REPORT TO BOARD OF DIRECTORS

MUNICIPALITY OF ANCHORAGE
DON YOUNG PORT OF ALASKA

2024 AUDIT RESULTS
MARCH 31, 2026

Welcome

BDO USA, P.C.
3601 C Street, Suite 600
Anchorage, AK 99503
Tel.: 907-278-8878
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March 31, 2026

Audit Committee
Municipality of Anchorage Don Young Port of Alaska

We look forward to discussing with you the current year audit results for Don Young Port of Alaska, an enterprise fund of the Municipality of Anchorage ("Port"). On October 16, 2025, we presented an overview of our plan for the audit of the financial statements of the Port as of and for the year ended December 31, 2024.

This communication is intended to elaborate on the significant findings from our audit, including our views on the qualitative aspects of the Port's accounting practices and policies, management's judgments and estimates, financial statement disclosures, and other required matters to assist you in fulfilling your obligation to oversee the financial reporting and disclosure process for which management of the Port is responsible.

We are pleased to be of service to the Port and look forward to meeting with you to discuss our audit findings, as well as other matters that may be of interest to you, and to answer any questions you might have.

Respectfully,

BDO USA

Your Client Service Executive Team

JOY MERRINER
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KELLY MAYES
Assurance Director
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Contents

The following communication was prepared as part of our audit, has consequential limitations, and is intended solely for the information and use of those charged with governance (e.g., Board of Directors) and, if appropriate, management of the Company, and is not intended and should not be used by anyone other than these specified parties.

Executive Summary

Executive Summary

Results of Our Audit

- Overview and Status – We have completed our audit work with respect to the financial statements for the year ended December 31, 2024.
- Quality of the Port’s Financial Reporting
- Significant Risk Overview & Discussion
- Corrected and Uncorrected Misstatements
- Internal Control Over Financial Reporting

Required Communications

Open Discussion and Questions

Audit Results

Overview & Status of Our Audit

We have completed our audit of the financial statements as of and for the year ended December 31, 2024. Our audit was conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*.

- The objective of our audit was to obtain reasonable - not absolute - assurance about whether the financial statements are free from material misstatements.
- The scope of the work performed was substantially the same as that described to you in our earlier Audit Plan communications
- We issued an unmodified opinion on the financial statements and released our report on March 31, 2026.
- We issued our report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
- Our responsibility for other information in documents containing the Port's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform procedures to corroborate such other information. However, in accordance with professional standards, we have read the information included by the Port and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements. Our responsibility also includes calling to management's attention any information that we believe is a material misstatement of fact. We have not identified any material inconsistencies or concluded there are any material misstatements of facts in the other information that management has chosen not to correct.
- All records and information requested by BDO were freely available for our inspection.

Quality of the Port's Financial Reporting

A discussion was held regarding the quality of the Port's financial reporting, which included the following:

- Qualitative aspects of significant accounting policies and practices
- Our assessment of critical accounting estimates, accounting policies and practices
- Significant unusual transactions
- Financial statement presentation
- New accounting pronouncements
- Alternative accounting treatments

Areas of Significant Risk

Our areas of significant risk, which are risks with both a higher likelihood of occurrence and a higher magnitude of effect that require special audit considerations, are as follows.

Risk Area	Description
Fraud risk and management override of internal controls	Risks relating to management exercising undue influence to override internal control policies and procedures designed to deter, prevent, and detect misstatements
Charges for Services	Risks related to the existence of operating revenue
Grant revenue	Risks related to the existence and accuracy of grant revenue

Corrected and Uncorrected Misstatements

CORRECTED AND UNCORRECTED MISSTATEMENTS

Corrected Misstatements and Corrected Disclosures

- There were corrected misstatements for the Port, as shown in the attached detailed listing. These corrected misstatements include adjustments for the appropriate balances based on fund type (i.e., full accrual versus modified accrual), adjustments for capital asset disposals, and adjustments for grant revenue and related grant receivables. Other adjustments shown in the attached listing reflect management top-side entries to consolidate expenditures to construction-in-progress for capital project funds. There were no corrected disclosures, other than those that were clearly trivial, that we brought to the attention of management.

Uncorrected Misstatements and Uncorrected Disclosure Misstatements

- There were no uncorrected misstatements nor uncorrected disclosures, other than those that were clearly trivial, that we brought to the attention of management.

Internal Control Over Financial Reporting

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Port’s internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Port’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Port’s internal control.

