

March 11, 2015

Ms. Brenda Seacrest
Ketchikan Gateway Borough
1900 First Avenue,
Ketchikan, AK 99901

Re: Community Grant Application: Skatepark Maintenance and Operations

Dear Brenda,

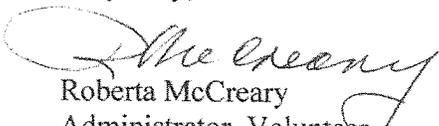
It is with pleasure we submit our annual M&O grant for the operations of the Shane Howard White Skateboard Park that opened on December 1, 2013. Since opening our community has shown its support in many ways.--certainly with an abundance of users...estimated to be between 20 and 50 on "skateable days." Over 200 individual users access this popular facility. Further the community has responded to donate helmets and other safety gear, an equipment shed and a container for garbage cans to keep the premises clean. This year, with the assistance of a mission group off a Holland America cruise ship, we cleared the site of brush and low hanging branches resulting in a clear view of anyone on this property. This has been valuable in discouraging problems along Ketchikan Creek.

We are proud of Ketchikan's state-of-the-art skatepark and love to hear visitors expressing their amazement that we could have such a high quality skatepark in this rural community. We greatly appreciate the Borough's continued support of the maintenance and operations costs associated with this community park. It has been very important to us to grant broad access to all users with the absence of a use fee; your support of our maintenance and operating costs makes this possible.

In this year's request we have anticipated a longer-term maintenance need concerning erosion and public safety for pedestrians around the park perimeter.

Thank you for your support of our youth and all community skatepark users.

Very truly,


Roberta McCreary
Administrator, Volunteer

cc: KYI Board



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue Ketchikan, Alaska 99901

GRANT REQUEST

Amount requested: \$16,000.

- Other Financial Commitments (total in-kind/cash match, other agency funds, etc.): *KYI secures ad sponsorship to offset the cost of the web cam internet access. This is estimated at \$1680 per annum for KPU telecommunication service. KYI provides volunteers to maintain the site and keep the park clear of shrubbery and debris.*
- Other Funds Required (not yet committed/identified):

Program/project title: **Skatepark Maintenance and Operations Grant**

ORGANIZATIONAL INFORMATION

Organization name: Ketchikan Youth Initiatives

Address: (mailing) 724 Bayview Street

City: Ketchikan

State: CA

Zip: 99901

Telephone: 907-617-5990

Fax:

E-mail: kyibobbie@gmail.com

Executive director: Bobbie McCreary

Telephone: 907-617-5990

Name of contact person: as above

Title: Administrator

Telephone: as above

Cell phone: as above

Total organization budget for current year: \$ 47,200 (without capital projects)

Date of incorporation: March 29, 2005

Is your organization tax exempt under section 501(c) (3) or other sections? **YES**

If no explain:



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue Ketchikan, Alaska 99901

Which of the following Ketchikan Gateway Borough areawide powers does your project address (check one)?

- | | |
|---|--|
| <input type="checkbox"/> Economic Development | <input checked="" type="checkbox"/> Recreation |
| <input type="checkbox"/> Transportation | <input type="checkbox"/> Education |
| <input type="checkbox"/> Other (specify) | |

Staff composition in numbers

Paid full-time: 0

Paid part-time: 0

Volunteer: ranges between 10 and 15 at any one time

Interns:

Other:

Total 100+ annually

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

(For the following, use additional pages as needed)

In May 2013 the Ketchikan Gateway Borough transferred property and \$150,000 to KYI for the purpose of developing a concrete skatepark at 1101 Park Avenue.

The Borough acknowledged the need to provide funds to KYI to maintain and operate this recreational facility, just as would be done for any other Borough park facility. This was in consideration of the fact that the skatepark would not have use fees nor a revenue stream to cover the cost of maintenance and operations. It was also acknowledged, even with the outlay for insurance, that the maintenance of the skatepark by KYI would result in considerable savings over the cost that would be incurred by the Borough for the same services.

For the FY 2014 the Borough granted KYI \$9,700 (the original grant amount of \$8200 increased by \$1500 to cover a liability insurance policy due before 6/30); for FY 2015 the Borough granted \$8700; for FY 2016 the grant was reduced to \$7012.

Ketchikan Youth Initiatives respectfully requests the continuation of this obligation. In line with last year's grant, we have budgeted \$7,000 for the operations and maintenance of this park site during FY17.



