

City and Borough of Sitka
ANNUAL GRANTS FROM GENERAL FUND
SUMMARY SHEET

Name of Organization: Sitka Music Festival

Alaska State Business License Number (if applicable): 961779

Name of Contact Person: Alexander Serio

Phone: [REDACTED] Email: [REDACTED]

Mailing address: [REDACTED]

Grant Category (check either annual or special emergency grant, and check type of services for annual grant):


- Annual Grant:
 - Human Services or
 - Cultural and Educational Services or
 - Community Development
- Special Emergency Grant

Dollars Requested: \$10,000

Match Dollars Committed: \$10,000 Percentage: 100%

Sources of Matched Dollars: Private Donors

Brief Description of the Purpose of the Grant: The Sitka Music Festival seeks annual operational support to further it's Sitka based programming, which included 39 events in Summer 2024 alone. Now entering it's 54th year, the Sitka Music Festival is Alaska's premier chamber music presenter.

I, Alexander Serio , do hereby certify that all information provided for this grant application is accurate and complete to the best of my knowledge.

Name: Alexander Serio

Title: Executive Director Date: 8/16/2024

Grant Proposal: Operational Support for the Sitka Music Festival

The Sitka Music Festival respectfully requests annual operational support from the City and Borough of Sitka under the category of Cultural and Education Services. This funding will directly sustain our programming in Sitka. During our most recent fiscal year, we presented 79 events, with over half taking place in our home city. In the summer of 2024 alone, we provided 39 concerts in Sitka over a seven-week period, with one-third offered either for free or at a nominal \$10 fee. We provided over 3,200 services to both Sitkans and visitors, with audiences ranging in age from 2 months to 92 years. Additionally, we provided 33 free tickets to host the entire Sitka Fine Arts Camp Middle School Orchestra at one of our concerts. Our video, “A Musical Postcard from Sitka,” featuring Grammy-winning cellist Zuill Bailey and filmed by Emmy-nominated producer Alexey Aleksandrov, has reached over 16,000 individuals worldwide since its release in January.

As Alaska's premier chamber music presenter, the Sitka Music Festival is dedicated to delivering exceptional classical music experiences through both performance and education. Under the leadership of Grammy-winning Artistic Director Zuill Bailey, our 501(c)(3) organization hosts more than 75 events annually, impacting over 45 communities across Alaska.

In our most recent fiscal year, our in-person programs served over 5,000 people through the following initiatives:

- **80 Live Events:** We enriched our community's cultural landscape with 80 live performances.
- **Affordable Access:** Of the 33 ticketed events, five were priced at \$10 or less, ensuring accessibility for all.
- **Free Programming:** We offered 46 of our 79 events free of charge, including 10 educational school concerts that reached over 1,000 students across Sitka, Anchorage, and Ketchikan.
- **Student Engagement:** Over 150 free tickets were provided to school and college students, fostering a love for classical music among young audiences.
- **Artist Involvement:** We brought 38 individual musicians to Alaska, including three Grammy Award winners, and professors from Juilliard, Colburn, and Harvard, showcasing a diverse range of talent.
- **Repertoire:** We performed over 100 individual compositions, offering a rich and varied musical experience.

Each time we bring musicians to Sitka, we ensure our artists engage directly with students, inspiring and educating the next generation of musicians. One Sitka student reflected on a Grammy-winning string quartet's visit:

“Watching them inspired me to view the music I'm playing as more than just notes, but as the story they try to portray. Seeing how expressive the quartet was, how unique each of them was, and the story they could tell—I loved it so much. Their performance sparked a more creative flame for music in me.” — Timothy, percussionist.

With your support, we will continue to bring world-class chamber music to Sitka, enriching the cultural and educational opportunities available to our community. We received an FY 24 grant for \$1,690 and are hoping to increase that amount this year. Thank you for considering our request.

