

Cook Inlet Aquaculture Association



COOK INLET AQUACULTURE ASSOCIATION

40610 Kalifornsky Beach Road

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Kenai, AK 99611 Permit No. 70



Smolts

www.ciaanet.org February 2004 Volume 23, Issue 1

Points of Interest at CIAA

- •Trenten Dodson receives another promotion to Field Biologist.
- •Lois Bettini, from Homer, AK is hired as CIAA's Grant Biologist.
- Carol Jones accepts the responsibilities as Administrative Assistant in July.
- Ronald Carlson is hired as the Project Technician, which was vacated by Trenten's promotion.
- CIAA's Annual Report and Smolts can now be viewed on CIAA's web site. (www.ciaanet.org)

INSIDE THIS ISSUE

Ninth Circuit Court of Appeals Axes Tustumena Sockeye Project

By Gary Fandrei—CIAA Staff 🖋

A December 30, 2003, decision by the 9th Circuit Court of Appeals in the case captioned: The Wilderness Society; Alaska Center for the Environment vs. United State Fish & Wildlife Service, No. 01-35266, enjoins or prohibits the Tustumena Lake sockeye salmon enhancement project. This decision brings to question the future of this project and three associated projects in Lower Cook Inlet. Executive Director Gary Fandrei reported "The Tustumena Lake project is very important to CIAA and the Cook Inlet common property fishery. The project has been in operation since 1974 and has provided sockeye salmon to numerous users from Big Lake near Anchorage to Port Dick Lake on the outer coast."

The Wilderness Society and the Alaska Center for the Environment (ACE) brought a suit against the U.S. Fish & Wildlife Service (USF&W) challenging the issuance of a permit for the Tustumena Lake sockeye salmon enhancement project where CIAA releases 6 million salmon fry into Tustumena Lake and 3.5 million fry into three Lower Cook Inlet Lakes – Lei-

sure. Hazel and Kirschner Lakes. Initially, ACE's legal arguments did not persuade the District Court in Anchorage and the enhancement project permit was allowed to continue. However, on appeal, the 9th Circuit Court of Appeals agreed with ACE's argument that the enhancement project is a "commercial enterprise" and is, therefore, prohibited by the Wilderness Act. To the surprise of many, the appeals court dismissed the USF&W's reliance on section 1315(b) of ANILCA which does not prohibit fishery enhancement projects in Alaskan refuge wilderness areas and, in fact, permits such projects.

The staff and Board of Directors have met twice and are working to address two questions what will be the fate of the Tustumena Lake fry currently in Trail Lakes Hatchery and how can the Association continue to provide sockeye salmon to central Cook Inlet where the bulk of the users are.

CIAA Biologist Trent Dodson stated "We have submitted a request to release the fish currently in Trail Lakes Hatchery to Tustumena

Lake and are hoping to receive a timely response. While the fish are not normally released until June, if we cannot release the fish to Tustumena Lake, we must have plans in place soon to secure all the necessary State permits for an alternative release site. We do not want to kill 6 million fry.

Also at issue is the future of the three Lower Cook Inlet Lakes projects. These highly successful projects contribute significantly to the Kachemak Bay sockeye fishery. Fish returning to Tustumena Lake have served as the Broodstock for these projects since the 1980's. Developing a new brood source can be done, but it can require several years and is ex-Executive Director Gary pensive Fandrei reported "Suddenly having to change broodstocks is very disruptive and may limit returns until the broodstock source is fully developed.'

The CIAA Board and staff are committed to finding a way to continue to enhance the Kasilof River return and provide eggs for the three Lower Cook Inlet Lakes projects.

Letter from the Executive Director

New Faces Join the CIAA

Kasilof Smolt Migration: A perspective from the Field

Record Smolt Outs are Observed at Bear Creek Weir and Kasilof River Sites

Cook Inlet Aquaculture's 2003 Financial Statement

Trail Lakes Hatchery Successfully Battles a Minor IHNV Outbreak

Paint Lake "Paints" an Abstract Picture

Tutka Hatchery Pushing Forward

By: Aaron & Christy VanArnum

It has been a year and a half long learning curve at Tutka Hatchery for new manager Aaron VanArnum and Assistant manager Justin Evans. The key factor has been finding out what the problems are, what the causes of the problems are, and determining how to fix them. The primary areas of concern have been: fish culture practices, maintenance, staff, and hatchery revenue short falls, pretty much covering all aspects of the hatchery.

Fish culturally, many changes have been implemented to bring the hatchery up to speed with current aquaculture practices and technology. Water quality monitoring at Tutka has been updated with reliable and functioning electronic meters on a daily schedule. When fry or broodstock are in the

lagoon, dissolved oxygen is monitored twice daily. Year round, water temperatures in the hatchery and the lagoon are recorded four times daily. These changes in practice have allowed staff to recognize and attack problems as they develop and to prepare for future rectification of those problems. As a result, a new aeration system will be in place this spring in the lagoon for fry rearing and broodstock holding. A pump system will also be added to increase freshwater flow to the pens when necessary. These changes will improve our ability to grow healthy and bigger fry as well as increase fertility rates of broodstock and quality of eggs. Finally, in terms of fish culture practices, our goals and methods for fish production have changed. Fry are monitored closely each spring to determine the exact time for emer-

gence to the pens, The diet fed to the fish has changed to use two brands of fish food that have resulted in much more efficient growth rates than in the past. Feeding is monitored closely to ensure food is not wasted and records are meticulously kept. Sampling is done weekly for growth, with a goal of the bigger the better. We believe that the closer the fish are to 1 gram, the better chance we have of a good return. An emergency release system has been set up utilizing the existing fish pump and lines to extend out of the lagoon. Because of this "relief value", fry can be released to the bay even during low tide conditions if necessary. Normal releases are done during very high tides by moving the pens out into the bay.

In the area of maintenance, the "To Do" list has been constantly added to and gradually subtracted from. The facility

See Tutka Hatchery back page -

Letter From The Executive Director

"If the current Tustumena

Lake project can not

continue, we are

considering a number of

options for providing

sockeye salmon to the

central district."

Gary Fandrei



Photo by Staff / CIAA

In 2001, we began several efforts to secure additional funding sources through a variety of grant programs. As a result of these efforts, and with the support of Senator Ted Stevens, the Kenai Peninsula Bor-

ough and numerous local communities and organizations, we secured several grants which now play a significant role in our operations. These grants have helped us stretch the

dollars we received from the Salmon Enhancement Tax and cost recovery harvests. Numer-

ous improvements were made to both the Trail Lakes and Tutka Bay Lagoon Hatchery programs.

> We expect these improvements to result in greater returns to evervone that uses the Cook Inlet salmon resource.

Recently, a decision by the 9th Circuit

Court of Appeals has put the future of the Tustumena Lake project in question. If the current Tustumena Lake project can not continue, we are considering a number of options for providing sockeye salmon to the central district. However, our priority is to continue enhancement efforts in the Kasilof River system.

As we work to continue our existing projects and improve all of our programs, we must keep everyone informed of the progress we are making. I am committed to improving this newsletter and our website at www.ciaanet.org so that both remain a resource for the members of the Association and others interested in our activities.

New Faces Join the CIAA Team

Carol Jones accepted the job as the Administrative Assistant after a rather lengthy

the Association in July of 2003 and thanks to good fortune, Carol stepped into this position and is

transition process . Judy Miller, the former Admin Assistant retired from CIAA in January of 2003 and was temporally replaced be Susan Susan left Swartz.

doing a remarkable

job in getting the books back in order. She has recently completed the task of

switching all financial software over to Quick Books Pro which has



Carol Jones

time project Technician.
Previous to this upgrade,
Ron worked as a full time
temporary employee
responsible for keeping
the mechanical end of
Tutka Hatchery in good order. Ron will continue

to work at the Tutka facility in the winter months. In the summer and fall periods, he will contribute to the setup and operation

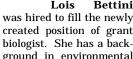
of all scheduled projects, and will be located out of the Kenai corporate office.

fice .

Lois Bettini
was hired to fill the newly
created position of grant

the report feeds that are demanded by the various organizations and staff requiring

streamlined



biologist. She has a back-ground in environmental sciences and currently resides in Homer, Alaska.

Board of Directors

up to date financial information.

