

**PRINCE WILLIAM SOUND REGIONAL CITIZENS'
ADVISORY COUNCIL, INC.**

FINANCIAL STATEMENTS
(With Independent Auditor's Report Thereon)

Year Ended June 30, 2024



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ADVISORY COUNCIL, INC.**

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TABLE OF CONTENTS

	Page
Independent Auditor’s Report	1-2
 Financial Statements	
Statement of Financial Position.....	3
Statement of Activities.....	4
Statement of Functional Expenses	5
Statement of Cash Flows.....	6
Notes to Financial Statements.....	7-14



PORTER & ALLISON INC CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Prince William Sound Regional Citizens' Advisory Council, Inc.
Anchorage, Alaska

Opinion

We have audited the accompanying financial statements of Prince William Sound Regional Citizens' Advisory Council, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Prince William Sound Regional Citizens' Advisory Council, Inc. as of June 30, 2024, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Prince William Sound Regional Citizens' Advisory Council, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Prince William Sound Regional Citizens' Advisory Council, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions,

misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Prince William Sound Regional Citizens' Advisory Council, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Prince William Sound Regional Citizens' Advisory Council, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Porter & Allison, Inc.

Anchorage, Alaska
October 24, 2024

FINANCIAL STATEMENTS

**PRINCE WILLIAM SOUND REGIONAL CITIZENS'
ADVISORY COUNCIL, INC.**

Statement of Financial Position

June 30, 2024

Assets

Current Assets:

Cash and cash equivalents	\$ 3,881,830
Accounts receivable	2,801
Prepaid expenses and other assets	61,609
Total Current Assets	<u>3,946,240</u>

Operating lease right-of-use asset	139,983
Equipment, net of accumulated depreciation	<u>55,767</u>

Total Assets	<u><u>\$ 4,141,990</u></u>
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Liabilities and Net Assets

Current Liabilities:

Accounts payable	\$ 117,880
Accrued liabilities	225,489
Operating lease liability, current portion	78,906
Contract liabilities	2,138,856
Total Current Liabilities	<u>2,561,131</u>

Long-term portion of operating lease liability	<u>61,077</u>
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Total Liabilities	<u>2,622,208</u>
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Net Assets:

Without donor restrictions	
Designated for equipment	55,767
Designated for emergency reserve	400,000
Undesignated	1,064,015
Total Net Assets	<u>1,519,782</u>

Total Liabilities and Net Assets	<u><u>\$ 4,141,990</u></u>
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See accompanying notes to financial statements.

**PRINCE WILLIAM SOUND REGIONAL CITIZENS'
ADVISORY COUNCIL, INC.**

Statement of Activities
Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenues:			
Alyeska Pipeline Service Company	\$ 4,214,495	-	4,214,495
Interest	96,953	-	96,953
In-kind	1,710	-	1,710
Miscellaneous	12,045	-	12,045
Total Support and Revenues	<u>4,325,203</u>	<u>-</u>	<u>4,325,203</u>
Net assets released from restrictions	<u>7,273</u>	<u>(7,273)</u>	<u>-</u>
Total Revenues and Support	<u>4,332,476</u>	<u>(7,273)</u>	<u>4,325,203</u>
Expenses:			
Program Services:			
Committees and committee support	207,380	-	207,380
Programs and projects	2,664,182	-	2,664,182
Board of directors	340,854	-	340,854
Supporting Services:			
General and administrative	<u>901,581</u>	<u>-</u>	<u>901,581</u>
Total Expenses	<u>4,113,997</u>	<u>-</u>	<u>4,113,997</u>
Change in Net Assets	218,479	(7,273)	211,206
Net Assets, beginning of year	<u>1,301,303</u>	<u>7,273</u>	<u>1,308,576</u>
Net Assets, end of year	<u><u>\$ 1,519,782</u></u>	<u><u>-</u></u>	<u><u>1,519,782</u></u>

See accompanying notes to financial statements.

PRINCE WILLIAM SOUND REGIONAL CITIZENS' ADVISORY COUNCIL, INC.