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

We are required to communicate, in writing, to those charged with governance all material weaknesses and significant deficiencies that have been identified in the Port’s internal control over financial reporting. The definitions of control deficiency, significant deficiency and material weakness follow:

Category	Definition
Control Deficiency	A deficiency in internal control over financial reporting exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.
Significant Deficiency	A deficiency or combination of deficiencies in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.
Material Weakness	A deficiency or combination of deficiencies in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Port’s financial statements will not be prevented or detected and corrected on a timely basis.

Internal Control Over Financial Reporting

In conjunction with our audit of the financial statements, we identified the following material weaknesses:

Material Weaknesses	Description
2024-001: Accuracy of Underlying Books & Records	Trial balances received for audit included modified and full accrual basis accounts, which resulted in multiple duplications of account balances. Material modifications were required that resulted in adjustments to the Port trial balances for approximately $182.2 million in assets, $1.2 million in liabilities, $2.3 million in revenue, and $183.3 million in equity adjustments.
2024-002: Timeliness and Accuracy of Grant Reconciliations	BDO identified material inaccuracies in reconciliations and the related financial statements and underlying books and records for grant revenue and grant receivables. The financial statements were initially misstated by a net amount of approximately $5.4 million in grant receivables and $5.7 million in grant revenue. Overall adjustments to grant revenue and grant receivables were approximately $89 million.

In conjunction with our audit of the financial statements, we identified the following deficiencies that we consider to be significant deficiencies:

Significant Deficiency	Description
2024-003: Accuracy of Capital Asset Disposals	The Municipality failed to record disposals of capital assets that were sold during the fiscal year. Reconciliations of capital assets were not reviewed at a level of precision to detect and correct misstatements related to these disposals. Capital assets were initially overstated.

Internal Control Over Financial Reporting

- We have communicated to management of the Port control deficiencies that were identified as a result of our audit that we did not consider to be material weaknesses or significant deficiencies.

Control Deficiency	Comments
IT – SAP Program Change Management Segregation of Duties	Change management controls to mitigate segregation of duties access identified users with access to the development environment to deploy development changes to the production environment.

Detail of Significant Accounting Practices, Policies, Estimates and Disclosures

Significant Accounting Practices (including Policies, Estimates and Disclosures)

ACCOUNTING PRACTICES, POLICIES, ESTIMATES, AND DISCLOSURES

The following summarizes the more significant required communications related to our audit concerning the Port's accounting practices, policies, estimates and significant unusual transactions:

The Port's significant accounting practices and policies are those included in Note 1 to the financial statements. These accounting practices and policies are appropriate, comply with the applicable financial reporting framework and industry practice, were consistently applied, and are adequately described within Note 1 to the financial statements.

- A summary of recently issued accounting pronouncements is included in Note 13 to the Port's financial statements.
- The Port adopted GASB Statement No. 101, *Compensated Absences*.
- There were no changes in significant accounting policies and practices during fiscal year 2024.

Critical accounting estimates are those that require management's most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain. The Port's critical accounting estimates, including a description of management's processes and significant assumptions used in development of the estimates, are disclosed in Note 1 of the financial statements.

Management did not make any significant changes to the processes or significant assumptions used to develop accounting estimates.

Accounting Estimates
Collectability of Accounts Receivable - Customer accounts receivable are reviewed by management periodically to determine a reasonable amount of allowance, based on known factors, history, and age of the outstanding amount.
Net Pension / OPEB Liabilities and Asset - The net pension / OPEB liabilities and assets are estimated based on actuarial information and actual contribution data provided to the Municipality of Anchorage by the PERS Plan Administrator. Within the Municipality, the Liability has been allocated to the reporting units based on PERS payroll.
Fair Value Measurements - The Municipality's central public finance division categorizes investments within the fair value hierarchy established by generally accepted accounting principles.
Discount Rate Utilized in Lease and Subscription-Based Information Technology Arrangement Calculations - Rates used to discount future lease and SBITA payments are internally determined based on the Municipality's incremental borrowing rate.
Useful Life of Capital Assets – Management's determination of the useful life for capital assets is consistent with generally accepted accounting principles for capital asset classification.

- The methods used to account for significant or unusual transactions, and related disclosures, are considered appropriate.