Ron Carlson
received a promotion to the full

Commercial Fishermen of Cook's Inlet Alternates DIRECTORS: VACANT None VACANT None	
VACANT None	
Cook Inlet Fishermen's Fund:	
DIRECTORS: DOUGLAS F. BLOSSOM Chris Garcia	
DAVID MARTIN Chris Garcia	
Cook Inlet Seiners Association:	
DIRECTORS: CHARLES WALKDEN John Wise	
NATHAN WISE None	
Inlet Wide Commercial Fishermen Representatives:	
DIRECTORS: JAMES BUTLER III Phillip Squires	
BUDDY HARRIS Steven Perrizo	
DREW SPARLIN, SR. Dennis Crandall	
STEVE TVENSTRUP Dan Thompson	
DYER VAN DEVERE Roland Maw	
Kenai Peninsula Fishermen's Association:	
DIRECTORS: HOWARD DAVIS Rory Rorrison	
VACANT None	
North Pacific Fisheries Association:	
DIRECTORS: JESSIE NELSON Dan Winn	
VACANT None	
Northern District Set Netters of Cook Inlet:	
DIRECTORS: JEAN RING Stephen Braund	
VANCANT None	
United Cook Inlet Drifters Association	
DIRECTORS: JOHN EFTA Leonard Efta	
FRANCIS DEROSSITT Ron Rust	
City of Homer:	
DIRECTOR: LEONARD MILLER AI Ray Carroll	
City of Kachemak:	
DIRECTOR: PAUL JONES Emil Nelson	
City of Seward:	
DIRECTOR: JOHN FRENCH None	
Cook Inlet Region, Inc.:	
DIRECTOR: PAUL SHADURA None	
Kenai Peninsula Borough:	
DIRECTOR: CHRISTOPHER MOSS Ron Long	
Matanuska-Susitna Borough:	
DIRECTOR: JAMES CHESBRO None	
Municipality of Anchorage:	
DIRECTOR: DICK TREMAINE Dan Kendall	
Ninilchik Village Council:	
DIRECTOR: STEPHEN VANEK None	
DIRECTOR. OTEL TIEN VANER INDIE	
Processor Representative:	



already

Cook Inlet Aquaculture Staff

Ron Carlson

Kenai Office

Gary Fandrei Executive Director Lani Eggertsen-Goff Special Projects Carol Jones Admin. Assistant Trent Dodson Field Biologist Lois Bettini Grant Biologist Mark Matarrese Special Projects Mgr Ron Carlson Project Technicain

Tutka Bay Hatchery

Aaron VanArnum Hatchery Manager Justin Evans Assistant Manager

Trail Lakes Hatchery

Robert Blankenship Hatchery Manager Thomas Prochazka Assistant Manager Mark Thomas Assistant Manager

Kasilof Smolt Migration: A perspective from the Field Recor

By CIAA Staff

As spring gives way to summer, sockeye salmon smolts intuitively negotiate a labyrinth of guided drift boats, thrashing king salmon, diving seagulls, and fish lures as the ever rising current of the Kasilof River throttles them along. And as millions of these fish migrate from the glacial waters of Tustumena Lake down the Kasilof River to the productive waters of Cook Inlet, The Cook Inlet Aquaculture Association staff assesses dynamics of the smolt population.

To begin the project, we place an incline smolt trap in the Kasilof River near the confluence of Crooked Creek," says Trent Dodson, Field Biologist for CIAA. The trap is suspended between a system of pontoons and is anchored down to the substrate. The design allows water to flow up the incline, and pour down a series of live boxes. As smolts are swept downstream, they are captured within the strong current created by the incline. Unable to swim back upstream, the smolts fall into the first of two live boxes. As smolts begin to accumulate in the front live box, they are able to escape the turbulence created by the plunging water through a small door to the second live box. "The smolts can relax and swim freely once they are in the second live box," Dodson says.

"An over-head cable is installed over the river, and we use a pulley-driven boat system is to gain access to the trap," says CIAA Project Technician Ron Carlson. "The system uses the river's current to push the boat across the river to the trap, and sometimes it's difficult to traverse the river while steering the boat and dodging large rocks. However this area has a restriction on motorized use, so we have to cross the river this way," says Carlson.

"Each morning we load up the boat and slide our way across the Kasilof to check the trap for smolts," says Dodson, "and then we board the trap, remove the protective netting (used to protect the smolts from birds preying on them,) and begin counting." The smolts are netted from the live box and transferred to a water-filled bucket. Using a tally counter, "we carefully pour the smolts from the bucket, and click as each fish gently falls back

into the river," says Andy Sheets, CIAA Seasonal Assistant. The "pour-n-click" method is preferred since each smolt is individually counted, though under certain circumstances a different means of enumeration may be used.

"When the number of smolts in the live box exceeds 10,000 or if we observe that the smolt are experiencing a considerable amount of stress within the live box, we will use the biomass procedure to alleviate stress caused by crowding," says Dodson. The procedure involves weighing nets full of smolts, recording the result, and immediately placing them back in the river. Once the live box is empty and all smolts are released, the weights are added (with the weight of the net subtracted) and divided by the average weight of the individual smolts.

"We perform a weekly test to assess the efficiency of the trap," says Carlson, "because the smolt trap doesn't capture the entire population of smolts during the migration." Up to one thousand smolts are captured and dyed with Bismark Brown Y, and inert dye that harmlessly turns the smolts gold in color and lasting approximately 4 to 5 days. The dyed smolts are transported in an oxygenated tank to the Sterling Highway Bridge (about 0.6 miles upstream from the trap.) "Once we arrive at the landing, the smolts are transferred to a holding box already secured in the river," says Sheets, "and later in the evening the smolt are released and will migrate back downstream."

"We record the number of recaptured 'golden' smolts over the course of a week, and we use this number to calculate the percentage of smolts captured during the week," says Dodson. "By comparing those smolts enumerated with those recaptured during the test, we can figure the total number of smolts that migrated for that particular week." he says.

While the smolts are counted every day in order to gain an idea of how many smolts are migrating, CIAA also collects other data pertinent to the dynamics of the migrating smolt population. Each day, a small sample of smolts are collected and taken back to the laboratory for length and weight measurements, and scales are removed for age determination.

To obtain the age of the smolt, a scale is taken, placed on a microscope slide, and examined under a microfilm viewer. By studying the growth rings on the scale, Dodson can ascertain different seasons of growth. "By paying special attention to rings that are close together and seemingly broken, an area of winter growth or 'check,' is noted. A onecheck smolt would be considered a one-year smolt; a two check smolt would be a two-year smolt. and so on," says Dodson. He says that although the age structure of the smolt migration varies from year to year, the average over the last five years has been approximately 70% age-1, and 30% age-2.

"After we take scale samples, we record the weight and length of the individual smolts," says Sheets. A five-year average reveals Tustumena age-1 smolts are 74.3 mm in length, and weigh 3.54 g; age-2 smolts are 85.1 mm in length, and weigh 5.29 g, according to Dodson. "This year (2003) we've seen a 25 to 30% increase in the weight of the smolts, though the length has stayed relatively constant. would attribute this weight gain to the increase in zooplankton we've seen in our limnology sampling on Tustumena Lake", Dodson added.

Two otoliths ("ear stones") are then removed from the smolts, and are placed into a vial. Later in the fall, the laboratory staff at the Trail Lakes Hatchery will analyze the otoliths for hatchery marks. "This data helps us estimate what portion of the migrating smolts was from the CIAA fry release. Moreover, the data will help us ascertain the survival of our released fry to the smolt stage," says Dodson. In 2003, approximately 18% of the migrating smolts were resultant of CIAA releases at Bear Creek.

In the future these smolts will return to Cook Inlet, the Kasilof River, and Tustumena Lake for all to enjoy. By enumerating and analyzing the populations of migrating smolts in the Kasilof River, CIAA can uncover valuable information to improve the enhancement practices on Tustumena Lake, and develop better ways to provide and protect your salmon resource.

Record Smolt Outs are Observed at Bear Creek Weir and Kasilof River Sites

By CIAA Staff

CIAA field crews monitor smolt migrations at locations throughout the Cook Inlet drainage (See Map on Page 8). Two systems in particular produce some pleasant results in 2003

Between May 18th and July 5th of 2003, an estimated 12.9 million Tustumena Lake sockeye salmon smolt migrated to Cook Inlet. This signifies the third largest smolt migration since 1980. Additionally, it is the largest since the number of fry released at Bear Creek was reduced to 6 million. The large volume of migrating smolts forced field personnel to conduct several sub-sampling events (see Kasilof Smolt Migration article).

"We experienced several nights with 50,000 to 100,000 migrating smolts in our trap during the peak of the migration" reports CIAA field biologist Trent Dodson. "Once we applied the trap efficiency, which was quite low and erratic in 2003, it correlates to 1 or 2 million smolts moving in one night."

Although sub-sampling and low tarp efficiencies increase potential error in the enumeration, Dodson is quite confident with the results.

"Despite the increase in sub-sampling and the low trap efficiency, we are still looking at a migration of 10.6 million smolt on the low end and possibly 15.2 million on the upper limit," adds Dodson.

With the current average smolt to adult survival rate (14%), the large number of Tustumena Lake smolts that entered Cook Inlet could translate into quite a nice return in a few years.