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue Ketchikan, Alaska 99901

As we have been informed that the funding from the original Economic Development Fund will be depleted after this grant cycle, we find it is important to draw to your attention to a serious, longer term maintenance issue that must be treated. There are two areas of concern regarding drainage and erosion control in and around the park.

The first section of concern is on the Park Avenue (South) side of the park. An existing 12 inch culvert installed at the time the skatepark was constructed provides drainage from the southeast corner of the near Schoenbar Road and drains approximately 50 ft away toward the Park Avenue Bridge crossing Ketchikan Creek. (This area of park grounds flooded even before the skatepark was built.) With additional rock/concrete work the continued erosion can be eliminated; adding not only to the longevity of the park as a whole but also providing a smooth transition crossing from the sidewalk to the park surface.

The second area of concern is on the Ketchikan Creek side of the skatepark toward the North West side of the parcel, just upstream of the Schoenbar Middle School. Rock and concrete work needs to be done to limit the erosion on the backside of the park down into Ketchikan Creek. A narrow space along the skating surface is often used by the public for access to the creek. This is a safety risk as it is too narrow to traverse safely and it drops off steeply towards the creek. Additional rock fill and concrete should be added to not only improve safety and public access, but to mitigate any further erosion around the creek side of the park.

See descriptive photos attached.

BUDGET FOR MAINTENANCE AND REPAIRS

\$500 Electricity (for light and internet service) including summer surcharge

\$4500 Liability and Accident Insurance

\$500 Web Cam Maintenance

\$1500 Facility Maintenance, Repairs and Contingency Fund

\$7000

\$9000 Erosion Control, Drainage and Safety Improvements required to stabilize the site (This is estimated with approximately 2/3 material and 1/3 labor.)

TOTAL GRANT REQUEST - \$16,000



Statement of measurable goals and objectives of project(s) or program(s):

Maintenance of the skatepark assures a safe recreational facility for the users including contact with the community through the web cameras. The operations component of the grant provides important insurance coverage, electric service and safety measures. A contingency reserve assures continued service of this facility if unexpected damage or expense occurs.

The longer term maintenance is required to protect this asset from deterioration.

Are there other projects related to or dependent on this project? Is this project dependent on other activities or actions? If yes, describe projects, actions or activities specifying phases where appropriate.

NO

Discuss project management and qualifications.

The skatepark is maintained by its users and their mentors.

Community organizations support the skatepark by volunteering their service: 1) the skatepark equipment shed was built by the KIC Construction Academy and decorated by youth artists, and 2) a freestanding box to hold our garbage cans was donated by the First Lutheran Church.



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue Ketchikan, Alaska 99901

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

Cover letter

Cover letter

Finances

- Audited financial statement for the last fiscal year, if available, 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 that funded your organization in the last fiscal year, including amounts contributed.
 - What is the annual cost and long-term operation and maintenance costs of this project? Provide backup material. Included in description of the budget requirements
-

Other Supporting Materials

- A verification of the organization's or fiscal agent's tax-exempt status under section (c) 3 of the IRS code.
- A current list of the governing board.
- Letters of support, Resolutions, and/or reviews (if applicable).
- What state and/or federal compliance requirements will this project satisfy or correct?
- How will the project improve the economic environment? ***By providing an alternative recreational activity that provides a positive way for youth, young adults and adults to spend their time rather than engaging in other less desirable activities. This positively impacts the cost of police and court interaction with those who get in trouble. This facility has done an excellent job of keeping skateboarders away from the cruise ship docks and other interactions with the business community.***



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue Ketchikan, Alaska 99901

SUPPORTING MATERIALS

Attached are:

Form 990 & Financial Audit for FYE 5/31/14 (most recent available)

Current Year Operating Budget FY16

Program M & O Budget is included in this application

Other agencies that funded our organization in the Fiscal Year ending 5/31/15:

Rasmuson Foundation - \$20,000

Rasmuson Foundation - \$ 5,000

Tongass Trading - \$2500

The Moose Lodge - \$2800

KRBD Event - \$2700

First Bank – \$1500

United Way - \$3,000

Ketchikan Kruizers - \$1,000

Tongass Trading - \$1000

ASEA Local 52 - \$500

National Christian Foundation - \$12,000

Ketchikan Chamber of Commerce (Walker Gala) - \$4500

Cost of operations and maintenance (outlined in request)

IRS Tax Exempt letter

KYI Board Members

KETCHIKAN YOUTH INITIATIVES, INC.
(a non-profit organization)

FINANCIAL STATEMENTS

For the Year Ended May 31, 2014
Together with Independent Auditor's Report

KETCHIKAN YOUTH INITIATIVES, INC.