Expected Outcomes

With the requested operational support, the Sitka Music Festival anticipates achieving the following outcomes:

1. **Enhanced Cultural Engagement:**
 - **Increased Attendance:** By maintaining and expanding our programming, we aim to increase attendance at our events by 10% in the coming year, attracting both local residents and visitors to Sitka. This growth will strengthen Sitka's cultural identity and foster a greater appreciation for classical music within the community.
 - **Broad Age Range Participation:** We expect to continue engaging a diverse audience, ranging from toddlers to senior citizens, ensuring that our programs are accessible and appealing to all age groups.
2. **Expanded Access to Classical Music:**
 - **Affordable and Free Programming:** We will maintain our commitment to affordability by offering at least 30% of our concerts either for free or at a nominal \$10 fee. This will make classical music more accessible to individuals and families across all income levels.
 - **Increased Reach through Digital Platforms:** Building on the success of our video, "A Musical Postcard from Sitka," which reached over 16,000 viewers globally, we will develop additional digital content to extend our reach beyond Sitka. We anticipate growing our online audience by 25%, thus further promoting Sitka as a cultural hub.
3. **Educational Impact:**
 - **Student Engagement:** We will provide over 150 free tickets to school and college students and continue our practice of hosting musicians for direct engagement in schools. We expect these initiatives to foster a deeper appreciation for classical music among young audiences, potentially inspiring future careers in the arts.
 - **Increased Educational Outreach:** We plan to maintain our educational programming, reaching even more students across Sitka and other Alaskan communities. This will strengthen our role as an educational resource, particularly in rural and underserved areas.
4. **Community and Artist Involvement:**
 - **Diverse Artist Participation:** We will continue to bring a diverse range of high-caliber musicians to Sitka, including Grammy Award winners and internationally recognized performers. This will not only enhance the quality of our concerts but also provide valuable exposure to world-class talent for our community.
 - **Local Collaboration:** We will deepen our collaboration with local organizations, such as the Sitka Fine Arts Camp, by offering more opportunities for joint events and performances. This will create a more cohesive and vibrant cultural ecosystem in Sitka.
5. **Cultural Impact:**
 - **Long-term Cultural Legacy:** Through consistent programming and community engagement, we aim to solidify the Sitka Music Festival's position as a cornerstone of Sitka's cultural life. This will ensure the long-term sustainability and growth of the festival, benefiting both current and future generations.

By achieving these outcomes, the Sitka Music Festival will not only enhance the cultural landscape of Sitka but also contribute to the broader artistic and educational development of Alaska as a whole. Your support will be instrumental in helping us continue realizing these goals.

Statement of Need

The Sitka Music Festival seeks operational support under the Cultural and Education Services funding category, perfectly aligning with the objectives of this grant. As Alaska's premier chamber music presenter, our mission is to enrich the cultural and educational fabric of Sitka through world-class classical music performances and educational outreach. This project embodies the essence of the funding category by providing accessible, high-quality cultural experiences that benefit the entire community, from young students to senior citizens.

Addressing Documented Needs

Sitka, like many small communities, faces challenges in sustaining vibrant cultural programming, particularly in the arts. According to the Sitka Comprehensive Plan, there is a clear need to enhance cultural offerings and educational opportunities to improve the quality of life for residents and attract visitors. Additionally, data from the Alaska State Council on the Arts highlights the importance of arts education in fostering creativity and community engagement, particularly among youth. Our project directly addresses these needs by providing a robust schedule of live events, many of which are free or low-cost, and by offering educational programs that reach over 1,000 students annually across Sitka, Anchorage, and Ketchikan.

The Youth Risk Behavior Survey conducted in Alaska also underscores the need for positive, enriching activities for young people, particularly in rural areas. By engaging students with free tickets, school concerts, and direct interaction with internationally acclaimed musicians, we offer a constructive and inspiring alternative to the risks highlighted in the survey. Our programs foster a sense of community, cultural pride, and personal development, all of which are crucial to the well-being of Sitka's youth.

Leveraging Additional Funding

The funding requested through this grant will significantly leverage additional financial support for the Sitka Music Festival. Our operational budget is sustained through a combination of grants, ticket sales, individual donations, and sponsorships. By securing this grant, we can demonstrate strong local support, which is a key factor in attracting further investments from national arts foundations and private donors. Additionally, the grant will enable us to expand our programming and outreach, thereby increasing ticket sales and donations. This multiplier effect ensures that every dollar invested by the City and Borough of Sitka not only sustains our current activities but also amplifies our capacity to generate additional funds.

In conclusion, the Sitka Music Festival's project is crucial to fulfilling documented community needs in cultural and educational services. The requested funding will not only enhance the cultural vitality of Sitka but also serve as a catalyst for further financial and community support, ensuring the long-term sustainability of our programs. Your investment in this project will have a lasting impact, enriching the lives of Sitkans and contributing to the cultural legacy of our community.

