

City and Borough of Sitka  
FY 2018 ANNUAL GRANTS FROM GENERAL FUND  
**SUMMARY SHEET**



**Name of Organization:** SITKA TRAIL WORKS INC.

**AK Certificate of Good Standing** #62021D AK DCED Non-Profit Corporations Section  
AK Business License #249231 Forestry  
AK Business License #291452 Construction  
AK Business License #28876 Specialty Contractor – Landscaping, Rough Carpentry

**Name of Contact Person:** LYNNE BRANDON, EXECUTIVE DIRECTOR  
BRIAN HANSON, PRESIDENT

**Phone:** (907) 747-7244 **Email:** Office: [trail@gci.net](mailto:trail@gci.net) President: beh@alaska.net

**Mailing address:** 801 HALIBUT POINT ROAD SITKA, AK 99835

**Grant Category:** Annual Grant: **Community Development**

**Dollars Requested:** \$7,000

**Match Dollars Committed:** \$353,325 in Capital Grant Funding  
\$73,518 in Operational Funding  
\$426,843

**Percentage:** **1.6% matching funding from CBS**  
(\$7,000/\$426,843)

**Sources of Matched Dollars:** State of Alaska, US DOT Western Federal Lands, Rasmuson Foundation, Individual and Business Contributions, Earned Income from hikes. (See Bang for the Buck Spreadsheet)

**Brief Description of the Purpose of the Grant:** The CBS grant will allow Sitka Trail Works to continue partnership work on the local trail system according to the Sitka Trail Plan; this includes capital construction projects, and completion of the annual goals adopted by the Board of Directors in support of the nonprofit mission of Sitka Trail works. The CBS grant is integral to leveraging additional grant funds for local trail maintenance projects.

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

Name: Lynne Brandon

Title: Executive Director

Date: August 1, 2017

### Detailed project description overview – Total pts 10

• **What grant category are you applying for?** Community Development – Sitka Trail system maintenance and development and on-going work on City trails program according to the goals set forth in the 2003 Sitka Trail Plan to which the City and Borough of Sitka is a MOU partner.

• **What will be done with these funds and who will do it?** The FY 2018 \$7,000 grant made to STW from the CBS Non-Profit Grants fund will be applied to meet the 2017 STW \$73,518 annual budget for operational expenses. The grant will allow STW to continue working to create CBS projects in the Sitka Trail Plan and will pay for approximately 10% of the budgeted annual operating expenses (\$73,518). The money will be used for employee expenses for the office staff (Executive Director and Assistant) for our fund-raising for other grants which directly support the maintenance and development of CBS trails. The funds will allow the office staff to continue to apply for and leverage additional grant funding. In addition, funds allow for staff to manage and direct development and construction of the Sitka Cross Trail project, continue trail maintenance projects for all Sitka trails, and to achieve the Annual Goals set by the Board. (2017 Annual Goals are attached).

All grant application preparation time is paid for by the operating budget. The Recreational Trails program grant for the Mosquito Cove Trail Maintenance Grant (Alaska State Parks' trail) required 50 hours of grant preparation for the State Funds, and then another 30 hours of work on the US Forest Service Collection Agreements, Work Plans and Budgets. No grant program reimburses time invested in the grant application preparation prior to award. The CBS contribution towards maintaining operational staff is absolutely critical for STW to successfully demonstrate local support and to subsidize the cost of preparing grant applications for new capital funds. The CBS non-profit grant supported staff time to prepare the application to the Federal Lands Access Program which resulted in a \$1.8 million Cross Trail Phase 6 award to the City. The City will recoup \$45,000 from this grant. Additionally, this support was key to STW successful Rasmuson Tier One grant for replacement of office equipment and computers. No staff time was paid for in this \$9,770 grant's preparation. Another example of projects paid from the operations budget is the expense related to the 2017 Volunteer Trail Maintenance Event on the City's Thimbleberry-Heart Lake Trail. All project work was completed by STW staff and volunteers.

• **Who will be served? And when?** All 8,500 Sitka residents and all visitors have access to the trail system and benefit from the trails and pathways. The trails have been planned and built to cover a wide range of users, from the most fit to deconditioned individuals and/or physically challenged. The Alpine Adventure Run, Sitka Bike and Hike, Sitka Tours and Sitka Sound Ocean Adventures all bring visitors to town and conduct activities on the trail system. SAIL invites seniors on hikes and senior use of the trail system is increasing with the availability of safer places to walk. The projects are on-going and services are provided year-round.

