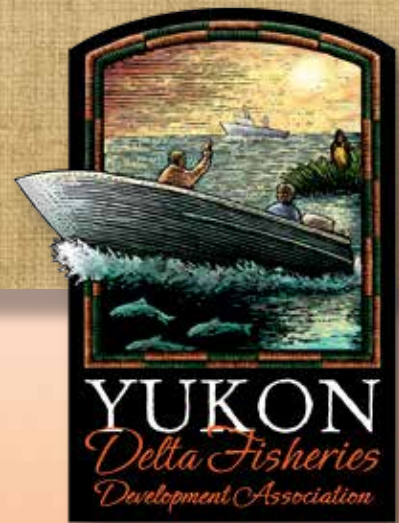


Yukon Delta Fisheries
Development Association

2019 ANNUAL REPORT



LIVING TO FISH.
FISHING TO LIVE.



YUKON DELTA FISHERIES DEVELOPMENT ASSOCIATION

2019 ANNUAL REPORT

Community Development Through Fisheries Development

Representing the Alaskan Communities of

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

OUR MISSION

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

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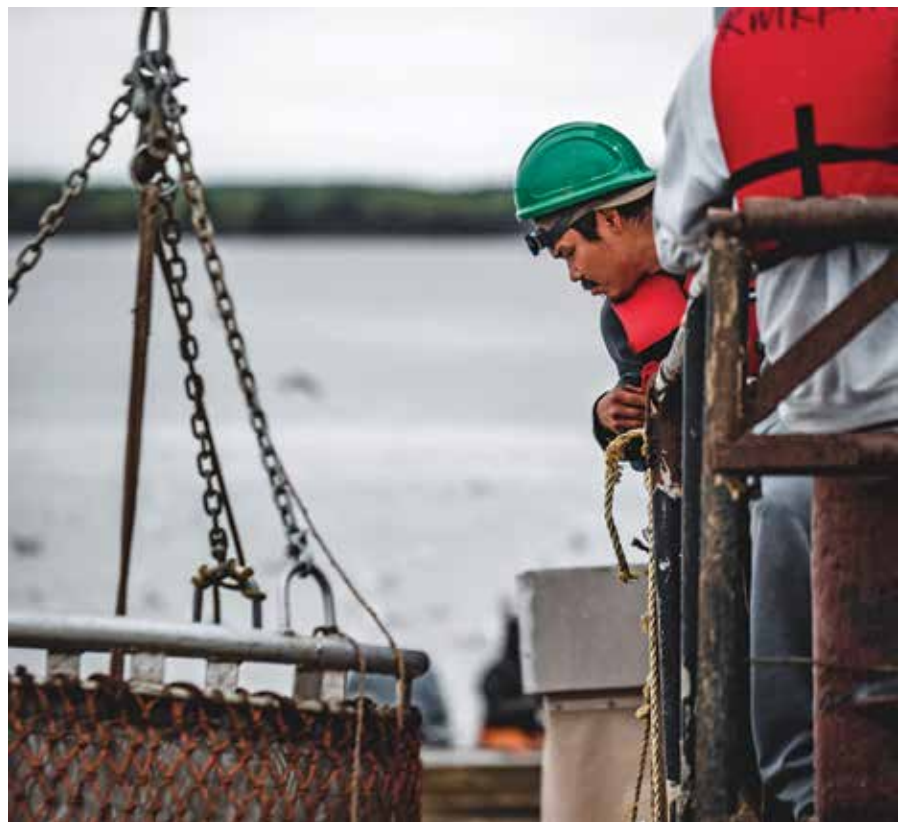
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2019 HIGHLIGHTS

YUKON DELTA FISHERIES DEVELOPMENT ASSOCIATION (YDFDA)

YDFDA was established in 1992 and celebrating 27 years of service to our residents. The Community Development Quota (CDQ) has translated into investment opportunities both inside and outside the region, allowing us to provide tangible benefits to our member residents.

- **In 2019, 1,461 In-region residents took advantage of opportunities made available by YDFDA and subsidiaries. This resulted in earnings of \$9,130,088 going back into the communities.**
- YDFDA was awarded a grant from the State of Alaska, Department of Labor and Workforce Investment and Opportunity Act to partially fund the highly successful Youth Employment Project (YEP). YDFDA has received this grant the last eight out of nine years.
- YDFDA's scholarship program awarded students 41 scholarships valued at \$218,430.
- YDFDA assisted residents with the purchase of Lower Yukon salmon permits.
- In 2019, YDFDA sponsored fishermen, both subsistence and commercial, to attend and testify at the Federal Subsistence Board, Alaska Board of Fisheries, Yukon River Panel, and the Yukon River Inter-Tribal Fish Commission meetings. Fishermen provided input on matters of concern to the lower river.
- YDFDA assisted the Alaska Department of Fish and Game (ADF&G) in operating the test fisheries on the Lower Yukon. Local technicians were hired to assist ADF&G with the test nets for lamprey, chum, Chinook and coho.
- YDFDA assisted the National Marine Fisheries Service (NMFS) in a juvenile salmon outmigration project that identified the amount of juvenile Chinook and other species in the river after breakup.
- 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.





KWIK'PAK FISHERIES

Kwik'pak Fisheries buys salmon from Yukon Delta residents providing economic opportunities for both fishermen and processing plant workers.

- Kwik'pak was the major buyer on the Yukon River for the 2019 salmon season. Kwik'pak purchased 3,530,027 pounds of salmon infusing \$2,454,244 into the pockets of 426 fishermen and their families.
- Kwik'pak Fisheries employed 577 residents with wages of \$3,230,988. This included employment of 170 students ranging from 14–17 in the Youth Employment Project with wages of \$332,294.
- Kwik'pak Fisheries purchased cisco from 9 local fishermen who landed 2,820 pounds at a value of \$2,820. Working in conjunction with ACME Smoked Fish of Brooklyn, NY, Kwik'pak has built a specialty market for this unique product. Market demand for Yukon River cisco far exceeds the current allowable harvest. We continue to work with ADF&G to increase the allowable harvest.
- Kwik'pak Fisheries purchased 2,857 furs from 76 trappers a value of \$131,810. 2019 was a difficult year for trappers.

YUKON MARINE MANUFACTURING (YMM)

YMM employs local welders to build and repair boats for Yukon Delta residents.

- In 2019, YMM completed fabrication of 26 new skiffs. In addition, numerous repairs and modifications were done for residents on existing skiffs. 15 local residents were employed wages totaling \$335,335. 10 skiffs were sold in 2019.

