



YUKON DELTA FISHERIES DEVELOPMENT ASSOCIATION

2005 ANNUAL REPORT



Community
Development
Through Fisheries
Development





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Representing the Alaskan Communities of

Alakanuk
Emmonak
Grayling

Kotlik
Mountain Village
Nunam Iqua



2005 HIGHLIGHTS

Yukon Delta Fisheries Development Association (YDFDA) has come a long way since its inception in 1992. Our CDQ pollock quota has increased from 5% to 14% translating into greater royalties and investment opportunities, and ultimately greater benefits to our member residents.

2005 was a prosperous year for YDFDA and we would like to share with you some of the highlights:

- Kwikpak Fisheries, a subsidiary of YDFDA, purchased 246,060 pounds of King Salmon from local fishermen putting \$1,041,715 directly into the pockets of 191 local fishermen.
- Kwikpak Fisheries was the primary buyer on the river for the fall chum and coho salmon season. Kwikpak Fisheries purchased 1,047,918 pounds of fall chum and coho salmon infusing an additional \$315,645 into the local economy.
- Kwikpak Fisheries employed 188 residents with wages of \$375,974.
- Residents working on fishing vessels combined with other local employment totaled 101 with wages of \$1,269,037.
- Kwikpak Fisheries and other local employment mentioned above infused a total of \$3,002,371 into the local economy in 2005.
- For the fourth consecutive year, YDFDA donated salmon to the school lunch programs of the Lower Yukon, St. Mary's and Iditarod School Districts. In 2005 a total of 10,950 pounds was donated.
- YDFDA assisted ADF&G with three projects in 2005. The first was funding to hire two biology technicians to conduct the drift net test fishery in the Y1 Region. In addition, YDFDA employed five local residents to work as interns to assist the technicians with the set net test fishery. Lastly, funding was provided to ADF&G enabling them to place their Pilot Station sonar on line two weeks earlier than was scheduled. The above was provided at a cost of \$80,176.
- YDFDA worked with NSEDC to ensure that there was a market for fisherman from the Yukon participating in the commercial Norton Sound herring and crab fisheries.
- In 2005 Yukon Marine Manufacturing completed fabrication on 21 new skiffs. In addition, numerous repairs and modifications were done for residents on existing skiffs.
- The YDFDA Scholarship program awarded 99 scholarships to students attending both universities and vocational institutions. Scholarships awarded amounted to approximately \$185,876.
- 96 residents took advantage of various training opportunities which included internships; GPS and navigation training in Alakanuk, Emmonak, Kotlik and Mtn. Village; first aid training in Alakanuk and Emmonak; and financial and ethics training in Emmonak.
- 289 YDFDA residents took advantage of employment opportunities made available through YDFDA subsidiaries and partners. This resulted in wages of over \$1.6 million going back to the communities.

We are excited about the future and look forward to 2006 as the Board of Directors and management explore more opportunities to provide community and economic development benefits to our residents and the entire Lower Yukon region.

We would like to thank our member communities for their continued support. We would also like to thank our industry partners for their commitment to this program. Without this support, YDFDA would not be able to continue and prosper. Again, thank you and we look forward to a great 2006!

YDFDA'S IN-REGION COMPANIES



KWIKPAK FISHERIES, LLC

In 2005 Kwikpak Fisheries operated for the fourth year as a salmon buyer on the Lower Yukon River. We conducted buying operations in Emmonak, Kotlik and Mountain Village.

The commercial salmon harvest for 2005 exceeded 32,000 king salmon vs about 52,000 in 2004. The fall salmon fishery was the largest since 1995. Kwikpak Fisheries purchased 13,000 king salmon, 34,000 coho salmon and 105,000 chum salmon in 2005. Fish purchased translates into over \$1,300,000 infused into the local economy.

Salmon Purchased by Kwikpak Fisheries			
	Y-1	Y-2	TOTAL
2002	3,670	221	3,891
2003	15,134	9,708	24,842
2004	14,979	9,646	24,625
2005	8,625	4,327	12,952

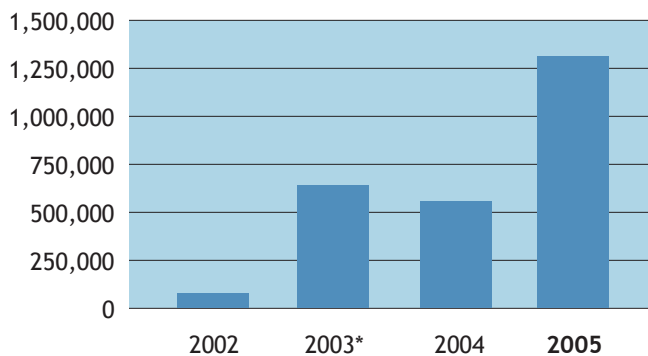
In 2004 Kwikpak launched an aggressive marketing campaign to promote fresh wild Yukon River king salmon. This campaign was continued in 2005 with Kwikpak selling over 80,000 pounds of fresh king salmon into the domestic market at premium prices. In addition Kwikpak made its first fresh king salmon sales into Japan. We are very pleased with the results of this on-going program to sell fresh Yukon king salmon.



