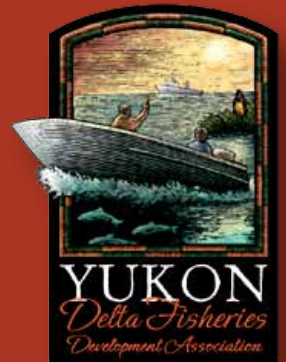


Yukon Delta Fisheries Development Association



2011 ANNUAL REPORT

Living to Fish. Fishing to Live.





Yukon Delta Fisheries Development Association

Community development through
fisheries development, representing
the Alaskan communities of:

- Alakanuk
- Kotlik
- Emmonak
- Mountain Village
- Grayling
- Nunam Iqua

2011 ANNUAL REPORT

CONTENTS

- 2 2011 Highlights
- 4 Kwipak Fisheries, LLC
- 6 Yukon River Towing, LLC
- 7 Yukon Marine Manufacturing, LLC
- 7 Rural Development
- 8 YDFDA's Offshore Investments
- 10 Board of Director Profiles
- 11 Financial Overview 2011
- 14 Transparency Report
- 16 Leadership



OUR MISSION

*To create a self-sustaining,
independent fishing
company which will create
income and employment
opportunities for
Yukon Delta residents.*

2011 Highlights

Yukon Delta Fisheries Development Association (YDFDA) has come a long way since its inception in 1992. Over the years our CDQ quota has translated into investment opportunities both inside and outside the region which ultimately providing greater benefits to our member residents.



We would like to emphasize the in-region benefits in addition to our training and scholarship programs. These benefits include Kwikpak Fisheries who buys salmon from Yukon Delta residents providing economic opportunities. Yukon Marine Manufacturing (YMM) building and repairing boats for Yukon Delta residents. The formation of Yukon River Towing (YRT) which began operating in 2010 hauling gravel and rock throughout the Yukon Delta region. And our Youth Employment Program (YEP) which provides summer employment opportunities to students between the ages of 14 and 17.

Kwikpak Fisheries, a subsidiary of YDFDA, was the only buyer

on the river for the 2011 salmon seasons. Kwikpak Fisheries purchased 3,825,253 pounds of salmon infusing \$3,392,417 directly into the pockets of 431 fishermen.

Kwikpak Fisheries employed 454 residents with wages of \$2,100,000. This included employment of 142 students ranging in age from 14–17 in the Youth Program with wages of \$233,000.

YDFDA/Kwikpak Fisheries was awarded a grant from the Department of Labor in the amount of \$150,000 through the Work Force Investment Program for our Youth Employment Project. In 2011 \$63,630 of this grant was expended and YDFDA matched with \$178,349 for the YEP program wages and supplies.

Residents working on fishing vessels totaled 40 with wages of \$633,963.

YDFDA provided funding to the Alaska Department of Fish and Game (ADF&G) to assist with various projects in 2011. YDFDA provided funding to initiate an offshore test fishery for Chinook and summer chum off of Dall Point in the vicinity of Hooper Bay. It is hoped that this project will provide an early indication of salmon prior to entering the Yukon River. YDFDA also provided funding and support for a summer test fishery at Mountain Village to further verify that the composition of salmon stocks at the Pilot Station sonar was correct. Another project was to hire

local technicians to assist ADF&G at Emmonak and Middle Mouth with projects which included the summer chum and Chinook test nets and sampling followed by the fall chum and coho test fishing and sampling. YDFDA also provided funding to collect fall whitefish and lamprey samples. These projects provide hands on experience to young people interested in continuing in this profession. Several residents participated in the internship program with ADF&G.

For the seventh year, Kwikpak Fisheries purchased cisco and other whitefish from local fishermen. 12,520 pounds were purchased with a value to local fishermen of approximately \$12,520. Kwikpak Fisheries has a greater market for this product than it can supply product for.



In 2011, Yukon Marine Manufacturing completed fabrication on 20 new skiffs. In addition, numerous repairs and modifications were done for residents on existing skiffs. Eleven local residents were employed at Yukon Marine Manufacturing. Thirty-three skiffs were sold in 2011.



The YDFDA Scholarship program awarded 63 scholarships to students attending both universities and vocational institutions. Scholarships awarded amounted to \$237,524.

6 YRT employees participated in Basic Safety Training Classes at AVTEC.

1,042 YDFDA residents took advantage of employment opportunities made available through YDFDA and subsidiaries. This resulted in wages of \$7,216,507 going back to the communities.

In 2011 YDFDA sponsored numerous fishermen, both subsistence and commercial, to attend and testify at the Federal Subsistence Board Meetings in Anchorage. Fishermen provided input on matters of concern to the lower river.

YDFDA granted the City of Mountain Village \$70,000 for the purchase of a rock crusher.

