



RurAL CAP 2011 Annual Report



Rural Alaska Community Action Program, Inc.
Healthy People, Sustainable Communities, Vibrant Cultures

Vision in Action

The Rural Alaska Community Action Program, Inc. (RurAL CAP), founded in 1965, is a private non-profit organization working to improve the quality of life for low-income Alaskans.

VISION

Healthy People, Sustainable Communities, Vibrant Cultures

MISSION STATEMENT

To empower low-income Alaskans through advocacy, education, affordable housing and direct services that respect our unique values and cultures

Board Led

2011 RurAL CAP Board of Directors

Executive Committee

President	Andrew Ebona
Vice-President	Steve Longley
Secretary/Treasurer	Olga M. Malutin
Committee Member	Victoria Moore
Committee Member	Bernice Joseph
Committee Member	John Moller

Target Area Representatives

Alaska Native Brotherhood	Andrew Ebona
Aleutian/Pribilof Islands Association	Zenia Borenin
Assoc. of Village Council Presidents	James Paul
Bristol Bay Native Association.....	Ted Angasan
Child Development Policy Council	Victoria Moore
Chugachmiut.....	Benna Hughey
Copper River Native Association	Robert Marshall
Kawerak	Steve Longley
Kodiak Area Native Association.....	Olga M. Malutin
Maniilaq Association	William Bernhardt
Tanana Chiefs Conference.....	Nancy James
Tlingit-Haida Central Council	Harold Houston

Private Sector Representatives

Alaska Christian Conference	Rev. David Fison
Alaska Legal Services Corporation	Nikole Nelson
Alaska Municipal League	Betty Svensson
Alaska Village Initiatives.....	David Gilila, Sr.

Public Representatives

Akiak Native Community	Mike Williams
Alaska Bush Caucus.....	Rep. Neal Foster
Alaska Cooperative Extension Service...	Leslie Shallcross
Alaska Dept. of Education & Early Dev... Paul Sugar	
Office of the Governor of Alaska.....	John Moller
Municipality of Anchorage	Diane Ingle
North Slope Borough	Gail Reed
University of Alaska, Fairbanks	Bernice Joseph

"We know that if we want a different future, we have to take responsibility for what we are doing now."
- Andrew Ebona, Board President

Photo by Angela Gonzalez

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CREDITS

Design & Layout: Angela Gonzalez

Photos: RurAL CAP Staff

Cover Photo: Goodnews Bay residents showed their appreciation to the RurAL CAP Weatherization Crew at the end of 2011 construction season. Photo by Rose Westcost

Back Cover Photo: Kobuk River at Ambler. Photo by Kent Banks

Photo taken in Selawik by Rozel Auelua

Mission Driven Growth

MESSAGE FROM BOARD PRESIDENT



Andrew Ebona, Board President

It is my privilege to present to you RurAL CAP's 2011 annual report. Governed by a 24-member Board of Directors, the Rural Alaska Community Action Program, Inc. is a private, statewide, nonprofit organization whose mission is to empower low-income Alaskans through advocacy, education, affordable housing, and direct services that respect our unique values and cultures.

The Board of Directors meets quarterly to conduct strategic planning, review budgets and funding applications, oversee operations, and govern the organization's affairs. Our vision of Healthy People, Sustainable Communities, and Vibrant Cultures continues to drive RurAL CAP to innovate and grow in exciting new directions while maintaining core programs which produce the measurable results highlighted throughout this annual report.

RurAL CAP continued to grow in 2011 with revenue up some 30% over the past three years. This growth has been fueled by the hardworking employees who manage existing programs like Head Start and AmeriCorps and develop new initiatives

such as our Energy Wise partnership with NANA, the opening of the Karluk Manor Housing First project, the construction of a new Toksook Bay Early Learning Center, and the expansion of the Weatherization program.

When combined with our for-profit subsidiary, Rural Energy Enterprises, RurAL CAP ended the 2011 fiscal year with \$46 million in expenditures. We provided employment to 977 Alaskans in 83 communities who delivered services to more than 25,000 low-income Alaskans. Ultimately, the true measure of our effectiveness and organizational success is not about our budget or employees. It's about the results achieved by the people we serve.

I am blessed to work with a dedicated Board of Directors with a strong, mission-driven focus. Together with our staff and partners, we are serving more Alaskans than ever before and we're making a positive difference in their lives. Our reputation as an organization that gets things done is solid. We invite you to share in our accomplishments and we thank you for your support.

Sincerely,

A handwritten signature in black ink that reads "Andrew Ebona". The signature is fluid and cursive.

Andrew Ebona, President
Board of Directors

Focus on Measurable Results

MESSAGE FROM EXECUTIVE DIRECTOR

Thank you for your interest in RurAL CAP's 2011 Annual Report!

Working together with our many partners and stakeholders, RurAL CAP had its most successful year ever in 2011 due to a mission-driven focus and emphasis on producing measurable results. Incorporated into all aspects of our strategic planning and organizational culture are the questions, "What difference did you really make? How do you measure it?" As we look ahead, we know we've made a difference this past year as reflected by a sampling of 2011 results:

- Delivered early childhood development services to 1,589 children through Head Start, Early Head Start, Parents As Teachers and the Child Development Center, including 106 children with special needs;
- Served 123,068 nutritious meals and snacks to low-income children;
- Conducted developmental screenings for 1,415 children;
- Completed construction of a 7-unit affordable housing property which brings our total number of safe, decent and affordable housing units in Anchorage to 72;
- AmeriCorps and VISTA members recruited 4,351 volunteers who contributed 25,335 hours of community service statewide;
- Diverted of 170,000 pounds of solid waste from local landfills and backhauled 63,000 pounds of waste to recycling facilities;
- Partnered with NANA to reduce utility costs and conserve energy in 550 homes in six communities through the Energy Wise program;
- Constructed nine self-help, owner-built homes in Kenai;
- Completed weatherization services to improve 488 homes utilizing locally-hired employees in Juneau, Anchorage and Western Alaska; and
- Opened the Karluk Manor Housing First project to move 46 chronic homeless alcoholics into permanent housing.