Meanwhile across the peninsula, the smolt enumeration at Bear Lake Weir also witnessed a record number of sockeye smolts. An estimated 1.3 million smolts, migrated between May 5th and June 11th of 2003.

"We knew it was going to be a big one", explained CIAA

Cook Inlet Aquaculture Association's

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors Cook Inlet Aquaculture Association, Inc. Kenai, Alaska

We have audited the accompanying statements of financial position of Cook Inlet Aquaculture Association, Inc. (a nonprofit organization) as of June 30, 2003 and 2002, and the related statements of activities, statements of functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cook Inlet Aquaculture Association, Inc. as of June 30, 2003 and 2002, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Lande, Lety Wagner CAN'S

October 20, 2003

	TAQUACULTURE ASSO TATEMENT OF ACTIVITI		
	Year Ended June 30, 200	3	
	Unrestricted	Temporarily Restricted	Total
REVENUES AND OTHER SUPPORT		· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·
Grants Enhancement tax proceeds	\$ -	\$ 182,025 191,778	\$ 182,025 191,778
Terminal fish revenues	324,160	191,778	324,160
Lawsuit settlement	429.241	-	429,241
Interest	3,871	-	3,871
Other	1,702 758.974	373.803	1,702
	758,974	373,803	1,132,777
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of program restrictions	565,137	(565,137)	
Total revenue and other support	1,324,111	(191,334)	1,132,777
PROJECT EXPENSES Tutka Hatchery	489.731		489,731
Trail Lakes Hatchery	604,078		604,078
Eklutna Hatchery	87,010	_	87,010
Field projects	213,637	-	213,637
Special projects	89,231		89,231
GENERAL AND ADMINISTRATIVE	1,483,687	-	1,483,687
EXPENSES	394,797		394,797
Total expenses	1,878,484		1,878,484
CHANGE IN NET ASSETS	(554,373)	(191,334)	(745,707)
NET ASSETS AT JUNE 30, 2002	(694,889)	353,654	(341,235)
NET ASSETS AT JUNE 30, 2003	\$ (1,249,262)	\$ 162,320	\$ (1,086,942)
	AQUACULTURE ASSO		
	TATEMENT OF ACTIVITIE		
	Year Ended June 30, 2002		
		Temporarily	
	Unrestricted	Restricted	Total
REVENUES AND OTHER SUPPORT			
		_	
Grants	\$ -	\$ 1,015,000	\$ 1,015,000
Enhancement tax proceeds	-	244,555	\$ 1,015,000 244,555
Enhancement tax proceeds Terminal fish revenues	339,676		\$ 1,015,000 244,555 339,676
Enhancement tax proceeds	-	244,555	\$ 1,015,000 244,555
Enhancement tax proceeds Terminal fish revenues Interest	339,676 12,719	244,555	\$ 1,015,000 244,555 339,676 12,719
Enhancement tax proceeds Terminal fish revenues Interest Other	339,676 12,719 57	244,555	\$ 1,015,000 244,555 339,676 12,719 57
Enhancement tax proceeds Terminal fish revenues Interest	339,676 12,719 57	244,555	\$ 1,015,000 244,555 339,676 12,719 57
Enhancement tax proceeds Terminal fish revenues Interest Other NET ASSETS RELEASED FROM	339,676 12,719 57	244,555	\$ 1,015,000 244,555 339,676 12,719 57
Enhancement tax proceeds Terminal fish revenues Interest Other NET ASSETS RELEASED FROM RESTRICTIONS	339,676 12,719 57 352,452	1,259,555	\$ 1,015,000 244,555 339,676 12,719 57
Enhancement tax proceeds Terminal fish revenues Interest Other NET ASSETS RELEASED FROM RESTRICTIONS Satisfaction of program restrictions Total revenue and other support	339,676 12,719 57 352,452	1,259,555	\$ 1,015,000 244,555 339,676 12,719 57 1,612,007
Enhancement tax proceeds Terminal fish revenues Interest Other NET ASSETS RELEASED FROM RESTRICTIONS Satisfaction of program restrictions Total revenue and other support PROJECT EXPENSES	339,676 12,719 57 352,452 905,901 1,258,353	1,259,555	\$ 1,015,000 244,585 339,676 12,719 57 1,612,007
Enhancement tax proceeds Terminal fish revenues Interest Other NET ASSETS RELEASED FROM RESTRICTIONS Satisfaction of program restrictions Total revenue and other support PROJECT EXPENSES Tutka Hatchery	339,676 12,719 57 352,452 905,901 1,258,353	1,259,555	\$ 1,015,000 244,555 339,676 12,719 57 1,612,007
Enhancement tax proceeds Terminal fish revenues Interest Other NET ASSETS RELEASED FROM RESTRICTIONS Satisfaction of program restrictions Total revenue and other support PROJECT EXPENSES Tutka Hatchery Trall Lakes Hatchery	339,676 12,719 57 352,452 905,901 1,258,353 376,247 655,558	1,259,555	\$ 1,015,000 244,555 339,676 12,757 1,612,007 1,612,007
Enhancement tax proceeds Terminal fish revenues Interest Other NET ASSETS RELEASED FROM RESTRICTIONS Satisfaction of program restrictions Total revenue and other support PROJECT EXPENSES Tulka Hatchery Eklutna Hatchery	339,676 12,719 57 352,462 905,901 1,258,353 376,247 655,558 80,853	1,259,555	\$ 1,015,000 244,555 339,676 12,719 57 1,612,007 1,612,007
Enhancement tax proceeds Terminal fish revenues Interest Other NET ASSETS RELEASED FROM RESTRICTIONS Satisfaction of program restrictions Total revenue and other support PROJECT EXPENSES Tutka Hatchery Tutka Hatchery Ekutna Hatchery Field projects	339,676 12,719 57 352,452 905,901 1,258,353 376,247 655,558 80,853 211,865	1,259,555 (905,901) 353,654	\$ 1.015.000 244.555 339.676 12,719 57 1.612.007 376,247 656,558 80,853 211,865
Enhancement tax proceeds Terminal fish revenues Interest Other NET ASSETS RELEASED FROM RESTRICTIONS Satisfaction of program restrictions Total revenue and other support PROJECT EXPENSES Tulka Hatchery Eklutna Hatchery	339,676 12,719 352,452 352,452 905,901 1,258,363 376,247 685,568 211,865 8,383	1,259,555 (905,901) 353,654	\$ 1,015,000 244,555 339,076 12,67 1,612,007 1,612,007 376,247 685,558 211,865 8,383
Enhancement tax proceeds Terminal fish revenues Interest Other NET ASSETS RELEASED FROM RESTRICTIONS Satisfaction of program restrictions Total revenue and other support PROJECT EXPENSES Tutka Hatchery Tutka Hatchery Ekutna Hatchery Field projects	339,676 12,719 57 352,452 905,901 1,258,353 376,247 655,558 80,853 211,865	1,259,555 (905,901) 353,654	\$ 1.015.000 244.555 339.676 12,719 57 1.612.007 376,247 656,558 80,853 211,865
Enhancement tax proceeds Terminal fish revenues Interest Other NET ASSETS RELEASED FROM RESTRICTIONS Satisfaction of program restrictions Total revenue and other support PROJECT EXPENSES Tutka Hatchery Irali Lakes Hatchery Eklutna Hatchery Fleid projects Special projects Special projects General AND ADMINISTRATIVE	339,676 12,719 57 362,452 905,901 1,268,353 376,247 655,558 80,853 211,865 511,865 31,332,906	1,259,555 (905,901) 353,654	\$ 1,015,000 244,555 339,676 12,719 1,612,007 1,612,007 376,247 655,558 80,853 211,383 1,332,906
Enhancement tax proceeds Terminal fish revenues Interest Other NET ASSETS RELEASED FROM RESTRICTIONS Satisfaction of program restrictions Total revenue and other support PROJECT EXPENSES Tutka Hatchery Trail Lakes Hatchery Eklutna Hatchery Field projects Special projects Special projects GENERAL AND ADMINISTRATIVE EXPENSES	339,676 12,719 57 352,452 905,901 1,258,353 376,247 655,558 80,853 211,865 8,383 1,332,906	1,259,555 (905,901) 353,654	\$ 1,015,000 244,555 339,676 12,719 1,612,007 1,612,007 376,247 655,558 80,853 211,885 5,383 1,332,996
Enhancement tax proceeds Terminal fish revenues Interest Other NET ASSETS RELEASED FROM RESTRICTIONS Satisfaction of program restrictions Total revenue and other support PROJECT ENPENSES Tulka Hatchery Tulka Hatchery Ekultna Hatchery Field projects Special projects General AND ADMINISTRATIVE EXPENSES Total expenses	339,676 12,719 57 352,452 905,901 1,258,353 376,247 655,558 80,853 211,865 8,383 1,332,906 347,395	244,555 	\$ 1,015,000 244,556 339,445,56 12,719 1,612,007 1,612,007 376,247 655,558 80,853 211,885 347,395 1,332,396