• **Has the (Agency) Non-Profit received grants previously?** *Yes, see table below. Thank you for your support. This has been a great partnership that has yielded great benefits to the community. Please note that in 2011 Sitka Trail Works raised funds and paid the CBS \$38,000 to cover the 9.03% match requirement for Phase 4 and 5 Cross trail construction.*

	Date	Account	Amount	Balance
	06/30/2006	4130 · Municipal	10,000.00	10,000.00
	07/10/2007	4130 · Municipal	15,000.00	25,000.00
	07/08/2008	4130 · Municipal	10,000.00	35,000.00
	08/25/2009	4130 · Municipal	10,000.00	45,000.00
	08/30/2010	4130 · Municipal	30,000.00	75,000.00
Matching finding for Cross Trail	06/28/2011		-38,000.00	37,000.00
	10/03/2011	4130 · Municipal	10,000.00	45,000.00
	09/16/2012	4130 · Municipal	10,000.00	55,000.00
	09/24/2013	4130 · Municipal	10,000.00	65,000.00
	09/15/2014	4130 · Municipal	8,166.00	73,166.00
	09/15/2015	4130 · Municipal	8,400.00	81,566.00

Total City &amp; Borough of Sitka

88,944.00

88,994.00

**Expected Outcomes – total pts. 10****• How will the project be measured as successful?**

Community members have participated in public process to determine the alignment for the Phase 6 Cross Trail late last year. Community members participate in trail maintenance activities. Free community hikes, led by STW Board members, will continue. Trail maintenance will continue on Mosquito Cove, Herring Cove, Thimbleberry and Sea Lion Cove trails. The planning process is underway for Phase 6 Cross Trail and a public meeting will be held this fall to solicit community input on the proposed trail alignment.

**• What will the tangible community benefit be?**

The most obvious benefit is the expanded and improved quality of life. The health and recreation benefits of the trail system to Sitka residents are undeniable. The MAPP community health survey identified Sitka's trail system as contributing to improved health conditions in Sitka's adults.

Sitka has now earned a reputation as a great town for visitors to hike. The February 2015 issue of Alaska Magazine cover feature article, "5 GREAT PORT TOWNS" and listed Sitka FIRST among places to visit. The article extolled Tlingit culture, Russian history, diversified activities and "*easy-access hiking is a big draw in Sitka.*" "*Enter the trail system via Baranof Street just a few blocks from downtown... (the trails are) all well marked with quick access back to town. Regardless of your chosen route, you'll walk a fairly level path through forest lands and muskegs. More dedicated hikers can...*" This is the type of recognition Sitka Trail Works has tried to bring to the community since 1999!

**• What are some benchmarks during the project that indicate things are going in the right direction?**

- The City and Borough, with STW assistance, completed all agreements with Western Federal Lands for \$250,000 in design funds for Phase 6 of the Cross trail. A contract has been awarded by STW for design. NEPA, via STW management, is underway and STW will complete Army Corps permits for the project for CBS. Corps permits for the Cross Trail were formerly completed by the CBS Parks and Recreation Manager.
- 1.8 million in construction dollars was awarded to the City for the CrossTrail Phase 6 through the FLAP program, via an application written by STW Executive Director.
- A Tier 2 Rasmuson Letter of Inquiry will be submitted for the 9.03% match (\$189,000) for Phase 6 Federal Lands Access Program 1.8 million grant.
- A Recreation Trails Program (RTP) grant for \$51,000 was applied for and received for Mosquito Cove Phase II repair work completed in August 2017. This fall another RTP proposal will be submitted for repairs to the State Parks' Sea Lion Cove trail.
- A Rasmuson Technology grant for \$9,770 was awarded to upgrade Sitka Trail Works equipment and technology so we may better serve the community and our membership.
- A Forest Service RAC grant for \$70,000 was awarded for repairs to Indian River Trail.

**Statement of Need – total pts. 10****• How does this project align with the funding category that you are applying for?**

Planning, building and maintaining a beautiful, integrated and diversified trail system for the community of Sitka is truly community development. Sitka trails are low-maintenance and high-use recreation infrastructure that make Sitka a good place to live, work and play. They are good for business, the economy and for life. Sitka Trail Works helps our community to grow and develop by creating trails which attract a talented work force and visitors and help sustain a healthy economy. Sitka recreational infrastructure including trails result in improved quality of life and outdoor recreation, values listed in Economic as the primary reasons that residents choose to live in Southeast Alaska. The Sitka Trail Plan, 2011 Sustainable Outdoor Recreation Plan and 2017 CBS Comprehensive Plan support trails.

- **What documented needs does this project address?**

The project supports the goals of the Sitka Trail Plan, a MOU partnership document signed by CBS in 2003. The results of the CBS 2017 Comprehensive Plan public process, which will be incorporated into the plan revision, revealed support for trail maintenance and construction and even more specifically, for Sitka Trail Works' trail expansion. Southeast Conference's "Southeast Alaska by the Numbers, 2015" ranked "quality of life and recreational opportunities" as the region's top benefits which attract and maintain businesses and residents.