YUKON RIVER TOWING (YRT)

YRT began operating in 2010 hauling gravel and rock throughout the Yukon Delta region. It has since expanded to building construction and employs local residents in and near their home villages.

- YRT provided jobs for 58 regional residents with wages of \$1,356,825.

We are excited about the future and look forward to exploring more opportunities to provide economic development benefits to our residents and the entire Lower Yukon.



YDFDA'S IN-REGION COMPANIES

Kwik'pak Fisheries, LLC



COMMERCIAL FISHING

The 2019 commercial fishing season was very different from previous years.

Late run timing prevented commercial openings until early July for the first time since 2008. On June 28th, the Alaska Department of Fish and Game (ADF&G) notified Kwik'pak of the possible chum season closure due to low sonar passage at Pilot Station. Thankfully, a few days later, the chum passage increased dramatically. The first gillnet opening in Y-1 occurred on July 3rd, and over 35,000 fish were purchased. The summer season brought over 224,000 fish with a vessel value of \$818,404. Additionally, 2,500 kings were sold commercially.

The company operated in Emmonak for primary and fillet production, Mountain Village had the *Akerta* barge, and a 20' X 40' buying dock was placed in Kotlik.

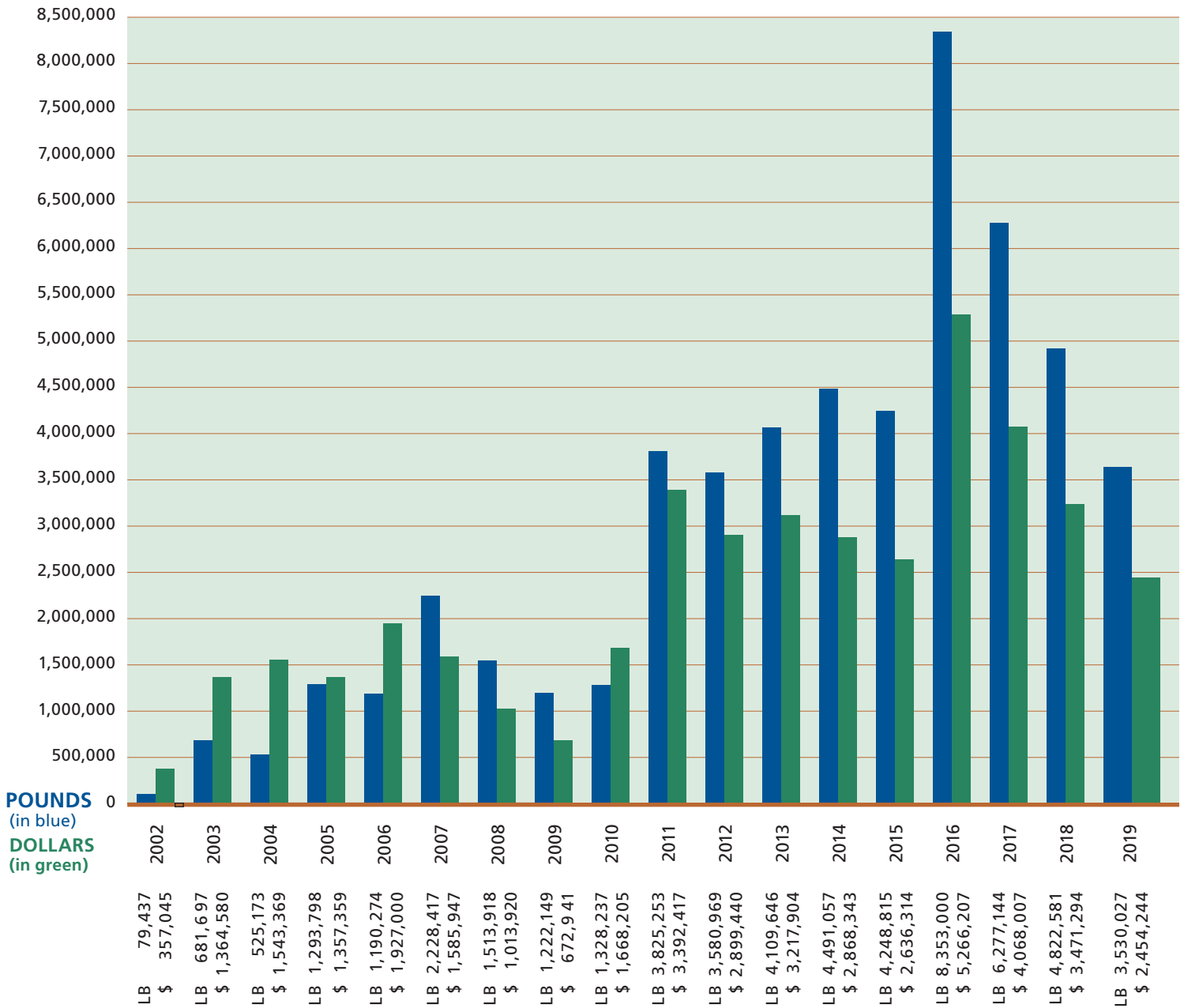
Sales of Kwik'pak finished production were robust on the fresh side with fillets and H&G (Headed and Gutted) fresh fish going to several retailers. Frozen sales were sluggish with good sales in Europe and a limited amount into Japan.

The fall salmon season was average, with Y-1 having 13 openings and Y-2 having 12 commercial



YDFDA's In-Region Companies (Continued)

KWIK'PAK SALMON PURCHASES — POUNDS / DOLLARS



openers. Summer and fall seasons collectively brought over 3.5 million pounds at a value of \$2,454,244, the lowest amount paid to fishermen since 2010.

Due to cost reductions, the company held a very brief Cisco

fishery that delivered only 2,200 fish.

Although several fishermen tried to fish, the lamprey harvest was unsuccessful in 2019.



