

GRANT FUNDING REQUEST FOR COMMUNITY SERVICE ORGANIZATIONS

2021 FUNDING REQUEST/CERTIFICATION FORM

ORGANIZATION NAME: _____ PHONE: _____

ADDRESS: _____ ZIP: _____

CONTACT PERSON: _____ PHONE: _____

CONTACT PERSON E-MAIL: _____

PROGRAM TITLE: _____

FUNDING REQUEST FOR 2021: \$ _____

1. Non-Profit Corporation? Yes _____ No _____
Date of incorporation: _____ Federal Tax ID #: _____
2. Organization's estimated TOTAL 2021 operating budget: \$ _____
3. Historical Funding and Membership Information

	Total CSO Budget	City Funding	City % of Total	# of Members
2017				
2018				
2019				
2020				

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

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 2021 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)

8/10/2020
DATE


VICE PRESIDENT, BOARD OF DIRECTORS (or equivalent)

8/10/2020
DATE



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 MUSEUM & HISTORICAL ARCHIVE ASSOCIATION, INC.

Valdez, Alaska

*Statements of Financial Position**December 31, 2019 and 2018*

	<u>2019</u>	<u>2018</u>
Assets		
Current Assets:		
Cash and cash equivalents:		
Unrestricted	\$ 190,521	153,656
Temporarily restricted	24,114	24,114
Accounts receivable	-	650
Merchandise inventory	<u>21,392</u>	<u>19,870</u>
<i>Total Current Assets</i>	<u>236,027</u>	<u>198,290</u>
Noncurrent assets:		
Capital assets, net of accumulated depreciation	<u>126,056</u>	<u>137,191</u>
<i>Total noncurrent assets</i>	<u>126,056</u>	<u>137,191</u>
Total Assets	<u>\$ 362,083</u>	<u>335,481</u>
 Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	\$ 11,583	4,609
Accrued leave	21,545	21,354
Payroll liabilities	7,025	11,332
Unearned revenue	<u>24,114</u>	<u>24,114</u>
<i>Total Current Liabilities</i>	<u>64,267</u>	<u>61,409</u>
Net Position:		
Net investment in capital assets	126,056	137,191
Restricted for projects and displays	10,004	12,028
Unrestricted	<u>161,756</u>	<u>124,853</u>
<i>Total Net position</i>	<u>297,816</u>	<u>274,072</u>
Total Liabilities and Net Assets	<u>\$ 362,083</u>	<u>335,481</u>

See accompanying notes to the financial statements

VALDEZ MUSEUM & HISTORICAL ARCHIVE ASSOCIATION, INC.

Valdez, Alaska

*Statements of Revenues, Expenses and Changes in Net Position**Years Ended December 31, 2019 and 2018*

	2019	2018
Operating revenues:		
City funds	\$ 475,000	475,000
Admissions/fees	98,495	63,233
Donations	48,924	50,472
Merchandise sales	38,984	36,489
Fundraising	28,806	30,947
Grants	11,500	12,100
Memberships and fees	12,171	15,848
Miscellaneous	12,421	6,040
Total operating revenues	<u>726,301</u>	<u>690,129</u>
Operating expenses:		
Payroll and related expenses	430,898	408,787
Utilities	50,338	52,318
Fundraising expenses	42,186	45,369
Professional fees	38,219	39,543
Insurance	23,740	22,378
Merchandise for resale	21,568	19,977
Janitorial expenses	12,000	12,000
Depreciation	11,135	11,136
Retirement plan contributions	12,619	10,911
Supplies	8,838	8,392
Telephone and fax	7,719	8,089
Dues, subscriptions and memberships	5,781	7,235
Store discounts and fees	6,322	7,154
Education and public programs	5,293	5,667
Collections and exhibits	5,309	5,358
Postage and freight	4,330	4,969
Printing and reproduction	4,991	4,799
Advertising	6,490	4,079
Minor equipment	2,073	2,469
Vehicle expenses	427	1,142
Rent	10	10
Miscellaneous expenses	2,714	96
Total operating expenses	<u>703,000</u>	<u>681,878</u>
Operating loss	23,301	8,251
Nonoperating revenues -		
Interest income	<u>443</u>	<u>724</u>
Change in net position	<u>23,744</u>	<u>8,975</u>
Net Position at the beginning of the year	<u>274,072</u>	<u>265,097</u>
Net Position at the end of the year	<u>\$ 297,816</u>	<u>274,072</u>

See accompanying notes to the financial statements

VALDEZ MUSEUM & HISTORICAL ARCHIVE ASSOCIATION, INC.
Valdez, Alaska

Exhibit C-1

Statements of Cash Flows

Years Ended December 31, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Cash received from customers and patrons	\$ 240,451	202,629
Cash received from City and grantors	486,500	487,100
Cash paid to employees	(435,014)	(407,005)
Cash paid to suppliers and vendors	(255,515)	(268,604)
<i>Net cash flows from operating activities</i>	<u>36,422</u>	<u>14,120</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	-	(39,500)
<i>Total cash flows from capital and related financing activities</i>	<u>-</u>	<u>(39,500)</u>
Cash flows from investing activities:		
Interest income received	443	724
<i>Net cash flows from investing activities</i>	<u>443</u>	<u>724</u>
Net change in cash	36,865	(24,656)
Cash at beginning of year	<u>177,770</u>	<u>202,426</u>
Cash at end of year	<u>\$ 214,635</u>	<u>177,770</u>
Reconciliation of operating income (loss) to net cash flows from operating activities:		
Operating income	\$ 23,301	8,251
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:		
Depreciation expense	11,135	11,136
(Increase) decrease in assets and deferred outflows:		
Accounts receivable	650	(400)
Inventory	(1,522)	3,866
Increase (decrease) in liabilities and deferred inflows:		
Accounts payable	6,974	(10,515)
Accrued payroll and taxes	(4,307)	538
Accrued leave	191	1,244
Net cash flows from operating activities	<u>\$ 36,422</u>	<u>14,120</u>

See accompanying notes to the financial statements.



**BALANCE SHEETS FROM THREE PRIOR
FISCAL YEARS (2019, 2018, 2017)**

Balance Sheet

Accrual Basis

As of December 31, 2019

	Dec 31, 19
ASSETS	
Current Assets	
Checking/Savings	
1024 · 1st National Savings	30,028.30
1026 · 1st National Gaming	1,039.03
1025 · 1st National Operating	86,173.60
1021 · CD 61215021 -Phyllis Irish	67,358.17
1022 · 10950 Cash in Drawer	525.10
1003 · WF Merchant Services Account	29,211.36
Total Checking/Savings	214,335.56
Other Current Assets	
1502 · Museum Endowment Fund	1,076,846.00
Cash on Hand	609.31
2002 · 1120 Inventory Asset	20,075.34
1017 · Undeposited Funds	-310.03
Total Other Current Assets	1,097,220.62
Total Current Assets	1,311,556.18
Fixed Assets	
4000 · Construction in Progress	74,227.00
4001 · Fixed Assets	62,963.79
Total Fixed Assets	137,190.79
Other Assets	
Merchandise Inventory	1,316.33
Total Other Assets	1,316.33
TOTAL ASSETS	1,450,063.30
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	12,140.09
Credit Cards	-611.92
Other Current Liabilities	
25100 · Employee Tips Payable	13.50
5504 · 24700 Customer Deposits	34.00
6601 · Deferred Revenue	24,114.00
6002 · Leave Payable	21,353.68
6003 · 2100 Payroll Liabilities	6,528.18
Total Other Current Liabilities	52,043.36
Total Current Liabilities	63,571.53
Total Liabilities	63,571.53
Equity	
7503 · Museum Endowment Fund Equity	1,076,846.00
8079 · Contributed Capital	91,636.18
3000 · Opening Bal Equity	33.93
7502 · 3900 Retained Earnings	179,412.76
Net Income	38,562.90
Total Equity	1,386,491.77
TOTAL LIABILITIES & EQUITY	1,450,063.30

Balance Sheet

Accrual Basis

As of December 31, 2018

	Dec 31, 18
ASSETS	
Current Assets	
Checking/Savings	
1026 · 1st National Gaming	547.03
1025 · 1st National Operating	91,505.09
1021 · CD 61215021 -Phyllis Irish	66,943.12
1022 · 10950 Cash in Drawer	499.92
1003 · WF Merchant Services Account	17,338.18
Total Checking/Savings	176,833.34
Accounts Receivable	650.00
Other Current Assets	
1502 · Museum Endowment Fund	923,512.00
Cash on Hand	609.31
2002 · 1120 Inventory Asset	19,131.78
1017 · Undeposited Funds	322.01
Total Other Current Assets	943,575.10
Total Current Assets	1,121,058.44
Fixed Assets	
4000 · Construction in Progress	74,227.00
4001 · Fixed Assets	62,963.79
Total Fixed Assets	137,190.79
Other Assets	
Merchandise Inventory	738.49
Total Other Assets	738.49
TOTAL ASSETS	1,258,987.72
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	7,575.20
Credit Cards	24.49
Other Current Liabilities	
25100 · Employee Tips Payable	13.50
5504 · 24700 Customer Deposits	34.00
6601 · Deferred Revenue	24,114.00
6002 · Leave Payable	21,353.68
6003 · 2100 Payroll Liabilities	11,331.98
Total Other Current Liabilities	56,847.16
Total Current Liabilities	64,446.85
Total Liabilities	64,446.85
Equity	
7503 · Museum Endowment Fund Equity	923,512.00
8079 · Contributed Capital	91,636.18
3000 · Opening Bal Equity	33.93
7502 · 3900 Retained Earnings	173,426.83
Net Income	5,931.93
Total Equity	1,194,540.87
TOTAL LIABILITIES & EQUITY	1,258,987.72

