



October 18, 2018

Karl Amylon, City Manager  
City of Ketchikan  
334 Front Street  
Ketchikan, Alaska 99901

Dear Mr. Amylon,

On behalf of the Ketchikan Visitors Bureau I am submitting the attached packet detailing our request for funding support from the City of Ketchikan in the 2019 budget year. During its August 21, 2018 meeting the KVB board of Directors unanimously approved a request in the amount of \$353,450 to fund our marketing, visitor services and promotional efforts on behalf of the community. This amount represents an increase of \$20,000.00 or about 6% from the 2018 budget allocation.

Funds allocated by the City of Ketchikan have decreased significantly over the past 10 years, despite very tangible increases in the number of cruise passengers and independent travelers to the community. City allocations by year:

2008: \$360,980	2009: \$360,980	2010: \$360,000	2011: \$342,000
2012: \$342,000	2013: \$342,000	2014: \$333,450	2015: \$333,450
2016: \$333,450	2017: \$333,450	2018: \$333,450	

Inflation, as measured by the Consumer Price Index has increased 11% since 2010. Meanwhile cruise visitation has increased by 13%, air arrivals have increased by 30%.

At the same time, we have experienced annual rate increases for utilities, as well as postage, printing costs, shipping and personnel.

We are in the process of collecting data for 2018 but all indications from local cruise related businesses point to a very strong year. The addition of ships such as the Norwegian Bliss, which reportedly sold out its sailings months in advance, and increased its capacity by 18% over 2017. Other lines that increased their total volume of visitors this year include Princess, up 7%, along with slight increases from Seven Seas, RCCL, Silver Seas, Oceania and Uncruise.

On the independent travel front, where most visitors come for sportfishing opportunities, 2018 posed some challenges, including a closure for King Salmon fishing in area waters until mid-June and low returns of Coho salmon. Despite the closures, hotel occupancy in the 2<sup>nd</sup> quarter is up 3% over 2017. While sportfishing will continue to be a strong attraction to the area, our efforts

to promote the outdoor adventure, cultural and historic attributes of the community need a stronger voice and increasing the funds available for marketing will aid that effort. We have spent the past two years implementing changes to our meetings and conventions marketing and are beginning to see increased interest from groups in the Pacific Northwest, as well as organizations with specific interests that Ketchikan is well suited to host. We also continue to encourage local members of organizations to bring their meetings home. Ketchikan continues to have success hosting statewide and regional groups including the Alaska Professional Firefighters Association, the Moose Lodge, SE Conference, Alaska Native Brotherhood & Sisterhood and the Alaska chapter of the American Institute of Architects in addition to a variety of other private events, training seminars and sports events.

The Alaska tourism marketing program budget is still drastically reduced from just three years ago. A legislative mandate that the industry come up with a program to generate marketing dollars was the focus of the Alaska Travel Industry Association's board of directors, resulting in legislation that was introduced this past session but not approved. FY2019 funds of 3 million were passed, and as in the last three years the services and programs that we have been able to leverage are for the most part, gone. The loss of those programs has put an additional burden on local destination marketing organizations, such as the KVB- our costs to participate in activities from public relations to the SeaTrade conference to a presence on the travelalaska.com website and state vacation planner have all increased.

Ketchikan hosted a record number of travel journalists this past season, a result of our increased focus on public relations activities and continued interest in Alaska as a travel destination. We plan to continue publishing a quarterly news brief distributed to several hundred journalists, as well as our media hosting and media assistance activities, and will share stories as they are published in our quarterly grant reports.

Considering the growing numbers of visitors, and fewer state resources, the increase we are requesting will be extremely important to help us maintain high standards for visitor services, while helping to grow our promotional and marketing programs.

I wish to convey our appreciation for the City of Ketchikan's ongoing support of our marketing and visitor information services. Funds received are extremely important to our efforts to keep Ketchikan competitive in the travel marketplace. Thank you for your consideration of our request for increased funding, and please contact me if you have any questions or need additional information.

Sincerely,

A handwritten signature in black ink that reads "Patti Mackey". The signature is fluid and cursive, with the first name "Patti" and last name "Mackey" clearly distinguishable.

Patti Mackey  
President & CEO

## **City of Ketchikan Community Agency Grant Application Form Supplemental:**

### **Purpose of Request- Ketchikan Visitors Bureau 2019 Budget year**

The Ketchikan Visitors Bureau contracts with the City of Ketchikan to provide destination marketing, meetings and conventions promotion and visitor information services on behalf of the community, as shown in the attached scope of work. The KVB develops its programs using a research-based approach and utilizes a variety of marketing tactics based on the type of traveler we wish to attract.

**Justification-** Municipalities across Alaska and throughout the US collaborate with their local DMOs (destination marketing organizations) to provide tourism marketing, visitor information services and tourism development expertise. Overall, these partnerships strive to increase tourism and convention business to bring in new dollars, expand tax revenues, create and maintain jobs and provide opportunity for business development. The typical relationship includes granting funds that are obtained through taxation (hotel occupancy tax, sales tax, gaming or other sector specific tax), economic development grants, etc. to the DMO to promote and market the community to leisure travelers, business and meeting attendees, sports and tournament markets, etc.

The funds provided by the City are combined with our own revenue generating efforts and Ketchikan Gateway Borough CPV funding to deliver our programs and services, which can be defined as:

**Destination Marketing-** the Ketchikan Visitors Bureau's marketing plan is updated annually and is designed to heighten awareness of Ketchikan as a year around visitor destination and generate more visitors to our community. The marketing plan includes strategies and tactics for leisure travelers as well as the meetings, conventions and special events markets.

**Research-** provides the framework determining who the most likely travelers to our destination are, and how to connect with them.

- The 2018 edition of the Ketchikan Summer Visitor Profile and Economic Impact Analysis was released in March. KVB hosted a presentation for municipal leaders and administrative staff to share the high points of the findings and provided copies of the study to the City of Ketchikan, Ketchikan Gateway Borough, Senator Murkowski and Senator Sullivan's office as well as community representatives.
- Additional research used includes the State of Alaska's Alaska Visitor Statistics Program report providing a baseline for the Ketchikan study, and the Ketchikan Gateway Borough's cruise passenger study provided even more beneficial information. We monitor regional and nationwide tourism research as well to note trends and keep tabs on economic factors, federal and state regulations and other actions that can affect tourism.
- We also track leads generated from advertising, our web and digital presence, and other sources to help determine the effectiveness of our marketing efforts.