YDFDA's In-Region Companies (Continued)

EMPLOYMENT

Kwik'pak relied on the six CDQ member villages for much of its workforce. In 2019, Kwik'pak employees from these villages made up 80% of the total hires. 407 workers were from member villages, which brought over

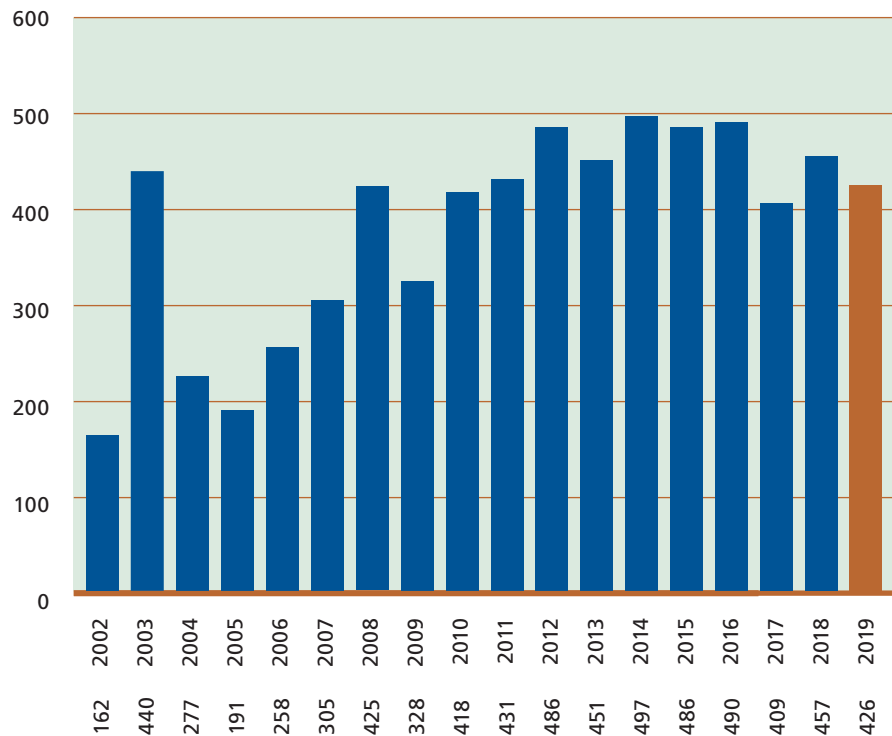
2.8 million dollars of income into these communities. Non-YDFDA village workers accounted for 16.5%. A total of 19 Western Alaskan villages were represented at Kwik'pak.

Total non-regional outside workers were at 3.7% of all workers.

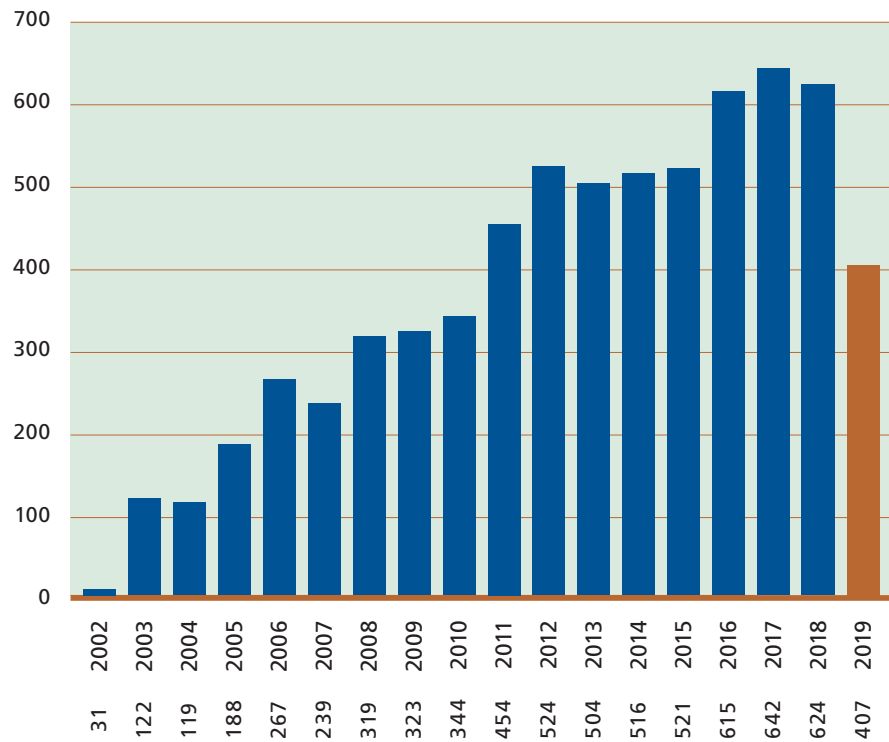
Several of them are limited to part-time status, or only at Kwik'pak for heavy repairs and maintenance, most often referred to as project workers. Overall, the company trimmed 40% in non-regional labor costs from 2018.



