

NORTON SOUND ECONOMIC DEVELOPMENT CORPORATION



2012 Annual Report



BREVIG MISSION › DIOMEDE › ELIM › GAMBELL
GOLOVIN › KOYUK › NOME › SAVOONGA
SHAKTOOLIK › ST. MICHAEL › STEBBINS › TELLER
UNALAKLEET › WALES › WHITE MOUNTAIN

SHARING THE SUCCESS

Message From the Chairman

It is an honor to again be able to address our friends and fellow Norton Sound residents on behalf of NSEDC with a report that sums up our activities for the previous year.

We are proud to note that in 2012 NSEDC continued our record of growing programs and services, delivering more benefits and positively impacting more residents than ever before. NSEDC experienced another successful year in 2012, and we work hard to spread the results of that success as far and wide as possible in the region.

Of all the things NSEDC creates, I believe the most valuable item is opportunity. So much of what NSEDC does is geared toward giving communities and individuals the tools needed to improve their quality of life. For residents, this most often comes in the form of providing access to training, education and jobs—all giving people increased ability to provide for themselves. NSEDC does the same for communities and entities, allowing them to direct NSEDC funding to their highest priorities through programs like the Community Benefit Share and Outside Entity Funding.

NSEDC is many things to the residents of Norton Sound. Some primarily know us as the fish buyer for our resident fishermen, while others have pursued their education with the help of NSEDC scholarships or training funds. Many residents have connected with good-paying careers in the Bering Sea

commercial fisheries through NSEDC's partnerships, while others have realized their dream of opening their own business with NSEDC's help.

Many are aware of our work to lower fuel and energy costs through the Community Energy Fund and the Consolidated Bulk Fuel program. NSEDC is also well known for its extensive work in fisheries monitoring and research in the region, providing data and projects that benefit and bolster subsistence and commercial fisheries. On top of all this, we are also a seafood seller, a granting agency and a voice of advocacy for the Norton Sound region.

Despite operating in so many different directions with such a wide array of programs, NSEDC's operations are united in the common goal of serving our communities and residents. The teamwork it takes to make that happen doesn't stop with NSEDC staff and board members—it also requires meaningful participation by member community residents and entities. Whether that comes in the form of a commercial fisherman working to deliver us the highest quality catch possible or someone putting together a class for his or her community through NSEDC's Community Based Education program, collaboration with residents is vital to the success of NSEDC's programs.

I would like to thank my fellow Norton Sound residents for being an active partner with NSEDC in our efforts. Thanks also go to my fellow board members for all the thought and ener-



gy they put into giving NSEDC its guidance and direction. And, of course, a big thank you goes to the hard-working NSEDC staff who put the board's vision into action. And finally, I must acknowledge our fishing industry partners who help give us the means to make all that we do possible.

Far from an individual effort, NSEDC is an amazing example of what can be achieved when we collaborate for a common good. We will continue to achieve great things as long as we all work together.

Warm regards,

A handwritten signature in black ink that reads "Dan Harrelson". The signature is written in a cursive, flowing style.

Dan Harrelson,
Chairman of the Board



ABOUT NSEDC

NSEDC Member Communities



A CATALYST FOR OPPORTUNITY

Norton Sound Economic Development Corporation (NSEDC) is the Community Development Quota (CDQ) group representing 15 member communities in the Norton Sound/Bering Strait region of coastal western Alaska. NSEDC represents the northernmost communities in the CDQ program.

Since 1992, NSEDC has worked to bring the financial rewards of the Bering Sea/Aleutian Island commercial fisheries home to the communities and residents of the Norton Sound region. Through the CDQ program, NSEDC has delivered tremendous benefit and opportunity for our member communities.

Primarily this work has been done through commercial fishing. CDQ funds have been utilized to develop

regional seafood plants and support a fleet of tender vessels to serve resident commercial fishermen. NSEDC's loan programs have allowed more residents to either get their start or improve their commercial fishing operations. NSEDC has also connected hundreds of residents to jobs with our fishing partners in the greater Bering Sea.

NSEDC is a leader in the effort to ensure our regional fisheries are healthy and sustainable. Our Fisheries Research and Development program has served resident subsistence and commercial fishermen through both advocacy efforts and on-the-ground projects.

Beyond fishing, NSEDC has invested millions of dollars in work force development through scholarships and train-

ing programs for our member community residents. Many more millions have gone directly to address member communities' priorities through NSEDC's grant programs. NSEDC has also worked to reduce fuel and energy costs, sponsor youth activities, assist small businesses, and help residents in their times of need.

The pages of this report highlight NSEDC's work in 2012. We are proud of what we have accomplished and are dedicated to continually living up to NSEDC's mission statement:

"NSEDC will participate in the Bering Sea fisheries to provide economic development through education, employment, training and financial assistance to our member communities."

NSEDC finds

SUCCESS

in an era of

STABILITY

While our member community residents may not have noticed any difference, the year 2006 marked a turning point for Norton Sound Economic Development Corporation (NSEDC) and the Community Development Quota (CDQ) program. This was the year that the CDQ program was written into federal law, setting the stage for unprecedented growth for the groups and the opportunity to put more focus on member communities.

Of the many things this legislation provided, its farthest reaching impact has been the increased certainty afforded to each of the six groups that make up the CDQ program. The law stopped what had been a continual competition between the groups for fishery allocations, allowing them to dedicate even more time and energy into developing programs and services for CDQ communities and their residents.

Simply put, the changes enacted in 2006 finally allowed CDQ groups to concentrate on the work they were tasked with from the very beginning.

Numbers tell the tale

A mandated review in 2012 gave the CDQ groups their first chance to quantify how well they had performed since being written into federal law. The review evaluated the groups during a five-year period, starting from 2006 when the law was passed. For NSEDC, the results were telling and overwhelmingly positive.

In those five years, NSEDC nearly doubled the number of individuals we directly employ and increased wages by more than 81 percent. Between 2006 and 2010, more than \$33.5 million in wages were earned by those working in jobs either directly supported by or related to NSEDC. Likewise, payments to fishermen delivering to NSEDC's in-region seafood operations doubled, growing from \$1.7 million in 2006 to \$3.3 million in 2010. A total of \$12.6 million was paid out to fishermen over those five years.

The changes enacted in 2006 finally allowed CDQ groups to concentrate on the work they were tasked with from the very beginning.

Employment and earnings were not the only performance indicators to experience dramatic growth since 2006. NSEDC doubled our investment in scholarships over the five-year period, increasing from \$341,000 in 2006 to \$681,000 in 2010. In total, NSEDC invested more than \$2.55 million in scholarships during the five-year period. An additional \$526,000 was spent on training efforts during the review period.

NSEDC has seen a number of our programs take strides forward in recent



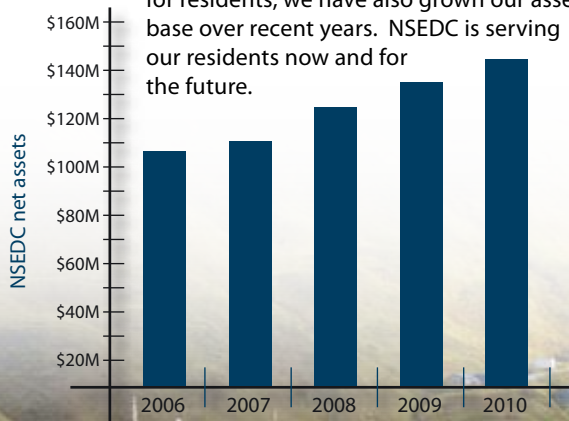
years. In 2006, the annually distributed Community Benefit Share jumped to \$100,000 a year for each of NSEDC's member communities. In 2012, that amount more than doubled, resulting in a \$300,000 distribution to each community for a total of \$4.5 million for the year. Since 2006, NSEDC has allocated \$13.5 million toward the Community Benefit Share program. NSEDC also added new benefit programs since 2006, including the Community Energy Fund, the Consolidated Bulk Fuel program and the Small Business Initiative, among others, dedicating several more million dollars to support the region and its residents.

NSEDC has also realized financial success since 2006, putting the organization on solid footing for the future. NSEDC grew our asset base by 34 percent between 2006 and 2010, climbing from \$108 million to \$144 million in 2010. In addition to our CDQ allocations, NSEDC has acquired other fishery assets to help diversify our holdings and insulate the corporation against downturns in individual fisheries. NSEDC has wisely balanced our investments between our programs and services for residents and maintaining a strong organization that will serve our region for years to come.

NSEDC BY THE NUMBERS

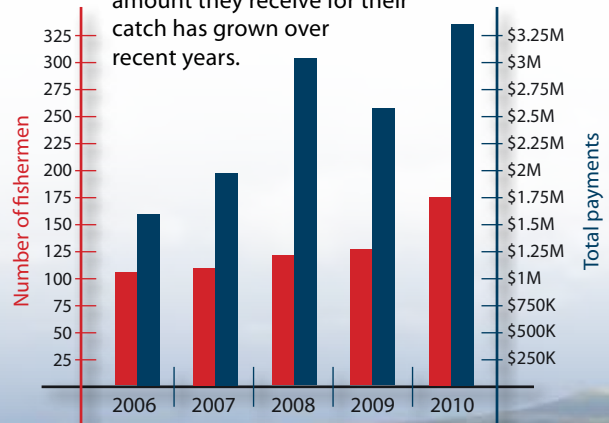
Net assets

As NSEDC has expanded our benefit programs for residents, we have also grown our asset base over recent years. NSEDC is serving our residents now and for the future.



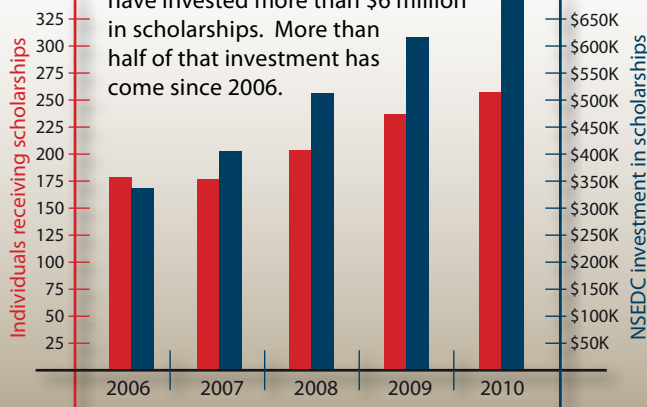
Payments to fishermen

Both the number of fishermen delivering to NSEDC and the amount they receive for their catch has grown over recent years.



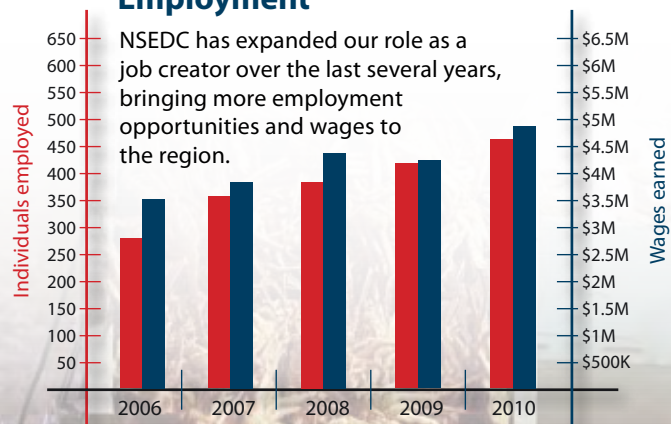
Scholarships

Over NSEDC's 20-year history, we have invested more than \$6 million in scholarships. More than half of that investment has come since 2006.



Employment*

NSEDC has expanded our role as a job creator over the last several years, bringing more employment opportunities and wages to the region.



*Employment data includes direct employment by NSEDC, employment through NSEDC's fishing partners, and employment as a result of NSEDC grant funding. The data does not include payments made to fishermen delivering to NSEDC.





NORTON SOUND SEAFOOD PRODUCTS



For more than 17 years, NSEDC has steadily increased the value and participation in the region's fisheries through our seafood purchasing and processing operations under the Norton Sound Seafood Products (NSSP) division. Commercial seafood operations act as NSEDC's most significant income generator for residents.

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NSEDC has made substantial investments over the years to provide infrastructure that helps get resident fishermen on the water and enables them to receive a better price for their catch. NSSP purchases, processes, markets and sells a variety of seafood harvested in-region, including herring, salmon, halibut, crab and bait fish.

NSEDC and NSSP's work to support and grow our regional fisheries is at the heart of the CDQ program and our efforts as an economic development organization. Through the development of our most valuable renewable resource—our fisheries—NSEDC has made great strides in improving Norton Sound residents' ability to earn income.