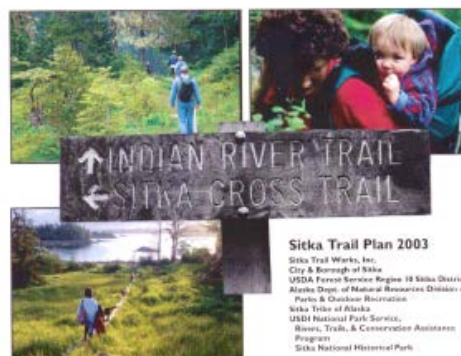
The City of Sitka Parks and Recreation Committee members support the partnership effort between the City of Sitka and Sitka Trail Works to maintain and construct the Cross Trail. The Cross Trail is one of the top priorities in their annual ranking of goals.

- **Does the funding from this request help leverage other funds for the project? How?**

Yes, see attached STW "Bang for the Buck". When Sitka Trail Works applies for grants and appropriations for trail projects we score highly and compete well because we can prove that the municipality contributes to annual operating support. This is all a critical component and requirement of grants from the Rasmuson Foundation. Their reasoning is; "If the project and organization is not financially supported by the Board members, individuals and the municipality, our Foundation is not willing to contribute."

Many local trail projects get funded because, in each case, they were held up high as community priorities because they are included in the Sitka Trail Plan, the 2011 Sitka Outdoor Recreation Plan and supported by the City and Borough of Sitka. So thank you...our partnership has been very effective and very good for the community.

The most recent case in point is STW tremendous collaboration with the City that has resulted in 1.8 million dollars in FY 2019 Phase 6 construction funding for the Cross Trail from the Federal Lands Access Program (FLAP) for which STW wrote the grant proposal. An additional 2014 FLAP grant of \$250,000 was awarded to the City for design of Phase 6 of the Cross Trail, from the Benchlands to Ferry Terminal. The grant application scored very highly because of the community support, presence of the Cross Trail project on the AK DOT STIP, and the demonstrated efficiencies of the collaboration with Sitka Trail Works.



## **Organizational Capacity – total pts 10**

- **Track record**

Successfully completed Trail Projects include planning, permitting, construction and maintenance of trails, trailhead parking and signs for nineteen trail projects in twenty years:

Thimbleberry-Heart Lake, Herring Cove, Sea Lion Cove, Path of Hope, Baranof Lake Trail, Sitka Cross Trail Phase I through V, new Indian River Trail access, Fort Rousseau Causeway State Historical Park and more recently, the 2016/17 maintenance and repairs to Mosquito Cove, 2015 Trail Storm damage repairs, Indian River maintenance (2018). STW collaborated and supported CBS on all 3 Phases of the Sawmill Creek Pathway improvements, including successful lobbying for supplemental legislative funding.

### • Community Support

Sitka Trail Works is very widely supported in the community. During 2016 Sitka Trail Works has received \$33,531 in donations from over 210-member households. The trail users vote with their wallets in support of the trail system. Allen Marine helps us with off-island hikes each year which allows us to net an addition \$6,890 in support.

### • Board Attendance – Executive Officer

The nine member board meets monthly (except December) and there has never been a case when a quorum was not present. As a general rule, eight or nine members are usually present and Board members only miss meetings because they are travelling out of town. All the Board members hold full time jobs in the community and attend meeting over their lunch hours and donate at least three weekend days per year to lead the hikes. Attendance at Board meetings is consistently high. Board members receive a written report and board packet prior to each meeting and the President Brian Hanson runs a great meeting. The Sitka Trail Works Director is Lynne Brandon, the former CBS Parks Manager.

### • List of Board Members and Officers

President Brian Hanson (CBS Municipal Attorney)  
Vice President Don MacKinnon (CBS Information Technology)  
Secretary Gio Villanueva (SEARHC Physical Therapy)  
Treasurer Roslyn MacKinnon (Samson Tug and Barge, CFO)  
Mary-Alice Henry (Mt. Edgecumbe High School Accountant)  
Jeff Arndt (Licensed Psychologist and Counselor)  
Nicole Duclos (Instructional Designer, AK. Native Tribal Health Consortium)  
Dane McFadden (Sitka Sound Science Center)  
Deanna Bennett (Sitka Community Hospital)



Completion of Phase 6 of the Sitka Cross trail in 2019 will extend this popular non-motorized multiuse pathway from Kramer Drive to the Old Sitka Boat Launch parking lot. The pathway will support 4-wheelers and light trucks, in the event of a tsunami or other emergency. This vehicle access makes maintenance tasks much easier and less costly.

