Convention & Visitors Bureau (VCVB) is a highly entrepreneurial organization that collaborates and partners with municipal, community and business organizations to promote Valdez as the preferred travel destination within Alaska.

Valdez's location, picturesque setting, outstanding fishing, world class snow sports, spectacular glacier and flightseeing tours, excellent hotels and meeting space, cultural attractions and variety of retailing and restaurant experiences offer value driven experiences.

Capitalizing on the resources that Valdez has to offer is at the core of the Valdez Convention & Visitors Bureau mission. What sets the organization apart is its innovative and entrepreneurial approach to driving economic impact in our region.

# 2020 OBJECTIVES

Provide tools and information to Valdez businesses to enhance individual marketing efforts that will be available on the new website

Pursue internet options that will drive traffic to the main Tourism website [valdezalaska.org](http://valdezalaska.org)  
Increase interest in Valdez as a travel destination and inspire a desire to visit.

Strengthen brand identity and top-of-mind awareness.

Conduct a multi-pronged marketing campaigns aimed at the highest potential visitors.

Generate marketing leads and requests for trip-planning information.

Participate in selective Familiarization Tours promoting Valdez as a travel destination

Select cost-effective media that supports the overall goal of attracting a diverse mix of visitors and travel types.

Encourage residents, and their visiting friends and relatives, to experience Valdez business offering by providing travel-planning information.

Continue to nurture and grow the Cruise Ship market

Continue Adventure Corridor marketing efforts that increase revenue dollars as well as pursue partnerships with other business along the highways (Richardson & Glenn).

Provide tools and information to Valdez businesses to enhance individual marketing efforts.

Drive traffic to the main Tourism website [valdezalaska.org](http://valdezalaska.org).

Invest and expand Social Media while encouraging Valdez Visitors' participation

# iii. MARKET POSITIONING

## **Position:**

Highest potential visitors:

Disposable income – age 21 & over.

Retiree with disposable income.

## **Demographic Target Market**

45 – 65-year old's

Affluent

Married

College Educated

Frequent Travelers

## **Maintain Current Target Markets:**

Adventure Travelers & Highway Travelers.

Cruise Ship Travelers.



# iv. ADVERTISING

## Print, Internet & Social Media

### **Print:**

Fish Alaska; Travel Guide; Travel Guide Map; State of Alaska Travel Planner; Alaska Travel Magazine & the Valdez Vacation Guide.

### **Internet:**

ValdezAlaska.org.

### **Social Media:**

Facebook; Twitter; Pinterest; Instagram; You Tube;  
Increase Member & Community Live Feed Campaigns.

Continue with Hashtag and Campaigns:

#Discover Valdez

#Valdez Alaska

Add common hashtags as needed

# v. MARKETING

**Media:**

Update Journalist Media Kit 2020

**Lead Programs:**

Direct business lead generator from website ([valdezalaska.org](http://valdezalaska.org)); continue with the State Planner (ATIA lead program) and the Anchorage Bingo Lead Program.

**2020 Shows (Consumer):**

Great Alaskan Sportsman Show (Anchorage)

Outdoor Sportsman Show (Fairbanks)

**Distribution:**

Anchorage Distribution Company – (Guide) West & South Region; all consumer shows.

Gold City Distribution – (Guide) Interior and East.

PR Distribution Services – Yukon & Canada

Northern Distribution Services – (50 Fun Book) – all regions within Alaska

Valdez Information Center

Distribute to consumers/buyers at all Consumer and Trade Shows - all Guides & Fun Book.

Bellingham WA – Guide Distribution at Ferry Terminal.

AAA- Chattanooga, TN

AAA Hoosier Motor Club- Indianapolis, IN

Houston Chamber of Commerce- BC, CANADA

# vi. PRODUCT DEVELOPMENT

## Vacation Guide; Fun Book; Website

### **2020 Valdez Vacation Guide:**

Decrease Guide print down to 80,000 copies, due to Digital Guide increasing  
Keep the thicker stock cover with gloss overlay.  
Logo will stay the same until City of Valdez updates their Logo.  
Print 15,000 Area Guide Maps in house for local business distribution.