**Advertising**-print and digital ads build awareness, create a call to action to learn more and help motivate travelers to book their trips.

**Collateral**- compelling printed/electronic materials such as our visitor and meeting planner guides and our web sites emphasize information needed to plan, book and enjoy activities in the community.

**Public Relations**- we work to maintain and grow relationships with journalists, pitch story ideas to encourage travel to and content about Ketchikan, assist with research, fact checking and itinerary planning as requested to generate more coverage of the community.

**Travel trade/professionals**- interaction with cruise industry representatives, meeting planners, tour operators and travel agents to educate, encourage and show appreciation for the opportunities they provide in marketing Ketchikan as a destination. Provide visitor guides, videos and materials that can help in their promotional efforts, attend events such as Cruise Shipping/SeaTrade conference, Meeting Planners Int'l events, Connect for Meeting Planners and the 2019 Northwest Events show. Media events include the Northwest Travel & Words writers' conference, Alaska Media Road Show and NW Meetings & Events Magazine's annual Best of Awards reception.

**Social Media**- Use of popular interactive social media channels including Facebook, twitter, YouTube, Instagram, Pinterest and Vimeo, to engage visitors and encourage sharing their visits with their social networks.

### **Statement of Measurable goals and objectives of project or program:**

Successful destination marketing programs:

- Increase awareness of the destination
- Generate interest in the destination
- Inspire action to learn more
- Decide to travel
- Begin planning
- Actually travel to the destination

The Ketchikan Visitors Bureau marketing objective is to reach travelers at all stages of the awareness and decision-making process by utilizing a variety of strategies and tactics.

### **Future Objectives**

1. Complete upgrades to meeting planning pages on our website, including new tools for meetings planners.
2. Complete the launch of new software system that will streamline several processes, from tracking meetings and conventions leads to compiling information for our visitor guides, to enhancing our communications with local businesses, travel journalists and eventually consumers.
3. Enhance relationships with cruise industry partners. Coordinate outreach and promote opportunities for the lines to utilize materials such as photography, Ketchikan Story Project footage.



4. Complete transition of photos and video assets to an online system to improve access to anyone interested in using our materials to promote visitation to Ketchikan.
5. Recruit additional visitor information clerks to staff our visitor centers

**Brief summary of responses to each of the following criteria for successful projects:**

*Provide service(s) addressing demonstrated needs, identify and demonstrate*

Our services include promoting the community as a visitor destination, providing visitor information services before, during and after visits, liaising with tourism industry representatives including local businesses, cruise lines, airlines, tour operators and travel agents, and communication with local, state and federal officials regarding the status of the industry and our needs for future growth and economic development.

*Plan for implementation to include goals and objectives*

Our programs are outlined in our annual marketing plan, which is reviewed and approved by the board of directors and carried out by KVB staff.

- Raise awareness of Ketchikan as an independent travel destination. Increase overnight visits and tourism related spending.
- Increase awareness and build usage of Ketchikan as a meeting, conventions and special events destination.
- Enhance relationships with travel industry professionals- cruise industry, tour operators, travel agents and travel journalists to promote Ketchikan as a visitor destination.

*Identify approach/activity to accomplish goal*

The KVB updates its marketing plan each year based on goals, research findings and results from previous years marketing efforts. Activities in the plan are continually reviewed and results are tracked as noted below.

*Demonstrate measurable outcomes*

The KVB will continue to track and report:

- Occupancy rates of area hotels
- Number of inbound visitors via air, ferry and cruise
- Number of meetings, conventions and special events
- Economic impact of visitors
- Number of requests for visitor guides
- Number of visits to our website
- Estimated number of visitors using our visitor information centers

*Address projected impact and future sustainability*

Increased visitation, more awareness of Ketchikan as a visitor destination, productive relationships with travel industry customers.

*Budget detail of service/project*

Budget progress is monitored monthly by the KVB Board's finance committee. The budget details personnel, operations, equipment and maintenance and marketing expenses. The budget also tracks self-generated/member related spending separately to delineate funds spent on association programs vs our marketing and promotional activities.

*Demonstrate knowledge and skill in culturally diverse community*

A KVB staff roster has been included in this packet. Ongoing training, knowledge of new products and services and interaction with visitors, business owners and other stakeholders on a regular basis ensures our staff have the skills needed.

*Identify agency collaboration and community involvement to include memorandums of agreement and letters of support*

We do not currently have any MOUs in place with local organizations. We have established scopes of work for grants provided by the City and the Borough. We provide complimentary membership to several local and regional organizations including:

Alaska Forest Association	Greater Ketchikan Chamber of Commerce
Historic Ketchikan	Ketchikan Area Arts & Humanities Council
Southeast Conference	Tongass Historical Society

Additionally, all city and borough departments with tourism related interests are able to enjoy complimentary membership benefits, and free ads in our visitor guides and our website.

Current participants include:

Ketchikan Museums	Ports & Harbors
Ted Ferry Civic Center	Borough Bus

*Provide evidence of competent community-based leadership*

KVB bylaws require a member elected board of directors consisting of 9 positions. Three seats are elected to 3- year terms annually. Additionally, bylaws provide for one city council member and one borough assembly member to be appointed by the City and Borough mayors, respectively. The remainder of the board is made up of appointed members who serve one-year terms.

*Demonstrate fiscal accountability (quarterly or yearly reports as required by the City, audits, etc.)*

KVB utilizes the service of a local accounting firm to provide monthly reconciliation of bank accounts, prepare quarterly federal income tax and state unemployment tax documentation and sales tax reports for the Ketchikan Gateway Borough. The firm also reviews our books and creates trial balance reports a second local accounting firm to review and use in preparing our annual financial review and federal 990.