Organizational Capacity

Track Record

The Sitka Music Festival, founded in 1972, boasts a 53-year proven track record of successfully delivering and managing high-quality cultural and educational programming. Under the guidance of Grammy-winning Artistic Director Zuill Bailey, our organization has consistently provided exceptional classical music experiences and educational outreach, including free concerts and school engagements.

Community Support

The Sitka Music Festival enjoys strong community support, reflected in high attendance rates and positive feedback from residents and visitors alike. Our commitment to affordable and free programming ensures broad accessibility, contributing to high levels of community engagement. Local partnerships, such as our collaboration with the Sitka Fine Arts Camp, Sitka Jazz Week, and Greater Sitka Arts Council further illustrate our strong ties to the community. We also receive substantial support from local businesses, which sponsor our events, make in-kind donations, and help promote our programs. Notable sponsors include The Hames Corporation, Tongass Federal Credit Union, Dove Island Lodge, Norcoast Marine Surveyors, Sitka Sound Cruise Terminal, Arrowhead Transfer, Seafood Producers Cooperative, Allen Marine, The Mean Queen, Ludvig's Bistro, Our Town Catering, and others. This widespread community backing underscores our role as a vital cultural asset in Sitka.

Board Attendance

Our Alaskan Board of Directors plays an active role in overseeing the organization's operations and strategic direction. Board meetings are held every other month, with an average attendance rate of 85%. This high level of engagement ensures that our governance is robust and that we maintain a clear focus on our mission and goals. Board members bring a diverse range of expertise in the arts, education, and community development, contributing to effective decision-making and organizational growth.

List of Board Members and Officers

- Kari Lundgren, Sitka – President
- Rev. Robert Hattle, Sitka – Vice President
- Dirk White, Sitka – Treasurer
- Russellyn Carruth J.D., Anchorage – Secretary
- Dr. Pam Steffes, Sitka
- Dr. Petra Illig, Anchorage
- Dr. Peter Mjos, Anchorage
- Casey Carruth-Hincey J.D., Anchorage
- June Takagi, Anchorage

The Board of Directors is dedicated to supporting the Sitka Music Festival's mission through strategic planning, fundraising, and community outreach. Their collective experience and commitment ensure that the organization operates efficiently and effectively, delivering on its promises to the community and stakeholders.

Budget

Please find attached our most recent completed Fiscal Year's Balance Sheet and Income Statement. Our current fiscal year budget is also attached. Approximately 60% of this budget goes towards our Sitka programming and our home, the Miner Music Center at Stevenson Hall.

Itemized List of Recent Grants Received

- National Endowment for the Arts - \$10,000
- National Philanthropic Trust - \$50,000
- Atwood Foundation - \$35,000
- Alaska State Council on the Arts -
- City and Borough of Sitka - \$1,690
- Sitka Music Festival Foundation - \$38,000

Respectfully Submitted,

Alexander Serio
Executive Director
Sitka Music Festival

Income	
4200 Merchandise Sales	2000
4203 Progam Advertising Income	2000
4204 Concert & Festival Income	121000
4206 Concert & Event Sponsors	30000
4400 Grants Received	107000
4401 Foundation/Trust Contributions	38000
4500 Rental Income	30000
DONATIONS RECEIVED	
4100 Corporate Donations	10000
4110 Individual Donations	200000
4111 Restricted Donation	
Total Income	540000
Cost of Goods Sold	
5000 Merchandise Purchases	600
5020 Merchant Credit Card Fees	5200
Total Cost of Goods Sold	5800
Expense	
ADMINISTRATIVE OPERATING EXP	
5100 Bank Service Charges	300
5101 Interest Expense	210
5104 Dues, Fees, Licenses	8500
5105 Supplies & Equipment	1000
5106 Insurance Expense	2360.96
5108 Postage and Delivery	2000
5300 Advertising and Promotion	11000
5301 Automobile Expense	1000
5302 Computer and Internet Expenses	500
5305 Office Supplies	2000
5310 Professional Fees	18000
5311 Hospitality Expense	7000
PERSONNEL EXPENSES	
5200 Payroll Tax Expense	16241.12
5203 Wages & Salaries	222631.5
5204 Worker's Comp Insurance	670
5205 Direct Deposits Fees	130
5206 Per Diem	3000
5207 Health Stipend	6000
5208 Relocation	7525.59
5209 Hospitality Stipend	3750
PRODUCTION EXPENSES	
5500 Musician Stipend/Per Diem	18700
5501 Musician Contract Prof Fees	57000