### Budget – total pts. 10

• Statement of assets, revenues, and expenditures for previous year. + **Match Detail (Bang for the Buck) Spreadsheet.**

• Detailed budget for current calendar year (FY 2017), Operating Budget + 2017 Board goals.

• Include itemized list of grants received or pending for prior and current years.

### Required Documentation – total pts 10

• Copy of nonprofit documentation (IRS 501c3 designation) – 1<sup>st</sup> page Compliance Letter from IRS.

• Current State of Alaska nonprofit organization business license – State of AK Certificate of Compliance and Business Licenses.

2:12 PM

07/18/17

Accrual Basis

**Sitka Trail Works, Inc.**  
**Statement of Assets**  
As of December 31, 2016

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	<u>Dec 31, 16</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	181,518.01
Accounts Receivable	34,796.10
Other Current Assets	8,998.00
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<b>Total Current Assets</b>	225,312.11
<b>Fixed Assets</b>	1,042.71
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<b>TOTAL ASSETS</b>	<b>226,354.82</b>
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<b>LIABILITIES &amp; EQUITY</b>	0.00

**Sitka Trail Works, Inc.**  
**Statement of Financial Income and Expense**

Accrual Basis

January 1 through December 31, 2016

	<b>TOTAL</b>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
4000 · Contributions & Donations (header)	
4031 · Pet Contributions	250.00
4010 · Corporate/BusinessContributions	4,475.00
4020 · Private Foundation	53.63
4030 · Individual Contributions	26,887.00
4040 · Board	1,865.00
<b>Total 4000 · Contributions &amp; Donations (header)</b>	<b>33,530.63</b>
4100 · Grants	
4110 · Federal	-224.12
4120 · State	24,018.71
4130 · Municipal (FLAP Reimbursement)	102,626.72
4140 · CBS Nonprofit Organiz Grant	7,429.00
<b>Total 4100 · Grants</b>	<b>133,850.31</b>
4200 · Earned Income (header)	
4210 · Fees and Program Service	
4214 · Trail Maintenance	40,940.00
4213 · Equipment Rental	2,110.00
5007 · Program Service (990 (line 2 & 93g))	0.00
<b>Total 4210 · Fees and Program Service</b>	<b>43,050.00</b>
4220 · Sales	
4223 · Promotional & Educational	6,890.00
<b>Total 4220 · Sales</b>	<b>6,890.00</b>
<b>Total 4200 · Earned Income (header)</b>	<b>49,940.00</b>
4900 · Other Income	
4910 · Interest and dividends	600.42
<b>Total 4900 · Other Income</b>	<b>600.42</b>
<b>Total Income</b>	<b>217,921.36</b>
<b>Gross Profit</b>	<b>217,921.36</b>
<b>Expense</b>	
5000 · Personnel	
5011 · Salaries & Wages	
5012 · Office staff	65,852.50
5013 · Trail crew/other	9,679.82
<b>Total 5011 · Salaries &amp; Wages</b>	<b>75,532.32</b>
5100 · Payroll Taxes	
5101 · FICA	4,958.92
5102 · FICAMED	1,159.76
5103 · AK-ESC	2,100.40
<b>Total 5100 · Payroll Taxes</b>	<b>8,219.08</b>
5200 · Fringe Benefits	
5210 · Health Insurance	4,450.00
5221 · Workers Compensation	8,236.28
<b>Total 5200 · Fringe Benefits</b>	<b>12,686.28</b>
<b>Total 5000 · Personnel</b>	<b>96,437.68</b>