David Hardenbergh, Executive Director

RurAL CAP's strategic planning process encapsulates our vision, mission, values and goals for the coming year. As an organization providing measurable and cost-effective services since 1965, we look forward to another successful year with you in 2012.

Sincerely,

A handwritten signature in black ink that reads "David Hardenbergh". The signature is fluid and cursive, with a large, stylized 'D' and 'H'.

David Hardenbergh
Executive Director

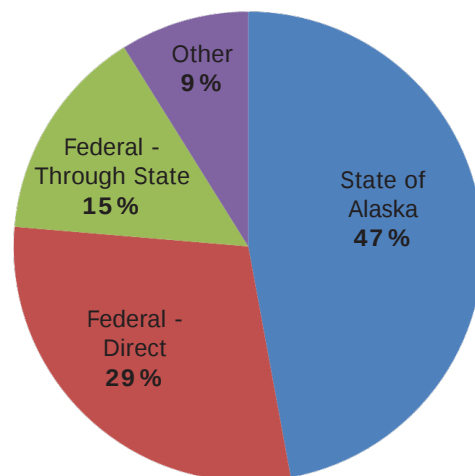
Financially Stable

FINANCIAL SUMMARY

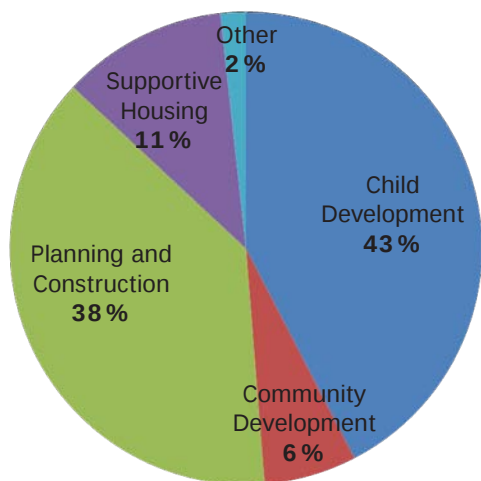
For fiscal year ending September 30, 2011.

Sources of RurAL CAP Funds	
Federal - Direct	10,905,356
Federal - Through State	5,512,419
Federal - Through Other	720,436
State of Alaska	17,569,917
Local Grants	63,767
Corporation, Foundation & Individual Support	797,706
Other Revenue	1,797,050
Subtotal for Nonprofit Sources	37,366,651
Rural Energy Enterprises	9,804,250
Total	47,170,901

Sources of RurAL CAP Nonprofit Funds



Uses of RurAL CAP Nonprofit Funds



Uses of RurAL CAP Funds	
Child Development	15,349,970
Community Development	2,302,620
Planning and Construction	13,839,773
Supportive Housing	4,098,217
Other Programs	628,202
Subtotal for Nonprofit Uses	36,218,782
Rural Energy Enterprises	9,255,689
Change in Net Assets	1,696,430
Total	47,170,901

These numbers are unaudited totals; the FY2011 audit is conducted by KPMG.

RurAL CAP's federally approved indirect rate of 11% of direct costs covers administrative expenses such as those for the executive, accounting, purchasing, and human resources departments, corporate insurance, annual audit, and Board of Directors.

Locally Driven Solutions

AGENCY OVERVIEW

RurAL CAP, founded in 1965, is a private, statewide, nonprofit organization working to improve the quality of life for low-income Alaskans. Representing every region of the state through the board and delivery of services, RurAL CAP is one of the largest and most diversified organizations in Alaska. Overall, RurAL CAP employed 977 Alaskans in 83 communities statewide in FY2011, and expended \$46 million (including Rural Energy Enterprises).

The strength of RurAL CAP lies in our ability to listen and respond to the needs of low-income Alaskans. We follow the philosophy that community action is a people process, one which reinforces the values of personal responsibility, community self-reliance, participatory decision-making, and overall well-being. Our strategic planning process is an extension of this philosophy to continually improve our services through feedback, innovation and planning, and accountability.

In 2011, RurAL CAP's payroll was \$14,366,446. See below for a breakout by region.



Crew members from Noatak received Weatherization Tech 1 and OSHA 10 certification training in preparation for the Energy Wise program.
Photo by Jennifer Kehoe

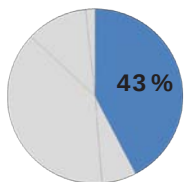
Economic Impact Map of RurAL CAP Wages Paid in FY2011



Nurturing Lifelong Learning

CHILD DEVELOPMENT DIVISION

FY11 Funding Uses



Programs Funded

Child Development Center
Head Start and Early Head Start
Parents as Teachers

The Child Development Division provides services to prenatal women, children and families in 29 communities across Alaska. The programs offered by the Division include Head Start, Early Head Start, Parents as Teachers, and an early child care facility. The Division operates under strict federal and state regulations, which require a well-trained staff and close monitoring of its programs.

The Division programs are designed to facilitate parent involvement and community collaboration. Programs promote the basic tenet that parents are the child's first and best teacher. Services to children promote positive socio-emotional development, healthy practices, cultural richness and school readiness and services to families to support self-determination and empowerment.

HIGHLIGHT:

Toksook Bay Early Learning Center

Built in 1967, the former Toksook Bay Head Start building had multiple issues, including reoccurring flooding and sewage backup due to its location, and inadequate ventilation. It was built low to the ground, so there was no way to insulate the floor. RurAL CAP and the City of Toksook Bay constructed a new early learning center that will house the Head Start (3-5 years) and Parents as Teachers (0-3 years) programs.



The old Toksook Bay Head Start building was built in 1967 and in need of replacement.

At 3,840 square feet, the new Toksook Bay Early Learning Center provides adequate space for a classroom, family room, kitchen, gross motor room, staff offices, arctic entry, and storage. The project was funded by the U.S. Department of Health and Human Services, U.S. Department of Agriculture Rural Development (USDA/RD), State of Alaska, and the Rasmuson Foundation. The Center was completed in December 2011.



