

**YUKON RIVER INTER-TRIBAL
WATERSHED COUNCIL**

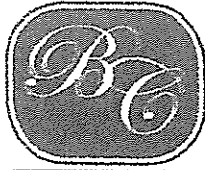
Financial Statements, Supplemental Information
And Compliance Reports

Years Ended September 30, 2024
And 2023

YUKON RIVER INTER-TRIBAL WATERSHED COUNCIL

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Independent Auditor's Report

Members of the Board of Directors
Yukon River Inter-Tribal Watershed Council
Anchorage, Alaska

Report on the Audit of the Financial Statements

Opinion

I have audited the accompanying financial statements of Yukon River Inter-Tribal Watershed Council (a nonprofit organization), which comprise the statements of financial position as of September 30, 2024 and 2023, and the related statements of activities, statements of functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Yukon River Inter-Tribal Watershed Council as of September 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Yukon River Inter-Tribal Watershed Council and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audits. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Yukon River Inter-Tribal Watershed Council's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Members of the Board of Directors
Yukon River Inter-Tribal Watershed Council

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Yukon River Inter-Tribal Watershed Council's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Yukon River Inter-Tribal Watershed Council's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that I identified during the audit.

Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated May 5, 2026, on my consideration of Yukon River Inter-Tribal Watershed Council's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Yukon River Inter-Tribal Watershed Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Yukon River Inter-Tribal Watershed Council's internal control over financial reporting and compliance.



Eagle River, Alaska
May 5, 2026

YUKON RIVER INTER-TRIBAL WATERSHED COUNCIL

Statements of Financial Position

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 105,701	173,339
Grants receivable	196,389	166,216
Contract receivable	8,226	8,226
Prepays	<u>5,844</u>	<u>5,958</u>
<i>Total current assets</i>	<u>316,160</u>	<u>353,739</u>
 Operating lease right-of-use assets	<u>19,536</u>	<u>56,684</u>
 Noncurrent assets:		
Property and equipment	212,880	212,880
Less accumulated depreciation	<u>(187,500)</u>	<u>(176,041)</u>
<i>Total noncurrent assets</i>	<u>25,380</u>	<u>36,839</u>
 <i>Total assets</i>	<u>\$ 361,076</u>	<u>447,262</u>
 Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 63,600	49,925
Accrued payroll and payroll liabilities	73,587	63,178
Unearned grant revenue	47,661	124,348
Operating lease liability, current	19,536	38,688
Note payable, current	<u>2,915</u>	<u>2,539</u>
<i>Total current liabilities</i>	<u>207,299</u>	<u>278,678</u>
 Operating lease liabilities, noncurrent	<u>-</u>	<u>17,996</u>
 Note payable, noncurrent	<u>2,637</u>	<u>8,471</u>
 <i>Total liabilities</i>	<u>209,936</u>	<u>305,145</u>
 Net Assets:		
Without donor restrictions	151,140	142,117
With donor restrictions	<u>-</u>	<u>-</u>
<i>Total net assets</i>	<u>151,140</u>	<u>142,117</u>
 <i>Total liabilities and net assets</i>	<u>\$ 361,076</u>	<u>447,262</u>

See accompanying notes to financial statements.

YUKON RIVER INTER-TRIBAL WATERSHED COUNCIL

Statements of Activities

Years Ended September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Revenues, gains and other support without donor restrictions from operating activities:		
Support:		
Foundations	\$ 120,360	183,310
Individual and corporations	2,622	326
State of Alaska	2,278	51,143
Federal passed through State of Alaska	-	-
Federal	935,506	909,763
Total revenues, gains and other support without donor restrictions	<u>1,060,766</u>	<u>1,144,542</u>
Revenue:		
Contract revenue	23,370	16,370
Other	7,363	17,626
Total revenue	<u>30,733</u>	<u>33,996</u>
Total support and revenue	<u>1,091,499</u>	<u>1,178,538</u>
Expenses:		
Program services:		
EPA	520,630	306,143
USDA	137,489	122,422
NSF	270,121	308,766
BIA	44,429	172,427
Other	108,840	220,500
Total program services	<u>1,081,509</u>	<u>1,130,258</u>
Supporting services:		
General and administrative	52,669	110,177
Less indirect cost recovery	(51,702)	(92,948)
Total supporting services	<u>967</u>	<u>17,229</u>
Total expenses	<u>1,082,476</u>	<u>1,147,487</u>
Change in net assets without donor restrictions from operating activities	<u>9,023</u>	<u>31,051</u>
Change in net assets without donor restrictions	9,023	31,051
Change in net assets	9,023	31,051
Net assets, beginning of year	142,117	111,066
Net assets, end of year	<u>\$ 151,140</u>	<u>142,117</u>

See accompanying notes to financial statements.