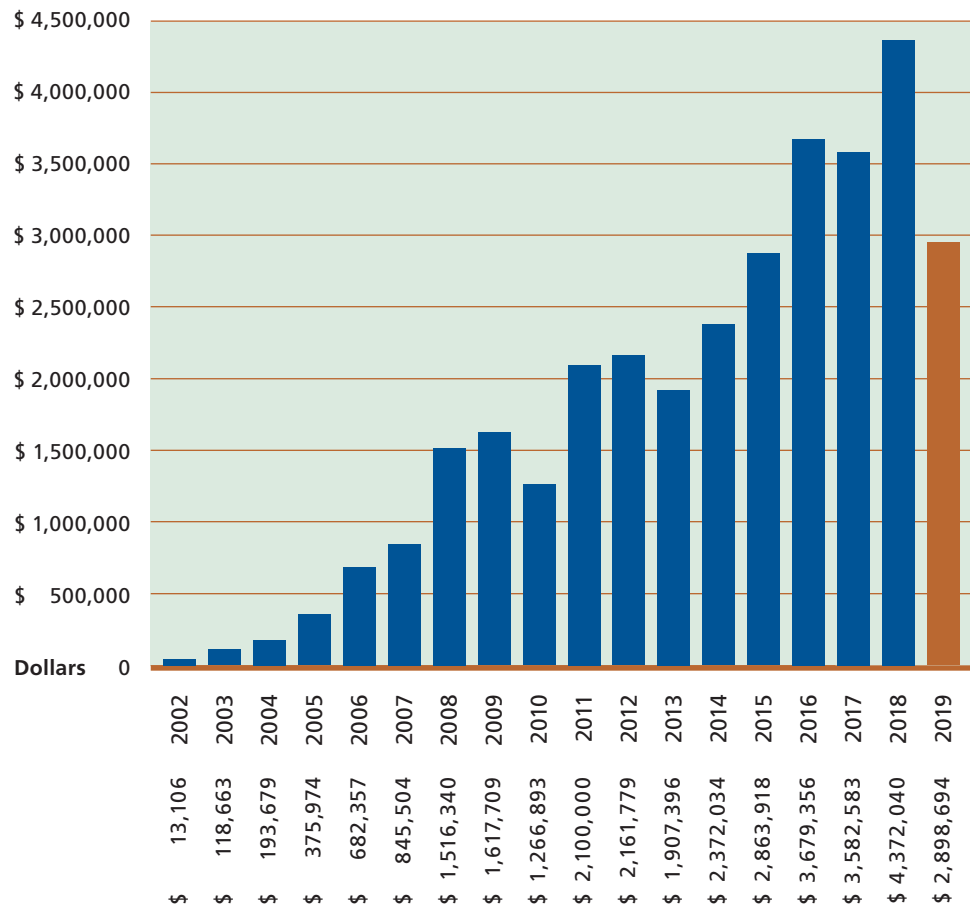
LOCAL KWIK'PAK EMPLOYMENT — FISHERMEN



**LOCAL KWIK'PAK
EMPLOYMENT —
EMPLOYEES**

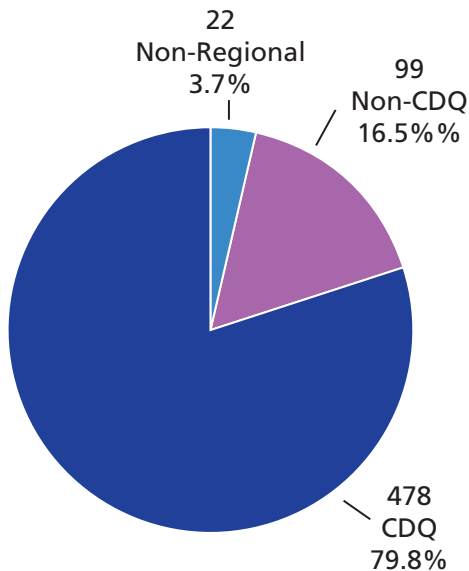


**LOCAL KWIK'PAK
EMPLOYMENT —
WAGES**

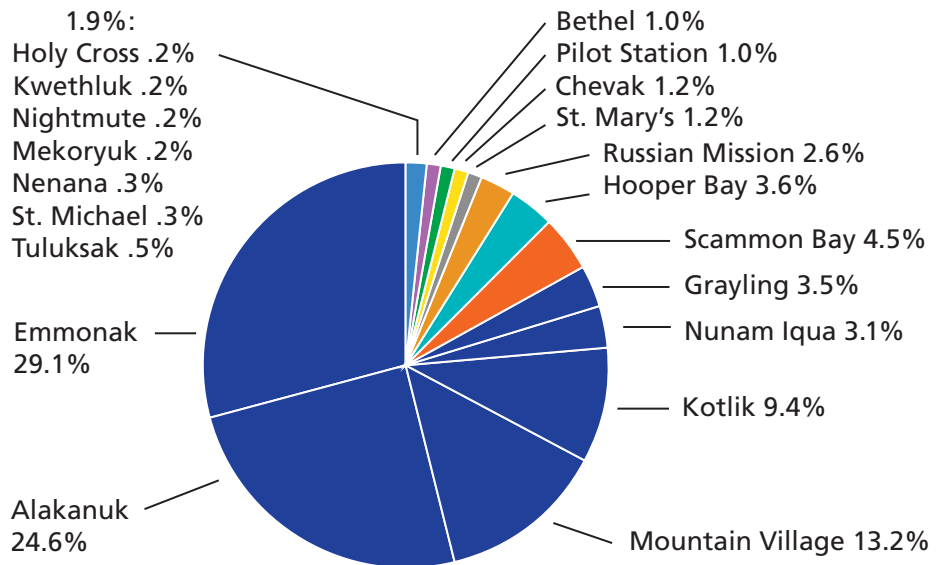


YDFDA's In-Region Companies (Continued)

LOCAL KWIK'PAK EMPLOYMENT — IN-REGION



LOCAL KWIK'PAK EMPLOYMENT — SUMMARY COMPOSITION



YOUTH EMPLOYMENT PROJECT (YEP)

In 2019 the YEP workers numbered 170 employees. High school kids, ages 14 to 17, made up the majority of YEP participants. A small number of pre-qualified young adults were also YEP- classed workers. The total payroll amounted to \$332,294, which represented 11% of Kwik'pak's payroll.

The project expanded into the communities of Grayling, Nunam Iqua, and Alakanuk to allow for an equal opportunity for youth to work. 2019 was the first year that all six YDFDA villages participated in the Youth Employment Project.

In the villages of Grayling, Alakanuk, and Nunam Iqua, YEP job duties included; assisting

elders with trash and brush clean-up, helping at the village stores, tank farms, and school maintenance. At Emmonak,

YEP workers held jobs at the Fishermen's store, offices, seafood processing, clerks, and administrative work at Kwik'pak.



Courtesy of Alaska Seafood Marketing Institute (ASMI). Casey Arnold Photography.



NEW ROE BUILDING AND PRIMARY PROCESSING FACILITY OPENED IN 2019

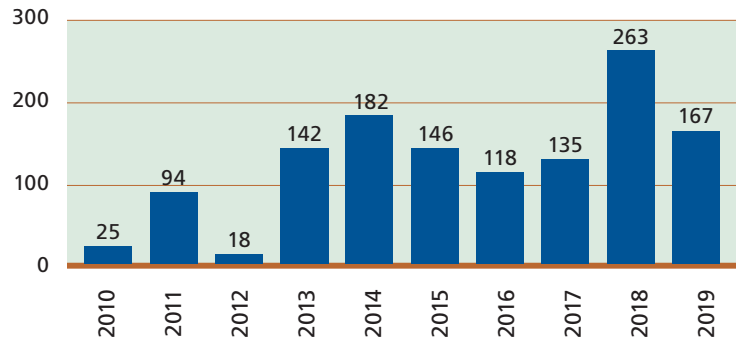
The new roe/primary processing facility was completed in time for salmon processing in July. The ground floor processing area has over 6,000 sq. ft. of work deck, while the 2nd story is complete with modern office space for administrative support staff.

Yukon River Towing was the general contractor of the project. The construction of the facility was supported by a Department of Commerce – Economic Development Administration grant.