The new Toksook Bay Early Learning Center will accommodate the Head Start and Parents as Teachers programs and includes a gross motor skills room, kitchen, and offices for the staff.

Photo by Gary Peterson

2011 Child Development Division Highlights

- Provided early childhood and parent involvement services to 1,589 children in 29 communities.
- Enrolled 1,456 families with young children in early childhood programs.
- 21,651 hours were donated by 2,536 volunteers in support of the Head Start and Early Head Start programs.
- 123,068 nutritious meals and snacks were provided to children enrolled in programs
- Began renovating the Stebbins Teen Center to an Early Learning Center. The new facility will now provide a larger classroom space, gross motor area, expanded kitchen and office space for our Head Start and Parents as Teachers children, families and staff.
- Head Start families in 14 communities participated in *Growing up Tobacco Free in Alaska*, an effort to create awareness and change regarding tobacco use. 173 families were screened for tobacco use and 76 family members in 54 homes reported making attempts to quit.
- Several early childhood centers received major upgrades in technology and equipment including Mediasite stations, voice conferencing, SMART Tables, SMART Boards and iPad's.

A Glimpse of Services Across Alaska



Two Chevak Head Start girls learn about shapes on the new SMART table.

Photo by Melissa Pickle



A father and child participate in the Parents as Teachers program in Alakanuk.

Photo by Hilda Stern



A mother reads to her child at the Child Development Center in Anchorage.

Photo by Kevin Schaffer



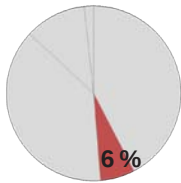
A child in the Parents as Teachers program in Stebbins learns important fine motor skills by painting.

Photo by Patricia Henry

Supporting Healthy Communities

COMMUNITY DEVELOPMENT DIVISION

FY11 Funding Uses



Programs Funded

Alaska Village Indoor Air Quality
AmeriCorps Programs
Energy Wise
FASD Prevention
HIV/STD Prevention
Kawerak SPF SIG
Rural Providers' Conference (RPC)
Solid Waste Projects
VISTA Energy Program
Youth Action Group

RurAL CAP's Community Development Division provides training, education, resources, and service opportunities to low-income Alaskans to promote health and wellness, improve environmental conditions, save energy and build capacity. The division focuses on positive solutions that are culturally appropriate and achieve measurable results.

The Division includes five national service AmeriCorps and VISTA programs. Each year, RurAL CAP supports up to 100 AmeriCorps and VISTA members in over 47 communities across Alaska. RurAL CAP AmeriCorps Members are recruited locally to address community issues and implement local solutions to those concerns. They gain valuable training, skills and experience and earn an education award of \$4,725 after completing a year of service. The programs include Building Initiatives in Rural Community Health (BIRCH) AmeriCorps, Rural Alaska Village Environmental Network (RAVEN) AmeriCorps, Students In Service (SIS) AmeriCorps, Middle School Partnership Program (MSPP) and Volunteers in Service to America Energy Program (VISTA-VEP).

HIGHLIGHT:

Energy Wise

The Energy Wise Program is designed to reduce residential energy costs and provide training and jobs for rural Alaskans. Household energy consumption and cost assessments are conducted with residents. Crew members teach and discuss energy cost-saving strategies with residents.

In response to the energy crisis in northwest Alaska, NANA Regional Corporation, Inc. partnered with RurAL CAP to deliver the Energy Wise program to NANA communities in 2011. NANA is the first private organization to fund a regional rollout of this program for six communities, committing \$860,000 to the NANA region Energy Wise project in 2011. The NANA communities include Ambler, Buckland, Kivalina, Noatak, Noorvik and Shungnak. Energy Wise will serve 550 homes and employ about of 50 people in six villages. RurAL CAP will continue the partnership in 2012 and 2013 to expand the program in more villages in the NANA region.



As part of each homeowner's education and awareness effort, Elder Flora Greene, Kotzebue, has her home appliances' electricity usage assessed by Energy Wise Crew Leader, Elmer Melton of Noorvik.

Photo by Elizabeth Behrens

Energy Specialist, Jamey Gilila, and Crew Member, Marvin Cleveland, place plastic film over a window in Ambler to keep the cold air out and conserve energy.

Photo by Kent Banks



2011 Community Development Division Highlights

- VISTA and AmeriCorps Members recruited 4,351 volunteers who contributed 25,335 hours of community service.
- RAVEN AmeriCorps Members diverted 170,000 pounds of solid waste from landfills.
- 101 Rural CAP AmeriCorps and VISTA service members dedicated 60,864 hours of service to their communities. Programs include BIRCH, RAVEN, Students In Service, Middle School Partnership Program (MSPP) and VISTAs.
- BIRCH's tobacco prevention project increased awareness on the issues of smoking and other forms of tobacco in five communities. Over 1,000 people have attended tobacco free activities organized by Members, 35 people have been referred to the Quit Line, and 12 have quit smoking.
- 500 households received Indoor Air Quality (IAQ) buckets filled with promotion supplies.
- Administered 10 solid waste management projects for the Denali Commission and 9 Community Environmental Demonstration Projects for the Environmental Protection Agency.
- Began a 3-year partnership with Kawerak to address underage and binge drinking through local wellness coalitions in Teller, Savoonga and Shishmaref.

A Glimpse of Services Across Alaska



A middle school girl participates in an AmeriCorps activity in Kasigluk.

Photo by Ann Marie Tinker



Ariel, Tammy, and Annette of Marshall, led by RAVEN AmeriCorps Member, Danette Myers (in brown), helped collect 15 tons of solid waste.