Since 2000 YDFDA has partnered with the Alaska Business Development Center, Inc. sponsoring the Volunteer Tax and Loan Program (VTLP) that assists taxpayers in YDFDA communities with the completion of their tax returns and provides them with taxpayer education. In 2011, 996 people were assisted and \$764,926 in tax refunds was returned to our local taxpayers.

YDFDA assisted 3 residents with the purchase of salmon permits.

YDFDA, in conjunction with the State of Alaska Division of Investments, has a loan guarantee program which allows folks the opportunity to apply for a loan from the State of Alaska for fisheries related gear.

We are excited about the future and look forward to 2012 as the Board of Directors and administration explore more opportunities to provide community and economic development benefits to our residents and the entire Lower Yukon region.



YDFDA's In-Region Companies

KWIKPAK Fisheries, LLC



SALMON

In 2011 Kwikpak Fisheries operated for the ninth consecutive year on the Lower Yukon. Kwikpak operated its primary

processing facility at Emmonak, an icing station at Kotlik, a buying barge at Mountain Village, and utilized Boreal Fisheries at St. Mary's. Kwikpak bought a total of 3,825,253 pounds of salmon in 2011 and generated an ex-vessel value of \$3,392,417. These figures represent the highest ever in both volume and dollar for the company.

Back in 2004, Kwikpak launched an aggressive marketing campaign to promote wild Yukon River salmon. The intent of this campaign was to increase the value of our fishery to the benefit of our resident fishermen and their families. This work was continued into 2011 with Kwikpak selling Yukon salmon for premium prices worldwide. Economic gains to the fishermen as well are clearly evident. We have advanced our product lines deeper into the value added market such as vacuum packed boneless fillets and have launched a line of smoked Yukon salmon that is doing rather well after just one year into a very competitive field. Kwikpak is also developing markets for fisheries classified as experimental by ADF&G. During the fall of 2011, we once again purchased the full allowable

harvest of cisco and we are aggressively petitioning the State of Alaska Department of Fish and Game for an increase in quota for the 2012 season. Likewise in 2011, we participated in the lamprey fishery at Grayling. Unfortunately due to ice conditions, the fishery was not as successful as it has been in past years.

In addition to providing a fair market value for the region's fishermen, Kwikpak Fisheries is the largest private employer in the region. The company hired a total of 454 regional workers during 2011. The earnings for those workers totaled 2.1 million dollars. Residents received training in all aspects of the fishery. This included operating equipment, maintaining ice machines and heavy commercial refrigeration, regulatory reporting, accounting, and all other aspects of successfully operating a business in western Alaska. A key component of our employment and workforce development is the Youth Employment Program.

YOUTH EMPLOYMENT PROJECT (YEP)

The Youth Employment Project continued in 2011. We are very proud of this program which employs youth between the ages of 14 and 17. In 2011 Kwikpak Fisheries employed 142 students making up 31% of all employees hired. The youth were either from the communities where we operate stations or traveled to work in these villages and stayed with

KING 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
2006	13,286	6,795	20,081
2007	11,372	5,049	16,421
2008	2,224	958	3,182
2009	81	131	212
2010	5,699	4,143	9,842
2011	0	0	0

relatives. Total wages earned by 142 youth employees equaled \$233,000 averaging \$1,660 per student. Employees held positions including office assistant, receptionist, cashier, retail sales, public relations, sales marketing, custodian, roe production, packing fish, grading fish, making boxes and bunkhouse assistant.

YUKON WHITEFISH (CISCO)

For the seventh year, Kwikpak Fisheries continued with an experimental cisco fishery in cooperation with ADF&G. Over 40 fishermen participated in harvesting 12,520 pounds of cisco. The harvest took place within 7 days and fishermen were paid a dollar a pound for their efforts. This fishery shows great promise in the marketplace and we are once again requesting

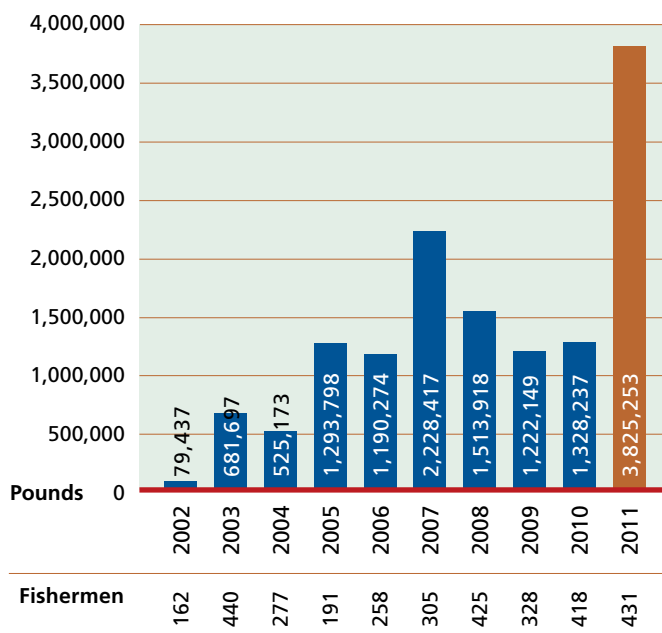
an increase in the harvest. At the same time, Kwikpak is working with both ADF&G and U.S. Fish & Wildlife gathering data in order to gain access to this resource. We are fully involved in developing this fishery and have complete confidence that we will eventually be able to have a sustainable-viable cisco fishery on the Lower Yukon.