The officers of the KVB board of directors are also the designated finance committee for the organization and meet monthly to review KVB finances. Additionally, a quarterly compliance review is held to ensure committee members have confidence that all quarterly tax/liability

reports have been completed, insurance policies have been renewed and that other obligations (payroll, retirement account contributions, accounts payable, etc.) have been met.

The KVB submits copies of its annual financial review to the City of Ketchikan upon completion and approval by our board of directors.

#### **Attachments**

- **Audited Financial statement**
- **Current year operating budget**
- **Proposed program budget**
- **Other sources of funding**
- **IRS tax status letter**
- **KVB 2018 Board of Directors and Advisors**

## 2018 Ketchikan Visitors Bureau Staff Roster

**Administrative & Member Relations Assistant:** Brittney Shull has worked for the KVB since 2016. She provides support for our programs and administrative functions including bookkeeping, membership, events and promotional activities and manages reception and office duties. She was born and raised in Ketchikan. Her background includes sales, business ownership and management.

**Distribution Services Manager:** Cheri Pyles joined our staff in 2015 and handles inventory, mailing and local distribution of our Ketchikan visitor guides, stocking and ordering informational brochures. She assists with visitor information services, hosting travel writers and takes on special projects as needed. Due to the seasonality of some of the duties, the position functions 9 months/year. Ms. Pyles and her husband operate two retail businesses in Ketchikan.

**Meetings, Events & Groups Manager:** Deb Anderson joined the KVB staff in 2009. Anderson is responsible for implementing our meetings and convention marketing programs working with local groups to encourage bringing meetings to Ketchikan and promoting the community to meeting planners and organization representatives throughout Alaska and the Pacific Northwest. A skilled event coordinator, Deb's services are available to assist in local conferences, group travel, weddings and reunions, special events, sports tournaments or any other activities that will bring people to Ketchikan for overnight visits.

**Member Services Manager:** Laura Castetter was hired in 2017 and Peter Jensen was hired to replace Laura in September 2018. In addition to marketing our members and helping them to fully utilize the services we offer, the member services manager is primarily responsible for producing our Ketchikan Trip Planner and Ketchikan Arrival Guides, conducting membership and advertising sales, and communications with members via our newsletter, social media outlets and events such as our banquet and member luncheons. Laura has 17 years' experience in marketing and design including owning her own marketing company where she provided website design, graphic design and other marketing services to a diverse mix of businesses and organizations and continues to work on a part time basis for the KVB. Pete's background includes a career in the Army National Guard where he was responsible for marketing and recruitment programs. He has worked as a tour guide, coordinated training programs for KIC and is a lifelong resident of Alaska.

**Visitor Services Manager:** Kerri Hassett handles all requests for visitor information, manages our visitor information centers and tour sales center, works with tour operators and travel agents, maintains and updates our video information screens and calendar of events, fact checks publications (travel guides, cruise line publications) and supervises our seasonal staffing. Hassett has worked for the bureau since 2008 and earned her Certified Interpretive Guide credentials from the National Association for Interpretation in 2012. Prior to joining our staff, Hassett worked as a tour guide, in tour sales, and gained administrative experience as an office manager and at a local non-profit organization.

**President & CEO:** Patti Mackey manages the KVB's operations and develops the annual marketing program. Mackey was hired in 1995 and has over 30 years' experience in marketing, promotion, communications and administration. In September she was re-elected to a 6<sup>th</sup> term on the Alaska Travel Industry Association's Board of Directors. A past chair, she has also served as Marketing Chair several times and currently chairs the board's Tourism Policy & Planning committee and the Advertising, Public Relations sub-committee for the statewide marketing program. She is a member and past chair of the Southeast Alaska Tourism Council board. In 2017, she was appointed to serve on the Marine Transportation Advisory Board (MTAB) as the tourism representative by Governor Bill Walker.

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## CITY OF KETCHIKAN

### GRANT APPLICATION FORM

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Name of Organization: \_\_\_\_\_

In order to provide funding to community based non-profit humanitarian agencies, the City of Ketchikan designed this form to gather information and establish criteria for evaluating applicants' programs, projects and/or operations.

#### The Process

The community grant program is funded annually for operational expenses (no capital projects) by the City of Ketchikan and Ketchikan Public Utilities. The annual contribution is determined by City Council based on annual sales tax revenue. Any contribution is subject to review and change by the City Council. The amounts contributed shall be accounted for in the Community Grant Fund, a special revenue fund. Annual distributions to grantees from the Community Grant Fund cannot exceed the available resources of the Fund or other limits established by the governing body of the City of Ketchikan. The reserves of the Community Grant Fund shall not exceed 5% of annual appropriations from the Fund.

Applications shall be accepted annually during the months of November and December. All applications must be submitted to the city manager by October 19, 2018 by 5 p.m. in order to be considered. Grant awards will be decided during City of Ketchikan budget deliberation sessions.

## **Application**

### Organizational Information

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Organization name:

Address:

City:

State:

Zip:

Telephone:

Fax:

E-mail:

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Name of contact person:

Title:

Telephone:

Cell phone:

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Individual Responsible for signing a grant agreement:

Title:

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Amount requested: \$

This request is for:

Program/project title:

Total organization budget for current year: \$

Date of incorporation:

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Grants will be awarded to organizations that provide services to the community of Ketchikan. Funding options will be determined on one or more criteria listed below. The City encourages projects and programs with components that foster community wellness, direct impact to the community's vulnerable population(s), and/or the civic engagement of Ketchikan residents and project beneficiaries. Services or programs include, but are not limited to, the below-listed populations (check your primary service category). **MUST PROVIDE SIX HARD COPIES OF APPLICATION AND SUPPORTING DOCUMENTS UNLESS OTHERWISE INDICATED.**

- |  |  |
|--|--|
| <input type="checkbox"/> Children and youth  | <input type="checkbox"/> Homeless care programs                      |
| <input type="checkbox"/> Elderly and/or physically or mentally disabled people             | <input type="checkbox"/> Poverty and working poor                    |
| <input type="checkbox"/> Programs serving Ketchikan's under privileged or needy population | <input type="checkbox"/> Cross cultural awareness                    |
| <input type="checkbox"/> Other_____  | <input type="checkbox"/> Civic and cultural projects and/or programs |

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Is this organization tax exempt under section 501(c) (3) or other sections? If no explain:

Is this organization under probation from any other funding source? If yes explain:

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### Accountability:

- Because the City of Ketchikan is working with public funds, it is reasonable to require accountability for the successful use of those funds.
- Understanding that not all applying agencies have the resources to generate detailed financial reports due to staffing issues, the City of Ketchikan requires:
- For grants less than \$15,000, a report including a statement of the success of a project/program in meeting established goals.
- For grants \$15,000 and over, the City of Ketchikan requires quarterly financial reports including a statement of the success of the project/program in meeting established goals to date.