YUKON RIVER INTER-TRIBAL WATERSHED COUNCIL

Statement of Functional Expenses

Year Ended September 30, 2024

	Program Services					Supporting Services		Total Program and Supporting Services
	EPA	USDA	NSF	BIA	Other	Total Program Services	General and Administrative	
EXPENSES								
Salaries and benefits	\$ 287,043	88,263	100,333	28,619	51,263	555,521	17,121	572,642
Contract and professional	149,482	17,612	32,943	6,339	9,330	215,706	13,381	229,087
Travel and training	34,632	1,495	102,666	-	37,071	175,864	-	175,864
Insurance	-	-	34	-	-	34	2,812	2,846
Other	10,847	10,562	8,189	7,306	2,280	39,184	2,532	41,716
Facility - Lease	16,726	7,776	8,751	732	319	34,304	3,154	37,458
Facility - Utilities	4,125	3,694	757	438	180	9,194	2,210	11,404
Depreciation	-	-	-	-	-	-	11,459	11,459
Indirect costs	17,775	8,087	16,448	995	8,397	51,702	(51,702)	-
Total expenses	520,630	137,489	270,121	44,429	108,840	1,081,509	967	1,082,476

See accompanying notes to financial statements.

YUKON RIVER INTER-TRIBAL WATERSHED COUNCIL

Statement of Functional Expenses

Year Ended September 30, 2023

	Program Services						Total	Supporting Services	Total Program and Supporting Services
	<u>EPA</u>	<u>USDA</u>	<u>NSF</u>	<u>BIA</u>	<u>Other</u>	<u>Program Services</u>			
EXPENSES									
Salaries and benefits	\$ 202,075	80,025	96,694	80,281	94,293	553,368	19,456	572,824	
Contract and professional	12,742	1,613	31,262	7,615	19,956	73,188	49,818	123,006	
Travel and training	37,536	16,248	128,662	67,799	47,903	298,148	846	298,994	
Insurance	62	-	-	-	-	62	2,312	2,374	
Other	12,549	6,062	20,851	4,389	32,493	76,344	6,742	83,086	
Summit expenses	-	-	-	-	-	-	255	255	
Facility - Lease	16,076	5,360	2,129	3,235	1,938	28,738	11,456	40,194	
Facility - Utilities	2,883	2,005	1,308	991	275	7,462	5,866	13,328	
Depreciation	-	-	-	-	-	-	13,426	13,426	
Indirect costs	22,220	11,109	27,860	8,117	23,642	92,948	(92,948)	-	
Total expenses	306,143	122,422	308,766	172,427	220,500	1,130,258	17,229	1,147,487	

See accompanying notes to financial statements.

YUKON RIVER INTER-TRIBAL WATERSHED COUNCIL

Statements of Cash Flows

Years Ended September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Change in net assets	\$ 9,023	31,051
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	11,459	13,427
(Increase) decrease in assets:		
Grants and contract receivable	(30,173)	58,871
Other receivable	-	-
Prepaid items	114	(129)
Increase (decrease) in liabilities:		
Accounts payable	13,675	26,686
Accrued payroll and payroll liabilities	10,409	11,830
Unearned grant revenue	(76,687)	(36,160)
<i>Net cash provided by operating activities</i>	<u>(62,180)</u>	<u>105,576</u>
Cash flows from investing activities -		
Purchase of fixed assets	<u>-</u>	<u>(26,501)</u>
Net cash flow from investing activities	<u>-</u>	<u>(26,501)</u>
Cash flows from financing activities -		
Payments on long term debt	<u>(5,458)</u>	<u>(2,515)</u>
<i>Net increase (decrease) in cash</i>	<u>(67,638)</u>	<u>76,560</u>
Cash and restricted cash, beginning of year	<u>173,339</u>	<u>96,779</u>
Cash and restricted cash, end of year	<u>\$ 105,701</u>	<u>173,339</u>
Supplemental data:		

See accompanying notes to financial statements

YUKON RIVER INTER-TRIBAL WATERSHED COUNCIL

Notes to Financial Statements

September 30, 2024 and 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

Yukon River Inter-Tribal Watershed Council (the Council) is a nonprofit service organization created by the indigenous communities situated along the Yukon River Watershed (the Watershed) in Alaska and Yukon Territory, Canada. It operates pursuant to approval granted by the Indigenous Peoples Summit held in December 1997, with a directive that it carries out its work with full respect for the authority of the Indigenous Peoples of the Watershed and that its mission and organizing documents conform to the terms of the Yukon River Inter-Tribal Accord. The Council's articles of incorporation in the State of Alaska were restated in May 1999; its bylaws were amended and approved in 2001.