Additional Required Communications

Other Required Communications

Following is a summary of other required items, along with specific discussion points as they pertain to the Port:

Requirement	Discussion Point
Significant changes to planned audit strategy or significant risks initially identified	There were no significant changes to the planned audit strategy or significant risks initially identified and previously communicated to those charged with governance as part of our Audit Plan communications.
Obtain information from those charged with governance relevant to the audit	There were no matters noted relevant to the audit, including, but not limited to: violations or possible violations of laws or regulations; risk of material misstatements, including fraud risks; or tips or complaints regarding the Port's financial reporting that we were made aware of as a result of our inquiry of those charged with governance.
Alternative Accounting Treatment	No alternative accounting treatments permissible under the applicable financial reporting framework for policies and practices related to material items were identified and discussed with management.
Significant Unusual Transactions	During the year ended December 31, 2024, we were not aware of any significant unusual transactions.
Consultations with other accountants	We are not aware of any consultations about accounting or auditing matters between management and other independent public accountants. Nor are we aware of opinions obtained by management from other independent public accountants on the application of requirements of the applicable financial reporting framework promulgated by the Government Accounting Standards Board.
Significant findings and issues arising during the audit in connection with the Port's related parties	We have evaluated whether the identified related party relationships and transactions have been appropriately identified, accounted for, and disclosed and whether the effects of the related party relationships and transactions, based on the audit evidence obtained, prevent the financial statements from achieving fair presentation.
Significant findings or issues arising during the audit that were discussed, or were the subject of correspondence, with management	There were no significant findings or issues arising during the audit that were discussed, or were the subject of correspondence, with management.

Other Required Communications (cont.)

Following is a summary of other required items, along with specific discussion points as they pertain to the Port:

Requirement	Discussion Point
Results of procedures performed related to other information included in annual report	The Port includes the basic financial statements and Required Supplementary Information (RSI). As a result, additional limited procedures were required to be performed on the RSI for consistency but not for the purposes of issuing an opinion on the RSI.
Other matters significant to the oversight of the Port's financial reporting process, including complaints or concerns regarding accounting or auditing matters	There are no other matters that we consider significant to the oversight of the Port's financial reporting process that have not been previously communicated.
Representation requested from management	Please refer to the management representation letter shown as an attachment.
Disagreements with management	There were no disagreements with management about matters, whether or not satisfactorily resolved, that individually or in aggregate could be significant to the Port's financial statements or to our auditor's report.
Significant difficulties encountered during the audit	There were delays associated with the completion of the financial statements due to the timing of closing of the books and records at the Municipality. There were no other significant difficulties encountered during the audit.
Matters that are difficult or contentious for which the auditor consulted outside the engagement team	There were no difficult or contentious matters that we consulted with others outside the engagement team that we reasonably determined to be relevant to those charged with governance regarding their oversight of the financial reporting process.

Independence

Our engagement letter to you dated June 11, 2025, and amended on September 9, 2025 describes our responsibilities in accordance with professional standards and certain regulatory authorities and *Government Auditing Standards* regarding independence and the performance of our services. This letter also stipulates the responsibilities of the Port with respect to independence as agreed to by the Port. Please refer to that letter for further information.

Other Topics

BDO’s System of Quality Management

An audit firm’s effective system of quality management (“SoQM”) is crucial for supporting the consistent performance of high-quality audits and reviews of financial statements, or other assurance or related services engagements under professional standards, and applicable legal and regulatory requirements.

Accordingly, BDO has implemented a SoQM designed to provide reasonable assurance that its professionals fulfill their responsibilities and conduct engagements in accordance with those standards and requirements. The firm’s SoQM supports the consistent performance of quality audits through many ongoing activities including, at least annually, certification by leaders with responsibility for key controls and related processes. Our Assurance Quality Management team performs regular reviews and testing of key controls and processes throughout the SoQM and identifies and communicates areas for improvement. In addition, our Audit Quality Advisory Council supports our SoQM by providing guidance and input on audit quality initiatives.

As required by International Standard on Quality Management 1 (ISQM 1) under the International Auditing and Assurance Standards Board (IAASB), BDO has conducted an evaluation of the effectiveness of its system of quality management and concluded, as of July 31, 2024, that, except for certain deficiencies related to the execution of its issuer audits, that system provides the reasonable assurance that our professionals will perform audits and reviews of financial statements or related assurance services engagements in accordance with professional standards, and applicable legal and regulatory requirements. BDO has either implemented or is designing remedial actions to address those deficiencies prior to our next evaluation.

We will continue to provide you with updates on our progress. Currently, you may find discussion of BDO’s system of quality management within our annual Audit Quality Reports, the most recent of which is accessible here.