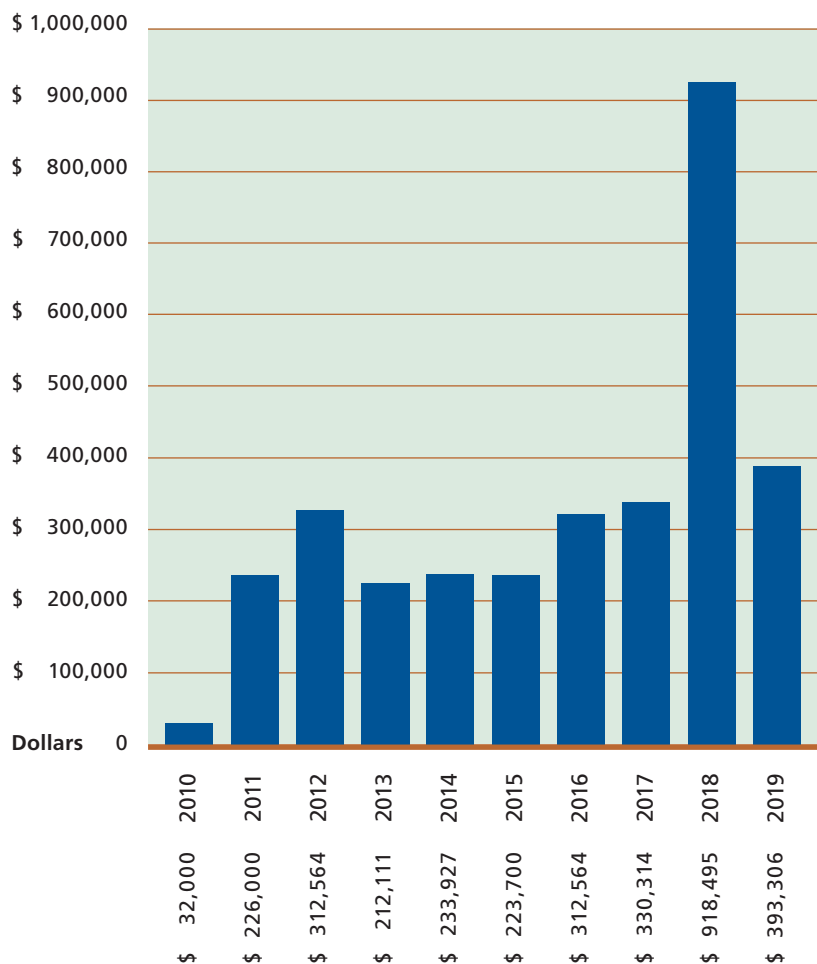
FUR BUYING

Trapping was generally down in 2019. The company bought 5,475 furs at a value to the 167 trappers of \$239,306. In the past, Kwik'pak has purchased up to a million dollars in fur in a season.

LOCAL KWIK'PAK EMPLOYMENT — NUMBER OF TRAPPERS



LOCAL KWIK'PAK EMPLOYMENT — TRAPPER'S INCOME



YDFDA's In-Region Companies (Continued)

Yukon River Towing, LLC



YUKON RIVER TOWING (YRT)

Yukon River Towing, headquartered in Emmonak, AK, was established in 2010 to

provide regional residents with job opportunities in construction and maritime fields. YRT's goal is

to build strong professional relationships that provide economic opportunities to regional residents. Employees are encouraged to pursue professional development certifications and training to enhance their skill sets paid for by the company. Local construction projects include commercial construction, building renovations, site work, utilities, and fisheries

support. Barging and towing services include gravel hauling and transport of construction materials and equipment to project sites on the Yukon River.

In 2019, YRT was awarded contracts in Nunam Iqua, St. Mary's, and Emmonak villages.

In Nunam Iqua, wind turbines were removed, Lower Yukon School District (LYSD) teacher housing was leveled, and repairs occurred at the Nunam Iqua school. Seventeen people worked on these projects. School repairs included floor leveling, plumbing upgrades, classroom renovations, kitchen slab and floor replacement, and installation of a new exterior sign. At the time of the school project, LYSD also requested YRT to level the teacher housing duplex.

In St. Mary's, upgrades were performed at the School District Campus, and the Yupiit of Andreafski's Pre-engineered Metal Building (PEMB) was constructed. Twenty-four in-region people worked on renovating and upgrading the elementary and high schools, Quonset hut storage, the Isaac Prince shop, and re-grading the campus roads. Eleven people worked on phase three of the PEMB.

In Emmonak, a grant award from the Economic Development Administration (EDA) provided for the construction of a primary processing building and offices for Kwik'pak Fisheries. Additionally, the unsafe boardwalk through





the Association for Village Council President's (AVCP) housing was repaired. The YRT yard was cleared of debris, and the land was filled with gravel from St. Mary's. Twenty-six in-region employees worked on these projects.

During 2019 YRT brought the vessel *Asaacarsaq* into compliance for use as a towing vessel. Some of the changes and additions included; an onboard sewage treatment system, a fire extinguishing system,

electrical wiring upgrades and labeling, alarms, a hazardous materials locker, electronics, painting, a navigation system, security procedures, and other routine work and upgrades. The U.S. Coast Guard is scheduled to inspect the vessel to certify the vessel to allow it to be used for towing. The crew of the *Asaacarsaq* consisted of five people who prepared the ship for inspection, hauled freight from Emmonak to project sites, and

moved gravel to Kotlik and Emmonak from St. Mary's.

YRT continues to build a core group of skilled carpenters, mechanics, equipment operators, LCM boat captains, and deckhands from YDFDA's member communities. In 2019, fifty-eight regional employees made \$1,356,825. YRT continues to bid on future construction projects along the Yukon River to provide economic job opportunities for in-region residents.

Yukon Marine Manufacturing, LLC



YUKON MARINE MANUFACTURING SKIFF BUILDING FACILITY (YMM)

YMM is well known in the region for the high quality of their skiffs. In 2019 they were able to complete construction on 26 new skiffs in addition to

numerous repairs to existing skiffs. 10 skiffs were sold in 2019.

15 Yukon Delta residents were employed at the YMM skiff building facility in 2019 with wages of \$335,335. A total of 426 skiffs have been built since the beginning of this program in 1999.



YDFDA'S OFFSHORE INVESTMENTS AND QUOTA MANAGEMENT

Since the inception of the Community Development Quota (CDQ) program in 1992, YDFDA has received annual allocations of CDQ. Utilizing a portion of the royalty revenues generated by the CDQ allocations, YDFDA has made strategic investments in the Bering Sea and the Aleutian Islands individual fishing quotas (IFQs), limited license permits, and fishing vessels. These diversified fishery investments include Bering Sea pollock, Pacific cod, crab, sablefish, and halibut quota. The additional revenue generated from these investments allows YDFDA to better serve its member communities and residents by directly funding our in-region programs.