The Council's mission is to initiate and continue the clean-up and preservation of the Watershed for the protection of current and future generations of indigenous peoples and the continuation of the traditional native way of life. The Council's support is derived primarily from governmental grants and private foundation contributions.

Reporting Entity

The Council operates through two separate legal entities – one Canadian and one Alaskan. Each organization is overseen by its own executive committee. The Council, referred to in these financial statements, is the Alaska Region only and excludes the activities and financial position of its Canadian counterpart, the Yukon River Inter-Tribal Watershed Council Yukon Region. The Alaska Region on occasion acts as a pass-through agent, receiving funds designated by donors for activities of the Yukon Region. These funds are treated as agency transactions; consequently, no revenues or expenses relating to activities of the Yukon Region are included in these financial statements.

Use of Estimates

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

Basis of Accounting

The Yukon River Inter-Tribal Watershed Council's financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenues are recognized when they are earned. Liabilities and expenses are recorded when incurred. The financial statements include assets, liabilities, net assets and financial activities for those programs which the Council exercises fiscal and operations control.

The Council reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. A description of the net asset categories follows:

Net assets without donor restrictions represent that portion of net assets of the Council that are not restricted by donor-imposed restrictions.

Net assets with donor restrictions represent that portion of net assets of the Council whose use is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Council pursuant to those stipulations. When the stipulated time restriction ends or action is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the Statement of Activities as net assets released from restrictions.

As of September 30, 2024 and 2023, there were no net assets with donor restrictions.

Cash and Cash Equivalents

For purposes of cash flows, the Council defines "cash and cash equivalents" to include cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Because of the highly liquid nature of certificates of deposits, they are also included in cash and cash equivalents regardless of original maturities.

Prepaid Items

Payments made to vendors for services which benefit periods beyond the September 30 year end, are recorded as prepaid items and deposits.

Grants and Other Receivables

Grants and other receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. There were no allowances for the accounts receivable as of September 30, 2024 or 2023.

Accounts and Contracts Receivable

Accounts receivable are stated at unpaid balances, less an allowance for credit losses. The Council uses historical loss information based on aging of receivables as the basis to determine expected credit losses for receivables. A loss rate is developed for each category based on aging. Management believes the composition of receivables at year-end is consistent with historical conditions as credit terms and practices and the customer base has not changed. Receivables are considered impaired if full payments are not received in accordance with contractual terms. The Council grants credit without collateral and does not provide for accrual of interest or service charges on receivables. At September 30, 2024 and 2023, there was no allowance for uncollectible accounts (credit losses) considered necessary.

Property and Equipment

Property and equipment, with an original cost of more than \$5,000, is recorded at cost or, if contributed, at its estimated fair market value at the date of the contribution. Gifts of long lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Council reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. Depreciation is provided using the straight-line method over the estimated useful lives of the property. The estimated useful life for the equipment of the Council varies from 3-5 years. The estimated useful life for buildings and improvements is 20 years. Expenses for repairs and

maintenance are charged against operations as incurred. Gains and losses upon asset disposal are reflected in the statement of activities.

Accrued Vacation

Vacation is accrued as earned by employees and recorded as an expense in the period earned.

Deferred Revenue

Deferred revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met.

Promises to Give

Unconditional promises to give cash and other assets to the Council are reported at fair value at the date the promise to give is received. Conditional promises to give and indications of intentions to give are reported at the fair value at the date the gift is received. The promises to give are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified a net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as net assets without donor restricted contributions.

Support and Revenue

Contributions received are recognized as revenue at their fair value in the period received. Grant revenues which are paid by the grantor on a cost-reimbursement basis are deemed to be earned and reported as revenues when the Council has incurred the related costs. Such amounts received but not earned are reported as deferred grant revenue. Donor-restricted contributions whose restrictions are met in the same reporting period as contributions are received are reported as with donor restricted contributions and net assets released from restriction in the year received.

