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Coastal Villages Region Fund

Decennial Review Report
For the Period 2006-2010

COASTAL VILLAGES REGION FUND

Decennial Review Report
For the Period 2006-2010

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INTRODUCTION

I. Eligibility to Participate in the CDQ Program

Coastal Villages Region Fund (CVRF or Coastal Villages) is one of six Community Development Quota (CDQ) groups in the world. The program was created in 1992 with the first allocation of 7.5 percent of the total allowable catch of Bering Sea/Aleutian Island (BSAI) pollock to the communities of coastal Western Alaska, with the goal of promoting fisheries-related economic development in the communities of this region.

The CDQ program has expanded over the years to include all of the major federal groundfish fisheries in the Bering Sea and Aleutian Islands, and now allocates 10 percent of most of the fisheries to six groups representing 65 communities in Western Alaska. In 1996, the CDQ program was added to the Magnuson-Stevens Fishery Conservation and Management Act (MSA or the Magnuson-Stevens Act). Ten years later, in 2006, the Coast Guard Authorization Act made amendments to the CDQ section of the MSA – this is the statute under which the CDQ program currently operates.

CVRF represents 20 communities in central Western Alaska, spanning from Scammon Bay in the north, to Platinum in the south, and inland to Oscarville, as named in MSA, 16 U.S.C. 1855(i)(1)(D)(iv). Coastal Villages is eligible to participate in the CDQ program in compliance with the Magnuson-Stevens Act, 16 U.S.C. 1855(i)(1)(E) as follows:

i. BOARD OF DIRECTORS: the entity shall be governed by a board of directors. At least 75 percent of the members of the board shall be resident fishermen from the entity's member villages. The board shall include at least one director selected by each such member village.

Coastal Villages' Board of Directors is 20 members strong – one board member from each of our 20 member communities. Each board member is elected through a democratic process by the residents of the community which they represent; board members must receive more than 50 percent of the votes cast by the members of the community, and runoff elections are held if need be. Each of our 20 board members is a resident of their community and 100 percent of our board members are fishermen. A list of our current and past board members can be found in Appendix A.

All footnotes can be found at the end of this document in the Footnote section.

ii. PANEL RESPRESENTATIVE: the entity shall elect a representative to serve on the panel established by subparagraph (G).

The panel established under subparagraph (G)(i) of MSA is the Western Alaska Community Development Association, or WACDA. Coastal Villages' representative to the CDQ Panel under subparagraph (G)(ii) of MSA is our Executive Director, C. Morgen Crow. Please visit the WACDA website at www.wacda.org for more information.

iii. OTHER INVESTMENTS: the entity may make up to 20 percent of its annual investments in any combination of the following:

I. For projects that are not fishery-related and that are located in its region.

II. On a pooled or joint investment basis with one or more other entities participating in the program for projects that are not fishery-related and that are located in one or more of their regions.

III. For matching Federal or State grants for projects or programs in its member villages without regard to any limitation on the Federal or State share, or restriction on the source of any non-Federal or non-State matching funds, of any grant program under any other provision of law.

During the period 2006-2010, CVRF has not made any investments that are considered non-fisheries related or not in compliance with past practices. CVRF therefore did not exceed the maximum – 20 percent – for "non-fisheries-related" investments.

iv. FISHERY-RELATED INVESTMENTS: the entity shall make the remainder percent of its annual investments in fisheries-related projects or for other purposes consistent with the practices of the entity prior to March 1, 2006.

During the period 2006-2010, 100 percent of CVRF's investments have been fisheries related or in compliance with past practices. CVRF therefore exceeded the threshold requirement – 80 percent – for "fisheries-related" and "past practice" investments.

v. ANNUAL STATEMENT OF COMPLIANCE: each year the entity, following approval by its board of directors and signed by its chief executive officer, shall submit a written statement to the Secretary and the State of Alaska that summarizes the purposes for which it made investments under clauses (iii) and (iv) during the preceding year.

Coastal Villages submitted written statements of investment compliance, signed by our Executive Director, Morgen Crow, for each year beginning in 2007 through 2010. 2007 was the first year in which the statement of investment compliance was required. Each of these statements was approved by the Board of Directors prior to signature from the Executive Director and submission. Please see Appendix B for copies of each of the relevant statements of investment compliance.

vi. OTHER PANEL REQUIREMENTS: the entity shall comply with any other requirements established by the panel under subparagraph (G).

The requirements established by the CDQ Panel under subparagraph (G)(iii) of MSA, applicable to the period 2006-2010, are as follows:

Investments by CDQ Groups	
Resolution Number	***Resolution Term***
2008-02	*September 17, 2008 – September 17, 2010*
2010-02	*September 17, 2010 – March 17, 2011*
CVRF Compliance: *These rules further define the requirements of items (iii) through (v) above. Please see the discussions under those items for more information on CVRF's compliance with these rules.*	

Approval of Trade Association Actions	
Resolution Number	***Resolution Term***
2010-04	*December 14, 2010 – December 14, 2011*
CVRF Compliance: *Not applicable; there is no CVRF action required by this rule.*	

Decennial Review Standards	
Resolution Number	***Resolution Term***
2010-05	*April 28, 2011 – April 28, 2013*
CVRF Compliance: *CVRF has complied with this rule by submitting this decennial review report, which is in accordance with the criteria described in the rule. 2006-2010 is the first decennial review period.*	

All footnotes can be found at the end of this document in the Footnote section.

Annual Reports to CDQ Villages by CDQ Groups	
Resolution Number	**Resolution Term**
2008-01	September 17, 2008 – September 17, 2010
2010-01	September 17, 2010 – March 17, 2011
2010-06	March 17, 2011 – December 31, 2012

CVRF Compliance: *CVRF has complied with these rules by distributing annual reports to all mailboxes on record in our region, as well as to NMFS and the State of Alaska (including copies of our IRS Form 990), no later than the deadline for the period 2007-2010. 2007 was the first year in which the current format of the annual reports was required. CVRF prepared our annual reports in a format that meets the criteria described in the rules. Please visit our website at http://www.coastalvillages.org/media/reports to view copies of our annual reports, or contact our offices at 907-278-5151 for copies of our IRS Form 990s.*

Community Development Plans	
Resolution Number	**Resolution Term**
2008-03	September 17, 2008 – September 17, 2010
2010-03	September 17, 2010 – March 17, 2011
2010-07	March 17, 2011 – December 31, 2012

CVRF Compliance: *CVRF has complied with these rules by submitting community development plans (CDP) beginning in 2009 through 2010, no later than December 31 of the prior year. 2009 was the first year in which the current format of the CDPs was required. Our CDPs were prepared in accordance with the criteria described in the rules. Please see Appendix C for copies of our annual CDPs.*

CDQ Loan Fund Allocation	
Resolution Number	**Resolution Term**
2008-04	March 12, 2010 – October 24, 2011
2011-01	October 24, 2011 – March 12, 2012

CVRF Compliance: *This rule describes the parameters for the allocation of loan obligations provided for by the American Fisheries Act (AFA) 211(e), and amended by the Coast Guard Authorization Act. CVRF did not use any of its allocated loan funds during the period 2006-2010, or through March 12, 2012, and therefore has not exceeded its allocation. CVRF has opposed renewal of Loan Fund Allocation Rule unless the allocations are based on population.*

Please see www.wacda.org/pages/cdq-code.php for the current CDQ Panel Rules.

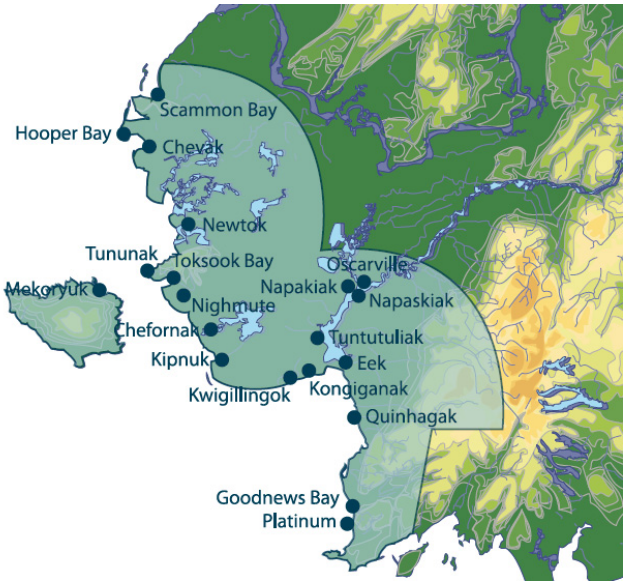
All footnotes can be found at the end of this document in the Footnote section.

II. Coastal at a Glance

The Coastal Villages region, which was initially comprised of 17 communities, was represented by Coastal Villages Fishing Cooperative (CVFC), a for profit corporation created in 1992 with an allocation of 27 percent of CDQ pollock. CVFC dedicated its 1992-1995 pollock allocation in exchange for 50 percent ownership in the Imarpiqamiut Partnership (IP), which became owner and manager of the factory trawler Brown's Point. The IP did not prove to be a profitable investment; furthermore, the Partnership was unable to pay CVFC even far below market rates for the pollock quota.

In 1995, CVFC's CDQ pollock allocation was reduced from 27 to 25 percent based on the poor financial returns from the investment in the IP. In 1997, while the IP was undergoing foreclosure proceedings, the State of Alaska recommended that the National Marine Fisheries Service (NMFS) terminate CVFC's pollock quota allocation unless the partners and key creditors dissolved the partnership. In 1998 the partnership was dissolved and an agreement to pay off the creditors was reached; but not before CVFC's pollock allocation was reduced again to 22 percent. It was not until the year 2000 that the new CDQ organization, a nonprofit called Coastal Villages Region Fund (CVRF), was given a slight increase to 24 percent. Despite the large population (including three new villages added in 1999) and the poor economic conditions, the Coastal Villages region has never again seen the original 27 percent pollock allocation, and has in fact been severely penalized in all other groundfish fisheries with an average allocation of only 15 percent.

CVRF has taken the lessons learned from the IP investment and worked hard to build a strong, stable company that our member communities can rely on, not just in the short term but for generations to come. We serve 20 villages in one of the poorest and most remote areas of the United States. We bring Hope to the people who live in these communities, by providing opportunities to Work and to Fish.



All footnotes can be found at the end of this document in the Footnote section.

Our overall mission is to use the resources available to the Company to provide the means for development of our member communities by creating tangible, long-term opportunities that generate hope for all residents who want to fish and work. CVRF has grown to be the largest provider of jobs in our region, and through many years of vision and patience, CVRF is now the largest Bering Sea seafood company headquartered in Alaska. Not only do we have CDQ allocations, but we also own significant additional fishing rights in the pollock, cod, and crab fisheries, as well as the steel with which to catch the fish. This is a first in the history of the CDQ program, and is still yet to be duplicated by any other CDQ group.

We are now able to take a broader and balanced approach to managing our Kuskokwim Delta and Bering Sea seafood resources. For our residents, we continue to protect our fisheries and our investments in these fisheries, grow in a strategic and sustainable manner, and remain adaptable to take advantage of all positive opportunities. Our investments in the Bering Sea enable us to provide community and economic development in our region.

III. The 2006-2010 Decennial Review

The Magnuson-Stevens Act, 16 U.S.C. 1855(i)(1)(H) requires that each CDQ group undergo a Decennial Review during calendar year 2012, for the period 2006-2010, and every 10 years thereafter. The Decennial Reviews serve as the vehicle for the State of Alaska (the State or SOA) to review the performance of each entity participating in the CDQ program based on pre-defined criteria. The review also serves as a vehicle for recommendation of any allocation changes by the State of NMFS.

16 U.S.C. 1855(i)(1)(H)(ii) specifies that the CDQ Panel "establish a system to be applied under this subparagraph that allows each entity participating in the program to assign relative values to the following criteria to reflect the particular needs of its villages." The CDQ Panel has done this by adopting CDQ Panel Rule, Resolution 2010-05, Decennial Review Standards. This Panel Rule can be found on the WACDA website at www.wacda.org/pages/cdq-code.php.

The State of Alaska adopted changes to the CDQ regulations effective September 7, 2012. The purpose of the regulations, as stated in 6 AAC 93.010, is to "…implement the State's role in the decennial review of the Western Alaska Community Development Quota Program (CDQ Program) for the Bering Sea and Aleutian Islands Area required under 16 U.S.C. 1855(i)(1)(H)." The regulations describe the SOA evaluation team, the limits on the State's review, the decennial review report submission period, and the process for submitting the reports. They also describe the State's evaluation process and the opportunity for a hearing process.

Coastal Villages' Decennial Review report complies with the requirements established under the MSA, State of Alaska regulations, and under the WACDA Panel Rule and specifies CVRF's assignment of value to each criterion for purposes of evaluating our performance for the period 2006-2010.

All footnotes can be found at the end of this document in the Footnote section.

The 4 criteria set out by the MSA are as follows. These criteria are discussed in detail in the following pages.

I. Changes during the preceding 10-year period in population, poverty level, and economic development in the entity's member villages.
II. The overall financial performance of the entity, including fishery and non-fishery investments by the entity.
III. Employment, scholarships, and training supported by the entity.
IV. Achieving of the goals of the entity's community development plan.

All footnotes can be found at the end of this document in the Footnote section.

CRITERIA #1: Changes in Population, Poverty, & Economics

I. Weighting of Criteria #1

Coastal Villages' most important resource is our people. Without the people who live, work, and fish in our member communities, there would be no reason to be a part of the CDQ program. Our people comprise one third of the population of the entire CDQ program and over 30 percent of the communities in the program. Our people also live in one of the poorest, most economically challenged areas in the country. Coastal Villages has been one of the few sources of hope for our region, but there is still a lot of work to do.

Although we place a very high value on the people of our communities and the work we have done to improve the socio-economic conditions in our villages, we believe for the sake of the analysis of the four required criterion that it is prudent to weight each of them equally. Coastal Villages therefore weights Criteria #1 as follows:

Organization	***Decennial Review Criteria***	***Assigned Weight***
Coastal Villages Region Fund	*#1. Changes during the preceding 10-year period in population, poverty level, and economic development in the entity's member villages*[1]	*25%*

II. Population

Coastal Villages serves a significant portion of the entire CDQ program – just about one third of the CDQ population lives in CVRF's 20 member villages. Our residents are generally born, raised, live, and die in our communities; it is not common for people to move in from the "outside." The average population of a community in the CVRF region is small – less than 500 people. Yet the population of the CVRF region is growing significantly, even while other areas' populations stagnate or even shrink.

All footnotes can be found at the end of this document in the Footnote section.

Population: Required Data Sources:

The six CDQ groups researched and came to consensus on the required data sources to be used to measure population for all six CDQ groups. Those sources are:

1. 2000 U.S. Census – total population (Table DP-1, Total Population)[2]
2. 2010 U.S. Census – total population (Table DP-1, Total Population)

The U.S. Census is the generally accepted source of population data for the United States. It is mandated by Article I, Section 2 of the U.S. Constitution and takes place every 10 years with the goal of counting 100 percent of the U.S. population. The data collected by the decennial census determine the number of seats each state has in the U.S. House of Representatives and is also used to distribute billions in federal funds to local communities.

The following table depicts the change in population for the 20 CVRF communities based on the required data sources:

	U.S Census		Change: 2000 to 2010	
Community	2000 Population[3]	2010 Population[4]	Number of People[5]	Percent[6]
Chefornak	394	418	24	6.09%
Chevak	765	938	173	22.61%
Eek	280	296	16	5.71%
Goodnews Bay	230	243	13	5.65%
Hooper Bay	1,014	1,093	79	7.79%
Kipnuk	644	639	(5)	-0.78%
Kongiganak	359	439	80	22.28%
Kwigillingok	338	321	(17)	-5.03%
Mekoryuk	210	191	(19)	-9.05%
Napakiak	353	354	1	0.28%
Napaskiak	390	405	15	3.85%
Newtok	321	354	33	10.28%
Nightmute	208	280	72	34.62%
Oscarville	61	70	9	14.75%
Platinum	41	61	20	48.78%
Quinhagak	555	669	114	20.54%
Scammon Bay	465	474	9	1.94%
Toksook Bay	532	590	58	10.90%
Tuntutuliak	370	408	38	10.27%
Tununak	325	327	2	0.62%
Total	**7,855**	**8,570**	**715**	**9.10%**

All footnotes can be found at the end of this document in the Footnote section.

This table depicts the change in population for each of the six CDQ groups based on the required data sources:

	2000 U.S. Census		2010 U.S. Census		Change: 2000 to 2010	
CDQ Group	Number of People[3]	Percent of CDQ Population[7]	Number of People[4]	Percent of CDQ Population[8]	Number of People[5]	Percent[6]
APICDA	1,143	4.22%	1,295	4.67%	152	13.30%
BBEDC[9]	5,932	21.91%	5,417	19.55%	(515)	-8.68%
CBSFA	532	1.97%	479	1.73%	(53)	-9.96%
CVRF	7,855	29.01%	8,570	30.94%	715	9.10%
NSEDC	8,488	31.35%	8,731	31.52%	243	2.86%
YDFDA	3,123	11.54%	3,210	11.59%	87	2.79%
Total	**27,073**	**100.00%**	**27,702**	**100.00%**	**629**	**2.32%**

Population: Limitations of Required Data Sources:

The U.S. Census Bureau (the Census Bureau) uses the concept of "usual residence" for determining the place in which a person is counted. Usual residence is defined as the place where a person lives and sleeps most of the time. This place is not necessarily the same as the person's voting residence or legal residence.

The concept of usual residence presents issues in the case of several CDQ communities. People who "live away" most of the time while working or live at two or more residences may be counted in the place where they work, even if they do not live there. The U.S. Census website states:

> ***People living away most of the time while working, such as people who live at a residence close to where they work and return regularly to another residence****:* Counted at the residence where they live and sleep most of the time. If there is no residence where they live and sleep most of the time, they are counted where they live and sleep more than anywhere else. If time is equally divided, or if usual residence cannot be determined, they are counted at the residence where they are staying on Census Day.
>
> ***People who live at two or more residences (during the week, month, or year), such as people who travel seasonally between residences (for example, snowbirds):*** Counted at the residence where they live and sleep most of the time. If there is no residence where they live and sleep most of the time, they are counted where they live and sleep more than anywhere else. If time is equally divided, or if usual residence cannot be determined, they are counted at the residence where they are staying on Census Day[10].

All footnotes can be found at the end of this document in the Footnote section.

Several CDQ communities have large numbers of seasonal processing plant workers. It is likely that these workers are counted in the population of the CDQ community rather than in the place where they live in the "off season."

Population: Alternative Data Sources:

Coastal Villages considered alternative sources of population data. One such source is Alaska's Permanent Fund Dividend (PFD) information. Alaska residents are highly motivated to apply for a PFD each year, as the application results in a cash payment to eligible persons of all ages and is a significant source of income to many Western Alaska households. Additionally, persons who work in Alaska as seasonal processing plant workers would not be eligible to receive a PFD.

A summary of the Alaska PFD eligibility requirements are as follows. A full listing of the criteria can be found in Alaska Statute (AS) 43.23.005 and 43.23.008:

1. The applicant was a State of Alaska resident on the date of their application
2. The applicant was an Alaska resident for the entire calendar year preceding the date they applied for a dividend
3. The applicant was not absent from the State for more than 180 days unless for a reason specifically described under AS 43.23.008
4. The applicant intended to remain an Alaska resident indefinitely at the time they applied for a dividend

Coastal Villages gathered PFD data from the State of Alaska Department of Revenue Permanent Fund Dividend Division Annual Reports (PFD Annual Report) for 2006 and 2010. These PFD Annual Reports contain a table listing the number of PFD applicants by zip code. In some cases, two or more communities share a single zip code, making it almost impossible to determine the PFD applicants from a single community. In those instances (specific communities affected are listed in Footnote 17), population information was obtained from the State of Alaska Department of Labor and Workforce Development Alaska Local and Regional Information (ALARI) database. Population estimates in the ALARI database are based on Census data for census years and estimates using the most recent census data for non-census years.

The following table depicts the change in population for the 20 CVRF communities based on the number of PFD applicants for 2006 and 2010:

All footnotes can be found at the end of this document in the Footnote section.

	PFD Applicants		Change: 2006 to 2010	
Community	2006 PFD Applicants[11]	2010 PFD Applicants[12]	Number of People[13]	Percent[14]
Chefornak	461	478	17	3.69%
Chevak	933	960	27	2.89%
Eek	290	299	9	3.10%
Goodnews Bay	242	239	(3)	-1.24%
Hooper Bay	1,148	1,246	98	8.54%
Kipnuk	662	685	23	3.47%
Kongiganak	438	438	-	0.00%
Kwigillingok	374	363	(11)	-2.94%
Mekoryuk	219	197	(22)	-10.05%
Napakiak	379	343	(36)	-9.50%
Napaskiak[17]	438	405	(33)	-7.53%
Newtok[17]	333	354	21	6.31%
Nightmute	227	263	36	15.86%
Oscarville[17]	65	70	5	7.69%
Platinum	36	60	24	66.67%
Quinhagak	664	677	13	1.96%
Scammon Bay	517	561	44	8.51%
Toksook Bay	618	601	(17)	-2.75%
Tuntutuliak	386	422	36	9.33%
Tununak	337	355	18	5.34%
Total	**8,767**	**9,016**	**249**	**2.84%**

This table depicts the change in population for each of the six CDQ groups based on the number of PFD applicants for 2006 and 2010:

	2006 PFD Applicants		2010 PFD Applicants		Change: 2006 to 2010	
CDQ Group	Number of People[11]	Percent of CDQ Population[15]	Number of People[12]	Percent of CDQ Population[16]	Number of People[13]	Percent[14]
APICDA[17]	407	1.51%	428	1.57%	21	5.16%
BBEDC[9, 17]	5,377	20.02%	5,294	19.34%	(83)	-1.54%
CBSFA	429	1.60%	430	1.57%	1	0.23%
CVRF[17]	8,767	32.63%	9,016	32.94%	249	2.84%
NSEDC[17]	8,699	32.38%	8,891	32.48%	192	2.21%
YDFDA	3,185	11.86%	3,313	12.10%	128	4.02%
Total	**26,864**	**100.00%**	**27,372**	**100.00%**	**508**	**1.89%**

All footnotes can be found at the end of this document in the Footnote section.

An additional indicator of the population of each community can be found on the State of Alaska Department of Labor and Workforce Development (DOL), Research and Analysis website. The DOL's population estimates use data from the last decennial census and apply adjustments for known errors or known post-census changes. The DOL also makes an estimate for "Group Quarters," which are defined to include the population in shared living facilities such as barracks, dorms, prisons and certain nursing homes[18]. Generally speaking, the only Group Quarters in a CDQ community would be a dormitory for processing plant workers, who are generally not residents of the community. Therefore, for purposes of the following tables, Group Quarters estimates were excluded from the population metrics.

The following table depicts the 2011 DOL estimated population for the 20 CVRF communities:

DOL Population Estimates			
Community	2011 DOL Population Estimate[19]	2011 DOL Group Quarters Estimates[20]	Estimated Permanent 2011 Population[21]
Chefornak	437	-	437
Chevak	966	-	966
Eek	318	-	318
Goodnews Bay	246	-	246
Hooper Bay	1,137	-	1,137
Kipnuk	663	-	663
Kongiganak	462	-	462
Kwigillingok	342	2	340
Mekoryuk	215	-	215
Napakiak	359	-	359
Napaskiak	428	-	428
Newtok	370	-	370
Nightmute	289	-	289
Oscarville	71	-	71
Platinum	67	-	67
Quinhagak	675	-	675
Scammon Bay	498	-	498
Toksook Bay	598	-	598
Tuntutuliak	428	-	428
Tununak	342	-	342
Total	**8,911**	**2**	**8,909**

All footnotes can be found at the end of this document in the Footnote section.

This table depicts the 2011 DOL estimated population for each of the six CDQ groups:

DOL Population Estimates				
CDQ Group	2011 DOL Population Estimate[19]	2011 DOL Group Quarters Estimates[20]	Estimated Permanent 2011 Population[21]	Percent of CDQ Population[22]
APICDA	1,284	963	321	1.18%
BBEDC[9]	5,581	104	5,477	20.10%
CBSFA	481	24	457	1.68%
CVRF	8,911	2	8,909	32.70%
NSEDC	8,991	206	8,785	32.25%
YDFDA	3,294	1	3,293	12.09%
Total	**28,542**	**1,300**	**27,242**	**100.00%**

The 2011 DOL estimates were used because the 2010 data listed on the DOL website is the same as the 2010 U.S. Census data.

Population: CVRF Performance:

Coastal Villages evaluated several different data sources in our consideration of population, as described in the preceding pages. Regardless of which data source is considered, the population of the CVRF region has grown by more than any other CDQ group. Additionally, the CVRF region represents anywhere from 31 percent of the CDQ population (per the 2010 U.S. Census) to 33 percent of the CDQ population (per 2010 PFD applicants or 2011 DOL population estimates). Based on these metrics, CVRF has determined that it has met or exceeded our performance requirements for the Population sub-criteria.

All footnotes can be found at the end of this document in the Footnote section.

III. Poverty

The Lower Yukon-Kuskokwim Delta region, in which the 20 Coastal Villages communities are located, has the highest poverty rate in the State of Alaska, and one of the highest poverty rates in the country. Factor in the higher cost of living in Alaska as a whole, and the even higher cost of living in remote Alaska villages accessible only by plane or boat, and the reality of small to no income becomes even more raw.

CVRF has contributed extensively to available jobs in the region, markets for selling salmon and halibut, funding for further education, and much, much more. But as quickly as Coastal has added to the average household income, so also have rising costs eaten into that income: gasoline, heating fuel, electricity, groceries, transportation – all are simply getting increasingly more expensive in Western Alaska. This dichotomy has hampered progress towards raising the overall disposable income level of the CVRF region.

Poverty: Required Data Sources:

The six CDQ groups researched and came to consensus on the required data sources to be used to measure poverty levels for all six CDQ groups. Those sources are:

1. 2000 U.S. Census[2]:
    a. Individuals in poverty (Table DP-3, Individuals (In Poverty Status in 1999) – Number)
    b. Individuals in poverty (Table DP-3, Individuals (In Poverty Status in 1999) – Percent)
2. 2006-2010 American Community Survey (ACS) 5-Year Estimate[23]
    a. Individuals in poverty (Table S1701, Total Number Below Poverty Level)
    b. Individuals in poverty (Table S1701, Total Percent Below Poverty Level)

The Census Bureau uses a set of income thresholds that vary by family size and composition to determine who is in poverty. If a family's total income is less than the family's threshold, then that family and every individual in it is considered in poverty. The official poverty thresholds do not vary geographically, but they are updated for inflation using the Consumer Price Index (CPI-U). The official poverty definition uses money income before taxes and does not include capital gains or noncash benefits (such as public housing, Medicaid, and food stamps)[24].

All footnotes can be found at the end of this document in the Footnote section.

The poverty thresholds for 2000 and 2010 are as follows:

U.S. CENSUS POVERTY THRESHOLDS[24]			
Size of Family Unit	**2000**	**2010**	**Change**
One person (unrelated individual)	$ 8,794	$ 11,139	$ 2,345
Under 65 years	$ 8,959	$ 11,344	$ 2,385
65 years and over	$ 8,259	$ 10,458	$ 2,199
Two persons	$ 11,239	$ 14,218	$ 2,979
Householder under 65 years	$ 11,590	$ 14,676	$ 3,086
Householder 65 years and over	$ 10,419	$ 13,194	$ 2,775
Three persons	$ 13,738	$ 17,374	$ 3,636
Four persons	$ 17,603	$ 22,314	$ 4,711
Five persons	$ 20,819	$ 26,439	$ 5,620
Six persons	$ 23,528	$ 29,897	$ 6,369
Seven persons	$ 26,754	$ 34,009	$ 7,255
Eight persons	$ 29,701	$ 37,934	$ 8,233
Nine persons or more	$ 35,060	$ 45,220	$ 10,160

All footnotes can be found at the end of this document in the Footnote section.

The following tables depict the change in poverty levels, both in estimated number of people and in percentages, for the 20 CVRF communities based on the required data sources:

ESTIMATED NUMBER OF PEOPLE IN POVERTY					
	U.S Census/ACS		Change: 2000 to 2010		2006-2010 ACS
Community	2000 Census: Estimated Number of People in Poverty[3]	2006-2010 ACS: Estimated Number of People in Poverty[25]	Number of People[26]	Percent[27]	Estimated Margin of Error +/-[25]
Chefornak	89	97	8	8.99%	65
Chevak	230	437	207	90.00%	119
Eek	75	58	(17)	-22.67%	38
Goodnews Bay	92	58	(34)	-36.96%	71
Hooper Bay	285	544	259	90.88%	165
Kipnuk	145	141	(4)	-2.76%	65
Kongiganak	57	119	62	108.77%	65
Kwigillingok	110	59	(51)	-46.36%	39
Mekoryuk	42	45	3	7.14%	26
Napakiak	68	135	67	98.53%	63
Napaskiak	89	33	(56)	-62.92%	34
Newtok	110	97	(13)	-11.82%	59
Nightmute	26	50	24	92.31%	38
Oscarville	16	52	36	225.00%	55
Platinum	11	15	4	36.36%	16
Quinhagak	142	251	109	76.76%	102
Scammon Bay	164	158	(6)	-3.66%	82
Toksook Bay	141	94	(47)	-33.33%	57
Tuntutuliak	73	130	57	78.08%	63
Tununak	88	102	14	15.91%	53
Total	**2,053**	**2,675**	**622**	**30.30%**	**1,275**

All footnotes can be found at the end of this document in the Footnote section.