NSSP serves resident fishermen with a number of tender vessels and facilities that include the Norton Sound Seafood Center in Nome, a seafood plant in Unalakleet, the Savoonga halibut buying station, and fisheries support services in Golovin, Elim and Shaktoolik. NSSP's

tender vessels purchase salmon, crab and herring on the grounds, utilizing refrigeration systems to preserve the quality of the catch as it moves to the processing plant and on to market.

NSSP's plants and tender vessels not only provide a service to the fishermen, they are also an important source for employment for member community residents from throughout the region. Member community residents from outside of Nome and Unalakleet who are hired at NSSP seafood plants receive a housing stipend and have their travel paid so they can benefit from the employment opportunities created during the summer fishing seasons. In 2012, 12 residents worked in Nome under this program while 16 worked at the Unalakleet plant. Residents working on NSSP's tender vessels are from communities from throughout the region.

In 2012, NSEDC developed even more fisheries infrastructure in the region by constructing fishery support buildings in Elim and Golovin. These facilities are a great example of how NSEDC's programs work together; the development of the buildings was accomplished through the Community Benefits Department's Shoreline Improvement Program to assist NSSP operations. The construction of the buildings creates a number of temporary jobs in the communities and permanent

infrastructure that allows better participation in fisheries. The support centers serve as a storage location for safety and fishing gear, as well as provide a protected space to help facilitate NSSP operations in each community.

Another record payout for crab

Resident crab fishermen continued to enjoy high dock prices and a sizeable harvest in 2012, allowing NSSP to eclipse our record payout made to crabbers just one year earlier. We set a new high in 2012 with more than \$2.4 million paid to fishermen.

NSSP works to find the best markets possible for our residents' catch, putting those gains right back into the dock price for fishermen in all our fisheries. The 2012 crab dock price of \$5.50 per pound was a 4 percent increase over 2011 and a 46 percent increase over the price paid in 2010. The continued high dock prices have attracted more residents into the Norton Sound red king crab fishery with 31 fishermen participating in 2012. Fishermen from Nome, Shaktoolik, Unalakleet, Golovin and White Mountain delivered more than 455,000 pounds to NSSP in 2012.

Left: Tomcod fishermen of all ages work the ice next to the Norton Sound Seafood Center in Nome. NSSP expanded our bait-fish purchasing in the winter of 2012-2013, allowing residents young and old to earn income while fishing through the ice close to home.

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2012 NSSP Harvest by Community

Community*	Pounds									
	Salmon				CDQ Crab	O/A Crab	Winter Crab	Halibut	Finfish	Herring
	Red	Coho	Chum	Pink						
Elim	15	23,358	23,407	132,348	-	-	1,774	-	279	-
Golovin	-	3,647	18,694	64,490	-	27,684	995	-	9,575	-
Koyuk	96	24,610	51,100	113,275	-	-	-	-	-	-
Nome	9	-	3,124	133	20,929	277,680	6,014	39,339	21,687	2,609
Savoonga	-	-	-	-	-	-	-	53,022	-	-
Shaktoolik	212	54,389	143,538	58,884	11,000	57,559	4,648	-	384	-
Unalakleet	392	140,256	189,847	121,828	2,981	54,108	10,093	158	7,877	9,833
St. Michael	-	-	-	-	-	-	91	-	-	1,200
White Mountain	-	-	-	-	-	3,332	-	1,436	-	-
Totals	724	246,260	429,710	490,958	34,910	420,363	23,615	93,955	39,802	13,642

* "Community" refers to where a fisherman resided, not necessarily where he or she fished.

NORTON SOUND SEAFOOD PRODUCTS



Fishing vessels dock in Golovin as they wait for better weather. Some were targeting red king crab while others would pursue salmon.

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Majority fish for salmon

The region's salmon fishery continues to lead in terms of resident participation. In 2012, 129 permit-holders from six member communities were paid nearly \$900,000 for their harvests. The commercial salmon fishery also supports residents in subsistence activities with many fishermen using their commercial equipment and income for subsistence fishing.

Poor weather, unforeseen difficulties with tendering operations and fishery conservation measures all were factors limiting resident fishermen in 2012, helping lead to a reduced catch and payout in 2012 compared to the previous year. Similarly, a sac roe her-

ring fishery earlier in the season failed to materialize due to ice conditions. NSEDC's Board of Directors responded to the difficulties by approving a hardship payment for fishermen who participated in the salmon and herring fisheries.

Halibut provides valuable harvest

In 2012, 25 Norton Sound resident fishermen landed a total of nearly 94,000 pounds of halibut for a total payout of nearly \$555,000. The lion's share of the harvest came from 16 Savoonga fishermen who delivered more than 53,000 pounds of the flatfish to NSSP's small seafood plant on St. Lawrence Island, receiving a total of more than \$313,000 for their efforts.

Halibut offers an important income opportunity for residents of Savoonga as the only commercial fishing opportunity available in proximity to St. Lawrence Island. The Savoonga fishermen impressively haul in their catch by hand using small skiffs.

The remainder of the halibut delivered to NSSP came from fishermen in Nome, Unalakleet and White Mountain, who caught nearly 41,000 pounds.

Winter does not stop commercial fishing

In 2012 NSEDC continued to develop unique winter commercial fishing opportunities, including through-the-ice fisheries for red king crab and bait

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NORTON SOUND SEAFOOD PRODUCTS

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fish such as tomcod. The crab is sold live since the frozen harbor prevents NSEDC's seafood plant from operating at full capacity. Fishermen were paid more than \$152,000 for the sale of more than 23,600 pounds of crab, a dramatic increase from 2011.

Likewise, NSSP was able to draw many more residents into participating in the winter bait fishery. Bait fishermen delivered more than 37,000 pounds of miscellaneous fin-fish to NSSP, receiving more than \$18,300 for their efforts. Both the winter crab and bait fisheries are attractive to residents due to the relatively small investment needed to participate.

NSSP's David Walluk loads a set of crab pots for Nome crab fisherman Howard Farley Jr. on his vessel the Juliana III. Farley and other crab fishermen were readying for the first set of the 2012 season.



NSEDC LOAN PROGRAMS

Since 1993, NSEDC has helped the region's resident fishermen participate and become more competitive in the Norton Sound commercial fisheries through our loan programs.

Loans are available for fishermen targeting catches that include herring, salmon, red king crab, halibut and bait fish. NSEDC also provides brokerage services to residents, matching up buyers and sellers of boats and permits.

Revolving Loan Program

NSEDC offers low-interest loans with minimal down payments to local residents for vessel and equipment upgrades, and for purchasing fishing gear, outboard motors, Norton Sound salmon permits, Lower Yukon salmon permits, Norton Sound herring permits, and Norton Sound red king crab License Limitation Program (LLP) permits.

In 2012, NSEDC made 40 loans totaling \$502,000 to residents in the communities of Elim, Golovin, Koyuk, Nome, Savoonga, St. Michael, Teller and Unalakleet.

Revolving Loan Terms:

- \$25,000 maximum for permit holders
- Up to seven-year payback term
- 10% minimum down payment
- Credit check and 90-day delinquency limit
- 0% interest for first three years
- 2% interest commencing in fourth year of loan

Large Vessel Loans

The Large Vessel Loan program provides further assistance to local fishermen in acquiring suitable vessels and

vessel re-powers for participation in the Norton Sound red king crab and 4D/4E halibut commercial fisheries. NSEDC designed the Large Vessel Loan Option to maximize benefits to fishermen at minimal cost to them. In 2012, two large vessel loans were made for a total of \$100,000 to residents in Shaktoolik and Unalakleet.

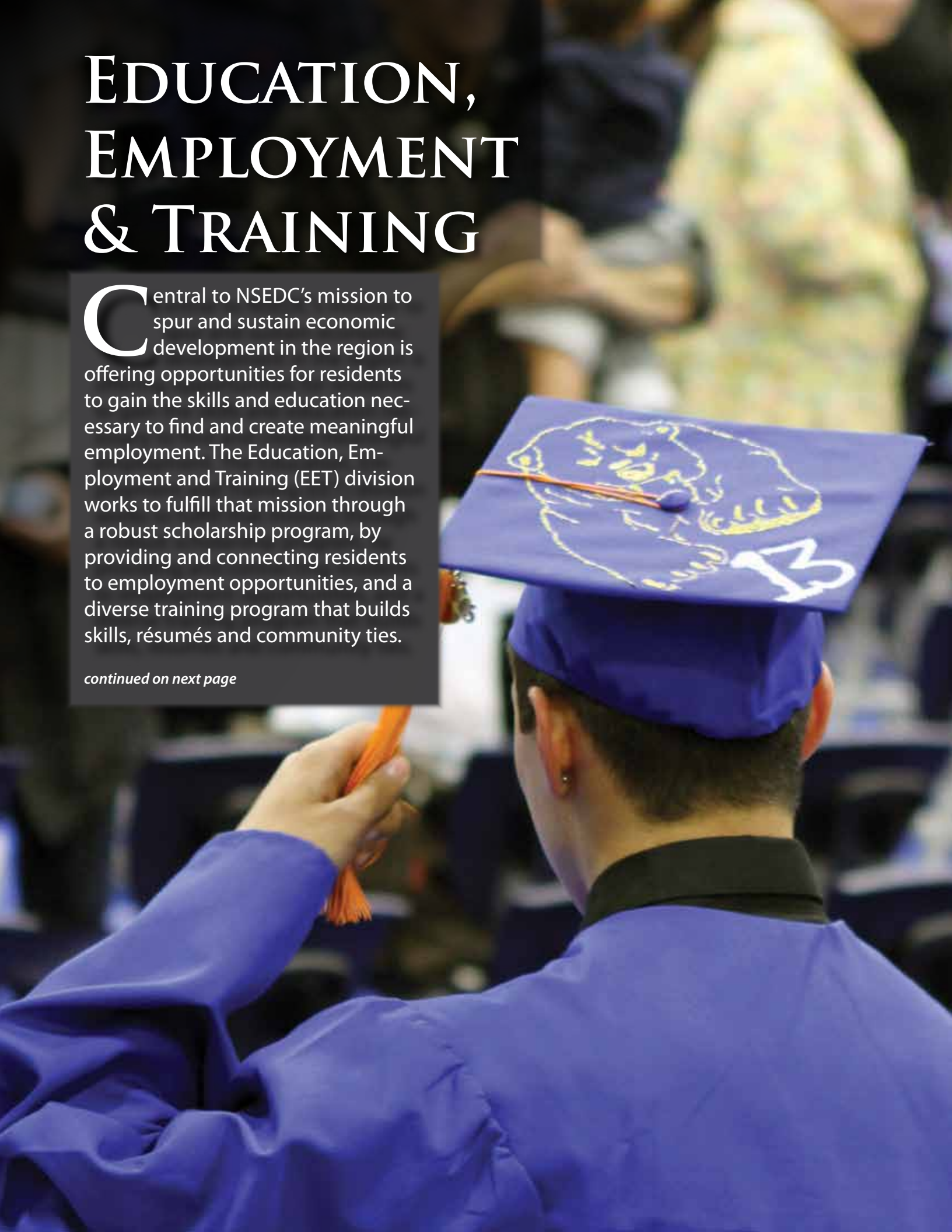
Large Vessel Loan Terms:

- \$100,000 maximum for LLP holders & \$75,000 maximum for non-LLP holders
- Up to 10 year-payback term
- 5% minimum down payment
- Credit check and 90-day delinquency limit
- 0% interest for first three years
- 2% interest commencing in fourth year of loan

EDUCATION, EMPLOYMENT & TRAINING

Central to NSEDC's mission to spur and sustain economic development in the region is offering opportunities for residents to gain the skills and education necessary to find and create meaningful employment. The Education, Employment and Training (EET) division works to fulfill that mission through a robust scholarship program, by providing and connecting residents to employment opportunities, and a diverse training program that builds skills, résumés and community ties.

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Scholarships approach the \$6 million mark

NSEDC views the support of education as a critical element in the development of local and regional economies. We are proud to support member community residents as they receive the training and education necessary to work as teachers, medical professionals, pilots and heavy equipment operators, among the many other professions pursued by our scholarship recipients.

The scholarship program continues to be one of the most utilized and direct benefit programs NSEDC offers. Access to education and training leads to greater opportunity for individuals while giving them the tools to better serve their community and region.

In 2012, scholarships were awarded to 266 residents spread throughout all of NSEDC's member communities, as well as to 13 Shishmaref residents. While Shishmaref is not part of the CDQ program due to its geographic location, it is very much a part of our region and NSEDC extends some of its benefit programs to the community.