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**Summarize the organization's mission:**

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**Staff composition in numbers:**

- Paid full-time:
- Paid part-time: 3
- Volunteer
- Interns
- Other 5 seasonal
- Total 13

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**Detail the purpose(s) of your request with justification and explanation:**

Please see supplemental information attached

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**If this organization has applied for a grant from the City of Ketchikan in the past, please list how these goals were met:**

**LIST LAST YEAR'S GOALS:**

1. Raise awareness of Ketchikan as an independent travel destination. Increase overnight visits and tourism related spending.

**Attained yes \_\_ no, \_\_ WHY OR WHY NOT**

2. Increase awareness and build usage of Ketchikan as a meetings, conventions and special events destination.

**Attained yes \_\_ no, \_\_ WHY OR WHY NOT**

3. Enhance relationships with travel industry professionals- cruise industry, tour operators, travel agents and travel journalists to promote Ketchikan as a visitor destination.

**Attained yes \_\_ no \_\_, WHY OR WHY NOT**

- 4.

**Attained yes \_\_ no \_\_, WHY OR WHY NOT**

5.

Attained yes \_\_ no \_\_, WHY OR WHY NOT

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**FUTURE OBJECTIVES: Specifically state measurable goals related to the organization's purpose, and how each goal will be accomplished:**

1. Please see supplemental information attached

2.

3.

4.

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**In a brief summary please respond to each of the following criteria for successful projects in narrative form:**

- ☐ Provide service(s) addressing demonstrated needs, identify and demonstrate
- ☐ Plan for implementation to include goals and objectives
- ☐ Identify approach/activity to accomplish goal

- ☐ Demonstrate measurable outcomes
- ☐ Address projected impact and future sustainability
- ☐ Budget detail of service/project
- ☐ Demonstrate knowledge and skill in culturally diverse community
- ☐ Identify agency collaboration and community involvement to include memorandums of agreement and letters of support
- ☐ Provide evidence of competent community-based leadership
- ☐ Demonstrate fiscal accountability (quarterly or yearly reports as required by the City, audits, etc.)

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**Attachments:** *(Please attach in order listed below)*

**Cover letter**

- ☐ Cover letter with introductions

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**Finances**

- ☐ Auditor's Management Letter for the previous fiscal year, or form 990.
- ☐ The current year operating budget, to include your project expenses and revenues.
- ☐ A proposed program budget with narrative.
- ☐ A list of other agencies which funded your organization in the last fiscal year, including amounts contributed.

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**Other Supporting Materials:**

- ☐ A verification of the organization's or fiscal agent's tax-exempt status under section 501(c) 3 of the IRS code. Electronic Only (email to [clerk@ktn-ak.us](mailto:clerk@ktn-ak.us) and [dianew@ktn-ak.us](mailto:dianew@ktn-ak.us) )
- ☐ A current list of the governing board.
- ☐ Letters of support and/or reviews (if applicable). Electronic Only (email to [clerk@ktn-ak.us](mailto:clerk@ktn-ak.us) and [dianew@ktn-ak.us](mailto:dianew@ktn-ak.us) )

# MILNER, HOWARD, PALMER & EDWARDS

CERTIFIED PUBLIC ACCOUNTANTS, PC

Scott C. Milner, CPA  
Harold R. Howard III, CPA  
Diane J. Palmer, CPA  
Scott D. Edwards, CPA

426 Main Street  
Ketchikan, Alaska 99901  
Phone — 907-225-1040  
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Fax — 907-225-4172

## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors of  
Ketchikan Visitors Bureau, Inc.  
Ketchikan, Alaska

We have reviewed the accompanying financial statements of Ketchikan Visitors Bureau, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of revenues, expenses and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

### Management's Responsibility for the Financial Statements

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

### Accountants' Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe the results of our procedures provide a reasonable basis for our conclusion.

### Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

*Milner, Howard, Palmer & Edwards (PAs PC)*

September 18, 2018

**KETCHIKAN VISITORS BUREAU, INC.**  
**KVB 2018 Operations Budget and 2019 Program Budget (Proposed)**

Income	2018	2019	Notes
4010 City of Ketchikan KVB	\$ 333,450.00	\$ 353,450.00	Requested increase included
4020 Ktn Gateway Borough	\$ 241,715.00	\$ 241,715.00	increase effective 7/1/18
<b>Total 4001 MUNICIPAL FUNDING</b>	<b>\$ 575,165.00</b>	<b>\$ 595,165.00</b>	
4209 Membership dues	\$ 84,000.00	\$ 85,000.00	
Total 4219 Destination Marketing	\$ 244,600.00	\$ 251,100.00	advertising sales- guides, web, video screens
Total 4230 Other Self-Funded Revenue	\$ 191,300.00	\$ 194,100.00	tour center, direct line phones, brochure dist.
Total 4240 Other Self-Funded (Non-Taxable)	\$ 5,000.00	\$ 5,000.00	soda machines, ATM commission
Total 4250 OTHER REVENUE (Non-Taxable)	\$ 17,138.00	\$ 17,200.00	interest income, games permit
<b>Total 4200 SELF-FUNDED REVENUE</b>	<b>\$ 542,038.00</b>	<b>\$ 552,400.00</b>	
<b>Total Income</b>	<b>\$ 1,117,203.00</b>	<b>\$ 1,147,565.00</b>	

