



Greenfield Environmental Multistate Trust LLC,
Trustee of the Multistate Environmental Response Trust
By Greenfield Environmental Trust Group, Inc., Member
P.O. Box 1189 Helena, Montana 59624
Telephone: (406)457-2142
Email: jr@g-etg.com

September 27, 2022

By Electronic Mail

Blake Holden
Alabama Department of Environmental
Management

Billie Jean Wascher
Alabama Department of Environmental
Management

Scott Story
Alabama Department of Environmental
Management

Jared Kelley
Alabama Department of Environmental
Management

Subject: Second Quarter 2022 Financial Statements

Greenfield Environmental Multistate Trust, LLC, Trustee of the Multistate Environmental Response Trust (the Multistate Trust), hereby submits the attached financial statements for the Multistate Trust - Former Kerr-McGee Titanium Dioxide Benefication Plant Site in Mobile, Alabama to the beneficiaries.

The attached financial statements cover the year to date ended June 30, 2022, and the year ended December 31, 2021, and are submitted pursuant to the Multistate Trust's obligations under ¶6.1 of the Environmental Response Trust Agreement.

Please do not hesitate to contact me or Cindy Brooks with any questions pertaining to the attached.

Sincerely,

Greenfield Environmental Multistate Trust, LLC
Trustee of the Multistate Environmental Response Trust
By: Greenfield Environmental Trust Group, Inc., Member

A handwritten signature in blue ink that reads 'Jen Roberts, CPA'. Below the signature is a horizontal line.

Name: Jennifer Roberts, CPA
Title: Director of Financial Affairs

Enclosure

cc: Cynthia Brooks
USANYS.TrnoxTrustReports@usdoj.gov



Accountant's Compilation Report

To the Trustees and Beneficiaries
Greenfield Environmental Multistate Trust Group LLC
Trustee for the Multistate Environmental Response Trust (Multistate Trust)

Site: Former Kerr-McGee Titanium Dioxide Benefication Plant Site in Mobile, Alabama

The Trustees are responsible for the accompanying special purpose financial statements of the Multistate Trust Site, which comprise the statements of net trust assets as of June 30, 2022 and December 31, 2021, and the related statements of changes in net trust assets for the year to date ended June 30, 2022 and the year then ended December 31, 2021 and for determining that the special purpose basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by the trustees. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the special purpose basis of accounting in accordance with the requirements of the Trust's obligations under ¶6.1 of the Environmental Response Trust Agreement, which is a basis of accounting other than accounting principles generally accepted in the United States.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the prescribed format basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Trust's assets, liabilities, net trust assets, additions, and deductions. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Supplementary Information

The Schedules of Budget to Actual, the Quarterly Investment Presentation and the 11 Year Activity Summary Report supplementary information is presented for purposes of additional analysis and is not a required part of the special purpose financial statements. This information is the representation of the trustees. The information was subject to our compilation engagements; however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to Multistate Environmental Response Trust.

Wipfli LLP

August 31, 2022
Helena, MT

Multistate Environmental Response Trust
Former Kerr-McGee Titanium Dioxide Beneficiation Plant Site in Mobile, Alabama - Environmental
Cost Account (ECA)
Statements of Net Trust Assets
As of June 30, 2022 and December 31, 2021

	<u>June 30, 2022</u>	<u>December 31, 2021</u> <u>(Restated)¹</u>
Assets		
Cash	\$ 1,635,672.12	\$ 567,732.34
Investments	261,541,870.84	272,793,855.76
Total Assets	<u>\$ 263,177,542.96</u>	<u>\$ 273,361,588.10</u>
Liabilities		
Accounts Payable	\$ 4,008,525.88	\$ 883,813.81
Due to Other Funds	2,585.42	2,384.94
Construction Retainage Payable	857,017.37	-
Total Liabilities	<u>4,868,128.67</u>	<u>886,198.75</u>
Net Trust Assets, Mobile ECA	<u>258,309,414.29</u>	<u>272,475,389.35</u>
Total Liabilities & Net Trust Assets	<u>\$ 263,177,542.96</u>	<u>\$ 273,361,588.10</u>