Kwikpak is also working to develop markets for other fisheries on the Yukon River in addition to salmon. In 2005 we did a test fishery of cisco and other whitefish to see if a commercial market exists for these fisheries.

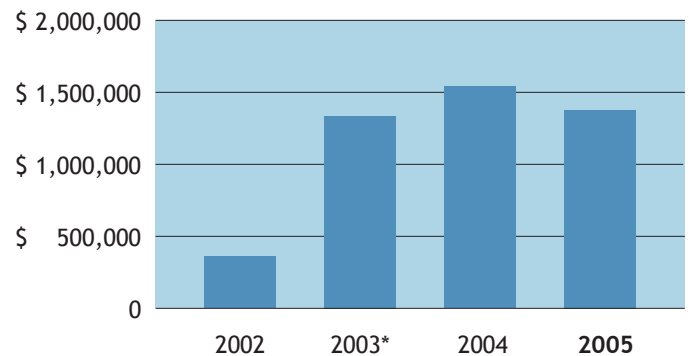
In addition to providing a market for local fishermen, Kwikpak Fisheries employed 191 residents with total wages of \$376,000. Residents received training in all aspects of the fish buying operation. This included operating equipment, maintaining ice machines and dressing salmon.

KWIKPAK SALMON PURCHASES—POUNDS



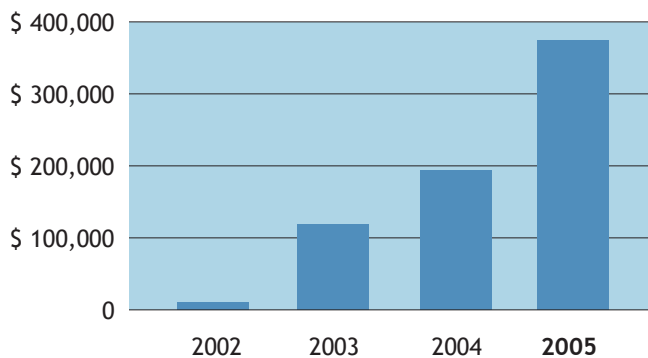
Pounds	79,437	681,697	525,173	1,293,798
Fishermen	162	440	277	191

KWIKPAK SALMON PURCHASES—DOLLARS



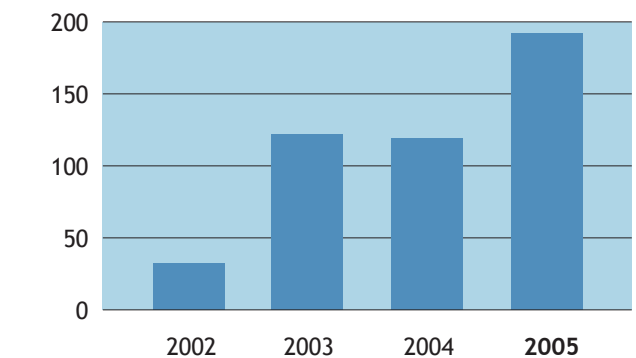
Dollars	\$357,045	\$1,364,580	\$1,543,369	\$1,357,359
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LOCAL KWIKPAK EMPLOYMENT—WAGES



Dollars	13,106	118,663	\$193,679	\$375,974
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LOCAL KWIKPAK EMPLOYMENT—EMPLOYEES



Employees	31	122	119	188
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**Partnered with Boreal Fisheries out of St. Mary's in 2003.*



Photo courtesy of NSEDC

NORTON SOUND KING CRAB

YDFDA worked with NSEDC to ensure that there was a market for fisherman from the Yukon wishing to participate in the Norton Sound commercial crab fishery. These fishermen were able to deliver crab to NSEDC's tender vessel off of Golovin and to NSEDC's plant in Nome.