Statement of Functional Expenses

Year Ended June 30, 2024

	Program Services				Supporting Services	
	Committees and Committee Support	Programs and Projects	Board of Directors	Total Program Expenses	General and Administrative	Total
Expenses:						
Salaries and wages	\$ 123,729	1,537,427	122,541	1,783,697	487,106	2,270,803
Contract expense	-	544,523	-	544,523	-	544,523
Travel	41,126	67,720	122,991	231,837	8,734	240,571
Professional services	1,500	174,152	48,823	224,475	51,011	275,486
Payroll taxes	10,162	118,807	8,147	137,116	38,661	175,777
Rent	-	760	-	760	131,975	132,735
Meetings	18,627	17,441	30,487	66,555	-	66,555
Employee benefits	7,268	57,237	-	64,505	1,817	66,322
Equipment maintenance	-	18,118	-	18,118	33,289	51,407
Depreciation and amortization	-	38,893	3,308	42,201	7,183	49,384
Software	-	-	-	-	43,641	43,641
Insurance	1,180	10,296	3,182	14,658	18,291	32,949
Printing and reproduction	22	23,613	451	24,086	304	24,390
Conferences and conventions	3,068	17,221	150	20,439	1,199	21,638
Dues and subscriptions	-	12,406	-	12,406	9,076	21,482
Utilities	585	5,171	-	5,756	18,735	24,491
Internet access	-	-	-	-	19,771	19,771
Equipment leases	-	-	-	-	9,200	9,200
Supplies	32	3,132	110	3,274	4,241	7,515
Postage and delivery	-	2,105	-	2,105	4,642	6,747
Education	-	499	-	499	4,804	5,303
Equipment	-	-	-	-	4,202	4,202
Business meals	81	2,129	-	2,210	205	2,415
Stipends	-	2,000	50	2,050	-	2,050
Recruitment	-	-	-	-	1,826	1,826
Library	-	1,358	-	1,358	-	1,358
Advertising	-	-	614	614	-	614
Miscellaneous	-	9,174	-	9,174	1,668	10,842
Total Expenses	\$ 207,380	2,664,182	340,854	3,212,416	901,581	4,113,997

See accompanying notes to financial statements.

**PRINCE WILLIAM SOUND REGIONAL CITIZENS'
ADVISORY COUNCIL, INC.**

Statement of Cash Flows
Year Ended June 30, 2024

Cash Flows from Operating Activities:	
Cash received	\$ 4,264,128
Cash paid to vendors and employees	(4,051,975)
Cash paid related to lease liabilities	(78,906)
Interest received	96,953
	<hr/>
Net Cash Flows from Operating Activities	230,200
 Cash Flows from Investing Activities:	
Purchase of property and equipment	(4,268)
	<hr/>
Net Change in Cash and Cash Equivalents	225,932
 Cash and Cash Equivalents, beginning of year	3,655,898
	<hr/>
Cash and Cash Equivalents, end of year	\$ 3,881,830
	<hr/> <hr/>
 Reconciliation of Change in Net Assets to Net Cash from Operating Activities:	
Change in Net Assets	\$ 211,206
Depreciation and amortization	49,384
Changes in assets:	
Accounts receivable	4,269
Prepaid expenses	(33,966)
Changes in liabilities:	
Accounts payable	(31,283)
Accrued liabilities	(1,019)
Contract liabilities	31,609
	<hr/>
Net Cash from Operating Activities	\$ 230,200
	<hr/> <hr/>
 Non-cash activities:	
In-kind revenue and expenses	\$ 1,710
	<hr/> <hr/>

See accompanying notes to financial statements.

**PRINCE WILLIAM SOUND REGIONAL CITIZENS’
ADVISORY COUNCIL, INC.**

Notes to Financial Statements
Year Ended June 30, 2024

Note 1 – Nature of Operations

Prince William Sound Regional Citizens’ Advisory Council, Inc. (the Council) is a 501(c)(3) charitable not-for-profit corporation consisting of representatives throughout Prince William Sounds and the Gulf of Alaska. After the Exxon Valdez oil spill and in accordance with the Oil Pollution Act of 1990 (OPA 90), Alyeska Pipeline Service Company (Alyeska) entered into a contract with the Council to provide funds for oversight, monitoring, assessment, and evaluation of oil spill prevention, safety and response plans, terminal and oil tank operations, and the environmental impacts of crude-oil transportation in Prince William Sound.