Statements of Changes in Net Trust Assets
For the Year to Date Ended June 30, 2022 and the Year Ended December 31, 2021

	<u>Year to Date Ended</u> <u>June 30, 2022</u>	<u>Year Ended</u> <u>December 31, 2021</u> <u>(Restated)¹</u>
Deductions from Net Trust Assets:		
A - Regulatory Compliance/ O&M	\$ 896,571.18	\$ 1,899,402.99
C - New Environmental Actions	9,827,828.30	2,028,891.07
D - Technical Team/Management	614,704.31	721,807.41
E - Project Fees & Expenses	56,463.75	26,207.00
F - Regulator Oversight Costs	5,702.23	42,428.16
G - Legal & Accounting Costs	88,554.31	123,066.64
Total Deductions from Net Trust Assets	<u>11,489,824.08</u>	<u>4,841,803.27</u>
Additions to Net Trust Assets:		
Investment income, net of expenses	445,452.20	887,507.84
Unrealized gain (loss) on investments	<u>(3,121,603.18)</u>	<u>(1,608,765.82)</u>
Total Additions to Net Trust Assets	<u>(2,676,150.98)</u>	<u>(721,257.98)</u>
Change in Net Trust Assets	<u>(14,165,975.06)</u>	<u>(5,563,061.25)</u>
Net Trust Assets, Mobile ECA Beginning	<u>272,475,389.35</u>	<u>278,038,450.60</u>
Net Trust Assets, Mobile ECA End	<u>\$ 258,309,414.29</u>	<u>\$ 272,475,389.35</u>
Anadarko Settlement Funding, 2015 & 2016		\$ 271,885,808.34
Original Amount Funded, 2011		\$ 21,587,129.00
Beneficiary Approved Transfer to Birminghamport ECA, 2015		\$ 580,000.00

¹The 12/31/2021 balances for Accounts Payable and Cost Center A - Regulatory Compliance/O&M have been restated by \$6,578 for expenses incurred in 2021, but not received and recorded until after the distribution of the 12/31/2021 financial statements.

Multistate Environmental Response Trust
Former Kerr-McGee Titanium Dioxide Beneficiation Plant Site in Mobile, Alabama - ECA
Schedule of Budget to Actual

	Quarter Ended June 30, 2022	Year to Date Ended June 30, 2022	Annual Budget	Variance	% of Budget
Deductions from Net Trust Assets:					
A - Regulatory Compliance/ O&M	\$ 446,820.16	\$ 896,497.04	\$ 3,585,000.00	\$ (2,688,502.96)	25.0%
C - New Environmental Actions	6,157,911.98	9,827,828.30	21,812,000.00	(11,984,171.70)	45.1%
D - Technical Team/Management	286,996.61	614,704.31	1,301,000.00	(686,295.69)	47.2%
E - Project Fees & Expenses	32,838.75	56,463.75	178,000.00	(121,536.25)	31.7%
F - Regulator Oversight Costs	3,112.65	5,702.23	75,000.00	(69,297.77)	7.6%
G - Legal & Accounting Costs	26,196.75	88,554.31	305,000.00	(216,445.69)	29.0%
Total Deductions from Net Trust Assets	<u>6,953,876.90</u>	<u>11,489,749.94</u>	<u>27,256,000.00</u>	<u>(15,766,250.06)</u>	<u>42.2%</u>
Additions to Net Trust Assets:					
Investment income, net of expenses	336,162.12	445,452.20	-	445,452.20	100.0%
Unrealized gain (loss) on investments	(906,399.85)	(3,121,603.18)	-	(3,121,603.18)	100.0%
Total Additions to Net Trust Assets	<u>(570,237.73)</u>	<u>(2,676,150.98)</u>	<u>-</u>	<u>(2,676,150.98)</u>	<u>100.0%</u>
Change in Net Trust Assets	<u>\$ (7,524,114.63)</u>	<u>\$ (14,165,900.92)</u>	<u>\$ (27,256,000.00)</u>	<u>\$ 13,090,099.08</u>	<u>52.0%</u>

¹On August 22, 2022, a 12/31/2022 budget amendment was approved to increase Cost Center E - Project Fees & Expenses by \$125,000.