# Sitka Trail Works, Inc.

## Statement of Financial Income and Expense

Accrual Basis

January 1 through December 31, 2016

	TOTAL
6000 · Contractual/Consulting	
6070 · Managed IT Support (Information Technology Support)	65.00
6035 · USFS Agreement	8,618.87
6010 · Accounting & Audit	1,238.38
6030 · Envir/Survey	66,394.50
6050 · Fundraising	250.00
Total 6000 · Contractual/Consulting	76,566.75
6100 · Travel	
6120 · Training & Conferences	443.86
6130 · Meetings, Meals, Retreats	807.12
Total 6100 · Travel	1,250.98
6200 · Occupancy	
6230 · Communications	1,401.95
Total 6200 · Occupancy	1,401.95
6300 · Vehicles & Local Transportation	
6345 · Vehicle Registration (Vehicle registration/tags - DMV)	25.00
6310 · Vehicle lease	3,250.00
6320 · Gas & Oil	169.70
6330 · Vehicle Repairs and Maintenance	146.92
6340 · Vehicle Insurance	324.00
Total 6300 · Vehicles & Local Transportation	3,915.62
6500 · Supplies	
6525 · Advertising	783.20
6515 · Technology (Software, Hardware, Internet)	416.30
6510 · Office Supplies	1,212.25
6520 · Ed/Promo Program supplies	255.26
6530 · Printing	1,603.95
6540 · Postage	567.19
6550 · Trail Program Supplies	
6551 · Tools & Equipment	1,378.35
6552 · Freight/shipping	68.39
6553 · Fuel/oil	53.21
6554 · Materials/Supplies (Gravel, lumber, misc hardware, crew supplie, food, safety)	1,873.74
6556 · Other trail project expenses	0.00
Total 6550 · Trail Program Supplies	3,373.69
6500 · Supplies - Other	17.94
Total 6500 · Supplies	8,229.78
6600 · Equipment lease and repair	
6615 · Construction Equip Lease (Hourly, daily or weekly rates)	16,058.70
Total 6600 · Equipment lease and repair	16,058.70
66900 · Reconciliation Discrepancies	-2,386.46
6700 · Insurance/Other	
6760 · Sales tax (City sales tax)	0.30
6720 · Insurance	2,952.47
6730 · Dues/Subscriptions/Fees/Permits	
6731 · Banking Fees	1,878.13
6730 · Dues/Subscriptions/Fees/Permits - Other	1,252.01
Total 6730 · Dues/Subscriptions/Fees/Permits	3,130.14
Total 6700 · Insurance/Other	6,082.91
Total Expense	207,557.91
Net Ordinary Income	10,363.45



**Sitka Trail Works, Inc.**  
**Statement of Financial Income and Expense**

Accrual Basis

January 1 through December 31, 2016

	TOTAL
Other Income/Expense	
Other Income	
8290 · Management Fee CBS/FLAP (5% per CBS LOA for the FLAP)	4,552.07
6793 · Indirect Program Allocation (Fee for services)	-155.22
8300 · Administrative Recovery	
8310 · Program admin allocations	826.10
8300 · Administrative Recovery - Other	834.85
Total 8300 · Administrative Recovery	1,660.95
Total Other Income	6,057.80
Other Expense	
9075 · Management Fee expense CBS/FLAP (5% Project Management fee per LOA with CBS)	4,552.07
9111 · Indirect Program Allocation Fee (Fee for services MOA/CBS)	-155.22
9100 · Administrative allocation	1,660.95
Total Other Expense	6,057.80
Net Other Income	0.00
Net Income	<b>10,363.45</b>

# SITKA TRAIL WORKS FY 2017 BUDGET

				2017 BUDGET				
<b>Income</b>								
<b>4000 · Contributions &amp; Donations</b>								
		<b>4010 · Corp/Bus Contr</b>		<b>\$4,475</b>				
		<b>4020 · Private Foundation</b>		<b>\$1,850</b>				
		<b>4030 · Individual Contributions</b>		<b>\$30,000</b>				
		<b>Benches</b>		<b>\$5,000</b>				
		<b>4031 - Pet Contributions</b>		<b>\$250</b>				
		<b>4040 · Board</b>		<b>\$2,700</b>				
<b>Total 4000 · Contribs &amp; Dons</b>				<b>\$44,275</b>				
<b>4100 · Grants</b>								
		<b>4140 · CBS Nonprofit Organiz Grant</b>		<b>\$7,000</b>				
<b>Total 4100 · Grants</b>				<b>\$7,000</b>				
<b>4200 · Earned Income</b>								
		<b>4210 · Fees / Program Service</b>						
		<b>4213 · Equipment Rental</b>		<b>\$1,000</b>				
<b>Total 4210 · Fees &amp; Prog Serv</b>				<b>\$1,000</b>				
		<b>4220 · Sales</b>						
		<b>4223 · Allen Marine Hikes</b>		<b>\$7,000</b>				
		<b>4225 · Firewood/Trail Materials</b>		<b>\$0</b>				
<b>Total 4220 · Sales</b>				<b>\$7,000</b>				
<b>4230 · Membership</b>								
		<b>4231 · Households</b>		No longer separated				
		<b>4232 · Business Dues</b>		See Contributions				
<b>Total 4230 · Membership</b>				<b>\$0</b>				
		<b>4240 · Special Event</b>		<b>\$0</b>				
<b>Total 4200 · Earned Income</b>				<b>\$8,000</b>				
<b>4900 · Other Income</b>								
		<b>4910 · Interest and dividends</b>		<b>\$550</b>				
(G/L# 8290, 6793, 8300)		<b>4915 · Administrative Recovery</b>		<b>\$5,000</b>				
<b>Total 4900 · Other Income</b>				<b>\$5,550</b>				
<b>4990 · Uncategorized Income (Savings)</b>				<b>\$8,693</b>				
<b>Total Income</b>				<b>\$73,518</b>				