ESTIMATED POVERTY RATES					
	U.S Census/ACS		Change: 2000 to 2010		2006-2010 ACS
Community	2000 Census: Estimated Poverty Rate[3]	2006-2010 ACS: Estimated Poverty Rate[25]	Rate[26]	Percent[27]	Estimated Margin of Error +/-[25]
Chefornak	25.1%	24.2%	-0.9%	-3.59%	18.1%
Chevak	29.5%	46.8%	17.3%	58.64%	11.1%
Eek	28.8%	27.9%	-0.9%	-3.12%	15.2%
Goodnews Bay	39.0%	38.6%	-0.4%	-1.03%	16.8%
Hooper Bay	27.9%	44.7%	16.8%	60.22%	12.0%
Kipnuk	20.9%	23.7%	2.8%	13.40%	11.5%
Kongiganak	13.8%	30.2%	16.4%	118.84%	14.5%
Kwigillingok	34.7%	24.1%	-10.6%	-30.55%	14.3%
Mekoryuk	21.9%	22.4%	0.5%	2.28%	12.0%
Napakiak	20.2%	34.1%	13.9%	68.81%	14.5%
Napaskiak	20.2%	10.8%	-9.4%	-46.53%	11.1%
Newtok	31.0%	22.8%	-8.2%	-26.45%	13.7%
Nightmute	10.7%	13.8%	3.1%	28.97%	9.9%
Oscarville	40.0%	54.7%	14.7%	36.75%	36.8%
Platinum	22.0%	55.6%	33.6%	152.73%	45.7%
Quinhagak	26.1%	38.9%	12.8%	49.04%	12.5%
Scammon Bay	37.4%	33.0%	-4.4%	-11.76%	15.9%
Toksook Bay	27.3%	13.0%	-14.3%	-52.38%	7.6%
Tuntutuliak	23.0%	36.6%	13.6%	59.13%	13.1%
Tununak	30.8%	29.9%	-0.9%	-2.92%	14.9%
Total[28]	**26.5%**	**31.6%**	**5.1%**	**19.25%**	**16.1%**

All footnotes can be found at the end of this document in the Footnote section.

These tables depict the change in poverty levels, both in estimated number of people and in percentages, for each of the six CDQ groups based on the required data sources:

ESTIMATED NUMBER OF PEOPLE IN POVERTY						
	2000 U.S. Census		2006-2010 ACS Estimate		Change: 2000 to 2010	
CDQ Group	Estimated Number of People in Poverty[3]	Percent of CDQ People in Poverty[7]	Estimated Number of People in Poverty[25]	Percent of CDQ People in Poverty[29]	Number of People[26]	Percent[27]
APICDA	338	5.86%	205	3.12%	(133)	-39.35%
BBEDC[9]	1,038	17.99%	805	12.27%	(233)	-22.45%
CBSFA	66	1.14%	188	2.87%	122	184.85%
CVRF	2,053	35.58%	2,675	40.80%	622	30.30%
NSEDC	1,473	25.53%	1,999	30.49%	526	35.71%
YDFDA	802	13.90%	685	10.45%	(117)	-14.59%
Total	**5,770**	**100.00%**	**6,557**	**100.00%**	**787**	**13.64%**

ESTIMATED POVERTY RATES				
	U.S Census/ACS		Change: 2000 to 2010	
CDQ Group	2000 Census: Estimated Poverty Rate[3]	2006-2010 ACS: Estimated Poverty Rate[25]	Rate[26]	Percent[27]
APICDA	31.6%	11.8%	-19.8%	-62.66%
BBEDC[9]	17.6%	15.1%	-2.5%	-14.20%
CBSFA	11.8%	17.8%	6.0%	50.85%
CVRF	26.5%	31.6%	5.1%	19.25%
NSEDC	17.4%	24.1%	6.7%	38.51%
YDFDA	26.3%	22.6%	-3.7%	-14.07%
Total[28]	**21.6%**	**23.6%**	**2.0%**	**9.26%**

Poverty: Limitations of Required Data Sources:

As noted on page 15, the poverty thresholds that are used to determine a family's poverty status do not vary by geographic location[24]. Therefore, the increased cost of living in Alaska, and the further increased cost of living in a small, remote village in Alaska are not taken into account in determining poverty status. Whereas a four-person-family unit income greater than $22,314 (the 2010 poverty threshold for a four-person family unit) may be sufficient to stay "out of poverty" for that family in many U.S. communities, it is unlikely that it is sufficient to stay out of poverty for that family in a small rural village such as Nightmute or Oscarville.

All footnotes can be found at the end of this document in the Footnote section.

Additionally, if a family is deemed to be in poverty, then everyone in that family unit is deemed to be in poverty[24]. However, it is common in Western Alaska for large family groups to live in the same household due to lack of adequate housing. For example, assume mother, father, underage child, and adult child all live in the same housing unit. Their total household income is $22,000, which is under the poverty threshold for a four-person family unit: all four family members are deemed to be in poverty. However, the adult child's income is $12,000, which is above the poverty threshold for a one-person family unit (under 65 years of age). If not for the lack of adequate housing, the adult child would not be deemed to be in poverty.

There are also limitations both in comparing 2000 U.S. Census data to 2006-2010 American Community Survey (ACS) 5-Year Estimate data, and in the ACS data itself for small census areas. For example, the ACS margin of error for the estimated number of people in poverty in Chefornak is 65+/-. Or in other words, the statistical estimate for the number of people in poverty in Chefornak could range from as little as 32 people to as many as 162 people. The same issue holds true for the estimated poverty rate: Chefornak ranges from 6.1 percent to 42.3 percent. See the section titled "Comparing 2000 U.S. Census to American Community Survey (ACS) Data" in the Footnotes to this document for a further discussion on this and other issues. It will most likely be more beneficial to compare the poverty rates for CVRF's communities during the next ten-year cycle, when it will be possible to compare like methodologies rather than different methodologies.

Poverty: Alternative Data Sources:

Coastal Villages did not identify any alternative data sources for use in evaluating poverty rates. The U.S. Census website recommends that the Small Area Income and Poverty Estimates program (SAIPE) be used to measure poverty and income levels for areas with populations less than 20,000[30], however, this data is only available by census area (counties and school districts) and is not available by community. In many instances this would skew the data for the CDQ group communities; for example, consider the Lower Kuskokwim School District or the Bethel Census Area. Both areas include the town of Bethel, Alaska, which is significantly different from the villages around it. Because of this, CVRF does not feel the SAIPE is a viable alternative.

Poverty: CVRF Performance:

The majority of the residents of the Lower Yukon-Kuskokwim Delta rely on a limited number of jobs provided by government and local ANCSA corporations. With the creation of CDQ and the formation of Coastal Villages Region Fund, a new source of income-generating opportunities has evolved. These opportunities come in many different shapes and sizes, both direct and indirect:

All footnotes can be found at the end of this document in the Footnote section.

- Direct employment with Coastal Villages, including:
  - In-region office positions
  - In-region mechanic, welding, construction, etc. positions
  - In-region processing plant positions
  - In-region local fishery support vessel crew positions
  - Corporate office positions
  - Bering Sea vessel crew positions
- Salmon and commercial halibut fishing for Coastal Villages, including:
  - Salmon permit holders sell their commercial catch to Coastal Villages
  - Coastal Villages gives its CDQ halibut to local commercial fishermen, who sell their catch to Coastal
  - The crew of salmon permit holders and CDQ halibut card holders are paid through monies earned through selling the catch to Coastal Villages
  - Coastal Villages is currently analyzing the viability of several potential new in-region commercial fisheries
- In-direct employment with Coastal's industry contacts, including:
  - Corporate office positions
  - Bering Sea vessel crew positions
- In-direct employment with in-region organizations as a result of increased in-region economic activity brought by Coastal Villages, including:
  - Tribal Council project manager positions
  - Community project workers
  - ANCSA corporation positions
  - Fisheries research project positions

From 2006 to 2010, Coastal Villages has paid out over $30 million in DIRECT wages and fish ticket payments to our region residents. This does NOT include the many indirect income earning opportunities that exist because of CVRF, some of which are described above.

Despite CVRF's work, there are still not enough jobs to meet the growing need, and many of the population are still unemployed. Coastal Villages continues to chip away at unemployment and poverty in our region, continuously working to provide a wide range of employment options and opportunities. Although the poverty rates in our region appear to have increased when the 2006-2010 ACS 5-Year Estimate is compared to the 2000 Census, it is important to consider the data limitations that are discussed in the previous pages. It is also important to note that the income threshold for poverty has increased: by $2,345 for a one-person family unit to over $10,000 for a family unit of nine people or more. As will be seen in the next section, the median household income and per capita income are on the rise in the CVRF villages. As Coastal continues to gain ground and spur economic activity in our region, we expect to see a reduction in the poverty rates of our villages.

All footnotes can be found at the end of this document in the Footnote section.

IV. Economic Development

The Yukon-Kuskokwim Delta is a large coastal plain with 900 miles of shoreline along the Bering Sea in Southwestern Alaska. Bethel, with a little over 6,000 people, is the hub for the bulk of the communities in the Delta, including the 20 CVRF communities. Travel from Bethel to the larger cities in Alaska, such as Anchorage or Fairbanks, is by plane, and travel from the villages of the Delta to Bethel is by small bush plane, boat, snow machine, dog sled, etc. The average cost of a round trip plane ticket from a CVRF community to Anchorage ranges between $950 and $1,200 in 2012.

There are no McDonald's, there are no Walmarts, there are no big national chains. None of our 20 communities have banks – the closest is in Bethel. Basic groceries and supplies in the CVRF region are supplied by ANCSA corporation stores and/or private stores. Prices are significantly affected by the high cost of transportation – much of the groceries and supplies are flown in by small bush plane. Check cashing services are provided by the local stores and other banking services have to be done through the mail or after a plane ride to Bethel.

The lower Kuskokwim region is relatively flat tundra, and has very few trees. Many villagers attempt to supplement the enormously expensive heating fuel with drift wood found along the coast, but as populations grow, drift wood gets harder to find.

The CVRF communities are built close to the coast, many along the rivers that criss-cross the Delta. As is true of most deltas in the world, the Yukon-Kuskokwim Delta is subject to flooding in the spring time or during times of high rain fall or storm surge and erosion threatens basic village infrastructure. Ice plays a complicating factor in flood potential, with spring ice dams causing rivers to back up and flood. Buildings, and sometimes entire villages, have to be moved to avoid eroding riverbanks. Houses in the region are built on stilts so as to avoid some of the flooding, and many CVRF communities move around their villages via a system of elevated boardwalks rather than roads. The coastline in the region is shallow, severely limiting options for building harbors.

Government jobs, including public education, city government, village tribal government, and healthcare organizations account for a large portion of the jobs available in Coastal Villages' communities. Airlines, village corporations, and local stores provide another slice of the pie. And beginning about 14 years ago, the local CDQ group, Coastal Villages Region Fund, has provided an increasing number of administrative, processing, vessel crew, and Bering Sea jobs. In addition, Coastal is the only stable, reliable market for commercial salmon and halibut fishers to sell their catch, pumping in several more million dollars a year in earnings.

All footnotes can be found at the end of this document in the Footnote section.

Economic Development: Required Data Sources:

The six CDQ groups researched and came to consensus on the required data sources to be used to measure economic development for all six CDQ groups. Those sources are:

1. 2000 U.S. Census[2]
    a. Median household income (Table DP-3, Median Household Income)
    b. Per capita income (Table DP-3, Per Capita Income)
2. 2006-2010 American Community Survey (ACS) 5-Year Estimate[23]
    a. Median household income (Table B19013, Median Household Income)
    b. Per capita income (Table B19301, Per Capita Income)
3. Alaska Department of Labor, Research and Analysis Section[31, 32]
    a. Total wages (ALARI, Worker Characteristics, Total Wages)
    b. Residents employed (ALARI, Worker Characteristics, Residents Employed)

The following tables depict the changes in median household income, per capita income, total wages, and residents employed for the 20 CVRF communities based on the required data sources:

All footnotes can be found at the end of this document in the Footnote section.

MEDIAN HOUSEHOLD INCOME					
	U.S Census/ACS		Change: 2000 to 2010		2006-2010 ACS
Community	2000 Census: Median Household Income[3]	2006-2010 ACS: Median Household Income[25]	Median Household Income[26]	Percent[27]	Estimated Margin of Error +/-[25]
Chefornak	$ 35,556	$ 39,583	$ 4,027	11.33%	$ 32,157
Chevak	$ 26,875	$ 31,563	$ 4,688	17.44%	$ 5,958
Eek	$ 17,500	$ 17,350	$ (150)	-0.86%	$ 12,212
Goodnews Bay	$ 16,250	$ 30,313	$ 14,063	86.54%	$ 14,263
Hooper Bay	$ 26,667	$ 34,375	$ 7,708	28.90%	$ 5,167
Kipnuk	$ 34,375	$ 34,792	$ 417	1.21%	$ 13,705
Kongiganak	$ 33,250	$ 33,542	$ 292	0.88%	$ 7,081
Kwigillingok	$ 36,250	$ 40,833	$ 4,583	12.64%	$ 10,778
Mekoryuk	$ 30,833	$ 34,792	$ 3,959	12.84%	$ 13,770
Napakiak	$ 28,750	$ 37,250	$ 8,500	29.57%	$ 17,170
Napaskiak	$ 31,806	$ 57,917	$ 26,111	82.09%	$ 11,994
Newtok	$ 32,188	$ 40,000	$ 7,812	24.27%	$ 6,101
Nightmute	$ 35,938	$ 54,063	$ 18,125	50.43%	$ 16,165
Oscarville	$ 8,125	$ 57,813	$ 49,688	611.54%	$ 44,023
Platinum	$ 21,250	$ 17,500	$ (3,750)	-17.65%	$ 33,663
Quinhagak	$ 25,156	$ 30,833	$ 5,677	22.57%	$ 9,013
Scammon Bay	$ 25,625	$ 43,750	$ 18,125	70.73%	$ 14,282
Toksook Bay	$ 30,208	$ 53,750	$ 23,542	77.93%	$ 15,727
Tuntutuliak	$ 25,500	$ 34,464	$ 8,964	35.15%	$ 6,754
Tununak	$ 25,000	$ 30,625	$ 5,625	22.50%	$ 12,013
Total[28]	**$ 28,553**	**$ 37,915**	**$ 9,362**	**32.79%**	**$ 15,100**

All footnotes can be found at the end of this document in the Footnote section.

PER CAPITA INCOME								
	U.S Census/ACS				Change: 2000 to 2010		2006-2010 ACS	
Community	2000 Census: Per Capita Income[3]		2006-2010 ACS: Per Capita Income[25]		Per Capita Income[26]	Percent[27]	Estimated Margin of Error +/-[25]	
Chefornak	$	8,474	$	11,562	$ 3,088	36.44%	$	3,179
Chevak	$	7,550	$	7,990	$ 440	5.83%	$	1,247
Eek	$	8,957	$	10,626	$ 1,669	18.63%	$	3,410
Goodnews Bay	$	6,851	$	9,908	$ 3,057	44.62%	$	2,908
Hooper Bay	$	7,841	$	8,635	$ 794	10.13%	$	1,408
Kipnuk	$	8,589	$	11,123	$ 2,534	29.50%	$	1,800
Kongiganak	$	9,881	$	7,842	$ (2,039)	-20.64%	$	2,137
Kwigillingok	$	7,577	$	10,376	$ 2,799	36.94%	$	2,596
Mekoryuk	$	11,957	$	23,827	$ 11,870	99.27%	$	7,831
Napakiak	$	7,319	$	11,023	$ 3,704	50.61%	$	2,573
Napaskiak	$	8,162	$	15,263	$ 7,101	87.00%	$	3,184
Newtok	$	9,514	$	9,128	$ (386)	-4.06%	$	2,369
Nightmute	$	9,396	$	12,198	$ 2,802	29.82%	$	3,808
Oscarville	$	5,825	$	9,973	$ 4,148	71.21%	$	5,845
Platinum	$	7,632	$	14,100	$ 6,468	84.75%	$	11,543
Quinhagak	$	8,127	$	10,422	$ 2,295	28.24%	$	2,217
Scammon Bay	$	7,719	$	9,999	$ 2,280	29.54%	$	2,381
Toksook Bay	$	8,761	$	15,326	$ 6,565	74.93%	$	3,217
Tuntutuliak	$	7,918	$	10,349	$ 2,431	30.70%	$	2,030
Tununak	$	7,653	$	12,364	$ 4,711	61.56%	$	2,852
Total[28]	**$**	**8,265**	**$**	**10,861**	**$ 2,596**	**31.41%**	**$**	**3,427**

All footnotes can be found at the end of this document in the Footnote section.

TOTAL WAGES				
	Alaska Dept of Labor		Change: 2007 to 2010	
Community	2007 Total Wages[31, 32]	2010 Total Wages[31]	Total Wages[33]	Percent[34]
Chefornak	$ 2,584,479	$ 3,010,599	$ 426,120	16.49%
Chevak	$ 5,213,124	$ 6,475,304	$ 1,262,180	24.21%
Eek	$ 1,800,789	$ 2,285,606	$ 484,817	26.92%
Goodnews Bay	$ 1,597,650	$ 1,715,963	$ 118,313	7.41%
Hooper Bay	$ 6,396,954	$ 6,692,348	$ 295,394	4.62%
Kipnuk	$ 3,304,953	$ 4,818,251	$ 1,513,298	45.79%
Kongiganak	$ 2,012,891	$ 2,470,918	$ 458,027	22.75%
Kwigillingok	$ 2,308,573	$ 2,875,884	$ 567,311	24.57%
Mekoryuk	$ 2,136,658	$ 1,938,697	$ (197,961)	-9.26%
Napakiak	$ 2,144,600	$ 1,979,803	$ (164,797)	-7.68%
Napaskiak	$ 3,082,039	$ 3,548,758	$ 466,719	15.14%
Newtok	$ 1,540,471	$ 1,876,574	$ 336,103	21.82%
Nightmute	$ 1,495,385	$ 1,899,389	$ 404,004	27.02%
Oscarville	$ 509,012	$ 572,726	$ 63,714	12.52%
Platinum	$ 300,058	$ 668,424	$ 368,366	122.76%
Quinhagak	$ 3,643,123	$ 4,591,249	$ 948,126	26.03%
Scammon Bay	$ 2,159,271	$ 2,777,828	$ 618,557	28.65%
Toksook Bay	$ 4,332,187	$ 4,403,426	$ 71,239	1.64%
Tuntutuliak	$ 2,475,368	$ 2,584,708	$ 109,340	4.42%
Tununak	$ 1,893,331	$ 1,894,502	$ 1,171	0.06%
Total	**$ 50,930,916**	**$ 59,080,957**	**$ 8,150,041**	**16.00%**

All footnotes can be found at the end of this document in the Footnote section.

NUMBER OF RESIDENTS EMPLOYED				
	Alaska Dept of Labor		Change: 2007 to 2010	
Community	2007 Number of Residents Employed[31, 32]	2010 Number of Residents Employed[31]	Number of Residents Employed[33]	Percent[34]
Chefornak	206	217	11	5.34%
Chevak	358	428	70	19.55%
Eek	126	131	5	3.97%
Goodnews Bay	104	109	5	4.81%
Hooper Bay	457	486	29	6.35%
Kipnuk	286	295	9	3.15%
Kongiganak	179	215	36	20.11%
Kwigillingok	178	174	(4)	-2.25%
Mekoryuk	136	122	(14)	-10.29%
Napakiak	164	159	(5)	-3.05%
Napaskiak	183	199	16	8.74%
Newtok	158	158	-	0.00%
Nightmute	109	124	15	13.76%
Oscarville	21	26	5	23.81%
Platinum	19	31	12	63.16%
Quinhagak	265	294	29	10.94%
Scammon Bay	179	207	28	15.64%
Toksook Bay	280	284	4	1.43%
Tuntutuliak	172	158	(14)	-8.14%
Tununak	156	165	9	5.77%
Total	**3,736**	**3,982**	**246**	**6.58%**

Note that because this data is based on State of Alaska unemployment data, it most likely does not account for self-employed fishermen. CVRF, through our wholly-owned subsidiary Coastal Villages Seafoods, LLC (CVS) is the only consistent buyer of local commercial seafood in our region. We provide the market to approximately 600 fishermen, mainly fishing for salmon and halibut, that may not be included in the data shown above.

All footnotes can be found at the end of this document in the Footnote section.

These tables depict the median household income, per capita income, total wages, and residents employed for each of the six CDQ groups based on the required data sources:

MEDIAN HOUSEHOLD INCOME				
	U.S Census/ACS		Change: 2000 to 2010	
CDQ Group	2000 Census: Median Household Income[3]	2006-2010 ACS: Median Household Income[25]	Median Household Income[26]	Percent[27]
APICDA	$ 38,398	$ 35,241	$ (3,157)	-8.22%
BBEDC[35]	$ 41,981	$ 65,628	$ 23,647	56.33%
CBSFA	$ 50,750	$ 38,125	$ (12,625)	-24.88%
CVRF	$ 28,553	$ 37,915	$ 9,362	32.79%
NSEDC	$ 42,347	$ 47,576	$ 5,229	12.35%
YDFDA	$ 31,165	$ 43,932	$ 12,767	40.97%
Total[28]	**$ 36,973**	**$ 46,497**	**$ 9,524**	**25.76%**

PER CAPITA INCOME				
	U.S Census/ACS		Change: 2000 to 2010	
CDQ Group	2000 Census: Per Capita Income[3]	2006-2010 ACS: Per Capita Income[25]	Per Capita Income[26]	Percent[27]
APICDA	$ 15,518	$ 21,903	$ 6,385	41.15%
BBEDC[35]	$ 17,875	$ 25,364	$ 7,489	41.90%
CBSFA	$ 18,408	$ 26,198	$ 7,790	42.32%
CVRF	$ 8,265	$ 10,861	$ 2,596	31.41%
NSEDC	$ 15,690	$ 21,014	$ 5,324	33.93%
YDFDA	$ 8,248	$ 12,402	$ 4,154	50.36%
Total[28]	**$ 13,202**	**$ 18,026**	**$ 4,824**	**36.54%**

All footnotes can be found at the end of this document in the Footnote section.

TOTAL WAGES						
	Alaska Dept of Labor		Alaska Dept of Labor		Change: 2007 to 2010	
CDQ Group	2007 Total Wages[31, 32]	Percent of CDQ Total Wages[36]	2010 Total Wages[31]	Percent of CDQ Total Wages[37]	Total Wages[33]	Percent[34]
APICDA	$ 5,482,422	2.11%	$ 7,206,641	2.47%	$ 1,724,219	31.45%
BBEDC[38]	$ 72,507,353	27.93%	$ 78,228,845	26.86%	$ 5,721,492	7.89%
CBSFA	$ 5,566,808	2.14%	$ 6,527,826	2.24%	$ 961,018	17.26%
CVRF	$ 50,930,916	19.62%	$ 59,080,957	20.28%	$ 8,150,041	16.00%
NSEDC	$ 106,095,998	40.86%	$116,865,170	40.12%	$ 10,769,172	10.15%
YDFDA	$ 19,046,227	7.34%	$ 23,387,120	8.03%	$ 4,340,893	22.79%
Total	**$ 259,629,724**	**100.00%**	**$291,296,559**	**100.00%**	**$ 31,666,835**	**12.20%**

NUMBER OF RESIDENTS EMPLOYED						
	Alaska Dept of Labor		Alaska Dept of Labor		Change: 2007 to 2010	
CDQ Group	2007 Number of Residents Employed[31, 32]	Percent of CDQ Residents Employed[36]	2010 Number of Residents Employed[31]	Percent of CDQ Residents Employed[37]	Total Residents Employed[33]	Percent[34]
APICDA	247	2.06%	291	2.31%	44	17.81%
BBEDC[38]	2,508	20.87%	2,501	19.82%	(7)	-0.28%
CBSFA	226	1.88%	230	1.82%	4	1.77%
CVRF	3,736	31.09%	3,982	31.55%	246	6.58%
NSEDC	3,950	32.88%	4,127	32.70%	177	4.48%
YDFDA	1,348	11.22%	1,489	11.80%	141	10.46%
Total	**12,015**	**100.00%**	**12,620**	**100.00%**	**605**	**5.04%**

(See note on page 27)

Economic Development: Limitations of Required Data Sources:

As noted on page 20, there are limitations both in comparing 2000 U.S. Census data to 2006-2010 American Community Survey (ACS) 5-Year Estimate data, and in the ACS data itself for small census areas. See the section titled "Comparing 2000 U.S. Census to American Community Survey (ACS) Data" in the Footnotes to this document for a further discussion on this and other issues.

Economic Development: Alternative Data Sources:

Coastal Villages considered alternative sources of economic development data. As noted on page 20, under "Poverty: Alternative Data Sources," SAIPE data is the recommended source but does not present data by community. CVRF identified several other metrics from the data sources already identified (U.S. Census/ACS and Alaska Department of Labor), as well as one additional source: the Denali Commission's Distressed Communities List.

All footnotes can be found at the end of this document in the Footnote section.

1. Percentage of Persons with Bachelor's Degree or Higher

The percentage of persons with a bachelor's degree or higher is found in the 2000 Census[2], Table DP-2, Percent Bachelor's Degree or Higher and in the 2006-2010 American Community Survey (ACS) 5-Year Estimate[23], Table S1501, Percent Bachelor's Degree or Higher. Because poverty and income levels are affected by education levels, CVRF deemed this a useful metric to consider.

PERCENTAGE OF PERSONS WITH BACHELOR'S DEGREE OR HIGHER					
	U.S Census/ACS		Change: 2000 to 2010		2006-2010 ACS
Community	2000 Census: Percentage of Persons with Bachelor's Degree or Higher[3]	2006-2010 ACS: Percentage of Persons with Bachelor's Degree or Higher[25]	Percentage of Persons with Bachelor's Degree or Higher[26]	Percent[27]	Estimated Margin of Error +/-[25]
Chefornak	5.6%	3.40%	-2.2%	-39.29%	3.8%
Chevak	10.5%	5.20%	-5.3%	-50.48%	3.8%
Eek	5.8%	7.40%	1.6%	27.59%	8.0%
Goodnews Bay	4.3%	6.20%	1.9%	44.19%	6.7%
Hooper Bay	8.2%	1.00%	-7.2%	-87.80%	1.3%
Kipnuk	5.8%	5.40%	-0.4%	-6.90%	5.4%
Kongiganak	4.3%	2.40%	-1.9%	-44.19%	4.4%
Kwigillingok	5.3%	0.00%	-5.3%	-100.00%	21.1%
Mekoryuk	5.0%	11.50%	6.5%	130.00%	8.3%
Napakiak	3.7%	5.80%	2.1%	56.76%	7.5%
Napaskiak	5.7%	6.80%	1.1%	19.30%	8.1%
Newtok	5.3%	10.70%	5.4%	101.89%	6.9%
Nightmute	10.4%	3.20%	-7.2%	-69.23%	4.2%
Oscarville	0.0%	0.00%	0.0%	0.00%	34.1%
Platinum	0.0%	0.00%	0.0%	0.00%	62.6%
Quinhagak	4.1%	2.00%	-2.1%	-51.22%	2.1%
Scammon Bay	12.2%	9.80%	-2.4%	-19.67%	7.2%
Toksook Bay	9.2%	9.90%	0.7%	7.61%	6.2%
Tuntutuliak	5.7%	0.00%	-5.7%	-100.00%	16.4%
Tununak	3.4%	5.60%	2.2%	64.71%	5.8%
Total[28]	**6.7%**	**4.9%**	**-1.8%**	**-26.87%**	**11.2%**

All footnotes can be found at the end of this document in the Footnote section.

PERCENTAGE OF PERSONS WITH BACHELOR'S DEGREE OR HIGHER				
	U.S Census/ACS		Change: 2000 to 2010	
CDQ Group	2000 Census: Percentage of Persons with Bachelor's Degree or Higher[3]	2006-2010 ACS: Percentage of Persons with Bachelor's Degree or Higher[25]	Percentage of Persons with Bachelor's Degree or Higher[26]	Percent[27]
APICDA	4.4%	8.8%	4.4%	100.00%
BBEDC[9]	16.5%	19.5%	3.0%	18.18%
CBSFA	10.5%	11.4%	0.9%	8.57%
CVRF	6.7%	4.9%	-1.8%	-26.87%
NSEDC	14.4%	14.2%	-0.2%	-1.39%
YDFDA	7.4%	9.0%	1.6%	21.62%
Total[28]	**11.3%**	**11.4%**	**0.1%**	**0.88%**

All footnotes can be found at the end of this document in the Footnote section.

2. Percentage of Persons Not in Labor Force

The percentage of persons not in the labor force is found in the 2000 Census[2], Table DP-3, Percent Not in Labor Force and in the 2006-2010 American Community Survey (ACS) 5-Year Estimate[23], Table S2301, Percent Unemployment Rate. The unemployment rate is a standard metric considered when evaluating the economic condition of a region.

PERCENTAGE OF PERSONS NOT IN LABOR FORCE					
	U.S Census/ACS		Change: 2000 to 2010		2006-2010 ACS
Community	2000 Census: Percentage of Persons Not In Labor Force[3]	2006-2010 ACS: Percentage of Persons Not In Labor Force[25]	Percentage of Persons of Persons Not In Labor Force[26]	Percent[27]	Estimated Margin of Error +/-[25]
Chefornak	33.7%	25.00%	-8.7%	-25.82%	13.5%
Chevak	32.7%	32.0%	-0.7%	-2.14%	7.8%
Eek	57.9%	31.0%	-26.9%	-46.46%	15.2%
Goodnews Bay	54.7%	28.2%	-26.5%	-48.45%	14.1%
Hooper Bay	45.7%	30.2%	-15.5%	-33.92%	7.7%
Kipnuk	40.4%	21.6%	-18.8%	-46.53%	8.8%
Kongiganak	46.4%	37.5%	-8.9%	-19.18%	12.2%
Kwigillingok	43.2%	22.9%	-20.3%	-46.99%	12.6%
Mekoryuk	32.9%	19.3%	-13.6%	-41.34%	8.7%
Napakiak	41.2%	29.5%	-11.7%	-28.40%	10.0%
Napaskiak	48.3%	13.1%	-35.2%	-72.88%	11.4%
Newtok	36.5%	9.6%	-26.9%	-73.70%	7.9%
Nightmute	32.9%	12.2%	-20.7%	-62.92%	7.1%
Oscarville	50.0%	42.1%	-7.9%	-15.80%	32.7%
Platinum	26.7%	66.7%	40.0%	149.81%	23.4%
Quinhagak	58.8%	25.8%	-33.0%	-56.12%	9.7%
Scammon Bay	49.6%	18.5%	-31.1%	-62.70%	9.2%
Toksook Bay	33.1%	21.7%	-11.4%	-34.44%	9.2%
Tuntutuliak	34.5%	30.8%	-3.7%	-10.72%	14.3%
Tununak	39.8%	28.7%	-11.1%	-27.89%	10.5%
Total[28]	**46.8%**	**25.5%**	**-21.3%**	**-45.51%**	**12.3%**

All footnotes can be found at the end of this document in the Footnote section.