Contributed Nonfinancial Assets

Donated services are recognized as contributions in accordance with FASB ASC 958, Accounting for Contributions Received and Contributions Made, if the services (1) create or enhance nonfinancial assets or (2) require specialized skills, are performed by the people with those skills and would otherwise be purchased by the Council. Contributed nonfinancial assets for space, supplies, and professional services are recorded in the statement of activities at market value and recognized as revenue and expenses in the period they are received, except for donated equipment, which is recorded as revenue in the period received and the asset is depreciated over its estimated useful life.

Description of Program Services

The following are the Organization's more significant programs:

EPA

Environmental education – Provides culturally appropriate environmental education curriculum to youth throughout school and community programming, and raises community awareness of the issues that affect the Watershed.

USDA

Technical Assistance – Provides technical assistance to communities and Indigenous Peoples in the Yukon River Watershed.

NSF

Technical Assistance – Provides erosion and water quality to communities and Indigenous Peoples in the Yukon River Watershed.

BIA

Technical Assistance – Provides technical assistance to communities and Indigenous Peoples on climate change in the Yukon River Watershed

OTHER

Advocacy – includes efforts to clean contaminated sites and prevent future contamination of the Watershed.

Supporting Services

General and administrative – Provides for the overall coordination and articulation of the Council's mission and strategies through the executive director; facilitates administrative functioning of the executive committee; arranges for legal services necessary for program administration; and provides business and financial management for all the Council's activities. General and administrative expenses include those expenses that are not directly chargeable to any other specific function to provide for the overall support and direction of the Council.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated salaries and benefits, contract and professional services, travel, summit expenses, communications, facility, supplies, postage and shipping fees which are allocated on the basis of estimated time and effort. 100% of insurance, training and depreciation are allocated to general and administrative

Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique.

The following financial instruments are recorded at their fair value or at amounts that approximate fair value: (1) cash and cash equivalents (2) receivables, net, (3) certain other current assets, (4) accounts payable and (5) other current liabilities. The carrying amounts reported in the statements of financial position for the above financial instruments closely approximate their fair value due to their short-term nature of the assets and liabilities.

Income taxes

The Council is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Service code. However, any income derived from unrelated business activities is subject to the requirement of filing Federal Income Tax Form 990-T and a tax liability may be determined on these activities. With few exceptions, the Council is not subject to audit of its tax returns prior to September 30, 2021.

Leases

The Council determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities on the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. The Council does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

Reclassifications

Certain reclassifications have been made in the 2023 financial statements in order to conform to the 2024 presentation. Such reclassifications had no effect on net assets.

Change in Accounting Principle

In 2023, the Council adopted FASB ASU 2016-13 *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss ("CECL") methodology. The measurement of expected credit losses under the CECL methodology is applicable to financial assets measured at amortized cost, consisting of trade receivables. Under the CECL, the Council adjusts its receivable for credit losses using an allowance account. The net amount of receivables less its allowance account represents the amount expected to be collected. The CECL methodology requires that the allowance account be measured based on various information that includes historical data and information, current economic conditions, and reasonable and supportable forecasted information about future events. The Council adopted the changes made by ASU 2016-13 using the retrospective method which did not have a significant impact on the accompanying financial statements.

NOTE 2 – CASH AND INVESTMENTS

The Council's cash is maintained in checking and savings accounts at local institutions. Its bank and book balances at September 30, 2024, was \$109,706 and \$105,701, respectively. The entire bank balance was insured by the Federal Depository Insurance Corporation. Its bank and book balances at September 30, 2023, was \$202,501 and \$173,339, respectively. The entire bank balance was insured by Federal Depository Insurance Corporation.

NOTE 4 – REVENUE FROM CONTRACTS WITH CUSTOMERS

For revenue from contracts with customers, the timing of revenue recognition, billings, and cash collections may result in unbilled accounts receivable, unbilled expenditures (contract assets) and customer advances and deferred revenue (contract liabilities). Based on the nature of the Council's contracts and the type of customers, there is minimal uncertainty over the amounts, timing and ultimate collectability of payments.

The Council's contract types include the following:

Revenue from cost reimbursement contracts are recognized upon the incurrence of allowable expenditures, over time. Payments on cost reimbursement contracts are generally paid in arrears upon the incurrence and subsequent billing of allowable expenditures.

Revenue from deliverable or task-based contracts is recognized at a point in time, as deliverables or tasks are completed. Advances, if any, are recorded as contract liabilities.

Total revenue by contract type is as follows:

Revenue by type (point in time):	<u>2024</u>	<u>2023</u>
Included in contract revenue:		
Task based	\$ 23,370	16,370
Total revenue from contracts with customers	<u>\$ 23,370</u>	<u>16,370</u>

Any advances received from customers before revenue is recognized is recorded as deferred contract liability. Any allowable costs incurred prior to billing are recorded as unbilled expenditures (contract assets). Receivables are recorded as work progresses and revenue is recorded.