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COOK INLET AQUACULTURE ASSOC STATEMENTS OF FINANCIAL PO		
June 30, 2003 and 2003	OTHON	
Julie 30, 2003 and 2003	2003	2002
ASSETS	2000	<u> 2002</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 541,915	\$ 343,932
Grants receivable	158,582	236,366
Accounts receivable	25,000	10,000
Prepaid expenses	51,252	34,360
Total current assets	776,749	624,658
PROPERTY AND EQUIPMENT	3,708,074	3,685,776
Less accumulated depreciation	(2,272,132)	(2,179,371)
·	1,435,942	1,506,405
	\$ 2,212,691	\$ 2,131,063
	φ 2,212,091	φ 2,131,003
LIABILITIES AND NET ASSI	ETC	
CURRENT LIABILITIES	E13	
Accounts payable	\$ 41.421	\$ 33,172
Accrued personnel expenses	96,354	73,111
Deposits advanced	75,000	-
Accrued interest	23,051	57,789
Current portion of notes payable	99,563	44,065
Total current liabilities	335,389	208,137
NOTES PAYABLE, less portion classified as current	2,964,244	2,264,161
TO TEO TYTABLE, 1886 POTROTI GRASSITION AS GATTOR	3,299,633	2,472,298
NET ASSETS		
Unrestricted Temporarily restricted	(1,249,262) 162,320	(694,889) 353,654
remporarily restricted		
	(1,086,942)	(341,235)
	\$ 2,212,691	\$ 2,131,063