PERCENTAGE OF PERSONS NOT IN LABOR FORCE				
	U.S Census/ACS		Change: 2000 to 2010	
CDQ Group	2000 Census: Percentage of Persons Not In Labor Force[3]	2006-2010 ACS: Percentage of Persons Not In Labor Force[25]	Percentage of Persons of Persons Not In Labor Force[26]	Percent[27]
APICDA	7.8%	3.4%	-4.4%	-56.41%
BBEDC[9]	36.5%	15.9%	-20.6%	-56.44%
CBSFA	32.4%	1.6%	-30.8%	-95.06%
CVRF	46.8%	25.5%	-21.3%	-45.51%
NSEDC	39.7%	19.1%	-20.6%	-51.89%
YDFDA	40.5%	25.8%	-14.7%	-36.30%
Total[28]	**39.7%**	**19.6%**	**-20.1%**	**-50.63%**

All footnotes can be found at the end of this document in the Footnote section.

3. Average Household Size

The average household size is found in the 2000 Census[2], Table DP-1, Average Household Size and in the 2006-2010 American Community Survey (ACS) 5-Year Estimate[23], Table P17, Average Household Size - Total. Housing resources in CVRF's member communities are extremely limited and often more than one family unit must live in the same small house.

AVERAGE HOUSEHOLD SIZE				
	U.S Census/ACS		Change: 2000 to 2010	
Community	2000 Census: Average Household Size[3]	2006-2010 ACS: Average Household Size[25]	Average Household Size[26]	Percent[27]
Chefornak	5.25	4.54	(0.71)	-13.52%
Chevak	4.58	4.49	(0.09)	-1.97%
Eek	3.68	3.25	(0.43)	-11.68%
Goodnews Bay	3.24	3.20	(0.04)	-1.23%
Hooper Bay	4.47	4.27	(0.20)	-4.47%
Kipnuk	4.70	4.18	(0.52)	-11.06%
Kongiganak	4.54	4.67	0.13	2.86%
Kwigillingok	4.63	3.89	(0.74)	-15.98%
Mekoryuk	2.88	2.73	(0.15)	-5.21%
Napakiak	3.92	3.69	(0.23)	-5.87%
Napaskiak	4.76	4.31	(0.45)	-9.45%
Newtok	5.10	5.06	(0.04)	-0.78%
Nightmute	4.43	4.75	0.32	7.22%
Oscarville	4.07	4.67	0.60	14.74%
Platinum	2.41	3.21	0.80	33.20%
Quinhagak	4.05	4.05	-	0.00%
Scammon Bay	4.84	4.94	0.10	2.07%
Toksook Bay	5.02	4.72	(0.30)	-5.98%
Tuntutuliak	4.40	4.25	(0.15)	-3.41%
Tununak	3.96	3.89	(0.07)	-1.77%
Total[28]	**4.35**	**4.16**	**(0.19)**	**-4.37%**

All footnotes can be found at the end of this document in the Footnote section.

AVERAGE HOUSEHOLD SIZE				
	U.S Census/ACS		Change: 2000 to 2010	
CDQ Group	2000 Census: Average Household Size[3]	2006-2010 ACS: Average Household Size[25]	Average Household Size[26]	Percent[27]
APICDA	2.72	2.26	(0.46)	-16.91%
BBEDC[9]	2.87	2.65	(0.22)	-7.67%
CBSFA	2.88	2.81	(0.07)	-2.43%
CVRF	4.35	4.16	(0.19)	-4.37%
NSEDC	3.31	3.22	(0.09)	-2.72%
YDFDA	4.39	4.26	(0.13)	-2.96%
Total[28]	**3.46**	**3.33**	**(0.13)**	**-3.76%**

All footnotes can be found at the end of this document in the Footnote section.

4. Average Number of Rooms in Housing Unit

The average number of rooms in a housing unit is found in the 2000 Census[2], Table DP-4, Median Rooms and in the 2006-2010 American Community Survey (ACS) 5-Year Estimate[23], Table DP04, Median Rooms. In addition to the information noted in #3 above, the housing that multiple family units share are often very small with only a couple of rooms.

AVERAGE NUMBER OF ROOMS IN HOUSING UNIT					
	U.S Census/ACS		Change: 2000 to 2010		2006-2010 ACS
Community	2000 Census: Average Number of Rooms in Housing Unit[3]	2006-2010 ACS: Average Number of Rooms in Housing Unit[25]	Average Number of Rooms in Housing Unit[26]	Percent[27]	Estimated Margin of Error +/-[25]
Chefornak	3.30	3.70	0.40	12.12%	0.80
Chevak	2.70	3.40	0.70	25.93%	0.50
Eek	2.60	3.90	1.30	50.00%	0.50
Goodnews Bay	2.80	3.30	0.50	17.86%	0.30
Hooper Bay	3.20	3.30	0.10	3.12%	0.50
Kipnuk	3.90	4.10	0.20	5.13%	0.40
Kongiganak	4.10	3.70	(0.40)	-9.76%	1.00
Kwigillingok	2.90	4.20	1.30	44.83%	0.40
Mekoryuk	3.50	3.60	0.10	2.86%	0.30
Napakiak	2.30	3.80	1.50	65.22%	0.30
Napaskiak	2.80	3.50	0.70	25.00%	0.50
Newtok	1.80	3.70	1.90	105.56%	0.30
Nightmute	3.20	4.00	0.80	25.00%	0.40
Oscarville	2.50	3.40	0.90	36.00%	0.70
Platinum	3.20	3.00	(0.20)	-6.25%	0.70
Quinhagak	4.30	3.70	(0.60)	-13.95%	0.30
Scammon Bay	3.10	3.40	0.30	9.68%	0.40
Toksook Bay	3.20	3.90	0.70	21.88%	0.60
Tuntutuliak	2.90	4.00	1.10	37.93%	0.20
Tununak	3.00	4.00	1.00	33.33%	0.50
Total[28]	**3.16**	**3.67**	**0.51**	**16.14%**	**0.48**

All footnotes can be found at the end of this document in the Footnote section.

AVERAGE NUMBER OF ROOMS IN HOUSING UNIT				
	U.S Census/ACS		Change: 2000 to 2010	
CDQ Group	2000 Census: Average Number of Rooms in Housing Unit[3]	2006-2010 ACS: Average Number of Rooms in Housing Unit[25]	Average Number of Rooms in Housing Unit[26]	Percent[27]
APICDA	4.79	4.35	(0.44)	-9.19%
BBEDC[9]	3.94	4.06	0.12	3.05%
CBSFA	4.70	4.60	(0.10)	-2.13%
CVRF	3.16	3.67	0.51	16.14%
NSEDC	3.72	3.78	0.06	1.61%
YDFDA	3.41	3.88	0.47	13.78%
Total[28]	**3.69**	**3.88**	**0.19**	**5.15%**

All footnotes can be found at the end of this document in the Footnote section.

5. Percentage of Housing Units Lacking Complete Plumbing

The percentage of housing units lacking complete plumbing facilities is found in the 2000 Census[2], Table DP-4, Percent [Housing Units] Lacking Complete Plumbing Facilities and in the 2006-2010 American Community Survey (ACS) 5-Year Estimate[23], Table DP04, Percent Lacking Complete Plumbing Facilities. Many homes in Western Alaska do not have complete plumbing facilities; houses may be without toilets, showers, running water, etc.

PERCENTAGE OF HOUSING UNITS LACKING COMPLETE PLUMBING FACILITIES					
	U.S Census/ACS		Change: 2000 to 2010		2006-2010 ACS
Community	2000 Census: Percentage of Housing Units Lacking Complete Plumbing Facilities[3]	2006-2010 ACS: Percentage of Housing Units Lacking Complete Plumbing Facilities[25]	Percentage of Housing Units Lacking Complete Plumbing Facilities[26]	Percent[27]	Estimated Margin of Error +/-[25]
Chefornak	100.0%	100.00%	0.0%	0.00%	31.0%
Chevak	90.4%	8.5%	-81.9%	-90.60%	5.0%
Eek	97.3%	100.0%	2.7%	2.77%	31.0%
Goodnews Bay	97.1%	65.9%	-31.2%	-32.13%	15.2%
Hooper Bay	92.2%	94.3%	2.1%	2.28%	5.5%
Kipnuk	95.8%	93.7%	-2.1%	-2.19%	5.4%
Kongiganak	100.0%	87.0%	-13.0%	-13.00%	11.2%
Kwigillingok	97.1%	64.3%	-32.8%	-33.78%	18.9%
Mekoryuk	8.7%	31.3%	22.6%	259.77%	14.5%
Napakiak	85.9%	40.2%	-45.7%	-53.20%	13.8%
Napaskiak	97.8%	17.9%	-79.9%	-81.70%	12.2%
Newtok	100.0%	94.4%	-5.6%	-5.60%	7.5%
Nightmute	53.8%	86.4%	32.6%	60.59%	13.7%
Oscarville	100.0%	100.0%	0.0%	0.00%	66.2%
Platinum	55.0%	50.0%	-5.0%	-9.09%	31.1%
Quinhagak	92.7%	81.5%	-11.2%	-12.08%	7.6%
Scammon Bay	40.4%	59.6%	19.2%	47.52%	13.7%
Toksook Bay	58.7%	51.8%	-6.9%	-11.75%	11.7%
Tuntutuliak	62.8%	91.6%	28.8%	45.86%	9.2%
Tununak	65.4%	75.0%	9.6%	14.68%	13.3%
Total[28]	**81.3%**	**67.3%**	**-14.0%**	**-17.22%**	**16.9%**

All footnotes can be found at the end of this document in the Footnote section.

PERCENTAGE OF HOUSING UNITS LACKING COMPLETE PLUMBING FACILITIES				
	U.S Census/ACS		Change: 2000 to 2010	
CDQ Group	2000 Census: Percentage of Housing Units Lacking Complete Plumbing Facilities[3]	2006-2010 ACS: Percentage of Housing Units Lacking Complete Plumbing Facilities[25]	Percentage of Housing Units Lacking Complete Plumbing Facilities[26]	Percent[27]
APICDA	2.4%	0.0%	-2.4%	-100.00%
BBEDC[9]	12.0%	8.9%	-3.1%	-25.83%
CBSFA	2.2%	5.4%	3.2%	145.45%
CVRF	81.3%	67.3%	-14.0%	-17.22%
NSEDC	28.2%	16.2%	-12.0%	-42.55%
YDFDA	38.0%	0.0%	-38.0%	-100.00%
Total[28]	**33.9%**	**26.3%**	**-7.6%**	**-22.42%**

All footnotes can be found at the end of this document in the Footnote section.

6. Distressed Communities

The Denali Commission Distressed Communities Lists were found on the Denali Commission's website at http://www.denali.gov/index.php?option=com_docman&Itemid=518. Introduced by Congress in 1998, the Denali Commission (the Commission) is an independent federal agency designed to provide critical utilities, infrastructure, and economic support throughout Alaska. The Distressed Communities List was developed by the Commission in an effort to ensure Federal funding provided by the Commission was being distributed to communities with the most need compared to other areas of Alaska and the United States[39].

The Commission's criteria for a distressed community are as follows[39]:

a. Per capita market income no greater than 67 percent of the U.S. Average, and
b. Poverty rate equal to 150 percent or greater of the U.S. Average, and
c. 3 year unemployment rate equal to 150 percent or greater of the U.S. average or greater

OR

d. At least twice the poverty rate of the U.S. Average plus one other indicator

Additionally, the Commission adopted alternate methods of determining community eligibility when current census data is not available. The "surrogate" standard considers additional data and methodology, and must meet at least two of the following three criteria in the year prior to the year of designation[39]:

a. Average market income less than minimum wage times 2,080 hours
b. More than 70 percent of residents 16 and over earned less than the minimum wage times 2,080 hours
c. Less than 30 percent of residents 16 and over worked in all four quarters

The Denali Commission recognizes that in some cases the data collection and application methodology does not accurately reflect the appropriate classification of some communities. The Commission therefore also accepts appeals to review a community's classification[39].

More information on the criteria and designations can be found at http://www.denali.gov/.

All footnotes can be found at the end of this document in the Footnote section.

DISTRESSED COMMUNITIES						
	2006 Denali Commission		2010 Denali Commission		Change: 2006 to 2010	
Community	On Distressed Communities List?[40]	Estimated Population in Distress[42]	On Distressed Communities List?[41]	Estimated Population in Distress[43]	Change in Distressed Status?	Estimated Population in Distress[44]
Chefornak	Distressed	461	Distressed	478	No	17
Chevak	Distressed	933	Distressed	960	No	27
Eek	Distressed	290	Distressed	299	No	9
Goodnews Bay	Distressed	242	Distressed	239	No	(3)
Hooper Bay	Distressed	1,148	Distressed	1,246	No	98
Kipnuk	Distressed	662	Distressed	685	No	23
Kongiganak[45]	n/a	-	Distressed	438	Identified as Distressed	438
Kwigillingok	Distressed	374	Non Distressed	-	Changed to Not Distressed	(374)
Mekoryuk	Non Distressed	-	Non Distressed	-	No	-
Napakiak	Distressed	379	Distressed	343	No	(36)
Napaskiak[45]	n/a	-	Distressed	405	Identified as Distressed	405
Newtok[45]	n/a	-	Distressed	354	Identified as Distressed	354
Nightmute	Distressed	227	Non Distressed	-	Changed to Not Distressed	(227)
Oscarville[45]	n/a	-	Distressed	70	Identified as Distressed	70
Platinum	Distressed	36	Distressed	60	No	24
Quinhagak	Distressed	664	Distressed	677	No	13
Scammon Bay	Distressed	517	Distressed	561	No	44
Toksook Bay	Distressed	618	Distressed	601	No	(17)
Tuntutuliak	Distressed	386	Distressed	422	No	36
Tununak	Distressed	337	Distressed	355	No	18
Total	**15**	**7,274**	**17**	**8,193**	**2**	**919**

All footnotes can be found at the end of this document in the Footnote section.

DISTRESSED COMMUNITIES						
	2006 Denali Commission		2010 Denali Commission		Change: 2006 to 2010	
CDQ Group	Number of Communities On Distressed List?[40]	Estimated Population in Distress[42]	Number of Communities On Distressed List?[41]	Estimated Population in Distress[43]	Change in Distressed Status?	Estimated Population in Distress[44]
APICDA	1	108	0	-	(1)	(108)
BBEDC[45]	3	1,285	8	1,617	5	332
CBSFA	0	-	0	-	-	-
CVRF[45]	15	7,274	17	8,193	2	919
NSEDC[45]	8	3,047	10	4,050	2	1,003
YDFDA	6	3,185	5	2,502	(1)	(683)
Total	**33**	**14,899**	**40**	**16,362**	**7**	**1,463**

Economic Development: CVRF Performance:

Coastal Villages analyzed a multitude of data sources in our evaluation of economic development in our communities. The general trend in the comparisons points towards an overall improvement in the economic conditions in the CVRF region. The improvements may seem small at initial glance, but many of the percentage changes are quite large, and in an area so plagued by poverty and economic struggle, even the smallest improvements can seem huge.

SUMMARY OF ECONOMIC DEVELOPMENT METRICS				
	Measure		Change	
Metric	2006 Measure[46]	2010 Measure[47]	Change[48]	Percent[49]
Median household income	$ 28,553	$ 37,915	$ 9,362	32.79%
Per capita income	$ 8,265	$ 10,861	$ 2,596	31.41%
Total wages	$ 50,930,916	$ 59,080,957	$ 8,150,041	16.00%
Number of residents employed	3,736	3,982	246	6.58%
Percentage of persons with bachelor's degree or higher	6.7%	4.9%	-1.8%	-26.87%
Percentage of persons not in labor force	46.8%	25.5%	-21.3%	-45.51%
Average household size (persons in household)	4.35	4.16	(0.19)	-4.37%
Average number of rooms in housing unit	3.16	3.67	0.51	16.14%
Percentage of housing units lacking complete plumbing facilities	81.3%	67.3%	-14.0%	-17.22%
Distressed communities	15	17	2	13.33%

The chart above summarizes the data presented in detail in the earlier pages of this section. All of the metrics point towards an improving economy with the exception of two: percentage of persons with a bachelor's degree or higher, which decreased by 1.8 percent, and distressed communities, which increased by 2. Following is a brief discussion of both of these metrics.

All footnotes can be found at the end of this document in the Footnote section.

1. Percentage of Persons with Bachelor's Degree or Higher

   The estimated percentage of persons with a bachelor's degree or higher decreased from 6.7 percent based on the 2000 Census to 4.9 percent based on the 2006-2010 ACS 5-Year Estimate. In addition to the limitations in the data sources and in comparing them discussed throughout this section, it is also worthy to mention that many college graduates, unable to find good paying jobs in their villages, move to a larger population base (such as Anchorage or Fairbanks) after graduation. As CVRF works to increase the number and quality of employment opportunities in our villages, we hope to see more of our college graduates moving back to their communities.

2. Distressed Communities

   The 2006 Denali Commission Distressed Communities Report notes that "all 2005 PFD applicants age 16 or older in 2005 were assigned to an Alaska census area/borough and community by zip code. In some rural parts of Alaska, several communities utilize the same zip code. Residents of communities sharing a zip code are generally grouped together in this report unless physical place of residence information provides accurate community data. For example, zip code data cannot differentiate Atmautluak, Kongiganak, Napaskiak, and Newtok because they receive mail through the Bethel zip code. Therefore, Bethel's 2005 distressed/nondistressed determination will be used for those communities." [39]

   Kongiganak, Napaskiak, Newtok, and Oscarville were all grouped in with the Bethel census area for the 2006 Distressed Communities List and were therefore deemed not to be distressed. However, the Denali Commission later revised these individual communities' status to distressed; therefore, they are not actually "additions" to the distressed communities count. It is interesting to note that Platinum, where CVRF built a salmon and halibut processing plant from the ground up in 2009, came off the distressed communities list in 2011.

There are many ways to measure economic development in a region; we discussed some of the possible metrics in the preceding pages. There is however a very important metric that cannot be measured quantitatively and put in a chart. It can only be measured by traveling to the CVRF communities and feeling the renewed sense of hope in the air. Local stores are busier. Newer 4-wheelers, snow machines, and boats can be seen traveling around the villages. Fishermen are upgrading their equipment and fishing safer. More smiles and laughter can be seen and heard in the villages. Coastal Villages takes great pride in this measure: Coastal offers opportunities for people to work and fish so they can have hope.

All footnotes can be found at the end of this document in the Footnote section.

V. Determination of Performance

Following is a summary of the data for Criteria #1 – both the "required" data sources that were agreed to by the six CDQ groups and alternative data sources that CVRF considered. CVRF believes that in all of these measures, we have met or exceeded our performance expectations. Not only do we have the most communities of the six groups and one of the largest populations (or the largest, depending on the data source), but the populations of our member communities are growing. Median incomes are on the rise, unemployment is falling, and housing conditions are getting better. The poverty rate appears to have increased, but this is counterintuitive with the economic development data and is most likely due to the change in the U.S. Census Bureau's methodology for collecting the data.

SUMMARY OF CRITERIA #1:
Population, Poverty, & Economic Development

	Required Measure		Change in Required Measure	
Metric	2006 Measure[46]	2010 Measure[47]	Change[48]	Percent[49]
Population:				
Population	7,855	8,570	715	9.10%
Poverty:				
Poverty - number of people	2,053	2,675	622	30.30%
Poverty - rate	26.5%	31.6%	5.1%	19.25%
Economic Development:				
Median household income	$ 28,553	$ 37,915	$ 9,362	32.79%
Per capita income	$ 8,265	$ 10,861	$ 2,596	31.41%
Total wages	$ 50,930,916	$ 59,080,957	$ 8,150,041	16.00%
Number of residents employed	3,736	3,982	246	6.58%

	Alternate Measure		Change in Alternate Measure	
Metric	2006 Measure[46]	2010 Measure[47]	Change[48]	Percent[49]
Population:				
PFD applicants	8,767	9,016	249	2.84%
Poverty:				
No alternative measures were noted				
Economic Development:				
Percentage of persons with bachelor's degree or higher	6.7%	4.9%	-1.8%	-26.87%
Percentage of persons not in labor force	46.8%	25.5%	-21.3%	-45.51%
Average household size (persons in household)	4.35	4.16	(0.19)	-4.37%
Average number of rooms in housing unit	3.16	3.67	0.51	16.14%
Percentage of housing units lacking complete plumbing facilities	81.3%	67.3%	-14.0%	-17.22%
Distressed communities	15	17	2	13.33%

All footnotes can be found at the end of this document in the Footnote section.

CVRF has determined that we have met or exceeded our performance expectations for Criteria #1.

Organization	***Decennial Review Criteria***	***Assigned Weight***	***Performance Determination***	***Weighted Score***
Coastal Villages Region Fund	*#1. Changes during the preceding 10-year period in population, poverty level, and economic development in the entity's member villages*[1]	*25%*	*Met or exceeded*	*25 points*

All footnotes can be found at the end of this document in the Footnote section.

CRITERIA #2: Financial Performance

I. Weighting of Criteria #2

Poor financial performance has historically been heavily weighted in the evaluation of CDQ groups by the State of Alaska. In 1995, for the 1996-1998 harvesting seasons, Coastal's CDQ pollock quota (under Coastal Villages Fishing Cooperative (CVFC) at that time) was cut from 27 percent to 25 percent for poor financial performance. After being threatened with having our allocations terminated, our pollock quota was cut another 3 percent in 1998, for the 1999-2000 harvesting seasons, again because of poor financial performance. Coastal received a slight increase of 2 percent in 2000 for the 2001-2002 harvesting season, and has remained at 24 percent since. Unfortunately, when the other multispecies allocations were being determined in the mid-1990's, Coastal Villages was severely penalized for our performance at that time, receiving on average only 15 percent of the multispecies allocations, in spite of representing nearly one third of the CDQ population and the villages with the greatest financial need.

Strong financial performance has not historically had much of an effect on CDQ allocations. Coastal's allocations have never been increased as a result of our exceptional, post-CVFC, financial performance. In fact, in the lead up to the 2006 allocations, Coastal was threatened with even further allocation cuts because of our financial successes.

CVRF has worked very hard to build financial stability for our region's CDQ company. We have hired experienced, professional executives and we expend significant energy on analyzing each potential business opportunity. The results can be clearly seen in our financial statements.

Although we place our highest value on the people of our communities and the work we have done to improve the socio-economic conditions in our villages, we believe for the sake of the analysis of the four required criterion that it is prudent to weight each of them equally. Coastal Villages therefore weights Criteria #2 as follows:

Organization	***Decennial Review Criteria***	***Assigned Weight***
Coastal Villages Region Fund	*#2. The overall financial performance of the entity, including fishery and non-fishery investments by the entity*	*25%*

All footnotes can be found at the end of this document in the Footnote section.

II. Audited Financial Statements: 2006-2010

Following on pages 47-50 are Coastal Villages' consolidated, comparative financial statements for 2006-2010:

Balance Sheet

		2006	2007	2008	2009	2010
Assets						
Current assets:						
Cash and cash equivalents	$	3,003,340	2,438,812	26,362,290	39,187,615	23,107,086
Investments in marketable securities		7,042,568	2,804,768	2,536,976	3,017,493	-
Investments in marketable securities - pledged		9,440,000	-	-	-	-
Accrued interest on investments		100,062	-	-	-	-
Trade accounts receivable, net of allowance		-	-	-	3,383,776	3,795,688
Other accounts receivable		546,370	2,869,104	4,953,692	78,274	2,846,987
Deposits		-	2,630	8,194	80,902	155,329
Deferred operating costs and prepaid expense		94,351	181,103	251,487	324,329	1,498,870
Inventory		81,086	136,747	794,102	876,594	889,516
Notes receivable, current portion, net		609,806	317,657	36,092	1,345,208	13,462
Notes receivable from affiliated parties, current portion		864,392	612,434	404,157	-	-
Total current assets		21,781,975	9,363,255	35,346,990	48,294,191	32,306,938
Restricted cash		70,000	70,000	81,000	82,000	212,000
Notes receivable, excluding current portion		249,064	249,234	-	31,757,526	31,757,526
Notes receivable from affiliated parties		1,176,847	784,095	875,566	-	-
Property, plant, vessels, and equipment, net		18,888,069	22,970,724	21,931,973	21,410,089	118,215,877
Investments in fishing rights		18,690,141	30,461,485	35,332,253	34,610,105	121,405,130
Investments in fishing affiliates		50,370,501	30,188,561	5,282,760	(1,280,869)	-
Total assets	$	111,226,597	94,087,354	98,850,542	134,873,042	303,897,471

All footnotes can be found at the end of this document in the Footnote section.

Balance Sheet, continued

		2006	2007	2008	2009	2010
Liabilities and Net Assets						
Current liabilities:						
Accounts payable and accrued expenses	$	1,338,940	2,302,997	4,096,794	1,445,763	4,491,681
Income tax payable		-	-	-	-	2,334,277
Security deposits		35,130	24,973	21,258	22,252	29,259
Deferred revenue		-	24,710	-	28,301	430,144
Accrued payroll liabilities		192,557	262,694	492,357	502,547	768,895
Line of credit		15,457,572	9,000,000	-	-	-
Notes payable, current portion		8,000,000	133,815	139,058	172,738	134,046
Total current liabilities		25,024,199	11,749,189	4,749,467	2,171,601	8,188,302
Notes payable, excluding current portion		-	2,791,272	2,719,674	42,913,877	42,859,099
Deferred income taxes payable		-	-	-	-	3,979,583
Accumulated distributions of fishing affiliates in excess of distributions		-	-	22,740,894	28,815,234	-
Total liabilities		25,024,199	14,540,461	30,210,035	73,900,712	55,026,984
Net assets:						
Unrestricted net assets		86,122,398	79,471,893	68,540,507	60,949,330	248,870,487
Temporarily restricted net assets		80,000	75,000	100,000	23,000	-
Total net assets		86,202,398	79,546,893	68,640,507	60,972,330	248,870,487
Total liabilities and net assets	$	111,226,597	94,087,354	98,850,542	134,873,042	303,897,471

All footnotes can be found at the end of this document in the Footnote section.

Profit & Loss Statement

	2006	2007	2008	2009	2010	Total
Seafood sales	9,759,973	20,829,460	29,435,076	18,927,153	31,134,471	110,086,133
Cost of Sales:						
Cost of goods sold	5,354,026	22,376,733	32,436,130	15,209,314	17,827,365	93,203,568
Shipping and handling costs	1,564,535	1,611,878	2,269,132	1,588,427	1,839,664	8,873,636
Total cost of goods sold	6,918,561	23,988,611	34,705,262	16,797,741	19,667,029	102,077,204
Gross profit	2,841,412	(3,159,151)	(5,270,186)	2,129,412	11,467,442	8,008,929
Other revenue, gains, and other support:						
CDQ royalties	13,665,910	13,582,598	13,079,912	15,050,264	13,351,282	68,729,966
IFQ lease fees	599,561	1,099,078	440,420	6,367,542	200,989	8,707,590
Access fees	-	-	-	976,938	1,186,284	2,163,222
Rent	49,309	494,094	465,257	424,411	561,279	1,994,350
Interest income	1,848,551	99,337	326,888	527,764	580,973	3,383,513
Investment income (loss)	291,354	359,989	(495,012)	558,772	278,194	993,297
Fisheries support centers	23,809	79,637	104,494	165,638	97,005	470,583
Grant revenue	461,969	25,264	65,468	-	-	552,701
Donations	250,000	250,000	257,617	-	-	757,617
Landing tax contributions	80,000	75,000	100,000	23,000	-	278,000
Gain (loss) on disposal of assets	-	-	92,178	(1,306,408)	201,698,599	200,484,369
Other	68,898	498,732	104,926	252,981	109,800	1,035,337
Total other revenue, gains, and other support	17,339,361	16,563,729	14,542,148	23,040,902	218,064,405	289,550,545
Total revenue, net of cost of sales	20,180,773	13,404,578	9,271,962	25,170,314	229,531,847	297,559,474

All footnotes can be found at the end of this document in the Footnote section.

Profit & Loss Statement, continued

	2006	2007	2008	2009	2010	Total
Indirect expenses:						
Programs and projects	19,549,987	14,081,457	21,727,106	23,940,838	15,881,305	95,180,693
Other operating expenses	-	6,876,919	10,934,226	5,135,761	12,514,626	35,461,532
General and administrative	3,609,835	3,655,102	4,076,523	6,124,998	7,422,997	24,889,455
Income tax expense	-	-	-	-	6,313,860	6,313,860
Total indirect expenses	23,159,822	24,613,478	36,737,855	35,201,597	42,132,788	161,845,540
Change in net assets before equity in net income of affiliates	(2,979,049)	(11,208,900)	(27,465,893)	(10,031,283)	187,399,059	135,713,934
Equity in income of affiliates:	4,979,862	4,553,395	16,559,507	2,363,106	499,098	28,954,968
Change in net assets	2,000,813	(6,655,505)	(10,906,386)	(7,668,177)	187,898,157	164,668,902
Net assets at beginning of year	84,201,585	86,202,398	79,546,893	68,640,507	60,972,330	84,201,585
Net assets at end of year	86,202,398	79,546,893	68,640,507	60,972,330	248,870,487	248,870,487

NOTE: Certain 2006, 2007, and 2008 balances were reclassified to conform to the 2010 audited presentation.
Certain costs included in cost of sales relate to CVRF's in-region salmon and halibut operations and are considered program expenses.

CVRF's total assets have nearly tripled in five years, from $111 million in 2006 to almost $304 million in 2010. This is due in large part to CVRF's conversion of our investment in American Seafoods to four wholly-owned Bering Sea fishing vessels and their associated fishing rights: one pollock factory trawler with 1 percent of the directed pollock fishery and three cod freezer-longliners with just under 8 percent of the cod freezer-longline fishery. Adding these four vessels to our existing four crab boat operations in 2011, CVRF now controls, catches, processes, and sells our own pollock, crab, and cod. This is an accomplishment the other CDQ groups have yet to claim.