FUR BUYING

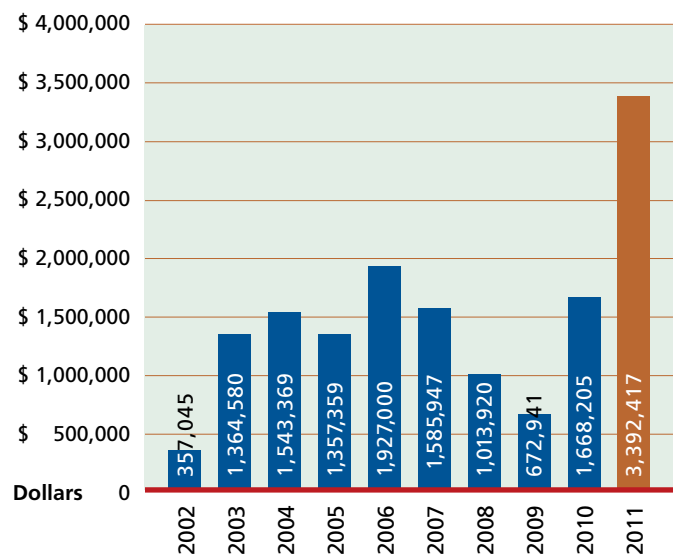
Headquartered at Mountain Village, our fur buying business increased substantially during the 2011 season. Over 2,000 furs were purchased from 94 trappers in 17 villages. Trappers were paid \$226,000. during the 2011 season. Through the efforts of the company, it appears that we have

re-established a traditional business in the region. The fur business has grown substantially every year, which clearly demonstrates the success of this venture. Taking into consideration the amount of trapping activity in our villages shows that residents have welcomed this financial opportunity during the winter.

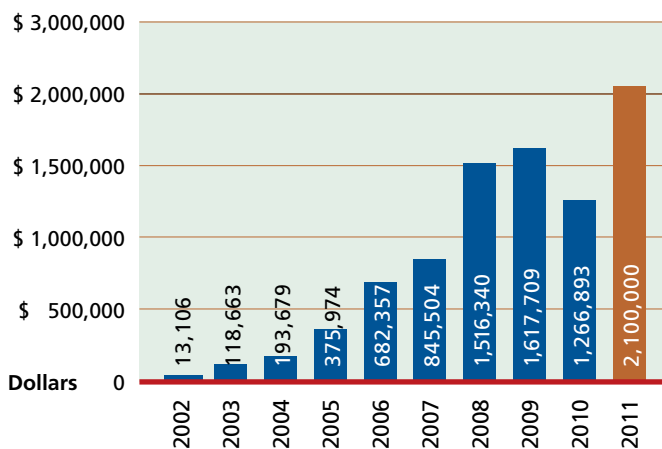
KWIKPAK SALMON PURCHASES / POUNDS



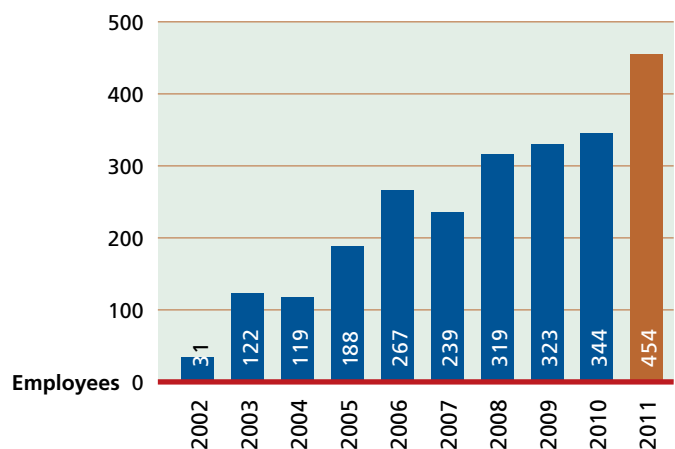
KWIKPAK SALMON PURCHASES / DOLLARS



LOCAL KWIKPAK EMPLOYMENT / WAGES



LOCAL KWIKPAK EMPLOYMENT / EMPLOYEES



Yukon River Towing, LLC

YUKON RIVER TOWING (YRT)

Yukon River Towing is a fully owned subsidiary of YDFDA established in 2010 and headquartered in Emmonak. YRT was created to participate in regional construction projects, gravel hauling, and company owned construction.

During the 2011 season there were no large scale open bid projects. There was only one major project in the region – Alakanuk School Phase 1 – and YRT fell just short, being the runner up bid on that project.