In total, 279 individuals received a total of 396 scholarships for post-secondary and vocational education in 2012. NSEDC invested more than \$750,000 in scholarships for the year, bringing our total contributions toward scholarships to nearly \$5.9 million since NSEDC's start.

NSEDC creates jobs on several fronts

NSEDC creates employment opportunities in a number of ways:

- Direct hire in NSEDC administrative positions
- Norton Sound Seafood Products' operations—both in terms of NSSP employees and payments made to fishermen
- Tender vessel captain and crew positions
- Fishery enhancement and development activities
- Connecting residents to jobs with Bering Sea harvesting/processing

partners

- The Clean Waters marine debris clean-up program
- The NSEDC Community Employment Program which funds positions for NSEDC scholarship recipients or other residents with city or tribal offices during the year
- Funding grants that have a local employment component

A breakdown of wages and employment categories supported by NSEDC can be found on page 12.

In 2012, 25 residents worked for NSEDC's harvesting and processing partners, such as Glacier Fish Company, Aleutian No. 1 LLC and Bering Fisheries, earning nearly \$540,000. Work with NSEDC's partners varies from positions on the deck of a crab vessel to employment in the factory section of floating processors. NSEDC's EET department prepares residents for these positions by sponsoring two courses a year at AVTEC in Seward which cover safety training and other areas in preparation for work on a vessel.

Employment on these vessels is an important opportunity for Norton Sound residents to gain greater knowledge and experience with Bering Sea commercial fishing. These jobs also give residents the ability to earn and bring home significant wages. While some residents work only seasonally in these positions, others have made careers by working with our partners, earning a good living

for their families. Since 2006, this partner employment has resulted in nearly \$5.8 million being paid to workers connected to the industry through NSEDC.

Employment opportunities related to NSEDC also occur closer to home. In 2012 Norton Sound Seafood Products (NSSP), which has plants in Nome, Unalakleet and Savoonga, paid out nearly \$900,000 in seasonal wages to 151 employees, not including the NSSP administration. In the summer months, the number employed by NSSP swells when residents from regional communities travel to Nome and Unalakleet for work. The fishing season also creates employment opportunities on our regional tender vessel fleet. In 2012, nearly \$637,000 was paid out to 26 employees working seasonally on regional vessels.

NSEDC also provides opportunities for the region's youth to work and gain job skills in a variety of fields. NSEDC implemented its Community Employment Program in 2011 to provide work for NSEDC scholarship recipients or other residents. The program offers funding for positions with city or tribal offices, enabling the scholarship recipients to earn money to help defray the cost of their education. While the program is prioritized for scholarship recipients, it is open to other member community residents. In 2012, nearly \$90,000 in wages were earned by 11 residents

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2012 NSEDC Education & Training Statistics				
<i>Scholarships</i>	<i>Individuals</i>	<i>Scholarships</i>	<i>Expenditures</i>	
Post-Secondary	211	317	\$597,645	
Vocational	67	79	\$155,167	
Total Scholarships	279	396	\$752,812	
<i>Training</i>		<i>Trainings*</i>	<i>Expenditures</i>	
Vocational Training		183	\$143,173	
Fisheries Related Training		104	\$122,587	
Other Training		39	\$26,223	
Total Training		326	\$291,983	
Total			\$1,044,795	
<small>* Individuals may be counted more than once if they avail themselves of multiple NSEDC-supported training opportunities.</small>				

EDUCATION, EMPLOYMENT AND TRAINING



Nome's newest nurses (l to r) Sarah Weaver, Amber Ryan and Jessica Mute applaud one of their mentors during their pinning ceremony in Nome. The three women showcase how NSEDC's programs can work together to benefit residents. All three pursued their nursing education with the help of NSEDC scholarships through the EET program. NSEDC also gave substantial financial assistance to the nurse training program through the Community Benefits department.

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working in 10 member communities.

NSEDC also helps younger community members prepare for administrative careers through internships in our various departments. An internship is also available with our partner, Glacier Fish Co., in their Seattle office.

Each summer, residents from member communities help keep NSEDC's Fisheries Research and Development division running by working as fish technicians. These technicians, ranging from recent high school graduates to more seasoned employees, perform a wide range of field work on rivers throughout the region. In 2012, NSEDC paid more than \$420,000 in wages to 47 seasonal technicians either working directly for NSEDC or for the Alaska Department of Fish and Game with their wages paid by NSEDC.

Employment for the past several years has also been provided through the Fisheries Research and Development division's Clean Waters program. This program hires local crews to conduct beach cleanups in the vicinity of their

community. This program has been extremely popular, both for its employment component and the positive impact it has on the environment.

Training supports students of all ages

Overall in 2012, NSEDC invested more than \$290,000 to provide 326 training

opportunities for residents. These opportunities ranged from commercial driver's license courses in member communities to career exploration trips for high school students and their teacher chaperones.

NSEDC firmly believes in supporting this wide array of training opportunities as a means of improving the lives of member community residents and the region as a whole. Vocational training, such as commercial and general driver's license classes, can be held in a member community and provide residents with some of the basic skills that help land and keep a job. Training opportunities are also aimed at helping fishermen improve their operations, whether it is a net hanging class, helping a resident obtain a license to operate a vessel or a marine safety workshop. Other classes strengthen communal or cultural ties. NSEDC has sponsored Inupiaq language classes in many of our communities over the past several years, as well as classes in skin sewing and beading.

NSEDC also places value on providing training for our staff and board members, with much of it directed toward our in-region seafood operations. NSEDC has sponsored or trained many NSSP employees in refrigeration and vessel-related work, among other areas.



Teachers take a turn as students at a NSEDC-supported cultural camp for new educators to the region. The course at Tom and BJ Gray's Niukluk River camp gives the educators insight into the culture and traditions of the region's residents.

EDUCATION, EMPLOYMENT AND TRAINING

2012 EMPLOYMENT STATISTICS	People	Wages
Management/Administrative		
NSEDC	31	\$2,129,379
NSSP / Vessel Management	8	\$360,382
Total Management/Administrative	39	\$2,489,761
CDQ Pollock Related*	19 residents in 37 quarterly positions	\$412,043
<i>* As of 2010, pollock-related figures no longer count residents who moved from NSEDC member communities or live in neighboring communities. When other Western Alaska residents and former NSEDC member community residents are counted, a total of 24 people worked in 49 quarterly positions, earning \$507,799</i>		
NSSP Employment	151	\$897,163
Regional Vessel Employment	26	\$636,851
Other NSEDC Employment	44	\$208,626
Fishing		
Bering Sea Partner Employment (non-pollock)	6	\$127,584
Open-Access Norton Sound Winter Red King Crab	38	\$152,334
Open-Access Norton Sound Red King Crab	31	\$2,273,055
NSEDC CDQ Red King Crab	11	\$187,558
Norton Sound Salmon	129	\$888,611
Norton Sound Herring	8	\$4,092
NSEDC CDQ Halibut	25	\$554,955
Misc. Finfish	29	\$22,401
Total Fishing	277	\$4,210,590
NSEDC Community Outreach Liaisons	16	\$116,475
NSEDC Community Employment Program	11	\$89,516
Fishery Technicians		
NSEDC Salmon Rehabilitation	29	\$321,418
NSEDC Fisheries Development	13	\$32,575
ADF&G Fishery Technician Interns (NSEDC funded)	5	\$66,806
Total Technicians	47	\$420,799
TOTAL EMPLOYMENT*	630**	\$9,481,824

* "Total Employment" in this chart refers to those directly employed by NSEDC and those earning money through NSEDC-supported fisheries activity.

** Employment totals prior to 2011 counted pollock employment by the number of positions per quarter. The 2012 total reflects individuals on an annual basis. If calculated in the same method as was used in 2010, the total employment number would be 637.

FISHERIES RESEARCH & DEVELOPMENT



From our very start, NSEDC has realized that efforts to support and enhance salmon returns to the rivers of our region needed to be an integral part of our mission.

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NSEDC's work with fish in the Norton Sound region goes far beyond our seafood processing operations. The Norton Sound Fisheries Research and Development division (NSFR&D) coordinates NSEDC's extensive fisheries monitoring, research and restoration efforts.

NSFR&D seeks to maximize opportunities for both subsistence and commercial harvests through projects that integrate fisheries research with applied fisheries biology. In other words, NSFR&D employs teams of biologists and technicians who perform boots-on-the-ground work in addition to research and analysis efforts.

NSFR&D's priority is to help maintain sustainable populations of the region's most heavily utilized species: king salmon, red salmon and red king crab.

NSFR&D's work to support commercial and subsistence fishing efforts comes in a number of forms. We have a wide network of fish-counting towers and weirs, as well as numerous salmon restoration and enhancement projects. NSFR&D conducts a broad array of survey and research work, while also acting as a strong advocate for regional interests.

We work to create new sustainable commercial harvesting opportunities in the region. Additionally, NSFR&D administers environmentally oriented projects, including a region-wide marine debris cleanup program, a water sampling program and participation in watershed alliances.

The full-time NSFR&D staff consists of six employees divided equally between Nome and Unalakleet. During the peak of the summer field season, on average, there are an additional 35 seasonal employees distributed throughout the region in various projects. Beyond providing employment, these positions allow residents to be directly involved in the management of their fisheries.

Left: NSEDC Biologist Kevin Keith scans the water just downstream from the Pilgrim River weir. The weir counts all fish moving upstream, but was primarily installed to track the returns of sockeye salmon to Salmon Lake. The sockeye counts help NSEDC manage our Salmon Lake fertilization project.

2012 NSFR&D Projects	
Nome area	Salmon mist incubation; Salmon Lake fertilization; Pilgrim River sockeye smolt; Pilgrim River adult salmon weir; Eldorado River adult salmon counting weir; Snake River adult salmon counting weir; salmon stream water baseline.
Golovin	Salmon stream water baseline.
Shaktoolik	Shaktoolik River adult salmon sonar counter.
Unalakleet	Chinook salmon rehabilitation; North River adult salmon counting tower; Eastern Norton Sound crab studies; herring monitoring.
Koyuk	Iglutalik River adult salmon counting tower.
Savoonga	Marine debris cleanup.
Wales	Marine debris cleanup.
White Mountain	Chinook salmon rehabilitation (assisted Native Village of White Mountain).
Diomede	Marine debris cleanup.
Teller	Northern Communities Developing Fisheries test fishing.
Brevig Mission	Northern Communities Developing Fisheries test fishing.

Salmon restoration

Salmon fisheries, both subsistence and commercial, have been the backbone of the region's economy for the last century and well beyond. NSFR&D has focused its efforts to cover areas not addressed by the Alaska Department of Fish and Game's escapement and enhancement programs.

NSFR&D's work with salmon stretches to nearly every corner of the Norton Sound region. Through a technique known as mist incubation, NSFR&D has worked to enhance coho and chum salmon runs in the Nome and Solomon areas for years. NSFR&D continued its ground-work in 2012 to apply the technique to Chinook salmon production. As a start, two Chinook salmon were harvested in Unalakleet to provide fertilized eggs that NSFR&D incubated and later planted in the Unalakleet River system.

NSFR&D also works in partnership with other regional organizations, often offering technical assistance. In 2012, NSFR&D provided the Native Village of White Mountain with guidance as it prepared a Chinook mist incubation project of its own on the Fish River system. Another collaborative effort has been NSFR&D's work with Kawerak Inc. to provide assistance as they ana-

lyzed the results of the Western Alaska Salmon Stock Identification Program.

NSFR&D's other primary salmon enhancement work is based on Salmon Lake and the Pilgrim River. NSFR&D has rekindled and refined the Salmon Lake fertilization program that aims to provide for stable sockeye salmon runs that meet the area's subsistence and escapement needs. It will take a number of years to reach this goal as the program works to counter the lasting effects of several boom-and-bust years in the system.

In addition to fertilizing the lake to provide food for the rearing salmon population, NSFR&D tracks the young salmon (smolt) as they migrate out of the lake and through the Pilgrim River for the ocean phase of their life cycle. The number and, more importantly, the size of the smolt give an indication of what can be expected for future returns.

The sockeye return to Salmon Lake showed continued improvement in 2012. As of the writing of this report, the 2013 return was ongoing and had already outnumbered the return of 2012. The returns for 2014 and 2015, however, are predicted to be low as the effects of the past boom-and-bust cycles still linger in the system.

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Top: NSFR&D Director Charlie Lean helps two young Nome Elementary School students get over their initial anxiety about examining the insides of a white fish. Lean, along with other NSFR&D biologists and technicians, visited the classroom to talk about the various fish found in area rivers and how they survive in their aquatic environment.

Above: NSFR&D biologist Kevin Keith shows a student at the Northwestern Alaska Career and Technology Center how biologists plant fertilized salmon eggs in area rivers. NSEDC uses this mist incubation technique to rehabilitate salmon runs.

