



EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES
AND TRUST FUND FINANCIAL STATEMENTS

Trustee Council Year Ended January 31, 2022

Exxon Valdez Oil Spill Trustee Council

Table of Contents

	<u>Page</u>
INDEPENDENT ACCOUNTANT’S REPORT ON APPLYING AGREED-UPON PROCEDURES	1
STATE OF ALASKA – EXXON VALDEZ OIL SPILL INVESTMENT FUND STATEMENTS	
Independent Accountant’s Compilation Report	5
Statements of Fiduciary Assets and Liabilities – State of Alaska – Exxon Valdez Oil Spill Investment Fund	6
Statements of Changes in Fiduciary Assets and Liabilities – State of Alaska – Exxon Valdez Oil Spill Investment Fund	7
UNITED STATES DEPARTMENT OF THE INTERIOR, NATURAL RESOURCES DAMAGE ASSESSMENT AND RESTORATION FUND STATEMENTS	
Independent Accountant’s Compilation Report	8
Statements of Assets, Liabilities and Trust Fund Balance Arising from Cash Transactions – Cash Basis – United States Department of the Interior, Natural Resources Damage Assessment and Restoration Fund	9
Statements of Receipts, Disbursements and Changes in Trust Fund Balance – Cash Basis – United States Department of the Interior, Natural Resources Damage Assessment and Restoration Fund	10
STATE OF ALASKA – EXXON VALDEZ OIL SPILL SETTLEMENT TRUST STATEMENTS	
Independent Accountant’s Compilation Report	11
Balance Sheets – State of Alaska – Exxon Valdez Oil Spill Settlement Trust	12
Statements of Revenues, Expenditures and Changes in Trust Fund Balance – State of Alaska – Exxon Valdez Oil Spill Settlement Trust.....	13

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Exxon Valdez Oil Spill Trustee Council
Anchorage, Alaska

I have performed the procedures enumerated below, which were agreed to by the management of *Exxon Valdez* Oil Spill Trustee Council (EVOSTC or Trustee Council), solely to assist you in evaluating the sufficiency of policies and procedures established by the Trustee Council over the flow of funds into and out of the Trustee Council's State of Alaska *Exxon Valdez* Oil Spill Investment Fund (Investment Fund), the *Exxon Valdez* Civil Settlement Account with Natural Resources Damage Assessment and Restoration (NRDA&R) account, and the State of Alaska – *Exxon Valdez* Oil Spill Settlement Trust (Settlement Trust), as well as the process and controls of each of the federal agencies over unspent project funds for proper and timely return to the Trustee Council's NRDA&R account for the Trustee Council year ended January 31, 2022. The management of EVOSTC and the Federal and State of Alaska agencies are responsible for the proper use of funds in accordance with EVOSTC's mission. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

My procedures and findings with respect to the Investment Fund, NRDA&R, Settlement Trust and EVOSTC Restoration Office are as follows:

State of Alaska Exxon Valdez Oil Spill Investment Fund

Procedures

1. I compared expenditures from the Research or Habitat Accounts in the Investment Fund to transfers in to the Settlement Account (State agency transfers) or NRDA&R (federal agency transfers). I performed the following steps for this procedure:
 - a. Obtained each Joint Notice of Expenditure from the Investment Fund (Joint Notice) provided to the United States District Court – District of Alaska through the end of the Trustee Council year ended January 31, 2022 and summarized expenditures by each of the federal and State recipient agencies and for the Habitat and Research Accounts.
 - b. Obtained the meeting notes from the Trustee Council meetings and the approved Annual Funding Overview (AFO) and Annual Budget (AB) for the Trustee Council Fiscal Year and agreed the expenditures reflected in the AFO and AB for Trustee Council activities from the Investment Fund as reflected in the Joint Notices to the Trustee Council approval.
 - c. Obtained and summarized the monthly Schedules of Investment Income (Loss) and Changes in Invested Assets from the Alaska Department of Revenue-Treasury Division for each month during the State Fiscal Year Ended June 30, 2021 and three months ended September 30, 2021 for each of the Habitat and Research Accounts of the Investment Fund.
 - d. Agreed the summarized Joint Notice approved transfers to the amounts transferred from the Habitat and Research Accounts of the Investment Fund.