Photo by Charlie Ess



330 people attended the 28th Rural Providers' Conference (RPC) in Dillingham, co-sponsored by the Bristol Bay Native Association. Photo by Gwen Wilson

Building Capacity Statewide

2011 SITE MAP

BOARD OF DIRECTORS REPRESENTATION:

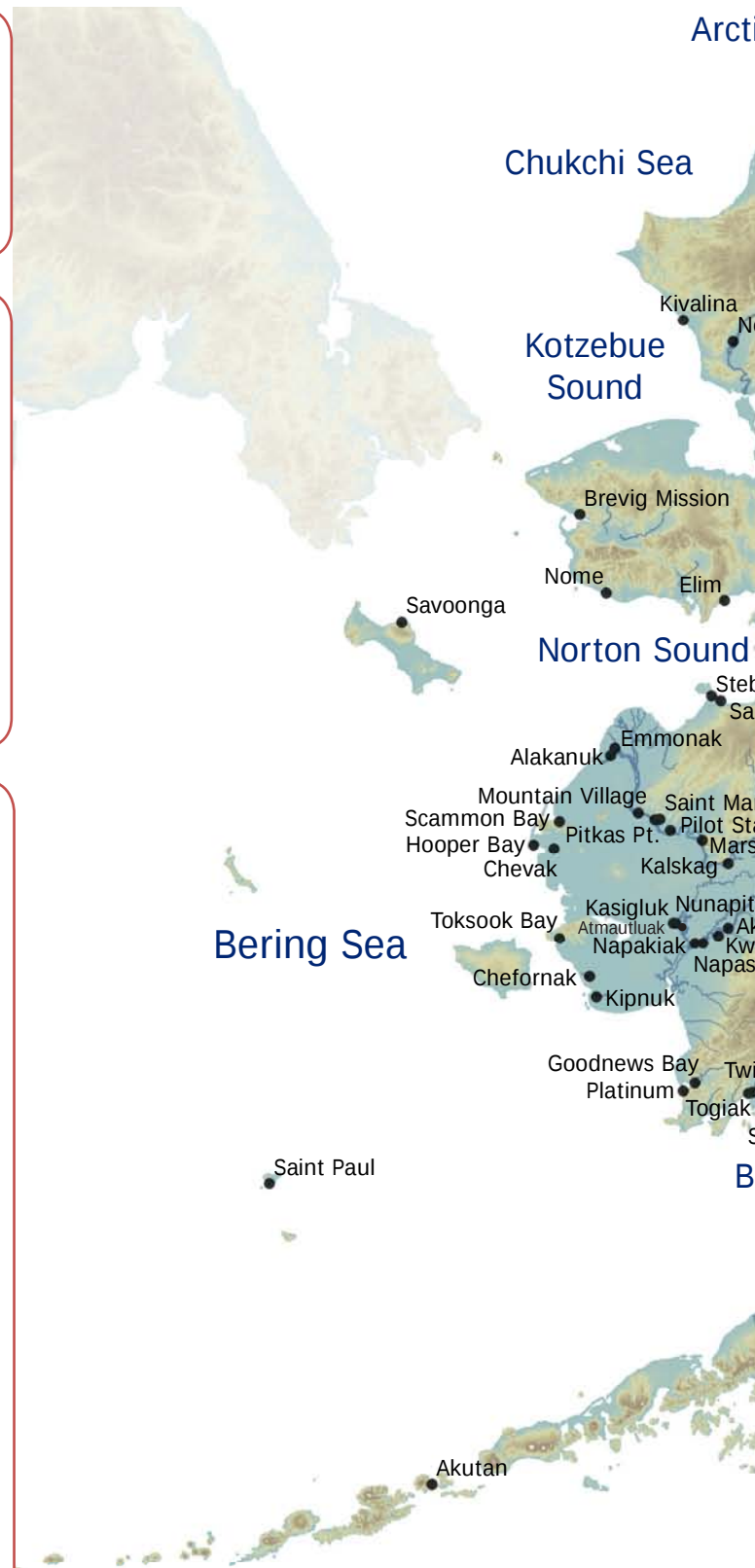
Akiak	Fort Yukon	Kodiak
Akutan	Glennallen	Napaskiak
Anchorage	Haines	Nome
Barrow	Juneau	South Naknek
Fairbanks	Kobuk	Valdez

CHILD DEVELOPMENT DIVISION:

Akiak	Hooper Bay	Nunapitchuk
Alakanuk	Hydaburg	Pilot Station
Anchorage	Kake	Savoonga
Chevak	Kenny Lake	Selawik
Chitina	Ketchikan	Seward
Copper Center	Kluti-kaah	St. Mary's
Emmonak	Kodiak	Stebbins
Gakona	Kwethluk	Sterling
Glennallen	Marshall	Tanacross
Haines	Mountain Village	Tok
Homer	Napaskiak	Toksook Bay

COMMUNITY DEVELOPMENT DIVISION:

Ambler	Hughes	Pedro Bay
Anchorage	Kake	Perryville
Angoon	Kalskag	Pilot Station
Brevig Mission	Kasaan	Pitka's Point
Buckland	Kasigluk	Point Baker
Chefornak	King Salmon	Port Protection
Chevak	Kivalina	Savoonga
Chuathbaluk	Koliganek	Selawik
Circle	Koyuk	Shishmaref
Cooper Landing	Manokotak	Shungnak
Dillingham	Marshall	St. Michael
Eagle River	Metlakatla	St. Paul
Elim	Mountain Village	Stebbins
Emmonak	Napakiak	Sterling
Eyak	Nenana	Teller
Fairbanks	New Stuyahok	Tetlin
Fort Yukon	Ninilchik	Togiak
Goodnews Bay	Noatak	Toksook Bay
Gulkana	Noorvik	Twin Hills
Gustavus	North Pole	Valdez
Haines	Nunapitchuk	Wasilla
Hooper Bay	Old Harbor	Wrangell
Hope	Palmer	Yakutat



ic Ocean

Beaufort Sea

**PLANNING AND CONSTRUCTION
DIVISION:**

Alakanuk	Kipnuk
Anchorage	Lower Kalskag
Atmautluak	Noatak
Delta Junction	Nome
Fairbanks	Nulato
Fort Yukon	Scammon Bay
Goodnews Bay	Selawik
Juneau	Stebbins
Kenai	