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Numbers that really count

Along with enhancement projects, NSFR&D operates a wide array of salmon escapement projects throughout the region. These counting towers, weirs and sonar projects are vital to the region for a number of reasons. The most immediate and direct benefit residents gain from these efforts is the ability to maximize the use of salmon for subsistence and commercial fishing once the necessary escapement for future runs is assured. Counting fish doesn't directly create more salmon—but it does put more fish on residents' racks and more money in commercial fishermen's wallets. It also helps ensure we will have fish in the future.

NSFR&D operates escapement, or enumeration, projects on the Snake (weir), Pilgrim (weir), Iglutalik (tower), Shaktoolik (sonar), Eldorado (weir), and North (tower) rivers. Most of these projects are staged in remote areas, requiring our technicians to spend their summers in camps where they gain both employment and valuable field experience.

Red king crab

NSFR&D's work with red king crab occurs in a variety of venues: on the water, at meeting tables and in front of regulatory bodies. NSFR&D's persistent work in all these realms has resulted in gains for fishermen and assurances that the resource is being sustainably managed.

The year 2012 marked the first of a three-year red king crab study in Norton Sound. NSEDC and the Alaska Department of Fish and Game partnered to receive a North Pacific Research Board grant for a project that set out to answer a number of questions. The work aims to determine if there are distinct red king crab stocks between eastern and western Norton Sound while also assessing the incidental harvest of sub-legal crab and unintended species.

While the results are still very preliminary, it appears current fishing practices are showing considerable gains in reducing the unintended catch of smaller crab and non-target species. The study has also shown so far that large mesh appears to be more effective than escape rings in allowing sub-legal crab to escape from pots. The project is slated to continue through the 2013 and 2014 crab seasons.

NSFR&D has also worked cooperatively with Fish and Game for a number of years to support the triennial Norton Sound survey. Fish and Game conducts the trawl survey every three years to primarily reassess the Norton Sound red king crab population and to set the guideline harvest levels for the following three years.

Recognizing that Fish and Game's available funding limits the survey's geographical reach, NSFR&D funds the expansion of the project to include a greater portion of eastern and southern Norton Sound. Thanks to this funding, a significant concentration

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NORTON SOUND FISHERIES RESEARCH & DEVELOPMENT



NSEDC's weir on the Pilgrim River supports our Salmon Lake fertilization efforts. While all species of salmon that pass the weir are counted, NSEDC's focus is on sockeye salmon.

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of crab was found in the expanded area in 2011. This provided assurances regarding the overall population's stability and ultimately helped preserve consistent harvest quotas for the region's fishermen.

NSFR&D's work with crab also comes in the form of advocacy. From the Alaska Board of Fisheries to the North Pacific Fishery Management Council, NSEDC biologists are actively involved in tracking and commenting on issues that may affect the health of our crab fishery and the ability of regional fishermen to sustainably harvest. Issues range from new population modeling for the crab stock to the impact of increased mining activity offshore along the Norton Sound coast.

Educational outreach

NSFR&D also dedicates time and energy to encouraging the next generation to consider fishery-related careers. This begins with visits to schools and classrooms. NSFR&D biologists work with classrooms throughout the region to study salmon and other fish that inhabit our rivers.

In Nome this took the form of leading fish dissections and providing salmon eggs that were hatching for classrooms to examine. In Unalakleet, NSEDC aided students in conducting a "salmon in the classroom" project by helping them collect coho salmon from the Little North River. NSEDC guided the students in catching the salmon with a seine net, gathering eggs and milt, and fertilizing the eggs so they could grow inside a classroom

incubator over the year.

NSFR&D also offers learning opportunities that go beyond the classroom. NSFR&D recruits seasonal workers as they reach the age of 18, keeping an eye out for young adults who show interest in the field. NSFR&D biologists encourage these young adults to further their education and/or move into more senior positions.

Fisheries development

NSFR&D works to support the commercial fisheries in Norton Sound. In addition to research projects, like those conducted for crab, NSFR&D can at times directly assist with a fishery. In years when ice conditions permit, eastern Norton Sound fishermen target sac roe herring. NSFR&D biologists fly aerial surveys to support the fleet in locating marketable herring, directing fishing and processing vessels to areas with prime quality fish.

We also work to identify potential regional commercial fisheries where none currently exist. NSFR&D supplies and works with test fishing crews in NSEDC's northern communities of Brevig Mission and Teller. These crews are working to test the viability of long-line and pot fisheries in the vicinity of their communities.



Staff from NSFR&D joined students and staff from Unalakleet's school (as well as KNOM Radio staff) to assist with capturing coho salmon for an in-classroom incubation project. NSFR&D collected and fertilized the eggs so that the students could track their development.



COMMUNITY BENEFITS

N SEDC's Community Benefits department administers a wide array of programs for Norton Sound residents that address everything from high fuel costs to substance abuse prevention.

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Many Community Benefits programs allow local entities—such as municipalities, tribal organizations and nonprofits—to apply millions of dollars in NSEDC funding to their specific needs. Community Benefits also operates on a smaller scale, offering assistance to families, communities and organizations in their times of need. This type of aid comes in diverse forms, ranging from help in procuring necessities after a house fire to providing donations for a wide variety of entities' fundraising efforts.

Left: Ashley Agloinga bounces her way to the end of the obstacle course during NSEDC's Fisherman's Fair in White Mountain. The event celebrates the region's fishermen in each NSEDC member community. NSEDC held fairs in Savoonga, Gambell, Golovin and White Mountain in 2012.

Community Support

Community Benefit Share triples in 2012

Since 1999, NSEDC has provided a monetary distribution to each member community to be used as the community sees fit. Throughout the 13-year history of the Community Benefit Share, NSEDC has distributed \$1.1 million to each of our 15 member communities. In total, the program has invested nearly \$17 million directly into the region. Among the many needs addressed by these funds, Community Benefit Shares have been applied to communities' fuel bills, search and rescue equipment, police service, elder and youth programs, and various infrastructure and equipment needs.

Based on strong revenues in 2012, NSEDC's Board of Directors dedicated \$4.5 million to the program for the year. This equated to \$300,000 for each of our 15 member communities, triple the \$100,000 directed annually to each community for the previous six years. For the 2012 share, the board designated that \$100,000 of the share be spent to benefit the youth in each member community.

The Community Benefit Share is especially effective in that residents and leaders in each community decide how NSEDC's funds will best meet their needs. Remittance of the share is made to each municipal government which determines how the funds are spent through a public meeting process.

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2012 Outside Entity Grant Funding

Organization	Project Title	Amount
Native Village of Elim	Forest Trail/Firebreak	\$7,247
City of Elim	Search and Rescue Boat Purchase	\$27,000
City of Gambell	Landfill Upgrade	\$53,250
Chinik Eskimo Community	Golovin Cultural Celebration	\$38,916
City of Koyuk	Channel Marker/Buoy Phase II - Boating Safety Courses	\$14,869
City of Koyuk	Search and Rescue Boat and Snowmachine	\$40,999
City of Nome - Police Department	Community Services Officer Program	\$25,000
KNOM Radio Mission, Inc.	KNOM Radio Renovation	\$60,000
Savoonga Whaling Captains Association	Broaden Safety Equipment	\$60,000
City of Shaktoolik	Teen Center Renovation	\$65,000
City of Shaktoolik	Heavy Equipment Shop	\$60,367
Mary's Igloo Traditional Council	Mary's Igloo Community Development Center	\$50,000
Native Village of Unalakleet	Grant Administration and Accounting Personnel	\$49,526
Native Village of Wales	Search and Rescue Equipment Purchase	\$26,851
Native Village of Wales	Wales Whaling Captains Association Equipment	\$4,480
Native Village of Wales	2012 Kingikmiut Dance Festival	\$54,087
Native Village of White Mountain	Golovin Bay Watershed Database Creation	\$9,750
Regional Grants		
Native Village of Unalakleet	Sub-Regional Elder Services: Village Coordinators	\$25,000
Nome Volunteer Fire Department	Rural Fire Protection	\$75,000
Fisheries-related Grants		
City of Nome	Nome Harbor Floats Anchor System	\$193,126
Native Village of Elim	Tubutulik River Salmon Fisheries Protection Project	\$20,000
Native Village of White Mountain	Ichupak Instream Flow Monitoring & Chinook Documentation*	\$15,743*
Total		\$976,211

* Total grant of \$50,000 for three-year project (2011: \$18,356; 2012: \$15,743; 2013: \$15,817)

COMMUNITY BENEFITS

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Outside Entity Funding

The Outside Entity Funding (OEF) program is also designed to meet the needs as determined by the residents and entities located in NSEDC's member communities. The OEF program essentially works as a grant opportunity. Proposals are submitted both on a community and regional basis. NSEDC also accepts fishery-related proposals during the OEF application period. While fishery-related projects are eligible to receive OEF grant support, NSEDC may also elect to fund such projects directly through our internal budget process.

A total of nearly \$650,000 in OEF funding was awarded to member communities in 2012 and another \$213,000 was allocated for fisheries-related projects through the NSEDC Fisheries Research and Development department's budget. Another \$100,000 was dedicated toward projects with a regional scope and impact. In 2012 the regional funding was split between two groups. The Nome Volunteer Fire Department received funds to purchase equipment that can be quickly loaded on to aircraft for emergency response in regional communities. The Native Village of Unalakleet received funds to provide services for elders in eastern Norton Sound communities. A breakdown of the nearly \$1 million in total 2012 OEF funding is displayed on page 18.

In 2012 each member community was allocated \$60,000 for projects and/or programs identified as a priority. A Community Review Committee (consisting of each respective community's NSEDC director and at least two other appointed residents) prioritized their community's funding requests and sent their recommendations to the full board for approval. All recommendations brought to the full board in 2012 were approved. Communities that do not allocate their full OEF funding for the year are able to carry the balance forward.



(l to r) Shawn Takak, Eric Morris, Dan Harrelson, Andy Haviland, Davis Lincoln, Jack Adams and Luke Smith from the White Mountain Volunteer Fire Department celebrate the completion of White Mountain's new public safety building. The facility was constructed with \$100,000 in funding from NSEDC's Outside Entity Funding program.

Shoreside Improvement

The Community Benefits Department implements infrastructure projects through our Shoreside Improvement program. This program has resulted in the building of fish processing plants, harbor and dock construction and improvements, and other fishery-related items such as processing equipment and boat trailers.

In 2012, the Shoreside Improvement program worked to build fishery support buildings in both Golovin and Elim.

Tackling the high cost of energy

Consolidated Bulk Fuel

The high cost of fuel in the Norton Sound region affects nearly every aspect of life, whether it's gas to power a boat for commercial or subsistence fishing or fuel oil used to heat homes and businesses. By uniting under one large fuel order and benefitting from NSEDC's financial stability, entities in member communities have been able to acquire fuel at more advantageous prices through NSEDC's Consolidated Bulk Fuel Program.

Through this program, in its seventh year in 2012, NSEDC acts as a fuel pur-

chasing agent on behalf of participants. NSEDC purchases the fuel up front on behalf of participants and charges no interest or fees for administering the program. NSEDC is responsible for all payments to the fuel supplier, offering participants payment plans that are payable directly to NSEDC.

In 2012 Delta Western, Inc. was awarded the contract and delivered \$4.1 million worth of diesel fuel (748,000 gallons) and unleaded gasoline (266,000 gallons) to 25 participating vendors and entities.

Community Energy Fund

One of the best ways to save money on fuel is by using less of it. In 2009, the NSEDC Board of Directors approved the creation of the Community Energy Fund program, setting aside \$1 million for each member community. The program was created to facilitate the development of safe, efficient and reliable energy infrastructure in the Norton Sound region through upgrades to community power generation and distribution systems, alternative/renewable energy projects, and projects with potential for energy cost reduction.

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COMMUNITY BENEFITS

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Three member communities took advantage of the Community Energy Fund in 2012. The City of White Mountain was awarded \$234,500 to install equipment that applies waste heat from its new generators to heat the municipal water supply. The City of Nome utilized its entire \$1 million to help fund the installation of two large wind turbines. The City of Shaktoolik was awarded \$75,000 to insulate its municipal water storage system. Communities that do not spend their entire \$1 million allocation can apply the remaining balance to future projects.

2012 Energy Subsidy

Sometimes responding to our member communities' needs requires NSEDC to step outside our established programs and grant help when it is needed most. In 2012, the NSEDC Board of Directors authorized a one-time \$500 subsidy to all electrical utility account holders in the region. The assistance couldn't have come at a more needed time. The first few weeks of 2012 were brutally cold throughout the Norton Sound region, pushing bills and pocketbooks to their limits. In total, the subsidy paid \$1.34 million in utility bills for nearly 2,700 households in the region.