They did do several other local projects and generated jobs and sufficient revenue to break even overall for the fiscal year.

2011 construction work included Marine Manufacturing's new boat fabricating shop, the new Ryan Air facility at the Emmonak Airport, replacement of the City of Emmonak and Community Center's roof, construction of the new Boy's and Girl's Club in Emmonak, and several Federal weatherization projects.

On the marine side, Yukon River Towing operates 7 LCM style

tendering vessels to support Kwikpak Fisheries. It also owns several pieces of heavy equipment and a small lightering/ gravel barge good for hauling up 500 tons of materials. Additional revenue is generated via equipment rental, and tendering fees.

In 2011 YRT's booked revenue totaled \$1,669,331. Employment at YRT contributed over \$600,000 in wages to local workers. Currently YRT is training vessel crews in order to obtain U.S. Coast Guard licensing for its LCM captains and able bodied seamen certification for deckhands and tow boat operators.

Yukon River Towing also operates the saw mill and logging enterprise. Although 2011 was not a notable year for lower river loggers due to low water and few logs coming down, we did venture out with an LCM crew and gather an estimated 10,000 feet of usable logs in addition to purchasing several thousand feet from independent loggers.

The logging business is responsible for a total of four log structures being built on the delta. We are taking steps to establish a home building partnership with regional entities as well as supply building kits to families that want to build on their own. YRT will continue with this venture in the coming years.



Yukon Marine Manufacturing, LLC



YUKON MARINE MANUFACTURING SKIFF BUILDING FACILITY (YMM)

On January 3, 2011 the Yukon Marine Manufacturing skiff building shop in Emmonak burned to the ground. No one was in the building at the time, but the building was a complete loss. At the time of the fire 2 skiffs under

construction and 15 incomplete skiff kits were in the building and were lost in addition to the complete contents of the building.

During the summer of 2011 a new building was constructed on an existing gravel pad close to the site of the old YMM shop. The new building is made of steel and is 4,800 square feet. At the end of the 2011 construction season, the building was complete with the exception of plumbing, electrical and some inside finishing work.

YMM is well known in the region for the high quality of their skiffs. Due to the loss of their building, YMM conducted their 2011 operations from one of Kwikpak's buildings. In 2011 they were able to complete construction on 20 new skiffs in addition to numerous repairs to existing skiffs. 33 skiffs were sold in 2011.

11 Yukon Delta residents were employed at the YMM skiff building facility in 2011. A total of 193 skiffs have been built since the beginning of this program in 1999.

Rural Development

VOLUNTEER TAX & LOAN PROGRAM

Since 2000 YDFDA has partnered with the Alaska Business Development Center, Inc. sponsoring the Volunteer Tax and Loan Program (VTLP). The program assists taxpayers in YDFDA communities at no charge with the completion of their tax returns and provides them with taxpayer education. In 2011, a total of 996 residents were assisted in the communities of Alakanuk, Emmonak, Kotlik, Mountain Village, and Nunam Iqua, and \$764,926 in tax refunds was returned to our local taxpayers. Grayling is served by Tanana Chiefs Conference and its partnership with ABDC, Inc.

YDFDA SMALL BUSINESS LOAN PROGRAM

In 2010 the Board of Directors approved the YDFDA Small

Business Loan Program, whose purpose is to diversify the local economy and create jobs by providing start-up funds for a business. Individual loans can be made up to \$25,000, with zero interest for the first year, and 3% interest per annum thereafter, with a maximum length of seven years to repay. An application as well as a business plan is required. In 2011 8 individuals requested an application.

ON-SITE QUICKBOOKS™ TRAINING

Since its inception in 2008, the QuickBooks on-site training continues to be made available to YDFDA community entities at the village level. In 2011, training continued in various villages. QuickBooks is an accounting program utilized by many village

entities. HDH Consulting, LLC provides the training in partnership with YDFDA.

VILLAGE COMMUNITY DEVELOPMENT ASSISTANCE

In 2011 assistance was provided to the City of Alakanuk in preparation of their updated Community Development Plan. Assistance was also provided to the Alakanuk Native Corporation in securing a grant for building a new bulk fuel tank facility. Technical Assistance was given to the City of Mountain Village for various projects. Matching funds were provided to the City of Mountain Village for the purchase of a rock crusher. Assistance is being provided to the City of Mountain Village to secure design and future construction funds for a port in that village.

YDFDA's Offshore Investments

AKULURAK FISHERIES, LLC

YDFDA owns 85% of the C/P *Courageous* a 180-foot crab/longline catcher processor. The C/P *Courageous* harvests and processes CDQ and non-CDQ opilio and red king crab; Pacific cod and sablefish. The C/P *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 F/V *American Beauty* harvests both mother-ship and CDQ pollock quota for the F/V *Golden Alaska* as well as Pacific whiting. The F/V *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 F/V *Ocean Leader* harvests both mother-ship and CDQ pollock quota for the F/V *Golden Alaska* as well as Pacific whiting. The F/V *Ocean Leader* provides apprenticeship opportunities for Yukon Delta residents.