Balance Sheet

Accrual Basis

As of December 31, 2017

	Dec 31, 17
ASSETS	
Current Assets	
Checking/Savings	
1026 · 1st National Gaming	475.00
1025 · 1st National Operating	12,473.19
1023 · CD - 61243443 Reserve Acct	59,753.22
1021 · CD 61215021 -Phyllis Irish	66,531.75
1022 · 10950 Cash in Drawer	1,813.07
1001 · Cash In Bank-Operating-WFargo	28,684.08
1003 · WF Merchant Services Account	33,127.88
Total Checking/Savings	202,858.19
Accounts Receivable	250.00
Other Current Assets	
1502 · Museum Endowment Fund	961,734.00
Cash on Hand	609.31
2002 · 1120 Inventory Asset	23,097.36
1017 · Undeposited Funds	16.00
Total Other Current Assets	985,456.67
Total Current Assets	1,188,564.86
Fixed Assets	
4000 · Construction in Progress	74,227.00
4001 · Fixed Assets	42,420.61
Total Fixed Assets	116,647.61
Other Assets	
Merchandise Inventory	773.11
Total Other Assets	773.11
TOTAL ASSETS	1,305,985.58
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	9,890.53
Credit Cards	4,438.24
Other Current Liabilities	
25100 · Employee Tips Payable	13.50
5504 · 24700 Customer Deposits	34.00
6601 · Deferred Revenue	24,114.00
6002 · Leave Payable	17,265.61
6003 · 2100 Payroll Liabilities	10,851.25
Total Other Current Liabilities	52,278.36
Total Current Liabilities	66,607.13
Total Liabilities	66,607.13
Equity	
7503 · Museum Endowment Fund Equity	961,734.00
8079 · Contributed Capital	91,636.18
3000 · Opening Bal Equity	33.93
7502 · 3900 Retained Earnings	142,044.48
Net Income	43,929.86
Total Equity	1,239,378.45
TOTAL LIABILITIES & EQUITY	1,305,985.58



**CURRENT OPERATING BUDGET 2020
REVENUES OVER EXPENSES**

Valdez Museum & Historical Archive
Profit & Loss Budget Overview
 January through December 2020

	Jan - Dec 20
Ordinary Income/Expense	
Income	
8003 · Fund Development	
8004 · Corporate Sponsorship	11,200.00
8060 · Roadhouse Dinner	24,000.00
8021 · Annual Appeal	3,300.00
8022 · Raffle	1,000.00
8061 · Membership	11,000.00
4030 · Donations Income	
8062 · 6145 In-Kind Income	30,000.00
8001 · Restricted	25,000.00
8002 · Unrestricted	5,000.00
Total 4030 · Donations Income	60,000.00
Total 8003 · Fund Development	110,500.00
8024 · Earned Revenue	
8025 · Program Fees	
8025.1 · Enrollment Fees	7,000.00
Total 8025 · Program Fees	7,000.00
4120 · Museum Fees	
80011 · Presenter & Guide Income	6,000.00
8026 · Admissions	58,075.00
8009 · Admission Fees	31,875.00
8010 · Archival Fees	3,500.00
8159 · Space Rental	2,750.00
Total 4120 · Museum Fees	102,200.00
8027 · Store Sales	50,000.00
48600 · Service Sales	
486001 · Shipping	75.00
Total 48600 · Service Sales	75.00
Total 8024 · Earned Revenue	159,275.00
4200 · Grants	
8032 · 4110 City of Valdez	475,000.00
8006 · State of Alaska	4,000.00
8033 · Foundation	11,000.00
Total 4200 · Grants	490,000.00
8501 · 7015 Interest Income	
Phyllis Irish Memorial Fund CD	418.00
8501 · 7015 Interest Income - Other	25.00
Total 8501 · 7015 Interest Income	443.00
8011 · Reimbursed Expenses	5,500.00
Total Income	765,718.00
Cost of Goods Sold	18,500.00
Gross Profit	747,218.00
Expense	
8059 · Contingency	4,622.00
8036.2 · Volunteer Expense	350.00
8036 · Fundraising Expenses	11,000.00
8036.1 · Membership	2,750.00
8037 · IT Services	21,000.00
8039 · Education	2,000.00
8040 · Collections	

Valdez Museum & Historical Archive
Profit & Loss Budget Overview
 January through December 2020

	Jan - Dec 20
8043.1 · Intern	4,000.00
8042 · Collections Supplies	1,500.00
8043 · Acquisitions	300.00
Total 8040 · Collections	5,800.00
9002 · Freight and Shipping Costs	2,100.00
8103 · Personnel Expenses	
8104 · Salaries & Wages	292,870.00
8105 · ESC Payroll Tax	3,250.00
8106 · FICA Payroll Tax	27,500.00
8107 · 403(b) - Employer	14,641.00
8108 · Health Insurance	112,000.00
Total 8103 · Personnel Expenses	450,261.00
8044 · Contract Labor	5,000.00
8110 · Professional Fees	
8045 · Accounting	17,800.00
8046 · Consulting	400.00
Total 8110 · Professional Fees	18,200.00
8113 · Vehicle Expense	1,500.00
8047 · Janitorial Services	
8114 · General Janitorial	12,000.00
Total 8047 · Janitorial Services	12,000.00
8048 · Utilities	
8115 · Electric	36,500.00
8116 · Heating Oil	18,000.00
8117 · Water	280.00
Total 8048 · Utilities	54,780.00
8118 · Telephone	
8124 · Conference Line	120.00
Cell Phone	1,000.00
8120 · Internet	3,400.00
8121 · Local Service	4,800.00
8122 · Long Distance	150.00
Total 8118 · Telephone	9,470.00
8123 · Postage and Delivery	3,000.00
8049 · Supplies	
8125 · Technology	3,000.00
8126 · Office Supplies	3,000.00
8127 · Operating	6,000.00
Total 8049 · Supplies	12,000.00
Exhibits	
8050 · Special Projects	25,000.00
8051 · Permanent Exhibits	1,500.00
8052 · Temporary Exhibits	5,000.00
Total Exhibits	31,500.00
8130 · Dues and Subscriptions	4,500.00
8131 · Printing and Reproduction	7,500.00
8053 · Advertising/Marketing	10,000.00
8134 · Rent	
8056.1 · Storage Rent	1,200.00
8055 · Building Lease	10.00
Total 8134 · Rent	1,210.00
6185 · Insurance	
8137 · Liability Insurance	24,750.00

Profit & Loss Budget Overview

Accrual Basis

January through December 2020

	Jan - Dec 20
Total 6185 · Insurance	24,750.00
8138 · Credit Card Fees	5,000.00
8139 · Bank Service Charges	100.00
8056 · Travel	
8142 · Meals	750.00
8143 · Travel	7,500.00
Total 8056 · Travel	8,250.00
8144 · Training & Education	3,000.00
8145 · Licenses and Permits	575.00
8148 · Contributions	
8057 · In-Kind Expenses	30,000.00
Total 8148 · Contributions	30,000.00
8058 · Public Programs	5,000.00
Total Expense	747,218.00
Net Ordinary Income	0.00
Net Income	0.00



**PROPOSED 2021 BUDGET INCLUDING
REVENUES OVER EXPENSES**

Valdez Museum & Historical Archive
Profit & Loss Budget Overview
 January through December 2021

	Jan - Dec 21
Ordinary Income/Expense	
Income	
8003 · Fund Development	
8004 · Corporate Sponsorship	5,600.00
8060 · Roadhouse Dinner	12,000.00
8021 · Annual Appeal	3,000.00
8022 · Raffle	1,000.00
8061 · Membership	11,000.00
4030 · Donations Income	
8062 · 6145 In-Kind Income	15,000.00
8002 · Unrestricted	5,000.00
Total 4030 · Donations Income	20,000.00
Total 8003 · Fund Development	52,600.00
8024 · Earned Revenue	
8025 · Program Fees	
8025.1 · Enrollment Fees	1,750.00
Total 8025 · Program Fees	1,750.00
4120 · Museum Fees	
80011 · Presenter & Guide Income	1,500.00
8026 · Admissions	29,037.50
8009 · Admission Fees	15,937.50
8010 · Archival Fees	2,000.00
Total 4120 · Museum Fees	48,475.00
8027 · Store Sales	25,000.00
48600 · Service Sales	
486001 · Shipping	75.00
Total 48600 · Service Sales	75.00
Total 8024 · Earned Revenue	75,300.00
4200 · Grants	
8032 · 4110 City of Valdez	475,000.00
4220 · Federal Grants	75,000.00
8006 · State of Alaska	9,000.00
8033 · Foundation	5,000.00
Total 4200 · Grants	564,000.00
8501 · 7015 Interest Income	
Phyllis Irish Memorial Fund CD	435.00
8501 · 7015 Interest Income - Other	25.00
Total 8501 · 7015 Interest Income	460.00
8011 · Reimbursed Expenses	5,000.00
Total Income	697,360.00
Cost of Goods Sold	9,750.00
Gross Profit	687,610.00
Expense	
8059 · Contingency	5,491.18
8036.2 · Volunteer Expense	200.00
8036 · Fundraising Expenses	10,000.00
8036.1 · Membership	2,750.00
8037 · IT Services	25,000.00
8039 · Education	2,000.00
8040 · Collections	
8042 · Collections Supplies	2,000.00