In order to accomplish the goals of OPA 90 and the contract with Alyeska, the Council operates the following committees:

- Terminal Operations and Environmental Monitoring (TOEM)
- Oil Spill Prevention and Response (OSPR)
- Port Operations and Vessel Traffic Systems (POVTS)
- Scientific Advisory (SAC)
- Information and Education (IEC)

Note 2 – Summary of Significant Accounting Policies

Contract

The Council and Alyeska periodically review the funding level under their contract. The Council and Alyeska have finalized contract rates for fiscal years 2025. The fiscal year 2025 amount will be \$4,277,712. The fiscal year 2026 amount will be \$4,277,712 adjusted by the change in the Urban Alaska Consumer Price Index for all Urban Consumers from the preceding calendar year. Contract payments for each fiscal year are made in two installments, once on or about July 1 and again on or about January 1. The contract between the Council and Alyeska will continue as long as oil flows through the Trans-Alaska Pipeline System. Any unspent and unencumbered Alyeska-provided funds remaining at the termination of this contract shall be returned to Alyeska.

Basis of Accounting and Financial Statement Presentation

The Council’s accounting policies conform to accounting principles generally accepted in the United States of America as applicable. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) “Audit and Accounting Guide for Not-for-Profit Organizations” (the “Guide”). ASC 958-205 was effective January 1, 2019.

Cash and Cash Equivalents

For purposes of the statement of cash flows, short-term investments with a maturity of three months or less are considered to be cash equivalents. Cash and cash equivalents include cash on hand, checking accounts, savings accounts, and repurchase agreements.

**PRINCE WILLIAM SOUND REGIONAL CITIZENS'
ADVISORY COUNCIL, INC.**

Notes to Financial Statements
Year Ended June 30, 2024

Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond the year end are recorded as prepaid expenses.

Use of Estimates

The preparation of financial statements in conformity with accounting principles accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Leases

The Council has operating leases for office facilities and real property. The Council determines if an arrangement contains a lease at inception based on whether the Council has the right to control the asset during the contract period and other facts and circumstances. If the arrangement is a lease, the Council determines whether the lease should be classified as an operating or a finance lease. The Council recognizes a right-of-use ("ROU") asset and a lease liability based on the present value of the future minimum lease payments over the lease term at the commencement date. The Council has made an accounting policy election to not include operating leases with a lease term of twelve months or less.

ROU assets represent the right to use an underlying asset for the lease term and the lease liabilities represent the liability to make lease payments arising from the lease. ROU assets and lease liabilities are generally recognized at the commencement date based on the present value of discounted lease payments over the lease term. As the Council's leases do not provide an implicit rate, the Council uses the current market rates for marketable commercial real estate property in Anchorage, Alaska, based on the information available at the commencement date in determining the present value of discounted lease payments.

Property and Equipment

All acquisitions of property and equipment in excess of \$5,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Purchases of property and equipment are recorded at cost. Depreciation is calculated on the straight-line method over the estimated useful life of the assets.

Net Assets

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Council and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Council.

**PRINCE WILLIAM SOUND REGIONAL CITIZENS'
ADVISORY COUNCIL, INC.**

Notes to Financial Statements
Year Ended June 30, 2024

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Council or by the passage of time.

Revenue Recognition

In accordance with ASC Topic 606, Revenue from Contracts with Customers, revenue is recognized when control of the promised goods or services is transferred to customers in an amount that reflects the consideration the Council expects to be entitled to receive in exchange for those goods and services. Revenues from exchange transactions are recognized as performance obligations are satisfied, which in most cases are as related costs are incurred. Revenue from nonexchange transactions (contributions) may be subject to conditions, in the form of both a barrier to entitlement and a refund of amounts paid (or a release from obligation to make future payments). Revenues from conditional nonexchange transactions are recognized when the barrier is satisfied. In addition, the Council has elected the simultaneous release option for conditional contributions that are also subject to purpose restrictions. Under this option, net assets without donor restrictions will include the donor-restricted contributions for which the purpose restrictions are met in the same reporting period as the revenue is recognized.

Alyeska Contract

The contract between Alyeska and the Council follows the Council's fiscal year end of July 1st through June 30th with a CPI adjustment each subsequent year of the contract. The Council provides monitoring services for Alyeska throughout the year and revenue is recognized over time. Payments are regularly scheduled, as defined by the contract between Alyeska and the Council for and near July and January of the year services are to be provided. If payment is received in June prior to the services being provided a contract liability exists and revenue recognition is deferred to the subsequent year. During the fiscal year ending June 30, 2023 there was a contract liability in the amount of \$2,138,856 due to early payment of the Alyeska Contract. Interest on cash and investments and capital credits are recognized when earned.