CVRF has accomplished this feat with virtually no debt, which is something most seafood companies cannot claim. A further explanation of CVRF's debt can be found below in the ratio of long-term debt to net assets section.

CVRF is very proud to be the owner and operator of our own fleet of Bering Sea fishing vessels. We no longer rely on negotiating with other companies to catch our fish. We are no longer subject to the spending philosophies of other management groups. We are responsible for catching our own fish, selling it for the best possible value, and investing the return in our member communities.

All footnotes can be found at the end of this document in the Footnote section.

III. Financial Measures

Amounts shown in the following tables and discussions were obtained from CVRF's audited financial statements.

Financial Measures: Required Measures:

The six CDQ groups came to consensus on five financial measures and three sub-measures to be analyzed in the consideration of financial performance. Those measures are:

1. Investments:
    a. Total investments by year
    b. Total fisheries-related investments by year
    c. Total non-fisheries-related investments by year
2. Annual change in net assets
3. Annual return on assets
4. Annual ratio of long-term debt to net assets
5. Total net assets

Investments

The term "investments" was defined in two CDQ Panel Rules, WACDA Resolution 2008-02 and 2010-02, as "expenditures made with the objective of future financial returns, whether or not those endeavors yield gains or losses." These rules were in effect from September 17, 2008 through September 17, 2010 and September 17, 2010 through March 17, 2011, respectively.

Effective March 18, 2011, WACDA Resolution 2012-01 defines investments as "all expenditures made by a CDQ entity." This change was made to avoid ambiguities in the determination of an expenditure intended to generate a future financial return. While this rule was not in effect for the time period covered by this decennial review report, the six CDQ groups agreed to use this definition for the presentation of this measure.

Coastal Villages' total annual investments as defined by WACDA Resolution 2012-01 are as follows:

All footnotes can be found at the end of this document in the Footnote section.

INVESTMENTS						
	2006	2007	2008	2009	2010	Total
Expenses less depreciation expense & tax expense	$ 29,428,209	$ 46,843,255	$ 69,520,326	$ 49,976,866	$ 52,050,660	$ 247,819,316
Purchases of property, plant, & equipment	$ 9,348,793	$ 5,841,487	$ 884,040	$ 2,819,862	$ 4,415,182	$ 23,309,364
Purchases of publicly traded securities	$ 853,200	$ -	$ 250,000	$ -	$ -	$ 1,103,200
Fishing investments (purchases of quotas & companies)	$ 58,356,355	$ 11,966,344	$ 78,734	$ -	$ 6,486,213	$ 76,887,646
Total investments	**$ 97,986,557**	**$ 64,651,086**	**$ 70,733,100**	**$ 52,796,728**	**$ 62,952,055**	**$ 349,119,526**

The Magnuson-Stevens Act lays out further requirements for fisheries-related versus non fisheries-related investments. MSA 16 U.S.C. 1855(i)(1)(E)(iii) states that [a CDQ] entity may make up to 20 percent of its annual investments in any combination of the following:

I. For projects that are not fishery-related and that are located in its region.
II. On a pooled or joint investment basis with one or more other entities participating in the program for projects that are not fishery-related and that are located in one or more of their regions.
III. For matching Federal or State grants for projects or programs in its member villages without regard to any limitation on the Federal or State share, or restriction on the source of any non-Federal or non-State matching funds, of any grant program under any other provision of law.

Under MSA 16 U.S.C. 1855(i)(1)(E)(iv), the remainder of a CDQ group's investments must be made for fisheries-related projects or for purposes consistent with the practices of the entity prior to March 1, 2006.

The three CDQ Panel Rules mentioned earlier, WACDA Resolutions 2008-02, 2010-02, and 2012-01, further define "region," "fisheries-related," and "past practices" in terms of MSA requirements. Per WACDA Resolutions 2008-02 and 2010-02:

- "Region" is defined as "the geographic area surrounding and including the member villages within 50 nautical miles of the baseline of the Bering Sea" consistent with the practices and understanding of the respective CDQ entities."
- "Fisheries-related" is defined as "an investment… [that has] a fisheries related purpose."
- "Past practices" is defined as "an investment [whose] purpose [is] "consistent with the practices of the entity prior to March 1, 2006" if the type of investment was practiced by the entity prior to such date, practiced by any of the other entities prior to such date, or was otherwise allowed to be practiced by the entity prior to such date."

All footnotes can be found at the end of this document in the Footnote section.

WACDA Resolution 2012-01 added the following sentences to the definitions of "fisheries-related" and "past practices":

- Fisheries-related: This term shall be construed broadly in order to facilitate the CDQ entities' ability to fulfill those purposes set forth in 16 U.S.C. 1855(i)(1)(A)"
- Past practices: This term shall be construed broadly in order to facilitate the CDQ entities' ability to fulfill those purposes set forth in 16 U.S.C. 1855(i)(1)(A).

All of CVRF's investments during 2006-2010 were for fisheries-related purposes or in compliance with past practices, and therefore CVRF complied with the requirement that at least 80 percent of our investments be for a fisheries-related or past practice purpose.

FISHERIES & NON-FISHERIES RELATED INVESTMENTS						
	2006	2007	2008	2009	2010	Total
In dollars:						
Fisheries related investments	$ 97,986,557	$ 64,651,086	$ 70,733,100	$ 52,796,728	$ 62,952,055	$ 349,119,526
Non-fisheries related investments	$ -	$ -	$ -	$ -	$ -	$ -
Total investments	**$ 97,986,557**	**$ 64,651,086**	**$ 70,733,100**	**$ 52,796,728**	**$ 62,952,055**	**$ 349,119,526**
In percentages:						
Fisheries related investments	100%	100%	100%	100%	100%	100%
Non-fisheries related investments	0%	0%	0%	0%	0%	0%
Total investments	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Annual Change in Net Assets

Change in net assets is equivalent to a for-profit company's net income, or in other words, revenues minus expenses. CVRF's annual change in net assets can be found on page 50 but is also summarized here:

CHANGE IN NET ASSETS						
	2006	2007	2008	2009	2010	Total
Total revenue	$ 27,099,334	$ 37,393,189	$ 43,977,224	$ 41,968,055	$ 249,198,876	$ 399,636,678
Equity in income of affiliates	$ 4,979,862	$ 4,553,395	$ 16,559,507	$ 2,363,106	$ 499,098	$ 28,954,968
Total expenses	$ (30,078,383)	$ (48,602,089)	$ (71,443,117)	$ (51,999,338)	$ (61,799,817)	$ (263,922,744)
Change in net assets	**$ 2,000,813**	**$ (6,655,505)**	**$ (10,906,386)**	**$ (7,668,177)**	**$ 187,898,157**	**$ 164,668,902**

All footnotes can be found at the end of this document in the Footnote section.

Although CVRF spent more on projects and programs in our region for several years, over the course of the five year period, CVRF has generated over $164 million in net income (change in net assets), for a 38 percent return on revenue. Approximately $200 million of the 2010 revenue was a result of our conversion of our ownership in American Seafoods into real steel and fishing rights. 2011 audited revenue was $106 million and 2012 revenue is expected to be above $110 million. This is a trend that Coastal views as easily maintainable.

Annual Return on Assets

Return on assets (ROA) is equal to net income (change in net assets) divided by total assets. ROA helps indicate the earnings that were generated from invested capital (assets). ROA can vary substantially amongst companies and from year to year for a single company.

CVRF's annual return on assets is summarized here:

RETURN ON ASSETS						
	2006	2007	2008	2009	2010	Total
Change in net assets	$ 2,000,813	$ (6,655,505)	$ (10,906,386)	$ (7,668,177)	$ 187,898,157	$ 164,668,902
Total assets	$ 111,226,597	$ 94,087,354	$ 98,850,542	$ 134,873,042	$ 303,897,471	$ 303,897,471
Return on assets	**1.80%**	**-7.07%**	**-11.03%**	**-5.69%**	**61.83%**	**54.19%**

As described in the section above, CVRF spent more on projects and programs in our region for several years than we generated in income. However, Coastal had a comfortable cushion of cash with which to fund our investments in our communities. Overall, over the five year period, CVRF's net income (change in net assets) is more than half of our total assets, for a 54 percent return on our assets.

Annual Ratio of Long-Term Debt to Net Assets

The ratio of long-term debt to net assets is equal to long-term debt divided by net assets. Net assets are equivalent to the equity of a for profit company (non-profit companies do not have equity). The long-term debt to net assets ratio helps to identify how much of a company's assets are tied up by long-term (more than a year) debt.

CVRF's annual ratio of long-term debt to net assets is summarized here.

All footnotes can be found at the end of this document in the Footnote section.

RATIO OF LONG-TERM DEBT TO NET ASSETS						
	2006	2007	2008	2009	2010	Total
Long-term debt	$ -	$ 2,791,272	$ 2,719,674	$ 42,913,877	$ 42,859,099	$ 42,859,099
Net assets	$ 86,202,398	$ 79,546,893	$ 68,640,507	$ 60,972,330	$ 248,870,487	$ 248,870,487
Long-term debt to net assets	**0.00%**	**3.51%**	**3.96%**	**70.38%**	**17.22%**	**17.22%**

While at first glance it would appear that CVRF's ratio is quite large in 2009 (the higher the ratio, the more a company's assets are tied up by debt), this ratio is misleading for Coastal Villages. In the assets section of the balance sheet, the majority of the 2009 and 2010 long-term notes receivable balances are essentially an offset to long-term debt ($31,757,526 and $31,757,526, respectively). The New Markets Tax Credit Program, which is administered by the Community Development Financial Institutions Fund, a department of the U.S. Treasury, permits taxpayers to receive a credit against federal income taxes for making qualified equity investments in designated Community Development Entities that invest in qualified active low-income community businesses. One of CVRF's wholly-owned subsidiaries, Goodnews Bay Seafoods, LLC (GBS), is a qualified active low-income community business. GBS has taken out several loans from Community Development Entities (CDE) to fund the operations of the fish processing plant in Platinum, Alaska.

CVRF in turn holds notes receivable to facilitate these loans to GBS. The borrowers are not required to make payments to CVRF from any source other than distributions received from their respective affiliates, which have loaned funds to GBS. The payments GBS makes to the affiliates are intended to be distributed to the borrowers and subsequently used for making payments to CVRF.

Backing out $31,757,526 from total long-term debt for both 2009 and 2010, CVRF's adjusted annual ratio of long-term debt to net assets is as follows:

RATIO OF LONG-TERM DEBT TO NET ASSETS, NET OF NEW MARKETS TAX CREDIT PROGRAM						
	2006	2007	2008	2009	2010	Total
Long-term debt	$ -	$ 2,791,272	$ 2,719,674	$ 11,156,351	$ 11,101,573	$ 11,101,573
Net assets	$ 86,202,398	$ 79,546,893	$ 68,640,507	$ 60,972,330	$ 248,870,487	$ 248,870,487
Long-term debt to net assets	**0.00%**	**3.51%**	**3.96%**	**18.30%**	**4.46%**	**4.46%**

All footnotes can be found at the end of this document in the Footnote section.

Annual Total Net Assets

Total net assets are equal to the difference between total assets and total liabilities. They are also the accumulation of each year's change in net assets from the beginning of the company to the end of the current year. Or in other words, net assets are equivalent to the equity of a for profit company (non-profit companies do not have equity).

CVRF's annual total net assets can be found on page 48 but are also summarized here:

NET ASSETS						
	2006	2007	2008	2009	2010	Total
Prior year net assets	$ 84,201,585	$ 86,202,398	$ 79,546,893	$ 68,640,507	$ 60,972,330	$ 84,201,585
Change in net assets	$ 2,000,813	$ (6,655,505)	$ (10,906,386)	$ (7,668,177)	$ 187,898,157	$ 164,668,902
Net assets	**$ 86,202,398**	**$ 79,546,893**	**$ 68,640,507**	**$ 60,972,330**	**$ 248,870,487**	**$ 248,870,487**

CVRF's net assets have grown by over $164 million in five years, more than doubling in size from the beginning net assets in 2006.

Financial Measures: Limitations of Required Measures:

While fisheries-related versus non fisheries-related investments are a requirement of the MSA and therefore must be specifically addressed, the majority of the remaining required financial measures are either not particularly useful in the analysis of a CDQ company or are already easily identifiable on the face of the financial statements:

- Change in net assets: easily identifiable on the face of the financial statements (see page 50, line titled "Change in net assets")
- Return on assets: although this can be a useful ratio, it must be analyzed in the context of the organization. While generating income is of importance to CDQ groups, so should spending that income be. Conversely, CDQ groups may have periods of very small ROAs followed by periods of very large ROAs as projects or programs ramp up or wind down. In the case of CVRF, our goal is to deliver as many program benefits to our communities as possible while still maintaining an adequate level of cash. In 2010, the conversion of our investment in American Seafoods into boats and quotas generated a large gain.
- Ratio of long-term debt to net assets: Please see the discussion under this topic for more information on why this measure is misleading for Coastal
- Net assets: easily identifiable on the face of the financial statements (see page 48, line titled "Total net assets")

Financial Measures: Alternative Measures:

The goal of CDQ companies is to promote fisheries-related economic development in their member communities and not necessarily build large stockpiles of cash. As such, CVRF believes that more appropriate financial measures involve measurements of the cost of projects and programs, investments into businesses and assets that will return cash that can be used to fund projects and programs, and the efficiency with which the CDQ group is run.

One good source of measures to consider can be found in the WACDA annual reports rules: WACDA Resolutions 2008-01, 2010-01, and 2010-06. The annual reports rules dictate the minimum information that must be distributed to each boxholder in each member community of a CDQ group. In addition to the balance sheet and income statements already included in the preceding pages, Section 4, Required Contents of Annual Financial Reports, lists several other financial metrics that are relevant here:

B. Directors: …the total aggregate amount of director fees paid by the CDQ Entity to its directors.
C. Related Party Transactions: A description of any transactions by the CDQ Entity (except compensation for the delivery of fish products to the Entity or to a majority-owned subsidiary of the Entity on the same basis as other fishermen) over the amount of $20,000 with any director or their family members (spouse, parents, children, or siblings by blood or adoption), including the name of the director, the name of the family member if applicable, the position held by the director or family member if applicable, and the nature and amount of the transaction.
D. Legal Proceedings Involving Directors: A description of any legal proceedings in which a director of the CDQ Entity has an interest adverse to the CDQ Entity…
E. Employee Compensation: A list of the top five highest paid personnel within the CDQ Entity and its majority-owned subsidiaries, including the name and position of each of the five individuals and the total amount (including any deferred compensation, benefit plan benefits, or other benefits of any kind to the extent the benefits differ from those provided to all employees of the CDQ Entity) received by each individual from the CDQ Entity, the subsidiary, or any entity in which the CDQ Entity or subsidiary holds an interest.
F. Professional Fees: A list of the total legal fees, total consulting fees, total accounting fees, and total lobbying fees expended by the CDQ Entity, by category.

Furthermore, CVRF believes that the following metrics are also important in evaluating a CDQ group's financial performance:

1. Balance sheet measures:
    a. Growth in income-generating assets (i.e. fishing rights, vessels, equity investments in other companies)
2. Income statement measures:
    a. Cumulative revenue
    b. Growth in seafood sales and royalties
    c. Cumulative benefits to communities
    d. Cumulative general and administrative (G&A) costs

All footnotes can be found at the end of this document in the Footnote section.

Amounts shown in the following tables and discussions were obtained from CVRF's audited financial statements and CVRF's annual reports.

Board Compensation

CVRF paid its Board of Directors the following in stipends and benefits:

BOARD COMPENSATION	2006	2007	2008	2009	2010	Total
Board stipends and benefits	$ 284,706	$ 320,747	$ 279,000	$ 281,304	$ 554,368	$ 1,720,125
Number of Board members	20	20	20	20	20	20
Average compensation per Board member	**$ 14,235**	**$ 16,037**	**$ 13,950**	**$ 14,065**	**$ 27,718**	**$ 86,006**
Board compensation as a percentage of total expenses	**0.95%**	**0.66%**	**0.39%**	**0.54%**	**0.90%**	**0.65%**

CVRF Board members receive a daily stipend during meetings and an additional monthly stipend for the CVRF-related work that occurs between meetings. CVRF's Board compensation policy was adopted in June of 2004.

Related Party Transactions

The following related-party transactions were reported by CVRF:

- 2006: No related party transactions with Board members were noted
- 2007: Director from Eek, William Brown:
  - Daughter Stella Alexie worked for CVRF as a Community Program Manager and earned $49,573
  - Son Theodore Brown worked for CVRF as a Mechanic/Welder and earned $42,835
- 2008: No related party transactions with Board members were noted
- 2009: No related party transactions with Board members were noted
- 2010: No related party transactions with Board members were noted

Except for the Executive Director, CVRF Board members are not involved in the hiring, wage setting, or terminating of employees.

Legal Proceedings Involving Directors

CVRF was not engaged in any legal proceedings in which a director had an adverse interest to the Company during any of the years 2006 through 2010.

All footnotes can be found at the end of this document in the Footnote section.

Employee Compensation

CVRF paid the following amounts to its top five compensated employees:

EMPLOYEE COMPENSATION	2006	2007	2008	2009	2010	Total
Wages	$ 783,917	$ 929,000	$ 1,054,000	$ 1,259,917	$ 1,458,065	$ 5,484,899
Bonuses	$ 237,100	$ 448,102	$ 430,000	$ 591,000	$ 750,000	$ 2,456,202
Other	$ -	$ -	$ -	$ -	$ -	$ -
Total amounts paid to top 5 compensated employees	**$ 1,021,017**	**$ 1,377,102**	**$ 1,484,000**	**$ 1,850,917**	**$ 2,208,065**	**$ 7,941,101**
Top 5 compensation as a percentage of total expenses	**3.39%**	**2.83%**	**2.08%**	**3.56%**	**3.57%**	**3.01%**

The persons included in the amounts above include:

- 2006:
  - Morgen Crow, Executive Director
  - Robert Williams, Deputy Director
  - Joseph Hall, Fisheries Manager
  - Paul Varady, Senior Projects Manager
  - Theodore Wittenberger, Projects Director
- 2007:
  - Morgen Crow, Executive Director
  - Robert Williams, Deputy Director
  - Joseph Hall, Fisheries Manager
  - Paul Varady, Projects Director
  - Ronalda Olivera, Program Director
- 2008:
  - Morgen Crow, Executive Director
  - Joseph Hall, Fisheries Manager
  - Trevor McCabe, Operations Director
  - Richard Monroe, Investments Director
  - Larry Warner, Finance Director
- 2009:
  - Morgen Crow, Executive Director
  - Trevor McCabe, Operations Director
  - Richard Monroe, Investments Director
  - Stuart Currie, CVS General Manager
  - Eric Deakin, IT Manager
- 2010:
  - Morgen Crow, Executive Director
  - Trevor McCabe, Operations Director
  - Richard Monroe, Investments Director
  - Owen Kvinge, F/V North Sea Captain
  - Jorn Kvinge, F/V Arctic Sea Captain

All footnotes can be found at the end of this document in the Footnote section.

The CVRF Board of Directors, in order to achieve the aggressive goals and objectives it sets for the Company, has authorized the Executive Director to hire, retain, and motivate the highest caliber employees at every level of the organization. The Board firmly believes in the correlation between a high-level, loyal staff and a strong company. Furthermore, the Board reserves the right to designate a pool of funds to be used for bonuses each year in order to further align employees with the direction of the Company. Coastal uses an independent third party to perform annual comparisons of CVRF compensation levels with other similar companies. That independent third party has determined that CVRF compensation levels are well within reasonable ranges.

Professional Fees

CVRF paid the following in professional fees:

PROFESSIONAL FEES	2006	2007	2008	2009	2010	Total
Legal fees	$ 13,793	$ 242,446	$ 480,853	$ 509,795	$ 1,065,867	$ 2,312,754
Consulting fees	$ 1,045,053	$ 316,679	$ 153,260	$ 342,679	$ 1,030,418	$ 2,888,089
Accounting fees	$ 78,504	$ 93,508	$ 115,278	$ 115,278	$ 316,987	$ 719,555
Lobbying fees	$ -	$ 421,153	$ -	$ -	$ -	$ 421,153
Total professional fees	**$ 1,137,350**	**$ 1,073,786**	**$ 749,391**	**$ 967,752**	**$ 2,413,272**	**$ 6,341,551**
Professional fees as a percentage of total expenses	**1.32%**	**1.35%**	**1.09%**	**1.58%**	**0.97%**	**2.54%**

CVRF engages attorneys, consultants, lobbyists, and professionals as necessary to meet business needs. Our relationship with each consultant is evaluated before engaging them to determine whether the work is best done in-house or by a consultant.

Growth in Income-Generating Assets

CDQ groups are mandated by federal law (16 U.S.C. 1855(i)(1)(A)(i)) to "provide eligible western Alaska villages with the opportunity to participate and invest in fisheries in the Bering Sea and Aleutian Islands Management Area." CVRF therefore believes that, not only is building our investments in fisheries-related assets and companies prudent to the growth of our company, but it is also required by law.

In our earlier years, Coastal used our CDQ quota to leverage opportunities to invest in other Bering Sea fishing companies. In 2006 for example, Coastal owned equity interests in Kokopelli Fisheries, LLC, Cape Horn Fisheries, LLC, Silver Spray Seafoods, LLC, Sanko Fisheries, LLC, Karin Lynn Fisheries, LLC, Ocean Prowler, LLC, Prowler, LLC, Blue Dutch, LLC, Blue Aleutian, LLC, Tempest Fisheries, LLC, Sultan Fisheries, LLC, Pavlof Fisheries, LLC, and American Seafoods, LP. Over the course of the five-year period, Coastal has used

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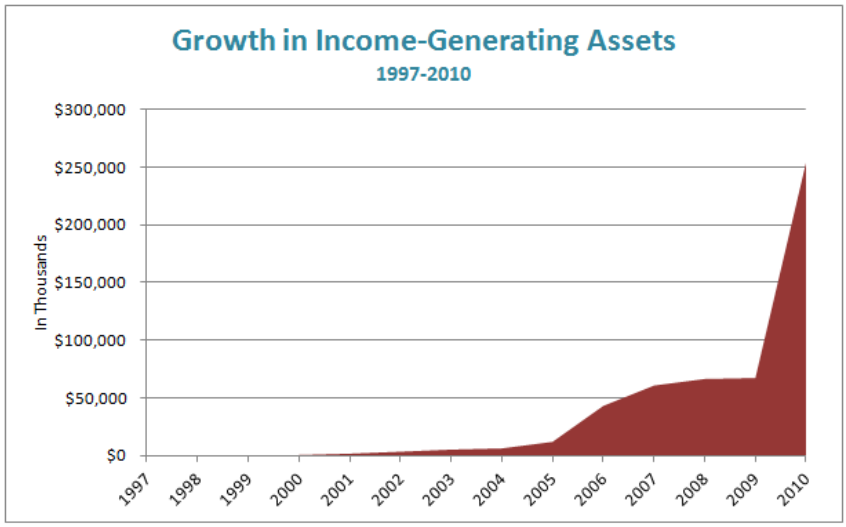
the cash distributions and the proceeds from selling our positions to take the next step: buying fishing quotas and steel and building our own fishing fleet capable of managing, catching, and selling seafood products. In 2006 and 2007, Coastal acquired complete control of three Bering Sea crab vessels, crab harvesting quota, and crab processing quota. In 2010, Coastal converted our lucrative ownership in American Seafoods for four wholly-owned Bering Sea fishing vessels and their associated fishing rights: one pollock factory trawler with 1 percent of the directed pollock fishery and three cod freezer-longliners with just under 8 percent of the cod freezer-longline fishery. Coastal Villages is now able to directly control where these boats fish, how long they fish, who is on the crew, what kind of products are made, and when and where to sell them. Coastal Villages has achieved the dream that began so many years ago with the birth of the CDQ program.

Coastal's move from equity investments to direct ownership of fishing assets can be seen in the following chart and graph, which detail the value of Coastal's fishing rights, vessels, and other capital investments. The exponential growth in 2006 and in 2010 are direct results of our purchase of the crab fishing assets and our acquisition of the pollock and cod fishing assets.

VALUE OF INCOME-GENERATING ASSETS						
	2006	2007	2008	2009	2010	Total
Fishing rights	$ 18,690,141	$ 30,461,485	$ 35,332,253	$ 34,610,106	$ 121,405,130	$ 121,405,130
Fishing vessels	$ 13,785,875	$ 18,930,314	$ 19,081,138	$ 18,952,861	$ 114,803,850	$ 114,803,850
Other capital assets	$ 10,444,007	$ 11,141,057	$ 11,874,273	$ 13,503,138	$ 17,893,234	$ 17,893,234
Total investment in income-generating assets	**$ 42,920,023**	**$ 60,532,856**	**$ 66,287,664**	**$ 67,066,105**	**$ 254,102,214**	**$ 254,102,214**
Growth in income-generating assets[50]	**266.18%**	**41.04%**	**9.51%**	**1.17%**	**278.88%**	**2067.89%**



All footnotes can be found at the end of this document in the Footnote section.

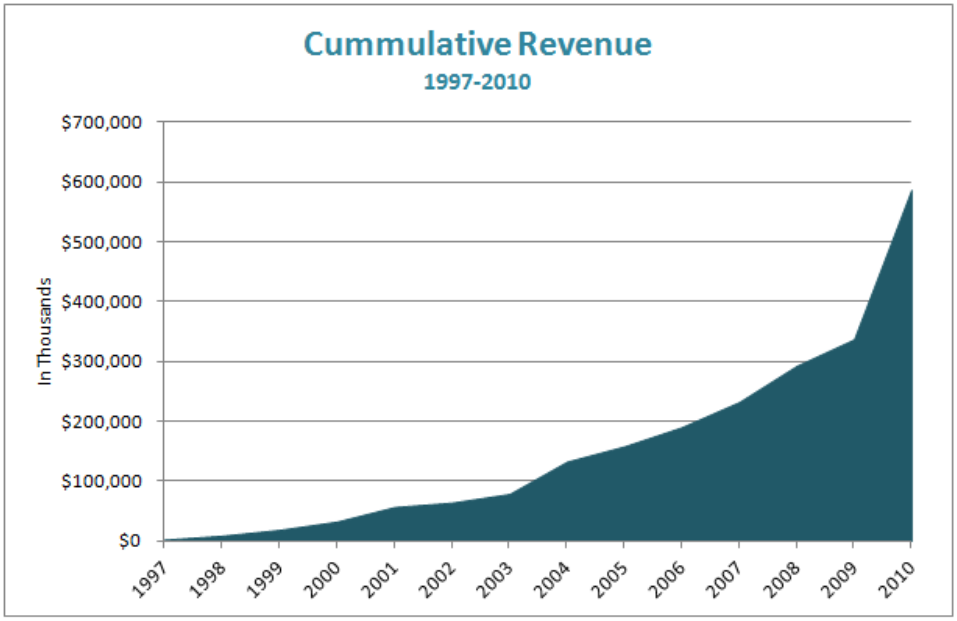
Cumulative Revenue & Growth in Seafood Sales/Royalties

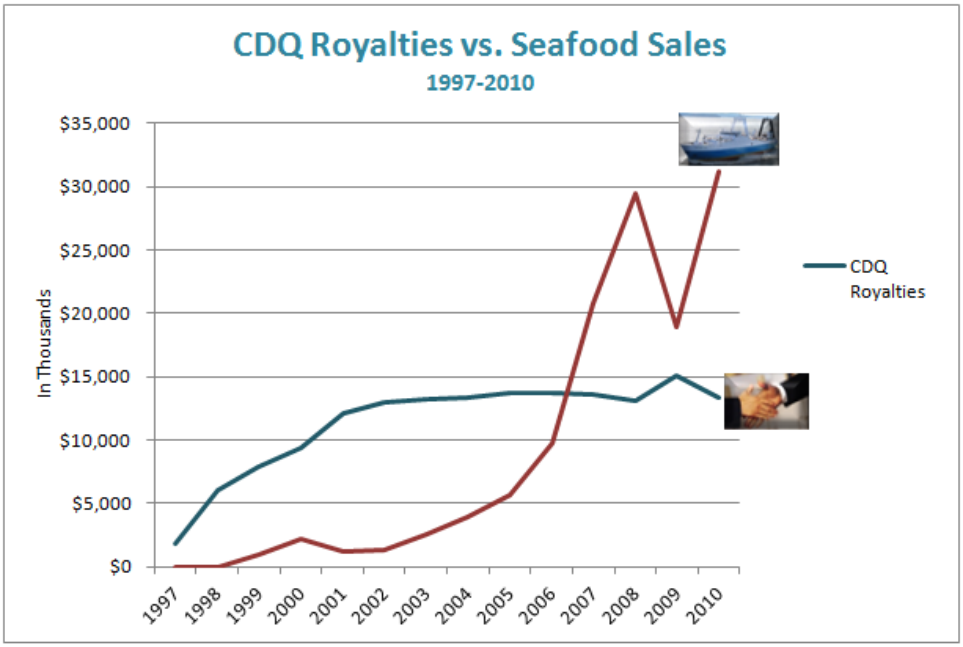
CVRF has been very successful at turning fishing quotas into cash. Historically, Coastal did this by leasing CDQ quota to other fishing companies. Coastal was at the forefront of the CDQ lease market, often times setting the lease rates that other CDQ groups strived towards. Starting in 2006 and 2007 with crab, Coastal Villages began not only catching our own CDQ crab, but also catching non-CDQ crab that we purchased or leased from other crab companies. Coastal went even further in 2010 when we acquired our own pollock and cod boats – seafood sales increased to more than double royalties in 2010 as CVRF began to transition into a real seafood company. In 2011, this dynamic is even more apparent – royalties drop to just $1.58 million while seafood sales more than triple to $99.37 million.