CLICK HERE TO ACCESS IAASB ISQM-1 IN ITS ENTIRETY >

About BDO USA

Don Young PORT of ALASKA

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March 31, 2026

BDO USA, P.C.
3601 C Street, Suite 600
Anchorage, AK 99503

Ladies and gentlemen:

We are providing this letter in connection with your audit of the financial statements of the Don Young Port of Alaska (the "Port"), a major enterprise fund of the Municipality of Anchorage, Alaska which comprises the statement of net position as of December 31, 2024 and the respective changes in net position and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the preparation and fair presentation in the financial statements of financial position, changes in net position, and cash flows in conformity with accounting principles generally accepted in the United States of America.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, as of the date of this representation letter, as entered on the first page, the following representations made to you during your audit:

(1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated July 11, 2025, and as amended September 9, 2025, for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.

(2) We have fulfilled our responsibility, as set out in the terms of the aforementioned audit engagement letter, for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

(3) The financial statements include all properly classified information of the Port required to be included in the financial reporting entity by accounting principles generally accepted in the United States of America.

(4) We have made available to you:

(a) All financial records, and related data, including the names of all related parties and all relationships and transactions with related parties, as agreed upon in the terms of the aforementioned audit engagement letter.

(b) All additional information that you have requested from us for the purpose of the audit.

(c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

(d) Minutes of the meetings of the Don Young Port of Alaska Port Commission that were held from January 1, 2024 to the date of this letter, or summaries of actions of recent meetings for which minutes have not yet been prepared.

(5) There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices.

(6) There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements. The financial statement misstatements relating to accounts and disclosures identified and discussed with us in the course of the audit that are included in the attached schedule of corrected misstatements, which we have initialed and dated, have been corrected. We have evaluated the propriety of the corrected misstatements based on a review of both the applicable authoritative literature and the underlying supporting evidence from our files and confirm our responsibility for the decision to correct them.

(7) You have identified and discussed with us in the course of the audit the deficiencies in our internal control over financial reporting listed immediately below:

Material Weaknesses
- 2024-001: Basis of Accounting for Underlying Books & Records: Trial balances contained material inaccuracies due to the inclusion of modified accrual accounts within full accrual enterprise funds. These modifications required adjustments to the Port trial balances for approximately $182.2 million in assets, $1.2 million in liabilities, $183.3 million in equity, and $2.3 million in revenue. - 2024-002: Accuracy of Grant Reconciliations: BDO identified material inaccuracies in reconciliations and the related financial statements and the underlying books and records for grant revenue and grant receivables. The financial statements were initially misstated by a total net amount of approximately $5.4 million in grant receivables and $5.7 million in grant revenue. Overall adjustments to grant revenue and grant receivables were approximately $89 million. The Municipality failed to timely file grant reimbursement requests and failed to perform grant reconciliations timely to identify material inaccuracies between the reconciliations and underlying books and records.
Significant Deficiencies
- 2024-003: Capital Asset Disposals: The Municipality failed to record disposals of capital assets that were sold at auction during the fiscal year. Reconciliations of capital assets were not reviewed at a level of precision to detect and correct misstatements related to disposals.
Control Deficiencies
The following IT control deficiencies have been identified: - SAP Application: Change management controls to mitigate segregation of duties access identified users with access to the development environment to deploy development changes to the production environment.

(8) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud or noncompliance. We have disclosed to you the results of our assessment

of the risk that the financial statements may be materially misstated as a result of fraud or noncompliance. We have no knowledge of any:

(a) Fraud or suspected fraud involving management or involving employees who have significant roles in internal control, whether or not perceived to have a material effect on the financial statements.

(b) Fraud or suspected fraud involving others where the fraud could have a material effect on the financial statements.

(c) Allegations of fraud or suspected fraud affecting the Port received in communications from employees, former employees, regulatory agencies, law firms, predecessor accounting firms, or others.

(d) Instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse, whose effects should be considered when preparing the financial statements.

(9) We have no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position.

(10) The following, where applicable and material, have been properly recorded or disclosed in the financial statements:

(a) The identity of all related parties and all related party relationships and transactions of which we are aware, including revenues, expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.

(b) Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements.

(c) Guarantees, whether written or oral, under which the Port is contingently liable.

(d) Significant estimates and material concentrations known to management that are required to be disclosed in accordance with accounting principles generally accepted in the United States of America. In that regard, all accounting estimates that could be material to the financial statements, including key factors and significant assumptions underlying those estimates, have been identified, and we believe the estimates are reasonable in the circumstances. The methods, significant assumptions, and the data used in making the accounting estimates and the related disclosures are appropriate to achieve recognition, measurement, and disclosure that is in accordance with accounting principles generally accepted in the United States of America.