Performance Obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer. A contract's transaction price is allocated to each distinct performance obligation within that contract and recognized as revenue when, or as, the performance obligation is satisfied. The Council's contract includes the performance obligation to provide advice to Alyeska on the safe operation of the Valdez Marine Terminal and transportation of oil in the Prince William Sound. Although there might be multiple tasks performed by the Council, the Council provides significant integration services with one overarching goal. Therefore, the contract is considered to have one performance obligation.

Contract Liabilities

The Council may receive payment in advance that exceeds the revenue earned to date resulting in contract liabilities. Contract liabilities typically are not considered a significant financing component because they are used to meet the working capital demands and protect the Council from the customer failing to adequately complete some or all of its obligations under the contract. Contract liabilities are reported on the balance sheet on a net contract basis at the end of each reporting period.

**PRINCE WILLIAM SOUND REGIONAL CITIZENS'
ADVISORY COUNCIL, INC.**

Notes to Financial Statements
Year Ended June 30, 2024

Contribution Revenue

Contributions without donor restrictions are recognized as revenue when received. Grant or donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction. In accordance with ASC Sub-Topic 958-605, Revenue Recognition, the Council must determine whether a contribution, or promise, is conditional or unconditional. A contribution is considered to be conditional if an agreement includes a barrier that must be overcome and either a right of return of assets or a right of release of a promise to transfer assets exists. Indicators of a barrier include measurable stipulations that limit discretion by the recipient on the conduct of an activity, and stipulations that are related to the purpose of the agreement. Topic 958 prescribes that the Council should not consider probability of compliance with the barrier when determining if such awards are conditional and should be reported as conditional grant advance liabilities until such conditions are met.

Unconditional promises to give are reported at fair value when received and recognized as revenues in the period in which the promise is made, and as assets, decreases in liabilities, or expenses depending upon the form of the benefit to be received. Conditional promises are considered unconditional if the possibility that the condition will not be met is remote. Conditional promises to give that are contingent upon meeting substantive conditions are recognized in the period in which the conditions are met. Conditional promises to give and indications of intentions to give are reported at the fair value at the date the gift is received.

In-kind donations of services and equipment are recognized as contributions at fair market value. Donor restricted contributions whose restrictions are met within the same period they are received are reported as contributions without donor restrictions in the accompanying financial statements.

Advertising

Costs related to advertising are expensed as incurred.

Income Taxes

The Council is exempt from income tax under Section 501(c)(3) though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Council has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligation in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Council has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Functional Expenses

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions. All general and administrative expenses not specifically identifiable to a program are recorded in the general and administrative function.

**PRINCE WILLIAM SOUND REGIONAL CITIZENS'
ADVISORY COUNCIL, INC.**

Notes to Financial Statements
Year Ended June 30, 2024

Expenses are reported in one of four functions: Programs and Projects, Board of Directors, Committees and Committee Support, and General and Administrative. Programs and Projects comprise expenses directly related to specific programs or projects approved by the Board of Directors as well as the salary and related costs of project managers. Board of Directors expenses are primarily related to holding board meetings and the costs associated with board-only subcommittees. Committees and Committee support costs are related to the technical committee meetings and workshops as well as a portion of the wages and related payroll costs of project manager assistants. General and Administrative costs are for administrative staff and expenses related to the operation of offices in Anchorage and Valdez.

Salaries and wages of the Executive Director, Director of Administration, Executive Assistant, Project Manager Assistants, and Administrative Assistants are allocated based on the estimated time each devotes to each function.

Fair Value Measurements

The Council measures certain items in these financial statements 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 in a forced liquidation or distress sale.

The Council's financial assets and liabilities carried at fair value have been classified based on a hierarchy as defined in generally accepted accounting standards and are generally measured using the market approach or the income approach.

Subsequent Events

The Council has evaluated subsequent events through October 24, 2024, the date on which the financial statements were issued.

Adoption of New Accounting Standard

On July 1, 2023, the Council adopted the new accounting standard that requires the measurement of the allowance for credit losses to be based on management's best estimate of lifetime expected credit losses (ECL) inherent in the Council's relevant financial assets. The adoption of the new accounting standard did not have a material effect on the balance of the allowance for credit losses or retained earnings and no adjustments were recorded in connection with the adoption of the new accounting standard.

**PRINCE WILLIAM SOUND REGIONAL CITIZENS'
ADVISORY COUNCIL, INC.**

Notes to Financial Statements
Year Ended June 30, 2024

Note 3 – Cash and Cash Equivalents

The Council maintains cash balances that are insured by the FDIC up to \$250,000. Balances in the repurchase agreement are collateralized by securities under the repurchase agreement with First National Bank of Alaska. As of June 30, 2024 there were no uninsured and uncollateralized balances.