Valdez Museum & Historical Archive
Profit & Loss Budget Overview
 January through December 2021

	Jan - Dec 21
8043 · Acquisitions	100.00
Total 8040 · Collections	2,100.00
9002 · Freight and Shipping Costs	2,100.00
8103 · Personnel Expenses	
8104 · Salaries & Wages	280,534.50
8105 · ESC Payroll Tax	3,925.48
8106 · FICA Payroll Tax	22,442.76
8107 · 403(b) - Employer	12,772.08
8108 · Health Insurance	111,744.00
Total 8103 · Personnel Expenses	431,418.82
8110 · Professional Fees	
8045 · Accounting	18,000.00
8046 · Consulting	400.00
Total 8110 · Professional Fees	18,400.00
8113 · Vehicle Expense	1,500.00
8047 · Janitorial Services	
8114 · General Janitorial	12,000.00
Total 8047 · Janitorial Services	12,000.00
8048 · Utilities	
8115 · Electric	35,000.00
8116 · Heating Oil	17,000.00
8117 · Water	280.00
Total 8048 · Utilities	52,280.00
8118 · Telephone	
8124 · Conference Line	60.00
Cell Phone	1,000.00
8120 · Internet	3,400.00
8121 · Local Service	4,800.00
8122 · Long Distance	150.00
Total 8118 · Telephone	9,410.00
8123 · Postage and Delivery	3,000.00
8049 · Supplies	
8125 · Technology	10,000.00
8126 · Office Supplies	3,000.00
8127 · Operating	10,000.00
Total 8049 · Supplies	23,000.00
Exhibits	
8051 · Permanent Exhibits	4,000.00
8052 · Temporary Exhibits	5,000.00
Total Exhibits	9,000.00
8130 · Dues and Subscriptions	4,500.00
8131 · Printing and Reproduction	5,000.00
8053 · Advertising/Marketing	7,500.00
8134 · Rent	
8056.1 · Storage Rent	1,200.00
8055 · Building Lease	10.00
Total 8134 · Rent	1,210.00
6185 · Insurance	
8137 · Liability Insurance	25,500.00
Total 6185 · Insurance	25,500.00
8138 · Credit Card Fees	2,500.00
8139 · Bank Service Charges	100.00

Profit & Loss Budget Overview

Accrual Basis

January through December 2021

	Jan - Dec 21
8056 · Travel	
8142 · Meals	750.00
8143 · Travel	7,500.00
Total 8056 · Travel	8,250.00
8144 · Training & Education	3,000.00
8145 · Licenses and Permits	400.00
8148 · Contributions	
8057 · In-Kind Expenses	15,000.00
Total 8148 · Contributions	15,000.00
8058 · Public Programs	5,000.00
Total Expense	687,610.00
Net Ordinary Income	0.00
Net Income	0.00

PROGRAM INFORMATION

ORGANIZATION NAME: _____

Program Title: _____

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.)

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?

3. Is this program year-round, seasonal, or a one-time event? _____
Schedule: Beginning date: _____ Ending date: _____

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

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

6. Is membership in your organization required for participation: Yes_____ No_____

7. Fee to participant: Member \$_____ Non-Member \$_____

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

ORGANIZATION NAME: _____

Program Information (continued)

9. Volunteer Services Information:

Number of volunteers:	Actual 2018	_____
	Actual 2019	_____
	Anticipated 2020	_____
	Estimated 2021	_____

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

Types of services provided by volunteers:

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

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

75% _____

50% _____

25% _____

0% _____

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?

ORGANIZATION NAME: _____

Program Information (continued)

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

ORGANIZATION NAME: _____

OPERATING EXPENSES OF PROPOSED PROGRAM

(Budget Form #1)

<u>Program Expenses:</u>	<u>Budget</u>	<u>Breakdown</u>
PERSONAL SERVICES:	\$ _____	
Salaries/wages		\$ _____
Employee benefits		\$ _____
Other: _____		\$ _____
CONTRACTUAL SERVICES:	\$ _____	
Reproduction/copying		\$ _____
Equipment rental		\$ _____
Data processing		\$ _____
Dues/subscriptions		\$ _____
Contractual services		\$ _____
Professional fees & services		\$ _____
Other: _____		\$ _____
OTHER SERVICES:	\$ _____	
Volunteer services		\$ _____
Communications/postage		\$ _____
Printing		\$ _____
Advertising/promotion		\$ _____
Electricity		\$ _____
Heating		\$ _____
Travel/transportation		\$ _____
Other: _____		\$ _____
COMMODITIES:	\$ _____	
Clothing		\$ _____
Office supplies		\$ _____
Building maintenance		\$ _____
Operating supplies		\$ _____
Parts & supplies - equipment		\$ _____
OTHER CHARGES/EXPENSES:	\$ _____	
Insurance		\$ _____
Contingencies		\$ _____
Training		\$ _____
Rent		\$ _____
Capital equipment		\$ _____
Office equipment		\$ _____
Other expenses: _____		\$ _____
TOTAL COST FOR OPERATION OF THIS PROGRAM:	\$ _____	

ORGANIZATION NAME: _____

FUNDING SOURCES FOR PROPOSED PROGRAM
(Budget Form #2)

This program budget covers the period of _____ to _____

<u>SOURCES OF PROGRAM FUNDING</u>	<u>GOAL AMOUNT</u>	<u>%</u>	<u>COMMITTED (Y/N)</u>
Parent Organization	\$ _____	_____	_____
Gifts and Contributions	\$ _____	_____	_____
Membership Dues	\$ _____	_____	_____
Fees & charges to participants	\$ _____	_____	_____
Private sector grants (specify source and date of award)			
_____	\$ _____	_____	_____
_____	\$ _____	_____	_____
_____	\$ _____	_____	_____
Fundraisers (specify major fundraising events/programs)			
_____	\$ _____	_____	_____
_____	\$ _____	_____	_____
_____	\$ _____	_____	_____
Subtotal of Financial Support for this program:	\$ _____	_____	
Supplemental Funding Requested from City of Valdez:	\$ _____	_____	
<u>TOTAL FUNDING FOR OPERATION OF THIS PROGRAM:</u>	\$ _____	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: _____

SCOPE OF SERVICES

Timeline OUTCOMES for 2021 (What do you plan to accomplish in 2021 - be specific)

--

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 2021 (What do you plan to accomplish in 2021 – be specific).

GOALS FOR 2021

1. **Fundraising Plan** - To accomplish the proposed Scope of Work for 2021 and generate the proposed 31% of non-City funds, the VMHA Board and Staff will work closely to develop a dynamic Fundraising Plan. **FUNDRAISING IN THE AGE OF COVID 19 will need to adapt to the new normal.** 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. **With social gatherings not occurring,** Roadhouse Dinner will become some sort of online event. Given the uncertainty of such an event, our tried and true efforts with Appeal Letters, a Membership Program will be enhanced by running multiple campaigns throughout the year. We will also develop new online programs and store offerings that will generate revenue. The uncertainty is no one knows what 2021 unveil. We will continue to seek any and all non-City grants that support overhead as well as programmatic offerings. A detailed plan will be submitted with our Annual Report and presented to the City Council in mid-October, 2020.
2. **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 2021, the Valdez Museum will target the considerable backlog of materials acquired within the past 2 years. Due to the COVID-19 epidemic, the Museum does not anticipate applying for a Collections Management internship grant this coming year, hence all collection management will be performed by museum staff. In continuing the museum’s ongoing project of cataloguing and inventory for items on display, inventories are planned for the Gold Rush and Pinzon Bar exhibit areas.
 - **Digitization of Collections** - Since early 2017, the museum has been making a concerted effort towards the digitization of its collections. This project will continue through 2021 and beyond, particularly with regard to increasing accessibility to the photograph collections and select newspaper titles. VMHA will also increase accessibility by continuing to upload new collection records to PastPerfect Online, along with finding aids for the more popular and significant collections. The primary collection identified for digitization this coming year is on the Owen Meals photograph collection, consisting of approximately 700 items.
 - **Outstanding Loans and Found in Collection Objects** – With data entry completed for all loan records, 2021 focus will be on maintaining records for the museum’s outstanding loans, both outgoing and incoming.

As per State of Alaska statutes, Abandoned Loans and objects Found in Collection are subject to a legal procedure in order for the museum to acquire title. In brief, the procedure involves the posting of public notices for a set period of consecutive weeks, followed by an appeal period to allow the public to plains claims, if any. Similarly, legal procedures exist for the Deaccession of objects in the collection. In 2019-20, the VMHA completed the procedures necessary to claim title to both Found in Collection and deaccessioned items. The deaccessions are currently in the process of being documented, and will be offered to institutions as prioritized in the Museum's Collection Policy. The public notice procedure for items found in the collection in 2020 will begin in early 2021.

- **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 continue updating its online collections database two to four times per year.
- **Acquisitions and Donations** – Due to space considerations, expansion of the collection has continued slowly and with careful consideration of available remaining storage space. With additional space freed from 2020 deaccessions and the reconfiguring of its mezzanine storage space, the Museum is now free to consider objects of a larger size when an appropriate acquisition is proposed. As interpretive planning moves forward, VMHA staff will continue to 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** – Only minor upgrades and maintenance are planned for 2021. The COVID-19 epidemic has resulted in the reconfiguring of several of its long-standing exhibits to accommodate social distancing and the removal of high-touch interactives. In some cases, barriers have been installed to prevent touching, and interactives have been altered to present a no-touch format with an equivalent experience. This process may continue into 2021 as museum staff identify new ways to present interactive content in a format safe for visitors.