KISKA SEA NORTHERN, LLC

YDFDA owns 45% of the F/V *Kiska Sea* a 125-foot crab catcher vessel. The F/V *Kiska Sea* harvests king, tanner and opilio crab. The F/V *Kiska Sea* has year-round crew positions available for Yukon Delta residents.



ROMANZOF FISHERIES, LLC

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



GOLDEN ALASKA, LLC

YDFDA owns 26.3% of the M/V *Golden Alaska*. The M/V *Golden Alaska* is a 305-foot pollock and Pacific whiting mother-ship that provides processing positions for Yukon Delta residents.

Board of Director Profiles



Max Agayar lives in Alakanuk. He began subsistence fishing when he was 10 years old with his father and brother. He worked for Bering Sea Fisheries as a tender man for 12 years. In 1996, he and his wife purchased a commercial Yukon Permit and he has been a commercial fisherman ever since. He has been associated with YDFDA since 1995 and on the Board since 1999. He also serves on YDFDA's Scholarship Committee.



Frank Alstrom, Jr. lives in Alakanuk. He has been fishing all his life. He is a subsistence and commercial fisherman on the Yukon. He has fished Norton Sound herring and crab, and Pacific cod out of Dutch Harbor. He has been associated with YDFDA since 1994 and on the Board since 2002. He also serves on YDFDA's Executive Board and the Scholarship Committee.



Thomas Alstrom lives in Alakanuk. He is a lifelong commercial and subsistence salmon fisherman. He enjoys sport fishing on the Yukon River as well as Prince William Sound. In 2006 he worked as a processor on the Golden Alaskan and in 2007 he fished for Pollock on the Ocean Leader. He is excited to see YDFDA expand to help keep residents of the region employed and fishermen fishing. He has been involved with YDFDA since 2011.



Simon Andrews lives in Mountain Village. He began subsistence and commercial fishing in his early teens. He fishes for all species of fish both winter and summer. He is pleased to represent Mountain Village on YDFDA's Board of Directors. He also serves on YDFDA's Executive Board. He has been involved with YDFDA since 2007.



Dominic Hunt lives in Emmonak. He grew up fishing with his father and brothers. He feels it is very important to pass the tradition on to future generations. He is both a subsistence and commercial fisherman. He has fished commercially for herring and crab out of Norton Sound and ran a salmon tender for the YDFM Co-Op and currently fishes for Kwikpak Fisheries. He has been on the YDFDA board since 2008. He also serves on YDFDA's Scholarship Committee.



Benjamin Kamkoff lives in Kotlik. He has been a commercial fisherman since he was 18 years old both set netting and drift netting. He was elected to YDFDA's Board in 2005 and re-elected in 2009. He has also served on the boards of the Kotlik City Council, Kotlik Traditional and Kotlik Yup'ik Corporation. He thinks it's great to have Kwikpak Fisheries working for the people of the Lower Yukon River. He also serves on YDFDA's Scholarship Committee.



Matilda Oktoyuk lives in Emmonak. She has had life-time involvement in fishing as a commercial herring fisherwoman in Norton Sound; subsistence fish user; employed by Point Adams Packing Company and Yukon Delta Fish Marketing Co-op. She observed, first hand, King Crab fishing on YDFDA vessels in Nome. She has been involved with YDFDA since its beginning in 1992. She attended the first meeting in the City of Emmonak complex. She also serves on YDFDA's Executive Board.



David Maillele lives in Grayling. He has been a subsistence fisherman for most of his life and a commercial fisherman since 1964 in both Bristol Bay and on the Yukon River. He enjoys sport fishing. He has been involved with YDFDA since 2008. He also serves on YDFDA's Scholarship Committee.



Paul Manumik, Jr. lives in Nunam Iqua. He joined the YDFDA Board of Directors in 2010. He also serves on the Scholarship Committee.



Paul Manumik, Sr. lives in Nunam Iqua. He has been a commercial fisherman since 1961 and a subsistence fisherman and hunter all his life. He was involved in the inception of the CDQ Program in 1992. He also serves on YDFDA's Executive Board.



Laurentia Mike lives in Kotlik. She was employed at YDFDA's Seattle office from 1993 to 2000. She was elected to the Board of Directors in 2010. She also serves on YDFDA's Executive Board.



Margie Walker lives in Grayling. She recently retired from her job as a teacher's aide at the Grayling School. She is a subsistence and commercial fisher using both a fish wheel and nets. In the 1970s she worked in the cannery. She puts up subsistence fish for the winter months for her family. She has 2 children, 5 grand children and one great grandchild. She has been involved with YDFDA since 1999. She also serves on YDFDA's Executive Board.