### **Update to 2020 Valdez Vacation Guide creative development:**

Add incentive to visitors for shared quality photographs

### **50 Fun Things to do in Valdez to be changed:**

Continue to sell advertising space to generate another source of income.  
Change the layout of the flipbook – Reduce flipbook size from 50 to 25 Fun Things and explore print stock options  
Distribute at Consumer and Trade Shows; local; and throughout Alaska.

### **Website:**

Encourage membership participation in maintaining accurate information  
Provide current all-inclusive community calendar  
Sell advertising spots as an additional source of income

## vii. TRADE

# National; International; FAM Tours

### **National:**

ABA – American Bus Association's Marketplace 2020

ATIA – Alaska Travel Industry Association Annual Conference

IPW – A trade industry buyer meeting opportunity for Valdez to sell to International buyers. Face to face meetings are conducted over 3 days. The largest industry opportunity each year.

### **International:**

Partner with existing memberships and industry partners to share promotional opportunities.

### **FAM TOURS:**

Buyer and Media FAM (Familiarization) Tours to Valdez is ongoing. All buyers and media are qualified before participation. The VCVB engages the business community to provide opportunities for their services/product exposure.

Current 2020 Schedule: in review with Thompson PR.

VCVB is available to assist the City of Valdez on all Cruise Ship arrivals. In addition, to assisting in educational FAMS for Cruise Ship companies.

## viii. COMMUNITY

All non-profit community partner events are promoted as per the VCVB mission, at the center both verbal by staff and the notice board within the center; including social media.

Event schedules available are now posted in the Visitors Center, announced on Social Media and currently maintained in the guide and the main website.

Cruise Ship Preparedness: The VCVB will continue to aid the City of Valdez Ports & Harbor Team during Cruise Ship preparedness.

The VCVB's new website will offer a current calendar of events

# ix. REVENUE DEVELOPMENT

Continue to research income retail souvenir product streams for cost effectiveness in sell through to Visitors.

Maintain labelling “Created & Designed in Valdez, Alaska USA)

Continue to provide Members with marketing and advertising programs that support their business.

Provide added value advertising available on the VCVB’s new website

# S.W.O.T. SUMMARY

## Executive Summary:

The VCVB, as we all know, is a Member based organization which promotes Valdez Members business services, and the City of Valdez, to a world-wide targeted audience. The main goal of the organization is to target potential travelers to include Valdez as a preferred year-round travel destination within the State of Alaska. The VCVB is also a non-profit organization 501 c 6 designated. The VCVB non-profit designation, and noted clearly within the VCVB bylaws, and in accordance to the I.R.S, state that the VCVB is to have “Members” at various levels, with Dues that are charged for Membership, and provide benefits within that Membership. The VCVB also offers, secondary to Membership Dues, as an extra purchase – Year-round Marketing & Advertising opportunities to those same Members through Print, Digital, Promotional Travel Shows (Consumer & Trade), In house displays and advertising areas, to name a few.

The task each year is to review Membership Benefits, assess marketing and advertising strategies and develop value add services/opportunities to the Member base, and, also seek out new Memberships, all the while attempting to raise income levels to support these same strategies and programs.

This year, the VCVB conducted a cost analysis and SWOT analysis to demonstrate ways of lowering the grant funding levels provided by the City of Valdez in case a future budget cut or reduction in grant funding was to occur. The VCVB would be remiss in its duties if it did not regularly conduct a SWOT analysis at least each year as a minimum with regards to funding.

As an organization, the VCVB is clearly threatened by the City of Valdez’s ability to reduce its investment at any point in time. The State of Alaska has also reduced its funding to the key tourism industry promoter ATIA which could cause, at any time, severe economic changes to the tourism climate within the State that includes Valdez. Any dramatic changes to the industry and tourism climate has the potential to cause businesses (Members) to close-down operations, therefore reducing the tourism income stream into the City of Valdez.

To reduce the financial risk, the VCVB needs to work towards several outcomes.

1. Increase financial stability. 2. Reduce expenditures. 3. Add Value to the VCVB membership base. To address all three outcomes, the VCVB must develop and implement a new Membership structure, pursue new advertising/marketing product value added programs, and adjust implementation schedule timelines.

**Strengths:**

As an organization, the VCVB financial strengths lays in the opportunity that threatens its existence. The City of Valdez funds approximately 85% of the organizations total operations including the marketing and advertising programs it conducts to promote tourism for Valdez and its' business members.