Another noteworthy line item in 2010 is "Gain (loss) on disposal of assets" (see page 49). The bulk of this line item in 2010, $199,394,687, is related to Coastal's redemption of our investment in American Seafoods, one of the largest seafood companies in the U.S. This large gain is the result of years of hard work analyzing, negotiating, and investing in American Seafoods. The redemption transaction resulted in Coastal's ownership of a pollock factory trawler and its associated fishing rights and three cod freezer-longliners and their associated fishing rights. Our decade-long ownership in American Seafoods was very beneficial financially to our villages and the assets we acquired in the transaction in 2010 are already producing tremendous returns as well.

CUMULATIVE REVENUE						
	2006	2007	2008	2009	2010	Total
Cumulative revenue at beginning of year	$ 157,704,732	$ 189,783,928	$ 231,730,512	$ 292,267,243	$ 336,598,404	
Seafood sales	$ 9,759,973	$ 20,829,460	$ 29,435,076	$ 18,927,153	$ 31,134,471	$ 110,086,133
Royalties	$ 13,665,910	$ 13,582,598	$ 13,079,912	$ 15,050,264	$ 13,351,282	$ 68,729,966
IFQ & other access fees	$ 599,561	$ 1,099,078	$ 440,420	$ 7,344,480	$ 1,387,273	$ 10,870,812
Other revenue	$ 3,073,890	$ 1,882,053	$ 1,021,816	$ 646,158	$ 203,325,850	$ 209,949,767
Equity in net income of affiliates	$ 4,979,862	$ 4,553,395	$ 16,559,507	$ 2,363,106	$ 499,098	$ 28,954,968
Total revenue	**$ 32,079,196**	**$ 41,946,584**	**$ 60,536,731**	**$ 44,331,161**	**$ 249,697,974**	**$ 428,591,646**
Cummulative revenue at end of year	**$ 189,783,928**	**$ 231,730,512**	**$ 292,267,243**	**$ 336,598,404**	**$ 586,296,378**	**$ 586,296,378**

All footnotes can be found at the end of this document in the Footnote section.





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Cumulative Benefits to Communities

The primary focus of CDQ groups is to promote economic development in their member communities. While this has to be carefully balanced with the revenue-producing side of a CDQ company in order to ensure the group's long-term viability and stability, it is imperative that CDQ groups return benefits to their residents. Coastal Villages does this in many ways, some of which are shown here. A more complete list and description of the projects and programs Coastal Villages offers can be found in our benefits catalogs, annual reports, and newsletters at http://www.coastalvillages.org/media/reports:

All footnotes can be found at the end of this document in the Footnote section.

Coastal's flagship program is our region-based salmon and halibut operations (included in fisheries support and development in the following table). Prior to 2009, Coastal Villages operated a small salmon processing plant in Quinhagak and six halibut processing plants in Chefornak, Hooper Bay, Kipnuk, Mekoryuk, Toksook Bay, and Tununak. In order to better serve our local fishermen, provide better work conditions for our processors, and increase processing capacity, we built an operationally self-sufficient seafood processing plant in Platinum. The Goodnews Bay Regional Seafood Processing Plant became operational in 2009. Because of the remoteness of our villages and the limited infrastructure, we had to build the plant with its own water system, sewer system, refrigeration, generators, galley, machine shops, and much more. The campus has enough dorm space for 225 processors and processes seafood products from all over our region.

We continue to operate our halibut plants as buying, washing, and icing stations. Each of the halibut plants maintains a small crew of reliable workers that buy halibut from local fishermen, ensure the fish is clean, and prep the fish for transport to the Platinum plant.

Before Coastal Villages entered the scene, our member communities did not have a consistent, reliable buyer for their commercial fish. Operating every year at a loss, Coastal Villages Seafoods, LLC (CVS), a wholly-owned subsidiary of CVRF, has made a commitment to the region to be a buyer every year. This commitment has made it possible for many of our local fishermen to invest in better, more efficient, and safer equipment, knowing that they will be able to earn money for years to come selling their fish to CVS. Our commitment also provides our processors with reliable jobs each fishing season – CVS' goal is to hire 100 percent of our plant workers from member villages.

Coastal Villages operates many other projects and programs in our villages, and we have built up much of the infrastructure, from scratch, needed for the framework with which we supply jobs and fishing opportunities to our residents. Our 4-SITE program provides scholarships to people pursuing higher education, internships in a variety of career paths, funding for training opportunities, and employment in a variety of aspects of the fishing industry, from seafood processors to office personnel to skippering vessels. Our Youth Leadership programs give funding to organized youth groups for self confidence and leadership building activities and puts young kids to work helping their communities through the Youth-to-Work program. Marine safety encourages safe water practices through education and training and providing essential safety equipment. Our Pollock Provides programs help people cope with the high cost of living by providing things such as heating oil, firewood, warm weather gear, etc. Community project funding is available to member communities to help defray the cost of approved community projects. Our tax program ensures tax specialists go to each community to help residents prepare their federal income tax returns and maximize refunds. Funeral assistance donates money to families to pay for the traditional funeral feast. We created a Community Development Financial Institution, a U.S. Treasury Department certified organization that provides loans and financial assistance to people in our region. Coastal's Community Service Centers, or CSCs, provide space for people to access the internet, get information on

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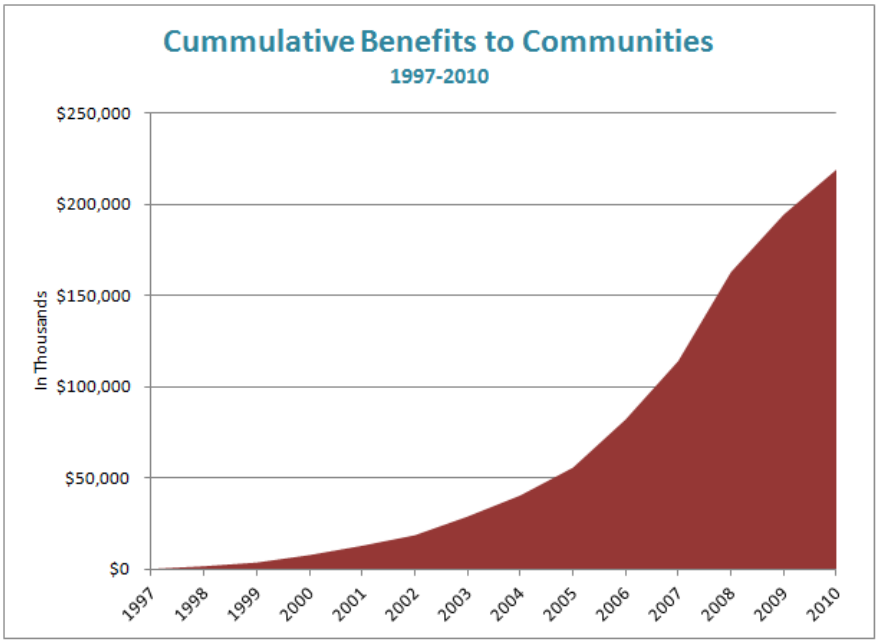
CVRF programs and opportunities, and get repair services for boats and other small engine equipment. All of these projects and programs help to generate hope for the future in our communities.

CUMULATIVE BENEFITS TO COMMUNITIES						
	2006	2007	2008	2009	2010	Total
Cumulative benefits at beginning of year	$ 55,657,150	$ 82,125,698	$ 114,239,706	$ 163,082,782	$ 194,650,299	
4-SITE	$ 1,199,804	$ 1,736,411	$ 2,871,499	$ 2,137,995	$ 1,674,884	$ 9,620,593
Fisheries support & development	$ 18,317,421	$ 15,151,575	$ 18,364,801	$ 19,821,808	$ 20,793,682	$ 92,449,287
Construction projects	$ 5,151,165	$ 12,685,807	$ 25,508,036	$ 7,542,402	$ -	$ 50,887,410
Outreach	$ 928,533	$ 1,268,643	$ 1,397,042	$ 1,445,210	$ 1,727,338	$ 6,766,766
Other	$ 871,625	$ 1,271,572	$ 701,698	$ 620,102	$ 464,447	$ 3,929,444
Total benefits to communities	**$ 26,468,548**	**$ 32,114,008**	**$ 48,843,076**	**$ 31,567,517**	**$ 24,660,351**	**$ 163,653,500**
Cummulative benefits at end of year	**$ 82,125,698**	**$ 114,239,706**	**$ 163,082,782**	**$ 194,650,299**	**$ 219,310,650**	**$ 219,310,650**
Ratio of annual benefits delivery to annual revenue[51]	**82.51%**	**76.56%**	**80.68%**	**71.21%**	**9.88%**	**38.18%**
Ratio of annual benefits delivery to annual total expenses[52]	**88.00%**	**66.08%**	**68.37%**	**60.71%**	**39.90%**	**62.01%**



All footnotes can be found at the end of this document in the Footnote section.

CVRF has injected over $163 million worth of benefits into our member communities in just five short years, and over $219 million since the inception of Coastal Villages Region Fund in 1998. That's an average of over $15 million dollars a year, and almost $11 million per community. This simply speaks for itself.

Cumulative General & Administrative (G&A) Costs

CVRF believes it is important for CDQ groups to strive to operate as efficiently as possible. However, we also believe that this does *not* mean it is important for CDQ groups to operate cheaply. There is an old saying, "you get what you pay for," and the Coastal Villages Board of Directors manages under this philosophy, giving the Executive Director authority to hire the best possible people for the job with the appropriate experience and credentials. People are hired at competitive salaries, but also understand that they will be expected to work long, hard hours to earn their salaries. The management at Coastal firmly believes that this philosophy is what has allowed CVRF to get to the position that it is in now.

CUMULATIVE G&A COSTS	2006	2007	2008	2009	2010	Total
Cumulative G&A costs at beginning of year	$ 19,583,912	$ 23,193,747	$ 26,848,849	$ 30,925,372	$ 37,050,370	
General & administrative costs	$ 3,609,835	$ 3,655,102	$ 4,076,523	$ 6,124,998	$ 7,422,997	$ 24,889,455
Total G&A costs	**$ 3,609,835**	**$ 3,655,102**	**$ 4,076,523**	**$ 6,124,998**	**$ 7,422,997**	**$ 24,889,455**
Cummulative G&A costs at end of year	**$ 23,193,747**	**$ 26,848,849**	**$ 30,925,372**	**$ 37,050,370**	**$ 44,473,367**	**$ 44,473,367**
Ratio of G&A costs to annual revenue[53]	**11.25%**	**8.71%**	**6.73%**	**13.82%**	**2.97%**	**5.81%**
Ratio of G&A costs to annual total expenses[54]	**12.00%**	**7.52%**	**5.71%**	**11.78%**	**12.01%**	**9.43%**

Despite the criticism that CVRF often fields for our G&A costs, the Board and staff of Coastal Villages manage a large operation – much larger than any other CDQ group. We manage benefit delivery for a third of the entire CDQ program and we are plagued by lack of infrastructure and vast geographic distances in that benefit delivery. Our staff has gone head to head with high-paid executives in Seattle and elsewhere and brought CVRF to the forefront of negotiations. And now, our staff is responsible for catching real fish, using real boats, and turning wild Alaskan fish into top-quality product that we can sell into worldwide markets. There is no safety net. There is no guaranteed check in the mail. It is up to Coastal Villages, and Coastal Villages alone.

The size of the operations that Coastal manages can be seen in the above chart, which shows our G&A costs as a ratio of total revenue and of total expenses. Both ratios are easily within acceptable ranges.

All footnotes can be found at the end of this document in the Footnote section.

IV. Determination of Performance

Coastal Villages analyzed a variety of financial measures in our consideration of our financial performance: following is a summary of those measures – both the "required" measures that were agreed to by the six CDQ groups and alternative measures that CVRF considered. CVRF believes that in all of these measures, we have met or exceeded our performance expectations.

Coastal is a financially healthy company. Our balance sheet and profit and loss statement (pages 47-50) clearly demonstrate this. Coastal has maintained an adequate, but not excessive, cash balance; we are focused on investing our cash into our communities and our Bering Sea operations. We are not over-extended in receivables. Our investment in income-generating assets has grown considerably, and we have done this without incurring debt.

Coastal's operational focus has shifted in the past five years. We have graduated from a royalty-dependant company to a fully self-sufficient seafood company, owning our own fishing quotas, our own boats, and hiring our own crews. This was a huge step for Coastal, but we believe that we are following the true dream of the CDQ program. And we have done all of this while still pumping millions of dollars worth of projects and programs into our member villages.

CVRF has fully complied with the fisheries-related investments rule, with 100 percent of our investments having been for fisheries-related or past-practice purposes. Our net assets balance remains strong, having experienced an increase of more than $164 million in five years. We have very little debt, and none of it is related to our huge growth in Bering Sea assets.

The CVRF Board is committed to maximizing return to the Company as per the CVRF mission statement. The staff carries out that value by striving to operate efficiently. Our staff is highly motivated to do the best possible work for the benefit of the Company, and we firmly believe that this philosophy has carried Coastal to the place we are today.

We are using our direct ownership of boats to develop marine knowledge and skills in people from our region; our residents are advancing from rookie processors to experienced deck hands, from interns to business professionals. We bring a market to local fishermen through our local fisheries operations. Coastal helps people advance their education at colleges, vocational schools, and training opportunities. We work with our communities to help fund projects that will benefit the residents. CVRF collaborates with research agencies to improve knowledge of Alaska fisheries. We run youth programs, safety programs, resident assistance programs, outreach programs, and much, much more.

All footnotes can be found at the end of this document in the Footnote section.

Coastal Villages Region Fund has succeeded in all mandates of the CDQ program: investment in the Bering Sea fisheries, promoting economic development in our member communities, and most importantly, bringing hope to our villages, not through a welfare program but through a self-help program of fishing and working.

SUMMARY OF CRITERIA #2: Financial Performance						
	Required Measures					
Measure	2006	2007	2008	2009	2010	Total
Investments in Dollars:						
Fisheries related investments	$ 97,986,557	$ 64,651,086	$ 70,733,100	$ 52,796,728	$ 62,952,055	$ 349,119,526
Non-fisheries related investments	$ -	$ -	$ -	$ -	$ -	$ -
Total investments	$ 97,986,557	$ 64,651,086	$ 70,733,100	$ 52,796,728	$ 62,952,055	$ 349,119,526
Investments in Percentages:						
Fisheries related investments	100%	100%	100%	100%	100%	100%
Non-fisheries related investments	0%	0%	0%	0%	0%	0%
Total investments	100%	100%	100%	100%	100%	100%
Change in Net Assets	$ 2,000,813	$ (6,655,505)	$ (10,906,386)	$ (7,668,177)	$ 187,898,157	$ 164,668,902
Return on Assets	1.80%	-7.07%	-11.03%	-5.69%	61.83%	54.19%
Ratio of Long-Term Debt to Net Assets	0.00%	3.51%	3.96%	70.38%	17.22%	17.22%
Ratio of Long-Term Debt to Net Assets, Net of New Markets Tax Credit Program	0.00%	3.51%	3.96%	18.30%	4.46%	4.46%
Net Assets	$ 86,202,398	$ 79,546,893	$ 68,640,507	$ 60,972,330	$ 248,870,487	$ 248,870,487

All footnotes can be found at the end of this document in the Footnote section.

SUMMARY OF CRITERIA #2, continued: Financial Performance						
	Alternate Measures					
Measure	2006	2007	2008	2009	2010	Total
Board Compensation:						
In dollars	$ 284,706	$ 320,747	$ 279,000	$ 281,304	$ 554,368	$ 1,720,125
As a percentage of total expense	0.95%	0.66%	0.39%	0.54%	0.90%	0.65%
Employee Compensation:						
In dollars	$ 1,021,017	$ 1,377,102	$ 1,484,000	$ 1,850,917	$ 2,208,065	$ 7,941,101
As a percentage of total expense	3.39%	2.83%	2.08%	3.56%	3.57%	3.01%
Professional Fees:						
In dollars	$ 1,137,350	$ 1,073,786	$ 749,391	$ 967,752	$ 2,413,272	$ 6,341,551
As a percentage of total expense	1.32%	1.35%	1.09%	1.58%	0.97%	2.54%
Value of Income-Generating Assets:						
In dollars	$ 42,920,023	$ 60,532,856	$ 66,287,664	$ 67,066,105	$ 254,102,214	$ 254,102,214
Percentage growth	266.18%	41.04%	9.51%	1.17%	278.88%	2067.89%
Revenue:						
Revenue for year	$ 32,079,196	$ 41,946,584	$ 60,536,731	$ 44,331,161	$ 249,697,974	$ 428,591,646
Cumulative revenue: 1997-2010	$ 189,783,928	$ 231,730,512	$ 292,267,243	$ 336,598,404	$ 586,296,378	$ 586,296,378
Benefits to Communities:						
Community benefits for year	$ 26,468,548	$ 32,114,008	$ 48,843,076	$ 31,567,517	$ 24,660,351	$ 163,653,500
Cumulative community benefits: 1997-2010	$ 82,125,698	$ 114,239,706	$ 163,082,782	$ 194,650,299	$ 219,310,650	$ 219,310,650
As a percentage of total revenue	82.51%	76.56%	80.68%	71.21%	9.88%	38.18%
As a percentage of total expense	88.00%	66.08%	68.37%	60.71%	39.90%	62.01%
General & Administrative Costs:						
G&A costs for year	$ 3,609,835	$ 3,655,102	$ 4,076,523	$ 6,124,998	$ 7,422,997	$ 24,889,455
Cumulative G&A costs: 1997-2010	$ 23,193,747	$ 26,848,849	$ 30,925,372	$ 37,050,370	$ 44,473,367	$ 44,473,367
As a percentage of total revenue	11.25%	8.71%	6.73%	13.82%	2.97%	5.81%
As a percentage of total expense	12.00%	7.52%	5.71%	11.78%	12.01%	9.43%

All footnotes can be found at the end of this document in the Footnote section.

CVRF has determined that we have met or exceeded our performance expectations for Criteria #2.

Organization	***Decennial Review Criteria***	***Assigned Weight***	***Performance Determination***	***Weighted Score***
Coastal Villages Region Fund	*#2. The overall financial performance of the entity, including fishery and non-fishery investments by the entity*	*25%*	*Met or exceeded*	*25 points*

All footnotes can be found at the end of this document in the Footnote section.

CRITERIA #3: Employment, Scholarships, & Training

I. Weighting of Criteria #3

The specific topics to be considered in Criteria #3, employment, scholarships, and training, go hand in hand with Criteria #1: population, poverty level, and economic development. Bigger populations with immense economic need necessitate an increased urgency and enhanced effort to generate employment opportunities and help people improve their knowledge and skills base. When these efforts are successfully engaged in, the results include more jobs, higher paying jobs, and ultimately an overall improvement of the economic situation of the people participating in the program.

But the activities of Coastal Villages do not stop there. In addition to helping people further their education and obtain jobs, CVRF embarks on many other initiatives to help improve life in our communities. Many of those initiatives are discussed on pages 64-67 and further consideration will be given to them in the following pages.

Criteria #3 is also impacted by Criteria #2: Financial Performance. Without a strong financial base, many of the projects and programs CVRF operates, including our employment, scholarships, and training programs, would not be sustainable. Additionally, with Coastal's transition to owner/operator of eight Bering Sea vessels, we are in an even better position to escalate employment of people from our region on crews in major groundfish fisheries. Coastal has been very successful with this effort on our four crab boats, a fishery many claimed would never be conducive to employing Western Alaska residents: our opilio crab crew has grown from zero region resident crew members in 2009, to 5 in 2010 when we began managing the boats, to 8 in 2011, and 18 in 2012. That's nearly 50 percent region resident crab crew members in 2012!

As we have discussed in the previous two sections, Coastal Villages has decided to weight each of the four criteria equally for the sake of analysis in our Decennial Review report:

Organization	***Decennial Review Criteria***	***Assigned Weight***
Coastal Villages Region Fund	*#3. Employment, scholarships, and training supported by the entity*	*25%*

All footnotes can be found at the end of this document in the Footnote section.

II. Employment

Coastal Villages has always placed our highest priority on developing new opportunities to work. Our mantra, "Work, Fish, Hope," highlights this objective: we help our residents have hope for the future by providing opportunities to work and to fish. CVRF helps people earn a living in all aspects of the fishing industry, from self-employed fishing for salmon, halibut, and herring, to working on board large commercial fishing vessels, to supporting fishing operations through working in an office.

Employment: Required Measures:

CDQ companies generate employment opportunities in four basic ways: direct employment with the CDQ group, purchasing fisheries resources directly from local fishermen, indirect employment leveraged through the CDQ group's connections in the industry, and increased employment opportunities that result from the increased economic activity brought about by the CDQ group's work.

The first two, direct employment and purchasing fish, are easy to measure since the CDQ group writes the checks and records the entries in the accounting system. The second two, indirect employment with other seafood companies and increased village employment opportunities, can be much harder to measure since there is no entry in the accounting system to record them.

Based on the consensus of the six CDQ groups, the following minimum measures will be analyzed in each group's consideration of its performance related to employment:

1. Direct employment (please note that CVRF considers our purchase of fish from local fishermen to be part of direct employment):
    a. Total amounts paid by year
    b. Number of unique individuals employed by year
2. Indirect employment:
    a. Total amounts paid by year, if the data is available
    b. Number of unique individuals employed by year

The following tables depict CVRF's direct employment of individuals, both through the employee/employer relationship and through the purchase of fish from local fishermen:

All footnotes can be found at the end of this document in the Footnote section.

DIRECT EMPLOYMENT: Employees[55]														
	2006		2007		2008		2009		2010		Total		Percentages	
Residency Category[56]	Dollars	Number of People	Dollars	Number of People	Dollars	Number of People	Dollars	Number of People	Dollars	Number of People	Dollars	Average Number of People[57]	Dollars[58]	People[59]
CVRF residents	$ 2,132,518	311	$ 2,423,042	362	$ 2,862,905	429	$ 4,054,708	709	$ 4,092,021	742	$ 15,565,194	511	33.18%	71.77%
CVRF residents out-of-region	$ 145,629	3	$ 306,870	9	$ 401,731	10	$ 333,273	10	$ 381,983	12	$ 1,569,486	9	3.34%	1.26%
Other Western Alaska resident	$ 214,202	68	$ 116,660	47	$ 160,806	63	$ 172,696	50	$ 328,116	67	$ 992,480	59	2.11%	8.29%
Other Alaska resident	$ 2,220,823	54	$ 3,084,321	49	$ 4,006,532	59	$ 4,201,610	61	$ 4,575,674	65	$ 18,088,960	58	38.56%	8.15%
Non-Alaska resident	$ 468,836	18	$ 734,072	20	$ 829,816	25	$ 1,399,760	57	$ 7,267,711	253	$ 10,700,195	75	22.81%	10.53%
Total direct employment with Coastal Villages	**$ 5,182,008**	**454**	**$ 6,664,965**	**487**	**$ 8,261,790**	**586**	**$ 10,162,047**	**887**	**$ 16,645,505**	**1,139**	**$ 46,916,315**	**712**	**100.00%**	**100.00%**

Included in the above chart, starting in 2007, are wages paid to kids ages 14-18 through the Coastal Villages Youth-to-Work program. This program provides teenagers an opportunity to get a jump start on gaining real work experience. The kids work throughout the summer on a range of projects focused on helping to improve their communities. The inclusion of these wages in the above table skews the average earnings per person however. For example, in 2010, 250 youth were paid $58,665. Backing these wages out of the totals for CVRF Residents, the average earnings per person is $8,198 as opposed to $5,515.

DIRECT EMPLOYMENT: Fishermen[60]													
	2006		2007		2008		2009		2010		Total		
Fishery	Dollars	Number of Fishermen	Dollars	Number of Fishermen	Dollars	Number of Fishermen	Dollars	Number of Fishermen	Dollars	Number of Fishermen	Dollars	Average Number of Fishermen[57]	Average Annual Earnings per Fishermen[61]
Halibut	$ 705,738	145	$ 1,209,809	206	$ 1,159,515	197	$ 801,304	172	$ 1,098,556	158	$ 4,974,922	176	$ 5,666
Herring	$ 77,833	38	$ -	0	$ -	0	$ -	0	$ -	0	$ 77,833	8	$ 2,048
Salmon	$ 1,069,144	367	$ 1,207,176	352	$ 1,630,639	474	$ 1,721,692	490	$ 2,810,232	481	$ 8,438,883	433	$ 3,900
Total payments to local fishermen	**$ 1,852,715**	**550**	**$ 2,416,985**	**558**	**$ 2,790,154**	**671**	**$ 2,522,996**	**662**	**$ 3,908,788**	**639**	**$ 13,491,638**	**617**	**$ 4,380**

All footnotes can be found at the end of this document in the Footnote section.

Combining employee wages with payments to local fishermen, total direct income paid by CVRF to our residents totaled over $30 million. Each year's amount steadily increased over the five year period 2006-2010, and the trend holds steady in 2011, with over $9 million paid in that year.

DIRECT EMPLOYMENT: Total	2006	2007	2008	2009	2010	Total
Employee wages	$ 2,278,147	$ 2,729,912	$ 3,264,636	$ 4,387,981	$ 4,474,004	$ 17,134,680
Payments to fishermen	$ 1,852,715	$ 2,416,985	$ 2,790,154	$ 2,522,996	$ 3,908,788	$ 13,491,638
Total direct income paid to CVRF residents[62]	**$ 4,130,862**	**$ 5,146,897**	**$ 6,054,790**	**$ 6,910,977**	**$ 8,382,792**	**$ 30,626,318**

Coastal Villages has historically worked with other seafood operations to help region residents earn positions in their companies. Positions range from at-sea and shoreside processors to support services in offices. Although we continue to leverage these types of positions within the industry, our focus has shifted. Starting in 2010 when we began managing our own vessels, our priority moved to employing region residents on board Coastal Villages vessels, as well as employing region residents in a growing number of fishery support jobs in our office. That shift can be clearly seen here:

INDIRECT EMPLOYMENT: Jobs with Other Seafood Companies[63]	2006		2007		2008		2009		2010		Total		
	Dollars	Number of People	Dollars	Number of People	Dollars	Number of People	Dollars	Number of People	Dollars	Number of People	Dollars[64]	Average Number of People	Average Annual Earnings per Person[64, 65]
CVRF residents	$ 782,000	52	n/a	132	$ 1,839,866	148	$ 646,023	84	$ 274,894	13	$ 3,542,783	86	$ 11,929
Total employment with other seafood companies	**$ 782,000**	**52**	**n/a**	**132**	**$ 1,839,866**	**148**	**$ 646,023**	**84**	**$ 274,894**	**13**	**$ 3,542,783**	**86**	**$ 11,929**

(The dollars paid in 2007 are not available)

All footnotes can be found at the end of this document in the Footnote section.

Combining employee wages, payments to local fishermen, and the measurable indirect wages paid by other seafood companies, total income earned by our residents totaled over $34 million. The amounts paid to CVRF residents have steadily increased over the five year period 2006-2010, and the trend holds steady in 2011, with over $9.5 million paid in that year.

ALL EMPLOYMENT: Direct and Measureable Indirect						
	2006	2007	2008	2009	2010	Total
Income paid to CVRF residents	$ 4,130,862	$ 5,146,897	$ 6,054,790	$ 6,910,977	$ 8,382,792	$ 30,626,318
Indirect employment with other seafood companies	$ 782,000	n/a	$ 1,839,866	$ 646,023	$ 274,894	$ 3,542,783
Total direct & indirect income paid to CVRF residents[64, 66]	**$ 4,912,862**	**$ 5,146,897**	**$ 7,894,656**	**$ 7,557,000**	**$ 8,657,686**	**$ 34,169,101**

Measuring the increased employment opportunities that result from the increased economic activity that CVRF brings to our member communities is not quantitatively possible. We know that many of our local fishermen employ one or more crew members on board their fishing skiffs. We know that more people are being put to work on community projects that would not have happened without CVRF's help. We know that local stores have seen increases in sales as a result of our focus to buy locally from the village whenever possible. We know that local city and tribal governments are able to hire additional people to help manage projects that are funded at least in part by Coastal. But it is not possible to accurately measure the increased employment that is a direct result of our work in the region.

As mentioned earlier in this section, with Coastal's transition to owner/operator of eight Bering Sea vessels, we are escalating employment of people from our region in the pollock, crab, and cod fisheries. We use our local salmon and halibut operations as the training ground, helping to ensure that people are ready for the long, arduous work on board a Bering Sea fishing vessel. Processors at our plant in Platinum are able to earn opportunities to work as deckhands, engineers, and even skippers on our in-region tender vessels. People successful in the local operations are then recruited for the more lucrative jobs on our offshore vessels. As an example, 18 region crab crew earned just under $550,000 during the 2012 opilio season, with the highest earner bringing home over $85,000 for less than six months worth of work. These are real jobs, earned by people who are motivated and willing to work just as hard or harder than their crew mates.

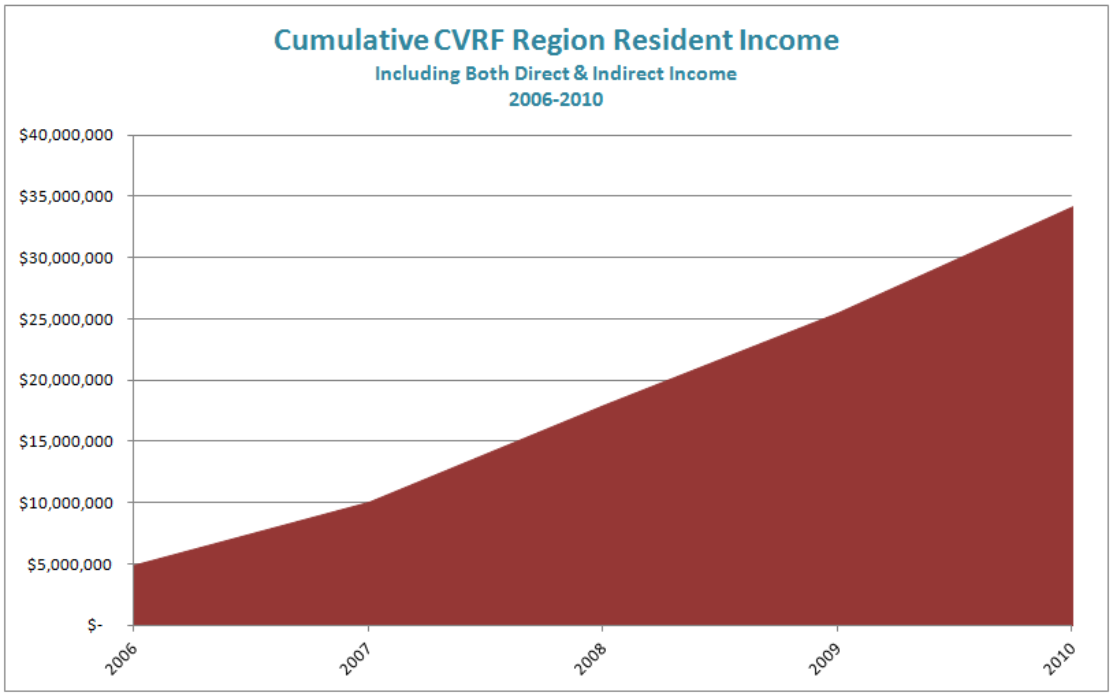
All footnotes can be found at the end of this document in the Footnote section.