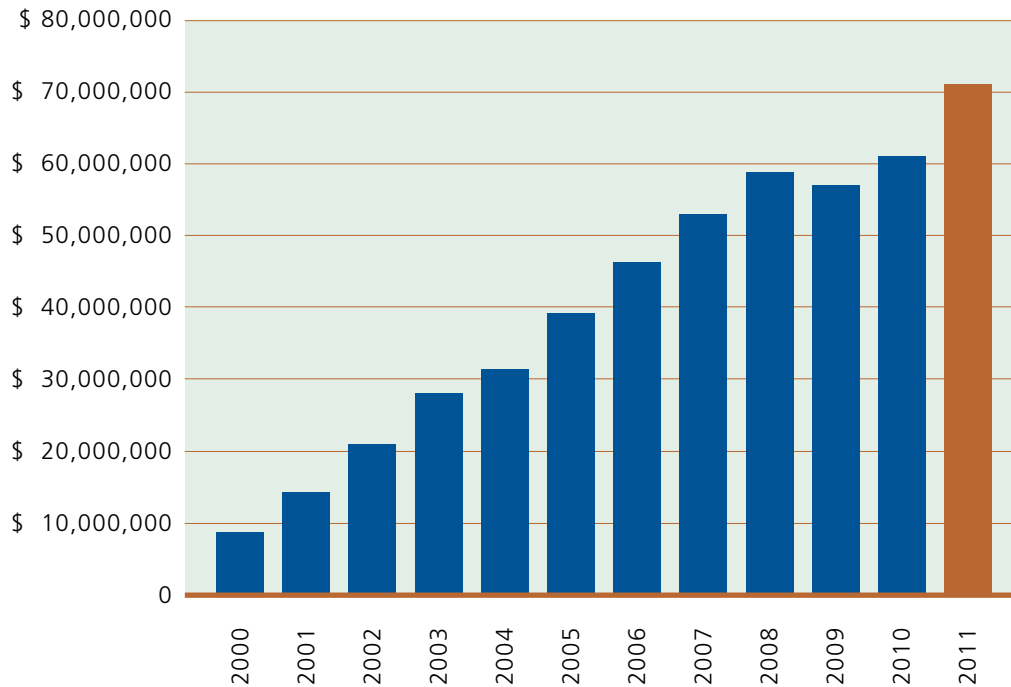


Alexie Walters lives in Mountain Village. He has been a subsistence and commercial fisherman for over 40 years. He was also a tender boat captain. He was on YDFDA's in 2005 and re-elected in 2009. He also serves on several committees and boards in Mountain Village. He says he will use common sense in addressing the changing needs of his community and region.

Financial Overview 2011

Yukon Delta Fisheries Development Association and Subsidiaries

GROWTH IN NET ASSETS



2011 was another successful year for YDFDA. Revenue grew to \$43.1 million in 2011 from \$32.3 in 2010. Net assets, a measure of the company's net worth, equaled \$71.6 million. As you can see from the chart to the left, YDFDA's net assets have grown from \$6.2 million in 1999 to \$71.6 million in 2011.

EMPLOYMENT STATISTICS 2011

	PEOPLE	WAGES
Offshore Fisheries		
Golden Alaska A Season	22	\$ 218,046
Golden Alaska B Season	8	\$ 102,796
Northern Hawk A Season	4	\$ 103,678
Northern Hawk B Season	1	\$ 6,385
Kiska Sea A Season	1	\$ 56,300
Kiska Sea B Season	1	\$ 28,334
American Beauty A Season	1	\$ 40,257
American Beauty B Season	2	\$ 78,167
TOTAL OFFSHORE FISHERIES	40	\$ 633,963
Other Employment		
Internships/Youth Employment	142	\$ 233,000
Other Employment	355	\$ 3,052,009
Village Representatives	6	\$ 28,200
Regional Management	4	\$ 361,812
Fishermen, Fur traders, Loggers	535	\$ 3,541,486
TOTAL EMPLOYMENT	1,042	\$ 7,216,507

TRAINING STATISTICS 2011

	PEOPLE	EXPENDITURE
Scholarships		
University of Alaska Foundation	11	\$ 50,850
Alaska Pacific University	2	\$ 5,350
Yukon Delta Education Fund	46	\$ 167,589
Alaska Vocational Tech. Center	4	\$ 13,735
Other Training		
Fisheries Related	33	\$ 57,367
Basic Safety Training	6	\$ 6,480
TOTAL	102	\$ 301,371

Yukon Delta Fisheries Development Association and Subsidiaries
Consolidated Statements of Financial Position