Multistate Environmental Response Trust
Former Kerr-McGee Titanium Dioxide Beneficiation Plant Site in Mobile, Alabama - ECA
Schedule of Budget to Actual

	Year Ended December 31, 2021 (Restated) ¹	Annual Budget	Variance	% of Budget
Deductions from Net Trust Assets:				
A - Regulatory Compliance/ O&M	\$ 1,899,402.99	\$ 3,182,000.00	\$ (1,282,597.01)	59.7%
C - New Environmental Actions	2,028,891.07	24,046,000.00	(22,017,108.93)	8.4%
D - Technical Team/Management	721,807.41	1,232,000.00	(510,192.59)	58.6%
E - Project Fees & Expenses	26,207.00	122,000.00	(95,793.00)	21.5%
F - Regulator Oversight Costs	42,428.16	150,000.00	(107,571.84)	28.3%
G - Legal & Accounting Costs	123,066.64	326,000.00	(202,933.36)	37.8%
Total Deductions from Net Trust Assets	<u>4,841,803.27</u>	<u>29,058,000.00</u>	<u>(24,216,196.73)</u>	<u>16.7%</u>
Additions to Net Trust Assets:				
Investment income, net of expenses	887,507.84	-	887,507.84	100.0%
Unrealized gain (loss) on investments	(1,608,765.82)	-	(1,608,765.82)	100.0%
Total Additions to Net Trust Assets	<u>(721,257.98)</u>	<u>-</u>	<u>(721,257.98)</u>	<u>100.0%</u>
Change in Net Trust Assets	<u>\$ (5,563,061.25)</u>	<u>\$ (29,058,000.00)</u>	<u>\$ 23,494,938.75</u>	<u>19.1%</u>

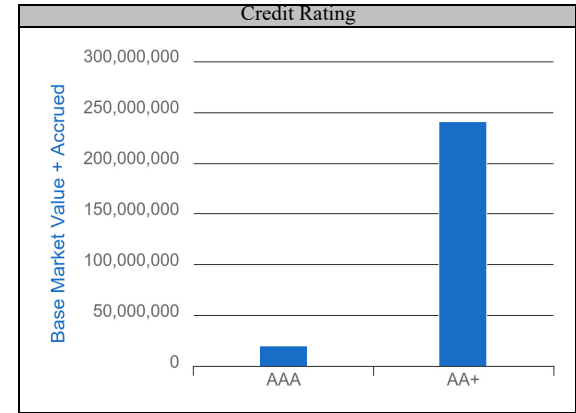
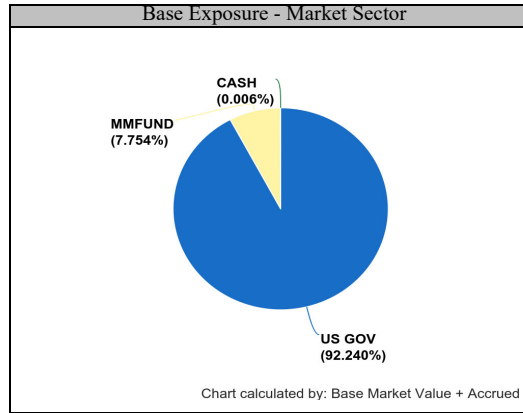
¹The 12/31/2021 balances for Accounts Payable and Cost Center A - Regulatory Compliance/O&M have been restated by \$6,578 for expenses incurred in 2021, but not received and recorded until after the distribution of the 12/31/2021 financial statements.