The beginning and ending receivable balances related to contracts are as follows:

Receivables	<u>2024</u>	<u>2023</u>	<u>2022</u>
Task based	\$ 8,226	8,226	14,000
Total receivables	<u>\$ 8,226</u>	<u>8,226</u>	<u>14,000</u>

There were no contract assets at September 30, 2024 and 2023.

NOTE 3 – EQUIPMENT

Property and equipment consists of the following at September 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Equipment	\$ 212,880	212,880
Less accumulated depreciation	<u>(187,500)</u>	<u>(176,041)</u>
Total	<u>\$ 25,380</u>	<u>36,839</u>

Depreciation expense for September 30, 2024 and 2023 was \$11,459 and \$13,426, respectively.

NOTE 4 – LEASES

Operating Leasing Activities as Lessee: The Council entered into a lease for office space during 2022. The lease agreement commenced on April 1, 2022 and extends 36 months. Monthly rent expense is \$3,130 for the first year, \$3,192 for the second year, and \$3,256 for the final year of the lease. Total lease expense for the years ending September 30, 2024 and 2023 was \$37,458 and \$40,194, respectively.

The Council records monthly rent expense on a straight-line basis. The Council has set up an ROU asset representing the Council's right to use the building for the lease term, and the lease liability represents the Council's obligation to make lease payments arising from the lease. The ROU and lease liability, all of which arise from this operating lease, were calculated based on the present value of the future minimum lease payments over the lease term. The Council made an accounting policy election to use a risk-free rate in lieu of its current incremental borrowing rate to discount future lease payments. The risk-free rate applied to calculate lease liabilities at September 30, 2023, was 3.79%

Rental expense on this lease was \$37,458 and \$40,194 for the years ended September 30, 2024 and 2023, respectively. Future maturities of the lease liability are as follows:

Year end	
September 30, 2025	\$ 19,536
Total lease payments	19,536
Less present value discount	-
Total lease obligation	\$ 19,536

NOTE 6 – LONG TERM DEBT

Following are descriptions of the Council's notes payable as of September 30, 2024 and 2023, respectively:

	<u>2024</u>	<u>2023</u>
Note payable to Kendall Auto, LLC, payable in monthly payments of \$267, including interest at 6.69% starting February 2023, with a maturity date of September, 2027	5,552	11,010
	5,552	11,010
less current portion	(2,915)	(2,539)
	<u>\$ 2,637</u>	<u>8,471</u>

The Council's note obligations mature in the following periods:

Years Ending September 30,	
2025	\$ 2,915
2026	2,637
	<u>\$ 5,552</u>

Total interest expense was \$542 and \$1,085 respectively for the years ended September 30, 2024 and 2023, respectively.

NOTE 6 – CONCENTRATION OF SUPPORT

The Council received 86% and 77% of its support and revenues from federal grants for the fiscal years ending September 30, 2024 and 2023, respectively. Changes in this support would have a significant impact on the financial position and activities of the Organization.

NOTE 7 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Council's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

	<u>2024</u>	<u>2023</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 105,701	173,339
Grants and contract receivable, net	204,615	174,442
Other receivable, net	<u>-</u>	<u>-</u>
	310,316	347,781
Less those unavailable for general expenditures within one-year, due to:		
Net assets with donor restrictions	<u>-</u>	<u>-</u>
	-	-
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 310,316</u>	<u>347,781</u>

The Council is substantially supported by grants. As part of the Council's liquidity management plan, adequate cash to meet operational demands is maintained, and the age of accounts receivable balance is monitored to ensure collections occur in a timely manner. Staff with the necessary knowledge and expertise to apply for new grants is retained if liquidity is in jeopardy.

NOTE 8 – CONTINGENCY

Amounts received or receivable from the State of Alaska or federal sources are subject to audit and adjustment. Any disallowed claims, including amounts already collected, would become a liability of the Yukon River Inter-Tribal Watershed Council.

NOTE 9 – SUBSEQUENT EVENTS

Subsequent event procedures have been performed as of May 5, 2026. This is also the date the financials were available to be issued.