(e) The effects of all known actual or possible litigation, claims, and other liabilities or gain or loss contingencies that are required to be accrued or disclosed by accounting principles generally accepted in the United States of America, including:

- Pending or anticipated tax refunds, other potential or pending claims, lawsuits by or against any branch of government or others;

- Written or oral guarantees, endorsements, or unused letters of credit;

- Unusual guarantees; or

- Labor claims or negotiations.

Accounting principles generally accepted in the United States of America require loss contingencies to be accrued if it is probable an asset has been impaired or a liability incurred at the statement of financial position date and the amount of loss can be reasonably estimated. Such contingencies must be disclosed, but may not be accrued, if the loss is reasonably possible (but not probable) or the loss is probable but the amount of loss cannot be reasonably estimated.

(f) Commitments, such as:

- Major capital asset purchase agreements;
- More-than-one-year employment arrangements or contracts with suppliers or customers, or one-year-or-longer term leases;
- Deferred compensation, bonuses, pensions plans, or severance pay; or
- Pending sale or merger of all or a portion of the business or of an interest therein or acquisition of all or a portion of the business, assets or securities of another entity;

(g) Joint ventures or other participations, the detailed transactions of which are not carried on our books.

(11) There are no:

(a) Violations or possible violations of budget ordinances, laws or regulations (including those pertaining to adopting, approving, and amending budgets) and provisions of contracts and grant agreements (including the failure to file reports required by regulatory bodies (e.g., EPA, OCC, FDIC, DOL, Medicare, U.S. Customs Service, HIPAA, IRS, Dept. of Commerce, state and municipal authorities), tax or debt limits, and any related debt covenants whose effects could be material to the financial statements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.

(b) Unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with accounting principles generally accepted in the United States of America.

(c) Side agreements or other arrangements (either written or oral) that have not been disclosed to you.

(d) Restrictions of net position that were not properly authorized and approved, or reclassifications of net position that have not been properly reflected in the financial statements.

(12) Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the statement of financial position date and have been appropriately reduced to their estimated net realizable value.

(13) The Port has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

(14) We have appropriately disclosed the Port's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position is properly recognized under the policy.

(15) We have complied with all aspects of contractual agreements, including debt covenants, that would have a material effect on the financial statements in the event of noncompliance. We have also complied with the SEC disclosure rules for reporting annual financial information and material events to repositories in accordance with SEC Rule N.240, 15c2-12.

(16) No discussions have taken place with your firm's personnel regarding employment with the Port.

(17) We are responsible for compliance with laws, regulations and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds, and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts.

(18) Components of net position (net investment in capital assets, restricted and unrestricted) are properly classified and, if applicable, approved.

(19) Revenues are appropriately classified in the statement of activities within operating revenue, contributions, and nonoperating revenue. Expenses have been appropriately classified in the statement of activities, and allocations have been made on a reasonable basis.

(20) In regards to the assistance provided in preparing the financial statements and related footnote disclosures, services performed by you, we have: (1) assumed all management responsibilities, (2) designated an individual (within senior management) with suitable skill, knowledge, or experience to oversee the services, (3) evaluated the adequacy and results of the services performed, and (4) accepted responsibility for the results of the services.

(21) We acknowledge our responsibility for the presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America.

The methods of measurement or presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions underlying the measurement and presentation of the supplementary information.

(22) Required supplementary information is measured and presented in accordance with prescribed guidelines.

(23) We have a process to track the status of the Port's audit findings and recommendations.

(24) We have provided our views on your reported findings, conclusions, and recommendations. We are responsible for taking corrective action on audit findings and we are responsible for preparing and implementing a corrective action plan for each audit finding.

(25) We have identified and communicated to you any investigation or legal proceedings that have been initiated with respect to the period under audit.

(26) There have been no known or suspected breaches of sensitive information (e.g., personnel files) caused by cyber-attack or other means, or other cybersecurity incidents, where the breach or other incident could have a material effect on the financial statements.

(27) In connection with any electronic presentation of the financial statements and your audit report thereon on our web site, we acknowledge that:

- We are responsible for the preparation, presentation, and content of the financial statements in the electronic format.

- If your audit report is presented on our web site, the full financial statements upon which you reported and to which you appended your signed report will be presented.

- We will clearly indicate in the electronic presentation on our web site the financial information that is subject to your audit report. We will clearly differentiate any information that may also be presented by us on or in connection with our web site that was contained in the published version of the financial statements and other supplementary information, but which is not part of the audited financial statements or other financial information covered by your audit report.