A springboard for small business

NSEDC recognizes that some of the best ideas to spur economic development come from those who are working to start their own business. The development of more regionally owned businesses helps create employment for residents and also bolsters the local economy by keeping funds in the region.

To foster and support that entrepreneurial spirit, NSEDC sponsored our fifth annual Small Business Initiative in 2012. The competitive grant program divides up to \$105,000 among winning proposals. In 2012, NSEDC received 21 Small Business Initiative applications.



Community Benefits Director Paul Ivanoff III (left) stands with the 2012 SBI grant recipients (l to r) Carol Charles, Ted Katcheak, Nils Hahn, Kim Galleher, Gary Eckenweiler and Kevin Busk. The chart below lists their businesses.

2012 Small Business Initiative Grant Winners				
Business	Owner	Description	Location	Award
Arctic Domes	Nils Hahn	Shelter dome sales / assembly	Nome	\$20,000
Arctic Wolves Taxidermy and Art	Gary Eckenweiler	Taxidermy and arts sales	Unalakleet	\$20,000
Cool Beans TNCO	Carol Charles	Coffee and snack shop	Unalakleet	\$14,000
Katcheak Reindeer Herd, LLC	Theodore Katcheak	Commercial reindeer meat distributor	Stebbins	\$11,000
Sawtooth Energy Solutions	Kevin Busk	Spray-foam insulation company	Nome	\$20,000
The Whimsy Shop	Kim Galleher	Fabric, yarn and gift store	Nome	\$20,000

The panel of judges, who are independent of NSEDC, selected six winners (see table on this page). Since its inception, the SBI has awarded more than a half million dollars to nearly 30 small business owners in the region.

Healthier communities

Part of supporting our member communities is helping to ensure residents have the ability to reach their full potential. To that end, NSEDC has directed funds and efforts toward programs that aim to prevent residents from falling prey to substance abuse.

NSEDC continues the Little Dribblers program in our 15 member communities and Shishmaref by donating \$3,000 to each school's youth basketball program. Basketball is a favorite sports activity in

the region; promoting physical fitness and providing a healthy alternative to drugs, alcohol and delinquency.

Additionally, NSEDC board members have a \$12,000 discretionary grant available to them to fund organizations or programs of their choice that focus on substance and alcohol abuse prevention activities in their respective communities.

NSEDC also supports a number of quality-of-life programs in each of our member communities. Throughout the year, NSEDC funds community-wide cleanups, holiday and community dinners, and provides support for a wide range of events. Individually, these donations and programs may seem small, but they have a major cumulative effect of fostering a greater sense of community and creating a healthier, better place to live.

QUOTA MANAGEMENT



Just as we work to build Norton Sound economies through our region's fisheries, NSEDC relies upon fishing in the Bering Sea and beyond to fund our programs and operations.

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Above: The processing begins on the catcher/processor Pacific Glacier. The vessel, owned by Glacier Fish Company, harvests fish quota that benefits NSEDC while also providing employment opportunity for Norton Sound residents.

NSEDC's main source of revenue comes from fishing rights allocated through the Community Development Quota (CDQ) program. For more than 20 years, the CDQ program has given communities along the western Alaska coast access to the fisheries of the Bering Sea. NSEDC has CDQ allocations for pollock, Pacific cod, many crab species, halibut, sablefish and several groundfish species.

In addition to CDQ allocations, NSEDC has also invested in Individual Fishing Quota (IFQ). Like CDQ, the IFQ gives NSEDC access to a number of different Alaskan fisheries, but differs in that it is

an asset that is owned and can be sold. Over the years, NSEDC has made careful investments in IFQ to diversify our fishery holdings and provide financial stability. In 2012, NSEDC made a significant investment in the western Aleutian golden king crab fishery. Managed through a subsidiary called KDS, the investment marked a sizeable IFQ addition in a fishery that is poised for growth.

To harvest our CDQ and IFQ resources, NSEDC enters into agreements with harvesters and processors to share in revenues from those harvests and the eventual sale of related products. NSEDC benefits from these arrangements

through royalties or lease fees, profit-sharing and distribution from ownership interests, as well as employment opportunities created for Norton Sound residents.

NSEDC enjoys long-standing relationships with many of these harvesters and has an ownership interest in several companies, including Glacier Fish Company, Aleutian No. 1, LLC, and Alaska Boat Company.

Between our CDQ and IFQ activity, NSEDC participated in 20 different fisheries in 2012. Another strong year of harvests generated more than \$17.4 million from CDQ activity and \$5.9 million through IFQ fishing.

CDQ Fishery	Target Harvest	Harvester
POLLOCK	26,818 mt	<i>F/T Alaska Ocean, F/T Pacific Glacier</i> (Glacier Fish Company)
PACIFIC COD	4,482 mt	<i>F/V Alaska Mist, F/V Pavlof</i> (Deep Sea Fisheries); <i>F/V Aleutian Sable</i> (Arctic Sablefish, LLC)
CRAB		
E. Aleutian Is. golden king	69,510 lbs	<i>F/V Aleutian No. 1</i> (A1 LLC)
Bristol Bay red king	141,354 lbs	<i>F/V Arctic Sea, F/V North Sea, F/V Bering Sea</i> (Coastal Villages Crab)
Bering Sea opilio	1,600,092 lbs	<i>F/V Ramblin Rose</i> (Diamondback Seafoods); <i>F/V Arctic Sea, F/V North Sea, F/V Bering Sea</i> (Coastal Villages Crab); <i>F/V Baranof</i> (Romanzof Fishing Co., LLC)
St. Matthew blue king	22,820 lbs	<i>F/V Wassilie B</i> (Coastal Villages Crab)
Norton Sound red king	34,910 lbs	Norton Sound resident fishermen
OTHER GROUND FISH		
Atka mackerel	726 mt	<i>F/V Northern Glacier</i> (Glacier Fish Company); <i>F/V Seafreeze Alaska, F/V Alaska Knight</i> (US Seafoods)
Pacific Ocean perch (POP)	269 mt	<i>F/V Northern Glacier</i> (Glacier Fish Company); <i>F/V Seafreeze Alaska, F/V Alaska Knight</i> (US Seafoods)
Yellowfin sole	1292 mt	<i>F/V Northern Glacier</i> (Glacier Fish Company)
Rock sole	847 mt	<i>F/V Northern Glacier</i> (Glacier Fish Company)
Flathead sole	82 mt	<i>F/V Northern Glacier</i> (Glacier Fish Company)
Arrowtooth flounder	273 mt	<i>F/V Northern Glacier</i> (Glacier Fish Company)
SABLEFISH		
Aleutian Islands	134,302 lbs	<i>F/V Cynosure</i> (HAT, LLC)
Bering Sea	87,073 lbs	<i>F/V Ballyhoo</i> (Arctic Packer, LLC)
HALIBUT		
Bering Sea (Area 4D)	93,844 lbs	Norton Sound resident fishermen
Bering Sea (Area 4D)	28,683 lbs	<i>F/V Ballyhoo</i> (Arctic Packer, LLC); <i>F/V Shemya</i> (Shemya Fisheries, LLC)
IFQ FISHERY	Target Harvest	Harvester
SABLEFISH		
Central Gulf of Alaska	157,791 lbs	<i>F/V Provider, F/V Transit, F/V Redemption, F/V Dynasty</i> (Wild Alaskan Seafoods, Inc.)
Western Gulf of Alaska	49,801 lbs	<i>F/V Transit, F/V Dynasty, F/V Letun</i> (Wild Alaskan Seafoods)
Aleutian Islands	39,647 lbs	<i>F/V Aleutian Sable</i> (Arctic Sablefish, LLC)
HALIBUT		
Gulf of Alaska (Area 3B)	14,151 lbs	<i>F/V Alaskan Pride, F/V Letun</i> (Wild Alaskan Seafoods, Inc.)
CRAB		
E. Aleutian Is. golden king	577,918 lbs	<i>F/V Aleutian No. 1</i> (A1 LLC)
W. Aleutian Is. golden king	535,890 lbs	<i>F/V Aleutian No. 1</i> (A1 LLC); <i>F/V Ballyhoo</i> (Arctic Packer, LLC)
Bristol Bay red king	139,224 lbs	<i>F/V Bulldog</i> (Alaska Boat Co.); <i>F/V Arctic Hunter</i> (Arctic Hunter, LLC); <i>F/V Arctic Sea</i> (Coastal Villages Crab)
Bering Sea opilio	2,186,344 lbs	<i>F/V Bulldog</i> (Alaska Boat Co.); <i>F/V Tempo Sea</i> (F/V Tempo Sea, LLC); <i>F/V Arctic Hunter</i> (Arctic Hunter, LLC); <i>F/V Baranof</i> (Romanzof Fishing Co., LLC); <i>F/V Arctic Sea</i> (Coastal Villages Crab); <i>F/V Karin Lynn</i> (Karin Lynn Fisheries, Inc.)

SIU ALASKA CORPORATION



Siu Alaska Corporation is NSEDC's subsidiary that was developed to manage activity and investments that fall outside our non-profit operations. Siu holds investments in a number of different commercial fishing ventures with a mission to manage and build investments to benefit NSEDC. Siu is directed by a seven-member board, three of whom are NSEDC-affiliated and four who are not affiliated with NSEDC and are appointed by NSEDC's Board of Directors.

The following sections recap the highlights for Siu's investments in 2012.

BSAI Partners

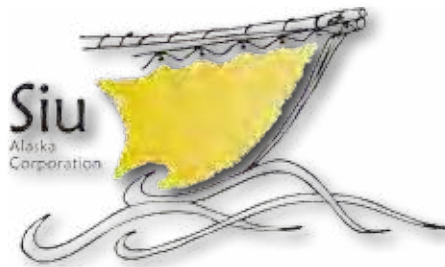
The formation of BSAI Partners LLC in 2011 brought NSEDC into a partnership with fellow CDQ group Coastal Villages Region Fund (CVRF) through our respective subsidiaries, Siu and Coastal Villages Pollock. BSAI acquired seven pollock vessels and the fishing rights to nearly 4 percent of the allowable pollock catch in the Bering Sea through the purchase of the pollock and crab assets of Wards Cove. The deal also included the crab vessel *Bulldog*. BSAI marked its first full year of operations in 2012, performing well financially and providing returns to Siu. Chris Kline joined BSAI Partners in 2012 to work as the company's general manager. Intensely conscious of the importance of salmon to Norton Sound and all of Alaska, the vessels under BSAI management make determined efforts to avoid salmon bycatch. These efforts have paid off with some of the lowest bycatch rates among the fleet.

Glacier Bay Fisheries

Siu Alaska owns the freezer-longliner *Glacier Bay* which harvests cod in the Bering Sea. Despite a difficult start due to an electrical fire on its first trip of the year, the *Glacier Bay* was able to harvest its quota. Siu works with Clipper Seafoods which manages the vessel's operations and sales.

Left: Glacier Fish Company's vessel, *Pacific Glacier*, heads out to sea. Through a long-standing partnership, the *Pacific Glacier* has fished quota for NSEDC and provided employment opportunities for many years.

Right: Siu purchased the crabbing vessel *Patricia Lee* in late 2012, adding to our harvesting capability.



Aleutian No. 1

Siu jointly owns the crab vessel *Aleutian No. 1 (A1)* with partners that included the vessel's two captains and the Bering Sea Women's Group in 2012. The year was busy for the *A1*, both on and off the water. The vessel's triennial shipyard visit resulted in significant overhauls and investment which will position the *A1* for continued success. Despite the time spent in the shipyard, the *A1* was able to harvest 3.1 million pounds of crab, a full million pounds more than the previous year. We are proud to report that member community residents continue to work as members of the *A1's* crew.

Patricia Lee

At the end of 2012, Siu added a second crab vessel to our holdings, the *Patricia Lee*. The vessel was first acquired by NSEDC in a transaction that was primarily targeted for Aleutian golden king crab quota. NSEDC sold the *Patricia Lee* to Siu in a subsequent transaction. Siu planned to convert the *Patricia Lee* from a catcher/processor to a harvesting vessel and utilize it for fishing golden king crab.

Dutch Harbor Acquisitions

In partnership with Copper River Seafoods, Siu is a 50% owner of Dutch

Harbor Acquisitions (DHA) which owns and operates the Bering Fisheries seafood plant in Dutch Harbor. DHA continued to make improvements to the plant in 2012 to position it well for future operations. This included preparations for a cod fillet line that was installed in early 2013 and the refurbishment of the plant's dock. The plant continues to produce its signature product, the Ultimate King Crab pack.