Employment: CVRF Performance:

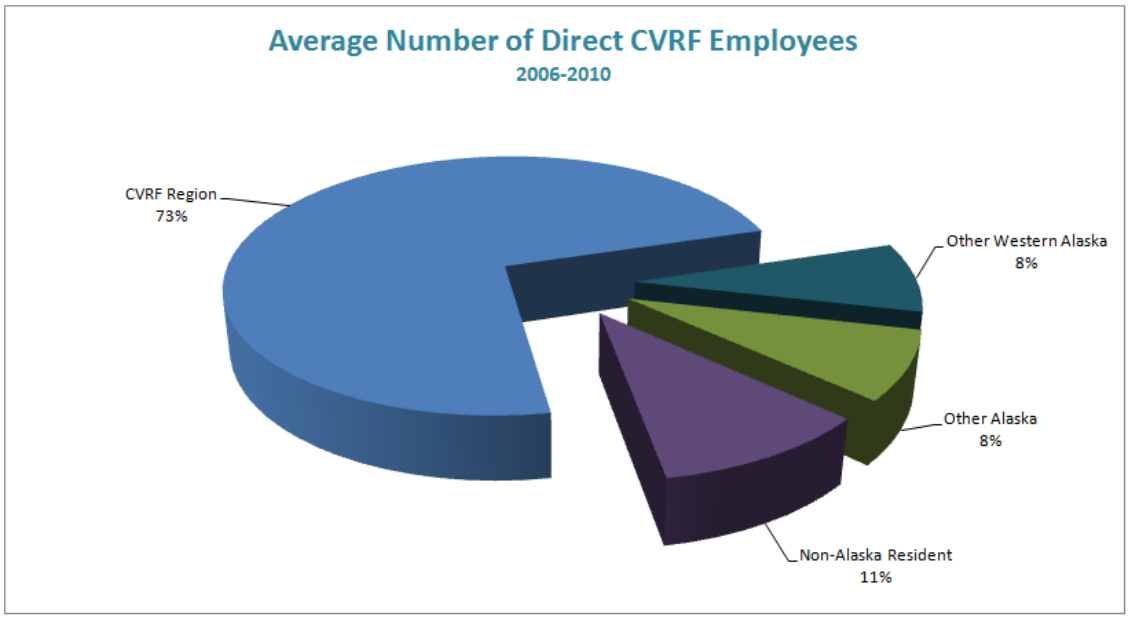
Historically, the primary source of jobs in the Coastal Villages region has been with governmental agencies (city governments, tribal governments, school districts, and healthcare organizations) and local ANCSA (Alaska Native Claims Settlement Act) corporations. In the past few years, Coastal's efforts to provide local work has resulted in CVRF becoming the largest jobs provider in our region. This is an accomplishment we are very proud of, but we are not satisfied with – there is much more work to be done and we continue to strive to provide even more.

In addition to the extraordinary number of dollars entering our communities through our employment program, Coastal is also proud of our employment philosophy. We believe that the jobs we provide need to be real – the jobs are not simply a paycheck, they are important to the growth of our company and they come full of challenges for the individual. Our employees are expected to work hard and endeavor to learn and grow. Employees who do not come to work with this mentality are encouraged to find work elsewhere. This philosophy allows Coastal to develop a pool of talent within our communities: entry-level processors work their way up to deckhands, engineers, and even skippers. Office clerks earn promotions to specialist, supervisor, and executive positions.

The following two charts clearly illustrate CVRF's success in the area of employment: 73 percent of our 2006-2010 direct employees were from our member communities, and we have maintained a steady growth rate in income paid to our residents.



All footnotes can be found at the end of this document in the Footnote section.



III. Scholarships

Obtaining education beyond high school can have a direct impact on the jobs and salaries available to an individual. In an area plagued with low income and economic hardship, paying for a college or vocational education is not always possible.

Moreover, unlike people who live in more substantial population centers in Alaska, such as Anchorage, Fairbanks, Juneau, etc, people from remote Alaska villages have considerable added educational expenses. Airfare to a city with a campus is expensive, and students must find and pay for housing and often times transportation. All these are costs that increase the difficulty of getting a higher education.

In an effort to help elevate the earning potential of our 20 member communities, Coastal Villages awards scholarship funds each year to students from our region for their college or vocational education.

Scholarships: Required Measures:

Based on the consensus of the six CDQ groups, the following data related to scholarships will be presented and analyzed by all six groups:

1. Direct scholarships paid:
    a. Total amounts paid by year
    b. Number of unique individuals who received funding by year

All footnotes can be found at the end of this document in the Footnote section.

The following table depicts scholarship monies paid by CVRF through our Louis Bunyan Memorial Scholarship (LBMS) program:

SCHOLARSHIPS[67]			
	Dollars	Number of People	Average Amount per Person[68]
2006	$ 377,229	72	$ 5,239
2007	$ 341,822	83	$ 4,118
2008	$ 437,025	87	$ 5,023
2009	$ 475,274	100	$ 4,753
2010	$ 330,039	104	$ 3,173
Total scholarships paid by Coastal Villages	**$ 1,961,389**	**446**	**$ 4,398**

The Louis Bunyan Memorial Scholarship fund was established in 1993 to provide assistance to region residents who wish to further their education. Scholarships are awarded twice a year: in June for the fall semester and in November for the winter/spring semester. The amount of each scholarship varies, but awards are given to cover a significant portion of the cost of tuition, books and supplies.

In order to qualify for an LMBS scholarship, applicants must:

- Have resided in one of the Coastal Villages member communities for a minimum of five consecutive years, and be a bona fide Alaska resident;
- Be accepted into a relevant program of study at an approved/accredited institution; and
- Exhibit strong academic skills, or strong work performance, and be committed to completing their proposed program of study

Starting in 2007, the annual scholarship fund has been $500,000. Coastal Villages advertises in many different forums before each application deadline, including in newspapers, on our webpage, over village VHF radio, through bulletins and posters, and more.

Coastal Villages commonly awards more than we pay out each year. Over the same five-year period shown in the table, CVRF awarded $2.4 million to 504 people. Individual reasons for not using part or all of the awarded funding vary, but some of the more common reasons include the student changing their mind about attending college and the cost of tuition, books, supplies, and/or miscellaneous costs being less than anticipated.

All footnotes can be found at the end of this document in the Footnote section.

Scholarships: CVRF Performance:

CVRF paid almost $2 million in scholarship funds from 2006-2010. We place a high emphasis on strong academic performance and a desire to bring the acquired knowledge back to the region. The LBMS program has become known in our region as a reliable source of substantial scholarship monies. The website for Scholarship America, "the nation's largest non-profit, private-sector scholarship and educational support organization," touts that since its founding in 1958, they have awarded $2.9 billion to 1.9 million students[69]. Compare Scholarship America's average per student of $1,526 to Coastal Villages' average per student of $4,398; Coastal Villages' average is over two and a half times more.

IV. Training

Complimentary to Coastal Villages' scholarship program is our training assistance program. This program focuses on shorter-term training programs aimed at obtaining a certification, enhanced skills, or supplementary knowledge.

Training: Required Measures:

Based on the consensus of the six CDQ groups, the following data related to training will be presented and analyzed by all six groups:

2. Direct training opportunities paid:
    a. Total amounts paid by year
    b. Number of training opportunities by year

The following table depicts training opportunities funded by CVRF:

TRAINING PROGRAM[70]			
	Dollars	Number of Training Opportunities	Average Amount per Opportunity[71]
2006	$ -	0	$ -
2007	$ 81,669	26	$ 3,141
2008	$ 17,008	4	$ 4,252
2009	$ 34,049	62	$ 549
2010	$ 85,857	60	$ 1,431
Total training opportunities funded by Coastal Villages under the 4-SITE training program	**$ 218,583**	**152**	**$ 1,438**

All footnotes can be found at the end of this document in the Footnote section.

Our training program was being revamped in 2006 and therefore did not grant direct funding; however, four region residents were hired into a shipyard apprentice program. Our fleet manager worked with them at the Seattle shipyard, teaching them to weld and do general vessel maintenance. Portions of those costs are included in the Other Staff Training column in the following table, which includes costs associated with training opportunities attended by CVRF staff:

TOTAL TRAINING[72]			
	4-SITE Training Program	Other Staff Training	Total
2006	$ -	$ 80,854	$ 80,854
2007	$ 81,669	$ 72,785	$ 154,454
2008	$ 17,008	$ 81,560	$ 98,568
2009	$ 34,049	$ 21,784	$ 55,833
2010	$ 85,857	$ 49,070	$ 134,927
Total training opportunities funded by Coastal Villages	**$ 218,583**	**$ 306,053**	**$ 524,636**

In addition to the funds provided by Coastal Villages, matching funds from other organizations are often received by persons wishing to attend training or seminar events. We did not collect information on 2007 matching funds. However, 2008 matching funds totaled $37,738, 2009 matching funds totaled $34,947, and 2010 matching funds totaled $89,240, for a total of at least $161,925 in additional funds paid as a result of CVRF's training program.

Similar to the scholarship program, Coastal Villages commonly awards more in training funds than we pay out each year. Over the same five-year period shown in the table, CVRF training funding awards totaled $298,000. Individual reasons for not using part or all of the awarded funding are similar to those of the scholarship program.

Training: CVRF Performance:

Many people have obtained certifications and enhanced knowledge and skills through the CVRF training program. In 2006, four apprentices learned welding and vessel maintenance skills, moving on to work on our in-region tender vessels. In the following four years, people engaged in a variety of training topics, including medic first aid, aviation, IT, heavy equipment operator, construction equipment service, hazwopper, welding, carpentry, electrical, and marine operator training, all with funding from our training program.

All footnotes can be found at the end of this document in the Footnote section.

V. Determination of Performance

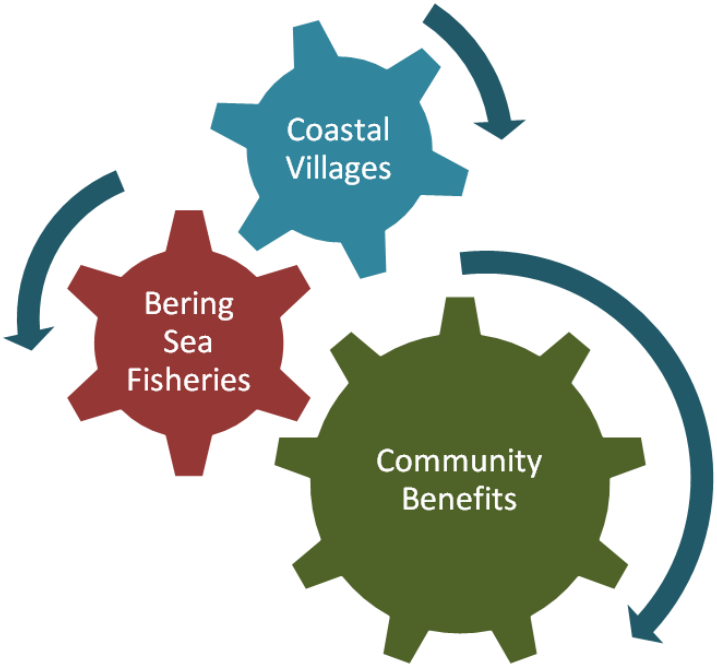
Work. Fish. Hope. These three words are the cornerstone of the Coastal Villages mind-set. Through real opportunities to earn a living through working and fishing, the people in our communities are encouraged by a renewed sense of hope. Hope for the present, hope for the future, hope for their children and their children and their children. Strip away all the politics and this is the ultimate goal of the CDQ program.

SUMMARY OF CRITERIA #3: Employment, Scholarships, & Training								
	Direct Employment with CVRF		CVRF Payments to Fishermen		Indirect Employment with Other Seafood Companies		Total	
Measure	Total Dollars	Average Number of People	Dollars	Average Number of Fishermen	Dollars[64]	Number of People	Dollars[64]	Average Number of People[57]
Employment:								
CVRF Residents	$ 15,565,194	511	$ 13,491,638	617	$ 3,542,783	86	$32,599,615	1,214
CVRF residents out-of-region	$ 1,569,486	9	$ -	0	$ -	0	$ 1,569,486	9
Other Western Alaska resident	$ 992,480	59	$ -	0	$ -	0	$ 992,480	59
Other Alaska resident	$ 18,088,960	58	$ -	0	$ -	0	$18,088,960	58
Non-Alaska resident	$ 10,700,195	75	$ -	0	$ -	0	$10,700,195	75
Total employment	**$ 46,916,315**	**712**	**$ 13,491,638**	**617**	**$ 3,542,783**	**86**	**$63,950,736**	**1,415**
Scholarships							**$ 1,961,389**	**446**
Training:								
4-SITE program							$ 218,583	152
Other staff training							$ 306,053	n/a
Total training opportunities							**$ 524,636**	**152**

The preceding pages and the above table have discussed in detail Coastal Villages' work from 2006-2010 in the areas of employment opportunities, scholarship funding, and training funding. But Coastal does much more than that to help not only our own 20 member communities but many other areas of the State as well. Most of our projects and programs, including employment opportunities, have both direct and indirect impacts on other parts of Western Alaska, particularly the Yukon and Bristol Bay regions. Coastal Villages buys locally from the State and from our region whenever possible, contributing to the Alaska economy in general. We are planning to transition the eight Bering Sea vessels we already own, as well as any additional vessels we purchase, from Seattle to a port in Alaska. We have become the largest jobs provider in our region and we contribute significantly to the business base of the local stores in our communities.

All footnotes can be found at the end of this document in the Footnote section.

The relationship between the Bering Sea and the 20 villages along the Western Alaska coast, from Scammon Bay to Platinum, is an integrated one. Money made in the pollock, cod, crab, and other groundfish fisheries have a direct pipeline to those villages. Money made in the pollock, cod, crab, and other groundfish fisheries is imperative to the hope being generated in those villages. The results are tangible, they are measureable, they are crucial to the survival of Western Alaska.



Pages 64-67 touch briefly on some of the projects and programs that CVRF engages in, from our flagship region-based salmon and halibut operations to funeral feast donations. Each one is very important to our communities. Since the inception of Coastal Villages Region Fund in 1998, we have delivered over $219 million in benefits to our region, with over $163.5 million of that in just five short years. At that rate, imagine what Coastal Villages can accomplish in the next ten years!

CVRF has determined that we have met or exceeded our performance expectations for Criteria #3.

Organization	***Decennial Review Criteria***	***Assigned Weight***	***Performance Determination***	***Weighted Score***
Coastal Villages Region Fund	*#3. Employment, scholarships, and training supported by the entity*	*25%*	*Met or exceeded*	*25 points*

All footnotes can be found at the end of this document in the Footnote section.

CRITERIA #4: Goals of the CDPs

I. Weighting of Criteria #4

The Magnuson-Stevens Act, 16 U.S.C. 1855 (i)(1)(H) requires that as part of the decennial review process, each group weight and evaluate their performance with respect to four criteria, the fourth of which is the achievement of the goals of the group's community development plans (CDP). 16 U.S.C. 1855 (i)(1)(J) defines community development plans as "…a plan, prepared by an entity referred to in subparagraph (D), for the program that describes how the entity intends—

i. to harvest its share of fishery resources allocated to the program, or
ii. to use its share of fishery resources allocated to the program, and any revenue derived from such use, to assist its member villages with projects to advance economic development, but does not include a plan that allocates fishery resources to the program."

Community development plans are further clarified in three CDQ Panel Rules: WACDA Resolutions 2008-03, 2010-03, and 2010-07. These rules were in effect from September 17, 2008 through September 17, 2010, September 17, 2010 through March 17, 2011, and March 17, 2011 through December 31, 2012, respectively. All three CDQ Panel Rules state the following:

Section 1. **Community Development Plan.** Each entity must maintain a community development plan ("CDP") in compliance with 16 U.S.C. 1855(i)(1)(J)(i) or (ii).

Section 2. **Minimum CDP Standards.** If an entity chooses to maintain its CDP consistent with 16 U.S.C. 1855(i)(1)(J)(i), that CDP shall include the following information for each target CDQ fishery:

1) the type(s) of gear that will be used for harvest,
2) the general time period of such harvest, and
3) its bycatch avoidance plans with respect to the harvest of its share of fishery resources.

Section 3. **Extended Reporting CDP Standards.** If an entity chooses to maintain its CDP consistent with 16 U.S.C. 1855(i)(1)(J)(ii), that CDP shall include the following information and format:

Section 1	Executive Summary
Section 2	Community Profile
Section 3	Organizational Structure
Section 4	Harvesting and processing information
Section 5	Projects and programs that benefit the region

All footnotes can be found at the end of this document in the Footnote section.

Section 4. **Status, Filing, and Amendments.** All CDPs must be kept up-to-date at least annually and also filed annually with WACDA. In addition to the foregoing, an entity may freely amend its CDP at any time; however, no amendments to a CDP can be made in the last twelve months of the decennial cycle if such amendments will be a basis for that entity's evaluation purposes pursuant to 16 U.S.C. 1855(i)(1)(H).

Coastal Villages chose to prepare our CDPs under U.S.C. 1855 (i)(1)(J)(i) of the MSA / Section 2 of the CDQ Panel Rules. Although 2009 was the first year in which the current format of the CDP was required, CVRF has maintained our annual fishing plans since our inception in 1998. Our WACDA Panel Rule-compliant CDPs for 2009 and 2010 can be found in Appendix C, as can our 2006-2008 CDP CDQ Contract and Quota Management Plan.

As we have discussed in the previous three sections, Coastal Villages has decided to weight each of the four criteria equally for the sake of analysis in our Decennial Review report. While the scope of the CDPs were dramatically reduced by Congress in the MSA in 2006, it is worthwhile that both the CDP and the main criteria identified in federal statute for the decennial review relate to "how the entity intends…to harvest its share" of the CDQ fish. In 2010, CVRF became the first and only CDQ group to date to own the vessels that harvest substantially all of its CDQ allocations.

Organization	***Decennial Review Criteria***	***Assigned Weight***
Coastal Villages Region Fund	*#4. Achieving of the goals of the entity's community development plan*	*25%*

II. CDQ Allocations

Coastal Villages receives a portion of the BSAI groundfish fisheries each year through the CDQ program. Although the allocation percentages did not change during the period 2006 through 2010, the Total Allowable Catch (TAC) did, and therefore so did the total amount allocated to the CDQ program (CDQ Reserve) and the amounts allocated to CVRF. The following table shows the allocations for each year 2006 through 2010:

All footnotes can be found at the end of this document in the Footnote section.

CDQ ALLOCATIONS[73]												
			2006		2007		2008		2009		2010	
Species	Unit of Measurement	CVRF Allocation in Percentages	CDQ Reserve	CVRF Allocation in MT, lbs, or Number	CDQ Reserve	CVRF Allocation in MT, lbs, or Number	CDQ Reserve	CVRF Allocation in MT, lbs, or Number	CDQ Reserve	CVRF Allocation in MT, lbs, or Number	CDQ Reserve	CVRF Allocation in MT, lbs, or Number
Target Species:												
Pollock	Metric tons	24%	150,400	36,096	141,300	33,912	101,900	24,456	83,400	20,016	83,200	19,968
Pacific cod	Metric tons	18%	14,114	2,540	12,804	2,305	18,267	3,272	18,890	3,386	18,059	3,237
Bering Sea Fixed Gear Sablefish	Metric tons	0%	282	-	298	-	286	-	272	-	279	-
Aleutian Island Fixed Gear Sablefish	Metric tons	27%	450	122	422	114	366	99	330	89	310	84
Atka Mackerel	Metric tons	15%	4,726	709	4,725	709	6,495	974	8,175	1,226	7,918	1,188
Yellowfin Sole	Metric tons	6%	7,178	431	10,200	612	24,075	1,530	22,470	1,428	23,433	1,489
Rock Sole	Metric tons	11%	3,113	342	4,125	454	8,025	878	9,630	1,053	9,630	1,053
Flathead Sole	Metric tons	15%	1,463	219	2,250	338	5,350	801	6,420	962	6,420	962
Aleutian Islands Pacific Ocean Perch	Metric tons	15%	840	126	1,331	200	1,872	281	1,603	240	1,609	241
4B Halibut	Pounds	0%	334,000	-	288,000	-	372,000	-	374,000	-	432,000	-
4C Halibut	Pounds	0%	805,000	-	933,250	-	884,500	-	784,500	-	812,500	-
4D Halibut	Pounds	24%	483,000	115,920	559,950	134,388	530,700	127,368	470,700	112,968	487,500	117,000
4E Halibut	Pounds	70%	330,000	231,000	367,000	256,900	352,000	246,400	322,000	225,400	330,000	231,000
Norton Sound Red King Crab	Pounds	0%	34,050	-	23,625	-	30,900	-	28,125	-	30,000	-
Bristol Bay Red King Crab	Pounds	18%	1,552,700	279,486	2,038,300	366,894	2,036,400	366,552	1,600,900	288,162	1,483,900	267,102
Pribilof Red & Blue King Crab	Pounds	0%	No fishery		No fishery		No fishery		No fishery		No fishery	
St. Matthew Blue King Crab	Pounds	12%	No fishery		No fishery		No fishery		116,700	14,004	116,700	14,004
Bering Sea C. Opilio Crab	Pounds	17%	3,656,600	621,622	6,303,400	1,071,578	5,855,000	995,350	4,801,700	816,289	5,428,100	922,777
Bering Sea C. Bairdi Crab	Pounds	17%	296,900	50,473	562,100	95,557	430,000	73,100	135,000	22,950	No fishery	
Aleutian Islands Golden King Crab	Pounds	18%	300,000	54,000	300,000	54,000	315,000	56,700	315,000	56,700	315,000	56,700
Adak Red King Crab	Pounds	18%	No fishery		No fishery		No fishery		No fishery		No fishery	
Non-Target Groundfish Species:												
Bering Sea Sablefish (trawl)	Metric tons	13%	106	14	112	15	107	14	102	13	105	14
Aleutian Island Sablefish (trawl)	Metric tons	13%	56	7	52	7	46	6	41	5	39	5
Bering Sea Greenland Turbot	Metric tons	17%	142	24	126	21	187	32	545	93	452	77
Arrowtooth Flounder	Metric tons	13%	975	127	1,500	195	8,025	1,043	8,025	1,043	8,025	1,043

All footnotes can be found at the end of this document in the Footnote section.

			2006		2007		2008		2009		2010	
Species	Unit of Measurement	CVRF Allocation in Percentages	CDQ Reserve	CVRF Allocation in MT, lbs, or Number	CDQ Reserve	CVRF Allocation in MT, lbs, or Number	CDQ Reserve	CVRF Allocation in MT, lbs, or Number	CDQ Reserve	CVRF Allocation in MT, lbs, or Number	CDQ Reserve	CVRF Allocation in MT, lbs, or Number
Non-Allocated Groundfish Species:												
Aleutian Island Greenland Turbot	Metric tons	18%	64	12	-	-	-	-	-	-	-	-
Other Flatfish	Metric tons	8%	263	21	-	-	-	-	-	-	-	-
Alaska Plaice	Metric tons	24%	600	144	-	-	-	-	-	-	-	-
Bering Sea Pacific Ocean Perch	Metric tons	21%	105	22	-	-	-	-	-	-	-	-
Bering Sea Other Rockfish	Metric tons	17%	35	6	-	-	-	-	-	-	-	-
Aleutian Islands Other Rockfish	Metric tons	17%	44	7	-	-	-	-	-	-	-	-
Prohibited Species:												
Zone 1 Red King Crab	Number	12%	14,775	1,773	14,775	1,773	21,079	2,529	21,079	2,529	21,079	2,529
Zone 1 Bairdi Tanner Crab	Number	8%	73,500	5,880	73,500	5,880	104,860	8,389	104,860	8,389	88,810	7,105
Zone 2 Bairdi Tanner Crab	Number	11%	222,750	24,503	222,750	24,503	317,790	34,957	317,790	34,957	269,640	29,660
Opilio Tanner Crab	Number	10%	432,126	43,213	326,250	32,625	465,450	46,545	465,450	46,545	465,450	46,545
Pacific Halibut	Number	12%	342	41	343	41	343	41	343	41	393	47
Chinook Salmon	Number	24%	2,175	522	2,175	522	2,228	535	2,228	535	2,228	535
Non-Chinook Salmon	Number	24%	3,150	756	3,150	756	4,494	1,079	4,494	1,079	4,494	1,079

All footnotes can be found at the end of this document in the Footnote section.

III. Fishing Plans (CDPs)

Coastal Villages maintains a very simplistic overall fishing plan: catch as much fish as possible with boats to generate the highest possible return. Historically, our goal was to catch fish with boats owned by companies in which we had equity interests. Starting with our investment in the three "Sea Boat" crab vessels in 2006, our goal is now to catch fish with boats wholly owned by Coastal. This is a critical shift in our strategic plan, a shift that allows us to break away from relying on other companies, a shift that no other CDQ group has yet made.

2006-2008 CDP Fishing Plan:

As can be seen in Appendix C on page 108, the primary focus of the fishing plan we submitted with our 2006-2008 Community Development Plan was to lease our CDQ allocations to harvesting partners in which we had equity interests for the best possible price. We shifted that strategy in 2007 after we purchased three crab vessels, focusing instead on catching our crab allocations with our own boats and generating the best possible return both for the fish and for the vessels as a whole. We continued to strive for market-leading royalty contracts in the other species; CVRF frequently had leading lease rates amongst the CDQ groups.

CVRF met the objectives of our fishing plans for 2006-2008. During the course of those three years we brought in $40.3 million (average of $13.4 million per year) in CDQ royalty revenue. Additionally, we generated another $33.3 million in crab seafood sales in 2007 and 2008, approximately $6.7 million of which was related to CDQ crab. We maintained appropriate signed royalty contracts for allocations fished by other companies, and adequately monitored our harvest activity.

2009-2010 CDP Fishing Plans:

The WACDA Panel Rule-compliant CDPs for 2009 and 2010 can be found in Appendix C on pages 109-115. They summarize the CDQ target fisheries, gear type, fishing period, and bycatch avoidance plans. CVRF was successful in achieving these fishing plans, earning $28.4 million (average of $14.2 million per year) in CDQ royalties in the process. We also sold $25.4 million worth of crab, approximately $5.1 million of which was related to CDQ crab, and $6.6 million worth of cod, approximately $1.3 million of which was related to CDQ cod.

IV. Harvest of CDQ Allocations

The following table shows CVRF's allocations, harvest, and average harvest percentages for each year 2006 through 2010:

CVRF CDQ HARVEST[74]													
		2006		2007		2008		2009		2010			
Species	Unit of Measurement	CVRF Allocation	CVRF Harvest	CVRF Allocation	CVRF Harvest	CVRF Allocation	CVRF Harvest	CVRF Allocation	CVRF Harvest	CVRF Allocation	CVRF Harvest	Average Harvested Percentage[75]	Notes
Target Species:													
Bering Sea pollock	Metric tons	36,096	36,096	33,456	33,454	24,000	23,997	19,560	19,560	19,512	19,510	100.0%	1
Aleutian Islands pollock	Metric tons	-	-	456	-	456	-	456	-	456	-	0.0%	1
Pacific cod	Metric tons	2,540	2,540	2,305	2,221	3,272	3,090	3,386	2,762	3,237	3,237	94.5%	2,3
Bering Sea Fixed Gear Sablefish	Metric tons	-	-	-	-	-	-	-	-	-	-	n/a	4
Aleutian Island Fixed Gear Sablefish	Metric tons	122	65	114	109	99	30	89	13	84	75	56.6%	5
Atka Mackerel	Metric tons	709	617	709	713	974	963	1,226	1,209	1,188	1,184	96.9%	
Yellowfin Sole	Metric tons	431	395	612	601	1,530	303	1,428	52	1,489	573	50.4%	6
Rock Sole	Metric tons	342	271	454	415	878	171	1,053	122	1,053	139	43.0%	6
Flathead Sole	Metric tons	219	89	338	211	801	98	962	44	962	337	31.0%	6
Aleutian Islands Pacific Ocean Perch	Metric tons	126	120	200	186	281	261	240	227	241	239	95.0%	
4B Halibut	Pounds	-	-	-	-	-	-	-	-	-	-	n/a	4
4C Halibut	Pounds	-	-	-	-	-	-	-	-	-	-	n/a	4
4D Halibut	Pounds	115,920	107,150	134,388	129,472	127,368	99,411	112,968	111,522	117,000	117,000	93.1%	7
4E Halibut	Pounds	231,000	231,000	256,900	256,900	246,400	246,400	225,400	225,400	231,000	231,000	100.0%	
Norton Sound Red King Crab	Pounds	-	-	-	-	-	-	-	-	-	-	n/a	4
Bristol Bay Red King Crab	Pounds	279,486	279,388	366,894	366,842	366,552	363,003	288,162	288,162	267,102	267,102	99.8%	
Pribilof Red & Blue King Crab	Pounds	No fishery		No fishery		No fishery		No fishery		No fishery		n/a	
St. Matthew Blue King Crab	Pounds	No fishery		No fishery		No fishery		14,004	-	14,004	13,155	47.0%	8
Bering Sea C. Opilio Crab	Pounds	621,622	621,544	1,071,578	1,071,515	995,350	995,347	816,289	816,289	922,777	922,777	100.0%	
Bering Sea C. Bairdi Crab	Pounds	50,473	43,604	95,557	67,259	73,100	47,064	22,950	22,950	No fishery		80.3%	
Aleutian Islands Golden King Crab	Pounds	54,000	54,000	54,000	54,000	56,700	56,700	56,700	56,076	56,700	56,700	99.8%	
Adak Red King Crab	Pounds	No fishery		No fishery		No fishery		No fishery		No fishery		n/a	
Non-Target Groundfish Species:													
Bering Sea Sablefish (trawl)	Metric tons	14	8.7	15	6.4	14	4.9	13	0.5	14	10.9	44.3%	9
Aleutian Island Sablefish (trawl)	Metric tons	7	0.6	7	1.4	6	0.5	5	0.1	5	0.2	8.6%	9
Bering Sea Greenland Turbot	Metric tons	24	3.6	21	6.6	32	25.0	93	4.0	77	2.9	26.5%	9
Arrowtooth Flounder	Metric tons	127	91.5	195	174.3	1,043	195.0	1,043	65.2	1,043	46.1	38.2%	9

All footnotes can be found at the end of this document in the Footnote section.