This year (2018) the VCVB received the Bed Tax collected plus an additional \$20,000 from the City of Valdez - \$446,245.11 2016 saw the same amount invested by the City of Valdez.

The VCVB has approximately 100 paying Members. The VCVB does have Trade/Industry Memberships that make up the balance of total Members 135, but these trade/industry members have reciprocal value and are not included within this assessment.

The City of Valdez, through the VCVB Grant Funding, invested \$4,462.45 per each member for the VCVB to market and promote world-wide for the year of 2018. This same amount is being used again for the current year 2019.

This averages out to \$371.87 being invested into each member per month by the City of Valdez via the VCVB Grant for the year.

In 2017, the VCVB collected from the Members \$55,931. Each Member, on average, contributed \$46.61 each per month for the year of 2017.

**Weakness:**

As an organization, historically, the VCVB Marketing & Membership weaknesses have been varied at different points in time throughout the years of operation until 2015:

Print deadlines not met

Invoices left unpaid or late by the Members.

Business member type and advertisement errors in Vacation Guide.

Members not rejoining due to believing a lack of value add to their business by the VCVB.

Membership Staff not providing a value-added service after the membership season has closed.

Confusion over Membership and Marketing/Advertising cohesion to market.

No new marketing product development implemented to add value to the Membership Base.



**Opportunities:**

As an organization, the VCVB has an opportunity to grow membership numbers along with marketing & advertising income expectations through:

Providing regular and clear communication about Membership Benefits.

Providing value-add marketing & advertising products to the Members.

New advertising options on the VCVB new upcoming website.

Improving Member relationships by regular communication throughout the year.

Ongoing design and implementation of new value add products for the Members.

Obtaining a total annual financial investment from the Members of \$84,795.89. Average investment per member per month \$70.66. This will recover the costs for the annual vacation guide (100,000 copies printed and distributed world-wide promoting the members who invested)

**Threats:**

As an organization, the VCVB is clearly threatened by the City of Valdez's ability to reduce its investment at any point in time. The State of Alaska has also reduced its funding to the key State of Alaska tourism industry promoter ATIA which could cause, at any time, severe economic changes to the tourism climate within the State that includes Valdez. Any dramatic changes to the industry and tourism climate has the potential to cause businesses (Members) to close-down operations, therefore reducing the tourism income stream into the City of Valdez.

# **VCVB Membership Summary**

Membership - What's new:

New website, permitting members more control and creativity to promote their business.

Membership Dues:

Membership Dues are paid Annually.

Start Date of Membership October 1st

End Date of Membership September 30th

Join after the closing date, pay full Annual Due Rate, no prorated amount.

Any Business can join at any time.

Membership Sales season is year-round.

Early Bird signup season is May 1st to June 15th, Winner announced June 16th. \$200 Free Advertising Discount as prize.

Members can apply for a seat on the VCVB Board of Directors when vacant seats are available. (Must be a Valdez resident to qualify with qualifying Membership Level)

All Members have a dedicated business profile page on the 2020 new main tourism website [ValdezAlaska.org](http://ValdezAlaska.org)

Maintain Membership Level pricing for 3 year

# **2019/2020 Marketing & Advertising Product**

What's new:

New Marketing and Advertising options on new website

New "Marketing & Advertising" Product Packages introduced:

Print Package Digital Package

Print & Digital Package with Bonuses.

Fabric AD Panel for new Consumer show banner.

Reduction in Center Wall Panel AD pricing.

Reduction in Fun Book Spot pricing.

Maintain pricing for 3 years.

Implementation Direction:

Marketing & Advertising Sales Season officially commences May 1st. and expires after 12 months.

All Packages are available to any Business Member or Business.

All packages can be purchased at any time.

All packages and/or additional marketing options can be added at any time to the Business Members portfolio.

Packages including PRINT – 2020 Guide advertising Deadline August 1st therefore must be purchased before deadline to be included in the annual Valdez Vacation Guide. The 2020 Guide hits the streets for distribution on October 1st, 2019.