	STATEMENT C			PENSES			
		Ended June					
	Tutka	Trail Lakes	Eklutna			General and	
	Hatchery Operations	Hatchery Operations	Hatchery Operations	Field Projects	Special Projects	Administrative Expenses	Total
	Operations	Operations	Operations	Field Projects	Projects	Expenses	Total
Vages	\$ 165,980	\$ 173,019	\$ 180	\$ 85,225	\$ 37,900	\$ 226,966	\$ 689,27
Supplies	38,276	54,995	40	24,894	2,029	13,476	133,71
Payroll taxes and benefits	30,684	35,567	17	8,459	6,168	49,647	130,54
Equipment operation/maintenance	28,618	73,368	-	9,441	1,423	10,141	122,99
Utilities	36,135	70,908	3,433	3,845	-	4,217	118,53
nsurance/workers compensation	29,727	25,899	15,709	2,678	927	25,172	100,11
Fish food	60,282	28,611	-	6,490	-	-	95,38
Depreciation	7,641	8,418	65,178	-	-	11,525	92,76
nterest		80,054	-		-	-	80,08
Professional services	770	21,111	-	38,865		13,216	73,96
ish harvesting	59,582	-	-		12,126	-	71,70
Aircraft and boat charters	2,145	44.011	-	24,708	24,544	340	51,73
Postage and freight	16,386	11,814		3,895	-	3,895	35,99
Telephone	2,049	2,651	528	2,286	186	7,939	15,63
Medication and disinfectants	1,575 3.968	9,852 795		531	1.574	4.257	11,42 11.12
Travel, lodging and meals	3,968 4.897	4,303	-	531 452	1,5/4	4,257	11,12
Building and land maintenance	,	,		452 500			
Rent	219	835	1,500	721	150 20	100 229	2,25
Safety program Other	797	1,878	425	647	2,184	23,285	29,21
54.01		1,070	120		2,101	20,200	LU,L
	\$ 489,731	\$ 604,078	\$ 87,010	\$ 213,637	\$ 89,231	\$ 394,797	\$ 1,878,48
co							
CO	STATEMENT (				C.		
CO	STATEMENT C		ONAL EXP		C.		
650	STATEMENT C	OF FUNCTI	ONAL EXP		C.	General and	
	STATEMENT C Year E Tutka Hatchery	OF FUNCTI Ended June Trail Lakes Hatchery	ONALEXF 30, 2002 Eklutna Hatchery	PENSES	Special	Administrative	
	STATEMENT C Year E	OF FUNCTI Ended June Trail Lakes	ONAL EXP 30, 2002 Eklutna				Total
	STATEMENT C Year E Tutka Hatchery	OF FUNCTI Ended June Trail Lakes Hatchery	ONALEXF 30, 2002 Eklutna Hatchery	PENSES	Special	Administrative Expenses	
Vages	STATEMENT C Year E Tutka Hatchery Operations	DF FUNCTI Ended June Trail Lakes Hatchery Operations	ONAL EXF 30, 2002 Eklutna Hatchery Operations	PENSES Field Projects	Special Projects	Administrative	
Wages Supplies	STATEMENT C Year E Tutka Hatchery Operations \$ 122,568	DF FUNCTI Ended June Trail Lakes Hatchery Operations	ONAL EXF 30, 2002 Eklutna Hatchery Operations	PENSES Field Projects \$ 98,638	Special Projects	Administrative Expenses \$ 188,939	\$ 580,78
Wages Supplies Ayyoll taxes and benefits	STATEMENT C Year E Tutka Hatchery Operations \$ 122,568 25,159	DF FUNCTI Ended June Trail Lakes Hatchery Operations \$ 168,295 72,938	ONAL EXF 30, 2002 Eklutna Hatchery Operations \$ 2,340 573	Field Projects  \$ 98,638 20,994	Special Projects	Administrative Expenses \$ 188,939 18,289	\$ 580,78 137,95
Wages Supplies Vayroll taxes and benefits quipment operation/maintenance	STATEMENT C Year E  Tutka Hatchery Operations  \$ 122,568 25,159 17,856	DF FUNCTI Ended June Trail Lakes Hatchery Operations \$ 168,295 72,938 47,811	ONAL EXF 30, 2002 Eklutna Hatchery Operations \$ 2,340 573 1,642	Field Projects  \$ 98,638 20,994 17,719	Special Projects	Administrative Expenses \$ 188,939 18,289 37,804	\$ 580,78 137,95 122,83
Wages Supplies Ayyoll taxes and benefits Equipment operation/maintenance Jillities	STATEMENT C Year E Tutka Hatchery Operations \$ 122,568 25,159 17,856 19,948	DF FUNCTI Ended June Trail Lakes Hatchery Operations \$ 168,295 72,938 47,811 20,311	ONAL EXF 30, 2002 Eklutna Hatchery Operations \$ 2,340 573 1,642 345	Field Projects  \$ 98,638 20,994 17,719 2,264	Special Projects	Administrative Expenses \$ 188,939 18,289 37,804 8,984	\$ 580,78 137,95 122,83 51,85
Nages Supplies ayroll taxes and benefits cupiment operation/maintenance billities surrance/workers compensation	STATEMENT C Year E Tutka Hatchery Operations \$ 122,568 25,159 17,856 19,948 41,024	Trail Lakes Hatchery Operations  \$ 168,295 72,938 47,811 20,311 72,812	ONAL EXF 30, 2002 Eklutna Hatchery Operations \$ 2,340 573 1,642 345 (515)	Field Projects  \$ 98,638 20,994 17,719 2,264 1,620	Special Projects	\$ 188,939 18,289 37,804 8,984 5,188	\$ 580,78 137,95 122,83 51,85 120,12
Wages Supplies Ayroll taxes and benefits Equipment operation/maintenance Julities nsurance/workers compensation isla food	STATEMENT C Year E Tutks Hatchery Operations \$ 122,568 25,159 17,856 19,948 41,024 26,330	DF FUNCTI Ended June Trail Lakes Hatchery Operations \$ 168,295 72,938 47,811 20,311 72,812 16,589	ONAL EXF 30, 2002 Eklutna Hatchery Operations \$ 2,340 573 1,642 345 (515)	Field Projects  \$ 98,638 20,994 17,719 2,264 1,620 488	Special Projects	\$ 188,939 18,289 37,804 8,984 5,188	\$ 580,78 137,95 122,83 51,85 120,12 79,11
Wages Supplies Yayroll taxes and benefits Equipment operation/maintenance Jillities Insurance/workers compensation Jesh food Depreciation Interest	STATEMENT C Year E Tutka Hatchery Operations \$ 122,568 25,159 17,856 19,948 41,024 26,330 53,145	F FUNCTI Ended June Trail Lakes Hatchery Operations  \$ 168,295 72,938 47,811 20,311 72,812 16,589 12,683 5,497 116,178	ONAL EXF 30, 2002 Eklutna Hatchery Operations \$ 2,340 573 1,642 345 (515) 6,920	Field Projects  \$ 98,638 20,994 17,719 2,264 1,620 488 10,113 - 637	Special Projects	Administrative Expenses \$ 188,939 18,289 37,804 5,188 28,789 - 12,060 29	\$ 580,78 137,95 122,83 51,85 120,12 79,11 75,94 91,12 116,84
Wages Supplies Payroll taxes and benefits Cquipment operation/maintenance Utilities Insurance/workers compensation Fish food Depreciation Interest Troffessional services	STATEMENT C Year E  Tutka Hatchey Operations \$ 122,568 25,159 17,856 19,948 41,024 26,330 53,145 6,961	PF FUNCTI Ended June Trail Lakes Hatchery Operations \$ 168,295 72,938 47,811 20,311 72,812 16,589 12,683 5,497 116,178 400	ONAL EXF 30, 2002 Eklutna Hatchery Operations \$ 2,340 573 1,642 345 (515) 6,920	Field Projects  \$ 98,638 20,994 17,719 2,264 1,620 488 10,113	Special Projects	\$ 188,939 18,289 37,804 8,984 5,188 28,789 - 12,060	\$ 580,78 137,95 122,83 51,85 120,12 79,11 75,94 91,12 116,84 28,63
Wages Supplies Yayroll taxes and benefits Equipment operation/maintenance Jillities Insurance/workers compensation Jish food Depreciation Interest Professional services Tish harwesting	STATEMENT C Year E  Tutka Hatchey Operations \$ 122.568 25.159 17.856 19.948 41.024 26.330 53.145 6.961 42.713	F FUNCTI Ended June Trail Lakes Hatchery Operations  \$ 168,295 72,938 47,811 20,311 72,812 16,589 12,683 5,497 116,178	ONAL EXF 30, 2002 Eklutna Hatchery Operations \$ 2,340 573 1,642 345 (515) 6,920	\$ 98,638 20,994 17,719 2,264 1,620 488 10,113 637 18,240	Special Projects  \$	Administrative Expenses  \$ 188,939     18,289     37,804     8,984     5,188     28,789     -     12,060     29     9,992	\$ 580,78 137,98 122,83 51,88 120,12 79,11 75,94 91,12 116,84 28,63 44,21
Vages Supplies Suppli	STATEMENT C Year E  Tutka Hatchey Operations \$ 122,568 25,159 17,856 19,948 41,024 26,330 53,145 6,961 42,713 3,622	DF FUNCTI Ended June Trail Lakes Hatchery Operations  \$ 168,295 72,938 47,811 20,311 72,812 16,589 12,683 5,497 116,178 400 1,500	ONAL EXF 30, 2002 Eklutna Hatchery Operations \$ 2,340 573 1,642 345 (515) 6,920	Field Projects  \$ 98,638 20,994 17,719 2,264 1,620 488 10,113 - 637 18,240 31,442	Special Projects	Administrative Expenses  \$ 188,939	\$ 580,78 137,98 122,83 51,88 120,12 79,11 75,94 91,12 116,84 28,63 44,21 43,63
Wages  Supplies	STATEMENT C Year E  Tutka Hatchey Operations \$ 122,568 25,159 17,856 19,948 41,024 26,330 53,145 6,961 42,713 3,622 3,203	DF FUNCTI Ended June Trail Lakes Hatchery Operations \$ 168,295 72,938 47,811 20,311 72,812 16,589 12,683 5,497 116,178 400 1,500	ONAL EXF 30, 2002 Ekiduna Hatchery Operations \$ 2,340 573 1,642 345 (515) 6,920 - - - -	Field Projects \$ 98,638 20,994 17,719 2,264 1,620 488 10,113 - 637 18,240 - 31,442 90	Special Projects  \$	Administrative Expenses  \$ 188,939	\$ 580,78 137,95 122,83 51,85 120,12 79,11 75,94 91,12 116,84 28,63 44,22 43,63
Nages Supplies Suppli	STATEMENT C Year E Tutsa Hatchey Operations \$ 122,568 25,159 17,856 19,948 41,024 26,330 53,145 6,961 - 42,713 3,622 3,203 1,604	DF FUNCTI Ended June Trial Lakes Hatchery Operations  \$ 168,295 72,938 47,811 20,311 72,812 16,589 12,683 5,497 116,178 400 1,500 1,500 1,500 1,200 2,309	ONAL EXF 30, 2002 Eklutna Hatchery Operations \$ 2,340 573 1,642 345 (515) 6,920	Field Projects  \$ 98,638 20,994 17,719 2,264 1,620 488 10,113 - 637 18,240 31,442	Special Projects  \$	Administrative Expenses  \$ 188,939	\$ 580,78 137,99 122,83 51,86 120,12 79,11 75,94 91,12 116,84 28,63 44,22 43,63 17,00 11,86
Wages bupplies yayroll taxes and benefits cquipment operation/maintenance pilitilities suurance/workers compensation ish food bepreciation interest rofessional services ish harvesting iucraft and boat charters ostage and freight elephone declication and disinfectants	STA TEMENT C Year E Tulka Hatchey Operations \$ 122,568 25,159 17,856 19,948 41,024 26,330 53,145 6,961 42,713 3,622 3,203 1,604 7,630	DF FUNCTIEnded June Trial Lakes Hatchery Operations \$ 168,295 72,938 47,811 20,311 72,812 16,589 12,683 5,497 116,178 4000 1,500 1,500 2,309 7,655	ONAL EXTS 30, 2002 2 30, 2002 2 30, 2002 2 30, 2002 2 30, 2002 2 30, 2002 2 30, 2002 2 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 3000, 2002 3000, 2002 30	Field Projects \$ 98,638 20,994 17,719 2,264 1,620 4,888 10,113 - 637 18,240 - 31,442 90 1,655	Special Projects  \$	Administrative Expenses  \$ 188,939     18,289     37,804     8,984     5,188     28,789     12,060     29     9,992     539     3,616     5,301	\$ 580,78 137,98 122,87 51,88 120,12 79,11 75,99 91,12 116,86 44,22 43,66 11,88 11,88
Nages Supplies Suppli	STATEMENT C Year E Tutsa Hatchey Operations \$ 122,568 25,159 17,856 19,948 41,024 26,330 53,145 6,961	DF FUNCTI- Ended June Trail Lakes Hatchery Operations  \$ 188,295 72,938 47,811 20,311 72,812 16,589 12,683 5,497 116,178 400 0 1,500 - 10,190 2,309 7,655 3555	ONAL EXF 30, 2002 Ekiduna Hatchery Operations \$ 2,340 573 1,642 345 (515) 6,920 - - - -	Field Projects  \$ 98,638 20,994 17,719 2,264 1,620 488 10,113 - 637 18,240 - 31,442 90 1,655 - 131	Special Projects  \$	Administrative Expenses  \$ 188,939 18,289 37,804 5,188 28,789 12,060 29 9,992 - 539 3,616 5,301 - 10,472	\$ 580,78 137,95 122,83 51,88 120,12 79,11 75,91 116,84 28,63 44,23 17,03 11,88 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28 15,28
Wages Supplies Suppli	STA TEMENT C Year E Tulka Hatchey Operations \$ 122,568 25,159 17,856 19,948 41,024 26,330 53,145 6,961 42,713 3,622 3,203 1,604 7,630	DF FUNCTIEnded June Trial Lakes Hatchery Operations \$ 168,295 72,938 47,811 20,311 72,812 16,589 12,683 5,497 116,178 4000 1,500 1,500 2,309 7,655	ONAL EXTS 30, 2002 2 Sexion Annual Hatchery Operations \$ 2,340	Field Projects \$ 98,638 20,994 17,719 2,264 1,622 488 10,113 - 637 18,240 - 131,442 31,442 31,455 - 131 120	Special Projects  \$	Administrative Expenses  \$ 188,939     18,289     37,804     8,984     5,188     28,789     12,060     29     9,992     539     3,616     5,301	\$ 580,76 137,92 122,83 51,85 120,12 79,11,75,9- 91,12 116,84 28,63 44,22 43,63 17,00 11,88 15,24 12,00 98,11
Wages Supplies Suppli	STA TEMENT C Year I Year Tutsa Hatchery Operations \$ 122.588 \$122.589 17.856 17.856 17.856 18.145 6.961 42.713 3.622 3.203 1.604 7.630 1.004 2.277	DF FUNCTIE Ended June Trial Lakes Hatchery Operations \$ 168.295 72.938 47.811 20.311 72.812 16.589 12.683 5,497 116,178 400 - 1,1500 - 10,190 2,309 7.655 355 95,548	ONAL EXTS 30, 2002 2 30, 2002 2 30, 2002 2 30, 2002 2 30, 2002 2 30, 2002 2 30, 2002 2 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 30, 2002 3000, 2002 3000, 2002 30	Field Projects  \$ 98,638 20,994 17,719 2,264 1,620 488 10,113 - 637 18,240 - 31,442 90 1,655 - 131	Special Projects  \$	Administrative Expenses  \$ 188,939 18,289 37,804 8,984 5,188 28,789	\$ 580,76 137,96 122,86 120,12 75,99 91,12 116,84 28,66 177,08 11,88 15,28 12,00 98,11
Wages Supplies Supplies Supplies Guipment operation/maintenance Julilies Susurance/workers compensation isin food Depreciation Interest Frotessional services Isish harvesting Incraft and boat charters Ostage and freight elephone fedication and disinfectants Fravel, lodging and meals Judding and land maintenance tent Safety program	STA TEMENT C Year E Tulka Hatchery Operations \$ 122,568 25,159 17,866 19,948 41,024 26,330 53,145 6,961 42,713 3,622 3,203 1,604 7,630 1,004 2,277 - 104	DF FUNCTIE Ended June Trail Lakes Hatchery Operations \$ 168,295 72,938 47,811 20,311 72,812 16,589 12,683 5,497 116,178 400 1,500 - 10,190 2,309 7,655 95,548 - 669	ONAL EXX 30, 2002 3 Ricturna Hatchery Operations \$ 2,340 573 1,642 345 (515) 6,920 - - - 1,1012 1,500	Field Projects \$ 98,638 20,994 17,719 2,264 1,620 488 10,113 - 637 18,240 31,442 90 1,655 - 131 120 270	Special Projects  \$	Administrative Expenses \$ 188,939 18,889 37,804 8,984 5,188 28,789 - 12,060 12,090 36,161 5,301 - 10,472 225 - 1,525	\$ 580,76 137,92 122,83 51,84 120,12 79,11 75,94 91,12 116,84 42,63 43,66 44,21 43,66 17,09 11,84 15,22 12,00 98,11 1,77
Wages Supplies Supplies Supplies Guipment operation/maintenance Julilities Insurance/workers compensation isin food Jepreciation Interest Professional services Isish harvesting Incraft and boat charters Ostage and freight elephone Aedication and disinfectants Travel, lodging and meals Judding and Idam damientenance	STA TEMENT C Year I Year Tutsa Hatchery Operations \$ 122.588 \$122.589 17.856 17.856 17.856 18.145 6.961 42.713 3.622 3.203 1.604 7.630 1.004 2.277	DF FUNCTIE Ended June Trial Lakes Hatchery Operations \$ 168.295 72.938 47.811 20.311 72.812 16.589 12.683 5,497 116,178 400 - 1,1500 - 10,190 2,309 7.655 355 95,548	ONAL EXTS 30, 2002 2 Sexion Annual Hatchery Operations \$ 2,340	Field Projects \$ 98,638 20,994 17,719 2,264 1,622 488 10,113 - 637 18,240 - 131,442 31,442 31,455 - 131 120	Special Projects  \$	Administrative Expenses  \$ 188,939 18,289 37,804 8,984 5,188 28,789	\$ 580,76 137,96 122,86 120,12 75,99 91,12 116,84 28,66 177,08 11,88 15,28 12,00 98,11