The Pinzon Bar will receive a cleaning and wood treatment in late 2020, as recommended by the conservator who oversaw the bar's restoration circa 2000. Additionally, the objects displayed at and adjacent to the bar will be cleaned, inventoried, and catalogued.

- **Remembering Old Valdez Exhibit** –The ROVE space was repurposed for this past fall's long-term cataloguing project, taking advantage of the museum's winter schedule. Additionally, the ROVE space is being used to accommodate visiting researchers while following social distancing protocols, and is being used as a space for online broadcasts to continue the Museum's increase in online programming. In 2021, it is expected that these uses of the space will continue; the status of ROVE during the summer 2021 months remains to be determined.

- **Temporary Exhibit Programs** - With supplemental funding from the Alaska State Council on the Arts, Alyeska Pipeline Service Co., and Copper Valley Electric Community Foundation, we have planned four temporary art exhibits for the 2020-21 exhibit cycle.
 - *Sharry Miller, Eye of the Beholder: Alaska in Glass*
 October 9, 2020 – early January, 2021 (exact end date TBD)
 A unique vision of Alaska presented through a collection of two- and three-dimensional fused glass artwork depicting nature in all her guises. Guests will learn about the process of creating with fusible glass, exploring the art form through completed art works as well as design process and technical production information. Miller, a well-known local artist, will provide interpretive text, design process sketches, photos, and information on the technical process of working with glass, to accompany her artwork.
 - *“Positively Valdez!” (working title)* Community-wide art show
 Mid-January – early March 2021
 Due to the March 2020 outbreak of the COVID-19 pandemic, the museum’s annual student art show, Spring into Art, was extended to run through September 2020 so that students would have the opportunity to view their work. Because of the long runtime of Spring into Art, it was decided to forego Spring into Art for 2021. Replacing the annual student show is this community group exhibition for all ages, from kindergartners up through adults, borrowing elements from both Spring into Art and VMHA’s former biennial group show, Celebrating Valdez Artists.

“Positively Valdez!” (working title) will be an unjuried art show with a theme of positivity. Age brackets will be grouped thematically into works by younger students, Jr High/High School students, and Adults, to allow local artists to have their work viewed in the context of their peer groups. “Positively Valdez!” will be open to artists on a first-come, first serve basis, with a maximum of 54 pieces (18 per category). The exhibit provides a venue for artists without a body of work large enough to support a solo exhibition, and aims to foster an appreciation of the value of art among local youth by presenting their work in a museum setting.
 - *Alaska’s Suffrage Star*
 Early March – April 2021
Alaska’s Suffrage Star shares the story of Alaska women gaining the right to vote and features Alaskan women voting rights activist. Women reformers and voters affected social and political change in Alaska in the 1910s and 1920s, often inspired by national movements enacted at the local level. The women who advocated for voting rights and political change were stars themselves. Consisting of ten portable vinyl banners and augmented with images and information from the VMHA collection, this traveling exhibit is from the Alaska State Museum. You can see the online version of Alaska's Suffrage Star here:
<https://lam.alaska.gov/suffrage-star>.
 - *“Colorful Stories: Diversity in Valdez History” (working title):*
 May - September 2021
 Despite outward appearances, Valdez has been a surprisingly diverse community since its very beginnings. This exhibit explores the diverse voices of Valdez history, as told through biographical sketches. Through historical photographs, artifacts, and collected community

oral histories, this exhibit highlights the experiences of figures such as Melvin Dempsey, Filipino workers, Geneva Braxton, George Flowers, Serbo-Croatian miners, and more. The exhibit will touch upon themes such as immigration and differing viewpoints as told through historical eras such as the heyday of the canning industry, ALCAN construction, and the Trans-Alaskan Pipeline.

- **Online Exhibits**

The COVID pandemic has prompted Museum staff to explore digital offerings as a way to extend our reach to VMHA's audience at home. Due to the COVID-19 closure, the Museum's summer 2020 exhibition, "Raptora Borealis: Alaska's Birds of Prey" has been converted into an online format, showcasing the art of Anchorage-based artist Kevin Crowley. The exhibit is being displayed on its own web site, accessible from the Museum's, through 2020. **In 2021 Staff will continue to explore the advantages of the online format by featuring added content such as multimedia and educational offerings, content that would not be available within a traditional exhibition.** *Raptora Borealis* is the first of the Museum's online exhibit offerings, of which more are likely to occur in the future even after the epidemic has passed.

Additionally, museum staff have been maintaining communication with the museum audience by frequent use of social media. The Collections & Exhibitions department broadcasts two live shows weekly: "Tales from the Archive", combining Valdez history with behind-the-scenes glimpses of museum work; and "What is it Wednesdays", highlighting various objects in the collection that have required research and/or have an interesting provenance. The department has also posted a "Puzzle a Day" application, in which photographs from the museum collection have been converted into a virtual jigsaw puzzle for the entertainment of our users. In this way, the Museum has been able to spark interest in the museum collections, and maintain and build its audience to beyond the Valdez region. These programs, too, will continue beyond 2020.

4. **Education** – In 2021, the VMHA's education department will support learning about the region's unique culture and heritage in a variety of ways with the goal of producing an informed citizenry.

When possible and safely able, Museum learning opportunities will engage participants directly and in person. Some programs and lessons will be designed for indirect contact and produced for and accessed via the Internet. Adaptability will be key to successfully working with the public in a sustained and cogent manner in the wake of the COVID-19 Pandemic.

Throughout 2021 the VMHA will offer a range of lessons on a variety of subjects that dovetail and support public school and homeschool curriculum. The VMHA will continue its robust collaboration with 3rd and 4th grade teachers and students who are learning about local and regional history. The Museum will build upon existing lessons and foster the creation of new ones, oftentimes as done in 2020, actually teaching the lessons that focus upon such topics as Gold Rush history, TAPS Pipeline construction, the Exxon Valdez Oil Spill, Alaskan Immigration and Statehood. Middle and High school history, science and literary arts classes will benefit from Museum partnerships in the coming school year, too, learning about primary sources, visual literacy and natural history. Lastly, the VMHA will communicate often with homeschool administrators and families about new educational resources available for use by all.

Teaching about primary sources, those authentic items housed in the VMHA's collections, will continue to be a mainstay of the education program. Students will be given the rare opportunity to

examine and learn from original documents, exceptional photographs and unusual artifacts that signal and convey the important stories of the region.

In concert with and following safety practices and procedures set in place by the Museum and Valdez Public Schools, classroom teaching and Museum field trips will be offered, all at little or no charge to participants. When able, Museum staff will join teachers and students on field trips throughout the region offering historical support to the outings and enriching the experience. The annual 7th grade kayaking trek to Old Town where students learn about its history and link to the 1898 Gold Rush through a series of VMHA led on-site activities is a good example of how the Museum interfaces with public school teachers and students in the field.

In 2020 Museum staff created a body of work consisting of short videos that highlight the Museum's collections and others that feature Old Town history. These, along with artist led on-line classes that teach the basics of fine arts, craft and culture are part of a growing reservoir of VMHA resources that teachers and students can tap in the coming year.

VMHA Education staff will continue to measure visitor satisfaction and learning outcomes employing an array of formative, remedial and summative evaluation tools.

5. Public Programs – The museum offers year-round programs designed to engage a wide-array of learners and age groups. These programs can be held in person or adapted and offered online.

Tuesday Nite History Talks will continue to flourish in 2021, taking place via Zoom and when possible, in person. Talks will feature topics that resonate with the Valdez community and introduce history makers and events of note in Alaska. A growing cadre of regional presenters will speak about geography and place, natural history and National parks, travel and culture, and more in 2021.

Guided walking tours of Old Town and New Valdez will be offered to families and small bubble groups during the spring, summer and fall of 2021. In addition, Museum staff stationed at the crossroads of Old Town on select days will answer questions about the historic site and distribute printed walking guides.

Free Fridays, set aside in 2020 with the advent of the Coronavirus, will return in 2021 when the Museum is able to safely open to larger numbers. They will occur once per month throughout the year, save June, July and August and allow for community members to visit the Museum at no charge and then gather with friends and family to learn about local history, see new exhibits and engage in activities slated for these special days.

Holiday Arts and Crafts, an art and craft making series, will be offered in December on five different days. Participants may visit the museum free of charge where they can gather, socialize and create with a flourish.

Artists' talks and workshops that link with 2021 changing exhibits will take place in person or via Zoom. Workshops will be offered by Museum educator and artist Faith Revell and by visiting and exhibiting artists scheduled for the 2021 season. "Positively Valdez" artists will share the origin and making of their work with the Valdez community in the spring. Anjuli Grantham, designer of "Alaska's Suffrage Star," a traveling exhibit slated for April, will give a talk on the role of Alaskan women in the suffrage movement.

VMHA staff with the return of cruise ships to the Port of Valdez will offer Tour Guiding and Educational Shore Excursions. Tours will offer first hand jaunts to Old Town, the Solomon Gulch Hatchery, Keystone Canyon, Thompson Pass and Worthington Glacier. The Museum educator has engaged in ongoing research into the region's natural history and key events during 2020. The result of this research and sharing its findings will yield enhanced tours and more knowledgeable guides, enriched storytelling and better informed participants.

6. Community Collaborations – Ongoing productive collaborations between the museum and both community and regional stakeholders will occur in 2021. These include:

- *Positively Valdez*, collaboration with Valdez community artists
- *Gold Rush Days*, Historic Homes of Valdez and Old Town walking tours; free admission to the museum
- *Annual Christmas Tree Lighting Ceremony* with City Parks and Rec

In 2021, the VMHA will also explore the creation of new collaborations between one or two new partners, expanding opportunities to interpret heritage and culture and bringing innovation into the learning paradigm.