SUPPORTIVE HOUSING DIVISION:

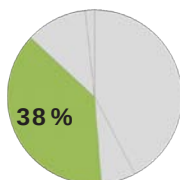
Anchorage



Improving Living Conditions

PLANNING AND CONSTRUCTION DIVISION

FY11 Funding Uses



Programs Funded

Community Planning
Self-Help Owner-Built Homes
Strengthening Communities Fund
Weatherization and Rehabilitation

The Planning and Construction Division assists rural communities and low-income people by increasing affordable housing opportunities, preserving and improving existing housing, facilitating community-based planning, and building the capacity of rural communities to participate effectively in the development of housing and related infrastructure. RurAL CAP is one of many organizations responsible for weatherizing homes throughout Alaska.

The main goal of the Weatherization Assistance Program is to conserve energy; this is accomplished primarily by reducing air leakage, increasing insulation, and improving heating system efficiency. In all weatherization and rehabilitation projects, local hire is an important element which provides employment and provides communities with a more skilled labor pool.

HIGHLIGHT:

Weatherization

Reaching the 10,000 mark of homes/units weatherized since 1975, for this program year weatherization services improved 244 homes in rural Alaska, 99 Juneau, and 145, from April to September, 2011 in Anchorage. RurAL CAP began managing the weatherization program for low and middle-income Anchorage residents in April, 2011. The year-round Anchorage program uses a combination of in-house crews and external contractors.

Weatherization saves the average rural Alaskan customer approximately \$4,600 a year on home heating expenses, based on pre-and post-AKWARM measures. It makes homes more energy efficient by lowering the cost of home heating and may provide more household income available for other basic necessities.

2011 Homes Weatherized

Alakanuk	7
Anchorage	145
Atmautluak	8
Goodnews Bay	43
Juneau	99
Kipnuk	11
Lower Kalskag	20
Noatak	11
Nome	17
Scammon Bay	56
Selawik	25
Stebbins	46
TOTAL	488



Before and after weatherization of a home in Stebbins.
Photos by Brad Smith



A crew member seals a basement to prevent moisture and cold air from entering the home in Anchorage.
Photo by Angela Gonzalez

2011 Planning and Construction Division Highlights

- Weatherized 488 homes (244 homes weatherized in 10 rural communities, 99 in Juneau, and 145 in Anchorage).
- Provided employment for 259 locally hired carpenters and weatherization workers, and 27 field supervisors and specialists in two of the typically highest unemployment regions, Western and Northwest Alaska.
- The Weatherization Program grew from \$1.7 million four years ago to \$15 million this year with the addition of the Anchorage program.
- Provided either new Toyostoves or parts to repair existing heaters in three emergency situations in the Western and Northwest Regions where families needed help due to malfunctioning heaters.
- Completed nine self-help homes in Kenai, bringing the total to 27 homes constructed.
- Through the Strengthening Communities Project, ten Interior organizations developed their individual capacity to attract and manage grant funding. Grantees received training and technical assistance in planning, financial management, and leadership.

A Glimpse of Services Across Alaska



The Self-Help homeownership project in Kenai helps modest-income families achieve homeownership through their “sweat equity” contribution which makes the homes more affordable.

Photos by Mi'shell Reid



At left, Elder Simon Francis from Fort Yukon participates in a SCF grantee event, “Diiginjik K’yaa Eegaaraa’ee ~ We Are Learning Our Language.”

Photo by Charlene Stern



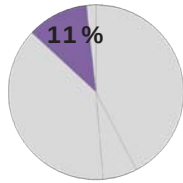
RurAL CAP, the Foraker Group, and the Alaska Community Foundation, worked with ten nonprofits in a capacity building program to improve their sustainability and financial resiliency. Grantees met in Nulato for training.

Photo by Leslie Ambrose

Strength From Stability

SUPPORTIVE HOUSING DIVISION

FY11 Funding Uses



Programs Funded

Affordable Housing
Anchorage Homeless Outreach
Program
Community Bound
Homeward Bound
Housing First Services

The Supportive Housing Division provides services to chronic homeless alcoholics, many of whom have severe mental health and substance abuse problems. Homeward Bound, a 25-bed transitional living facility, is one of only a few programs in the United States with comprehensive services ranging from detox to housing and employment. Community Bound offers specific case management to individuals needing housing assistance and employment development.

The Division also serves individuals and families by providing affordable housing opportunities to those with limited income. The Affordable Housing program provides rental apartments to individuals with limited credit and rental history. The Housing First program places hard-to-serve individuals directly into permanent housing without requiring participation in treatment. Individuals receive intensive in-home case management to help them make progress towards self sufficiency and succeed in housing.

HIGHLIGHT:

Karluk Manor

RurAL CAP completed renovations of Karluk Manor, its 46-unit Housing First facility located in Anchorage. A ribbon cutting ceremony and grand opening was held in October. Units will be available for rent to chronically homeless individuals.

Each efficiency unit is equipped with a kitchen, bathroom and bedroom area. The two-story building has two handicapped-accessible units. The affordable housing project was funded by the Municipality of Anchorage HOME program, U.S. Department of Housing and Urban Development (HUD), Alaska Housing Finance Corporation (AHFC), Alaska Mental Health Trust Authority, Rasmuson Foundation and Wells Fargo Bank Alaska.



Karluk Manor ribbon cutting. L-R: Jim Gurke (AHFC), Kenny Scollan (RurAL CAP), Nancy Burke (Alaska Mental Health Trust Authority), Colleen Bickford (HUD), Susanne Fleek (Office of Sen. Mark Begich), Melinda Freemon (RurAL CAP), Diane Kaplan (Rasmuson Foundation), Mayor Dan Sullivan (Municipality of Anchorage), and Andy Ebona (RurAL CAP Board of Directors). Photos by Angela Gonzalez



Karluk Manor during summer, 2011 renovations.