Glacier Fish Company

Siu Alaska holds NSEDC's ownership stake in Glacier Fish Company, the harvesting partner who fishes NSEDC's CDQ pollock allocation. Glacier Fish Co. continued successful harvest and process operations in the pollock and whiting fisheries with the *Alaska Ocean* and *Pacific Glacier*. The *Alaska Ocean* continued to see upgrades to its factory during the year. Glacier Fish Co. also works the mixed flatfish fishery with the *Northern Glacier*. A number of regional residents are employed on Glacier Fish Co.'s vessels, with many making a good-paying career out of the work. Glacier Fish Co. experienced a few moves in 2012, including the relocation of its offices in Seattle and the start of a management transition. Siu and NSEDC continue to enjoy our partnership with Glacier Fish Co.

Pacific Star

The *Pacific Star* is a vessel owned by Siu that is primarily hired for charter work. In 2012, the vessel was contracted for summer and fall surveying work. Siu decided to put the *Pacific Star* up for sale in 2012.



2012 NSEDC COMMUNITY HIGHLIGHTS

Brevig Mission

- Walter Seetot served as Board Member
- Darla Olanna and Sara Seetot served as Community Outreach Liaisons
- The City of Brevig Mission was awarded \$300,000 in Community Benefit Shares
- Three residents received NSEDC scholarships throughout the year
- Brevig Mission Native Corporation participated in NSEDC's 2012 Consolidated Bulk Fuel program
- Nearly 100 households received a total of \$49,500 in utility subsidies from NSEDC
- The community's board member discretionary grant provided \$12,000 to the Native Village of Brevig Mission for substance abuse, alcohol abuse or suicide prevention activities
- The City of Brevig Mission participated in NSEDC's Community Employment Program by employing a NSEDC scholarship recipient, or a resident of their choice if no recipient was available, during the summer
- Brevig Mission was provided a boat and funding for a crew to test fish for marketable species in proximity to the community
- NSEDC donated \$1,500 to the City of Brevig Mission to host a community holiday dinner
- NSEDC contributed \$3,000 to the Brevig Mission School for the Little Dribblers basketball program
- NSEDC contributed \$1,000 to the community cleanup
- Throughout the year, NSEDC made donations for: Brevig Mission School field trip, Native Village of Brevig Mission annual meeting, and the Brevig Mission Native Corporation annual meeting

Diomedede

- Orville Ahkinga served as Board Member
- Andrew Milligrock served as Community Outreach Liaison
- The City of Diomedede was awarded \$300,000 in Community Benefit Shares
- One resident received an NSEDC scholarship throughout the year
- The Little Store participated in NSEDC's 2012 Consolidated Bulk Fuel program
- Nearly 40 households received a total of

- \$19,500 in utility subsidies from NSEDC
- The community's board member discretionary grant provided \$12,000 to the Native Village of Diomedede for substance abuse, alcohol abuse or suicide prevention activities
- NSEDC contributed \$3,000 to the Diomedede School for the Little Dribblers basketball program
- NSEDC donated \$2,500 to the Native Village of Diomedede to support the King Island Dance Group

Elim

- Oscar Takak, Sr. served as Board Member
- Emily Murray served as Community Outreach Liaison
- The City of Elim was awarded \$300,000 in Community Benefit Shares
- Two residents received NSEDC scholarships throughout the year
- In total, Elim fishermen earned more than \$130,200 delivering to NSSP over the year
- Twenty-five fishermen delivered to NSSP during the salmon fishery, earning in excess of \$118,500
- Five fishermen delivered to NSSP during the winter red king crab fishery, earning in excess of \$11,500
- One fisherman delivered finfish to NSSP over the year
- The City of Elim and Native Village of Elim participated in NSEDC's 2012 Consolidated Bulk Fuel program
- Nearly 100 households received a total of \$48,500 in utility subsidies from NSEDC
- The Native Village of Elim received an Outside Entity Funding grant for \$7,247 for a forest trail and firebreak
- The City of Elim received an Outside Entity Funding grant for \$27,000 for a search and rescue boat
- The Native Village of Elim was awarded \$20,000 in NSEDC fisheries funding for the Tubutulik River salmon fisheries protection project
- The City of Elim participated in NSEDC's Community Employment Program by employing a NSEDC scholarship recipient, or a resident of their choice if no recipient was available, during the summer
- Aniguiin School received \$10,000 and

- the City of Elim received \$2,000, totaling \$12,000 through the local NSEDC board member's discretionary grant for substance abuse, alcohol abuse or suicide prevention activities
- NSEDC contributed \$1,000 to the Elim Basketball Committee for the spring basketball tournament and \$500 toward the Thanksgiving Basketball Tournament
- NSEDC donated \$1,500 between the City of Elim and the Native Village of Elim to host a community holiday dinner
- NSEDC contributed \$3,000 to the Aniguiin School for the Little Dribblers basketball program
- NSEDC contributed \$1,000 to the community cleanup
- NSEDC made a donation for search and rescue supplies for Elim

Gambell

- Joel James served as Board Member
- Tyler Campbell, Sr. served as Community Outreach Liaison
- The City of Gambell was awarded \$300,000 in Community Benefit Shares
- Two residents received NSEDC scholarships throughout the year
- The City of Gambell participated in NSEDC's 2012 Consolidated Bulk Fuel program
- One hundred seventy households received a total of \$85,000 in utility subsidies from NSEDC
- The City of Gambell was awarded \$53,250 through the Outside Entity Funding program for its landfill upgrade
- Six residents received seafood processing training at AVTEC in Seward
- NSEDC hosted a Fishermen's Fair providing food, games, entertainment and door prizes as a means of recognizing and thanking the community's commercial and subsistence fishermen
- John Apangalook School and the Gambell Presbyterian Church each received \$6,000, for a total of \$12,000 distributed through the local NSEDC board member's discretionary grant for substance abuse, alcohol abuse or suicide prevention activities
- NSEDC donated \$1,500 to the Native Village of Gambell to host a community

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2012 NSEDC COMMUNITY HIGHLIGHTS

continued from previous page

- holiday dinner
- NSEDC contributed \$1,000 to the community cleanup
- NSEDC contributed \$3,000 to the Hugo T. Apatiki Elementary School for the Little Dribblers basketball program
- Throughout the year, NSEDC made donation for: Yupik Days (Gambell Schools), dance group travel (Native Village of Gambell), sports equipment (Gambell Schools), Savoonga/Gambell wrestling tournament, Sivuaq Youth Dancers, and the Native Village of Gambell annual meeting

Golovin

- Dean Peterson served as Board Member
- Sherri Lewis served as Community Outreach Liaison
- The City of Golovin was awarded \$300,000 in Community Benefit Shares
- Six residents received NSEDC scholarships throughout the year
- In total, Golovin fishermen earned more than \$208,352 delivering to NSSP over the year
- Thirteen fishermen delivered to NSSP during the salmon fishery, earning in excess of \$51,700
- Two fishermen delivered to NSSP during the summer red king crab fishery, earning in excess of \$145,300
- Three fishermen delivered to NSSP during the winter red king crab fishery, earning nearly \$6,500
- Seven fishermen delivered finfish to NSSP during the year, earning in excess of \$4,700
- The local NSEDC board member's discretionary grant provided \$12,000 to Chinik Eskimo Community for substance abuse, alcohol abuse or suicide prevention activities
- The City of Golovin participated in NSEDC's 2012 Consolidated Bulk Fuel program
- More than 55 households received a total of \$27,500 in utility subsidies from NSEDC
- One resident received NSEDC-sponsored seafood processing training at AVTEC in Seward
- Glacier Fish Co. employed one resident as



The bungee basketball game was a hit in Golovin during the 2012 Fisherman's Fair.

- a crew member aboard the *Pacific Glacier*
- Chinik Eskimo Community was awarded \$38,916 through the Outside Entity Funding program for the Golovin Cultural Celebration
- NSEDC hosted a Fishermen's Fair providing food, games, entertainment and door prizes as a means of recognizing and thanking the community's commercial and subsistence fishermen
- NSEDC provided supplies and pizzas for the Native Youth Olympics regional tournament held in Golovin
- NSEDC donated \$1,500 to the City of Golovin to host a community holiday dinner
- NSEDC contributed \$3,000 to the Martin L. Olson School for the Little Dribblers basketball program
- NSEDC contributed \$1,000 to the community cleanup
- Throughout the year, NSEDC made donations for: Thanksgiving feast (City of Golovin), student travel, Arctic Winter Games, Golovin Covenant Church Bible Camp, graduation cakes, and the Fourth of July celebration (Chinik Eskimo Community)

Koyuk

- Elvina Naranjo served as Board Member
- Ruby Nassuk served as Community Outreach Liaison
- The City of Koyuk was awarded \$300,000 in Community Benefit Shares
- Ten residents received NSEDC scholarships throughout the year
- Eleven fishermen delivered salmon to NSSP during the year, earning nearly \$110,000
- The City of Koyuk and Koyuk Native Corporation participated in NSEDC's 2012 Consolidated Bulk Fuel program
- More than 80 households received a total of \$41,500 in utility subsidies from NSEDC
- The City of Koyuk participated in NSEDC's Community Employment Program by employing a NSEDC scholarship recipient, or a resident of their choice if no recipient was available, during the summer
- Sixteen residents participated in a NSEDC-sponsored net-hanging class
- Two residents received NSEDC-sponsored seafood processing training at AVTEC in Seward
- NSFR&D continued a counting tower project on the Iglutalik River near Koyuk
- The Koyuk School received \$12,000 through the local NSEDC board member's discretionary grant for substance abuse, alcohol abuse or suicide prevention activities
- The City of Koyuk was awarded \$14,869 through the Outside Entity Funding program for channel markers and buoys, and boating safety courses
- The City of Koyuk was awarded \$40,999 through the Outside Entity Funding program for a search and rescue boat and a search and rescue snowmachine
- NSEDC donated \$1,500 to the City of Koyuk to host a community holiday dinner
- NSEDC contributed \$3,000 to the Koyuk School for the Little Dribblers basketball program
- NSEDC contributed \$1,000 to the community cleanup
- NSEDC made a donation to the Native Village of Koyuk for the Fourth of July celebration

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2012 NSEDC COMMUNITY HIGHLIGHTS

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Nome

- Don Stiles served as Board Member
- The City of Nome was awarded \$300,000 in Community Benefit Shares
- One hundred fifty-three residents received NSEDC scholarships throughout the year
- In total, Nome fishermen earned more than \$1.9 million delivering to NSSP over the year
- Seventeen fishermen delivered to NSSP during the summer red king crab fishery, earning more than \$1.6 million
- Ten fishermen delivered to NSSP during the winter red king crab fishery, earning nearly \$40,000
- Nine fishermen delivered to NSSP during the halibut fishery, earning nearly \$242,000
- Two fishermen delivered to NSSP during the salmon fishery, earning in excess of \$7,300
- Fifteen fishermen delivered finfish to NSSP over the year, earning more than \$13,500
- Glacier Fish Co. employed one resident as a crew member aboard the *Pacific Glacier*
- The City of Nome was awarded \$25,000 through the Outside Entity Funding program for its community services officer program
- KNOM Radio Mission, Inc. was awarded \$60,000 through the Outside Entity Funding program for its radio renovation project
- The Nome Volunteer Fire Department was awarded \$75,000 through the Outside Entity Funding program for equipment specifically prepared and reserved for quick response to emergencies in regional communities outside of Nome
- The City of Nome was awarded \$193,126 in NSEDC fisheries funding for a floats anchor system in the Nome harbor
- Nome Eskimo Community participated in NSEDC's Community Employment Program by employing a NSEDC scholarship recipient, or a resident of their choice if no recipient was available, during the summer
- NSEDC approved a \$1 million Commu-

- nity Energy Fund request from the City of Nome and Nome Joint Utility System to help fund the installation of two large wind turbines
- More than 1,230 households received a total of \$616,500 in utility subsidies from NSEDC
- Nome Public Schools received \$12,000 through the local NSEDC board member's discretionary grant for substance abuse, alcohol abuse or suicide prevention activities
- NSEDC donated \$2,500 toward the Nome Community Center's hosting of the Alaska Tobacco Control Alliance meeting
- One resident received NSEDC-sponsored seafood processing training at AVTEC in Seward
- Eight educators from Nome Public Schools attended a NSEDC-funded cultural training class on the Fish River
- Three residents were awarded a total of \$60,000 from the Small Business Initiative grant program
- NSEDC contributed \$2,000 to the Lonnie O'Connor Iditarod Basketball Classic
- NSEDC donated \$1,500 to the Nome Community Center to host a community holiday dinner
- Throughout the year, NSEDC made donations for: the Boys' and Girls' Club (Nome Community Center), Nome-Beltz Junior High state wrestling team, Nome Elementary School state Native Youth Olympics team, Relay for Life (American Cancer Society), Youth Softball League, Nome Nanook Basketball Camp, Nome Nanook Booster Club student sponsorship, Youth Summerfest, Youth Winterfest, Attendance Awards, American Legion Auxiliary Unit 19, Walk For the Cure (Arctic Pinkies/Arctic ICANS), Breakfast with Santa fundraiser (Nome Preschool), Nome-Beltz state cross-country team, Nome-Beltz wrestling team, Nome Resources Fair (Nome Eskimo Community), Nome Girl Scouts, Kawerak Head Start, Nome Preschool Association, and the Nome Arts Council