EXPENSES	2018	2019	Notes
Total 5005 WAGES & BENEFITS	\$ 362,172.00	\$ 377,100.00	vacant positions in 2018; Insurance increases, 1
Total 5500 Taxes	\$ 28,620.00	\$ 35,850.00	PT hire planned, VIC wage increase for 2019
<b>Total 5000 PAYROLL EXPENSES</b>	<b>\$ 390,792.00</b>	<b>\$ 412,950.00</b>	
<b>Total 6000 G &amp; A EXPENSES</b>	<b>\$ 81,500.00</b>	<b>\$ 79,000.00</b>	Accounting, legal fees, supplies, insurance, taxes, equipment, software, admin expenses
<b>Total 7000 OPERATIONS</b>	<b>\$ 94,199.00</b>	<b>\$ 95,731.00</b>	Office & storage lease, janitorial, utilities, phone
<b>Total 7200 SELF-FUNDED PROGRAMS</b>	<b>\$ 55,200.00</b>	<b>\$ 68,600.00</b>	Membership, self funded program expenses, credit card fees and reserve funds

**KETCHIKAN VISITORS BUREAU, INC.**  
**KVB 2018 Operations Budget and 2019 Program Budget (Proposed)**

MARKETING EXPENSES	2018	2019	Notes
<b>7910 Advertising</b>			
7911 Meetings & Conventions	\$ 19,200.00	\$ 17,000.00	Print and digital advertising programs
7912 Tourism	\$ 117,000.00	\$ 125,000.00	
<b>7915 Postage &amp; Fulfillment</b>			
7916 Meetings & Conventions	\$ 1,000.00	\$ 1,000.00	
7917 Tourism	\$ 17,000.00	\$ 20,000.00	
<b>7920 Cooperative Marketing</b>			
7921 SATC	\$ 6,500.00	\$ 6,500.00	
7922 ATIA	\$ 15,000.00	\$ 15,000.00	
7924 USTA	\$ 1,050.00	\$ 1,050.00	
<b>7930 Fam Trips/Promotion Activities</b>			
7931 Meetings & Conventions	\$ 2,500.00	\$ 1,500.00	
7932 Tourism	\$ 1,500.00	\$ 1,500.00	
<b>7935 Trade Show</b>			
7936 Meetings & Conventions	\$ 1,500.00	\$ 1,500.00	MPI WA-OR
7937 Tourism	\$ 6,000.00	\$ 6,000.00	SeaTrade
<b>7940 Public Relations</b>			
7942 Media Hosting	\$ 6,610.00	\$ 7,000.00	based on actual
7943 Media Relations	\$ 41,000.00	\$ 46,000.00	increase activities in 2019
7943.5 Media Relations M/C	\$ 6,000.00	\$ 6,000.00	
7944 Ship Inaugurals	\$ 1,500.00	\$ 1,500.00	
7945 Local Area Promotion M & C	\$ 6,000.00	\$ 3,000.00	
7946 Community Relations	\$ 1,500.00	\$ 1,500.00	
<b>7950 Research</b>			
7951 Meeting & Conventions			
7952 Tourism	\$ 25,000.00		
<b>7955 Travel</b>			
7956 Meetings & Conventions	\$ 3,000.00	\$ 3,000.00	
7957 Tourism	\$ 10,000.00	\$ 10,000.00	
<b>7960 Internet</b>			
7961 Meetings & Conventions	\$ 8,400.00	\$ 8,500.00	Web site redevelopment costs, internet fees
7962 Tourism	\$ 21,600.00	\$ 25,000.00	Web site redevelopment costs, internet fees
<b>7965 Printing/Design/Images</b>			
7966 Meetings & Conventions	\$ 9,600.00	\$ 10,000.00	
7967 Tourism	\$ 60,000.00	\$ 60,000.00	
<b>7970 Membership Dues/Registrations</b>			
7971 Meetings & Conventions	\$ 3,500.00	\$ 3,500.00	
7972 Tourism	\$ 3,000.00	\$ 6,000.00	ATTA membership paid every three years
7975 Sales Presentations	\$ 10,000.00	\$ 10,000.00	
<b>Total 7901 GENERAL MARKETING</b>	<b>\$ 404,960.00</b>	<b>\$ 397,050.00</b>	
<b>TOTAL EXPENSES</b>	<b>\$ 1,026,651.00</b>	<b>\$ 1,053,331.00</b>	
<b>Net Income</b>	<b>\$ 90,552.00</b>	<b>\$ 94,234.00</b>	
Anticipated slow/late payment	\$ (81,306.00)	\$ (82,860.00)	
Estimated actual net income at end of year	\$ 9,246.00	\$ 11,374.00	

### Organizations that also provide funds to the Ketchikan Visitors Bureau- 2018

In addition to funds provided by the City of Ketchikan, the KVB also received operational support as shown below:

#### Operational Support:

*Ketchikan Gateway Borough*

FY2018 contribution: \$233,730.00

FY2019 contribution: \$249,700.00

Calendar year 2018 amount: \$241,715.00

Funds received are derived entirely from the Alaska Cruise Passenger Vessel Initiative fund and must be used for direct services to the cruise lines and their passengers. Funds received support the majority of visitor information services delivered to cruise passengers, including payroll expenses, operational expenses (janitorial, utilities, supplies) for the visitor centers at B2 and B3, a percentage of administrative costs and expenses for distributing the Ketchikan Trip Planner and maintaining our web site to provide visitor information for cruise passengers.



Internal Revenue Service  
District Director

Department of the Treasury

Date: AUG 17 1984

Employer Identification Number:

92-0062853  
Internal Revenue Code  
Section 501(c)(6)

Accounting Period Ending:

December 31  
Form 990 Required: ☒ Yes ☐ No

Person to Contact:

Ellen Oliver  
Contact Telephone Number:  
(206) 442-5106

▷ Ketchikan Visitors Bureau, Inc.  
131 Front Street  
Ketchikan, AK 99901

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under the provisions of the Internal Revenue Code section indicated above.