7. Outreach – Education staff will travel to communities along Prince William Sound and in the Copper River Basin to meet with teachers, scholars, elders and students in person or connect with the same via Zoom in 2021, all in an effort to gather input on the development of new programs, invite an array of new knowledge keepers into the dialogue and share Museum events to a wider audience.

The museum educator will continue the work begun in 2020 to create short videos on history and culture and craft online classes that grow the VMHA's digital education resources for the Valdez community and region beyond. Many of these will be free to use; others may be fee-based, generating some revenue for public programs and offsetting the design, production and supply costs of these on-line programs.

8. Communication, Advocacy & Marketing – Due to COVID 19, now, more than ever, the Valdez Museum must communicate effectively. The Valdez Museum Board and Staff will continue their committed to promoting the Museum's program of work in a variety of ways, including action-based strategies that extend beyond conventional methods to reach a wider audience. **In 2021** we will continue to communicate effectively with our stakeholders, community and elected officials about the important role the Valdez Museum plays in preserving our heritage and culture for future generations.

- **Communications:** Communication is the process of transmitting ideas and information. In 2021, Board and Staff will utilize the following methods to disseminate information to the community:
 - i. Word of mouth
 - ii. News stories in print and broadcast media
 - iii. Press releases
 - iv. Monthly E-Newsletters
 - v. Posters, brochures and fliers
 - vi. Outreach and presentations to community groups and organizations
 - vii. Special events and free public offerings.
 - viii. **New in 2021** Facebook Live and video offerings

- **Advocacy:** Advocacy in the broad sense means making a case for museums and cultural centers. Advocacy is something we do every day. The US Internal Revenue Service explicitly preserves the right to advocate on behalf of your museum and its mission. In 2020 the Museum Board and Staff will continue to work collaboratively to educate government officials at every level about the good work the Valdez Museum is doing and to share what our needs are. While the Executive Director will continue to serve on the statewide Museums Advocacy Committee and attend Museum Advocacy Day in Washington, DC each February (virtually or in-person it all depends.) **Focus for 2021 will be local and statewide efforts to promote the new Museum project.**
- **Marketing:** To increase public participation in the Museum's activities a series of motivational and strategically tactical distribution of promotional materials will be employed. Socio-cultural, socio-demographic and socio-economic factors will be applied to determine which strategies increase participation. By examining our two primary audiences--summer visitors and local residents--publicity will not only utilize 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, internet-based vehicles such as E-news, blogs and social media will be used. 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 previously had interactions with the Museum. They may have visited as part of a school group or brought out-of-town guests with them to the Museum. Our goal is to keep this segment coming back. Local residents need constant relationship building. Publicity for this audience will include traditional forms of media such as print advertisements, posters, handbills, radio spots, E-news, social media and word of mouth. It will also include making connections through collaborations with other community organizations, public and private schools as well as celebrating significant anniversaries and community events together. Outreach to local Alaskan Natives requires a very thoughtful and diverse strategy. Convincing Native community members to take part in the Museum's programs and activities has been difficult in the past. The plan is reaching out to this segment through educational programming about Native life and traditions, plus making the Museum more accessible and relevant.

9. Museum Development Planning – Background

- 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.
- In January 2018, Museum Board & Staff, in conjunction with the City's Capital Facilities Director presented site selection options for a new museum facility.
- In February 19, 2019 the Valdez City Council voted to approve a draft Memorandum of Understanding (MOU) between the VMHA and City of Valdez to jointly plan for and

construct a new museum facility. The Building Committee has met twice since then and narrowed down the field of possible building sites to three. The museum Board and Staff must work with the City Council and Administration to choose a final site for the new museum based on community feedback. To gain public support we have launched a 2-stage community outreach effort to educate the public on the Museum's needs, plus determine what portion of the community supports a new museum facility and where they want it to be built. The result of the effort indicated 97% approval rating for a new museum project.

- In February 2020 the final decision on where to locate the new museum building was made at the regular City Council meeting on February 18, 2020 when council members passed a resolution to establish the geographic location for the expansion and consolidation of the Valdez Museum facilities. Site X, the existing museum site at 217 Egan Drive, became the preferred development location
- In May 2020, Museum Staff applied for a national Endowment for the Humanities Capacity and Infrastructure grant. Results of the award will be in December of 2020
- In May of 2020 research into other grants and the funding climate began.
- In August of 2020 Museum Board & Staff, along with City of Valdez Capital Facilities selected an Architectural Firm to design the new Museum facility. The designs will be used for fundraising efforts.

In 2021 Board and Staff will actively be engaged in two fronts,

- Finalizing the Architectural Designs for the new Facility, and
- Enter into a Capital Campaign Phase, whereby a Campaign Cabinet will be organized and one additional full-time staff member will be brought on to support leaderships efforts in prospecting and solicitation. The Goal for 2021 is to secure one to two major donations, either through federal, state, foundation, corporate or individual sources.



**BALANCE SHEET AND PROFIT & LOSS
AS OF 06/30/2020**

Balance Sheet

Accrual Basis

As of June 30, 2020

	Jun 30, 20
ASSETS	
Current Assets	
Checking/Savings	
1024 · 1st National Savings	30,042.18
1026 · 1st National Gaming	232.03
1025 · 1st National Operating	264,986.94
1021 · CD 61215021 -Phyllis Irish	67,778.08
1022 · 10950 Cash in Drawer	606.62
1003 · WF Merchant Services Account	36,856.38
Total Checking/Savings	400,502.23
Other Current Assets	
1502 · Museum Endowment Fund	957,137.00
Cash on Hand	609.31
2002 · 1120 Inventory Asset	21,134.06
1017 · Undeposited Funds	-180.23
Total Other Current Assets	978,700.14
Total Current Assets	1,379,202.37
Fixed Assets	
4000 · Construction in Progress	74,227.00
4001 · Fixed Assets	62,963.79
Total Fixed Assets	137,190.79
Other Assets	
Merchandise Inventory	1,305.25
Total Other Assets	1,305.25
TOTAL ASSETS	1,517,698.41
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	8,886.76
Credit Cards	-1,790.56
Other Current Liabilities	
25100 · Employee Tips Payable	13.50
5504 · 24700 Customer Deposits	34.00
6601 · Deferred Revenue	24,114.00
6002 · Leave Payable	21,353.68
6003 · 2100 Payroll Liabilities	6,878.91
Total Other Current Liabilities	52,394.09
Total Current Liabilities	59,490.29
Total Liabilities	59,490.29
Equity	
7503 · Museum Endowment Fund Equity	957,137.00
8079 · Contributed Capital	91,636.18
3000 · Opening Bal Equity	33.93
7502 · 3900 Retained Earnings	217,975.66
Net Income	191,425.35
Total Equity	1,458,208.12
TOTAL LIABILITIES & EQUITY	1,517,698.41

Profit & Loss

January through June 2020

	Jan - Jun 20
Ordinary Income/Expense	
Income	
8003 · Fund Development	
8004 · Corporate Sponsorship	1,200.00
8061 · Membership	7,083.93
4030 · Donations Income	
8062 · 6145 In-Kind Income	4,120.00
8002 · Unrestricted	1,335.61
Total 4030 · Donations Income	5,455.61
Total 8003 · Fund Development	13,739.54
8024 · Earned Revenue	
8025 · Program Fees	
8025.1 · Enrollment Fees	570.00
Total 8025 · Program Fees	570.00
4120 · Museum Fees	
8026 · Admissions	553.00
8009 · Admission Fees	0.00
8010 · Archival Fees	1,385.00
8159 · Space Rental	0.00
Total 4120 · Museum Fees	1,938.00
8027 · Store Sales	3,424.42
Total 8024 · Earned Revenue	5,932.42
4200 · Grants	
8032 · 4110 City of Valdez	356,250.00
8006 · State of Alaska	104,000.00
8033 · Foundation	10,250.00
Total 4200 · Grants	470,500.00
8501 · 7015 Interest Income	
Phyllis Irish Memorial Fund CD	419.91
8501 · 7015 Interest Income - Other	13.88
Total 8501 · 7015 Interest Income	433.79
8011 · Reimbursed Expenses	2,254.45
Total Income	492,860.20
Cost of Goods Sold	2,068.34
Gross Profit	490,791.86
Expense	
8059 · Contingency	70.00
8036 · Fundraising Expenses	428.94
8036.1 · Membership	811.84
8037 · IT Services	10,428.83
8039 · Education	27.60
8040 · Collections	
8042 · Collections Supplies	788.90
Total 8040 · Collections	788.90
9002 · Freight and Shipping Costs	142.12
8103 · Personnel Expenses	
8104 · Salaries & Wages	127,887.93
8105 · ESC Payroll Tax	1,215.61
8106 · FICA Payroll Tax	9,783.42
8107 · 403(b) - Employer	6,327.22
8108 · Health Insurance	53,588.16