## SITKA TRAIL WORKS FY 2017 BUDGET

					2017 BUDGET				
Expense									
5000 · Personnel									
		Total 5012 · Salaries & Wages - Office Staff			\$43,683				
		5100 · Payroll Taxes							
		Total 5100 · Payroll Taxes			\$5,021				
		Total 5200 · Fringe Benefits			\$4,424				
Total 5000 · Personnel					\$53,128				
6000 · Non-Personnel Expenses									
		Total 6000 · Contractual/Consulting			\$7,200				
		Total 6100 · Travel/Training			\$1,600				
		Total 6200 · Occupancy			\$1,400				
		Total 6300 · Vehicles & Local Transportation			\$3,600				
		Total 6500 · Supplies			\$3,900				
		Total 6600 · Equipment lease and repair			\$0				
		Total 6700 · Other (6715,6710,6720,6730) + 66900			\$2,690				
Total 6000 · Non-Personnel Expenses					\$20,390				
Total Expense					\$ 73,518				
Net Income (Loss)					\$ -				
2017 budget calls for utilizing \$8,693 from the current \$174,000 cash position									
Approval of the 2017 Budget includes 3/4 time ED @ \$27/hr + Health and Retirement Contribution.									
1/2 time Administrative Assistant @ \$19									

2016 SOURCES OF MATCHED DOLLARS DETAIL - "BANG FOR THE BUCK CALCULATIONS" - For Sitka Trail Works, Inc.				
HOW \$7428 from CBS <b>LEVERAGES</b> \$311,835 IN CAPITAL FUNDING AND \$73,518 IN ADMINISTRATIVE FUNDING				
CAPITAL PROJECT MATCH				
Purpose	Source Agency and % Match Requirement	Grant Funding (New money to Sitka for project funding, not General Fund \$)	Match Requirement (Provided by STW and Trail Plan partners)	Non-General Fund capital for trail construction and maintenance and support projects (TOTAL)
Rasmuson Technology Upgrade	Rasmuson Foundation	\$ 8,770	\$ 2,250	\$ 12,020
Recreational Trails Program for Herring Cove Storm Damage 2017	State of AK 14.5%	\$ 43,937	\$ 7,466	\$ 49,815
Federal Lands Access Program to CBS for Cross Trail Phase 6 Planning and Design.	WFL-DOT 9.03%	\$ 227,425	\$ 22,575	\$ 250,000
Total				\$ 311,835
City and Borough of Sitka 2017 General Fund Donation to Sitka Trail Works of \$7,428		\$311,835 / \$7,428	42 to 1 Benefit to Cost ratio. For every \$1 CBS donates, CBS leverages \$42 in trail construction and maintenance revenues.	
NON PROFIT ORGANIZATION MATCH				
Purpose 2017 Budget	Source Agency	Funding raised by STW from hikes, donations, etc.	Match provided by CBS General Fund Nonprofit Organization Fund	STW 2017 Administrative Budget (TOTAL)
To continue Sitka Trail Works as a model non-profit organization through Board support, community outreach and supportive partnership and to complete the 2017 Annual Objectives list to create, maintain and promote the Sitka Trail system.	City and Borough of Sitka	\$47,973	\$7,428	\$73,518
City and Borough of Sitka 2017 General Fund Donation to Sitka Trail Works of \$7,428		\$73,518 / \$7,428	10 to 1 Benefit to Cost ratio. For every \$1 CBS donates, CBS leverages \$10 in support for the the STW Non Profit Corporation.	