5505 Programs	7000
5506 Special Event/Fundraising Exp	19000
5508 Stage/House Manager	3000
5509 Venue Rent	5500
STEVENSON HALL FACILITY	
5900 Repairs & Maintenance	2000
5901 Telecommunications	5500
5902 Housekeeping	7000
5903 Stevenson Hall Supplies	2500
5904 Utilities	20000
5907 Property Taxes	2751
5908 Building Insurance	16500
5910 Groundskeeping	1500
TRAVEL EXPENSES	
5700 Travel Expense	50000
5705 Meals and Entertainment	2429.83
Total Expense	534200

Sitka Music Festival

Balance Sheet

As of December 31, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1006 First Bank Capital Account 1730	7,394.54
1007 First Bank Op Savings 1740	29,718.95
1008 First Bank Operating 0440	56,294.89
Total Bank Accounts	\$93,408.38
Accounts Receivable	
1111 Accounts Receivable	-10,714.40
Total Accounts Receivable	\$ -10,714.40
Other Current Assets	
1200 Prepaid Expenses	8,387.08
1300 Concessions Inventory	5,590.00
Total Other Current Assets	\$13,977.08
Total Current Assets	\$96,671.06
Fixed Assets	
1400 Furniture and Equipment	109,280.54
1403 Buildings	181,729.17
1404 Building Improvements	3,822,779.27
1450 Accumulated Depreciation	-230,003.81
1500 Land	250,959.33
Total Fixed Assets	\$4,134,744.50
Other Assets	
1401 Tech Equipment	6,091.00
1402 Instruments	140,340.45
Total Other Assets	\$146,431.45
TOTAL ASSETS	\$4,377,847.01
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 Accounts Payable	9,672.60
Total Accounts Payable	\$9,672.60
Credit Cards	
2001 Bank of America Visa	4,830.33
Total Credit Cards	\$4,830.33
Other Current Liabilities	
Payroll Liabilities	5.01
Employee Draw	-28.75
Total Payroll Liabilities	-23.74

Sitka Music Festival

Balance Sheet

As of December 31, 2023

	TOTAL
Total Other Current Liabilities	\$ -23.74
Total Current Liabilities	\$14,479.19
Total Liabilities	\$14,479.19
Equity	
3000 Opening Balance Equity	35,149.87
32000 Unrestricted Net Assets	4,283,975.39
Sitka Music Festival Foundation	-2,000.00
Net Income	46,242.56
Total Equity	\$4,363,367.82
TOTAL LIABILITIES AND EQUITY	\$4,377,847.01

Sitka Music Festival

Income Statement

January - December 2023

	TOTAL
Income	
4200 Merchandise Sales	1,095.95
4204 Concert & Festival Income	117,432.38
4206 Concert & Event Sponsors	20,175.00
4210 Outreach Concert	417.43
4400 Grants Received	113,670.00
4401 Foundation/Trust Contributions	46,000.00
4500 Rental Income	13,697.75
DONATIONS RECEIVED	0.00
4100 Corporate Donations	8,223.00
4110 Individual Donations	198,593.93
4111 Restricted Donation	200.00
Total DONATIONS RECEIVED	207,016.93
Total Income	\$519,505.44
Cost of Goods Sold	
5000 Merchandise Purchases	446.34
5020 Merchant Credit Card Fees	5,519.30
Total Cost of Goods Sold	\$5,965.64
GROSS PROFIT	\$513,539.80
Expenses	
ADMINISTRATIVE OPERATING EXP	0.00
5100 Bank Service Charges	307.25
5101 Interest Expense	334.18
5104 Dues, Fees, Licenses	9,695.10
5105 Supplies & Equipment	148.00
5106 Insurance Expense	1,346.96
5108 Postage and Delivery	353.10
5300 Advertising and Promotion	5,387.04
5301 Automobile Expense	2,915.28
5302 Computer and Internet Expenses	2,853.93
5305 Office Supplies	215.71
5310 Professional Fees	15,163.47
5311 Hospitality Expense	5,586.07
Total ADMINISTRATIVE OPERATING EXP	44,306.09
PERSONNEL EXPENSES	0.00
5200 Payroll Tax Expense	12,616.76
5203 Wages & Salaries	212,266.18
5204 Worker's Comp Insurance	-135.00
5205 Direct Deposits Fees	110.72
5206 Per Diem	2,300.00
5207 Health Stipend	6,000.02