Unless specifically excepted, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) for each employee to whom you pay \$100 or more during a calendar year. And, unless excepted, you are also liable for tax under the Federal Unemployment Tax Act for each employee to whom you pay \$50 or more during a calendar quarter if, during the current or preceding calendar year, you had one or more employees at any time in each of 20 calendar weeks or you paid wages of \$1,500 or more in any calendar quarter. If you have any questions about exercise, employment or other Federal taxes, please address them to this office.

If your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status. Also, you should inform us of all changes in your name or address.

The block checked at the top of this letter shows whether you must file Form 990, Return of Organization Exempt from Income Tax. If the Yes box is checked, you are only required to file Form 990 if your gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law provides for a penalty of \$10 a day, up to a maximum of \$5,000, when a return is filed late, unless there is reasonable cause for the delay. This penalty may also be charged if a return is not complete. So, please make sure your return is complete before you file it.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Internal Revenue Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in Code section 513.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Because this letter could help resolve any questions about your exempt status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



District Director

Business Leagues

Your tax-exempt status is further predicated upon the understanding that any advertising placed by you will not carry the names of your individual members.

kc/0103Z

## 2018-19 Ketchikan Visitors Bureau Board of Directors and Advisors

Last	First	Term Expires	Board Title	Business
Hagan	Matt	12/31/2019	<b>Chair</b> Executive Com.	First Bank
Lee	Shauna	12/31/2020	<b>Vice-Chair</b> Executive Com.	Bering Sea Crab Fisherman's Tour
Williams, Jr.	Joe	12/31/2020	<b>2nd Vice-Chair</b> Executive Com.	Where the Eagle Walks
Peters	Linda	12/31/2019	<b>Secretary-Treasurer</b> Executive Com.	Best Western Plus Landing
Jenks	Kelly	12/31/2018*	<b>Past Chair</b> Executive Com.	Bering Sea Crab Fisherman's Tour
Mackey	Patti		<b>President &amp; CEO</b> Executive Com.	Ketchikan Visitors Bureau
Angerman	Nadra	12/31/2018*		Chinook Shores
Bradford	Stephen	10/31/2018*	Borough Liaison	Attorney, private practice
Elkins	Jamie	12/31/2019		Ktn Ports & Harbors/Ktn School Dist.
Isom	Julie	10/31/2018*	City Liaison	Ketchikan Title Agency
Karlson	Jeff	12/31/2020		Lighthouse Excursions
Mahtani	Jai	12/31/2018*		Gold Rush Jewelers
Palmer	Jaimie	12/31/2018*		Allen Marine Tours
Scott	Danita	12/31/2018*		Taquan Air
<b>Advisors to the board</b>				
Erickson	Kari	12/31/2018		Holland America Group
Hostetler	KC	12/31/2018		Alaska Airlines
Laurance	Len	12/31/2018		Len Laurance Marketing
Montgomery	Katie	12/31/2018		Cruise Line Agencies of Alaska
Pflieger	Kimberly	12/31/2018		Ketchitours

\*Board term expires. For 2019, Michael Briggs, Jai Mahtani and Jaimie Palmer were elected to seats. Officers and appointed board members and advisors will be determined at the November 27, 2018 KVB Board of Directors meeting. City and Borough Liaison positions are unknown, pending appointment by the mayors.

EXTENDED TO NOVEMBER 15, 2017

OMB No. 1545-0047

Form **990****Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

**2016**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

- ▶ Do not enter social security numbers on this form as it may be made public.  
▶ Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**A** For the 2016 calendar year, or tax year beginning and ending**B** Check if applicable:

- ☐ Address change  
☐ Name change  
☐ Initial return  
☐ Final return/terminated  
☐ Amended return  
☐ Application pending

**C** Name of organization**KETCHIKAN VISITORS BUREAU, INC.**

Doing business as

Number and street (or P.O. box if mail is not delivered to street address)

**50 FRONT ST. SUITE 203**

Room/suite

City or town, state or province, country, and ZIP or foreign postal code

**KETCHIKAN, AK 99901****F** Name and address of principal officer: **PATTI MACKEY****50 FRONT STREET, SUITE #203, KETCHIKAN, AK****D** Employer identification number**92-0062853****E** Telephone number**(907) 225-6166****G** Gross receipts \$**1,101,687.****H(a)** Is this a group returnfor subordinates? ☐ Yes ☒ No**H(b)** Are all subordinates included? ☐ Yes ☐ No

If "No," attach a list. (see instructions)

**H(c)** Group exemption number ▶**I** Tax-exempt status: ☐ 501(c)(3) ☒ 501(c)( 6 ) (insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: **HTTP://WWW.VISIT-KETCHIKAN.COM****K** Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L** Year of formation: **1976** **M** State of legal domicile: **AK****Part I Summary**

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <b>PROMOTION OF TOURISM IN KETCHIKAN, ALASKA</b>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	<b>14</b>
	4 Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	<b>14</b>
	5 Total number of individuals employed in calendar year 2016 (Part V, line 2a)	<b>5</b>	<b>15</b>
	6 Total number of volunteers (estimate if necessary)	<b>6</b>	<b>0</b>
	7a Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	<b>0.</b>
b Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	<b>0.</b>	
Revenue	8 Contributions and grants (Part VIII, line 1h)	<b>688,089.</b>	<b>663,914.</b>
	9 Program service revenue (Part VIII, line 2g)	<b>374,033.</b>	<b>271,585.</b>
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>581.</b>	<b>627.</b>
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>0.</b>	<b>37,285.</b>
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>1,062,703.</b>	<b>973,411.</b>
	Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<b>0.</b>
14 Benefits paid to or for members (Part IX, column (A), line 4)		<b>585,717.</b>	<b>482,458.</b>
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		<b>353,893.</b>	<b>411,511.</b>
16a Professional fundraising fees (Part IX, column (A), line 11e)		<b>0.</b>	<b>0.</b>
b Total fundraising expenses (Part IX, column (D), line 25) ▶		<b>0.</b>	
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)		<b>164,154.</b>	<b>177,717.</b>
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<b>1,103,764.</b>	<b>1,071,686.</b>	
19 Revenue less expenses. Subtract line 18 from line 12	<b>-41,061.</b>	<b>-98,275.</b>	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	<b>406,721.</b>	<b>341,593.</b>
	21 Total liabilities (Part X, line 26)	<b>128,984.</b>	<b>162,131.</b>
	22 Net assets or fund balances. Subtract line 21 from line 20	<b>277,737.</b>	<b>179,462.</b>