NORTON SOUND HERRING

YDFDA worked with NSEDC in a joint effort to bring in a buyer to purchase Norton Sound Herring. A buyer was found that was willing to participate jointly with NSEDC and YDFDA in the Norton Sound Herring fishery.

Yukon River fishermen from both CDQ and non-CDQ villages were then able to participate in the commercial herring fishery in Norton Sound. This brought in a total of \$44,295 to residents.



ARCTIC LAMPREY

YDFDA secured a buyer for Arctic lamprey and made arrangements for the fishery to be prosecuted from the villages of St. Mary's and Grayling. Due to freeze-up conditions, no Arctic lamprey was able to be harvested by residents of those villages. YDFDA, through Kwipak Fisheries, will continue to search for markets for Arctic lamprey in 2006.



YUKON MARINE MANUFACTURING, LLC

SKIFF BUILDING FACILITY

In preparation for the salmon season, the welding shop concentrated on skiff repairs and repair and fabrication work at Kwipak Fisheries' facilities. Repairs were completed on several skiffs. Construction of 21 new skiffs was completed in 2005.

18 Yukon Delta residents were employed at the skiff building facility in 2005.

A total of 76 skiffs have been built and sold since the beginning of this program in 1999.

IQALLIARVIK ECONOMIC DEVELOPMENT CORPORATION (IEDC)

COMMUNITY PLANS

YDFDA's Board of Directors formed IEDC to assist its member communities in developing community plans. In 2005, IEDC completed the community plan for Alakanuk and provided technical assistance to Nunam Iqua. Completion of the plans for the communities of Kotlik, Emmonak, and Grayling will be addressed in 2006. The overall goals are to ensure that YDFDA communities have community plans thus enabling them access to public and private funding sources for their projects.

COMMUNITY MAPPING

As part of the community plans, IEDC began to explore with the State of Alaska Department of Commerce, Community & Economic Development community maps for ten Lower Yukon villages in the YDFDA region. The mapping project, once completed, will benefit the communities in helping them plan for future growth and expansion.

COMMUNITY OUTREACH

IEDC continues to participate in local community meetings where economic development projects are being discussed. In 2005, IEDC participated in community discussions with the villages of Kotlik, Alakanuk, Emmonak, and Nunam Iqua.

CONSTRUCTION ACADEMY

In May, the second annual Construction Academy was held at the SMART Center in St. Mary's. Thirteen high school graduates met for a two-week intensive training where they were taught by certified instructors in basic construction math, first aid, HILTI, and using power tools. The students constructed a steam bath house as their project. Each student received a certificate of completion and stipend for their hard work. The goal of the academy is to provide an opportunity for high school graduates to experience the construction trades. Upon completion they may choose to continue their training. The academy is a partnership between Yukon Delta Fisheries Development Association, the Alaska Works Partnership, Inc., and the Lower Yukon School District.

SMALL BUSINESS WORKSHOPS

IEDC sponsored the Alaska Small Business Development Center to provide a small business workshop in Emmonak. IEDC continues to work with the center to identify business workshop needs in the region.

CULTURAL TOURISM

The two-part tourism study which was conducted by the McDowell Group provided insight into potential soft tourism markets that could involve cultural aspects for the region. In 2006, potential markets will be explored.



YDFDA'S OFFSHORE INVESTMENTS

AKULURAK FISHERIES, LLC

YDFDA owns 100% of the C/P *Courageous*, a 180-foot crab/longline catcher processor. The *Courageous* harvests and processes opilio, brown and red king crab; Pacific cod and sablefish. The *Courageous* has year-round crew positions available for Yukon Delta residents.



ALAKANUK BEAUTY, LLC

YDFDA owns 75% of the F/V *American Beauty*, a 123-foot trawler. The *American Beauty* harvests both motherhsip and CDQ pollock quota for the M/V *Golden Alaska*. The *American Beauty* provides apprenticeship opportunities for Yukon Delta residents.



EMMONAK LEADER, LLC

YDFDA owns 75% of the F/V *Ocean Leader*, a 120-foot trawler. The *Ocean Leader* harvest both mothership and CDQ pollock quota for the M/V *Golden Alaska*. The *Ocean Leader* provides apprenticeship opportunities for Yukon Delta residents.





GOLDEN ALASKA, LLC

YDFDA owns 19.6% of the M/V *Golden Alaska*, a 305-foot pollock mothership. The *Golden Alaska* provides processing positions for Yukon Delta residents.



LISA MARIE FISHERIES, LLC

YDFDA owns 100% of the F/V *Lisa Marie*, a 78-foot combination vessel. The *Lisa Marie* participates in CDQ, IFQ and open access fisheries harvesting dungeness and king crab, sablefish and halibut. The *Lisa Marie* provides year-round crew positions for Yukon Delta residents.