# 2003 Financial Statements

COOK INLET AQUACULTURE A STATEMENT OF CASI Year Ended June 30, 200	HFLOWS	
	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES Cash received from grants and contracts Cash received from terminal fish revenue Cash received from enhancement tax proceeds Cash received from enhancement tax proceeds Interest received Interest paid Cash paid to suppliers and employees Net cash used by operating activities	\$ 259,809 384,160 191,778 430,943 3,871 (114,792) (1,691,068) (535,299)	\$ 778,63 229,67 244,55 12,71 (116,61 (1,467,23 (318,21
CASH FLOWS FROM INVESTING ACTIVITIES Purchase of property and equipment Net cash used for investing activities	(22,299) (22,299)	(52,03 (52,03
CASH FLOWS FROM FINANCING ACTIVITIES Proceeds from long-term financing Principal payments on long-term financing Net cash provided/(used) by financing activities	800,000 (44,419) 755,581	(42,75 (42,75
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	197,983	(412,99
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	343,932	756,93
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 541,915</u>	\$ 343,93
RECONCILIATION OF CHANGES IN NET ASSETS TO NET	CASH USED BY OPERATI 2003	NG ACTIVITIES 2002
CHANGES IN NET ASSETS	\$ (745,707)	\$ (68,29
ADJUSTMENTS TO RECONCILE CHANGES IN NET ASSETS TO NET CASH USED BY OPERATIONS Depreciation (Decrease)/increase in accrued interest Increase in accounts receivable Increase in prepaid expenses Increase in accounts payable Increase/(decrease) in accrued personnel expenses Increase/(decrease) in grant receivable	92,762 (34,738) (15,000) (16,892) 8,249 23,243 75,000 77,784 210,408	91,12 (10,00 (12,01 26,44 (9,33 (100,00 (236,36 (249,91
	\$ (535,299)	\$ (318,21
SUPPLEMENTAL SCHEDULE OF NONCASH FINANCING A	ACTIVITIES:	
During the year ended June 30, 2002, the Association finance	d the purchase of property a	s follows:
Bear Lake property Down payment		\$ 137,50 (1,00
Note payable to State of Alaska		\$ 136,50
See notes to financial st		

	COOK INLET AQUACULTUF NOTES TO FINANCIAL ST June 30, 2003 /	ATEMENTS (CONT.)	<b>;</b> .			
2.	GRANT RECEIVABLE					
	Grant receivable consists of the following:					
		Total		Receivabl		. lunn 20
		Award Amour	nt	2003	еа	2002
	U.S. Fish and					
	Wildlife Service	\$ 1,000,00	00 \$	86,503	\$	236,366
	U.S. Department of					
	National Oceanic and Atmospheric Administration	112,87		72,079		
	Atmospheric Administration	112,07	<u> </u>	72,079	_	
		\$ 1,112,87	8 9	158,582	\$	236,366
3.	PROPERTY AND EQUIPMENT					
	Property and equipment at June 30, 2003 and 2002,	is as follows:				
				2003		2002
	Tutka Lagoon Hatchery		9	143,801	\$	129,87
	Eklutna Hatchery and equipment			2,636,555		2,636,55
	Trail Lakes Hatchery and equipment			232,821		232,82
	Bear Lake property			137,500		137,50
	Headquarters building			314,951		314,95
	Field equipment			167,873		165,05
	Office equipment			64,937		59,38
	Warehouse equipment		-	9,636	_	9,63
				3,708,074		3,685,77
	Less accumulated depreciation		-	(2,272,132)	_(	2,179,37
			9	1,435,942	\$	1,506,40
	The Association operates the facilities owned by the Sta of the physical properties is retained by the State of Alar reflected in the financial statements of the Association.					
	The Association provides minimal operations at its Eklu property owned by the Association until such time as the hatchery.					
	During the year ended June 30, 2002, the Kenai Penins that is the site of the headquarters complex to the Asso property be used solely for the operation of Association the restriction by paying the Borough fair market value for the period of the structure of th	ciation with the special authorized purposes.	rest	iction that th	ne c	omplex
4.	DEPOSITS ADVANCED					
	Deposits advanced of \$75,000 at June 30, 2003, consist of surplus fish from planned terminal recovery harvests.		n pro	cessors for	the	acquisitio
5.	NOTES PAYABLE					
	Notes payable at June 30, 2003 and 2002, consist of the	e following:				

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cook Inlet Aquaculture Association, Inc. is an Alaskan regional nonprofit corporation established under Alaska Statutes and operated for the enhancement of salmon in Alaska.

The accounting policies that affect the more significant elements of the financial statements of the Association are summarized as follows

The Association reports information regarding its financial position and activities according to three classes of net assets as follows:

Unrestricted amounts are those currently available at the discretion of the Board for use in the

Temporarily restricted amounts are those that are stipulated by donors or grantors for specific

Permanently restricted amounts are those for which the principal is stipulated by donors or grantors to

b. Contributions

contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor or grantor. Amounts received that are designated for future periods or restricted by the donor or grantor for specific purposes are reported as temporarily restricted or permanently restricted support that increase those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

Toperty and Equipment
Property and Equipment are recorded at cost and depreciated over their estimated useful life.
Depreciation is computed using the straight line method.

Tocome Tax

The Internal Revenue Service has determined that the Association is exempt from federal and applicable state income tax under Section 501(c)(3) of the Internal Revenue Code.