Savoonga

- Truman Kava served as Board Member
- Charlotte Kava served as Community Outreach Liaison

- The City of Savoonga was awarded \$300,000 in Community Benefit Shares
- Three residents received NSEDC scholarships throughout the year
- Sixteen fishermen delivered halibut to NSSP during the year, earning more than \$313,000
- The City of Savoonga participated in NSEDC's 2012 Consolidated Bulk Fuel program
- More than 160 households received a total of \$81,500 in utility subsidies from NSEDC
- The Savoonga Whaling Captains' Association was awarded \$60,000 through the Outside Entity Funding program to broaden its safety equipment
- NSEDC contributed \$15,000 to the City of Savoonga for boat ramp repairs
- NSEDC sponsored a Savoonga resident's attendance at the Alaska Young Fisherman's Summit in Juneau
- Thirty-seven residents participated in a NSEDC-sponsored GPS class
- NSEDC/NSFR&D conducted a marine debris cleanup, employing local crews to complete the work
- The community's NSEDC board member discretionary grant provided \$7,500 to the City of Savoonga, \$1,500 to Native Village of Savoonga, and \$3,000 to Savoonga School, totaling \$12,000 for substance abuse, alcohol abuse or suicide prevention activities
- The City of Savoonga participated in NSEDC's Community Employment Program by employing a NSEDC scholarship recipient, or a resident of their choice if no recipient was available, during the summer
- NSEDC hosted a Fishermen's Fair providing food, games, entertainment and door prizes as a means of recognizing and thanking the community's commercial and subsistence fishermen
- NSEDC contributed \$3,000 to the Savoonga's Hogarth Kingeekuk Sr. Memorial School for the Little Dribblers basketball program
- NSEDC donated \$1,500 to the City of Savoonga to host a community holiday dinner

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2012 NSEDC COMMUNITY HIGHLIGHTS



Ted Katcheak of Stebbins accepts his grant for his reindeer business during the 2012 NSEDC Small Business Initiative awards ceremony.

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- NSEDC contributed \$1,000 to the community cleanup
- Throughout the year, NSEDC made donations for graduation cakes and a Fourth of July celebration (Native Village of Savoonga)

Shaktoolik

- Eugene Asicksik served as Board Member
- Reuben Paniptchuk served as Community Outreach Liaison
- The City of Shaktoolik was awarded \$300,000 in Community Benefit Shares
- Six residents received NSEDC scholarships throughout the year
- In total, Shaktoolik fishermen earned nearly \$580,000 delivering to NSSP over the year
- Twenty-two fishermen delivered to NSSP during the salmon fishery, earning nearly \$190,000
- Five fishermen delivered to NSSP during the winter red king crab fishery, earning in excess of \$30,200
- Three fishermen delivered to NSSP during the summer red king crab fishery, earning nearly \$360,000
- One fisherman delivered finfish to NSSP over the year
- The City of Shaktoolik, Native Village of Shaktoolik, and Shaktoolik Native Corporation participated in NSEDC's 2012 Consolidated Bulk Fuel program

- More than 65 households received a total of \$33,000 in utility subsidies from NSEDC
- The City of Shaktoolik was awarded \$65,000 through the Outside Entity Funding program for the renovation of its teen center
- The City of Shaktoolik was awarded \$60,367 through the Outside Entity Funding program for a heavy equipment shop
- NSEDC approved a \$75,000 Community Energy Fund request from City of Shaktoolik to better insulate the community's water storage tank
- A dozen residents participated in a NSEDC-sponsored CDL/driver's license class conducted for the City of Shaktoolik
- The community's NSEDC board member discretionary grant provided \$5,000 to the Native Village of Shaktoolik for the summer elder and youth fish camp; \$2,000 the Native Village of Shaktoolik for the village-based counselor program; and \$5,000 to the Shaktoolik School, totaling \$12,000 for substance abuse, alcohol abuse or suicide prevention activities
- The City of Shaktoolik participated in NSEDC's Community Employment Program by employing a NSEDC scholarship recipient, or a resident of their choice if no recipient was available, during the summer
- NSEDC contributed \$3,000 to the Shaktoolik schools for the Little Dribblers basketball program
- NSEDC contributed \$500 to the City of Shaktoolik for the Clarence Savetilik Basketball Tournament
- Throughout the year, NSEDC made donations for: Earth Day Carnival (Native Village of Shaktoolik), Native Village of Shaktoolik annual meeting, and the Fourth of July celebration (Native Village of Shaktoolik)

St. Michael

- Victor Joe served as Board Member
- Charlene Austin served as Community Outreach Liaison
- The City of St. Michael was awarded \$300,000 in Community Benefit Shares
- Five residents received NSEDC scholarships throughout the year
- One resident delivered to NSSP during

- the winter red king crab fishery
- The City of St. Michael, Native Village of St. Michael and St. Michael Fuel Co. participated in NSEDC's 2012 Consolidated Bulk Fuel program
- Nearly 105 households received a total of \$52,000 in utility subsidies from NSEDC
- Glacier Fish Co. employed two residents as crew members, one aboard the *Pacific Glacier* and one aboard the *Alaska Ocean*
- Fifteen residents took a NSEDC-sponsored driver's permit class
- Twenty residents participated in a NSEDC-sponsored net-hanging class
- The community's NSEDC board member discretionary grant provided \$3,600 to the Anthony A. Andrews School, \$4,064 to the City of St. Michael, \$2,088 to the Native Village of St. Michael, and \$250 to the St. Michael Mission for a total of \$10,000 toward substance abuse, alcohol abuse or suicide prevention activities
- NSEDC contributed \$1,000 to the community cleanup
- NSEDC donated \$1,500 to the City of St. Michael to host a community holiday dinner
- NSEDC contributed \$3,000 to the Anthony A. Andrews School for the Little Dribblers basketball program
- NSEDC made a donation for graduation cakes

Stebbins

- Wilfred Katcheak served as Board Member
- Atha Foxie served as Community Outreach Liaison
- The City of Stebbins was awarded \$300,000 in Community Benefit Shares
- Eight residents received NSEDC scholarships throughout the year
- Four residents received NSEDC-sponsored seafood processing training at AVTEC in Seward
- The City of Stebbins participated in NSEDC's 2012 Consolidated Bulk Fuel program
- More than 130 households received a total of \$65,500 in utility subsidies from NSEDC
- The Stebbins Community Association

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2012 NSEDC COMMUNITY HIGHLIGHTS

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- participated in NSEDC's Community Employment Program by employing a NSEDC scholarship recipient, or a resident of their choice if no recipient was available, during the summer
- Eighteen residents received NSEDC-sponsored Hazardous Work Operations and Emergency Responses (HAZWOPER) training
 - Fourteen residents attended a NSEDC-sponsored community basket weaving course conducted by the Stebbins Community Association
 - The Stebbins School received \$12,000 through the community's NSEDC board member discretionary grant for substance abuse, alcohol abuse or suicide prevention activities
 - One resident was awarded a total of \$11,000 from the Small Business Initiative grant program
 - Glacier Fish Co. employed two residents as crew members, one aboard the *Northern Glacier* and one aboard the *Alaska Ocean*
 - NSEDC donated \$1,500 to the City of Stebbins to host a community holiday dinner
 - NSEDC contributed \$3,000 to the Tukungailnguq School for the Little Dribblers basketball program
 - NSEDC made a donation for the Tapraqmuit Dancers

Teller

- Joe Garnie served as Board Member
- Wilma Ongtowsruk and Janelle Menadelook served as Community Outreach Liaisons
- The City of Teller was awarded \$300,000 in Community Benefit Shares
- Three residents received NSEDC scholarships throughout the year
- Teller Native Corporation participated in NSEDC's 2012 Consolidated Bulk Fuel program
- More than 80 households received a total of \$41,000 in utility subsidies from NSEDC
- Glacier Fish Co. employed one resident as a crew member aboard the *Alaska Ocean*
- Mary's Igloo Traditional Council was awarded \$50,000 through the Outside

- Entity Funding program for the Mary's Igloo Community Development Center
- NSEDC provided the City of Teller with a loader after its loader was destroyed in a large fire
 - The community's NSEDC board member discretionary grant provided \$4,000 each to Mary's Igloo Traditional Council, the James C. Isabell School, and the Teller Traditional Council for a total of \$12,000 toward substance abuse, alcohol abuse or suicide prevention activities
 - Teller was provided a boat and funding for a crew to test fish for marketable species in proximity to the community
 - NSEDC donated \$1,500 to the City of Teller to host a community holiday dinner
 - NSEDC contributed \$3,000 to the James C. Isabell School for the Little Dribblers basketball program
 - NSEDC contributed \$1,000 to the community cleanup
 - Throughout the year, NSEDC made donations for the James C. Isabell School student store and the Teller Traditional Council Cultural Festival

Unalakleet

- William Johnson served as Board Member
- The City of Unalakleet was awarded \$300,000 in Community Benefit Shares
- Fifty-five residents received NSEDC scholarships throughout the year
- In total, Unalakleet fishermen earned more than \$783,000 delivering to NSSP over the year
- Fifty-six fishermen delivered to NSSP during the salmon fishery, earning in excess \$413,700
- Fourteen fishermen delivered to NSSP during the winter red king crab fishery, earning in excess of \$65,600
- Eight fishermen delivered to NSSP during the summer red king crab fishery, earning nearly \$300,000
- Eight fishermen delivered finfish to NSSP over the year, earning nearly \$10,000
- The City of Unalakleet and Unalakleet Native Corporation participated in NSEDC's 2012 Consolidated Bulk Fuel program
- More than 245 households received a total of \$123,500 in utility subsidies from NSEDC

- Glacier Fish Co. employed 12 residents as crew members, four aboard the *Pacific Glacier* and eight aboard the *Alaska Ocean*
- One Unalakleet resident was employed aboard the crabbing vessel *Aleutian No. 1*
- The Native Village of Unalakleet was awarded \$49,526 through the Outside Entity Funding program for grant administration and accounting personnel
- The Native Village of Unalakleet was awarded \$25,000 through the Outside Entity Funding program to fund community coordinators to provide elder services in eastern Norton Sound communities
- Unalakleet Schools received \$12,000 through the community's NSEDC board member discretionary grant for substance abuse, alcohol abuse or suicide prevention activities
- NSEDC contributed \$2,500 toward the Unalakleet Native Corporation's hosting of the Bering Strait Village Summit
- Ten residents associated with the Native Village of Unalakleet Elders Services participated in a NSEDC-sponsored CPR training
- Seven residents received NSEDC-sponsored seafood processing training at AVTEC in Seward
- Ten residents attended a NSEDC-sponsored training on providing care for those suffering from dementia
- Fifteen residents received NSEDC-sponsored Hazardous Work Operations and Emergency Responses (HAZWOPER) training
- The City of Unalakleet and the Native Village of Unalakleet both participated in NSEDC's Community Employment Program by employing NSEDC scholarship recipients, or residents of their choice if no recipient was available, during the summer
- NSEDC provided a \$500 donation to the Unalakleet elders' meal program
- NSEDC donated \$1,500 to the Native Village of Unalakleet to host a community holiday dinner
- NSEDC contributed \$3,000 to the Unalakleet schools for the Little Dribblers

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2012 NSEDC COMMUNITY HIGHLIGHTS

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basketball program

- Two residents were awarded a total of \$34,000 from the Small Business Initiative grant program
- NSEDC contributed \$1,000 to the community cleanup
- NSEDC contributed \$1,000 to the Annual Jamboree Tournament
- Throughout the year, NSEDC made donations for: Welcome to Unalakleet sign (City of Unalakleet), search and rescue supplies, elder program phone equipment (Native Village of Unalakleet), adult softball equipment (Native Village of Unalakleet), roller derby event (Native Village of Unalakleet), Frank A. Degnan School, Unalakleet River Lodge (Wounded Warrior Program), Fourth of July celebration (City of Unalakleet), Unalakleet Sewing Circle annual auction, and the Unalakleet Valley Electric Cooperative annual meeting