**Valdez Convention & Visitors Bureau**  
**Balance Sheet**  
As of June 30, 2019

	<u>Jun 30, 19</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
11100 · FNBA Checking	152,788.90
11200 · FNBA Gaming	39.65
11600 · Square Account - Clearing	<u>-1,512.22</u>
Total Checking/Savings	151,478.61
Accounts Receivable	
11000 · Accounts Receivable	<u>3,000.00</u>
Total Accounts Receivable	3,000.00
Other Current Assets	
12000 · *Undeposited Funds	<u>2,155.22</u>
Total Other Current Assets	<u>2,155.22</u>
Total Current Assets	156,633.83
Fixed Assets	4,182.20
Other Assets	
14500 · Inventory Retail	12,095.00
14600 · Inventory Vacation Guides	17,812.50
15100 · Allowance for Bad Debt	<u>1,100.00</u>
Total Other Assets	<u>31,007.50</u>
<b>TOTAL ASSETS</b>	<b><u>191,823.53</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
20000 · Accounts Payable	<u>6,382.66</u>
Total Accounts Payable	6,382.66
Credit Cards	
21100 · Bank of America	<u>-37.77</u>
Total Credit Cards	-37.77
Other Current Liabilities	
23000 · Payroll Liabilities	<u>8,536.48</u>
Total Other Current Liabilities	<u>8,536.48</u>
Total Current Liabilities	<u>14,881.37</u>
Total Liabilities	14,881.37
Equity	
30000 · Opening Balance Equity	34,882.53
32000 · Unrestricted Net Assets	-11,264.32
Net Income	<u>153,323.95</u>
Total Equity	<u>176,942.16</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>191,823.53</u></b>

# Valdez Convention & Visitors Bureau

08/08/19

Accrual Basis

## Profit & Loss January through June 2019

	Jan - Jun 19
Ordinary Income/Expense	
Income	
41100 · City of Valdez Grants	366,245.10
42000 · Membership Income	4,766.90
43000 · Cooperative Advertising	23,918.10
45000 · Retail Sales	2,503.60
46100 · Donations Received	47.63
46200 · Interest Income	17.54
Total Income	397,498.87
Cost of Goods Sold	
51000 · Cost of Goods Sold	
51100 · Retail Cost of Goods	3,329.81
Total 51000 · Cost of Goods Sold	3,329.81
Total COGS	3,329.81
Gross Profit	394,169.06
Expense	
61000 · Payroll Expenses	123,743.89
62000 · Insurance	3,955.00
63000 · Operating Costs	
63100 · Operating - Admin	26,096.67
63200 · Operating - Communication	3,220.20
63300 · Operating - Supplies	2,650.17
63400 · Operating - Guides	13,645.28
63500 · Operating - Fees	19,393.30
63600 · Operating - Professional	24,415.00
Total 63000 · Operating Costs	89,420.62
64000 · Program Work	20,383.20
65000 · Travel and Fundraising	3,201.51
66000 · Special Events	
66100 · Board and Member Meetings	140.89
Total 66000 · Special Events	140.89
Total Expense	240,845.11
Net Ordinary Income	153,323.95
Net Income	153,323.95

**VALDEZ CONVENTION  
& VISITORS BUREAU**  
Valdez, Alaska

Financial Statements  
with Independent Auditor's Report  
Thereon

December 31, 2018 and 2017



**NEWHOUSE & VOGLER**  
Certified Public Accountants

**VALDEZ CONVENTION & VISITORS BUREAU**  
Valdez, Alaska

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**Newhouse & Vogler***Certified Public Accountants*

237 E. Fireweed Lane, Suite 200

Anchorage, Alaska 99503

(907) 258-7555

(907) 258-7582 Fax

**Independent Auditor's Report**

Board of Directors

Valdez Convention &amp; Visitors Bureau

Valdez, Alaska

**Report on the Financial Statements**

We have audited the accompanying statements of Valdez Convention & Visitors Bureau, which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

**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 (GAAP); 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 audit. We conducted our audit 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.