# SITKA TRAIL WORKS 2017 GOALS AND OBJECTIVES

	<b>CREATE</b>
	<b>Extend the 2003 Trail Plan through 2022</b>
	MOU agreement document signed with partners
	<b>Cross Trail Phase VI Kramer to Ferry Terminal</b>
	Design Phase - Works with CBS and USFS on FLAP Grant
	Submit Letter of Inquiry to Rasmuson for the match grant
	<b>MAINTAIN</b>
	Mosquito Cove Trail Repair - RTP grant Phase II
	Support funding Indian River Trail maintenance through the RAC
	Apply for 2018 RTP Grant for Sea Lion Cove
	<b>2016 Maintenance Plan</b>
	Membership based Trail Maintenance opportunities
	Cross Trail Clearing and Maintenance
	<b>PROMOTE</b>
	Publish Activities calender and free guided Saturday Hikes
	Computer Mapping of Trails added to website
	National Trails Day June 3rd
<b>Resources: Human and Financial (quantity)</b>	
	<b>Focus of Goal: FUNDING</b>
	Apply to CBS Non Profit Grants Program for \$10,000 Operational Support
	Raise \$44,275 in local donations for operations; sale of 1 benches
	Earn revenue through Bench sales
	2017 Boost revenue through Pick, Click & Give and Amazon Smile
	<b>Focus of Goal: HUMAN</b>
	Increase membership to 250 (213 in 2016)
	Determine strategies to increase membership & attendance to the Annual Meeting
	1st Aid and CPR training for Board and staff
<b>Internal Capacity (quality)</b>	
	Foraker training for new Board members
	<b>Focus of Goal: OPERATIONS</b>
	File 2016 IRS 990 for STW
	Submit timely, accurate grant reports
	<b>Focus of Goal: BOARD</b>
	Lead 11 hikes (three off-island) for community members and visitors
	Board Members will interact with and educate public when out on the trail system
	<b>Focus of Goal: STAFF</b>
	Foraker Strategic Planning or Sustainability Assessment for Board in 2018
	Attend Trails Conference
	<b>Focus of Goal: FACILITIES/OPERATIONS</b>
	Thoroughly clean office, purge old files and tool shed
<b>External Relationships- Marketing/Communications/Reputation</b>	
	<b>Focus of Goal: PARTNERSHIPS/REPUTATION</b>
	Serve on USFS RAC Committee
	Explore different Partnership opportunities: Sitka Summer Music Festival for "Music on the Trail"; Hames Center
	Schedule Board Meetings with new Assembly Members in March
	<b>Focus of Goal: MARKETING/COMMUNICATION</b>
	Publish Fall/Spring Newsletters
	Explore ways of engaging younger Sitkans
	Increase visibility of STW in Community
	Maintain high visibility on Mail Chimp and FACEBOOK (941 Friends on FB)
	Increase advertising and PSA's
	Explore other outreach: Raven Promo, Health Fair, Movie theater ad, SEARHC promo, Banff film fest
	Explore promotion through "Added Value to the Trails": music, nature interpretation, science,
	Give Presentations to Rotary, Chamber
	Develop printed materials that explain who & what STW, including fund raising card for hike leaders
	Communicate economic benefits in public forums

**Itemized list of grants received for prior and current years.**

**Current grants** secured by Sitka Trail Works:

\$51,000 2017 Rec. Trails Program grant for Phase II State Parks Mosquito Cove Trail repairs  
\$12,020 Rasmuson Tier One Technology Grant  
\$250,000 in 2014 FLAP Cross Trail Phase 6 planning and design funding to CBS as a result of the partnership between the City, STW and the US Forest Service Sitka Ranger District.  
\$1,800,000 2016 FLAP Phase 6 Cross Trail construction grant awarded 11/2016

**Previous Grants** secured by Sitka Trail Works:

*Rasmuson Foundation:*

\$18,000 Cross trail grant  
\$170,000 Herring Cove Trail and Trailhead parking area  
\$168,000 Thimbleberry Heart Lake Trail  
\$10,000 Technology grant  
\$20,000 Equipment grant  
\$18,000 Cross Trail matching funding

*Federal Earmarks:*

\$850,000 WWII Causeway and multiuse trail (Cross Trail). 2008 Award 2008 & completely spent.  
Alaska Trail Initiative:  
\$422,000 Sitka Trail Plan Projects awarded in 2006 and completely spent.  
\$130,000 for WWII Causeway

*Other:*

1.9 million Federal Lands Access funding for construction of the Cross Trail, in partnership with CBS and US Forest Service  
\$67,000 USFS RAC funding for Cross Trail demolition of old boardwalk, steps, etc.  
\$49,815 2016 Recreational Trails Program grant for State Parks Mosquito Cove Trail repairs  
\$49,000 2015 AK DNR Recreation Trails Program for Herring Cove storm repairs  
\$50,000 AK DNR Recreational Trails Program for Cross Trail upgrade near High School  
\$70,000 Land and Water Conservation Grant for Sea Lion Cove  
\$262,000 USFS Centennial of Service Grant Herring Cove Trail  
\$137,000 Outfitter/Guide fees for Herring Cove Trail

*Matching funding campaigns:*

\$84,000 local match STW coordinated a successful effort to leverage an additional \$800,000 for the Sitka Cross Trail, Planning, Design Right of Way acquisition and Construction.  
\$12,000 STW 2013 matching funding for the FLAP program.