YEARS ENDED DECEMBER 31, 2011 AND 2010

Assets	2011	2010
<hr/>		
Current assets:		
Cash and cash equivalents	\$ 26,616,639	\$ 17,812,402
Accounts receivable, net	3,738,961	4,198,971
Receivable from affiliates	1,355,799	1,557,966
Inventory	6,130,456	3,732,495
Prepaid expenses and other assets	376,555	284,645
Total current assets	<u>38,218,410</u>	<u>27,586,479</u>
Notes receivable, net	2,788,671	2,097,397
Investment in GASLLC	4,447,256	4,989,853
Investment in Romanzof Fishing Company, LLC	1,025,847	841,207
Investment in Kiska Sea	600,414	648,439
IFQ permits and fishing rights	24,238,416	24,238,416
Other assets	3,113,397	3,014,692
Property, plant and equipment, net	2,645,880	1,900,274
	<u>\$ 77,078,291</u>	<u>\$ 65,316,757</u>
Liabilities and Net Assets		
<hr/>		
Accounts payable	\$ 3,145,064	\$ 2,224,310
Unrestricted net assets		
Yukon Delta Fisheries Development Association	71,595,917	60,930,827
Noncontrolling interests in subsidiaries	2,337,310	2,161,620
Total unrestricted net assets	<u>73,933,227</u>	<u>63,092,447</u>
	<u>\$ 77,078,291</u>	<u>\$ 65,316,757</u>

Excerpt from Audited Financial Statements

Yukon Delta Fisheries Development Association and Subsidiaries

Consolidated Statements of Activities

YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
Revenues:		
CDQ and IFQ royalties	\$ 18,230,689	\$ 12,220,457
Fish sales	14,587,249	9,928,325
Fish sales to affiliate	6,349,392	4,723,765
Rock and gravel sales	26,097	2,879,258
Other operating income	3,950,685	2,513,748
Total operating revenues	<u>\$ 43,144,112</u>	<u>\$ 32,265,554</u>
Cost of goods sold	29,057,998	22,869,448
Administrative and other expenses:		
Initiatives	1,205,158	946,675
Administration	2,076,275	2,326,148
Board	395,726	379,715
Impairment of long-lived assets	65,974	670,918
Total Operating expenses	<u>\$ 3,743,133</u>	<u>\$ 4,353,455</u>
Other income (expense):		
Interest and other income	845,743	150,747
Equity in (losses) earnings of GASLLC	197,004	(542,967)
Equity in earnings (losses) of Romanzof	287,140	117,822
Equity in earnings of Kiska Sea	176,975	114,274
Total other income (expense)	<u>\$ 1,506,862</u>	<u>\$ (160,124)</u>
Income (loss) before taxes	11,849,843	4,882,527
Income taxes (expense) benefit	<u>(642,823)</u>	<u>(227,560)</u>
Excess (deficit) of revenues over expenses	11,207,020	4,654,967
Distributions to non-controlling interests	<u>(366,240)</u>	<u>(692,500)</u>
Change in unrestricted net assets	<u>\$ 10,840,780</u>	<u>\$ 3,962,467</u>

Excerpt from Audited Financial Statements

Yukon Delta Fisheries Development Association and Subsidiaries

Transparency Report

TRANSACTION REPORTING

YDFDA reports all contractual relationships over \$40,000 between itself and its directors and officers (and their family members). There were none in 2011.

JOBS AND DRUG TESTING

Pursuant to Article 6, Section 14 of YDFDA's bylaws, a Director may not simultaneously hold a position of employment with YDFDA or any of its subsidiaries while serving as a director. Additionally, our bylaws prohibit a Director from accepting any employment, compensation, gifts or services of any kind which are being provided in exchange for his or her action or inaction on any matter of YDFDA business. Violations of this provision constitute grounds for removal of a Director from the Board of Directors. There were no such activities in 2011.

In 2005, YDFDA adopted a drug testing policy whereby all of its employees, including those of its subsidiaries, are subject to pre-hire drug screening and random drug testing during their term of employment. In addition, all YDFDA Directors are subject to drug screening upon election.

DIRECTOR/EMPLOYEE RELATIONS WITH PROFESSIONAL SERVICE PROVIDERS

YDFDA reports if any officers, directors, or key employees are related by family or business to any of YDFDA's professional service providers. There were no such relationships in 2011.

PENDING LEGAL PROCEEDINGS WITH PAST DIRECTORS

YDFDA reports any pending litigation between itself and any past directors. There is no such pending litigation.

ADDITIONAL INFORMATION

There is additional information available to residents of YDFDA member communities regarding the activities of YDFDA by reviewing our Internal Revenue Service Form 990, which YDFDA files every year. A copy of this filing is available for review during regular business hours at our offices in Anchorage and is also available online at www.guidestar.org (free registration required).

Yukon Delta Fisheries Development Association and Subsidiaries

Transparency Report

DIRECTOR COMPENSATION POLICY

YDFDA compensates its Directors \$400 per day for meetings and travel. If a Director attends more than one meeting per day, they are compensated an additional \$100 per meeting.

Compensation for the aggregate of 13 Directors for 2011 was \$145,600.