Board of Directors  
Valdez Convention & Visitors Bureau

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Valdez Visitor & Convention Bureau as of December 31, 2018, and the changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



Anchorage, AK  
August 13, 2019

**VALDEZ CONVENTION & VISITORS BUREAU**

Valdez, Alaska

*Statements of Financial Position**December 31, 2018 and 2017*

	<u>2018</u>	<u>2017</u>
<b>Assets</b>		
Current assets:		
Cash and equivalents	\$ 303	706
Inventory	12,095	12,095
Accounts receivables, net	3,000	4,041
Prepaid expenses	<u>17,813</u>	<u>27,635</u>
<i>Total current assets</i>	<u>33,211</u>	<u>44,477</u>
Property and equipment, net	<u>1,379</u>	<u>4,182</u>
<i>Total assets</i>	<u>\$ 34,590</u>	<u>48,659</u>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Overdrawn cash	\$ 723	-
Accounts payable	19,629	7,247
Accrued payroll and related liabilities	9,456	21,042
Unearned revenue	<u>47,836</u>	<u>35,740</u>
<i>Total current liabilities</i>	<u>77,644</u>	<u>64,029</u>
<i>Total liabilities</i>	<u>77,644</u>	<u>64,029</u>
Net assets:		
Unrestricted – undesignated	<u>(43,054)</u>	<u>(15,370)</u>
	<u>\$ 34,590</u>	<u>48,659</u>

See accompanying notes to financial statements.

**VALDEZ CONVENTION & VISITORS BUREAU**

Valdez, Alaska

*Statements of Activities**Years ended December 31, 2018 and 2017*

	2018	2017
Revenues and gains:		
Retail sales	\$ 9,719	7,741
Less cost of goods sold	<u>6,602</u>	<u>7,427</u>
Gross profit	3,117	314
Members' dues	8,166	10,189
Local government contributions	446,245	446,245
Grants and special events	-	25,321
Advertising revenue from members	44,199	55,458
Interest and dividend income	-	8
Miscellaneous	<u>6,466</u>	<u>3,486</u>
Total revenues	<u>508,193</u>	<u>541,021</u>
Expenses:		
Program services	431,500	440,894
Support services		
Management and general	103,428	91,588
Fundraising	<u>949</u>	<u>15,432</u>
Total support services	<u>104,377</u>	<u>107,020</u>
Total expenses	<u>535,877</u>	<u>547,914</u>
Change in unrestricted net assets	(27,684)	(6,893)
Net assets at beginning of year	(15,370)	(32,193)
Prior period adjustment	<u>-</u>	<u>23,716</u>
Net assets at beginning of year, restated	<u>(15,370)</u>	<u>(8,477)</u>
Net assets at end of year	<u>\$ (43,054)</u>	<u>(15,370)</u>

See accompanying notes to financial statements.

**VALDEZ CONVENTION & VISITORS BUREAU**

Valdez, Alaska

*Statements of Cash Flows**Years ended December 31, 2018 and 2017*

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Change in net assets	\$ (27,684)	(6,893)
Adjustments to reconcile change in net assets to cash flows from operating activities:		
Depreciation	2,803	2,823
(Increase) decrease in assets:		
Accounts receivable	1,041	2,484
Prepaid expenses	9,822	8,323
Inventory	-	24,588
Increase (decrease) in liabilities:		
Bank overdraft	723	-
Accounts payable	12,382	(36,871)
Accrued payroll and related liabilities	(11,586)	(758)
Unearned revenue	12,096	4,998
<i>Net cash flows from operating activities</i>	<u>(403)</u>	<u>(1,306)</u>
Cash flows from investing activities:		
Purchase of equipment	<u>-</u>	<u>(1,343)</u>
<i>Net cash flows from investing activities</i>	<u>-</u>	<u>(1,343)</u>
<i>Net change in cash and cash equivalents</i>	(403)	(2,649)
Cash at beginning of year	<u>706</u>	<u>3,355</u>
<b>Cash at end of year</b>	<b><u>\$ 303</u></b>	<b><u>706</u></b>