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May 31, 2014

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INDEPENDENT ACCOUNTANT'S AUDIT REPORT

To the Board of Directors
Ketchikan Youth Initiatives, Inc.

We have audited the accompanying financial statements of Ketchikan Youth Initiatives, Inc. (a nonprofit organization), which comprise the statement of financial position as of May 31, 2014, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ketchikan Youth Initiatives, Inc. as of May 31, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Jay M. Johnson, LLC

July 15, 2015

KETCHIKAN YOUTH INITIATIVES, INC.

STATEMENT OF FINANCIAL POSITION

May 31, 2014

ASSETS

CURRENT ASSETS:

Cash and cash equivalents		\$	7,785
Grant receivable			20,000
Total Current Assets			<u>27,785</u>

PROPERTY and EQUIPMENT - at cost

Youth center	331,940		
Skatepark	289,365		
Land	134,950		
Paintball facility	<u>26,796</u>		
	783,051		
Less: accumulated depreciation	<u>(35,188)</u>		<u>747,863</u>

Total Assets

\$ 775,648

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts payable		\$	60,459
Notes payable to related parties			<u>3,809</u>
Total Current Liabilities			64,268

Total Liabilities

64,268

NET ASSETS

Unrestricted, undesignated			711,380
Total Net Assets			<u>711,380</u>

Total Liabilities and Net Assets

\$ 775,648

See accompanying notes and independent auditor's report

KETCHIKAN YOUTH INITIATIVES, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED MAY 31, 2014

REVENUES AND SUPPORT

Municipal funding	\$	156,927
Donations		35,984
Fundraising events		9,192
Self-funding		5,260
Interest		18
		<hr/>
Total Revenues and support		207,381

EXPENSES

Program expenses		20,584
Depreciation		8,392
Occupancy expenses		4,955
Office expenses		3,629
Advertising and marketing		191
Dues and subscriptions		100
Information technology		1,121
Professional fees		320
Fund raising		3,003
		<hr/>
Total Expenses		42,295

Change in net assets 165,086

NET ASSETS, beginning of year

 546,294

NET ASSETS, end of year

 \$ 711,380

See accompanying notes and independent auditor's report

KETCHIKAN YOUTH INITIATIVES, INC.

STATEMENT OF CASH FLOWS

YEAR ENDED MAY 31, 2014

Cash flows from operating activities

Change in net assets	\$ 165,086
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities	
Depreciation	8,392
Change in assets and liabilities	
Accounts receivable	1,165
Accounts payable	48,664
Notes payable to related parties	(50)

Net cash provided (used) by operating activities

223,257

Cash flows from investing activities

Purchase of property and equipment	<u>(277,466)</u>
Decrease in cash and cash equivalents	(54,209)

Cash and cash equivalents, beginning of year

62,266

Cash and cash equivalents, end of year

\$ 7,785

Supplemental disclosures

Interest paid	<u>\$ -</u>
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See accompanying notes and independent auditor's report.

KETCHIKAN YOUTH INITIATIVES, INC.

Notes to Financial Statements

Year ended May 31, 2014

Note A - ORGANIZATION AND NATURE OF INCOME

Ketchikan Youth Initiatives, Inc. (The Organization) is a non-profit organization incorporated in Alaska during 2005 . The Organization supports local youth by providing facilities for the youth of Ketchikan, Alaska to meet with each other and mentors.

The Organization has taken on two major projects for the benefit of local youth in Ketchikan. During the year ended May 31, 2014, the Organization completed the first phase of a skatepark for the youth of Ketchikan to use. In 2006, the Organization began a project to create a center for the youth of Ketchikan to meet.

Support and Revenue

The Organization receives the majority of its operating revenue and support from grants and contributions. Income from grants is recognized to the extent allowable costs are incurred.

Basis of Presentation

The Organization maintains its accounting records on the accrual basis of accounting.