Profit & Loss

Accrual Basis

January through June 2020

	Jan - Jun 20
Total 8103 · Personnel Expenses	198,802.34
8110 · Professional Fees	
8045 · Accounting	10,000.00
Total 8110 · Professional Fees	10,000.00
8113 · Vehicle Expense	482.00
8047 · Janitorial Services	
8114 · General Janitorial	5,000.00
Total 8047 · Janitorial Services	5,000.00
8048 · Utilities	
8115 · Electric	14,284.57
8116 · Heating Oil	9,240.52
8117 · Water	138.72
Total 8048 · Utilities	23,663.81
8118 · Telephone	
8124 · Conference Line	69.81
Cell Phone	372.96
8120 · Internet	1,191.99
8121 · Local Service	1,643.45
8122 · Long Distance	86.54
Total 8118 · Telephone	3,364.75
8123 · Postage and Delivery	880.40
8049 · Supplies	
8126 · Office Supplies	292.91
8127 · Operating	1,961.52
Total 8049 · Supplies	2,254.43
Exhibits	
8052 · Temporary Exhibits	1,681.57
Total Exhibits	1,681.57
8130 · Dues and Subscriptions	3,519.81
8131 · Printing and Reproduction	2,518.80
8053 · Advertising/Marketing	1,623.00
8134 · Rent	
8056.1 · Storage Rent	1,200.00
8055 · Building Lease	10.00
Total 8134 · Rent	1,210.00
6185 · Insurance	
8137 · Liability Insurance	21,630.56
Total 6185 · Insurance	21,630.56
8138 · Credit Card Fees	1,798.58
8139 · Bank Service Charges	49.00
8056 · Travel	
8142 · Meals	51.43
8143 · Travel	2,380.44
Total 8056 · Travel	2,431.87
8144 · Training & Education	994.00
8145 · Licenses and Permits	10.00
8148 · Contributions	
8057 · In-Kind Expenses	4,120.00
Total 8148 · Contributions	4,120.00
8058 · Public Programs	633.36

Profit & Loss**Accrual Basis**January through June 2020

	Jan - Jun 20
Total Expense	299,366.51
Net Ordinary Income	191,425.35
Net Income	191,425.35



IRS Department of the Treasury
Internal Revenue Service

P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0248159680
Feb. 23, 2009 LTR 4168C E0
92-0159463 000000 00 000
00013338
BODC: TE

VALDEZ MUSEUM AND HISTORICAL
ARCHIVE ASSOCIATION INCORPORATED
% KATHRYN HUNTLEY
PO BOX 8
VALDEZ AK 99686-0008



018379

Employer Identification Number: 92-0159463
Person to Contact: Jessica Schadler
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your request of Feb. 11, 2009, regarding your tax-exempt status.

Our records indicate that a determination letter was issued in December 1996, that recognized you as exempt from Federal income tax, and discloses that you are currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records also indicate you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,

Michele M. Sullivan, Oper. Mgr.
Accounts Management Operations I

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/10/2019

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).

PRODUCER USI Insurance Services NW 3800 Centerpoint Dr., Suite 540 Anchorage, AK 99503 855 874-1300	CONTACT NAME: Tara Koloski, CIC, CISR PHONE (A/C, No, Ext): 855 874-1300 E-MAIL ADDRESS: tara.koloski@usi.com		FAX (A/C, No): 855 216-9730
	INSURER(S) AFFORDING COVERAGE INSURER A : GuideOne Mutual Insurance Company INSURER B : United States Liability Insurance Co. INSURER C : INSURER D : INSURER E : INSURER F :		NAIC # 15032 25895
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	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <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:			1442667	01/01/2020	01/01/2021	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMP/OP AGG \$3,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY			1786825	01/01/2020	01/01/2021	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> RETENTION \$2,500			1442668	01/01/2020	01/01/2021	EACH OCCURRENCE \$3,000,000 AGGREGATE \$3,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE/OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> Y / <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	010001559	01/01/2020	01/01/2021	PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
B	Direct & Officers Employ Practice Fiduciary			NDO1571880C	01/01/2020	01/01/2021	\$1,000,000 \$1,000,000 \$1,000,000

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

Evidence of Insurance

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

**VALDEZ MUSEUM & HISTORICAL
ARCHIVE ASSOCIATION, INC.**
(A Component Unit of the City of Valdez, Alaska)
Valdez, Alaska

Financial Statements
Years Ended December 31, 2019 and 2018

(With Independent Auditor's Report Thereon)



NEWHOUSE & VOGLER
Certified Public Accountants

VALDEZ MUSEUM & HISTORICAL ARCHIVE ASSOCIATION, INC.
(A Component Unit of the City of Valdez, Alaska)
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 Museum & Historical Archive Association, Inc.

Valdez, Alaska

Ladies and Gentlemen:

Report on the Financial Statements

We have audited the accompanying financial statements of Valdez Museum & Historical Archive Association, Inc. (VMHA), a component unit of the City of Valdez, Alaska, as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements, which collectively comprise VMHA's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

VMHA's 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 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.

Board of Directors
Valdez Museum & Historical Archive Association, Inc.

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

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, 2019 and 2018, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3-7 be presented to supplement the basic financial statements. 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.



Anchorage, Alaska
April 7, 2020

VALDEZ MUSEUM & HISTORICAL ARCHIVE ASSOCIATION, INC.
(A Component Unit of the City of Valdez, Alaska)
Valdez, Alaska

Management 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 2019 financial statements.

The total current assets of the VMHA totaled \$236,027 and \$198,290 at the end of 2019 and 2018 respectively. This breaks down into the following categories: cash and cash equivalents, accounts receivable, and museum store merchandise inventory. The most significant portion of the current assets was cash and cash equivalents at \$214,635 and \$177,770 at the end of 2019 and 2018 respectively. Accounts receivable and merchandise inventory accounted for \$21,392 and \$19,870 at the end of 2019 and 2018 respectively.

Total non-current assets include equipment, fixtures and capitalized facility planning fees with purchase prices over \$2,000 less accumulated depreciation on these items. The net book value of the equipment and fixtures was \$126,056 and \$137,191 at December 31, 2019 and December 31, 2018, respectively.

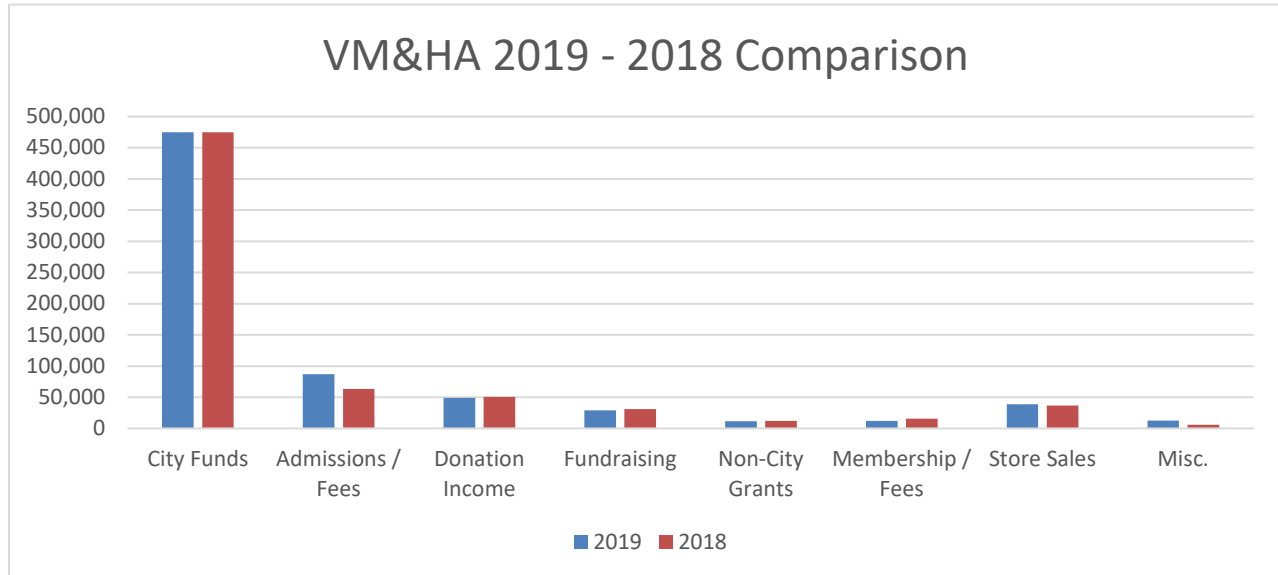
The VMHA's **liabilities** are all short-term or current. At the end of 2019, the balances were for accounts payable, annual leave payable to employees, accrued payroll and related taxes, and unearned revenue, which is funding for Annex Exterior improvements. The total for these accounts was \$64,267 and \$61,409 at December 31, 2019 and 2018, respectively.

The **net position** can be broken down into three areas: invested in capital equipment \$126,056 and \$137,191 at December 31, 2019 and 2018, respectively; restricted by donor for special projects \$9,804 and \$12,028 at December 31, 2019 and 2018, respectively; and unrestricted \$164,670 and \$124,853 at December 31, 2019 and 2018, respectively. Total net position balances were \$297,816 and \$274,072 at December 31, 2019 and 2018, respectively.

The 2019 and 2018 **total operating revenues** were \$726,301 and \$690,129 respectively. Overall, the 2019 Budget has performed exceptionally well. While the majority of the Museum's annual income is generated from the City of Valdez, earned revenue, consisting of Admissions, Fees, and Merchandise sales exceeded expectations by 45%. This is directly attributed to increase summer operations.