Sitka Music Festival

Income Statement

January - December 2023

	TOTAL
5208 Relocation	2,074.41
5209 Hospitality Stipend	3,749.98
Total PERSONNEL EXPENSES	238,983.07
PRODUCTION EXPENSES	0.00
5500 Musician Stipend/Per Diem	13,400.00
5501 Musician Contract Prof Fees	55,000.00
5505 Programs	5,343.91
5506 Special Event/Fundraising Exp	17,864.03
5508 Stage/House Manager	2,506.00
5509 Venue Rent	6,948.22
Total PRODUCTION EXPENSES	101,062.16
STEVENSON HALL FACILITY	0.00
5900 Repairs & Maintenance	1,723.54
5901 Telecommunications	5,032.11
5902 Housekeeping	1,159.61
5903 Stevenson Hall Supplies	883.44
5904 Utilities	17,929.39
5907 Property Taxes	2,751.00
5910 Groundskeeping	127.89
Total STEVENSON HALL FACILITY	29,606.98
TRAVEL EXPENSES	0.00
5700 Travel Expense	53,101.96
Total TRAVEL EXPENSES	53,101.96
Total Expenses	\$467,060.26
NET OPERATING INCOME	\$46,479.54
Other Income	
4000 Interest Income	63.02
Total Other Income	\$63.02
Other Expenses	
Donation to Nonprofit (deleted)	300.00
Total Other Expenses	\$300.00
NET OTHER INCOME	\$ -236.98
NET INCOME	\$46,242.56

Internal Revenue Service**Department of the Treasury****Date: March 14, 2001****Sitka Summer Music Festival, Inc.**
[REDACTED]**P. O. Box 2508
Cincinnati, OH 45201****Person to Contact:**
Miss Hensley 31-03886
Customer Service Specialist
Toll Free Telephone Number:
8:00 a.m. to 9:00 p.m. EST
877-829-5500
Fax Number:
613-263-3756
Federal Identification Number:
[REDACTED]**Dear Sir or Madam:**

This letter is in response to your request for a copy of your organization's determination letter. This letter will take the place of the copy you requested.

Our records indicate that a determination letter issued in April 1980 granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its 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 the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

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

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Sitka Summer Music Festival, Inc.
[REDACTED]

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

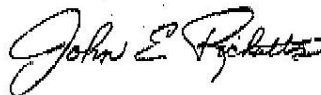
The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. If your organization had a copy of its application for recognition of exemption on July 15, 1987, it is also required to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

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

This letter affirms your organization's exempt status.

Sincerely,



John E. Ricketts, Director, TE/GE
Customer Account Services

Alaska Department of Commerce, Community, and Economic Development

Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806

This is to certify that

SITKA SUMMER MUSIC FESTIVAL



owned by

SITKA SUMMER MUSIC FESTIVAL, INC.

is licensed by the department to conduct business for the period

March 26, 2024 to December 31, 2024
for the following line(s) of business:

71 - Arts, Entertainment and Recreation



This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location.
It is not transferable or assignable.

Julie Sande
Commissioner

SITKA SUMMER MUSIC FESTIVAL



540-535-9483

Alex

General Fund Grants for Non-Profit Organizations for Fiscal Year 2025

CBS Liabilities Form

Complete and submit this form with your Non-Profit Grant Application.

Organization Name: Sitka Music Festival

- Property Tax

Justin Harris
Justin Harris, Supervisory Senior Accountant
747-1853

- Sales Tax

Justin Harris
Justin Harris, Supervisory Senior Accountant
747-1853

- Municipal Leases

Melody Andaluz
Melody Andaluz, Procurement Specialist
747-1852

- Loan/Promissory Note

Brooke Volschenk
Brooke Volschenk, Controller
747-1801

- Utilities

Chelsey Dumag
Chelsey Dumag, Utility/Harbor Billing Clerk
747-1843

CBS Department signatures must be complete to verify your organization is current on all CBS liabilities.