See accompanying notes to financial statements

**VALDEZ CONVENTION & VISITORS BUREAU**

Valdez, Alaska

*Statement of Functional Expenses**Year Ended December 31, 2018*

Description	Program Services	Support Services			Totals
		Management and General	Fundraising	Total Support Services	
Salaries and wages	\$ 139,980	69,456	642	70,098	210,078
Advertising	144,983	-	-	-	144,983
Rent	36,000	-	-	-	36,000
Utilities	27,071	-	-	-	27,071
Professional services	15,923	10,068	-	10,068	25,991
Travel and per diem	25,226	-	-	-	25,226
Licenses and permits	14,350	4,804	-	4,804	19,154
Printing and production	12,824	1,399	-	1,399	14,223
Penalties	-	8,711	-	8,711	8,711
Postage and freight	8,006	-	-	-	8,006
Supplies	-	5,087	-	5,087	5,087
Insurance	3,202	-	-	-	3,202
Depreciation	-	2,803	-	2,803	2,803
Equipment	1,525	-	-	-	1,525
Trade shows and promotions	1,300	-	-	-	1,300
Janitorial	1,110	-	-	-	1,110
Bad debt	-	1,100	-	1,100	1,100
Special events	-	-	307	307	307
<b>Total expenses</b>	<b>\$ 431,500</b>	<b>103,428</b>	<b>949</b>	<b>104,377</b>	<b>535,877</b>

See accompanying notes to financial statements.

**VALDEZ CONVENTION & VISITORS BUREAU**

Valdez, Alaska

*Statement of Functional Expenses**Year Ended December 31, 2017*

Description	Program Services	Support Services			Totals
		Management and General	Fundraising	Total Support Services	
Salaries and wages	\$ 129,684	64,348	595	64,943	194,627
Advertising	106,499	-	-	-	106,499
Professional services	25,305	16,000	-	16,000	41,305
Travel and per diem	37,849	-	-	-	37,849
Rent	36,000	-	-	-	36,000
Trade shows and promotions	30,172	-	-	-	30,172
Utilities	18,988	-	-	-	18,988
Special events	-	-	14,837	14,837	14,837
Printing and production	13,701	-	-	-	13,701
Equipment	11,114	-	-	-	11,114
Licenses and permits	8,331	398	-	398	8,729
Postage and freight	8,416	-	-	-	8,416
Supplies	-	8,019	-	8,019	8,019
Insurance	3,010	-	-	-	3,010
Depreciation	-	2,823	-	2,823	2,823
Other	11,825	-	-	-	11,825
<b>Total expenses</b>	<b>\$ 440,894</b>	<b>91,588</b>	<b>15,432</b>	<b>107,020</b>	<b>547,914</b>

See accompanying notes to financial statements.

**VALDEZ CONVENTION & VISITORS BUREAU**  
Valdez, Alaska

*Notes to the Financial Statements*

*December 31, 2018 and 2017*

---

**NOTE 1 – NATUE OF THE ENTITY**

Valdez Convention and Visitors Bureau (Organization) is a nonprofit corporation incorporated in the State of Alaska for the purpose of promoting business and tourism in the City of Valdez. The major sources of revenues and support are contributions from the City of Valdez and membership dues.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets represent assets of the organization, which are neither permanently restricted nor temporarily restricted by donor-imposed stipulations.

Temporarily restricted net assets represent assets of the organization whose use is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled by actions of the organization. When the stipulated time restriction ends or action is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as assets released from restrictions. There were no temporality restricted net assets at December 31, 2018 and 2017.

Permanently restricted net assets represent assets, which have been restricted by donors to be maintained by the organization in perpetuity. There were no permanently restricted net assets at December 31, 2018 and 2017.

**Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and, accordingly, reflect all significant accruals.

**Use of Estimates**

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates assumed in preparing the financial statements.

**Cash and Cash Equivalents**

The organization considers cash on deposit, cash on hand, money market funds, sweep accounts and short-term investments with original maturities of three months or less to be cash and cash equivalents.

## **VALDEZ CONVENTION & VISITORS BUREAU**

Valdez, Alaska

### *Notes to the Financial Statements, continued*

---

#### **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

##### **Accounts Receivable**

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectable amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable efforts are written off through a charge to the valuation allowance and credit to accounts receivable.

##### **Property and Equipment**

Property and equipment is stated at cost. Expenditures for equipment and major additions and improvements with a cost of \$500 or more are capitalized and minor replacements, maintenance, and repairs are charged to expense as incurred. When property and equipment is retired, or otherwise disposed of, the cost and accumulated depreciation is removed from the accounts and any resulting gain or loss is included in the results of operations for the respective period. Depreciation and amortization of property and equipment is computed using the straight-line method over the estimated useful lives of the assets of three to five years.