2011 Supportive Housing Division Highlights

- 77 residents entered Homeward Bound this year; to date 409 people have been residents in Homeward Bound; 102 are currently in stable housing.
- Held a ribbon cutting ceremony for the \$1.2 million 7-unit affordable housing property in the Fairview section of Anchorage in March, 2011.
- 19 RurAL CAP staff and volunteers participated in the 100,000 Homes Campaign to identify and rate the vulnerability of homeless people in Anchorage.
- 110 homeless individuals received emergency cold weather gear.
- RurAL CAP staff and stakeholders have participated in numerous presentations and discussions regarding homelessness.
- 44 Homeward Bound residents developed an Independent Living Plan to move toward self-sufficiency.
- Improved 31 units of Affordable Housing rental units through rehabilitation projects.
- Completed the Karluk Manor Housing First Project providing 46 units of safe and secure rental housing to long-term chronic homeless alcoholics. The Supportive Housing Division operates 118 affordable units.

A Glimpse of Services Across Anchorage



RurAL CAP completed a new 7-unit affordable housing apartment building in Anchorage's Fairview neighborhood. Each unit is equipped with a kitchen, bathroom, one bedroom and living room.

Photos by Angela Gonzalez



Dr. Jim Withers (at left) discusses ways Anchorage can establish and maintain street medicine.

Photo by Angela Gonzalez



Over 150 people attended the grand opening of Karluk Manor in October, 2011.

Photo by Angela Gonzalez

Efficiently Heating Homes

RURAL ENERGY ENTERPRISES

Rural Energy Enterprises (R.E.E.), a wholly owned subsidiary of RurAL CAP, is a wholesale distributor of energy-efficient and money-saving products. R.E.E. began in 1987 as a result of receiving a federal grant to evaluate the feasibility of engaging in energy-related for-profit activity.

Energy costs represent a major expense for rural Alaskans. R.E.E. reduces those costs by selling a variety of high-quality, advanced technology energy products. The Toyostove space heater, one of the most fuel-efficient heating systems in the world, can save rural residents \$350 to \$600 per year in fuel costs, depending on the condition of the house. R.E.E. also offers energy-saving oil and gas water heaters and a variety of other heating and lighting products.

R.E.E. also benefits rural communities by creating economic opportunities in remote villages. R.E.E. maintains business relationships with 240 small entrepreneur dealerships in rural Alaska, and more than 124 dealerships in western Canada and the northwest United States.

2011 Fiscal Year Performance

Gross Sales - \$10,052,938

Net Income After Taxes- \$631,027 (pre-audit)



R.E.E. warehouse in Anchorage
Photo by Angela Gonzalez

2011 R.E.E. Highlights

- RurAL CAP has more than \$5.5 million in equity in R.E.E.
- 86.3% of the total sales are from Alaska.
- Sold \$1.6 million of products in rural Alaska.

R.E.E. Products

- Air Conditioners
- Boilers
- Carbon Monoxide Detectors
- Cooking Products for Boats, Cabins, Camps & Emergencies
- Fluorescent Lighting
- Gas Heaters & Stoves
- Indoor Fireplaces
- Inverters
- Marine and Boat Heating
- Non-Electric Oil Heaters & Stoves
- Oil Heaters & Stoves
- Outdoor Fireplaces
- Plumbing Accessories & Fixtures
- Tent/Camp Heating
- Water Heaters
- Wood & Pellet Stoves



Toyostove Laser 73 Heater

R.E.E. distributes Toyostove, Bosch ProTankless, NordicStove, Dunkirk, Drolet, Godin, Rinnai, Nestor Martin, Osburn, Vanguard and Toyotomi products. R.E.E. specializes in oil, wood and gas fired direct vent or sealed combustion high efficiency heaters as well as water heaters, gas cook stoves, marine heaters, marine cook stoves, tent heaters and tent stoves.

R.E.E. is the exclusive distributor of Toyostove heaters in Alaska, Idaho, North Dakota, Montana, South Dakota, Wyoming, Washington, British Columbia, the Yukon Territories and the Northwest Territories. The company also offers selected Toyostove/Toyotomi products in Arizona, Colorado, New Mexico and Utah. It is the exclusive North American importer/distributor of NordicStove non-electric oil burning heaters for tents, cabins, boats, homes and emergency use.

R.E.E. Board of Directors

David Hardenbergh
Shauna Hegna
Phil Kaluza
Bob Lohr
Virginia Moore
Chris Rose
Hugh Short

R.E.E. Management Team

Mark Callinsky, President & CEO
Lonnie Jackson, Sales Manager
Jill Keller, Financial Manager



Rural Energy Enterprise Staff in Anchorage (from left to right):

Back row: Jill Keller, Mark Callinsky, Marco Flores, Josh Harvey, Lonnie Jackson, and Tina Johnston.

Front row: Lola Mayberry, Wendy Johnston, Melissa Lamb, Greig McLean, Dipo Fernandez, and Justin Stone.

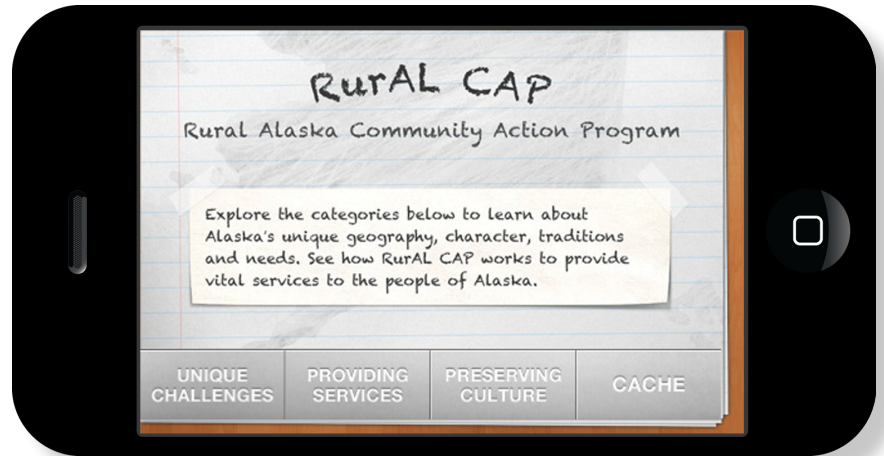


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Serving rural Alaskans for 24 wonderful years!