Wales

- Lucy Kitchen served as Board Member
- Joanne Keyes and Christine Komonaseak served as Community Outreach Liaisons
- The City of Wales was awarded \$300,000 in Community Benefit Shares
- Two residents received NSEDC scholarships throughout the year
- The City of Wales and the Native Village of Wales participated in NSEDC's 2012 Consolidated Bulk Fuel program
- Nearly 50 households received a total of \$24,000 in utility subsidies from NSEDC
- The Native Village of Wales was awarded \$26,851 through the Outside Entity Funding program for the purchase of search and rescue equipment
- The Native Village of Wales was awarded \$4,480 through the Outside Entity Funding program for equipment for the Wales Whaling Captains' Association
- The Native Village of Wales was awarded \$54,087 through the Outside Entity Funding program for the 2012 Kingikmiut Dance Festival
- NSEDC/NSFR&D conducted a marine debris cleanup, employing local crews to conduct the work
- Ten residents received NSEDC-sponsored training in the operation of



Residents of Wales working for NSEDC's Clean Waters marine debris cleanup program clear washed-up items from area beaches. The Clean Waters program is popular both for its employment opportunities and environmental benefits.

heavy equipment

- Ten residents attended a NSEDC-sponsored tribal development course conducted by the Native Village of Wales
- The community's NSEDC board member discretionary grant provided \$1,000 to the Native Village of Wales, \$4,250 to the Wales Kingikmiut School, \$500 to the Wales Native Corporation, \$1,500 to the Native Village of Wales, and \$3,000 to the Wales Native Corporation, for a total of \$10,250 through the community's NSEDC board member discretionary grant for substance abuse, alcohol abuse or suicide prevention activities
- The City of Wales participated in NSEDC's Community Employment Program by employing a NSEDC scholarship recipient, or a resident of their choice if no recipient was available, during the summer
- NSEDC donated \$1,500 to the Native Village of Wales to host a community holiday dinner
- NSEDC contributed \$3,000 to the Wales Kingikmiut School for the Little Dribblers basketball program
- Throughout the year, NSEDC made donations to the Kingikmiut Dance Festival (Native Village of Wales), and the Native Village of Wales annual meeting

White Mountain

- Dan Harrelson served as Board Member
- Davis Lincoln served as Community Outreach Liaison
- The City of White Mountain was

awarded \$300,000 in Community Benefit Shares

- Seven residents received NSEDC scholarships throughout the year
- One permit holder delivered to NSSP during the summer open-access red king crab fishery
- The City of White Mountain and White Mountain Native Store participated in NSEDC's 2012 Consolidated Bulk Fuel program
- More than 70 households received a total of \$35,500 in utility subsidies from NSEDC
- NSEDC donated \$1,000 toward the White Mountain Volunteer Fire Department's trail staking program
- The Native Village of White Mountain was awarded \$9,750 through the Outside Entity Funding program for the creation of a database for the Golovin Bay watershed
- The Native Village of White Mountain was awarded \$15,743 in NSEDC fisheries funding for a program to monitor the in-stream flow of the Ichupak River and to document Chinook salmon
- Twenty-six residents took a NSEDC-sponsored driver's permit class
- The City of White Mountain participated in NSEDC's Community Employment Program by employing a NSEDC scholarship recipient, or a resident of their choice if no recipient was available, during the summer
- NSEDC dedicated \$234,500 through the Community Energy Fund to fund a project that will utilize waste heat from the community's generators to heat municipal water lines
- NSEDC hosted a Fishermen's Fair providing food, games, entertainment and door prizes as a means of recognizing and thanking the community's commercial and subsistence fishermen
- One resident received NSEDC-sponsored seafood processing training at AVTEC in Seward
- One White Mountain resident was employed aboard the crabbing vessel *Aleutian No. 1*

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2012 NSEDC COMMUNITY HIGHLIGHTS

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- NSEDC contributed \$3,000 to the White Mountain School for the Little Dribblers basketball program
- The community's NSEDC board member discretionary grant provided \$10,000 to the White Mountain School and \$2,000 to the White Mountain Covenant Church, totaling \$12,000 for substance abuse, alcohol abuse or suicide prevention activities
- NSEDC contributed \$1,000 to the 27th Annual Robert "Putto" Charles Memorial basketball tournament
- NSEDC donated \$1,000 to the White Mountain Volunteer Fire Department for winter trail staking
- Throughout the year, NSEDC made donations for: student travel to Arctic Winter Games, Covenant Church Bible Camp, graduation cakes, Native Village of White Mountain, and the White Mountain Native Corporation

Region-wide

- NSEDC issued a special, mid-year Community Benefit Share of \$200,000 per member community in addition to another \$100,000 for the traditional Community Benefit Share. In total, NSEDC dedicated \$4.5 million in Community Benefit Shares in 2012 with \$1.5 million of those funds to be dedicated toward benefitting the region's youth.
- Delta Western, Inc. completed deliveries of fuel from NSEDC's Bulk Fuel Program, distributing 733,000 gallons of diesel fuel and 258,000 gallons of unleaded fuel to 25 participating entities in NSEDC member communities and Shishmaref
- NSEDC provided nearly \$753,000 for 396 scholarships awarded to 279 residents of NSEDC member communities and Shishmaref
- NSEDC made available a \$500 energy subsidy to every household in member communities. Nearly 2,700 households received the subsidy, putting \$1.34 million in NSEDC funds toward easing the cost of electricity for residents during a record cold snap
- NSEDC's Fishery Research and Development (NSFR&D) program received multi-year grants from the State of Alaska for Chinook salmon rehabilitation efforts in the Unalakleet subdistrict, chum salmon rehabilitation efforts in the Nome subdistrict, and salmon management projects in eastern Norton Sound
- Twenty-four residents, four residents from neighboring western Alaska communities and one former member community resident earned more than \$635,000 working with NSEDC's harvesting and processing partners in the Bering Sea
- NSEDC awarded a total of \$105,000 to six Small Business Initiative (SBI) grant recipients
- NSEDC donated \$70,000 toward the inaugural running of the Paul Johnson Norton Sound 450 Sled Dog Race
- Aleutian No. 1, LLC made a \$74,000 distribution to the Bering Sea Women's Group for its gifted ownership interest in the vessel *Aleutian No. 1*
- NSEDC's Community Employment Program employed 11 residents in 10 member communities over the summer, providing opportunity for NSEDC scholarship recipients and other member community residents as well as resources for regional municipalities and entities
- Educators from Nome Public Schools and the Bering Strait School District attended a NSEDC-funded cultural training class on the Fish River
- Staff from NSEDC's Fisheries Research and Development; Education, Employment and Training; Human Resources; and Communications departments participated in a NACTEC class for regional high school students that explored careers in the fishing industry
- Staff from NSEDC's Fisheries Research and Development (NSFR&D) division worked with classrooms in both the Nome Public Schools and Bering Strait School districts with salmon in the classroom projects
- NSEDC sponsored 57 students and a number of chaperones from the Bering Strait and Nome Public school districts to participate in career exploration trips and activities at various locations in the state
- NSEDC supported the Northern Bering Sea Regional Aquaculture Association financially and technically as it worked toward the update of the regional salmon comprehensive plan
- NSEDC donated \$750 to the Bering Sea Lions Club for the Nome-Golovin Snow-machine Race
- NSEDC contributed \$5,000 to the Kawerak Regional Conference
- NSEDC provided \$12,000 in support of community radio stations in the region
- NSEDC supported the Alaska Native Science and Engineering Program (ANSEP) with a \$2,500 donation
- NSEDC provided support to organizations like the Southern Norton Sound Advisory Committee for outreach efforts and to attend regional and state meetings
- NSEDC donated \$50 to each regional high school competitor who qualified for state tournaments in various activities
- NSEDC provided 17 donations totaling \$7,900 toward funeral and emergency expenses
- Throughout the year, NSEDC made donations for: Bering Straits Foundation; Bering Sea Women's Group; Bering Strait School District tournaments and events, and sport, academic and broadcast teams; Alaska Federation of Natives; First Alaskans Institute (Elders and Youth Conference); Make a Patient Smile campaign; Alaska Native Justice Center, Kawerak Wellness Program, Norton Sound Health Corporation, Nome Youth Facility (National Prevention Week), and the Bering Straits Regional Housing Authority elder picnic

Shishmaref

- NSEDC contributed \$3,000 to the Shishmaref School for the Little Dribblers basketball program
- Throughout the year, NSEDC made donations for: Senior Trip (Shishmaref School), Shishmaref Dog Musher's Association, Shishmaref Emergency Services
- The City of Shishmaref and Nayokpuk General Store participated in NSEDC's 2012 Consolidated Bulk Fuel program
- Thirteen residents received NSEDC scholarships throughout the year

2012 NSEDC BOARD OF DIRECTORS



Walter Seetot
P.O. Box 52
Brevig Mission, AK 99785
(2010-2013)



Orville Ahkinga
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Diomedea, AK 99762
(2010-2013)



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(2009-2012)



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(2010-2013)



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Wales, AK 99783
(2011-2014)



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White Mountain, AK 99784
(2010-2013)

2012 NSEDC STAFF AND LIAISONS

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Janis Ivanoff

President & Chief Executive Officer

Simon Kinneen

Vice President & Chief Operating Officer

Richard Walicki

Treasurer & Chief Financial Officer

Kyan Olanna

General Counsel

Kathy Wheelehan

Executive Assistant

Joel Cladouhos

Quota Manager

Tiffany Martinson

Human Resources Director

Tyler Rhodes

Communications Director

Kelsi Ivanoff

Special Projects Coordinator

Virginia Nashalook

Senior Accountant

Matt Coates

Accountant

Chelsea Ryan

A/P Clerk

Heather Karmun

Payroll Specialist

Darlene Dewey

Accounting Assistant

Pearl Dotomain

Administrative Assistant

Irene Ahgupuk

Administrative Assistant

Albert Johnson

Administrative Assistant

Hazel Freytag

NSSP Sales Support/Expediter

Community Benefits

Paul Ivanoff III

Community Benefits Director

Sterling Gologergen

Community Development Coordinator

Yvonne Galsy Ashenfelter

Community Benefits Specialist

Norton Sound Seafood Products

Reese Huhta

Southern NSSP Operations Manager

Richard Ferry

Northern NSSP Operations Manager

Frank Doty

So. NSSP Assistant Operations Manager

Josh Osborne

No. NSSP Assistant Operations Manager

Justin Noffsfer

No. NSSP Office Manager

Orville Toolie

Savoonga Plant Manager

Elizabeth Ivanoff

Office Manager (So. NSSP)

Harold Muktoyuk

Supervisor (No. NSSP)

Dennis Bahnke

Facilities Engineer

Justina Noongwook

Office Manager (Savoonga)

Eleanor Bahr

Supervisor (So. NSSP)

Valerie Anagick

Supervisor (So. NSSP)

Ed Anasogak

QC Coordinator (No. NSSP)

Dawson Kauer

Refrigeration Technician (No. NSSP)

Fisheries Research & Development

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NSFR&D Director

Wes Jones

Fisheries Biologist

Kevin Keith

Fisheries Biologist

Jacob Ivanoff

Senior Crew Leader

Casey Perkins

Senior Crew Leader

Kevin Knowlton

Senior Crew Leader

Fred Jay Ivanoff

Senior Crew Leader

Education, Employment & Training

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NSEDC Corporate Secretary
& EET Director

Carol Charles

Administrative Assistant

Amber Cunningham

Administrative Assistant

NSEDC Community Outreach Liaisons

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Darla Olanna

Sara Seetot

Diomede

Andrew Milligrock

Elim

Emily Murray

Gambell

Tyler Campbell, Sr.

Golovin

Sherri Lewis

Koyuk

Ruby Nassuk

Savoonga

Charlotte Kava

Shaktoolik

Reuben Paniptchuk

St. Michael

Charlene Austin

Stebbins

Atha Foxie

Teller

Wilma Ongtawasruk

Janelle Menadelook

Wales

Joanne Keyes

Christine Komonaseak

White Mountain

Davis Lincoln

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NSEDC MISSION STATEMENT

NSEDC will participate in the Bering Sea fisheries to provide economic development through education, employment, training and financial assistance to our member communities.

BREVIG MISSION › DIOMEDE › ELIM › GAMBELL
GOLOVIN › KOYUK › NOME › SAVOONGA
SHAKTOOLIK › ST. MICHAEL › STEBBINS › TELLER
UNALAKLEET › WALES › WHITE MOUNTAIN