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America. The financial statements include assets, liabilities, net assets, and financial activities for those programs for which the Organization exercises fiscal and operations control.

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

Contributions and pledges are recorded in the appropriate class of net assets based upon any donor imposed restrictions that either expire by the passage of time or can be fulfilled by action of the Organization. When the stipulated time restriction ends or action is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets represent the part of net assets from the contributions whose use by the Organization is limited by donor imposed restrictions that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

The Organization had no permanently restricted net assets at year end.

KETCHIKAN YOUTH INITIATIVES, INC.

Notes to Financial Statements

Year ended May 31, 2014

Note A - ORGANIZATION AND NATURE OF INCOME (continued)

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Use of Estimates

Management uses estimate and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Fair Value Measurements

The Organization measures certain items at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, that is, other than a forced liquidation or distress sale.

Date of Subsequent Review

The Organization's management has evaluated subsequent events through the date of the Independent Auditor's Report, which is commensurate with the date the financial statements were available to be issued.

Property and Furnishings

Property and furnishings contributed to the Organization are stated at fair market value as of the date of donation. Major renovations, improvements and other acquisitions are capitalized. Maintenance and repairs are expensed when incurred.

Depreciation is estimated on a straight-line basis over the estimated life of the asset. Asset lives used in computing depreciation are as follows:

Building	40 years
Equipment	5-7 years

Advertising Costs

Advertising costs are included in general and administrative expense in the year incurred.

KETCHIKAN YOUTH INITIATIVES, INC.

Notes to Financial Statements

Year ended May 31, 2014

Note B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Asset Impairment

It is management's policy to periodically analyze its assets for impairment and to write down to fair value those assets identified as being impaired.

Income Taxes

The Organization is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code (IRC). With few exemptions, the Organization's Form 990, Return of Exempt From Income Tax, is exempt from examination for years before 2010.

Advertising Costs

Advertising costs are included in general and administrative expense in the year incurred.

Sales tax

The local taxing authority requires the Organization to impose sales tax on certain transactions with nonexempt customers. The Organization collects sales tax from customers and remits the entire amount to the taxing agency. The Organization's accounting policy is to exclude the tax collected and remitted to the taxing agency from revenues and expenses.

Note C - RELATED PARTY TRANSACTIONS

One of the Board members loaned funds on a short-term basis to the Organization for operating costs with no interest. The balance as of May 31, 2014 was \$3,809.

Note D - CONCENTRATION OF RISK

During the year ended, the Organization received 76% of its revenue from one revenue source.

KYI OPERATING BUDGET SUMMARY FY 15-16

Excluding Capital Projects and In-kind

INCOME

Contributions & Grants

Government Grants	7,700	Incl skatepark M&O grant
Foundation Grants	20,500	ACF, Crossett, United Way*
Corporations	8,500	First Bank, Tongass Tr, others
Individuals	<u>6,500</u>	

43,200

Fund-Raising Event Revenue

6,900 PB booth, Garage Sale misc

Program Revenue

Paintball	4,500	groups, rentals, sales
Skatepark & Other	<u>2,500</u>	web cam ads @ 500...only have

7,000

TOTAL REVENUE

57,100

EXPENSE

Occupancy

General Operations	2,100	insurance, utilities, repairs
Skatepark (M&O Grant)	<u>7,200</u>	KGB grant - breakeven

9,300

Administration

General Operations	6,600	office supplies, materials, fees
Contract Staff & Professional Fees	<u>21,500</u>	acct/consultant/support staff*

28,100

Fund-Raising Expense

Events	1,700	facilities/materials
Software	<u>700</u>	online donation

2,400

Programs

Paintball Program	7,350	insurance, materials, bonus*
Skatepark (Web Cam)	4,500	internet and archive software
Other Programs	<u>1,000</u>	