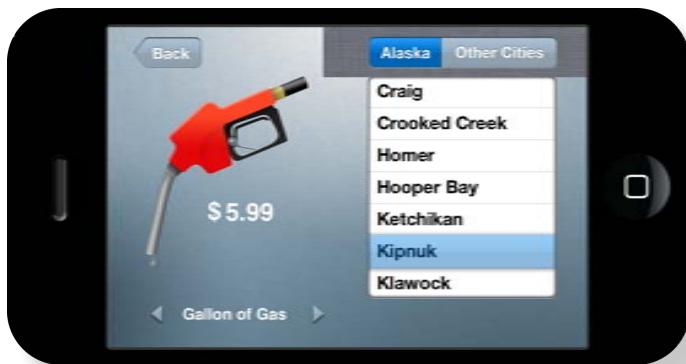
Innovation: RurAL CAP Goes Mobile

RurAL CAP released a free mobile application (or app) for use on the iPhone, iPad and iPod Touch. The RurAL CAP app provides a self-directed tour through Alaska's unique character, communities, natural resources, people and cultures.

Users will see how much a half-gallon of milk costs from Ketchikan to Anaktuvuk Pass to Hooper Bay, and compares prices from other U.S. cities. Users also see how far items have to travel back from rural communities to be recycled. Users can hear Yup'ik in the app's Head Start Bilingual Classroom. The app gives users the ability to find out more about issues facing rural Alaskans, invite other iPhone and iPad users to view the app, and make a donation to RurAL CAP.

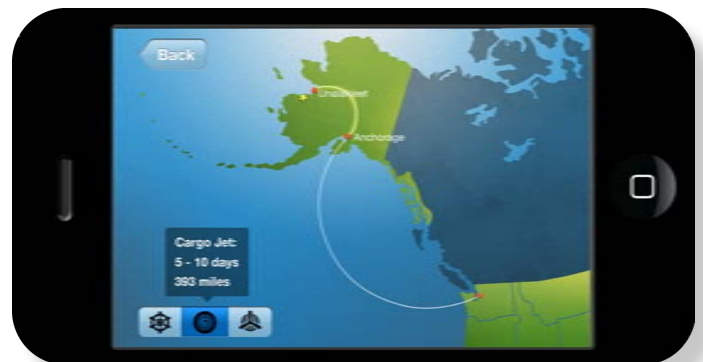


The RurAL CAP app is available for free in the Apple iTunes store at <http://bit.ly/ruralcap-app>.