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date			
	<b>PATTI MACKEY, PRESIDENT AND CEO</b> Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name <b>SCOTT D. EDWARDS, CPA</b>	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN <b>P01085450</b>
	Firm's name <b>MILNER, HOWARD, PALMER &amp; EDWARDS, CPAS</b>	Firm's EIN <b>92-0042888</b>	Firm's address <b>426 MAIN STREET KETCHIKAN, AK 99901</b>	Phone no. <b>(907) 225-1040</b>	

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No



**Part III** Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐**1** Briefly describe the organization's mission:TO PROMOTE TOURISM IN KETCHIKAN ALASKA.**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.**4a** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )NOT REQUIRED**4b** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )**4c** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )**4d** Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$ ) (Revenue \$ )

**4e** Total program service expenses ▶

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>		<b>X</b>
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?		<b>X</b>
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		<b>X</b>
<b>4</b> <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		
<b>5</b> Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	<b>X</b>	
<b>6</b> Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		<b>X</b>
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		<b>X</b>
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		<b>X</b>
<b>9</b> Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		<b>X</b>
<b>10</b> Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		<b>X</b>
<b>11</b> If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	<b>X</b>	
<b>b</b> Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		<b>X</b>
<b>c</b> Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		<b>X</b>
<b>d</b> Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	<b>X</b>	
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	<b>X</b>	
<b>f</b> Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>		<b>X</b>
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>		<b>X</b>
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>		<b>X</b>
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		<b>X</b>
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States?		<b>X</b>
<b>b</b> Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		<b>X</b>
<b>15</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		<b>X</b>
<b>16</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		<b>X</b>
<b>17</b> Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		<b>X</b>
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		<b>X</b>
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	<b>X</b>	



**Part IV Checklist of Required Schedules** (continued)

	Yes	No
<b>20a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i> .....		X
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? .....		
<b>21</b> Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> .....		X
<b>22</b> Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> .....		X
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> .....		X
<b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> .....		X
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? .....		
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? .....		
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? .....		
<b>25a</b> <b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> .....		
<b>b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> .....		
<b>26</b> Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i> .....		X
<b>27</b> Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> .....		X
<b>28</b> Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
<b>a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> .....		X
<b>b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> .....		X
<b>c</b> An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> .....		X
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> .....		X
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> .....		X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? .....		X
<i>If "Yes," complete Schedule N, Part I</i> .....		
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> .....		X
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> .....		X
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> .....		X
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)? .....		X
<b>b</b> If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....		
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....		
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> .....		X
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? .....		
<b>Note.</b> All Form 990 filers are required to complete Schedule O .....	X	



**Part V** Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No
<b>1a</b> Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	<b>1a</b> 2		
<b>b</b> Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	<b>1b</b> 0		
<b>c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	<b>1c</b>	X	
<b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	<b>2a</b> 15		
<b>b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	<b>2b</b>		X
<b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year?	<b>3a</b>	X	
<b>b</b> If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O	<b>3b</b>	X	
<b>4a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	<b>4a</b>		X
<b>b</b> If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
<b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	<b>5a</b>		X
<b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<b>5b</b>		X
<b>c</b> If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	<b>5c</b>		
<b>6a</b> Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	<b>6a</b>		X
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	<b>6b</b>		
<b>7 Organizations that may receive deductible contributions under section 170(c).</b>			
<b>a</b> Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	<b>7a</b>		
<b>b</b> If "Yes," did the organization notify the donor of the value of the goods or services provided?	<b>7b</b>		
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	<b>7c</b>		
<b>d</b> If "Yes," indicate the number of Forms 8282 filed during the year	<b>7d</b>		
<b>e</b> Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<b>7e</b>		
<b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<b>7f</b>		
<b>g</b> If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	<b>7g</b>		
<b>h</b> If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	<b>7h</b>		
<b>8 Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	<b>8</b>		
<b>9 Sponsoring organizations maintaining donor advised funds.</b>			
<b>a</b> Did the sponsoring organization make any taxable distributions under section 4966?	<b>9a</b>		
<b>b</b> Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	<b>9b</b>		
<b>10 Section 501(c)(7) organizations.</b> Enter:			
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12	<b>10a</b>		
<b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	<b>10b</b>		
<b>11 Section 501(c)(12) organizations.</b> Enter:			
<b>a</b> Gross income from members or shareholders	<b>11a</b>		
<b>b</b> Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	<b>11b</b>		
<b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	<b>12a</b>		
<b>b</b> If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<b>12b</b>		
<b>13 Section 501(c)(29) qualified nonprofit health insurance issuers.</b>			
<b>a</b> Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.	<b>13a</b>		
<b>b</b> Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	<b>13b</b>		
<b>c</b> Enter the amount of reserves on hand	<b>13c</b>		
<b>14a</b> Did the organization receive any payments for indoor tanning services during the tax year?	<b>14a</b>		X
<b>b</b> If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	<b>14b</b>		



**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI ☒ **X**

**Section A. Governing Body and Management**

	1a	1b	Yes	No
<b>1a</b> Enter the number of voting members of the governing body at the end of the tax year	14			
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.				
<b>b</b> Enter the number of voting members included in line 1a, above, who are independent		14		
<b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?			X	
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?				X
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?				X
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets?				X
<b>6</b> Did the organization have members or stockholders?			X	
<b>7a</b> Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?			X	
<b>b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?				X
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
<b>a</b> The governing body?			X	
<b>b</b> Each committee with authority to act on behalf of the governing body?			X	
<b>9</b> Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O				X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
<b>10a</b> Did the organization have local chapters, branches, or affiliates?		X
<b>b</b> If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
<b>11a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
<b>b</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b> Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
<b>b</b> Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
<b>c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done		X
<b>13</b> Did the organization have a written whistleblower policy?		X
<b>14</b> Did the organization have a written document retention and destruction policy?		X
<b>15</b> Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
<b>a</b> The organization's CEO, Executive Director, or top management official		X
<b>b</b> Other officers or key employees of the organization		X
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
<b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
<b>b</b> If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