VALDEZ MUSEUM & HISTORICAL ARCHIVE ASSOCIATION, INC.
(A Component Unit of the City of Valdez, Alaska)
Valdez, Alaska

Management Discussion and Analysis, continued



1. City funds remained stable at \$475,000. City funds support general operations, including human resources. While we were successful in generating additional revenue from the cruise ship industry, we also needed additional labor to fulfill services.
2. Admission income increased; 2019 was \$98,495 compared with \$63,233 in 2018. The increase is directly attributed to increased summer operations, especially services rendered to cruise ship vendors.
3. Donation Income decreased slightly: 2019 was \$48,924 compared with \$50,472 in 2018. While there was a \$2,300 growth in unrestricted gifts, corporate and in-kind donations decreased notably.
4. Fundraising decreased: 2019 was \$28,806 compared with \$30,947 in 2018. While the Annual Appeal was successful, Roadhouse Dinner saw a 10% reduction in net earnings.
5. Non-City Grants, which include both State and Foundation awards, decreased; 2019 was \$11,500 in 2018 compared to \$12,100 in 2018. Non-City grants support mission driven programs and projects. With the 5% reduction in Non-City Grants is directly attributed to the not receiving the Alaska State Council on the Arts annual grant in the fourth quarter of 2019. Thankfully, earned revenue was able to make up the difference.
6. Membership and Fees decreased in 2019; \$12,171 compared with \$15,848 in 2018. While Membership and Space Rental decreased in 2019 by 9% and 35% respectively, Archival Fees were notably down by 83% Though Archival Fees did not hit the mark in 2019, we continue to work with researchers and scholars and 2020 has already generated revenue.
7. Store sales increased; \$38,984 compared with \$36,489 in 2018. In addition to finding the right mix of inventory, increased summer operations attributed to the growth.
8. Miscellaneous income increased to \$12,421 in 2019; compared with \$6,040 in 2018. Consisting of Reimbursed Expenses, Interest Income and yearend adjustments, the increase is directly attributed to a \$3,771 yearend audit adjustment.

VALDEZ MUSEUM & HISTORICAL ARCHIVE ASSOCIATION, INC.
(A Component Unit of the City of Valdez, Alaska)
Valdez, Alaska

Management Discussion and Analysis, continued

The **total operating expenses** are \$703,000 and \$681,878 in 2019 and 2018, respectively. Operating expenses increased by 3% for 2019. While continuing to budget conservatively within our means, the Museum was able to address increases in human resources for summer operations.

The VMHA **net position** at beginning of the year was \$274,072 and \$265,097 in 2019 and 2018, respectively. The net position at end of year was \$297,816 and \$274,072 in 2019 and 2018, respectively.

The Museum made no contributions to the **Museums' Endowment Fund** in 2019. 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, 2019 and 2018 were \$1,076,846 and \$923,512, respectively.

Since its inception in 1997, 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 2019. 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.

VALDEZ MUSEUM & HISTORICAL ARCHIVE ASSOCIATION, INC.
(A Component Unit of the City of Valdez, Alaska)
Valdez, Alaska

Management Discussion and Analysis, continued

	2019	2018	2017
Assets			
Current Assets:			
Cash and cash equivalents:			
Unrestricted	\$ 190,521	153,656	178,312
Temporarily restricted	24,114	24,114	24,114
Accounts receivable	-	650	250
Merchandise inventory	21,392	19,870	23,736
<i>Total Current Assets</i>	<u>236,027</u>	<u>198,290</u>	<u>226,412</u>
Noncurrent assets:			
Capital assets, net of accumulated depreciation	126,056	137,191	108,827
<i>Total noncurrent assets</i>	<u>126,056</u>	<u>137,191</u>	<u>108,827</u>
Total Assets	<u>\$ 362,083</u>	<u>335,481</u>	<u>335,239</u>
 Liabilities and Net Assets			
Current Liabilities:			
Accounts payable	\$ 11,583	4,609	15,124
Accrued leave	21,545	21,354	20,110
Payroll liabilities	7,025	11,332	10,794
Unearned revenue	24,114	24,114	24,114
<i>Total Current Liabilities</i>	<u>64,267</u>	<u>61,409</u>	<u>70,142</u>
Net Position:			
Net investment in capital assets	126,056	137,191	108,827
Restricted for projects and displays	10,004	12,028	33,375
Unrestricted	161,756	124,853	122,895
<i>Total Net position</i>	<u>297,816</u>	<u>274,072</u>	<u>265,097</u>
Total Liabilities and Net Assets	<u>\$ 362,083</u>	<u>335,481</u>	<u>335,239</u>

VALDEZ MUSEUM & HISTORICAL ARCHIVE ASSOCIATION, INC.
(A Component Unit of the City of Valdez, Alaska)
Valdez, Alaska

Management Discussion and Analysis, continued

	2019	2018	2017
Operating revenues:			
City funds	\$ 475,000	475,000	455,000
Admissions/fees	98,495	63,233	60,385
Donations	48,924	50,472	51,226
Merchandise sales	38,984	36,489	33,633
Fundraising	28,806	30,947	28,497
Grants	11,500	12,100	22,650
Memberships and fees	12,171	15,848	18,613
Miscellaneous	12,421	6,040	5,051
Total operating revenues	<u>726,301</u>	<u>690,129</u>	<u>675,055</u>
Operating expenses:			
Payroll and related expenses	430,898	408,787	393,527
Utilities	50,338	52,318	54,978
Fundraising expenses	42,186	45,369	37,122
Professional fees	38,219	39,543	35,821
Insurance	23,740	22,378	21,771
Merchandise for resale	21,568	19,977	16,228
Janitorial expenses	12,000	12,000	12,980
Depreciation	11,135	11,136	12,000
Retirement plan contributions	12,619	10,911	7,821
Supplies	8,838	8,392	7,677
Telephone and fax	7,719	8,089	7,211
Dues, subscriptions and memberships	5,781	7,235	5,425
Store discounts and fees	6,322	7,154	5,269
Education and public programs	5,293	5,667	5,040
Collections and exhibits	5,309	5,358	4,692
Postage and freight	4,330	4,969	4,472
Printing and reproduction	4,991	4,799	4,071
Advertising	6,490	4,079	4,010
Minor equipment	2,073	2,469	1,200
Vehicle expenses	427	1,142	686
Rent	10	10	499
Miscellaneous expenses	2,714	96	446
Total operating expenses	<u>703,000</u>	<u>681,878</u>	<u>643,747</u>
Operating loss	23,301	8,251	31,308
Nonoperating revenues -			
Interest income	443	724	798
Change in net position	<u>23,744</u>	<u>8,975</u>	<u>32,106</u>
Net Position at the beginning of the year	<u>274,072</u>	<u>265,097</u>	<u>232,991</u>
Net Position at the end of the year	<u>\$ 297,816</u>	<u>274,072</u>	<u>265,097</u>

VALDEZ MUSEUM & HISTORICAL ARCHIVE ASSOCIATION, INC.

Valdez, Alaska

*Statements of Financial Position**December 31, 2019 and 2018*

	<u>2019</u>	<u>2018</u>
Assets		
Current Assets:		
Cash and cash equivalents:		
Unrestricted	\$ 190,521	153,656
Temporarily restricted	24,114	24,114
Accounts receivable	-	650
Merchandise inventory	<u>21,392</u>	<u>19,870</u>
<i>Total Current Assets</i>	<u>236,027</u>	<u>198,290</u>
Noncurrent assets:		
Capital assets, net of accumulated depreciation	<u>126,056</u>	<u>137,191</u>
<i>Total noncurrent assets</i>	<u>126,056</u>	<u>137,191</u>
Total Assets	<u>\$ 362,083</u>	<u>335,481</u>
 Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	\$ 11,583	4,609
Accrued leave	21,545	21,354
Payroll liabilities	7,025	11,332
Unearned revenue	<u>24,114</u>	<u>24,114</u>
<i>Total Current Liabilities</i>	<u>64,267</u>	<u>61,409</u>
Net Position:		
Net investment in capital assets	126,056	137,191
Restricted for projects and displays	10,004	12,028
Unrestricted	<u>161,756</u>	<u>124,853</u>
<i>Total Net position</i>	<u>297,816</u>	<u>274,072</u>
Total Liabilities and Net Assets	<u>\$ 362,083</u>	<u>335,481</u>

See accompanying notes to the financial statements

VALDEZ MUSEUM & HISTORICAL ARCHIVE ASSOCIATION, INC.

Valdez, Alaska

*Statements of Revenues, Expenses and Changes in Net Position**Years Ended December 31, 2019 and 2018*

	2019	2018
Operating revenues:		
City funds	\$ 475,000	475,000
Admissions/fees	98,495	63,233
Donations	48,924	50,472
Merchandise sales	38,984	36,489
Fundraising	28,806	30,947
Grants	11,500	12,100
Memberships and fees	12,171	15,848
Miscellaneous	12,421	6,040
Total operating revenues	726,301	690,129
Operating expenses:		
Payroll and related expenses	430,898	408,787
Utilities	50,338	52,318
Fundraising expenses	42,186	45,369
Professional fees	38,219	39,543
Insurance	23,740	22,378
Merchandise for resale	21,568	19,977
Janitorial expenses	12,000	12,000
Depreciation	11,135	11,136
Retirement plan contributions	12,619	10,911
Supplies	8,838	8,392
Telephone and fax	7,719	8,089
Dues, subscriptions and memberships	5,781	7,235
Store discounts and fees	6,322	7,154
Education and public programs	5,293	5,667
Collections and exhibits	5,309	5,358
Postage and freight	4,330	4,969
Printing and reproduction	4,991	4,799
Advertising	6,490	4,079
Minor equipment	2,073	2,469
Vehicle expenses	427	1,142
Rent	10	10
Miscellaneous expenses	2,714	96
Total operating expenses	703,000	681,878
Operating loss	23,301	8,251
Nonoperating revenues -		
Interest income	443	724
Change in net position	23,744	8,975
Net Position at the beginning of the year	274,072	265,097
Net Position at the end of the year	\$ 297,816	274,072

See accompanying notes to the financial statements

VALDEZ MUSEUM & HISTORICAL ARCHIVE ASSOCIATION, INC.