##### **Deferred Revenue**

Deferred revenue consists of advertising sales for the subsequent year's visitor's guide.

##### **Support and Revenue**

###### *Contributions*

Unconditional promises to give cash and other assets to the organization are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at the fair value at the date the gift is received. The promises to give are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the Statement of Activities as net assets released from program restrictions. Donor-restricted contributions whose restriction are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements.

###### *Membership Dues*

Membership dues are billed to members for membership periods of one year and are recorded on the accrual basis.

###### *Advertising*

Sales of advertising for the visitors guide are deferred until the year for which the ad revenue relates.



## VALDEZ CONVENTION & VISITORS BUREAU

Valdez, Alaska

### *Notes to the Financial Statements, continued*

#### **Income Taxes**

Valdez Convention and Visitors Bureau is a nonprofit organization exempt from federal income taxes under the provisions of the Internal Revenue Service Code section 501(c)(6). Income derived from unrelated business activities is subject to the requirements of filing Federal Income Tax Form 990-T and a tax liability may be determined on these activities.

According to the provisions of the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) 740, Income Taxes, tax provisions initially need to be recognized in the financial statements when it is more likely than not that the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

As of December 31, 2018 and 2017, the organization had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. It is policy of the organization to report interest and penalties associated with uncertain tax positions as other expense.

#### **Reclassifications**

Certain reclassifications have been made to the prior year financial statement presentation to correspond to the current years format. Total equity and earnings are unchanged due to these reclassifications.

#### **NOTE 3 - CASH**

Cash consist of bank accounts and petty cash. Details of the carrying and bank balances at December 31, 2018 and 2017 are as follows:

	Carrying Balance	Bank Balance
December 31, 2018		
Cash	\$ (723)	2,277
Petty Cash	303	141
December 31, 2017		
Cash	\$ 505	15,228
Petty Cash	201	-

#### *Custodial Risk*

All of the bank balance was covered under Federal Deposit Insurance Corporation insurance.

**VALDEZ CONVENTION & VISITORS BUREAU**  
Valdez, Alaska

*Notes to the Financial Statements, continued*

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**NOTE 4 - PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Computers and other equipment	\$ 14,116	14,116
Less accumulated depreciation	<u>(12,737)</u>	<u>(9,934)</u>
<i>Total net assets</i>	<u>\$ 1,379</u>	<u>4,182</u>

**NOTE 5 – OPERATING LEASES**

The organization leases property under a month to month operating lease for building space. Total costs for the lease was \$36,000 and \$36,000, for the years ended December 31, 2018 and 2017 respectively. The lease requires monthly payments of \$3,000

**NOTE 6 – CONCENTRATIONS**

For the years ended December 31, 2018 and 2017, the organization received approximately 86% and 82% of their support and revenue respectively from the City of Valdez. A reduction in this funding could have a significant negative impact on the operations of the organization. In addition, the organization operates in a relatively remote area in Alaska and operations are concentrated in the general vicinity of the City of Valdez. A significant downturn in the local economy could have a significant impact on the operations of the organization.

**NOTE 7 – RELATED PARTY TRANSACTION**

The organization had transactions with several of the board of directors' businesses. Both parties acted as the customer and vendor. These transactions include membership, advertising, familiarization trips and catering reimbursements.

**NOTE 8 – RISK MANAGEMENT**

The organization is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The organization was not covered under workers compensation insurance from January 15, 2017 to January 20, 2017 and May 24, 2017 to June 21, 2018, leaving the organization liable for any potential work related injuries.

## VALDEZ CONVENTION & VISITORS BUREAU

Valdez, Alaska

### *Notes to the Financial Statements, continued*

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#### **NOTE 9 – PRIOR PERIOD ADJUSTMENTS**

During year ended December 31, 2018, the organization recorded several prior period adjustments which lead to an overall increase in net position. Adjusting entries were posted to correctly state accounts payable for expenses paid in the prior year, to adjust inventory from retail to cost and to remove inappropriately recorded checks in order for reporting to be in conformance with accounting principles generally accepted in the United States of America.