In addition to program funding, processing and deckhand positions are readily available to Yukon Delta residents that would like to work in the Bering Sea. In 2019, all CDQ villages were represented on the vessels and brought \$423,721 into the communities.

POLLOCK

The harvest and processing of pollock provides YDFDA with the bulk of its yearly revenue. In 2019, our CDQ pollock allocation was close to 20,000 metric tons (over 44 million pounds!), which

we had harvested by third-party Bering Sea catcher processing vessels.

In 2000, YDFDA also invested in 12% of the Bering Sea pollock mothership sector. The pollock harvested by catcher vessels



Golden Alaska (M/V Golden Alaska a 305' mothership)



Ocean Leader (F/V Ocean Leader a 120' trawler)



American Beauty (F/V American Beauty a 123' trawler)

is transported to a processing “mothership,” which processes and delivers the pollock to Dutch



Pollock

Harbor. As part of this investment, YDFDA purchased 75% of two pollock catcher vessels, the *Ocean Leader* and *American Beauty*, and a 26.3% ownership interest in the mothership *Golden Alaska*. Included in the purchase of the two catcher vessels was the right to harvest a large

portion of the mothership sector’s allocation of pollock, which produces significant revenues for YDFDA. In addition to pollock, whiting, Pacific cod, and other groundfish are harvested by our two catcher vessels and processed aboard the *Golden Alaska*.

GROUNDFISH

YDFDA is allocated one of the largest shares of groundfish in the CDQ program. In 2019, this equated to over 7,900 metric tons of over 7 various species, including Atka Mackerel, Yellowfin Sole, Rock Sole, Greenland Turbot, Arrowtooth Flounder, Flathead Sole, and Pacific Ocean Perch. In addition to the CDQ allocation, YDFDA owns Individual Fishing Quotas (IFQs) and Limited License Permits (LLPs) in the longline and pot Pacific cod sector. YDFDA works with various harvesting partners by entering into harvest agreements that provide royalties or lease fees and distributions from ownership interests.



Atka Mackerel



Greenland Turbot



Arrowtooth Flounder



Pacific Ocean Perch



Rock sole



Flathead Sole



Yellowfin Sole

PACIFIC COD

YDFDA has ownership interests in two Pacific Cod catcher-processor vessels, the C/P *Courageous* and C/P *Baranof*. With an 85% ownership interest in the C/P *Courageous*, YDFDA decided to tie up the vessel and fish the Bering Sea Pacific cod license elsewhere to maximize revenues. We own 41% of the C/P *Baranof*, and this vessel actively harvests and processes YDFDA's CDQ and IFQ crab, Pacific cod, and sablefish, returning both royalty income and ownership distributions.



Pacific Cod



Baranof (C/P *Baranof* a 182' catcher processor)



Courageous (C/P *Courageous* a 180' catcher processor)

CRAB

YDFDA's crab portfolio consists of all the major species and generates nearly 1/3 of our total royalty revenue. YDFDA receives annual allocations of crab CDQ and has purchased substantial amounts of crab IFQs that have brought us closer to owning up to the ownership caps allowed under the 2005 Crab Rationalization Program. To harvest our crab quota, YDFDA engages with our vessels, the C/P *Baranof*, and the F/V *Kiska Sea*, as well as 3rd party harvesters. Yukon Delta Fisheries, Inc. (YDFI), YDFDA's for profit subsidiary owns 45%



Bairdi Crab



Golden King Crab

Fish photos courtesy of Alaska Seafood Marketing Institute (ASMI)



Opilio Crab



Red King Crab



Kiska Sea (F/V *Kiska Sea* a 125' catcher vessel)

of the F/V *Kiska Sea*, a crab catcher vessel. To maximize crab revenues, YDFDA, in coordination with the harvesting vessels,

enters into profit/margin sharing agreements with various shore-side processors.

HALIBUT & SABLEFISH

Halibut and sablefish (black cod) are highly valuable species that are caught by longline or pot. Although the overall revenue contribution to YDFDA is small compared to the other fisheries, we value being diversified in these stocks. While both fisheries are susceptible to whale

predation, sablefish fishing with longline pots has proved more successful over that of halibut, which is why this has become the preferred gear type. With multiple large year classes recruiting into the sablefish fishery, the foreseeable future is promising despite low ex-vessel prices.

Halibut, on the other hand, have seen poor survey results as well as depressed prices in recent years. YDFDA leases all of its halibut and sablefish quota to various harvesting partners in order to ensure a return from these investments.



Halibut



Sablefish

BOARD OF DIRECTORS PROFILES



Diane Agayar lives in Alakanuk. She grew up subsistence fishing and began helping with cutting fish as a young girl. She passed that tradition on to her children. She has worked for Kwik'pak Fisheries for over 12 years. Her goal is to always be yourself and treat others the way you want to be treated.



Cyril Okitkun lives in Kotlik. He joined the YDFDA Board in 2017. He is a subsistence and commercial fisherman. He would like to see local leaders trained and empowered by YDFDA to lead the region into the future.



Max Agayar lives in Alakanuk. He began subsistence fishing when he was 10 years old with his father and brother. 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.



Petra Okitkun lives in Kotlik. She grew up camping every year at Black River to do subsistence activities and she loved commercial fishing with her Dad. Ever since, she enjoys gathering subsistence with her own family. She believes that no matter what, always treat people the way you want to be treated.



Ivan Demientieff lives in Grayling. He is a subsistence fisherman as well as a former commercial fisherman. He uses subsistence fishing to feed his family and the people of Grayling. He is YDFDA's fur buyer for the upper river region. He is always looking to the future and moving forward in a positive manner.



Reynold Okitkun (Papa Joe) lives in Kotlik. He joined the YDFDA Board in 2016. He has been commercial fishing since he was 13. His goal is to work for our local villages to ensure training and employment opportunities continue and to make sure that local residents have a voice on the board.



Rich Freireich lives in Grayling. He has approximately 30 years of fishing experience on the Yukon River and the Bering Sea working on Processors, Long-Liners, and Crab Vessels. Rich would like to see the company diversify, as well as promote more positive activities within our communities. He has been involved with YDFDA since 1999.



Darlene Pete lives in Nunam Iqua. She grew up subsistence and commercial fishing with her father. She is now a permit holder and fishes with her children. She wants to protect the fisheries for future generations.



Antonia Sophie Kameroff was born in Bethel and lives in Emmonak. Starting as a little girl, she helped her mom and sister subsistence fish. About 10 years ago, she started commercial fishing as a deckhand. She enjoys both commercial and subsistence fishing. As a board member, she is here for the people and their concerns.