Inhancement Tax

Cook Inlet commercial fishermen voted in 1981 to assess a 2% tax on gross value of the salmon harvest from Cook Inlet. The tax is collected by the State of Alaska from salmon processors and then paid to the Association by the state in the form of a grant. The proceeds are to be used for enhancement and development of the salmon fishery with a goal of stabilizing the salmon runs and producing sufficient fish to meet the needs of all user groups. The enhancement tax revenue is a major source of funding for the Association.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

For purposes of the statement of cash flows, the Association considers all highly li

c. Property and Equipment

g. Cash and Cash Equivalents

	Notes payable at June 30, 2003 and 2002, consist of the following:	2003	2002
	Note payable including deferred interest to the Dept. of Commerce and	2003	2002
	Economic Development, State of Alaska, Division of Investments, secured by		
	an assignment of future revenues and proceeds of sales of surplus fish and eggs, with interest at 5.5%, payable in equal annual installments of \$36,874		
	including principal, interest and deferred interest.	\$ 346,344	\$ 361,111
yey.	vereirerrerrerrerrerrerrerrerrerrerrerrer		reconstruction
NO.	**************	nenenenenene	unanananananan
	COOK INLET AQUACULTURE ASSOCIATION, INC.		
	NOTES TO FINANCIAL STATEMENTS (CONT.)		
5.	June 30, 2003 AND 2002	2003	2002
Э.	NOTES PAYABLE (CONT.)	2003	2002
	Note payable including deferred interest to the Dept. of Commerce and		
	Economic Development, State of Alaska, Division of Investments, secured by all		
	property now owned or hereafter acquired and an assignment of future		
	revenues and proceeds of sales of surplus fish and eggs, with interest at 5.5%,		
	payable in equal annual installments of \$107,918 including principal, interest		
	and deferred interest.	1,051,541	1,075,182
	Note payable to the Dept. of Commerce and Economic Development, State of		
	Alaska, Division of Investments, secured by all property now owned or hereafter		
	acquired and an assignment of future revenues and proceeds of sales of surplus fish and eggs, with interest at 5% beginning April 4, 2006, and payable		
	in equal annual installments of \$28,904 including interest beginning January 1,		
	2007.	249,981	249,981
	Note payable to the Dept. of Commerce and Economic Development, State of		
	Alaska, Division of Investments, secured by all property now owned or hereafter		
	acquired and an assignment of future revenues and proceeds of sales of		
	surplus fish and eggs, with interest at 5% beginning May 7, 2007, and payable in		
	equal annual installments of \$40,465 including interest beginning January 1,		
	2008	349,250	349,250
	Note a such to the Deet of Commence and Francis Development Control		
	Note payable to the Dept. of Commerce and Economic Development, State of Alaska, Division of Investments, secured by real property and by all property		
	now owned or hereafter acquired and an assignment of future revenues and		
	proceeds of surplus fish and eggs, with interest at 5% beginning June 19, 2008,		
	and payable in equal annual installments of \$12,333 including interest beginning		
	January 1, 2009.	136,500	136,500
	Note payable to the Dept. of Commerce and Economic Development, State of		
	Alaska, Division of Investments, secured by real property and by all property		
	now owned or hereafter acquired and an assignment of future revenues and		
	proceeds of surplus fish and eggs, with interest at 5% beginning April 9, 2009,		
	and payable in equal annual installments of \$60,829 including interest beginning January 1, 2010.	799,500	_
	Galidaly 1, 2010.	3,063,807	2,308,226
	Less current portion	(99,563)	(44,065)
	·		
		\$2,964,244	\$ 2,264,161
	Following are maturities of long term debt for each of the next five vector		
	Following are maturities of long-term debt for each of the next five years:		
	2004	\$ 99,563	
	2005	103,538	
	2006	107,711	
	2007	112,094	

# CIAA 2003 Financial Statements (cont.)

June 30, 2003 AND 2002

### 6. ANNUAL LEASES

The Association entered into a long-term lease with the federal government on July 22, 1982, for lease of approximately two acres for the Eklutna Hatchery. The lease is for a period of 30 years with right of renewal. Lease payments are \$1,500 per year and can be adjusted every five years to reflect current market value. The annual lease payments were \$1,500 for years ended June 30, 2003 and 2002. This amount is included with Eklutna Hatchery expenses

with Eklutna Hatchery expenses.		no ambant lo molados
On February 15, 1991, the Association entered into a lease with the State of Alas which is the site of the Paint River fish ladder. The lease is for a period of 55 yer Annual lease payments are \$200. Total lease payments for the years ended Jur \$200. This amount is included with special projects expenses.	ars wit	th right to renewal.
Future minimum rental payments in aggregate for all leases:		
2004	\$	1,700
2005		1,700
2006		1,700
2007 2008		1,700 1,700
		.,
COMMITMENTS AND CONTINGENCIES		
On December 8, 1994, the Association entered into a memorandum of agreeme Salmon Derby-Fish Restoration Fund whereby the Association agreed to produc silver salmon smolt yearly for a ten-year period for a fee of \$15,000 per year. Th \$30,000 in 2003 and \$15,000 in 2002.	e and	stock 150,000 or more
RELATED PARTY TRANSACTIONS		
		*

### RELATED PARTY TRANSACTIONS

During the year ended June 30, 2002, the Association paid \$43,127 to a board member under a contract to harvest fish for the Association's Hatchery Cost Recovery program

Financial instruments that potentially subject the Association to concentration of credit risk consist principally of temporary cash investments. The Association places its temporary cash investments with money market funds through McDonald Investments, Inc.

### 10. RETIREMENT COSTS

The Association sponsors a defined contribution retirement plan that covers all regular employees. Contributions to the plan are based on a percentage of the employee's base salary that is established from time to time by the Board. There is no retirement expense for 2003 and 2002.

### MAJOR FUNDING SOURCES

The Association receives a substantial portion of its annual funding through a U.S. Fish and Wildlife Service grant and the State of Alaska Enhancement Tax proceeds. The funding received from these two sources totaled \$227,428 and \$1,244,555 for the years ended June 30, 2003 and 2002, respectively.

### 12. SUBSEQUENT EVENT

The U.S. Fish and Wildlife Service grant has been modified to include an additional \$685,515 to fund capital improvement and habitat restoration projects through November 20, 2004.

# Record Smolt

Field Technician Terry "T" Magee. "The smolts started to show up and mass in our lagoon area...they just kept coming." Magee and his co-worker Cathy Cline worked around the clock passing smolts and collecting samples for age, length, and weight.

Like the crew at the Kasilof River, the crew had to deal with several events involving sub-sampling. In this case, smolts were allowed to pass freely during 20 minute intervals and counted for two minutes within each interval.

"I'm still working out the data analysis for Bear Lake" reports Dodson, "but, given the amount of smolts the crew had to deal with, I'm confident that subsampling was in order."

Over the past five years, CIAA has seen the Bear Lake sockeye salmon smolt to adult survivals increase to well above 30%. If ocean survivals remain strong, Resurrection Bay could be boiling with sockeye salmon in 2005 and 2006.

Further information on these projects is available by contacting Trenten Dodson at the CIAA headquarters - (907) 283-

# **COOK INLET**





"Providing and Protecting Your Salmon Resource"

### INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

Cook Inlet Aquaculture Association, Inc. Kenai, Alaska

Our report on our audits of the basic financial statements of Cook Inlet Aquaculture Association, Inc. (a nonprofit corporation) at and for the years ended June 30, 2003 and 2002, appears on page 10. We conducted our audits cupuration; at and for the years ended June 30, 2003 and 2002, appears on page 10. We conducted our adults in accordance with auditing standards generally accepted in the United States of America for the purpose of forming an opinion on the basic financial statements taken as a whole. The following schedule on field and special projects expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Lande, Lety "Wagner CAI'S

October 20th, 2003

### COOK INLET AQUACULTURE ASSOCIATION, INC

SCHEDULE OF FIELD AND SPECIAL PROJECTS EXPENSES
Years ended June 30, 2003 AND 2002
See Auditor's Report on Supplementary Information

	<u>2003</u>	2002
FIELD PROJECTS		
Bear Lake	\$ 85,976	\$ 56,034
Big Lake	39,499	27,229
Tustumena Lake	35,869	52,261
Hidden Lake	29,971	30,847
Leisure Lake	10,871	14,616
Lower Cook Inlet Lakes	8,283	14,340
Grouse Lake	2,229	13,900
Packers Lake	939	2,638
	213,637	 211,865
SPECIAL PROJECTS		
Enhancement Planning	38,965	-
Paint River	33,911	350
Habitat Survey	16,355	 8,033
	89,231	 8,383
	\$ 302.868	\$ 220.248

# Trail Lakes Hatchery Smolt and Fry Releases for 2003

Stock	Brood Year	Number	Wt (g)
Hidden-Sockeye	2002	628,000	0.092
Bear-Sockeye-Fry	2002	1,467,000	.338540
Bear-Sockeye-Presmolt	2002	0	NA
Bear-Sockeye-Smolts	2001	334,000	11.4-11.8
Bear-Coho-Fry	2002	405,000	1.37
Bear-Coho-Smolt	2001	253,000	12.7-13.7
Bear-Coho-Smolt-(Homer)	2001	103,000	12.7
Tustumena-Sockeye-Fry	2002	6,023,000	0.34
Tustumena-Sockeye-Leisure-Fry	2002	2,240,000	0.34
Tustumena-Sockeye-Hazel-Fry	2002	1,547,000	0.34
Tustumena-Sockeye-Kirschner-Fry	2002	298,000	0.33
Big Lake-Sockeye-Fry	2002	3,589,000	0.48
Total Fish Released		16,887,000	