YUKON RIVER INTER-TRIBAL WATERSHED COUNCIL

Schedule of Expenditures of Federal Awards

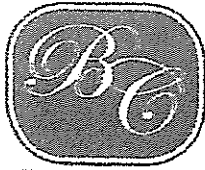
Year Ended September 30, 2024

<u>Federal Grant Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through/ Grant Award Number</u>	<u>Passed Through to Subrecipients</u>	<u>Grant Award</u>	<u>Federal Expenditures</u>
U.S. Department of Interior:					
Direct:					
BIA Education Youth	15.156	A21AP10162	\$ -	46,032	44,431
			-	46,032	44,431
U.S. Environmental Protection Agency:					
Direct:					
Indian General Assistance Program	66.926	GA01J79201	-	510,000	135,000
State and Tribal Response Program	66.817	RP96012816	-	621,095	185,131
State and Tribal Response Program	66.817	BF01J97901	-	296,533	184,330
			-	917,628	369,461
			-	1,427,628	504,461
National Science Foundation:					
Indigenous Observation Network	47.078		-	634,345	59,482
ELOKA	47.078		-	142,875	20,987
NNA CU Arctic Rivers	47.050		-	580,497	38,061
Passed through University of Colorado Permafrost CU UAF	47.050	1559937	-	135,134	51,496
Caltech 2	47.050		-	471,657	75,258
Caltech 1 - Erosion	47.050		-	38,101	3,861
			-	1,225,389	168,676
Total National Science Foundation			-	2,002,809	249,125
U.S. Department of Agriculture:					
Direct:					
Technical Assistance and Training	10.761		-	-	137,489
Total Technical Assistance and Training			-	-	137,489
Total federal financial assistance			\$ -	\$ 3,476,269	935,506

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of YRITWC under programs of the federal government for the year ended September 30, 2024. The information in this schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of YRITWC, it is not intended to and does not present the financial position, changes in net assets, or cash flows of YRITWC.

Expenditures reported on this Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Organization has elected to use the 10% de minimis indirect cost rate. Pass through entity identifying numbers are presented where available.



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INDEPENDENT AUDITOR'S 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

Members of the Board of Directors
Yukon River Inter-Tribal Watershed Council

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Yukon River Inter-Tribal Watershed Council (a nonprofit organization), which comprise the statement of financial position as of September 30, 2024, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated May 5, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Yukon River Inter-Tribal Watershed Council' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Yukon River Inter-Tribal Watershed Council' internal control. Accordingly, I do not express an opinion on the effectiveness of the Yukon River Inter-Tribal Watershed Council's internal control.

A *deficiency in internal control* 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. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations. During my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Members of the Board of Directors
Yukon River Inter-Tribal Watershed Council

Report on Compliance and Other Matters

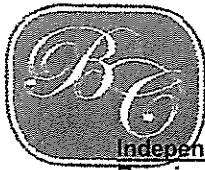
As part of obtaining reasonable assurance about whether the Yukon River Inter-Tribal Watershed Council' financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brad Cag, CPA

Eagle River, Alaska
May 5, 2026



Brad Cage, CPA
18040 Hillcrest Drive • Eagle River, AK 99577
Phone (907) 444-6465

**Independent Auditor's Report on Compliance For Each Major Program and on Internal Control over Compliance
Required by the Uniform Guidance**

Members of the Board of Directors
Yukon River Inter-Tribal Watershed Council

Report on Compliance for Each Major Federal Program

Qualified Opinion

I have audited Yukon River Inter-Tribal Watershed Council's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Yukon River Inter-Tribal Watershed Council's major federal programs for the year ended September 30, 2023. Yukon River Inter-Tribal Watershed Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on Environmental Protection Agency, State and Tribal Response Program, 66.817 and Department of Interior, BIA Education Youth grant, 15.156

In my opinion, except for the noncompliance described in the Basis for Qualified Opinion Section of my report, Yukon River Inter-Tribal Watershed Council complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Environmental Protection Agency, State and Tribal Response Program, Indian General Assistance Program and Department of Interior, BIA Resilience, Travel, Education Youth, and Resilience Internships major programs for the year ended September 30, 2024.

Basis for Qualified Opinion

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). My responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

I am required to be independent of Yukon River Inter-Tribal Watershed Council and to meet my other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion on compliance for each major federal program. My audit does not provide a legal determination of Yukon River Inter-Tribal Watershed Council's compliance with the compliance requirements referred to above.

Matter Giving Rise to Qualified Opinion on Environmental Protection Agency, State and Tribal Response Program, 66.817 and Department of Interior, BIA Education Youth grant, 15.156

As described in the accompanying schedule of findings and questioned costs, Yukon River Inter-Tribal Watershed Council did not comply with requirements regarding Other for the Environmental Protection Agency, State and Tribal Response Program and Department of Interior, BIA Education Youth major programs as described in Finding 2024-001.