Stanley Pete lives in Nunam Iqua. He is a lifelong subsistence and commercial fisherman. He has fished for numerous species all over Alaska. He has a keen interest in the commercial and subsistence salmon fishery in our region. He has been involved with YDFDA since the inception of the CDQ Program in 1992.



Jennifer Kameroff lives in Emmonak. She grew up subsistence fishing and has been a commercial crew member since early 2000. She would like our communities to work together to sustain our fisheries and provide opportunities for economic development in our six villages. She joined the YDFDA Board in 2018.



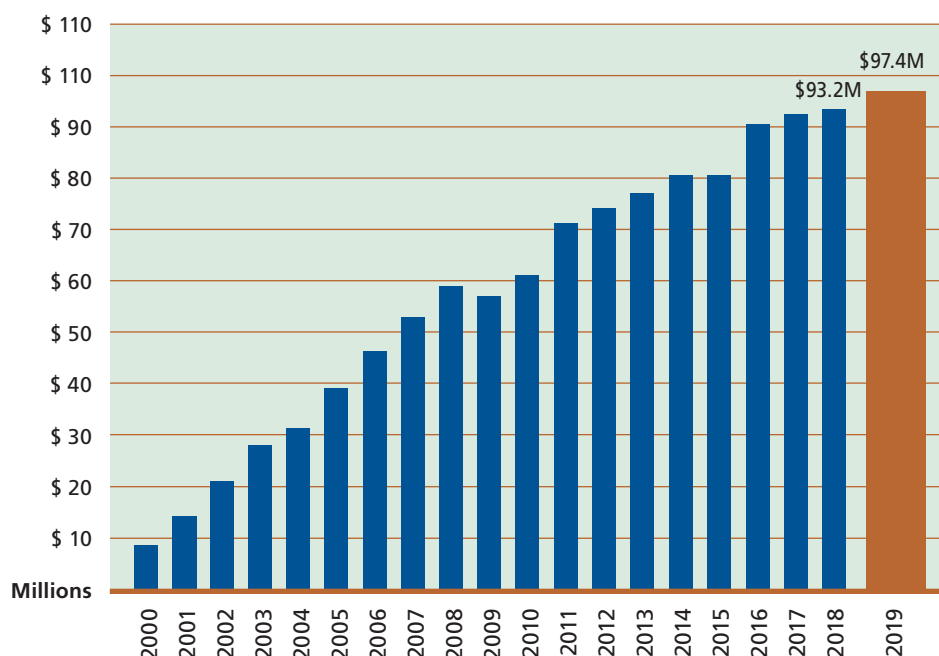
Matthew Waskey lives in Mountain Village. He first joined the YDFDA Board in 1999. He was one of the original board members from Mountain Village when they joined YDFDA in 1999. He has fished for as long as he can remember both on the high seas and rivers. He encourages young people to pursue fishing.

FINANCIAL OVERVIEW 2019

YDFDA and Subsidiaries

- Growth in net assets of \$4,814,004 to a total of \$97.4 million.
- Decreased total liabilities by 12.9% over 2018.

GROWTH IN NET ASSETS (MILLIONS)



2019 was a very strong year for Yukon Delta Fisheries Development Association. The net assets of the company, a measure of the company's net worth, grew by \$4.8 million to \$97.4 million. We continue our strong financial growth that we have experienced for 20 years. This growth places the Association in a good place to participate in the ever-changing fisheries environment. The steady growth is outlined on the chart to the left.

EMPLOYMENT STATISTICS 2019

		PEOPLE	WAGES
OFFSHORE FISHERIES			
Golden Alaska	A Season	12	\$ 156,030
Golden Alaska	B Season	11	\$ 186,596
Ocean Leader	B Season	1	\$ 27,859
American Seafoods	A Season	1	\$ 15,982
Alaskan Lady	A Season	1	\$ 17,561
Alaskan Lady	B Season	1	\$ 11,994
Aleutian Sable Fish Co.	A Season	2	\$ 7,699
Total Offshore Fisheries		29	\$ 423,721
IN-REGION EARNINGS			
Internships/Youth Employment		170	\$ 332,294
Employment		490	\$ 5,104,404
Village Representatives		6	\$ 26,599
Fishermen		426	\$ 2,457,064
Fur Traders		167	\$ 393,306
Fisheries Research		25	\$ 392,700
Total In-Region Earnings		1,432	\$ 8,706,367

SCHOLARSHIPS & TRAINING STATISTICS 2019

		PEOPLE	EXPENDITURE
SCHOLARSHIPS			
Alaska Career College		1	\$ 3,300
Alaska Christian College		11	\$ 38,500
Southern New Hampshire Univ.		1	\$ 3,500
University of Alaska Anchorage		3	\$ 3,700
University of Alaska Fairbanks		1	\$ 1,850
University of Alaska Foundation		24	\$ 167,580
Total Scholarships		41	\$ 218,430
OTHER TRAINING			
Fisheries Related		17	\$ 42,600
Total		17	\$ 42,200

Yukon Delta Fisheries Development Association and Subsidiaries

Consolidated Statements of Financial Position

YEARS ENDED DECEMBER 31, 2019 AND 2018

Assets	2019	2018
Current assets:		
Cash and cash equivalents	\$ 11,911,681	\$ 15,386,710
Accounts receivable, net	11,205,552	5,502,677
Investments in marketable securities	7,526,788	6,823,866
Receivables from affiliates	241,740	1,003,568
Inventory	5,131,253	4,449,802
Prepaid expenses and other assets	596,323	316,190
Assets held for sale	154,607	349,647
Total current assets	<u>36,767,944</u>	<u>33,832,460</u>
Notes receivable, net	2,328,270	1,996,294
Equity method Investments	5,875,028	5,232,312
IFQ permits and fishing rights	52,265,441	52,251,441
Board-restricted long-term securities	854,190	810,733
Other assets	148,031	146,499
Property, plant, and equipment, net	5,885,704	6,642,845
Total assets	<u>\$ 104,124,608</u>	<u>\$ 100,912,584</u>
Liabilities and Net Assets		
Liabilities:		
Current Liabilities:		
Accounts payable	\$ 1,231,036	\$ 1,676,717
Short term notes payable	<u>526,819</u>	<u>551,619</u>
Total current liabilities	1,757,855	2,228,336
Long-term liabilities	<u>4,986,153</u>	<u>5,512,967</u>
Total liabilities	<u>6,744,008</u>	<u>7,741,303</u>
Net assets:		
Without donor restrictions	95,123,610	90,857,281
With donor restrictions	113,000	113,000
Noncontrolling interests in subsidiaries	<u>2,143,990</u>	<u>2,201,000</u>
Total net assets	<u>97,380,600</u>	<u>93,171,281</u>
Total liabilities and net assets	<u>\$ 104,124,608</u>	<u>\$ 100,912,584</u>