Adjustments to 2017 were as follows:

Net assets at beginning of year	\$ (32,193)
Prior period adjustments	
Accounts payable	11,030
Inventory	5,393
Cash	<u>7,293</u>
<i>Total prior period adjustments</i>	<u>23,716</u>
Net assets, beginning of year, restated	<u><u>\$ (8,477)</u></u>

#### **NOTE 10 – NEW ACCOUNTING PRONOUNCEMENTS**

The Financial Accounting Standards Board has passed accounting standards updates with upcoming implementation dates. Management has not fully evaluated the potential effects of these updates but believes none of the new accounting pronouncements will have a material impact on the financial statements.

#### **NOTE 11 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through August 13, 2019 the date on which the financial statements were available to be issued.

**ACORD**<sup>TM</sup>**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)

8/06/2019

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 have **ADDITIONAL INSURED** provisions or 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 any rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> <b>USI Insurance Services NW</b> <b>3800 Centerpoint Dr., Suite 540</b> <b>Anchorage, AK 99503</b> <b>855 874-1300</b>		<b>CONTACT NAME:</b> Tara Koloski, CIC, CISR <b>PHONE (A/C, No, Ext):</b> 855 874-1300 <b>E-MAIL ADDRESS:</b> tara.koloski@usi.com <b>FAX (A/C, No):</b> 855 216-9730	
<b>INSURED</b> <b>Valdez Convention &amp; Visitors Bureau</b> <b>PO Box 1603</b> <b>Valdez, AK 99686</b>		<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A :</b> Great American Insurance Company <b>INSURER B :</b> AmGUARD Insurance Co. <b>INSURER C :</b> <b>INSURER D :</b> <b>INSURER E :</b> <b>INSURER F :</b>	
		<b>NAIC #</b>	
		<b>16691</b>	
		<b>42390</b>	

**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
<b>A</b>	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	<b>X</b>		<b>MAC068474905</b>	<b>03/28/2019</b>	<b>03/28/2020</b>	EACH OCCURRENCE \$ <b>1,000,000</b> DAMAGE TO RENTED PREMISES (Ea occurrence) \$ <b>1,000,000</b> MED EXP (Any one person) \$ <b>5,000</b> PERSONAL & ADV INJURY \$ <b>1,000,000</b> GENERAL AGGREGATE \$ <b>2,000,000</b> PRODUCTS - COMP/OP AGG \$ <b>2,000,000</b> \$
<b>A</b>	<input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY	<b>X</b>		<b>MAC068474905</b>	<b>03/28/2019</b>	<b>03/28/2020</b>	COMBINED SINGLE LIMIT (Ea accident) \$ <b>\$1,000,000</b> BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED \$ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
<b>B</b>	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE/OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> Y <input type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		<b>N/A</b>	<b>R2WC023094</b>	<b>06/21/2019</b>	<b>06/21/2020</b>	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ <b>100,000</b> E.L. DISEASE - EA EMPLOYEE \$ <b>100,000</b> E.L. DISEASE - POLICY LIMIT \$ <b>500,000</b>

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

**\*\* Workers Comp Information \*\***

**Proprietors/Partners/Executive Officers/Members Excluded:**

**Patricia Relay, President**

**CERTIFICATE HOLDER****CANCELLATION**

**City of Valdez**  
**212 Chenega Street**  
**Valdez, AK 99686**

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

*Chapman S. Boudier*

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INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **MAR 07 2013**

VALDEZ CONVENTION AND VISITORS  
BUREAU INC  
PO BOX 1603  
VALDEZ, AK 99686

Employer Identification Number:  
92-0090495  
DLN:  
17053102324012  
Contact Person:  
DIANE M ECKARD ID# 31394  
Contact Telephone Number:  
(877) 829-5500  
Accounting Period Ending:  
December 31  
Form 990 Required:  
Yes  
Effective Date of Exemption:  
April 6, 2012  
Contribution Deductibility:  
No  
Addendum Applies:  
Yes

Dear Applicant:

We are pleased to inform you that upon review of your application for tax-exempt status we have determined that you are exempt from Federal income tax under section 501(c)(6) of the Internal Revenue Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Please see enclosed Publication 4221-NC, Compliance Guide for Tax-Exempt Organizations (Other than 501(c)(3) Public Charities and Private Foundations), for some helpful information about your responsibilities as an exempt organization.

Sincerely,



Holly O. Paz  
Director, Exempt Organizations  
Rulings and Agreements

Enclosure: Publication 4221-NC