Exhibit C-1

Valdez, Alaska

Statements of Cash Flows

Years Ended December 31, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Cash received from customers and patrons	\$ 240,451	202,629
Cash received from City and grantors	486,500	487,100
Cash paid to employees	(435,014)	(407,005)
Cash paid to suppliers and vendors	(255,515)	(268,604)
<i>Net cash flows from operating activities</i>	<u>36,422</u>	<u>14,120</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	-	(39,500)
<i>Total cash flows from capital and related financing activities</i>	<u>-</u>	<u>(39,500)</u>
Cash flows from investing activities:		
Interest income received	443	724
<i>Net cash flows from investing activities</i>	<u>443</u>	<u>724</u>
Net change in cash	36,865	(24,656)
Cash at beginning of year	<u>177,770</u>	<u>202,426</u>
Cash at end of year	<u><u>\$ 214,635</u></u>	<u><u>177,770</u></u>
Reconciliation of operating income (loss) to net cash flows from operating activities:		
Operating income	\$ 23,301	8,251
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:		
Depreciation expense	11,135	11,136
(Increase) decrease in assets and deferred outflows:		
Accounts receivable	650	(400)
Inventory	(1,522)	3,866
Increase (decrease) in liabilities and deferred inflows:		
Accounts payable	6,974	(10,515)
Accrued payroll and taxes	(4,307)	538
Accrued leave	191	1,244
Net cash flows from operating activities	<u><u>\$ 36,422</u></u>	<u><u>14,120</u></u>

See accompanying notes to the financial statements.

VALDEZ MUSEUM & HISTORICAL ARCHIVE ASSOCIATION, INC.
(A Component Unit of the City of Valdez, Alaska)
Valdez, Alaska

Notes to the Basic Financial Statements

December 31, 2019 and 2018

NOTE 1 – NATURE AND MEMBERSHIP OF MUSEUM

The Valdez Museum & Historical Archive Association, Inc. (VMHA) was incorporated pursuant to the provisions of the Alaska Non-Profit Corporation Act on December 11, 1995. VMHA 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.

VMHA has members who appoint the Board of Directors and approve their actions at annual meetings. Membership in the VMHA 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 VMHA.

Because the Valdez City Council appoints the VMHA Board of Directors and approves the annual operating budget of VMHA, VMHA 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, VMHA follows accounting principles that are applicable to local governments.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accounts of VMHA 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, VMHA 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.

VALDEZ MUSEUM & HISTORICAL ARCHIVE ASSOCIATION, INC.
(A Component Unit of the City of Valdez, Alaska)
Valdez, Alaska

Notes to the Financial Statements, continued

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES, continued

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

VMHA 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

VMHA property and equipment, exclusive of the land and building, were transferred from the City of Valdez at the end of 1998. The VMHA land and building are owned by the City, and are included in the City’s capital assets. VMHA’s capitalization threshold was set by the council at \$2,000 per item.

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 VMHA 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.

VALDEZ MUSEUM & HISTORICAL ARCHIVE ASSOCIATION, INC.
(A Component Unit of the City of Valdez, Alaska)
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Notes to the Financial Statements, continued

NOTE 3 – CASH AND CASH EQUIVALENTS

Components of cash and cash equivalents at December 31, 2019 and 2018 follow:

	2019		2018	
	Carrying Amount	Bank Balance	Carrying Amount	Bank Balance
Cash on hand	\$ 824	-	1,431	-
Checking accounts	87,213	88,996	92,058	97,548
Savings accounts	59,240	60,208	17,338	16,352
Certificates of deposit	67,358	67,358	66,943	66,943
	<u>\$ 214,635</u>	<u>216,562</u>	<u>177,770</u>	<u>180,843</u>

Custodial credit risk: Custodial credit risk is the risk that in the event of a bank failure, VMHA's deposits may not be returned to it. VMHA does not have a deposit policy for custodial credit risk. At December 31, 2019 and 2018, all of VMHA's deposits were insured.

NOTE 4 – CAPITAL ASSETS

Capital assets consisted of the following at December 31, 2019 and 2018:

	January 1, 2019	Increases	Decreases	December 31, 2019
Capital assets not being depreciated:				
Construction in progress	<u>\$ 74,227</u>	<u>-</u>	<u>-</u>	<u>74,227</u>
Capital assets, being depreciated:				
Office equipment	127,840	-	-	127,840
Lifeboat shelter	22,685	-	-	22,685
Vehicles and other assets	<u>71,134</u>	<u>-</u>	<u>-</u>	<u>71,134</u>
Total capital assets, being depreciated	<u>221,659</u>	<u>-</u>	<u>-</u>	<u>221,659</u>
Less accumulated depreciation for:				
Office equipment	(108,517)	(6,278)	-	(114,795)
Lifeboat shelter	(14,594)	(907)	-	(15,501)
Vehicles and other assets	<u>(35,584)</u>	<u>(3,950)</u>	<u>-</u>	<u>(39,534)</u>
Total accumulated depreciation	<u>(158,695)</u>	<u>(11,135)</u>	<u>-</u>	<u>(169,830)</u>
Total capital assets, net	<u>\$ 137,191</u>	<u>(11,135)</u>	<u>-</u>	<u>126,056</u>

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Notes to the Financial Statements, continued

NOTE 4 – CAPITAL ASSETS, continued

	January 1, 2018	Increases	Decreases	December 31, 2018
Capital assets not being depreciated:				
Construction in progress	\$ 74,227	-	-	74,227
Capital assets, being depreciated:				
Office equipment	127,840	-	-	127,840
Lifeboat shelter	22,685	-	-	22,685
Vehicles and other assets	31,634	39,500	-	71,134
Total capital assets, being depreciated	182,159	39,500	-	221,659
Less accumulated depreciation for:				
Office equipment	(102,239)	(6,278)	-	(108,517)
Lifeboat shelter	(13,686)	(908)	-	(14,594)
Vehicles and other assets	(31,634)	(3,950)	-	(35,584)
Total accumulated depreciation	(147,559)	(11,136)	-	(158,695)
Total capital assets, net	\$ 108,827	28,364	-	137,191

NOTE 5 – ACCURED LEAVE

Accrued leave activity for the years ended December 31, 2019 and 2018 follows:

	January 1,	Accrued	Used	December 31,
2019	\$ 21,354	12,283	(12,092)	21,545
2018	20,110	12,037	(10,793)	21,354

NOTE 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, 2019 and 2018 was \$24,114 and \$24,114, respectively.

NOTE 7 – ENDOWMENT FUND

Periodically, VMHA 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, 2019 and 2018 were \$1,076,846 and \$923,512, respectively. VMHA did not contribute to the Endowment Fund in 2019 and 2018.

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Notes to the Financial Statements, continued

NOTE 8 – NET POSITION RESTRICTIONS AND DESIGNATIONS

Net positions at December 31, 2019 and 2018 have been restricted by donors for the following projects and displays:

	<u>2019</u>	<u>2018</u>
Annex exterior construction improvements	\$ 7,064	7,064
Copper Valley Electric Foundation - Temporary Exhibits	1,500	1,000
Forget Me Nots Denzel Mauldin	401	401
Exhibit materials	375	375
Pinzon Bar neon sign	304	304
Museum building construction	200	-
Katie Dewing Cataloging Project	100	100
Gold Rush exhibits	60	60
State of Alaska – Arts council	-	2,724
<i>Total restricted for projects and displays</i>	<u>\$ 10,004</u>	<u>12,028</u>

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

	<u>2019</u>	<u>2018</u>
Designated for:		
Jim Lethcoe fund	\$ 68	68
Phyllis Irish Fund – special projects	67,358	66,943
Undesignated	<u>94,330</u>	<u>57,842</u>
<i>Total unrestricted net position</i>	<u>\$ 161,756</u>	<u>124,853</u>

NOTE 9 – LEASES

VMHA has an agreement with the City of Valdez (the City) to lease the buildings and property for ten dollars a year expiring on December 31, 2021. The City considers a fair market value lease to be 10% of the buildings assessed value, annually. The buildings being leased to VMHA are assessed at a combined \$2,202,100, thus the fair market value for the lease on these buildings is \$220,210, annually. Pursuant to Governmental Auditing Standards Board Statement 29, VMHA does not follow FAS 116, related to in-kind income related to the below fair market value lease. VMHA has elected to disclose the value of the lease in the footnotes to the financial statements. Lease amounts are not shown in the financial statements.

NOTE 10 – ADVERTISING COSTS

Advertising costs are expensed as incurred. Advertising expense totaled \$6,490 for 2019, and \$4,079 for 2018.

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Notes to the Financial Statements, continued

NOTE 11 – RETIREMENT PLAN

VMHA 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. VMHA 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 VMHA were \$12,619 and \$10,911 for 2019 and 2018, respectively.

NOTE 12 – RELATED PARTY TRANSACTIONS

VMHA received a payment from the City of Valdez for \$475,000 and \$475,000 for 2019 and 2018, respectively.

NOTE 13 – 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, but believes none of the new accounting pronouncements will have a material impact on VMHA's financial statements.

NOTE 14 – SUBSEQUENT EVENTS

Subsequent event procedures have been performed as of April 7, 2020. This is also the date the financial statements were available to be issued.