

# The Bristol Bay Times



## Winning stride

Jorden Lisac leads in cross-country race

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## Tony's run

Community runs, rides, walks in memory of officer

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TURNING 30

# CFAB marks three decades of loans

*Fisheries, farmers  
tourism benefit*

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A private, member-owned cooperative, the Alaska Commercial Fishing and Agriculture Bank, is celebrating three decades of service to the commercial fishing, agriculture, timber, tourism and resource-based industries of Alaska.

"This 30-year anniversary for us is what we see as a pretty good milestone," said Lea Klingert, president/chief executive officer, on the eve of the celebration Sept. 16. "Our first 10 years was pretty touch and go, more specifically the first five. We came very close to disillusionment in 1985. We had a steep learning curve."

All is well, though, these days, with CFAB, as the cooperative is popularly known, generating 50 to 60 new loans a year, with aggregate amounts averaging \$4 million to \$7 million, Klingert said. CFAB has some loans in the \$1 million to \$2 million range, but loans average about \$80,000 to \$100,000, she said. CFAB's portfolio is about \$25 million.

The majority of that portfolio is commercial fishing loans, generally of \$80,000 to \$100,000 for 12 years, and primarily for acquisition of a fishing permit, a boat or individual fishing quota shares, she said.



**Lea Klingert**, president and CEO of CFAB at the coop's office, offers a copy of the 2009 annual report.

**MARGARET BAUMAN**/  
ALASKA NEWSPAPERS.

Some of those loans are going to second or third generation Alaska members of the same families, and they include a lot of women who fish with a partner, a spouse, significant other or family member, she said.

CFAB spreads word of its available services through participation in events ranging from the Alaska Young Fishermen's Summit in Anchorage,

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WEATHER TOWER



ABOVE: **Stosh Anderson**, a CFAB director from Kodiak, with Mark Nonnenmacher of CoBank of Sacramento, Calif., which has a working relationship with CFAB. Margaret Bauman/Alaska Newspapers

RIGHT: **CFAB's 30th anniversary party** featured all Alaska gourmet treats, ranging from Alaska harvested prawns, smoked salmon, black cod and scallops to wild game, potato chips and biscotti, prepared by Wes Masters, owner/chef of Masters Catering and his staff.



## CFAB

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the annual ComFish event in Kodiak and Pacific Marine Expo in Seattle to the Global Food Alaska Conference and Tradeshow in Soldotna, which is held every two years. There are also individual efforts through travel to various communities within the state.

CFAB was created by the Legislature through a series of actions back in 1978 through 1980, to address limitations to the access to credit by resident Alaska commercial seafood harvesters, processors and farmers. It is incorporated under, and is the sole subject of, a specific state statute (today AS 44.81). Although the statute has been amended several times since 1980, its fundamental provisions remain intact, CFAB officials say.

What makes CFAB different from other lending institutions is its interdependence with members/borrowers, whose transactions with CFAB benefit themselves and other Alaska small-business owners.

The state provided CFAB's initial capital through the purchase of \$32 million of preferred stock in 1980. That stock was later repurchased by CFAB through payments made to the state from 1991 through 1998, so today CFAB is owned entirely by its members/borrowers.

In 2000, CFAB's statute was amended to expand its lending authority to include tourism and resource based industries.

AS 44.81 provides for CFAB's accountability to the Legislature and the state itself. Two of CFAB's seven directors are appointed by the governor, and CFAB is required to submit its annual report, including its audited financial statements, to the governor and the Legislature.

Current directors include Alan Otness, chairman, Petersburg; Roseleen (Snooks) Moore, vice-chair, Homer; Dan Farren, secretary-treasurer, Homer; Stosh Anderson, Kodiak; Paula Giauque, Palmer; Chris McDowell, Juneau, and Robert Scott, Kenai.

CFAB also has loan correspondents, currently four individuals and the Alaska Business Development Center in Anchorage, who contract with CFAB to assist applicants in filling out their loan applications. They are not employees of CFAB, nor do they have any authority with regard to approving loans.

### Banking misnomer

Despite the name bestowed upon it by the Legislature, CFAB is not subject to the Alaska Banking Code, is not authorized to offer or perform any banking functions other than to make loans, and does not meet any known statutory or regulatory definition of a bank. Also, although CFAB is mandated by AS 44.81 to be structured and to operate as a cooperative, it is not subject to the Alaska Cooperative Corporation Code.

Borrowers must become CFAB members by purchasing class B preferred stock in the cooperative of 2 percent of the loan with a \$2,500 cap. Once the loan is paid off, the stock is reusable towards other loans. If it just sits there unencumbered to other loans, dividends are paid. At some point in time, the stock is repaid back to the member, said Bob Clark, vice-president.

Stock can only be purchased in accordance with a loan -- that is, their ownership equity in the cooperative, Clark said.

PHOTOS BY  
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### Notice of Election 2010 Regional Educational Attendance Areas (REAA) 2010 Coastal Resource Service Areas (CRSA) Tuesday, October 5, 2010 Polling Places will be open 8:00 a.m. – 8:00 p.m.

**REAA #6 Southwest Region**  
Section I Seat A  
Section II Seat E

**CRSA #4 Bristol Bay**  
Section I Seat 1  
Section III Seat 3  
Section IV Seat 4  
Section IV Seat 5  
Section IV Seat 5  
Section V Seat 7

**ABSENTEE VOTING SEPTEMBER 26 – OCTOBER 5, 2010**

Absentee voting will be available in the Juneau, Anchorage, Wasilla, Fairbanks and Nome Elections Offices, Monday through Friday, 8:00 a.m. – 5:00 p.m. For more information on absentee voting procedures and polling place locations, please call your Regional Election Office or visit our website at: [www.elections.alaska.gov](http://www.elections.alaska.gov)

**Write-In Candidate**

Per regulation 6 AAC 27.030 Write-In candidates for the RECR election are required to complete a Letter of Intent. For more information, contact the Division of Elections at 1-866-952-8683.

**Assistance**

If you need assistance while voting, you may ask an election board member or bring a person of your choice to assist you as long as that person is not a candidate, your employer, agent of your employer, or an agent of a union you belong to.

The State of Alaska, Division of Elections, complies with Title II of the Americans with Disabilities Act of 1990. If you are a person with a disability who may need special assistance and/or accommodation to vote, please contact your local Division of Elections office to make necessary arrangements. STATEWIDE TDD: 1-888-622-3020.

<b>Director's Office</b> (907) 465-4611 1-866-952-8683 Yup'ik Language Assistance 1-866-954-8683	<b>Region I Office</b> (907) 465-3021 1-866-946-8683	<b>Region II Office</b> (907) 522-8683 1-866-958-8683	<b>Region III Office</b> (907) 451-2835 1-866-959-8683	<b>Region IV Office</b> (907) 443-5285 1-866-953-8683
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