**Section C. Disclosure**

**17** List the states with which a copy of this Form 990 is required to be filed **AK**

**18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

**19** Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

**20** State the name, address, and telephone number of the person who possesses the organization's books and records: **PATTI MACKEY - (907) 225-6166**

**50 FRONT STREET, SUITE #203, KETCHIKAN, ALASKA, KETCHIKAN, AK 99901**



**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII

## Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

[illegible]





**Part VIII Statement of Revenue**Check if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1 a	Federated campaigns .....	1a				
	b	Membership dues .....	1b	61,134.			
	c	Fundraising events .....	1c				
	d	Related organizations .....	1d				
	e	Government grants (contributions) .....	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above .....	1f	602,780.			
	g	Noncash contributions included in lines 1a-1f: \$ .....					
	h	Total. Add lines 1a-1f .....		663,914.			
Program Service Revenue	2 a	BOOTH RENT	Business Code 532000	131,680.	131,680.		
	b	DESTINATION MARKETING	541800	76,561.	76,561.		
	c	ASSOCIATE PROGRAM	541100	23,625.	23,625.		
	d	BROCHURE DISTRIBUTION	541800	23,011.	23,011.		
	e	MEMBERSHIP EVENTS	541800	10,149.	10,149.		
	f	All other program service revenue .....	541800	6,559.	6,559.		
	g	Total. Add lines 2a-2f .....		271,585.			
	3	Investment income (including dividends, interest, and other similar amounts) .....		627.	627.		
4	Income from investment of tax-exempt bond proceeds .....						
5	Royalties .....						
Other Revenue	6 a	Gross rents .....	(i) Real (ii) Personal				
	b	Less: rental expenses .....					
	c	Rental income or (loss) .....					
	d	Net rental income or (loss) .....					
	7 a	Gross amount from sales of assets other than inventory .....	(i) Securities (ii) Other				
	b	Less: cost or other basis and sales expenses .....					
	c	Gain or (loss) .....					
	d	Net gain or (loss) .....					
	8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 .....	a				
	b	Less: direct expenses .....	b				
	c	Net income or (loss) from fundraising events .....					
	9 a	Gross income from gaming activities. See Part IV, line 19 .....	a	165,561.			
	b	Less: direct expenses .....	b	128,276.			
	c	Net income or (loss) from gaming activities .....		37,285.		37,285.	
	10 a	Gross sales of inventory, less returns and allowances .....	a				
	b	Less: cost of goods sold .....	b				
	c	Net income or (loss) from sales of inventory .....					
	Miscellaneous Revenue			Business Code			
11 a							
b							
c							
d	All other revenue .....						
e	Total. Add lines 11a-11d .....						
12	Total revenue. See instructions. ....		973,411.	272,212.	0.	37,285.	



**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...				
2 Grants and other assistance to domestic individuals. See Part IV, line 22 .....				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 .....				
4 Benefits paid to or for members .....	482,458.			
5 Compensation of current officers, directors, trustees, and key employees .....	74,652.			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) .....				
7 Other salaries and wages .....	261,390.			
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits .....	45,293.			
10 Payroll taxes .....	30,176.			
11 Fees for services (non-employees):				
a Management .....				
b Legal .....				
c Accounting .....	20,885.			
d Lobbying .....				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees .....				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)				
12 Advertising and promotion .....				
13 Office expenses .....	20,982.			
14 Information technology .....				
15 Royalties .....				
16 Occupancy .....	90,422.			
17 Travel .....				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings .....				
20 Interest .....				
21 Payments to affiliates .....				
22 Depreciation, depletion, and amortization .....	14,585.			
23 Insurance .....	5,191.			
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a MAINTENANCE	12,970.			
b DUES AND SUBSCRIPTIONS	9,045.			
c STORAGE RENT	1,650.			
d VEHICLE MAINTENANCE	1,178.			
e All other expenses	809.			
25 Total functional expenses. Add lines 1 through 24e	1,071,686.			
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ☐ if following SOP 98-2 (ASC 958-720)



**Part X Balance Sheet**Check if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing .....	93,102.	1	64,231.
	<b>2</b> Savings and temporary cash investments .....	50,000.	2	57,261.
	<b>3</b> Pledges and grants receivable, net .....		3	
	<b>4</b> Accounts receivable, net .....	185,572.	4	161,035.
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L .....		5	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L .....		6	
	<b>7</b> Notes and loans receivable, net .....		7	
	<b>8</b> Inventories for sale or use .....		8	
	<b>9</b> Prepaid expenses and deferred charges .....	1,175.	9	3,583.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	10a 130,896.		
	<b>b</b> Less: accumulated depreciation .....	10b 106,213.	10c	24,683.
	<b>11</b> Investments - publicly traded securities .....		11	
	<b>12</b> Investments - other securities. See Part IV, line 11 .....		12	
	<b>13</b> Investments - program-related. See Part IV, line 11 .....		13	
	<b>14</b> Intangible assets .....		14	
	<b>15</b> Other assets. See Part IV, line 11 .....	48,139.	15	30,800.
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) .....	406,721.	16	341,593.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses .....	51,600.	17	87,491.
	<b>18</b> Grants payable .....		18	
	<b>19</b> Deferred revenue .....		19	
	<b>20</b> Tax-exempt bond liabilities .....		20	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D .....		21	
	<b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L .....		22	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties .....		23	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties .....		24	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D .....	77,384.	25	74,640.
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 .....	128,984.	26	162,131.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets .....	227,737.	27	122,201.
	<b>28</b> Temporarily restricted net assets .....	50,000.	28	57,261.
	<b>29</b> Permanently restricted net assets .....		29	
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds .....		30	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund .....		31	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds .....		32	
<b>33</b> Total net assets or fund balances .....	277,737.	33	179,462.	
<b>34</b> Total liabilities and net assets/fund balances .....	406,721.	34	341,593.	

Form 990 (2016)