12,850

TOTAL EXPENSE

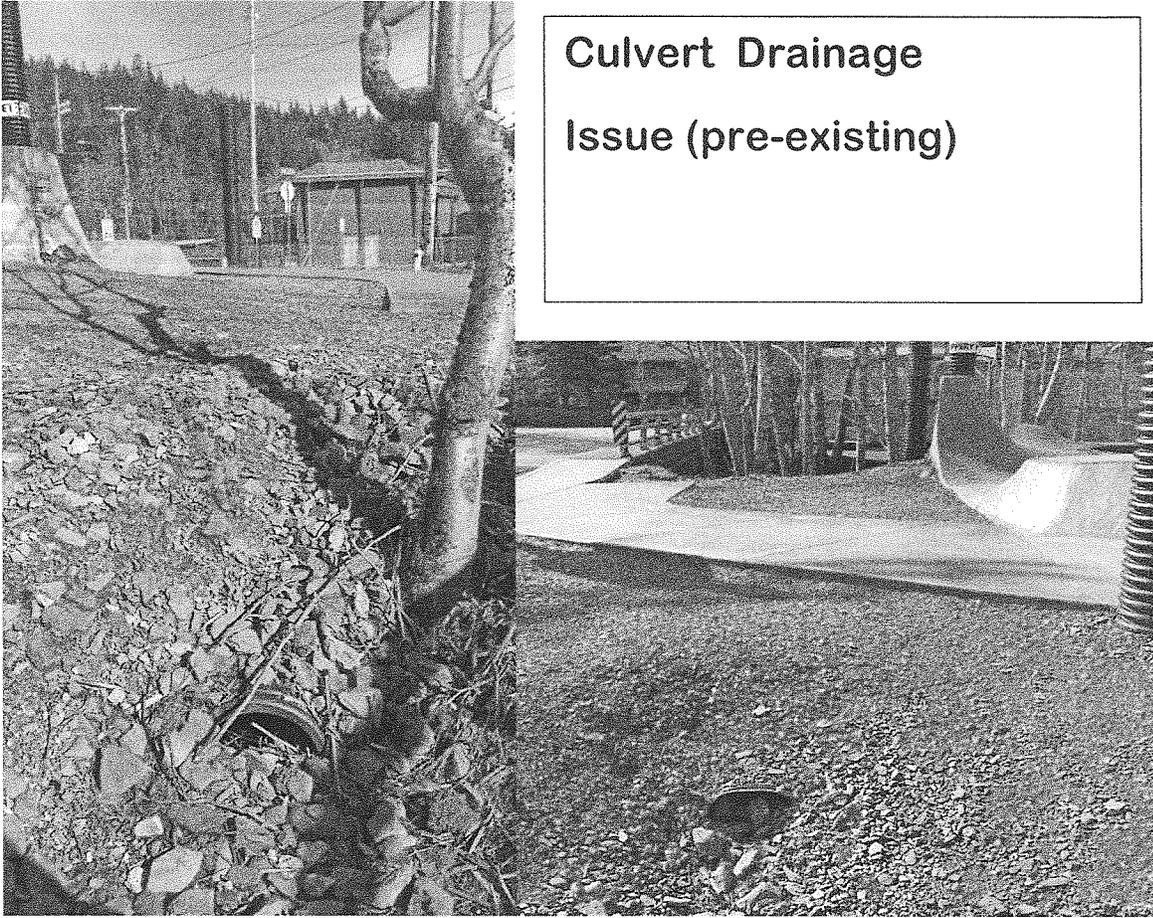
52,650

NET INCOME

4,450

* Includes ACF Grant appl - \$7,000 for consultant and United Way Grant appl - \$3,000 matls for PB field.
If grants are not awarded, money will not be spent.

**Culvert Drainage
Issue (pre-existing)**



Erosion Park Avenue



Erosion and Public Safety Hazard



Erosion Creek Side



KYI BOARD OF DIRECTORS JANUARY 2016

	<u>Officers</u>	<u>First</u>	<u>Last</u>	<u>Home Address</u>
YA	President	Ian	Fultz	530 Pine St, Ktn, AK 99901
A	Vice President	Stephanie	Staveland, LMSW	2122 Dolly Varden Ave, Anchorage, AK 99516
A	Secty	Joy	Davis Greene	119 Austin, #1209, Ktn, AK 99901
A	Treasurer	Lorraine	Johnson	507 Anderson, Ktn, AK 99901
A	Director	Jos	Govaars	5208 Shoreline, Ktn, AK 99901
A	Director	Bonnie	Morris	P.O. Box 1049, Craig AK 99921
A	Director	Nycole	Gizinski (Fowler)	875 Front St. Ktn, AK 99901
A	Director	Carlen	Williams	2993 Forss Avenue, Ktn, AK 99901
A	Administrator	Bobbie	McCreary	724 Bayview Street, Ktn, AK 99901