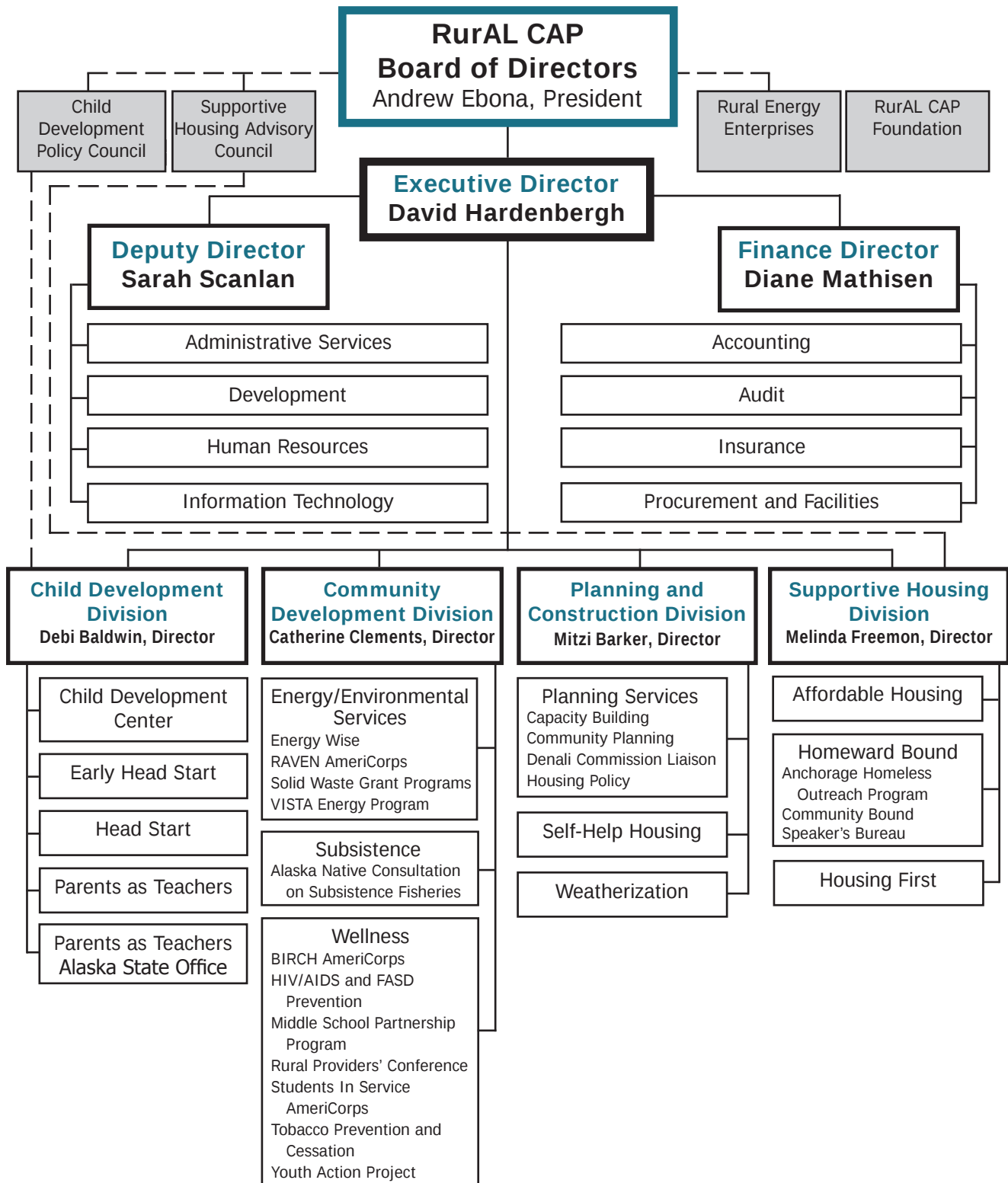


"We are not able to give everyone interested in us hands-on experience with Alaska and the work we do, but through this app, we can put Alaska in their hands."

- Rachel Morse, Development Director



Organizational Chart



Working Together, Getting Results

Thank you to our funders and partners for engaging with RurAL CAP to fulfill our vision:
Healthy People, Sustainable Communities, Vibrant Cultures

Akiak Native Community
Alaska Bush Caucus
Alaska Christian Conference
Alaska Community Foundation
Alaska Community Share
Alaska Conservation Foundation
Alaska Cooperative Extension Service
Alaska Department of Commerce, Community, and
Economic Development
Alaska Department of Education and Early
Development
Alaska Department of Health and Social Services
Alaska Department of Labor and Workforce
Development
Alaska Division of Behavioral Health
Alaska Energy Authority
Alaska Federation of Natives
Alaska Forum on the Environment
Alaska Head Start Association
Alaska Housing Finance Corporation
Alaska Legal Services Corporation
Alaska Mental Health Trust Authority
Alaska Methodist Conference
Alaska Municipal League
Alaska Native Brotherhood
Alaska Native Medical Center
Alaska Native Tribal Health Consortium
Alaska Native Woman's Coalition
Alaska Parent Teacher Association
Alaska Village Initiatives
Alaskan Aids Assistance Association
Alaskans for Litter Prevention and Recycling
Aleutian Pribilof Islands Association
American Planning Association - Alaska Chapter
Anchorage Association for the Education of Young
Children
Anchorage Community Mental Health Services
Association of Alaska School Boards
Association of Interior Native Educators

Association of Village Council Presidents, Inc.
Bean's Café
Bering Strait School District
Bering Straits Development Corporation
Best Beginnings
Bethel Family Clinic
Big Dog Construction
Bristol Bay Area Health Corporation
Bristol Bay Economic Development Corp.
Bristol Bay Native Association
Bristol Bay Native Corporation
Brother Francis Shelter
Catapult Consulting, LLC
Central Council Tlingit & Haida Indian Tribes of Alaska
Chugachmiut
City of Hydaburg
City of St. Mary's
City of Toksook Bay
Community Action Partnership
Community Action Program Legal Services, Inc.
Cook Inlet Native Head Start
Cook Inlet Tribal Council, Inc.
Copper River Native Association
Council of Athabascan Tribal Governments
Denali Commission
Earthplay
Episcopal Diocese of Alaska
Everything Electric
First Bank - Ketchikan
First Books
Food Bank of Alaska
Foraker Group
Gan Yeladim Preschool
Gwich'in Steering Committee
Hall Quality Construction
Head Start Body Start
Health Education Council's Break Free Alliance
Home Depot
Hydaburg School District

Institute for Social & Economic Research
Integrity Surveys
Interior Alaska Area Health Education Center
Interior Regional Housing Authority
Kachemak Bay Rotary Club
Kawerak, Inc.
Kenai Peninsula Borough
Kenai Peninsula College
Kenaitze Indian Tribe
Kodiak Area Native Association
Kodiak Island Borough
Kodiak Island Housing Authority
KPMG, LLP
KSRM Radio Group
Lutak Lumber
Manilaq, Inc.
Municipality of Anchorage
NANA Regional Corporation
National Center for Physical Development and
Outdoor Play
National Community Action Foundation
National Congress of American Indians
Native Village of Goodnews Bay
Native Village of Lower Kalskag
Native Village of Scammon Bay
Native Village of Selawik
Native Village of Shaktoolik
Native Village of Toksook Bay
Nine Star Education and Employment Services
North Slope Borough
Northwest Arctic Borough
Northwest Arctic School District
Northwest Inupiat Regional Housing Authority
Norton Sound Health Corporation
Office of Governor Sean Parnell
Office of Mayor Dan Sullivan
Office of Representative Don Young
Office of Senator Lisa Murkowski
Office of Senator Mark Begich

Our Lady of Snows Catholic Church
Parents as Teachers National Center
Paul G. Allen Family Foundation
Peter Pan Seafoods
Pick. Click. Give. - PFD Charitable Contribution
Program
Rasmuson Foundation
Reading is Fundamental
Renewable Energy Alaska Project
Rural Community Assistance Corporation
Rural Local Initiatives Support Corporation
Safe and Fear Free Environment
Serve Alaska
SouthEast Alaska Regional Health Consortium
Southeast Regional Resource Center
Spirit of Youth
Staples Foundation for Learning
Stebbins Native Corporation
Stevens Village Community Improvement
Corporation
Tanana Chiefs Conference
Three Dog Construction
Tlingit-Haida Regional Housing Authority
Turnagain United Methodist Church
U.S. Corporation for National and Community Service
U.S. Department of Agriculture - Rural Development
U.S. Department of Education
U.S. Department of Energy - National Renewable
Energy Lab
U.S. Department of Health and Human Services
U.S. Department of Housing and Urban Development
U.S. Environmental Protection Agency
United Way of Anchorage
University of Alaska
Wal-Mart - Ketchikan
Wells Fargo
World Eskimo Indian Olympics
Yukon Kuskokwim Health Corporation

Photo taken in Noorvik by Jennifer Kehoe



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