- We have assessed the security over financial statement information and the audit report presented on our web site, and are satisfied that procedures in place are adequate to ensure the integrity of the information provided. We understand the risk of potential misrepresentation inherent in publishing financial information on our web site through internal failure or external manipulation.

- If the electronic financial statements are generally made available to the public on our web site, we will include a notification to the reader that such financial statements are presented for convenience and information purposes only, and while reasonable efforts have been made to ensure the integrity of such information, they should not be relied on. A copy of the printed financial statements will be provided on request.

(28) With respect to our participation in the multi-employer defined benefit pension and other postemployment benefit (OPEB) plans:

  - We agree with the findings of specialists in evaluating the net pension liability and OPEB asset and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.
  - We are unable to determine the possibility of a withdrawal liability in a multiemployer benefit plan.
  - We believe that the actuarial assumptions and methods used to measure pension and/or other post-retirement liabilities and costs for financial accounting and disclosure purposes are appropriate in the circumstances.

(29) We have appropriately identified, recorded, and disclosed all leases in accordance with GASB Statement No. 87.

(30) We have appropriately disclosed or recognized conduit debt obligations and/or certain arrangement associated with conduit debt obligations in accordance with GASB Statement No. 91.

(31) We have appropriately identified, recorded, and disclosed public-private and public-public partnerships and availability payment arrangements in accordance with GASB Statement No. 94.

(32) We have appropriately identified, recorded, and disclosed subscription-based information technology arrangements in accordance with GASB Statement No. 96.

(33) We have appropriately measured, recorded, and disclosed compensated absences and other salary-related payments in accordance with GASB Statement No. 101.

(34) We have considered climate-related events and conditions when preparing the financial statements and necessary disclosures, and have communicated to you such matters, if any, and their impact on our financial reporting.

To the best of our knowledge and belief, no events, have occurred subsequent to the statement of financial position date and through the date of this representation letter, as entered on the first page, that would require adjustment to or disclosure in the aforementioned financial statements.

Very truly yours,

Philippe D. Brice

Philippe D. Brice, Municipality of Anchorage
Chief Fiscal Officer

Cheryl Beckham

Cheryl J. Beckham,
Deputy Director of Finance & Administration

Don Young Port of Alaska
Management Representation Letter - Attachment A
12/31/2024

Number	Account No	Name	Debit	Credit
1	570000-101240	General Cash Pool Equity	35,617,920.15	
	570000-305080	Net Position		33,652,798.39
	570000-202720	Due to Other Funds		1,965,121.76
		PBC - Mangement Entry to Post Period 14 2024 ADJE to correct Ending Net Position		
2	570800-110030	Intergovernmental Rcbles	2,681,395.54	
	570800-202700	Due to Areawide	742,746.46	
	570800-305100	Equity for Rev & Exp Accts Used by all Fund Types		3,424,142.00
		PBC Adjustment to post prior year audit adjustments provided during FY 23		
3	570800-501100	Medical/Dental		101.01
	570800-501105	FICA/Medicare Taxes/Social Security		60.24
	570800-605540	IGC Workers' Compensation		87.23
	570800-570220	Computer SW Purchase>$1,000		16,187.23
	570800-570153	Infrastructure Depreciable		918,159.00
	570800-799900	CWIP Transfer Account	5,190,030.05	
	570800-570190	Vehicles > $4,999		13,100.00
	570800-570210	Computer HW Purchase>$1,000		34,566.28
	570800-501010	Straight Time Labor		822.08
	570800-501130	Unemployment Insurance		1.64
	570800-501090	Life Insurance		0.16
	570800-501030	Leave Accruals (Full Accrual Funds)		75.85
	570800-501080	Retirement		180.86
	570800-530380	Other Professional Services		4,143,240.59
	570800-540640	Contractual Svcs Other		562.50
	570800-570200	M&E > $4,999 Except HW & SW		56,139.00
	570800-570110	Infra Non Deprec		6,700.00
	570800-600230	IGC Reprographics		46.30
	570800-605530	IGC General Liability		0.08
		Management Top Side Entry to Allocate CWIP for Consolidation		
4	570800-301147	Investment Fixed Asset CIP (Mod)		49,301,803.23
	570800-305070	Fund Balance - Unreserved	373,845.45	
	570800-399902	Fixed Assets UC Conversion		2,920,787.80
	570800-151147	Construction Work in Progress (Mod)		5,549,407.76
	570800-171147	Construction Work in Progress (Contra)	57,398,153.34	
		Management Top Side Entry to Remove modified accrual and related contra accounts		
5	570800-501090	Life Insurance	0.16	
	570800-501030	Leave Accruals (Full Accrual Funds)	75.85	
	570800-501080	Retirement	180.86	
	570800-501010	Straight Time Labor	822.08	
	570800-570110	Infra Non Deprec	6,700.00	
	570800-799900	CWIP Transfer Account		49,512.63
	570800-305080	Net Position		3,006,588.62
	570800-501100	Medical/Dental	101.01	
	570800-501130	Unemployment Insurance	1.64	
	570800-501105	FICA/Medicare Taxes/Social Security	60.24	
	570800-530380	Other Professional Services	40,920.98	
	570800-540640	Contractual Svcs Other	562.50	