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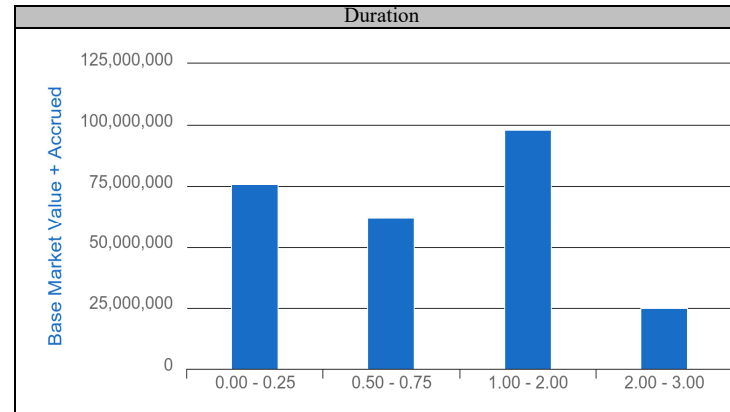
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Account:
Date:

Quarterly Presentation
MS-Mobile-AGG
04/01/2022 - 06/30/2022

Cash and Fixed Income Summary		
Risk Metric	Market Value	
Cash	15,048	
Treasury MMFund	20,281,261	
Fixed Income	241,245,561	
Total Portfolio	\$	261,541,871
Duration	0.838	
Years to Final Maturity	0.866	
Yield	2.349	
Avg Credit Rating	AA+/Aa1/AA+	
Total Interest Income	\$	360,254



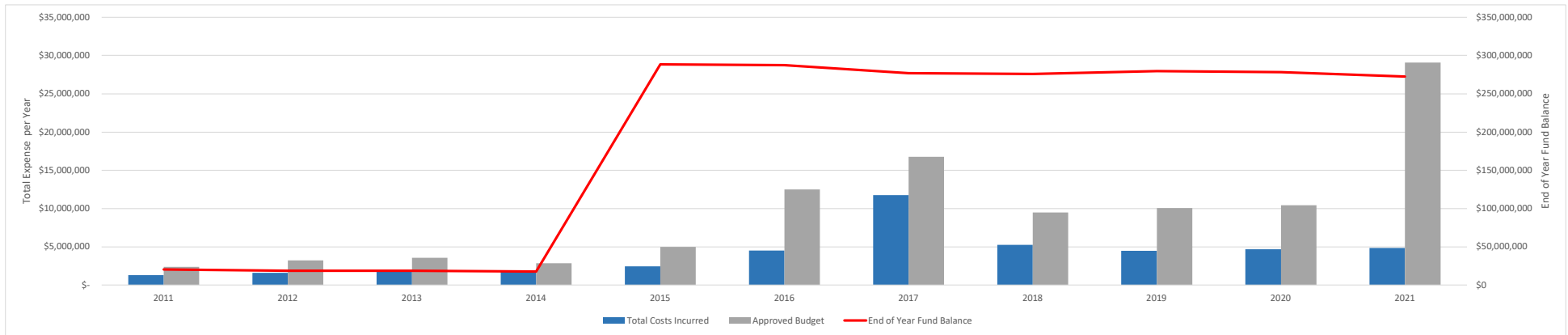
Issuer Concentration		
Issuer Concentration	Market Value	
United States Treasury	92.2%	
Treasury MMFund	7.8%	
Cash	0.0%	
Total Portfolio	100.0%	



Compliance Overview	
Status	Compliant
As of	06/30/2022

1: * Grouped by: Issuer Concentration
2: * Groups Sorted by: % of Base Market Value + Accrued

**Former Kerr-McGee Titanium Dioxide Beneficiation Plant Site in Mobile, Alabama - ECA
11 Year Activity Summary
(2011 to 2021)**



Summary of Activity																						
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total										
End of Year Fund Balance	\$20,297,463	\$18,680,232	\$18,738,089	\$17,467,658	\$288,293,668	\$287,212,693	\$276,896,961	\$275,812,490	\$279,359,703	\$278,038,451	\$272,475,389	\$272,475,389										
Total Costs Incurred	\$1,291,461	\$1,619,429	\$1,901,332	\$1,828,515	\$2,454,420	\$4,528,745	\$11,745,351	\$5,274,674	\$4,467,461	\$4,670,320	\$4,841,803	\$44,623,511										
Approved Budget	\$2,368,300	\$3,219,000	\$3,552,320	\$2,862,900	\$4,981,010	\$12,515,000	\$16,758,000	\$9,485,300	\$10,071,400	\$10,449,500	\$29,058,000	\$105,320,730										
Net Investment and Other Income	\$1,795	\$2,198	\$1,959,188	\$558,084	\$1,677,101	\$3,165,290	\$1,429,619	\$4,190,203	\$8,014,674	\$3,349,068	(\$721,258)	\$23,625,963										
Initial and Anadarko Funding and (Distributions)	\$21,587,129	\$0	\$0	\$0	\$271,603,328	\$282,480	\$0	\$0	\$0	\$0	\$0	\$293,472,937										