Compliance with such requirements is necessary, in my opinion, for Yukon River Inter-Tribal Watershed Council to comply with the requirements applicable to those programs.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Yukon River Inter-Tribal Watershed Council's federal programs.

Auditor's Responsibilities for the Audit of Compliance

My objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Yukon River Inter-Tribal Watershed Council's compliance based on my audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Members of the Board of Directors

Yukon River Inter-Tribal Watershed Council

Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Yukon River Inter-Tribal Watershed Council's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Yukon River Inter-Tribal Watershed Council's compliance with the compliance requirements referred to above and performing such other procedures as I considered necessary in the circumstances.
- Obtain an understanding of Yukon River Inter-Tribal Watershed Council's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Yukon River Inter-Tribal Watershed Council's internal control over compliance. Accordingly, no such opinion is expressed.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that I identified during the audit.

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on Yukon River Inter-Tribal Watershed Council's response to the noncompliance findings identified in my compliance audit and described in the accompanying schedule of findings and questioned costs. Yukon River Inter-Tribal Watershed Council's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, I express no opinion on the response.

Report on Internal Control over Compliance

My consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, I did identify certain deficiencies in internal control over compliance that I consider to be a material weakness.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. I consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-001 to be a material weakness.

My audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on Yukon River Inter-Tribal Watershed Council's response to the internal control over compliance findings identified in my compliance audit described in the accompanying schedule of findings and questioned costs. Yukon River Inter-Tribal Watershed Council's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, I express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Brad Cagier, CPA
Eagle River, Alaska
May 5, 2026

YUKON RIVER INTER-TRIBAL WATERSHED COUNCIL

Summary of Auditor's Results and Schedule of Findings and Questioned Costs

Year Ended September 30, 2024

FINANCIAL STATEMENTS

Type of auditor report issued:	Unmodified
Material weakness in internal control over financial reporting reported?	No
Significant deficiency not considered a material weakness reported?	No
Noncompliance related to the financial statements reported?	No

FEDERAL AWARDS

Type of auditor report issued on compliance over major programs:	Qualified for All
Material weakness in internal control over major programs identified?	Yes
Significant deficiency not considered a material weakness identified?	No
Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a)?	Yes

IDENTIFICATION OF MAJOR PROGRAMS

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster of Programs</u>
66.817	Environmental Protection Agency, State and Tribal Response Program – BF-01J97901 and RP96012816
15.156	Department of Interior, A21AP10162, BIA Educational Youth

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Qualified as a low-risk auditee?	No

FINDINGS RELATED TO THE FINANCIAL STATEMENTS

Yukon River Inter-Tribal Watershed Council did not have any findings that relate to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

Yukon River Inter-Tribal Watershed Council did have findings and/or questioned costs related to federal awards that are required to be reported in accordance with the Uniform Guidance.

YUKON RIVER INTER-TRIBAL WATERSHED COUNCIL

Summary of Auditor's Results and Schedule of Findings and Questioned Costs, Continued

Year Ended September 30, 2024

FINANCIAL STATEMENT FINDINGS

None reported.

FEDERAL AWARD FINDINGS

Finding 2024-001, Other, Late Audit, Environmental Protection Agency, State and Tribal Response Program, 66.817, BF-01J97901 and RP96012816 and Department of Interior, A21AP10162 Education Youth, 15.156

Statement of Condition	I noted that the Yukon River Inter-Tribal Watershed Council did not submit their audit within the required 9 month timeframe of year end.
Criteria	Per 2 CFR, Section 200.512, the Yukon River Inter-Tribal Watershed Council must submit their audit within 9 months of their fiscal year end.
Questioned Costs	None.
Cause	Management did not ensure that the audits were performed timely.
Effect	Audit was late.
Context	Not applicable
Suggestion	I recommend that the Organization ensure timely audits for future audits.
Auditee reply	See corrective action plan.
Repeat Finding	This was a repeat finding. This was previously reported as Finding 2023-001 and 2022-001.

ONE PEOPLE-ONE RIVER

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YUKON RIVER INTER-TRIBAL WATERSHED COUNCIL

Corrective Action Plan

Year Ended September 30, 2024

Finding	Responsible Individual	Management Views	Corrective Action	Anticipated Completion Date
2024-001	Theresa Clark, Executive Director	Management agrees with the finding.	The Organization has started audit preparation for the 2025 audit. We expect to be caught up by our 2025 audit.	The 2025 audit is expected to be completed timely.