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Don Young Port of Alaska
Management Representation Letter - Attachment A
12/31/2024

Number	Account No	Name	Debit	Credit
	570800-605530	IGC General Liability	0.08	
	570800-605540	IGC Workers' Compensation	87.23	
	570800-101240	General Cash Pool Equity	3,006,588.62	
		PBC - Mangement Entry to Post Period 14 2024 ADJE to correct Ending Net Position and capital outlays		
6	570900-570153	Infrastructure Depreciable		824,576.00
	570900-570140	Art Objects > $4,999		35,300.00
	570900-615202	IGC CS to Capital		851,107.89
	570900-530380	Other Professional Services		63,713,628.83
	570900-615200	IGC CS to Operating Grants	375,499.36	
	570900-600230	IGC Reprographics		208.18
	570900-530360	Repair and Maintenance Contract Services		4,543.90
	570900-570210	Computer HW Purchase>$1,000		54,266.51
	570900-570220	Computer SW Purchase>$1,000		48,561.66
	570900-799900	CWIP Transfer Account	65,156,693.61	
		Management Top Side Entry to Allocate CWIP for Consolidation		
7	570900-171180	Land Improvements (Contra)	1,377,444.00	
	570900-301180	Investment Fixed Asset Land Improv (Mod)		1,377,444.00
	570900-399902	Fixed Assets UC Conversion		10,404,774.81
	570900-305070	Fund Balance - Unreserved		10,321,961.71
	570900-151147	Construction Work in Progress (Mod)		151,027,155.44
	570900-171147	Construction Work in Progress (Contra)	277,657,440.81	
	570900-301147	Investment Fixed Asset CIP (Mod)		105,903,548.85
	570900-301200	Investment Fixed Asset M&E (Mod)		87,813.71
	570900-171200	Machinery & Equipment (Contra)	87,813.71	
		Management Top Side Entry to Remove modified accrual and related contra accounts		
8	570900-110030	Intergovernmental Rcbles		2,384,270.83
	570900-305080	Net Position	36,659,387.01	
	570900-101240	General Cash Pool Equity		36,659,387.01
	570900-405010	State Grant Revenue-Direct	2,384,270.83	
		PBC - Mangement Entry to Post Period 14 2024 ADJE to correct Ending Net Position and State Grant Pmt		
9	570900-110030	Intergovernmental Rcbles	38,281,877.06	
	570900-405100	Federal Grant Revenue-Direct		112,615.66
	570900-405010	State Grant Revenue-Direct		38,169,261.40
		To correct grant schedule reconciliation to TB and TB-GL tie-out errors		
10	570900-110030	Intergovernmental Rcbles	559.41	
	570900-405100	Federal Grant Revenue-Direct		559.41
		Entry to correct grant schedule reconciliation to TB and TB-GL Tie-out errors		
11	570900-110030	Intergovernmental Rcbles		47,020,446.57
	570900-405100	Federal Grant Revenue-Direct	6,973,390.15	
	570900-405010	State Grant Revenue-Direct	40,047,056.42	
		Entry to correct grant schedule reconciliation and TB-GL tie-out errors		

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Don Young Port of Alaska
Management Representation Letter - Attachment A
12/31/2024