2019 audit is incomplete due to COVID-19 travel restrictions

Yukon Delta Fisheries Development Association and Subsidiaries

Consolidated Statements of Activities and Change in Unrestricted Net Assets

YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
Revenues:		
CDQ and IFQ royalties	\$ 18,756,147	\$ 18,483,824
Fish sales	5,354,121	8,900,347
Fish sales to affiliates	5,714,927	5,190,397
Other operating income	9,695,897	10,949,596
Total operating revenues	<u>\$ 39,521,092</u>	<u>\$ 43,524,164</u>
Cost of goods sold	30,178,597	34,842,172
Administrative and other expenses:		
Initiatives	1,341,607	2,311,960
Donor-restricted funds used for initiatives	—	101,100
Administration	3,409,176	3,378,086
Board	1,183,887	1,004,435
Impairment of long-lived assets	—	1,128,765
Total Operating expenses	<u>\$ 5,934,670</u>	<u>\$ 7,924,346</u>
Total operating income	<u>3,407,825</u>	<u>757,646</u>
Other income (expense):		
Interest and other income	372,842	299,908
Interest and other expense	(205,531)	(364,490)
Equity in earnings	1,257,221	227,233
Total other (expense) income	<u>\$ 1,424,532</u>	<u>\$ 162,651</u>
Income (loss) before taxes	4,832,357	920,297
Income tax (expense) benefit	(18,353)	(37,483)
Change in net assets	<u>\$ 4,814,004</u>	<u>\$ 882,814</u>
Beginning net assets	\$ 93,171,281	\$ 92,729,764
Distributions to non-controlling interests	(604,685)	(441,297)
Ending net assets	<u>\$ 97,380,600</u>	<u>\$ 93,171,281</u>

2019 audit is incomplete due to COVID-19 travel restrictions

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 2019.

JOBS AND DRUG TESTING

Pursuant to Article 6, Section 14 of YDFDA's bylaws, a director may not simultaneously hold a full-time 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 2019.

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 or re-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 2019.

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 (continued)

DIRECTOR COMPENSATION POLICY

A monthly honorarium is paid to each sitting Board member, regardless of whether or not they attend any meeting or participate in any way in the affairs of YDFDA, in the amount of \$900 per month, except for YDFDA's chairman, who receives a monthly stipend of \$1,400 per month. In addition, each sitting Board member is paid \$560 per day for traveling and attending meetings of the YDFDA Board.

YDFDA PROFESSIONAL FEES — 2019

Legal Expenses	41,355
Accounting Fees	185,287
Lobbying Expenses	78,468
Other professional fees	156,373
Total	\$ 461,493

TOP FIVE EMPLOYEE COMPENSATION — 2019

Name	Title	Compensation
Ragnar Alstrom	Executive Director	\$ 214,299
Kristopher Linnell	Yukon River Towing – Supervisor	\$ 190,968
Francis Good	Yukon River Towing – Foreman	\$ 184,490
Gerry Davis	General Counsel	\$ 182,407
Jenny Koenig	Finance Director	\$ 176,871

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.

CURRENT LEADERSHIP

BOARD OF DIRECTORS

TERM ENDING

Diane Agayar – Alakanuk	2022
Max Agayar – Alakanuk	2021
Antonia Kameroff – Emmonak	2022
Jennifer Kameroff – Emmonak <i>Secretary</i>	2021
Ivan Demientieff – Grayling <i>Vice-Chairman</i>	2020
Rich Freireich – Grayling	2022
Cyril Okitkun – Kotlik	2020
Petra Okitkun – Kotlik (at large)	2020
Reynold Okitkun – Kotlik	2022
Mathew Wasky – Mountain Village	2021
Darlene Pete – Nunam Iqua <i>Treasurer</i>	2020
Stanley Pete – Nunam Iqua <i>Chairman</i>	2021

VILLAGE REPRESENTATIVES

Frank Alstrom, Jr. – Alakanuk
 Antonia Kameroff – Emmonak
 Rebecca Bostrom – Grayling
 Nadine Sinka-Okitkun – Kotlik
 Bibiana Sage – Mountain Village
 Elizabeth Adams – Nunam Iqua

STAFF

Ragnar O. Alstrom – Executive Director
 Robert Andrews – Yukon Marine Manufacturing
Operations Manager
 Jack Schultheis – Kwik’pak Fisheries Operations
Manager
 Gordon Westlock, Jr. – Kwik’pak Fisheries Emmonak
Operations Manager
 Marti Castle-Bickford – Yukon River Towing
Operations Manager
 Dan Case – Finance Director
 Landry Price – Quota and Offshore Fisheries Manager
 Douglas Redfox – YDFDA Offshore Employment and
 Training and Scholarship Coordinator

YDFI BOARD

Max Agayar
 Ivan Demientieff
 Jennifer Kameroff
 Reynold Okitkun
 Stanley Pete
 Mathew Waskey

SCHOLARSHIP COMMITTEE

Diane Agayar
 Rich Freireich
 Antonia Kameroff
 Cyril Okitkun
 Petra Okitkun
 Darlene Pete
 Mathew Waskey

In Memory

Simon Andrews

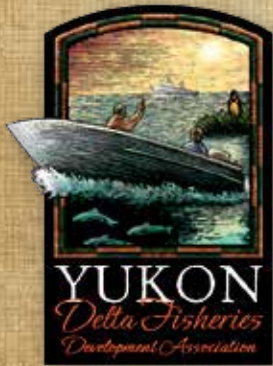
September 24, 1962 – March 24, 2020

YDFDA's long time board chairman, Simon Andrews, passed away on March 24, 2020 after a long battle with cancer. Simon was a devout Christian and family man. He was a caring, upstanding individual who was quick to offer assistance to someone in need whether it be his own family or a community member. He had an easy smile and liked to joke with those around him. His words of advice were always from his heart.

Simon was elected to the YDFDA board in 2007. He quickly earned the respect of the rest of the board and was elected as vice-chairman in 2009 and as chairman in 2011. He served as chairman through 2017.

Simon's friendship and leadership will be missed by YDFDA and all those who knew him.





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