GUIDING PRINCIPLES

Be Good Listeners ~~~ Be Respectful ~~~ Be Flexible ~~~ Have Integrity ~~~ Be Honest ~~~ Be Timely ~~~ Be Non-judgmental
Share Wisdom ~~~ Be Consensual ~~~ Be Unifying ~~~ Be Fair & Equal ~~~ Be Tenacious ~~~ Be Trustworthy ~~~ Be Patient
Be Bold ~~~ Be Inclusive

The Yukon River Inter-Tribal Watershed Council is an equal opportunity provider and employer.

YUKON RIVER INTER-TRIBAL WATERSHED COUNCIL

Schedule of Prior Audit Findings

Year Ended September 30, 2024

FINANCIAL STATEMENT FINDINGS

There were no prior year audit findings related to the financial statements.

FEDERAL AWARD FINDINGS

Material Weakness

Finding 2023-001, Other, Late Audit, Environmental Protection Agency, State and Tribal Response Program, 66.817, BF-01J97901 and Indian General Assistance Program, 66.926, 01J79201 Department of Interior, BIA Resilience, A21AP10162, Travel, A21AP10236, Education Youth, A21AP10154, and Resilience Internships, A21AP10154 grants, 15.156

Statement of Condition I noted that the Yukon River Inter-Tribal Watershed Council did not submit their audit within the required 9 month timeframe of year end.

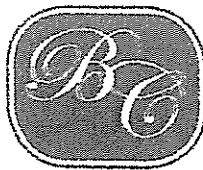
Suggestion I recommend that the Organization ensure timely audits for future audits.

Status This finding was noted again as Finding 2024-001.

GUIDING PRINCIPLES

Be Good Listeners ~*~ Be Respectful ~*~ Be Flexible ~*~ Have Integrity ~*~ Be Honest ~*~ Be Timely ~*~ Be Non-judgmental
Share Wisdom ~*~ Be Consensual ~*~ Be Unifying ~*~ Be Fair & Equal ~*~ Be Tenacious ~*~ Be Trustworthy ~*~ Be Patient
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May 5, 2026

Board of Directors and Management

Yukon River Inter-Tribal Watershed Council

Anchorage, Alaska

I have audited the financial statements of Yukon River Inter-Tribal Watershed Council for the year ended September 30, 2024, and I have issued my report thereon dated May 5, 2026. Professional standards require that I provide you with information about my responsibilities under generally accepted auditing standards and *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of my audit. I have communicated such information in my letter to you dated February 19, 2025. Professional standards also require that I communicate to you the following information related to my audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Yukon River Inter-Tribal Watershed Council are described in Note 1 to the financial statements. As described in Note 1 to the financials, Yukon River Inter-Tribal Watershed Council on October 1, 2022, the Organization adopted FASB ASU 2016-13 *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss ("CECL") methodology. The measurement of expected credit losses under the CECL methodology is applicable to financial assets measured at amortized cost, consisting of trade receivables. Under the CECL, the Organization adjusts its receivable for credit losses using an allowance account. The net amount of receivables less its allowance account represents the amount expected to be collected. The CECL methodology requires that the allowance account be measured based on various information that includes historical data and information, current economic conditions, and reasonable and supportable forecasted information about future events. The Organization adopted the changes made by ASU 2016-13 using the retrospective method which did not have a significant impact on the financial statements. I noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no estimates considered material to the financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no disclosures considered particularly sensitive.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

I encountered no significant difficulties in dealing with management in performing and completing my audit.

Corrected and Uncorrected Misstatements

Professional standards require me to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. See Attachment A for the misstatements corrected by management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. I am pleased to report that no such disagreements arose during the course of my audit.

Management Representations

I have requested certain representations from management that are included in the management representation letter dated May 5, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with me to determine that the consultant has all the relevant facts. To my knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

I generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and my responses were not a condition to my retention.

Finding 2024-001 in the financial statements discusses the material weakness in internal control over compliance regarding other for a late audit.

As part of my engagement, I assisted management in the drafting of the financial statements, notes and schedule of Expenditures of Federal Awards from the accounting records; however management was involved in the drafting process and retains responsibility for the financial statements, related notes and Schedule of Expenditures of Federal Awards.

Other Matters

With respect to the supplementary information accompanying the financial statements, I made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. I compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Directors and Management of Yukon River Inter-Tribal Watershed Council and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Brad Cage, CPA

Brad Cage, CPA

Eagle River, Alaska