Number	Account No	Name	Debit	Credit
12	570800-110030	Intergovernmental Rcbles	575,229.94	
	570800-405010	State Grant Revenue-Direct		575,229.94
	570800-405100	Federal Grant Revenue-Direct		-
		PBC AJE To Record Port FEMA AR and Revenue for 2024 (PWS 370, 312, 352)		
13	570800-540640	Contractual Svcs Other		562.50
	570800-501090	Life Insurance		0.16
	570800-501080	Retirement		180.86
	570800-501105	FICA/Medicare Taxes/Social Security		60.24
	570800-501010	Straight Time Labor		822.08
	570800-501100	Medical/Dental		101.01
	570800-501130	Unemployment Insurance		1.64
	570800-501030	Leave Accruals (Full Accrual Funds)		75.85
	570800-530380	Other Professional Services		40,920.98
	570800-570110	Infra Non Deprec		6,700.00
	570800-605530	IGC General Liability		0.08
	570800-799900	CWIP Transfer Account	49,512.63	
	570800-605540	IGC Workers' Compensation		87.23
		Correcting CWIP Roll-Up		
14	570800-405010	State Grant Revenue-Direct	215,478.54	
	570800-202720	Due to Other Funds		215,478.54
		Port Due To/Due From Adjustments		
15	570000-162200	Accumulated Depr Mach&Equip	343,189.00	
	570000-152200	Machinery & Equipment (Full Accrual)		343,189.00
	570000-460070	MOA Property Sales	46,670.00	
	570000-460050	Gain Sale Property (Full)		46,670.00
		Entry to record retirement of assets with auction proceeds		
16	570800-110030	Intergovernmental Rcbles	133,228.36	
	570900-110030	Intergovernmental Rcbles	2,270,588.97	
	570800-202720	Due to Other Funds	329,161.40	
	570800-202720	Due to Other Funds	215,478.54	
	570800-405100	Federal Grant Revenue-Direct		329,161.40
	570900-405010	State Grant Revenue-Direct		2,270,588.97
	570800-405010	State Grant Revenue-Direct		348,706.90
		To adjust Port FEMA and state SRF FEMA per grant reconciliations.		
		GRAND TOTAL	578,240,161.99	578,240,161.99

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Certificate Of Completion

Envelope Id: 22A7BF2F-8A93-46D0-93F5-0EFC15AAA31F		Status: Completed
Subject: FY24 Port of Alaska Representation Letter.pdf		
Source Envelope:		
Document Pages: 10	Signatures: 2	Envelope Originator:
Certificate Pages: 5	Initials: 6	Cheryl Beckham
AutoNav: Enabled		632 W 6th Ave
EnvelopeId Stamping: Enabled		Anchorage, AK 99501
Time Zone: (UTC-09:00) Alaska		cheryl.beckham@anchorageak.gov
		IP Address: 209.193.41.5

Record Tracking

Status: Original 3/31/2026 12:55:44 PM	Holder: Cheryl Beckham cheryl.beckham@anchorageak.gov	Location: DocuSign
Security Appliance Status: Connected	Pool: StateLocal	

Signer Events	Signature	Timestamp
Cheryl Beckham cheryl.beckham@anchorageak.gov Acting Director Municipality of Anchorage, Don Young Port of Alaska Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign	Cheryl Beckham Signature Adoption: Pre-selected Style Using IP Address: 209.193.41.5	Sent: 3/31/2026 1:02:12 PM Viewed: 3/31/2026 1:02:39 PM Signed: 3/31/2026 1:02:53 PM
Philippe D. Brice philippe.d.brice@anchorageak.gov Chief Fiscal Officer. Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Accepted: 3/31/2026 1:06:35 PM ID: cbf5e5a5-10bd-4d08-9d50-f120ae5e1474	Philippe D. Brice Signature Adoption: Pre-selected Style Using IP Address: 209.193.41.5	Sent: 3/31/2026 1:02:55 PM Viewed: 3/31/2026 1:06:35 PM Signed: 3/31/2026 1:07:41 PM

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp
Sean Carney sean.carney@anchorageak.gov MOA Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign	COPIED	Sent: 3/31/2026 1:07:43 PM

Carbon Copy Events	Status	Timestamp
Kelly Mayes kmayes@bdo.com Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign	COPIED	Sent: 3/31/2026 1:07:43 PM
Stefanie Ryan stefanie.ryan@anchorageak.gov Controller Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Accepted: 3/23/2026 3:51:25 PM ID: 55dafbed-a559-47ad-8848-5e766e8d1f40	COPIED	Sent: 3/31/2026 1:07:44 PM

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/31/2026 1:02:12 PM
Certified Delivered	Security Checked	3/31/2026 1:06:35 PM
Signing Complete	Security Checked	3/31/2026 1:07:41 PM
Completed	Security Checked	3/31/2026 1:07:44 PM

Payment Events	Status	Timestamps

Electronic Record and Signature Disclosure

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