### Trail Lakes Hatchery Projected Smolt and Fry Releases for 2004

Stock	Brood Year	Number	Wt (g)
Hidden-Sockeye	2003	600,000	0.09
Bear-Sockeye-Fry	2003	2,400,000	0.34
Bear-Sockeye-Presmolt	2003	800,000	4.5
Bear-Coho-Fry	2003	405,000	1
Bear-Coho-Smolt	2002	250,000	14
Bear-Coho-Smolt-(Surplus)	2002	300,000	14
Tustumena-Sockeye-Fry	2003	6,000,000	0.34
Tustumena-Sockeye-Leisure-Fry	2003	2,000,000	0.34
Tustumena-Sockeye-Hazel-Fry	2003	1,250,000	0.34
Tustumena-Sockeye-Kirschner-Fry	2003	250,000	0.34
Big Lake-Sockeye-Fry	2003	5,000,000	0.34
Total Fish Released		19,255,000	

The above tables display the Trail Lake Hatchery 2003 production figures and the 2004 projections.

# Trail Lakes Hatchery Successfully Battles a Minor IHNV Outbreak

By: Robert Blankenship- CIAA Staff

During the 2003 rearing season (Brood year 2002) the staff had an IHNV outbreak in the Big Lake Sockeye stock. Hatchery personnel followed the "Sockeye Culture Policy" as well as recommendations from ADF&G's Pathology Lab and successfully recognized, combated, and controlled the virus. The virus was contained to three incubators, therefore 629,000 fish were destroyed. The hatchery saved 3,589,000 sockeye fry. In May of 2003 these fry were released into Meadow Creek at Big Lake.

As the rearing season progressed, d another IHNV outbreak was noticed in the Bear Lake Sockeye stock. Because of raceway space constraints, caused by the Big Lake outbreak, the staff was forced to combine multiple incubator lots into single raceways. It was necessary to destroy 3,000,000 Bear Lake sockeye fry. In May of 2003, 1,467,000 sockeye fry were release to Bear Lake. The staff did an outstanding job of implementing a vigorous program of disease control management in recognizing, combating, and to some degree controlling two IHN virus outbreaks.

Due to the IHN virus outbreaks, an extensive disinfection protocol was executed while preparing the hatchery for Brood year 2003 eggs. The staff continues to implement projects and make modifications that enhance the disease control management program.

A new formalin pump system for delivering the formalin treatments for controlling egg fungus was installed in the summer of 2003, along with new bird netting over the raceway complex. The netting functions as a bird barrier reducing the possibility of cross contamination. The hatchery will be utilizing 15 additional aluminum raceways allowing for smaller individual lots to be reared. This separation aids in limiting the spread of the IHN virus to large biomasses.

It is hypothesized that all sockeye salmon harbor the virus at any stage in life. One of the best means in containing this virus points to sound sanitation and disinfectant procedures, throughout all phases of handling the eggs, milt, juveniles and adults.

The eggs from the 2003 brood year have hatched and will be ponded in February and March of 2004. Pictured to the left are the Trail Lakes Hatchery smolt and fry releases for 2003 and the projected smolt and fry releases for 2004.

During the 2003 rearing season the hatchery, even with all the IHNV problems, released a total of 16,887,000 fish.

For more information on hatchery protocol feel free to contact Robert Blankenship at (907) 288-3688.

# Trail Lakes Hatchery Paint Lake "Paints" an Abstract Picture

By CIAA Staff

In October of 2002, CIAA released a half-million, 3.6 gram sockeye salmon presmolts of Tustumena Lake origin into Upper Paint Lake. These fish were flown from Soldotna Airport to the lake system in an agricultural plane operated by Glen Air Services of Palmer, Alaska. CIAA field staff conducted a smolt migration enumeration in the spring of 2003 which yielded some unusual and abstract results.

During the spring of 2003, approximately 7,000 sockeye smolts were counted emigrating from Lower Paint Lake. Because the number of smolts observed during the migration was much smaller then expected, CIAA cooperated with ADF&G to conduct a hydro-acoustic survey (sonar scan of localized biomasses) in October of 3003. Unfortunately, the results indicated the lake was void of any

large concentrations of sockeye salmon smolts.

Trent Dodson, CIAA Field Biologist says, "Several hypotheses exist regarding the fate of these fish; the most optimistic speculates that an early migration of the smolts occurred prior to the establishment of the smolt counting station. If this is the case, it will be revealed to us when the first of these fish return to Paint River Falls in 2005."

Additional funding is needed to continue studies and enhancement efforts focused on determining the potential for the Paint Lakes system.



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AQUACULTURE
ASSOCIATON

40610 Kalifornsky Beach Rd. Kenai, AK 99611-6445

We thank you for your support and dedication in our efforts to continue enhancement and rehabilitation of Cook Inlet Salmon.





Each garment features an embroidery of the CIAA logo.





Proceeds will help support our salmon habitat restoration projects

# Tutka Hatchery

Continued from Page 1

and equipment were in disarray and in need of attention after years of neglect. Money has been spent and time put into repairing the existing hatchery equipment. One of the best things done so far has been hiring a maintenance person, Ron Carlson of Kenai, to come out and stay for the winter. Ron is the epitome of "jack of all trades", providing much needed skills to getting things up and in running order after the busy field season. New equipment has also been purchased where necessary and a plan has been written out for further needed improvements . The staff is constantly on cleanup duty, cleaning out 25 years of stuff that tends to pile up at remote facilities and sorting through materials that can be salvaged for future use.

Data collection is another aspect of fish culture at Tutka that needed improvement. All historical data available at the hatchery has been entered into a database on a computer for easy access. A daily hatchery log and standardized data sheets have been developed for recording clearly all of the hatchery functions. This will enable us to access a solid database, allowing personnel to monitor historical data, which will aid in the adaptation to ever changing conditions.

In the hatchery, incubation practices have been standardized according to the best practices available. Incubators are completely dismantled and thoroughly cleaned every year. The egg disinfection system using formalin was repaired and updated. Benefits of these improvements have already been seen this year as the rate of fungus was completely negligible in comparison to past years. In addition, a grant proposal has been written with the assistance of Lois Bettini to develop a saltwater line to the hatchery for treatment of eggs, dissolving of egg shells during the hatching period, help in regulating temperatures, and to reduce the hatchery's dependency on formalin.

In terms of staffing, since the summer of 2002, everyone is new except for one

**Pictured at Right:** This map pinpoints all the sites were CIAA has salmon activities and operational facilities.

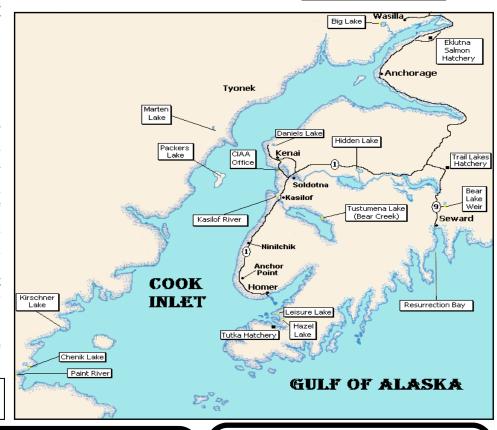
seasonal employee who returned in 2003 for his fourth season, A brochure detailing "Life at Tutka" was sent out to colleges and universities around the United States having fisheries programs. This was very successful, resulting in a great crew of motivated and hard working students with an interest in seeing the hatchery succeed. We are very excited as 2004 looks to be a repeat year with most of those workers returning.

Looking forward to the 2004 field season, our goals are the following: 1). Release of 45,000,000 fry at approximately 1 gram each by early June. 2). Eggtake of 125,000,000 with a viability rate of 90 - 95%. 3). Roe sales (we could not keep up with demand last year) at least 20,000 lbs. (Up from 7,000 lbs. in 2003 and 14,000 lbs. in 2002). 4). Expansion of the hatchery program to include additional species when surplus fish are available. 5). Continue

to improve upon the existing facility with repairs and purchase of need equipment. 6). Community service, donating carcasses to the local animal shelter for food.

If ever the opportunity arises, and you are in the Homer area, please come and visit us in Tutka. It is a once in a lifetime experience to see the beauty and seclusion that surrounds this remarkable facility.

Christy VanArnum the wife of hatchery manager Aaron VanArnum works on a seasonal full time basis with Cook Inlet Aquaculture Association. She has a degree in Aquaculture science and contributes regularly to articles submitted by the hatchery for publication.



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