		2006		2007		2008		2009		2010			
Species	Unit of Measurement	CVRF Allocation	CVRF Harvest	CVRF Allocation	CVRF Harvest	CVRF Allocation	CVRF Harvest	CVRF Allocation	CVRF Harvest	CVRF Allocation	CVRF Harvest	Average Harvested Percentage[75]	Notes
Non-Allocated Groundfish Species:													
Aleutian Island Greenland Turbot	Metric tons	12	4.2	-	-	-	-	-	-	-	-	35.0%	9
Other Flatfish	Metric tons	21	11.0	-	-	-	-	-	-	-	-	52.4%	9
Alaska Plaice	Metric tons	144	58.2	-	-	-	-	-	-	-	-	40.4%	9
Bering Sea Pacific Ocean Perch	Metric tons	22	12.4	-	-	-	-	-	-	-	-	56.4%	9
Bering Sea Other Rockfish	Metric tons	6	3.3	-	-	-	-	-	-	-	-	55.0%	9
Aleutian Islands Other Rockfish	Metric tons	7	1.0	-	-	-	-	-	-	-	-	14.3%	9
Prohibited Species:													
Zone 1 Red King Crab	Number	1,773	702	1,773	116	2,529	171	2,529	400	2,529	66	14.3%	
Zone 1 Bairdi Tanner Crab	Number	5,880	117	5,880	509	8,389	414	8,389	828	7,105	5,505	20.6%	
Zone 2 Bairdi Tanner Crab	Number	24,503	88	24,503	4,148	34,957	801	34,957	781	29,660	4,934	7.7%	
Opilio Tanner Crab	Number	43,213	228	32,625	14	46,545	592	46,545	14	46,545	4,062	2.1%	
Pacific Halibut	Number	41	19	41	24	41	34	41	23	47	22	58.1%	
Chinook Salmon	Number	522	337	522	767	535	265	535	70	535	5	55.0%	
Non-Chinook Salmon	Number	756	193	756	368	1,079	140	1,079	-	1,079	-	17.4%	

NOTES TO HARVEST TABLE:

1 - Productive, open pollock grounds are difficult to find in the Aleutian Islands (AI) as much of the area has been closed to pollock fishing under Steller sea lion protection measures. When the AI pollock allocation to the CDQ program is at least 1,900 metric tons and the Bering Sea (BS) allowable biologocal catch (ABC) is larger than the total allowable catch (TAC) by enough, AI quota is rolled into the BS management area. In 2006 the AI allocation was rolled into and harvested in the BS. Thus CVRF's AI quota has been included with CVRF's BS quota for 2006. This rollover did not occur in any other year.

2 - The harvest reports for years 2006 and 2010 show harvests larger than our allocations. This is due to other CDQ groups transfering cod to a pool and/or clean up harvest at the end of the year. This table shows the harvest of CVRF's direct CDQ allocation only.

3 - Prior to the second half of 2010, when CVRF began catching our CDQ cod with our three wholly-owned cod longliners, CVRF was subject to the best fishing efforts of the company leasing our cod. However, our leases guaranteed payment for 100% of our quota even if it was not all caught.

4 - CVRF receives a 0% allocation

5 - Catch rates for AI fixed gear sablefish were low over the period 2006-2010. The overall IFQ catch rates were: 39% in 2006, 43% in 2007, 44% in 2008, 57% in 2009, and 52% in 2010, for an average of 47% for the fishery[73]. CVRF's average catch rate was 56.6% for the same time period.

All footnotes can be found at the end of this document in the Footnote section.

6 - Yellowfin sole, rock sole, and flathead sole are the primary flatfish targets in the BS. Yellowfin sole harvest is often strongly correlated with market conditions. Rock sole and flathead sole can be somewhat market driven, but the availability of limiting bycatch species, specifically Pacific cod and halibut, is a significant factor as well. Beginning in 2008, flatfish TACs increased signficantly due to lower BS pollock TACs. This made CDQ fishing considerably less attrative to third parties as those third parties had enough allocation of their own to catch.

7 - CVRF gives our halibut allocation to our in-region fishermen. A short season (generally June through August), bad weather, and the use of small skiffs to catch the allocation are significant factors in the catch rates. CVRF is helping our local fishermen acquire bigger, safer boats so they can continue to catch our CDQ halibut.

8 - The St. Matthew blue king crab fishery was closed for many years to allow it to rebuild. The fishery reopened in the fall of 2009. Fishing efforts in 2009 for both IFQ and CDQ were largely unsuccessful.

9 - These species do not have a directed fishery. Catch is managed with a hardcap.

CVRF's CDQ allocations were harvested to the greatest extent possible without exceeding our allocated amounts and in balance with acceptable bycatch levels. Background information on issues specific to various species can be found in the footnotes to the harvest table.

All footnotes can be found at the end of this document in the Footnote section.

V. Determination of Performance

CVRF achieved the goals of our CDPs: catch fish with boats. In 2006, all of our CDQ allocations were harvested by third-party vessels. Leased fish, including CDQ, is generally the lowest priority fish to catch because it costs money. Leases are also affected by market rates, annual TACs, and the amount available for lease. In 2007, CVRF began catching our crab quota with our wholly-owned boats – the F/V Arctic Sea, F/V Bering Sea, and F/V North Sea. After taking over management of the vessels in 2009, we have managed the operations and allocations to generate increased returns to the Company. We have done the same with our pollock and Pacific cod allocations – in 2011, after our acquisition of a pollock factory trawler and three cod freezer-longliners, we now catch all of our most lucrative quotas on board our own fleet of vessels. Please refer to Appendix D for more information on our fleet.

CVRF has determined that we have met or exceeded our performance expectations for Criteria #4.

Organization	***Decennial Review Criteria***	***Assigned Weight***	***Performance Determination***	***Weighted Score***
Coastal Villages Region Fund	*#4. Achieving of the goals of the entity's community development plan*	*25%*	*Met or exceeded*	*25 points*

All footnotes can be found at the end of this document in the Footnote section.

CONCLUSION

I. Overview

Coastal Villages has analyzed a vast array of metrics throughout the course of this Decennial Review report. This report does not, however, even begin to touch on the real, tangible effect that Coastal has in our communities. The region – not only our 20 member communities but many outlying communities as well – has come to rely on Coastal Villages as one of the few stable, reliable providers of jobs, economic activity, and hope. Our region is growing – it is vibrant and expanding. Our schools are not closing, and our population is not shrinking. People prefer to raise their families in their hometowns, not move away to bigger cities. Our residents are finding bona fide jobs that challenge their intellect and support their families for the long-term. We encourage anyone who truly wishes to experience the work Coastal Villages is doing to travel to our villages and spend time talking with our people.

II. Changes in Population, Poverty, & Economic Development

38 pages of this report were dedicated to discussing our region's population, poverty, and economic trends. Although the data is not perfect, it all points in one direction: the Coastal Villages region is growing, and it is one of the poorest, most economically challenged areas in the country. There are no paved roads, there are no highways. Travel to and from our villages is possible only by plane, boat, or ice road in the winter. Travel by ATVs such as snow machine or 4-wheeler, or by manual means such as dog sled or on foot, often times poses great risk to the traveler. Basic living supplies have to be barged or flown in. Weather is a constant interference with travel, mail, and supply deliveries.

Jobs are few and far between. Most employment opportunities, pre-CVRF, were provided by local governments and ANCSA corporations. Unemployment rates are high, with many families surviving on a single income and their PFD checks each year. Housing is limited, and only recently have many of our villages begun building basic water and sewer infrastructure for the residential sector. Extended families pack into buildings that most from urban Alaska would call shacks.

Yet Coastal Villages is having a tangible effect on the conditions in our villages. The economic indicators in our region are improving, slowly, but surely. We do business with the goal to buy as much locally as reasonably possible: an employee of the Nima Corporation in Mekoryuk told us recently that their local store's revenue has increased exponentially over the past several years. This is a result of our local halibut plant, the money we spend in the village, and the money we put in the villagers' pockets that they in turn spend in the village. This is a common theme across all 20 of our villages.

All footnotes can be found at the end of this document in the Footnote section.

III. Financial Performance

It is hard to argue with Coastal's financial performance. Clawing our way out of near-bankruptcy in 1998, Coastal focused considerable attention on ensuring the mistakes of the past would never be repeated. Each and every Bering Sea investment is carefully analyzed to make certain that Coastal's rights and earning potential are protected. The Board makes careful decisions to balance the needs of the communities with the growth of the Company. As a result, Coastal has grown our balance sheet to over $300 million in total assets at the end of 2010, while at the same time pumping close to $164 million into our communities.

Some have argued that our astounding growth is just "a paper entry." That our investment in American Seafoods was simply luck and the huge gain on our redemption of our investment was not real. We challenge those people to come tour our 341 foot pollock factory trawler, the C/P Northern Hawk, and our three cod longliners, the F/V Lilli Ann, F/V Deep Pacific, and F/V North Cape, that we acquired as a result of this transaction. These four boats caught and processed over 129 million pounds of fish in 2011. These four boats produced over 415 million meals, feeding people around the world. These four boats generated over $72 million in seafood sales in the worst pollock fishing season in 50 years. Our success in the American Seafoods investment was not luck. It was the product of hard work, dedication, and constant monitoring and negotiating. We challenge the other CDQ groups to match it. Or better yet, do better.

Prior to the redemption of our investment in American Seafoods, we started liquidating several other equity investments and purchased three crab boats: the F/V Arctic Sea, F/V Bering Sea, and F/V North Sea. These boats have generated over $58.7 million in seafood sales in just five short years, with the trend continuing to grow in 2011 and 2012. When CDQ groups own their own steel and their own fishing quotas, there's no need to share the top line with anyone but their member communities.

IV. Employment, Scholarships, & Training

Work, Fish, Hope: the cornerstone of the Coastal Villages philosophy. Earning money through working and fishing generates hope for the future. And hope breeds hope: hope for a better tomorrow, hope for better circumstances for future generations, hope for the betterment of centuries-old communities. With this hope comes a renewed sense of enthusiasm to work hard. And around the circle we go again.

Coastal Villages has provided over $30 million in income in the five-year period 2006-2010; we are a reliable source of employment, and we are the only consistent buyer of salmon and halibut in our region. We have leveraged relationships with other seafood companies to provide even more employment opportunities – over $3.5 million identified from 2006-2010[64]. Our crab crews are almost 50 percent from our region – this ratio increases every year. Now that we own our own pollock and cod boats, we have even more opportunities for people to work, learn, and advance.

All footnotes can be found at the end of this document in the Footnote section.

Our Board approves a rigorous scholarship and training budget every year. Education is an expensive endeavor, and Coastal is dedicated to helping people achieve their goals. Between 2006 and 2010, we have paid out over $2.1 million in scholarship and training funding. The average scholarship amount was $4,398, compared to a national average of $1,526.

Coastal does much more to help our 9,300 region residents than just employment, scholarships, and training. We operate in-region salmon and halibut operations, and are investigating the prospect of several new fisheries. We donate funding to organized youth groups and put teenagers to work helping their communities. We provide marine safety training and equipment, and help commercial fishermen comply with Coast Guard regulations. We contribute funds to help communities pay for projects and programs, and we contribute to fisheries research projects. We help people cope with the high cost of living by providing fire wood, heating oil, warm weather gear, and more. We send people to each member community to help residents prepare their tax returns and maximize their returns. We donate funds to grieving families to help them pay for their traditional funeral feasts. Our CSCs provide mechanic and welding services, a warm place for residents to work on their small engines and boats, internet access, and a Service Representative to help people access help from CVRF. And so much more.

None of these things are required to be discussed as part of the decennial review, yet Coastal believes that they are crucial to our story. Our communities have thrived under the economic impetus provided by Coastal; all of our projects and programs work together to drive the enrichment that is happening in our villages.

V. Goals of the CDPs

The work of the CDQ program is centered on one revenue source: fish. CDQ groups are allocated 10 percent of the Bering Sea/Aleutian Islands groundfish fisheries. It is their responsibility to turn that allocation into cash and turn that cash into benefits to communities.

The primary goal of our CDPs (fishing plans) is to catch fish with boats, while minimizing bycatch and protecting the long-term viability of the resource. CVRF accomplished this goal for all years covered by this report, and we continue to accomplish that goal today. We manage our quotas to catch the maximum amount possible without exceeding our allocated amounts. We also manage our quotas in balance with allotted bycatch allocations, never having even approached our bycatch limits.

All footnotes can be found at the end of this document in the Footnote section.

VI. Summary

Coastal Villages has met or exceeded expectations in all aspects of our Company, including the four required criteria:

Organization	***Decennial Review Criteria***	***Assigned Weight***	***Available Points***	***Performance Determination***	***Weighted Score***
Coastal Villages Region Fund	*#1.Changes during the preceding 10-year period in population, poverty level, and economic development in the entity's member villages*[1]	*25%*	*25 points*	*Met or exceeded*	*25 points*
Coastal Villages Region Fund	*#2.The overall financial performance of the entity, including fishery and non-fishery investments by the entity*	*25%*	*25 points*	*Met or exceeded*	*25 points*
Coastal Villages Region Fund	*#3.Employment, scholarships, and training supported by the entity*	*25%*	*25 points*	*Met or exceeded*	*25 points*
Coastal Villages Region Fund	*#4. Achieving of the goals of the entity's community development plan*	*25%*	*25 points*	*Met or exceeded*	*25 points*
	Total	***100%***	***100 points***	***Met or exceeded***	***100 points***

All footnotes can be found at the end of this document in the Footnote section.

APPENDIX A: CVRF Board Members

I. Current CVRF Board Members

Coastal Villages' current board members are as follows:

Name	Title	Community	Fisher?	Term
John O. Mark	President	Quinhagak	Yes	2010-2013
Richard Jung	Vice President	Napakiak	Yes	2009-2015
Paul Tulik	Secretary	Nightmute	Yes	2009-2015
Evan S. Evan	Treasurer	Goodnews Bay	Yes	2009-2015
Joe Avugiak	Executive Committee Member	Chefornak	Yes	2009-2015
John Andy	Executive Committee Member	Newtok	Yes	2008-2013
Felix Albert	Executive Committee Member	Tununak	Yes	2007-2013
Skye Chayalkun	Board Member	Chevak	Yes	2009-2015
Walter Brown	Board Member	Eek	Yes	2011-2017
Eric Olson, Sr.	Board Member	Hooper Bay	Yes	2011-2017
George Chuckwuk	Board Member	Kipnuk	Yes	2011-2017
Andrew Kiunya	Board Member	Kwigillingok	Yes	2009-2013
Ralph Kiunya	Board Member	Kongiganak	Yes	2011-2017
Edward Kiokun	Board Member	Mekoryuk	Yes	2012-2015
Helen Kaganak	Board Member	Napaskiak	Yes	2007-2013
Frank Berezkin	Board Member	Oscarville	Yes	2011-2017
Henry Williams	Board Member	Platinum	Yes	2008-2013
James Akerelrea	Board Member	Scammon Bay	Yes	2009-2015
Harry Tulik	Board Member	Toksook Bay	Yes	2011-2017
Gabriel Olick	Board Member	Tuntutuliak	Yes	2007-2013

II. Past CVRF Board Members

Coastal Villages' past board members, starting in 2006, are as follows:

Chefornak

Jonathan Lewis	Oct. 2003 – Oct. 2006
Oscar Wassillie	Oct. 2006 – April 2007
Walter Tirchick	June 2007 – Nov. 2009
Joe Avugiak	Nov. 2009 – Present

Eek

William Brown	Oct. 2004 – Oct. 2007
Johnny Hawk	Oct. 2007 – Nov. 2008
Walter Brown	Dec. 2008 – Present

Hooper Bay

Eric Olson, Sr.	Dec. 2003 – Nov. 2008
Edgar Hoelscher	Nov. 2008 – Apr. 2010
Eric Olson, Sr.	May 2010 – Present

Kongiganak

Ralph Kiunya, Sr.	Dec. 2001 – Oct. 2007
James Lewis	Oct. 2007 – Oct. 2011
Ralph Kiunya, Sr.	Oct. 2011 – Present

Mekoryuk

Hultman Kiokun	Oct. 2005 – Dec. 2006
Daniel T. Olrun	Dec. 2006 – Nov. 2009
Howard Amos	Nov. 2009 – April 2012
Edward Kiokun	April 2012 – Present

Chevak

Earl Atchak	Dec. 2005 – Dec. 2006
Andrew Boyscout	Dec. 2006 – Nov. 2009
Skye Chayalkun	Nov. 2009 – Present

Goodnews Bay

Jack Stewart	Dec. 2001 – Feb. 2006
Evan S. Evan	Feb. 2006 – Present

Kipnuk

Timothy Samson	Dec. 2001 – Jan. 2011
George Chuckwuk	Jan. 2011 – Present

Kwigillingok

Oscar Evon	Dec. 2002 – Nov. 2009
Andrew Kiunya	Nov. 2009 – Present

Napakiak

Nicholas Paul	Dec. 2003 – Oct. 2008
Richard Jung	Oct. 2008 – Present

Newtok

Peter John	Dec. 1998 – Nov. 2008
John Andy	Nov. 2008 – Present

Napaskiak

Helen Kaganak	Dec. 2001 – Present

Nightmute

Jimmy George	Oct. 2005 – Oct. 2006
Paul Tulik	Oct. 2006 – Present

Oscarville

Frank Berezkin	Dec. 2003 – Present

Scammon Bay

George Smith	Dec. 2004 – Feb. 2006
Sebastian Kasayuli	Feb. 2006 – Dec. 2006
Homer Hunter	Dec. 2006 – Nov. 2008
Sanky Ulak	Nov. 2008 – Nov. 2009
James Akerelrea	Nov. 2009 – Present

Tuntutuliak

Gabriel Olick	Dec. 2003 – Present

Platinum

John Bright	Dec. 2005 – Nov. 2008
Henry Williams	Nov. 2008 – Present

Quinhagak

John O. Mark	Dec. 2005 – Oct. 2007
Wassilie Bavilla	Dec. 2007 – Jan. 2010
John O. Mark	Jan. 2010 – Present

Toksook Bay

David Bill, Sr.	Dec. 2004 – Dec. 2006
Willie Charlie	Oct. 2007 – Nov. 2007
Harry Tulik	Nov. 2007 – Present

Tununak

Felix Albert	Dec. 2005 – Present

APPENDIX B: Statements of Investment Compliance

I. 2007

June 5, 2008

The Honorable Carlos M. Gutierrez - Secretary of Commerce
U.S. Department of Commerce
Herbert Clark Hoover Building
1401 Constitution Avenue, N.W.
Washington, D.C. 20230

The Honorable Emil Notti - Commissioner
State of Alaska
Department of Commerce, Community and
Economic Development
P.O. Box 110800
Juneau, Alaska 99811-0800

Re: Annual Statement of Compliance for 2007 Investments - 16 U.S.C. 1855(i)(1)(E)(v)

Dear Secretary Gutierrez and Commissioner Notti:

Please accept this letter as Coastal Villages Region Fund's (CVRF) annual statement of compliance as required by section 305(i)(1)(E)(v) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1855(i)(1)(E)(v)) with respect to the investments made by CVRF during 2007.

For the sake of organization and simplicity, CVRF has categorized each of its 2007 investments as either: (A) Fishery-Related or a Past Practice; or (B) Other/Matching/Not Fishery-Related.

Summary of 2007 Investments

(A) Fishery-Related or Past Practice ($37,389,000):

1. Investments in Bering Sea Aleutian Islands commercial fisheries ($11,966,300 – 32 %):
   a. Purchase of harvesting and processing quota in the BSAI crab rationalized fishery.
   b. Purchase of remaining 10% of three crab fishing vessels.

2. Fisheries-related infrastructure in our communities ($22,678,911 – 60.7%):
   a. Began construction of a new in-region salmon processing facility.
   b. Completed construction of four fisheries support centers.

CVRF 2007 Annual Statement of Compliance
June, 2008
Page 1 of 2

c. Completed construction of a new halibut plant.
d. Made improvements to in-region salmon and halibut plants.
e. Upgraded two tender vessels, two tug boats and two barges.
f. Operated in-region salmon operations.
g. Operated in-region halibut operations.
h. Operated local tenders and bulk transportation vessels.
i. Operated local fisheries support centers.

3. Fisheries-related or investments consistent with past practices ($2,743,400 – 7.3%):
   a. Provided funding for human resource development programs.
   b. Funded Kuskokwim salmon research.
   c. Provided free tax preparation assistance to all region residents.
   d. Provided funds for local community projects.
   e. Provided matching funds for community mapping projects.
   f. Provided other fisheries support and development.

(B) Other/Matching/Not Fishery-Related ($0)

None.

During 2007, CVRF invested a total of $37,389,000 in projects that were "Fishery-Related or a Past Practice," and did not invest in any projects that were "Other/Matching/Not-Fishery-Related." CVRF made all of its 2007 investments (100%) in projects that were "Fishery-Related or a Past Practice," thereby exceeding the threshold requirement – 80% -- under clause (iv) of section 305(i)(1)(E) of the Magnuson-Stevens Act (16 U.S.C. 1855(i)(1)(E)(iv)).

The CVRF Board of Directors has approved this Statement of Compliance with respect to its 2007 investments as required by clause (v) of section 305(i)(1)(E) of the Magnuson-Stevens Act (16 U.S.C. 1855(i)(1)(E)(v)) for signature by CVRF's Executive Director and for submission to the U.S. Secretary of Commerce and to the State of Alaska.

Sincerely,

C. Morgen Crow, Executive Director
Coastal Villages Region Fund

II. 2008

July 27, 2009

The Honorable Carlos M. Gutierrez - Secretary of Commerce
U.S. Department of Commerce
Herbert Clark Hoover Building
1401 Constitution Avenue, N.W.
Washington, D.C. 20230

The Honorable Emil Notti - Commissioner
State of Alaska
Department of Commerce, Community and
Economic Development
P.O. Box 110800
Juneau, Alaska 99811-0800

Re: Annual Statement of Compliance for 2008 Investments - 16 U.S.C. 1855(i)(1)(E)(v)

Dear Secretary Gutierrez and Commissioner Notti:

Please accept this letter as Coastal Villages Region Fund's (CVRF) annual statement of compliance (as required by section 305(i)(1)(E)(v) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1855(i)(1)(E)(v)) and by Resolution 2008-02 of the Western Alaska Community Development Association (WACDA)) with respect to investments made by CVRF in 2008.

CVRF has reviewed its 2008 investments to determine whether CVRF's 2008 investments were: (A) fisheries-related or a past practice; or (b) other/matching/not fisheries-related. In conducting this review, the CVRF Board and Executive Director used the definitions of the terms "investments," "fisheries-related" and "past practices" contained in WACDA Resolution 2008-02.

After review, CVRF has concluded that it made only "fisheries-related" or "past practice" investments in 2008 and that it did not may any non-fisheries "investments" in 2008. CVRF therefore exceeded the threshold requirement – 80% for "fisheries-related" and "past practice" investments -- required in clause (iv) of section 305(i)(1)(E) of the Magnuson-Stevens Act (16 U.S.C. 1855(i)(1)(E)(iv)).

The CVRF Board of Directors has approved this Statement of Compliance for its 2008 investments (as required by clause (v) of section 305(i)(1)(E) of the Magnuson-Stevens Act (16

U.S.C. 1855(i)(1)(E)(v)) and by section 8 of WACDA Resolution 2008-02) for signature by CVRF's Executive Director and for submission to the U.S. Secretary of Commerce and State of Alaska.

Sincerely,

Morgen Crow - Executive Director
COASTAL VILLAGES REGION FUND

III. 2009

July 21, 2010

The Honorable Carlos M. Gutierrez - Secretary of Commerce
U.S. Department of Commerce
Herbert Clark Hoover Building
1401 Constitution Avenue, N.W.
Washington, D.C. 20230

The Honorable Susan Bell - Commissioner
State of Alaska
Department of Commerce, Community and
Economic Development
P.O. Box 110800
Juneau, Alaska 99811-0800

Re: Annual Statement of Compliance for 2009 Investments - 16 U.S.C. 1855(i)(1)(E)(v)

Dear Secretary Gutierrez and Commissioner Bell:

Please accept this letter as Coastal Villages Region Fund's (CVRF) annual statement of compliance with respect to investments made by CVRF in 2009, as required by section 305(i)(1)(E)(v) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1855(i)(1)(E)(v)) and by Resolution 2008-02 of the Western Alaska Community Development Association (WACDA).

CVRF has reviewed its 2009 investments to determine whether CVRF's 2009 investments were: (A) fisheries-related or a past practice; or (b) other/matching/not fisheries-related. In conducting this review, CVRF relied on the definitions of the terms "investments," "fisheries-related" and "past practices" provided in WACDA Resolution 2008-02.

CVRF has concluded in its review that CVRF made only "fisheries-related" or "past practice" investments in 2009 and that it did not make any non-fisheries "investments" in 2009. CVRF therefore exceeded the threshold requirement – 80% for "fisheries-related" and "past practice" investments -- required in clause (iv) of section 305(i)(1)(E) of the Magnuson-Stevens Act (16 U.S.C. 1855(i)(1)(E)(iv)).

The CVRF Board of Directors has approved this Statement of Compliance for its 2009 investments (as required by 16 U.S.C. 1855(i)(1)(E)(v) and by section 8 of WACDA Resolution

2008-02) for signature by CVRF's Executive Director and for submission to the U.S. Secretary of Commerce and State of Alaska.

Sincerely

Morgen Crow - Executive Director
COASTAL VILLAGES REGION FUND

IV. 2010

July 14, 2011

The Honorable Gary Locke
Secretary of Commerce
U.S. Department of Commerce
Herbert Clark Hoover Building
1401 Constitution Avenue, N.W.
Washington, D.C. 20230

The Honorable Susan Bell
Commissioner
State of Alaska
Department of Commerce, Community and
Economic Development
P.O. Box 110800
Juneau, Alaska 99811-0800

Re: Annual Statement of Compliance for 2010 Investments - 16 U.S.C. 1855(i)(1)(E)(v)

Dear Secretary Locke and Commissioner Bell:

Please accept this letter as Coastal Villages Region Fund's (CVRF) annual statement of compliance with respect to investments made by CVRF in 2010, as required by section 305(i)(1)(E)(v) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1855(i)(1)(E)(v)) and by Resolutions 2008-02 and 2010-02 of the Western Alaska Community Development Association (WACDA).

CVRF has reviewed its 2010 investments to determine whether CVRF's 2010 investments were: (A) fisheries-related or a past practice; or (b) other/matching/not fisheries-related. In conducting this review, CVRF relied on the definitions of the terms "investments," "fisheries-related" and "past practices" provided in WACDA Resolutions 2008-02 and 2010-02.

CVRF has concluded in its review that CVRF made only "fisheries-related" or "past practice" investments in 2010 and that it did not make any non-fisheries "investments" in 2010. CVRF therefore exceeded the threshold requirement – 80% for "fisheries-related" and "past practice" investments -- required in clause (iv) of section 305(i)(1)(E) of the Magnuson-Stevens Act (16 U.S.C. 1855(i)(1)(E)(iv)).

The CVRF Board of Directors has approved this Statement of Compliance for its 2010 investments (as required by 16 U.S.C. 1855(i)(1)(E)(v) and by section 8 of WACDA Resolutions 2008-02 and 2010-02) for signature by CVRF's Executive Director and for submission to the U.S. Secretary of Commerce and State of Alaska.

Sincerely,

Morgen Crow - Executive Director
COASTAL VILLAGES REGION FUND

CVRF 2010 Annual Statement of Compliance
July 14, 2011
Page 2 of 2

APPENDIX C: CVRF Community Development Plans

I. 2006 – 2008

(Our 2006-2008 CDP was prepared in compliance with prior requirements.)

CDQ Project Name: **CDQ Contract and Quota Management** *(Administration Efforts)*

2006-2008 Measurable Milestones:

- Lease CVRF's CDQ allocations to appropriate harvest partners to ensure the maximum return on our fish.
- Ensure that each royalty contract is in full force and effect and regulatory requirements are met.
- Obtain all appropriate approvals for amendments to royalty contracts.
- Monitor harvesting performance under our royalty contracts, and keep harvesting partners informed of any compliance issues.
- Prepare CDQ harvest activity and status reports.
- Ensure that CVRF is in compliance with federal, state, and local regulatory and legal requirements

Scope of Operation:

"The goals and purpose of the CDQ program are to allocate CDQ to eligible Western Alaska communities to provide the means for starting or supporting commercial fisheries business activities that will result in an ongoing, regionally based, fisheries-related economy."

50 CFR 679.1 (e)

Traditionally, CDQ groups have taken their allocated harvest rights and leased them to harvesting partners, who in turn pay cash and provide a revenue source to the CDQ group. Though it is up to each group to determine whom their harvesting partners should be, CVRF's philosophy encourages, all else being equal, leasing CDQ harvest rights to equity investment partners. This philosophy results in not only direct royalty revenues, but also indirect revenues and cash distributions from the increased profitability of the partnership caused by the added resource.

It is therefore of extremely high priority for CVRF to perform due diligence on decisions to enter into harvesting contracts, monitor the performance of those contracts, and ensure compliance with all applicable state, federal, and local laws. To contend with this priority, CVRF has established a sophisticated process for monitoring harvesting performance, moving quotas to another vessel if necessary, and monitoring contract compliance.