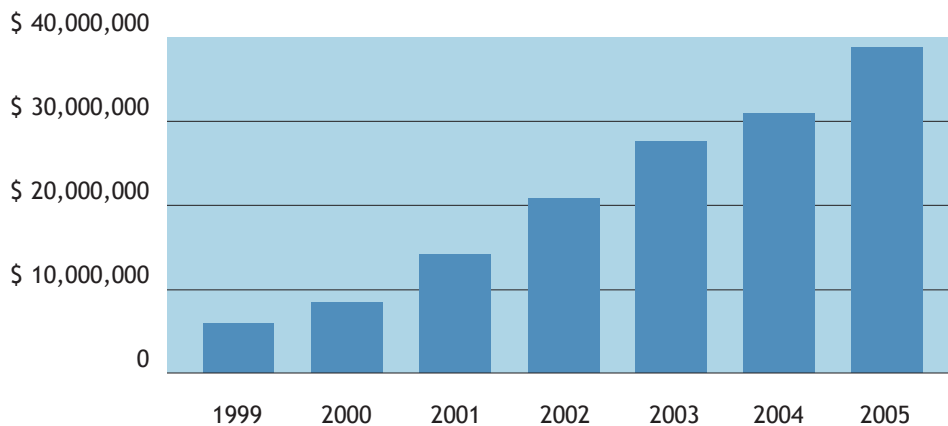
ROMANZOF FISHERIES, LLC

YDFDA owns 41% of the C/P *Baranof*, a 182-foot crab/cod catcher processor. The *Baranof* harvests and processes king, bairdi and opilio crab, Pacific cod and sablefish. The *Baranof* has year-round crew positions available for Yukon Delta residents.



FINANCIAL OVERVIEW 2005

GROWTH IN NET ASSETS



2005 was another successful year for YDFDA. Revenue grew to \$26,000,000 in 2005 from \$19,500,000 in 2004. Net assets, a measure of the company's net worth, equaled \$38.2 million. As you can see from the above chart, YDFDA's net assets have grown from \$6.2 million in 1999 to \$38.2 million in 2005.

EMPLOYMENT STATISTICS 2005

	PEOPLE	WAGES
Village Representatives	7	\$ 29,000
CDQ Pollock		
A Season	32	\$ 487,644
B Season	10	\$ 150,650
Other Fishing	22	\$ 373,205
Other Employment	212	\$ 568,244
Internships	6	\$ 36,269
TOTAL	289	\$ 1,645, 012

TRAINING STATISTICS 2005

	PEOPLE	EXPENDITURE
Scholarships		
University of Alaska	38	\$ 118,500
Alaska Pacific University	4	\$ 13,000
Sheldon Jackson College	1	\$ 2,500
Other Institutes	5	\$ 9,500
Voc-Tech Classes		
AVTEC and other Institutions	51	\$ 42,376
Other Training		
Fisheries Related	72	\$ 202,246
Interns	6	\$ 50,362
Misc.	18	\$ 16,851
TOTAL	195	\$ 455,335

BOARD OF DIRECTORS

Axel Alstrom, *Secretary/Treasurer* – Alakanuk
Frank Alstrom, Jr. – Alakanuk
Max Agayar – Alakanuk
Billy A. Charles, *Chairman* – Emmonak
Raymond Waska, Sr. – Emmonak
Margie Walker – Grayling
Marvin Deacon – Grayling
Emmanuel Keyes, *Vice Chairman* – Kotlik
Benjamin Kamkoff – Kotlik
Jason Borkowski – Mountain Village
Alexie Walters – Mountain Village
Stanley Pete – Nunam Iqua
Andrea Charlie – Nunam Iqua

VILLAGE REPRESENTATIVES

Frank Alstrom, Jr. – Alakanuk
Douglas Redfox – Emmonak
Carl Walker – Grayling
Mary Keyes – Kotlik
Edward Joe – Mountain Village
Esther Manumik – Nunam Iqua

STAFF

Ragnar O. Alstrom, *Executive Director*
William J. Quinlivan, *Business/Quota Manager*
Douglas D. Petesch, *Controller*
Robert Andrews, *Operations Manager*
Deborah Vo, *Rural Development Specialist*
Ruth E. Carter, *Executive Assistant*
Douglas J. Redfox, *Employment and Training Coordinator*
Barbara E. Blanket, *Receptionist/Travel Coordinator*



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