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

DEPARTMENT OF THE TREASURY

Date: OCT 26 1999

SITKA TRAIL WORKS INC.  
403 LINCOLN ST STE 210  
SITKA, AK 99835

Employer Identification Number:

DLN:

Contact Person:

RON GARBER

ID# 95008

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

December 31

Form 990 Required:

Yes

Addendum Applies:

No

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 section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

If your sources of support, or 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 and foundation status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, if you are involved in an excess benefit transaction, that transaction might be subject to the excise taxes of section 4958. Additionally, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please contact your key district office.

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

Letter 947 (DO/CG)

-2-

## SITKA TRAIL WORKS INC.

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

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. See Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, which sets forth guidelines regarding the deductibility, as charitable contributions, of payments made by taxpayers for admission to or other participation in fundraising activities for charity.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

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. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so be sure your return is complete before you file it.

The law requires you to make your annual return available for public inspection without charge for three years after the due date of the return. You are also required to make available for public inspection a copy of your exemption application, any supporting documents and this 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 made 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).

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 Code. If you are subject to this tax, you must file an income tax return on Form

Letter 947 (DO/CG)



-3-

SITKA TRAIL WORKS INC.

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 section 513 of the Code.

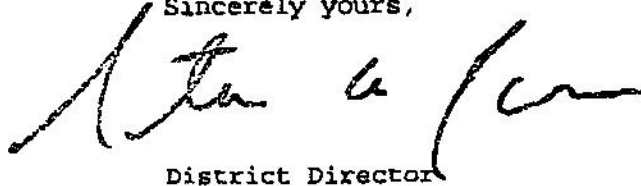
You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal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

If we have indicated in the heading of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status and foundation 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

Letter 947 (DO/CG)

Alaska Entity #62021D

**State of Alaska**  
**Department of Commerce, Community, and Economic**  
**Development**  
**Corporations, Business, and Professional Licensing**

## **Certificate of Compliance**

The undersigned, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, and custodian of corporation records for said state, hereby issues a Certificate of Compliance for:

**SITKA TRAIL WORKS, INC.**

This entity was formed on May 29, 1997 and is in good standing. This entity has filed all biennial reports and fees due at this time.

No information is available in this office on the financial condition, business activity or practices of this corporation.



IN TESTIMONY WHEREOF, I execute the certificate and affix the Great Seal of the State of Alaska effective July 22, 2015.

Chris Hladick  
Commissioner

License #: CONS28876  
Effective: 03/07/2016  
Expires: 12/31/2017

# STATE OF ALASKA

Department of Commerce, Community, and Economic Development

Division of Corporations, Business, and Professional Licensing

## Regulation of Construction Contractors and Home Inspectors

Licensee: **SITKA TRAIL WORKS, INC.**

License Type: **Specialty Contractor**

Status: **Active**

Doing Business As: **SITKA TRAIL WORKS, INC.**

Commissioner: Chris Hladick

**Alaska Department of Commerce, Community, and Economic Development**

Division of Corporations, Business and Professional Licensing

P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

**SITKA TRAIL WORKS, INC**

801 HALIBUT POINT RD SITKA AK 99835

owned by

SITKA TRAIL WORKS, INC.

is licensed by the department to conduct business for the period

October 14, 2016 through December 31, 2018

for the following line of business:

23 - Construction



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.

Chris Hladick

**Alaska Department of Commerce, Community, and Economic Development**

Division of Corporations, Business and Professional Licensing

P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

**SITKA TRAIL WORKS, INC**

801 HALIBUT POINT ROAD SITKA AK 99835

owned by

SITKA TRAIL WORKS, INC.

is licensed by the department to conduct business for the period

October 14, 2016 through December 31, 2018

for the following line of business:

11 - Agriculture, Forestry, Fishing and Hunting



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.

Chris Hladick



Organization Name: Sitka Trail Works

**CBS Liabilities Form**

- Property Tax



Hannah Nelson, Tax Accountant

747-1853

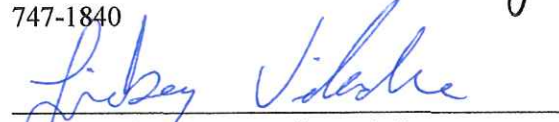
- Sales Tax



Hillary Nutting, Accounting Clerk

747-1840

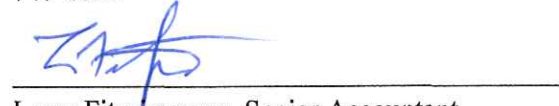
- Municipal Leases



Lindsey Vilandre, Payroll Specialist

747-1825

- Loan/Promissory Note



Larry Fitzsimmons, Senior Accountant

747-1801

- Utilities



Diana Spiegle, Utility/Harbor Billing Clerk

747-1843

Please have CBS Departments sign off that your organization is current on all CBS liabilities.

This form must be completed and submitted with your Non-Profit Grant Application.