Note 4 – Lease Expense, Lease Commitments and Lease Liabilities

The Council has a noncancelable operating lease with a third party for its office space in Valdez, Alaska. The monthly payments required by this lease are \$6,047. The lease expires on June 30, 2026. The Council also has a noncancelable operating lease for the use of their copier. The monthly payments required by this lease are \$529. The lease expires on February 5, 2025.

The rental expense on the Valdez and copier leases totaled \$72,562 and \$3,172, respectively for the year ended June 30, 2024. Future minimum lease payments on the noncancelable leases are as follows for the years ended June 30:

2025	\$ 78,906
2026	<u>72,562</u>
Future minimum lease payments	151,468
Present value discount	<u>(11,485)</u>
Lease liability	\$ <u>139,983</u>

Note 5 – Property and Equipment

A summary of property and equipment as of June 30, 2024, consists of the following:

Equipment	\$ 166,113
Leasehold improvements	13,340
Weather station and buoy	<u>207,861</u>
	387,314
Less accumulated depreciation	<u>(331,547)</u>
Property and Equipment, net	\$ <u>55,767</u>

Depreciation expense for the year ended June 30, 2024, was \$49,384.

**PRINCE WILLIAM SOUND REGIONAL CITIZENS'
ADVISORY COUNCIL, INC.**

Notes to Financial Statements
Year Ended June 30, 2024

Note 6 – Contract Liabilities

Changes in contract liabilities resulted from cash being received from Alyeska in June related to the following fiscal year. Amounts totaling \$2,107,247 were reclassified from beginning contract liabilities to revenue during the year ended June 30, 2024. The following consists of beginning and ending balances of contract liabilities through June 30, 2024:

Balance, July 1, 2023	\$ 2,107,247
Balance, June 30, 2024	<u>\$ 2,138,856</u>

Note 7 – Limitations and Restrictions on Net Assets

Net Assets Without Donor Restrictions

The Council's Board of Directors has placed the following limitations on net assets without donor restrictions at June 30, 2024:

Designated for equipment	\$ 55,767
Designated for emergency reserve	400,000
Undesignated funds	<u>1,064,015</u>
Total net assets without donor restrictions	<u>\$ 1,519,782</u>

Net Assets With Donor Restrictions

Net assets with donor restrictions are subject to for a specific purpose required by the donor. As of June 30, 2024, all restrictions were satisfied and all net assets were released from restrictions.

Note 8 – 403(b) Plan

The Council sponsors a defined contribution plan under Internal Revenue Code Section 403(b). The plan covers all employees who meet eligibility requirements. Employees can contribute to the plan by electing to have specified amounts withheld from their pay. There were no employer contributions made to the plan during the year ended June 30, 2024.

Note 9 – Availability and Liquidity

Pursuant to the terms of a "Repurchase" agreement with First National Bank Alaska (FNBA), available cash held at the bank is swept into an interest-bearing instrument at the end of each banking day. Funds are then available to the Council the following banking day. This arrangement provides maximum liquidity to the Council, not only to meet its current obligations, but also to have cash available in the event of a significant oil spill event in the Prince William Sound Region. The funds are secured by a

**PRINCE WILLIAM SOUND REGIONAL CITIZENS'
ADVISORY COUNCIL, INC.**

Notes to Financial Statements
Year Ended June 30, 2024

portion of a U.S. Government Agency bond. Funds held in the repurchase agreement account on June 30, 2024 totaled \$3,859,858.

In addition to funds on hand, Alyeska Pipeline Service Company makes contract payments on or about July 1 and January 1 of each year, thus providing sufficient funds for the organization to execute its next fiscal year's operational plans. Any monies received for contributions with donor restrictions are received in advance and held until restrictions are met and associated costs are incurred.

The following represents the Council's financial assets available for general expenditure, that is, without donor or other restrictions limiting their use within one year of the date of the financial position at June 30, 2024:

Financial assets at year end:	
Cash and cash equivalents	\$ 3,881,830
Accounts receivable	2,801
Less board designated assets	<u>(400,000)</u>
Total financial assets available for general expenditure within one year	<u>\$ 3,484,631</u>

Note 10 – Concentrations

The Council received 100% of contract funding revenue from Alyeska Pipeline Services for the year ended June 30, 2024. Alyeska has the right to audit the Council's performance of services during the contract term and for a one-year period thereafter.