Line Item Cost Centers	Cost Center Detail																							
	2011		2012		2013		2014		2015		2016		2017		2018		2019		2020		2021		TOTAL	
	Actual Costs	Approved Budget	Actual Costs	Approved Budget	Actual Costs	Approved Budget	Actual Costs	Approved Budget	Actual Costs	Approved Budget	Actual Costs	Approved Budget	Actual Costs	Approved Budget	Actual Costs	Approved Budget	Actual Costs	Approved Budget	Actual Costs	Approved Budget	Actual Costs	Approved Budget	Actual Costs	Approved Budget
A - Regulatory Compliance/O&M	\$1,006,224	\$1,349,300	\$1,267,302	\$1,459,000	\$1,477,217	\$1,817,320	\$1,649,246	\$1,786,900	\$1,596,610	\$2,491,000	\$1,906,948	\$2,640,000	\$1,923,868	\$3,042,000	\$1,994,948	\$2,948,000	\$1,628,792	\$3,083,000	\$1,611,374	\$2,944,000	\$1,899,403	\$3,182,000	\$17,961,932	\$26,742,520
C - New Environmental Actions	\$35,432	\$343,000	\$68,801	\$950,000	\$73,849	\$1,052,000	\$14,708	\$475,000	\$37,342	\$1,037,400	\$1,447,973	\$8,074,000	\$8,600,694	\$11,825,000	\$2,350,330	\$4,907,300	\$2,152,403	\$5,320,400	\$2,425,357	\$5,587,500	\$2,028,891	\$24,046,000	\$19,235,780	\$63,617,600
D - Technical Team/Project Management	\$102,247	\$105,000	\$231,871	\$250,000	\$257,927	\$312,000	\$101,949	\$227,500	\$553,271	\$709,010	\$859,463	\$1,063,000	\$987,762	\$1,340,000	\$738,488	\$1,046,000	\$538,427	\$1,102,000	\$517,463	\$1,392,000	\$721,807	\$1,232,000	\$5,610,675	\$8,778,510
E - Trustee Fees	\$129,223	\$251,000	\$46,532	\$280,000	\$77,216	\$280,000	\$32,963	\$137,300	\$107,781	\$242,800	\$158,303	\$245,000	\$121,500	\$245,000	\$80,454	\$252,000	\$38,002	\$227,000	\$31,465	\$117,000	\$26,207	\$122,000	\$849,647	\$2,399,100
F - Regulator Oversight Costs	\$87	\$175,000	\$5,437	\$175,000	\$10,643	\$11,000	\$14,694	\$15,000	\$13,915	\$250,000	\$23,309	\$250,000	\$29,975	\$75,000	\$28,791	\$75,000	\$29,861	\$75,000	\$18,864	\$150,000	\$42,428	\$150,000	\$218,004	\$1,401,000
G - Legal and Accounting Fees	\$18,247	\$145,000	(\$513)	\$105,000	\$4,480	\$80,000	\$14,955	\$221,200	\$145,500	\$250,800	\$132,748	\$243,000	\$81,552	\$231,000	\$81,663	\$257,000	\$79,976	\$264,000	\$65,798	\$259,000	\$123,067	\$326,000	\$747,473	\$2,382,000
Total	\$1,291,461	\$2,368,300	\$1,619,429	\$3,219,000	\$1,901,332	\$3,552,320	\$1,828,515	\$2,862,900	\$2,454,420	\$4,981,010	\$4,528,745	\$12,515,000	\$11,745,351	\$16,758,000	\$5,274,674	\$9,485,300	\$4,467,461	\$10,071,400	\$4,670,320	\$10,449,500	\$4,841,803	\$29,058,000	\$44,623,511	\$105,320,730