II. 2009

Overview

Coastal Villages Region Fund: Coastal Villages Region Fund (CVRF) is the Alaska non-profit corporation that represents the following 20 Kuskokwim River delta villages in the Western Alaska Community Development Quota (CDQ) Program: Chefornak, Chevak, Eek, Goodnews Bay, Hooper Bay, Kipnuk, Kongiganak, Kwigillingok, Mekoryuk, Napakiak, Napaskiak, Newtok, Nightmute, Oscarville, Platinum, Quinhagak, Scammon Bay, Toksook Bay, Tuntutuliak, and Tununak.

Federal Statute: The federal CDQ statute defines the term "community development plan" (CDP) (at 16 U.S.C. 1855(i)(1)(J)) as follows:

> *(J) COMMUNITY DEVELOPMENT PLAN DEFINED.--In this paragraph, the term 'community development plan' means a plan, prepared by [a CDQ group], for the program that describes how the entity intends--*
>
> > *(i) to harvest its share of fishery resources allocated to the program, or*
> >
> > *(ii) to use its share of fishery resources allocated to the program, and any revenue derived from such use, to assist its member villages with projects to advance economic development, but does not include a plan that allocates fishery resources to the program.*

The federal CDQ statute requires the State of Alaska to review the success of each CDQ group in achieving the goals of the group's CDP as part of a decennial performance review (16 U.S.C. 1855(i)(1)(H)(iii)). The first decennial review is scheduled to occur in the year 2012.

WACDA Rule: The Western Alaska Community Development Association (WACDA) is authorized by the federal CDQ statute to "administer those aspects of the [CDQ] program not otherwise addressed by" the federal CDQ statute (16 U.S.C. 1855(i)(1)(G)(iii)(I)). WACDA adopted "Resolution 2008-3 Community Development Plans" to establish minimum standards for the contents of CDPs (Section 2). The WACDA Resolution additionally creates extended reporting standards for CDPs (Section 3) if a CDQ group chooses to go beyond the minimum requirements.

Compliance with Statute and Rule: In preparing and approving this 2009 CDP, the CVRF Board of Directors intends to satisfy the requirements of section 2 of WACDA Resolution 2008-3 and of clause (i) of subparagraph (J) of the federal CDQ statute (16 U.S.C. 1855(i)(1)(J)(i)).

Harvest of Fishery Resources (Gear, Timing, and Bycatch Avoidance)

Target Fishery	Gear Type	Fishing Period	Bycatch Avoidance Plan
Pollock	Trawl	Jan 20th - April/June 10th - Oct 31st	
Pacific Cod	Longline	Feb-May/July-Aug/Nov-Dec	
WAI Atka Mackerel	Trawl	January 20th - December	Daily monitoring of catch is done and reasonable bycatch rate triggers are put into place. When these triggers are reached, adjustments are made, from moving operations, adjusting gear or other measures. If necessary, the Quota Manager has the authority to give a "Stop Fishing Order" that would cease CDQ fishing operations.
CAI Atka Mackerel	Trawl	January 20th - December	
EAI/BS Atka Mackerel	Trawl	January 20th - December	
Yellowfin Sole	Trawl	March - May/October - December	
Rock Sole	Trawl	January - March/August	
Flathead Sole	Trawl	April - August	
WAI POP	Trawl	January 20th - December	
CAI POP	Trawl	January 20th - December	
EAI POP	Trawl	January 20th - December	
AI Sablefish	Pot	March 1st-15th (varies) - Nov 15th	
Bristol Bay Red King Crab	Pot	October 15th - January 15th	N/A
Aleutian Island Golden King Crab	Pot	August 15th - May 15th	N/A
Eastern Bering Sea Tanner Crab	Pot	October 15th - March 31st	N/A
Western Bering Sea Tanner Crab	Pot	October 15th - March 31st	N/A
Bering Sea Snow Crab	Pot	October 15th - May 31st	N/A

Additional Information – 2009 Harvesting Platforms/Partners

2009 Species	Allocation 2009	Allocation after Transfers	Arctic Storm Pollock	Pacific Cod	US Seafoods Flatfish	Sea Venture Sablefish	Planned Harvest	Allocation Reserves	Allocation % Remaining
BS Pollock - total	19,560,000	19,560,000	19,560,000				19,560,000	-	0.00%
AI Pollock	456,000	456,000					-	456,000	
Pacific Cod	3,271,910	3,271,910	110,000	2,900,000	150,000	7,000	3,167,000	104,910	3.21%
AI FG Sablefish	90,315	90,315				82,000	82,000	8,315	9.21%
BS Sablefish	12,724	12,724	1,500		7,000		8,500	4,224	33.20%
AI Sablefish	5,436	5,436			3,000		3,000	2,436	44.81%
WAI Atka Mackerel 543	211,884	211,884			190,000		190,000	21,884	10.33%
CAI Atka Mackerel 542	304,985	304,985			283,000	0.500	283,500	21,485	7.04%
EAI/BS Atka Mackerel 541	245,593	245,593	1.000	0.250	233,000		234,250	11,343	4.62%
Yellowfin Sole	1,529,945	1,529,945	7.000	25.000	1,450,000	0.500	1,482,500	47,445	3.10%
Rock Sole	877,815	877,815	48.000	2.500	785,000	0.500	836,000	41,815	4.76%
BS Greenland Turbot	31,833	31,833	5.000	1.500	18,000		24,500	7,333	23.04%
Arrowtooth Flounder	1,043,250	1,043,250	21.000	33.000	960,000	9.000	1,023,000	20,250	1.94%
[illegible]head Sole	801,326	801,326	48.000	16.000	715,000		779,000	22,326	2.79%
WAI Pacific Ocean Perch 543	120,221	120,221			105,000		105,000	15,221	12.66%
CAI Pacific Ocean Perch 542	78,649	78,649			64,000		64,000	14,649	18.63%
EAI Pacific Ocean Perch 541	77,205	77,205			62,000		62,000	15,205	19.69%
Prohibited Species									
Zone 1 Red King Crab	2,529,000	2,529,000	250,000		2,000,000		2,250,000	279,000	11.03%
Zone 1 Bairdi Tanner Crab	8,389,000	8,389,000	700,000		7,000,000		7,700,000	689,000	8.21%
Zone 2 Bairdi Tanner Crab	34,957,000	34,957,000	900,000		30,000,000		30,900,000	4,057,000	11.61%
Opilio Tanner Crab	46,545,000	46,545,000	1,800,000		40,000,000		41,800,000	4,745,000	10.19%
Pacific Halibut	41,160	41,160	7,000	17,000	9,000		33,000	8,160	19.83%
AI Chinook Salmon (ea.)	13,000	13,000	13,000				13,000	-	0.00%
BS Chinook Salmon (ea.)	522,000	522,000	522,000				522,000	-	0.00%
Non-Chinook Salmon (ea.)	1,079,000	1,079,000	1,079,000				1,079,000	-	0.00%

CVRF Board Approval

The CVRF Board of Directors approved this 2009 Community Development Plan (CDP) on December 17, 2008 by a vote of 19 for, and Ø against, to comply with federal statute (16 U.S.C. 1855(i)(1)(J)) and with WACDA Resolution 2008-3.

Attested

12-17-08

Oscar Evon, President
Coastal Villages Region Fund

Morgen Crow, Executive Director
Coastal Villages Region Fund

III. 2010

Overview

Coastal Villages Region Fund: Coastal Villages Region Fund (CVRF) is the Alaska non-profit corporation that represents the following 20 Kuskokwim River delta villages in the Western Alaska Community Development Quota (CDQ) Program: Chefornak, Chevak, Eek, Goodnews Bay, Hooper Bay, Kipnuk, Kongiganak, Kwigillingok, Mekoryuk, Napakiak, Napaskiak, Newtok, Nightmute, Oscarville, Platinum, Quinhagak, Scammon Bay, Toksook Bay, Tuntutuliak, and Tununak.

Federal Statute: The federal CDQ statute defines the term "community development plan" (CDP) (at 16 U.S.C. 1855(i)(1)(J)) as follows:

> *(J) COMMUNITY DEVELOPMENT PLAN DEFINED.--In this paragraph, the term 'community development plan' means a plan, prepared by [a CDQ group], for the program that describes how the entity intends--*
>
> > *(i) to harvest its share of fishery resources allocated to the program, or*
> >
> > *(ii) to use its share of fishery resources allocated to the program, and any revenue derived from such use, to assist its member villages with projects to advance economic development, but does not include a plan that allocates fishery resources to the program.*

The federal CDQ statute requires the State of Alaska to review the success of each CDQ group in achieving the goals of the group's CDP as part of a decennial performance review (16 U.S.C. 1855(i)(1)(H)(iii)). The first decennial review is scheduled to occur in the year 2012.

WACDA Rule: The Western Alaska Community Development Association (WACDA) is authorized by the federal CDQ statute to "administer those aspects of the [CDQ] program not otherwise addressed by" the federal CDQ statute (16 U.S.C. 1855(i)(1)(G)(iii)(I)). WACDA adopted "Resolution 2008-3 Community Development Plans" to establish minimum standards for the contents of CDPs (Section 2). The WACDA Resolution additionally creates extended reporting standards for CDPs (Section 3) if a CDQ group chooses to go beyond the minimum requirements.

Compliance with Statute and Rule: In submitting this 2010 CDP, CVRF intends to satisfy the requirements of section 2 of WACDA Resolution 2008-3 and of clause (i) of subparagraph (J) of the federal CDQ statute (16 U.S.C. 1855(i)(1)(J)(i)).

Harvest of Fishery Resources (Gear, Timing, and Bycatch Avoidance)

Target Fishery	Gear Type	Fishing Period	Bycatch Avoidance Plan
Pollock	Trawl	Jan 20th - April/June 10th - Oct 31st	Daily monitoring of catch is done and reasonable bycatch rate triggers are put into place. When these triggers are reached, adjustments are made, from moving operations, adjusting gear or other measures. If necessary, the Quota Manager has the authority to give a "Stop Fishing Order" that would cease CDQ fishing operations. CVRF complies with all bycatch regulations in the fisheries and will be participating in development of new salmon bycatch avoidance measures for the CDQ pollock sector.
Pacific Cod	Longline	Feb-May/July-Aug/Nov-Dec	
WAI Atka Mackerel	Trawl	January 20th - December	
CAI Atka Mackerel	Trawl	January 20th - December	
EAI/BS Atka Mackerel	Trawl	January 20th - December	
Yellowfin Sole	Trawl	March - May/October - December	
Rock Sole	Trawl	January - March/August	
Flathead Sole	Trawl	April - August	
WAI POP	Trawl	January 20th - December	
CAI POP	Trawl	January 20th - December	
EAI POP	Trawl	January 20th - December	
AI Sablefish	Pot	March 1st-15th (varies) - Nov 15th	

Bristol Bay Red King Crab	Pot	October 15th - January 15th	N/A
Aleutian Island Golden King Crab	Pot	August 15th - May 15th	N/A
Eastern Bering Sea Tanner Crab	Pot	October 15th - March 31st	N/A
Western Bering Sea Tanner Crab	Pot	October 15th - March 31st	N/A
Bering Sea Snow Crab	Pot	October 15th - May 31st	N/A

CVRF Submission

Coastal Villages Region Fund (CVRF) submits this 2010 Community Development Plan (CDP) on December 30, 2009 in order to comply with the federal CDQ statute (16 U.S.C. 1855(i)(1)(J)) and with WACDA Resolution 2008-3 pertaining to CDPs.

Sincerely,

Morgen Crow, Executive Director

Coastal Villages Region Fund

APPENDIX D: CVRF Operations

I. Bering Sea Operations

Pollock

Vessel	Type	CVRF Ownership	Length	Crew Size
C/P Northern Hawk	Factory trawler	100%	341 feet	135

Vessel*	Type	CVRF Ownership	Length	Crew Size
C/V Alaska Rose	Catcher vessel	37.5%	124 feet	5
C/V Bering Rose	Catcher vessel	37.5%	124 feet	5
C/V Destination	Catcher vessel	39.45%	180 feet	6
C/V Great Pacific	Catcher vessel	25.5%	124 feet	5
C/V Sea Wolf	Catcher vessel	37.5%	143 feet	5
C/V Messiah	Catcher vessel	37.5%	84 feet	Inactive
C/V Ms. Amy	Catcher vessel	37.5%	90 feet	Inactive

**These seven vessels are owned in partnership with Norton Sound Economic Development Corporation (NSEDC)*

Crab

Vessel	Type	CVRF Ownership	Length	Crew Size
F/V Arctic Sea	Fishing vessel	100%	135 feet	8
F/V Bering Sea	Fishing vessel	100%	110 feet	7
F/V North Sea	Fishing vessel	100%	126 feet	8
F/V Wassilie B*	Fishing vessel	100%	107 feet	8
F/V Bulldog**	Fishing vessel	50%	140 feet	5

**Wassilie B also operates as an in-region tender vessel during the salmon and halibut season*
***Bulldog is owned in partnership with NSEDC. Bulldog also pot fishes for Pacific cod and tenders salmon*

Pacific Cod

Vessel	Type	CVRF Ownership	Length	Crew Size
F/L Lilli Ann	Freezer-longliner	100%	141 feet	22
F/L Deep Pacific	Freezer-longliner	100%	125 feet	20
F/L North Cape	Freezer-longliner	100%	125 feet	20
F/V Bulldog*	Fishing vessel	50%	140 feet	5

** Bulldog is owned in partnership with NSEDC. Bulldog also pot fishes for crab and tenders salmon*

II. In-Region Operations

Tender & Support Vessels

Vessel	Type	CVRF Ownership	Length	Crew Size
Kelly Mae	Salmon tender	100%	135 feet	6
Camai	Salmon tender	100%	115 feet	6
Hawk	Salmon tender	100%	73 feet	4
Coastal Mist	Shuttle boat	100%	40 feet	2
Double E	Shuttle boat	100%	40 feet	2
Determination	Support vessel	100%	31 feet	2
Gildy Logger*	Support vessel	100%	150 feet	n/a
Wassilie B**	Halibut tender	100%	107 feet	4

**Gildy Logger is generally used as a shoreside offload platform*
***Wassilie B also operates as a crab vessel*

Seafood Operations

Operation	Fishery	CVRF Ownership	Crew Size
Goodnews Bay Regional Processing Plant	Salmon & halibut	100%	225
Quinhagak Buying Station	Salmon	100%	10
Chefornak Buying Station	Halibut	100%	10
Hooper Bay Buying Station	Halibut	100%	10
Kipnuk Buying Station	Halibut	100%	10
Mekoryuk Buying Station	Halibut	100%	10
Toksook Bay Buying Station	Halibut	100%	10
Tununak Buying Station	Halibut	100%	10

Community Support Operations

Operation	CVRF Ownership	Staff Size
Chefornak CSC	100%	4
Chevak CSC	100%	4
Eek CSC	100%	4
Goodnews Bay CSC	100%	4
Hooper Bay CSC	100%	4
Kipnuk CSC	100%	4
Kongiganak CSC	100%	4
Kwigillingok CSC	100%	4
Mekoryuk CSC	100%	4
Napakiak CSC	100%	4
Napaskiak CSC	100%	4
Newtok CSC	100%	4
Nightmute CSC	100%	4
Oscarville CSC	100%	4
Quinhagak CSC	100%	4
Scammon Bay CSC	100%	4
Toksook Bay CSC	100%	4
Tuntutuliak CSC	100%	4
Tununak CSC	100%	4

BUNKHOUSE

FOOTNOTES

1 It is important to note that although the criteria specifies "the preceding 10-year period," this initial Decennial Review period is five years: 2006 – 2010

2 Because the initial Decennial Review period is five years (2006 – 2010) and the federal government did not conduct a 2006 Census, the CDQ groups agreed to use the 2000 Census

3 Source: 2000 U.S. Census (see also Footnote 2)

4 Source: 2010 U.S. Census

5 Equal to: 2010 Census – 2000 Census

6 Equal to: (2010 Census – 2000 Census) / 2000 Census

7 Equal to: CDQ group 2000 Census / Total CDQ Program 2000 Census

8 Equal to: CDQ group 2010 Census / Total CDQ Program 2010 Census

9 There is no 2010 Census data available for the village of Ekuk in the BBEDC region

10 Source: U.S. Census website (http://www.census.gov)

11 Source: 2006 PFD Annual Report: Applicants by City & Zip Code

12 Source: 2010 PFD Annual Report: Applicants by City & Zip Code

13 Equal to: 2010 PFD Applicants – 2006 PFD Applicants

14 Equal to: (2010 PFD Applicants – 2006 PFD Applicants) / 2006 PFD Applicants

15 Equal to: CDQ group 2006 PFD Applicants / Total CDQ Program 2006 PFD Applicants

16 Equal to: CDQ group 2010 PFD Applicants / Total CDQ Program 2010 PFD Applicants

17 Several villages were not listed separately on the PFD report (their zip codes are shared with another community(s)). Therefore, the populations were obtained from the State of Alaska Department of Labor and Workforce Development Alaska Local and Regional Information (ALARI) database. The population information in this database is based on Census data. The communities for which this source was used are:

CDQ Group	Community	CDQ Group	Community
APICDA	Nelson Lagoon	CVRF	Napaskiak
		CVRF	Newtok
BBEDC	Dillingham	CVRF	Oscarville
BBEDC	Pilot Point		
BBEDC	Portage Creek	NSEDC	Diomede
BBEDC	Twin Hills	NSEDC	Golovin
BBEDC	Ugashik	NSEDC	Nome

18 Source: State of Alaska Department of Labor and Workforce Development, Research and Analysis Section website (http://labor.alaska.gov/research)

19 Source: State of Alaska Department of Labor and Workforce Development, Research and Analysis Section, Population Estimates by Cities and Census Designated Places, July 2011 Estimates

20 Source: State of Alaska Department of Labor and Workforce Development, Research and Analysis Section, Population Estimates by Cities and Census Designated Places, Group Quarters July 2011 Estimates

21 Equal to: 2011 DOL Population Estimate – 2011 DOL Group Quarters Estimates

22 Equal to: CDQ group's Estimated Permanent 2011 Population / Total CDQ Program Estimated Permanent 2011 Population

23 See "Comparing 2000 U.S. Census to American Community Survey (ACS) Data" at the end of the Footnotes section

24 Source: U.S. Census website (http://www.census.gov/hhes/www/poverty/data/threshld/index.html)

25 Source: U.S. Census Bureau American Community Survey 2006-2010 5-Year Estimate

26 Equal to: 2006-2010 ACS 5-Year Estimate – 2000 Census

27 Equal to: (2006-2010 ACS 5-Year Estimate – 2000 Census) / 2000 Census

28 Equal to: Sum of (Each Community's Population x Each Community's Rate) / Total Population

29 Equal to: CDQ group 2006-2010 ACS 5-Year Estimate / Total CDQ Program 2006-2010 ACS 5-Year Estimate

30 Source: U.S. Census website (http://www.census.gov/hhes/www/income/method/guidance/index.html)

31 Source: State of Alaska Department of Labor and Workforce Development, Research and Analysis Section, Alaska Local and Regional Information (ALARI)

32 Data is not available prior to 2007

33 Equal to: 2010 ALARI – 2007 ALARI

34 Equal to: (2010 ALARI – 2007 ALARI) / 2007 ALARI

35 There is no 2006-2010 ACS 5-Year Estimate data available for the villages of Ekuk or Ugashik in the BBEDC region. Because there is 2000 Census data available for these villages, the Change for BBEDC is therefore skewed

36 Equal to: CDQ group 2007 ALARI / Total CDQ Program 2007 ALARI

37 Equal to: CDQ group 2010 ALARI / Total CDQ Program 2010 ALARI

38 There is no 2007 or 2010 ALARI data available for the villages of Ekuk or Portage Creek in the BBEDC region. Additionally, there is no 2007 ALARI data available for the village of Ugashik in the BBEDC region. Because there is missing data for these villages, the Change for BBEDC is therefore skewed

39 Source: Denali Commission website (http://www.denali.gov/)

40 Source: Denali Commission's 2006 Distressed Communities List

41 Source: Denali Commission's 2010 Distressed Communities List

42 If community was deemed distressed in 2006, total 2006 PFD population for that community (PFD population was used because the Denali Commission uses PFD data, in addition to other SOA data, in determining Distressed status)

43 If community was deemed distressed in 2010, total 2010 PFD population for that community (PFD population was used because the Denali Commission uses PFD data, in addition to other SOA data, in determining Distressed status)

44 Equal to: 2010 Population in Distress – 2006 Population in Distress

45 Several villages were not listed separately on the lists for 2006, 2010, or both (see information on page 43). The communities affected are:

CDQ Group	Community	Years Not on List	CDQ Group	Community	Years Not on List
BBEDC	Ekuk	2006, 2010	CVRF	Newtok	2006
BBEDC	Portage Creek	2006	CVRF	Oscarville	2006
BBEDC	Twin Hills	2006			
BBEDC	Ugashik	2006	NSEDC	Brevig Mission	2006
			NSEDC	Diomede	2006
CVRF	Kongiganak	2006	NSEDC	Golovin	2006
CVRF	Napaskiak	2006			

46 Whether the 2000 Census, 2007 ALARI, 2006 Denali Commission, or another stated measure. See the detail charts and their associated footnotes for further information

47 Whether the 2006-2010 ACS 5-Year Estimate, 2010 ALARI, 2010 Denali Commission, or another stated measure. See the detail charts and their associated footnotes for further information

48 Equal to: 2010 Measure – 2006 Measure

49 Equal to: (2010 Measure – 2006 Measure) / 2006 Measure

50 Equal to: (Current Year Total – Prior Year Total) / Prior Year Total
The total investment in income-generating assets at the end of 2005 equaled $11,721,176

51 Equal to: Total Benefits to Communities / Total Revenue

52 Equal to: Total Benefits to Communities / Total Expenses (including cost of goods sold)

53 Equal to: Total G&A Costs / Total Revenue

54 Equal to: Total G&A Costs / Total Expenses (including cost of goods sold)

55 Residency Categories comply with the WACDA definitions:

Residency Category	Definition
CVRF Residents (WACDA Category CDQ Community Resident In-Region)	Employee that resides in a CVRF community at date of hire. Includes at-sea (BSAI) employees.
CVRF Residents Out-of-Region (WACDA Category CDQ Community Resident Out of Region)	Employee from a CVRF community working in an alternate location (i.e. employee from Newtok working in Anchorage).
Other Western Alaska Resident	Resident of another CDQ's eligible communities or of other communities within the ANCSA regional corporation boundaries that correspond to the six CDQ entities (i.e. Bering Straits Native Corporation, Calista Native Corporation, Bristol Bay Native Corporation, etc)
Other Alaska Resident	Resident of Alaska, not included in above categories
Non-Alaska Resident	Resident of a state other than Alaska

56 Employees of Coastal Villages or a wholly owned subsidiary. Number of people represents the number of unique individuals

57 Equal to: Total Number of People or Fishermen for 2006-2010 / 5 years

58 Equal to: Total Dollars for 2006-2010 for residency category / Total Dollars for 2006-2010

59 Equal to: Total Average Number of People for 2006-2010 for residency category / Total Average Number of People for 2006-2010

60 Fishermen selling fish directly to Coastal Villages or a wholly owned subsidiary. Number of fishermen represents the number of unique individuals

61 Equal to: Total Dollars for 2006-2010 for fishery / Total Number of Fishermen for 2006-2010 for fishery

62 Equal to: Wages Paid to CVRF Residents + Wages Paid to CVRF Residents Out-of-Region + Payments to Local Fishermen

63 Based on information received from other seafood companies that Coastal has helped to place region residents with. This table may not represent all of the people employed by or wages earned through other seafood companies

64 Does not include indirect employment wages from 2007, which were not available.

65 Equal to: Total Dollars for 2006-2010 / Total Number of People for 2006-2010
Does not include wages or number of people from 2007 because the amount of wages is unavailable

66 Equal to: Wages Paid to CVRF Residents + Wages Paid to CVRF Residents Out-of-Region + Payments to Local Fishermen + Wages Paid by Other Seafood Companies

67 Actual amounts paid for unique individuals

68 Equal to: Dollars / Number of People

69 Source: Scholarship America website (http://scholarshipamerica.org/)

70 Actual amounts paid for individual training opportunities under the CVRF 4-SITE training program

71 Equal to: Dollars / Number of Training Opportunities

72 Actual amounts paid for individual training opportunities under the CVRF 4-SITE training program and actual amounts paid for training for CVRF staff

73 Source: National Oceanic and Atmospheric Administration National Marine Fisheries Service (NMFS) website (http://www.fakr.noaa.gov/cdq/current_historical.htm)

74 Source: Allocations = NMFS website (see above)
Harvest = NMFS website (see above), SeaState data (http://www.seastateinc.com/), and internal CVRF harvest data

75 Equal to: Average of each year's harvest / each year's allocation

Comparing 2000 U.S. Census to American Community Survey (ACS) Data

Since publishing Census 2000, the U.S. Census Bureau no longer releases detailed socioeconomic and demographic statistics through the decennial census, but now collects this information from the American Community Survey (ACS). The Survey is administered on an ongoing basis to approximately one in every 750 households nationwide. Data is released every year for states and large cities (65,000+ populations), every three years for smaller cities (20,000+ populations), and every five years for the smallest areas (less than 20,000 in population) [A]. Comparisons for small areas, which constitute most of Alaska's census areas, are difficult because the margins of error can be large.

The ACS produces estimates over a period of time (for example, the 2006-2010 ACS 5 year estimates reflect data collected throughout the year on an on-going, monthly basis between January 1, 2006 and December 31, 2010 [A]). This differs from the decennial census, which is interpreted to be a snapshot of April 1 of the census year [B]. Accordingly, the ACS data includes a margin of error calculation that must be considered when making comparisons to Census 2000 data.

The ACS asks for a respondent's income over the "past 12 months." For example, income data collected from the 2006-2010 ACS 5-year survey reflect incomes over 2005-2010. Census 2000, however, collected the income data for a fixed period of time -- "during 1999" (the last calendar year). Therefore, poverty and income comparisons must be made between the "snapshot" taken by the 2000 Census and the five-year (2006-2010) estimate provided by the ACS. It should also be noted that in a comparison study between Census 2000 income data and the 2000 ACS, income collected in Census 2000 was found to be about 4 percent higher than that in the 2000 ACS [C].

Both the ACS and the decennial census sample data are based on information from a sample of the population. The data from the Census 2000 sample of about one-sixth of the population were collected using a "long-form" questionnaire, whose content was the model for the ACS. While some differences exist in the specific Census 2000 question wording and that of the ACS, most questions are identical or nearly identical. Important differences in the data collections methods do exist, however. Some of which include:

Residence Rules: The residence rules for a census or survey determine the sample unit's occupancy status and household membership. The Census 2000 residence rules (where people should be counted) were based on the principle of "usual residence" on April 1, 2000. The decennial census attempts to restrict and determine a principal place of residence on one specific date for everyone enumerated. The ACS residence rules are based on a "current residence" concept since data are collected continuously throughout the entire year with responses provided relative to the continuously changing survey interview dates. While many people have definite ties to a single housing unit or group quarters, some people may stay in different places for significant periods of time over the course of the year. For example, fishing industry workers move with fishing seasons and may not live in any one location for the entire year.

Sample dates: The ACS yearly samples, spread over 12 months, collect information that is anchored to the day on which the sampled unit was interviewed, whether it is the day that a mail questionnaire is completed or the day that an interview is conducted by telephone. Individual questions with time references such as last week" or "the last 12 months" all begin the reference period as of this interview date. The information on types and amounts of income refers to the 12 months prior to the day the question is answered. ACS interviews are conducted just about every day of the year, and all of the estimates that the survey releases are considered to be averages for a specific time period. The 5-year estimates reflect the full 60-month period.

Most decennial census sample estimates are anchored in this same way to the date of enumeration. An important difference is that the distribution of census enumeration dates are highly clustered in March and April (when most census mail returns were received) with additional, smaller clusters seen in May and June (when non-response follow-up activities took place). This means that the data from the decennial census tend to describe the characteristics of the population and housing in the March through June time period (with an overrepresentation of March/April) while the ACS characteristics describe the characteristics nearly every day over the full calendar year [B].

Poverty: The Census Bureau uses a set of dollar value thresholds that vary by family size and composition to determine who is in poverty. Further, poverty thresholds for people living alone or with nonrelatives (unrelated individuals) and two-person families vary by age (under 65 years or 65 years and older). If a family's total income is less than the dollar value of the appropriate threshold, then that family and every individual in it are considered to be in poverty. Similarly, if an unrelated individual's total income is less than the appropriate threshold, then that individual is considered to be in poverty. The poverty thresholds do not vary geographically. They are updated annually to allow for changes in the cost of living (inflation factor) using the Consumer Price Index (CPI) [D].

Income: The Census Bureau defines "money income" as income received on a regular basis (exclusive of certain money receipts such as capital gains) before payments for personal income taxes, social security, union dues, medicare deductions, etc. Therefore, money income does not reflect the fact that some

families receive part of their income in the form of noncash benefits, such as food stamps, health benefits, subsidized housing, and goods produced and consumed on the farm (or, for that matter, goods gathered through subsistence hunting, fishing, or gathering). In addition, money income does not reflect the fact that noncash benefits are also received by some nonfarm residents which may take the form of the use of business transportation and facilities, full or partial payments by business for retirement programs, medical and educational expenses, etc. Data users should consider these elements when comparing income levels. Moreover, users should be aware that for many different reasons there is a tendency in household surveys for respondents to underreport their income.

Based on an analysis of independently derived income estimates, the Census Bureau determined that respondents report income earned from wages or salaries much better than other sources of income and that the reported wage and salary income is nearly equal to independent estimates of aggregate income [E].

A Source: http://www.census.gov/acs/www/guidance_for_data_users/guidance_main/

B Source: http://www.census.gov/acs/www/Downloads/handbooks/ACSRuralAreaHandbook.pdf

C Source: http://www.census.gov/acs/www/guidance_for_data_users/comparing_2010/

D Source: http://www.census.gov/hhes/www/poverty/about/overview/measure.html

E Source: http://www.census.gov/hhes/www/income/about/index.html