YDFDA PROFESSIONAL FEES — 2011

Legal Expenses	165,100
Accounting Fees	361,850
Consultants	264,540
Lobbying Expenses	69,721
Total	\$ 861,211

TOP FIVE EMPLOYEE COMPENSATION — 2011

Name	Title	Compensation	Company Contribution to 401K Plan
Ragnar Alstrom Alakanuk, AK	Executive Director	\$ 157,750	\$ 0
Eric Olson Anchorage, AK	Regional Fisheries Financial Manager, Quota Manager	\$ 142,000	\$ 947
Jack Schultheis Anchorage, AK	Kwikpak Fisheries Operations Manager	\$ 108,000	\$ 0
Tom Link Hansville, WA	Yukon River Towing Marine Operations Manager	\$ 87,829	\$ 0
Russ Prout Big Fork, MT	Kwikpak Fisheries Marine Engineer	\$ 84,578	\$ 0

Notes: Compensation is the aggregate of compensation received from YDFDA and all subsidiaries.

List includes employees of YDFDA and subsidiaries, but excludes fishermen working on a crew share basis.

Leadership

BOARD OF DIRECTORS

	TERM ENDING
Frank Alstrom, Jr. – Alakanuk	2013
Max Agayar – Alakanuk	2012
Thomas Alstrom – Alakanuk	2012
Dominic Hunt – Emmonak	2012
Matilda Oktoyuk – Emmonak <i>Vice Chairman</i>	2013
David Maillelle – Grayling	2012
Margie Walker – Grayling	2013
Laurentia Mike – Kotlik <i>Secretary/Treasurer</i>	2012
Benjamin Kamkoff – Kotlik	2013
Simon Andrews – Mountain Village <i>Chairman</i>	2012
Alexie Walters – Mountain Village	2013
Paul Manumik, Sr. – Nunam Iqua	2013
Paul Manumik, Jr. – Nunam Iqua	2012

VILLAGE REPRESENTATIVES

Frank Alstrom, Jr. – **Alakanuk**
Douglas Redfox – **Emmonak**
Margie Walker – **Grayling**
Philomena Keyes – **Kotlik**
Bibiana Sage – **Mountain Village**
City of Nunam Iqua – **Nunam Iqua**



STAFF

Ragnar O. Alstrom, **Executive Director**
Wes Price, **Contract Controller***
*Included in Accounting Fees
Robert Andrews, **Yukon Marine Manufacturing Operations Manager**
Jack Schultheis, **Kwikpak Fisheries Operations Manager**
Deborah Vo, **Rural Development Specialist**
Eric A. Olson, **Regional Fisheries Financial Manager, Quota Manager**
Ruth E. Carter, **YDFDA Executive Assistant, Kwikpak Sales and Marketing**
Douglas Redfox, **Employment and Training Coordinator**
Judi Murdock, **Kwikpak Fisheries Assistant Controller**
Barbara E. Blanket, **Travel Coordinator**
Karl Alstrom, **Intern**
Svet Alstrom, **Receptionist**

EXECUTIVE BOARD

Frank Alstrom, Jr.
Simon Andrews
Paul Manumik, Sr.
Laurentia Mike
Matilda Oktoyuk
Margie Walker

SCHOLARSHIP COMMITTEE

Max Agayar
Dominic Hunt
Benjamin Kamkoff
David Maillelle
Paul Manumik, Jr.
Doug Redfox
Alexie Walters



Carl Walker

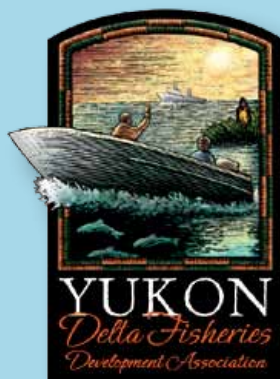
December 29, 1940 – May 24, 2011

Carl Walker spent his early years in the communities of Holy Cross and Anvik. When he married Margie in the 1970s they settled in Graying where they raised their family.

Carl worked for many years maintaining the Graying airport. He was very active in the community, acting as mayor and serving on

both the Iditarod School Board and Hee Yea Ling De Corporation board. He was a pilot, lifelong fishermen, trapper and hunter.

Carl was instrumental in Graying joining the YDFDA CDQ group. He served on the YDFDA board as vice chairman and chairman and various committees. His wit and wisdom will be greatly missed by all who knew him.



www.YDFDA.org

CORPORATE OFFICE

1016 West Sixth Avenue, Suite 301
Anchorage, AK 99501
Phone 907-644-0326
Fax 907-644-0327

SEATTLE OFFICE

2200 Alaskan Way, Suite 420
Seattle, WA 98121
Phone 206-443-1565
Fax 206-443-1912

KWIKPAK FISHERIES

P.O. Box 128
Emmonak, AK 99581
Phone 907-949-1120 or 1121
Fax 907-949-1123
www.kwikpakfisheries.com

EMMONAK OFFICE

P.O. Box 210
Emmonak, AK 99581
Phone 907-949-1202
Fax 907-949-1203

**YUKON MARINE
MANUFACTURING**

P.O. Box 146
Emmonak, AK 99581
Phone 907-949-1204
Fax 907-949-1206