Findings

No exceptions were found as a result of applying the procedures.

Natural Resources Damage Assessment and Restoration Fund (NRDA&R)

Procedures

1. I compared disbursements of federal project funding from EVOSTC's NRDA&R account to related Joint Notices, and agreed receipts by NRDA&R of any unspent federal agency funds to federal agency reports. I performed the following steps for this procedure:
 - a. Obtained the annual Cash Flow Plan for the Trustee Council's NRDA&R account for federal fiscal year (FFY) 2021 from the Department of the Interior (DOI) and compared these to disbursements to federal agencies as reflected in the Joint Notices for FFY 2021.
 - b. Obtained the transaction detail for FFY 2021 for NRDA&R from the U.S. Department of Interior and agreed the activity reflected in the Cash Flow Plan to the transaction detail for NRDA&R.
 - c. Compared remaining cash balances in the NRDA&R to the reduction in expenditures from the Investment Fund for federal trustee agency projects as reflected in Court Notices.
 - d. Reconciled amounts disbursed from NRDA&R to amounts reported by agencies taking into account the timing and the different reporting mechanisms employed by each of the agencies.
 - e. Obtained summary project tracking schedules and accounting reports from each of the federal trustee agencies and agreed the schedules to the accounting reports.
 - f. Recalculated the amounts reflected in the project tracking schedules for return to the Trustee Council's NRDA&R account.
 - g. Obtained documentation from each federal trustee agency supporting the initiation of the return of unspent project funds to the Trustee Council's NRDA&R account.

Findings

No exceptions were found as a result of applying the procedures. The status of each federal agencies' projects are as follows:

United States Geological Survey (USGS)

During FFY 2021, USGS returned \$10,177 to NRDA&R in unused project funds that it had identified in the prior year. This represented all project funds identified for return to date. In FFY 2021, USGS participated in four projects and received AB support. Subsequent to the end of the fiscal year, USGS reported that it fully used its AB support funding from FFY 2021. Its four projects are multi-year, and USGS reported that it was carrying over unused funding to FFY22.

National Oceanic and Atmospheric Administration (NOAA)

In FFY 2021, NOAA participated in several projects and received AB support. NOAA had no lapsed funds to be returned at the end of FFY20 or FFY21. For its multi-year projects with unused amounts, NOAA reported that it was carrying over unused funding to FFY22.

United States Forest Service (USFS)

As of the beginning of fiscal year 2021, USFS had \$17,362 unexpended on one project and AB support that was to be returned to NRDA&R. No amounts were returned in FFY 2021. In FFY 2021, USFS received funding for two projects, and received AB support. Subsequent to the end of the fiscal year, USFS reported that it will return \$16,955 in unused funding for the project from FFY 2020, and \$86 in AB support from FFY 2021, and that it would carryover \$261,994 in funding for its second multi-year project. Total funding to be returned for FFY 2020 and FFY 2021 is \$17,458.

Starting in FFY22, USFS no longer receives AB support funding. USFS has one remaining project with the Copper River Watershed Project for culvert repair and monitoring that will continue for a few more years. EVOSTC management should discuss with USFS how financial monitoring for the project will be reported.

United States Fish and Wildlife Service (USFWS)

During FFY 2021, USFWS returned \$163,503 to NRDAR in unused project funds that it had identified in prior year. This represented all project funds identified for return to date. In FFY 2021, USFWS had two long-term monitoring projects and seven habitat projects, and received AB funding. Three of the Agency's projects were closed during FFY 2021, and it reported subsequent to the end of the fiscal year that it would return \$534,078 in unused project funding. The annual projects and the AB support were reported as fully obligated.

National Park Service (NPS)

As of the beginning of FFY 2021, all agency funding had been either returned or fully expended for FFY 2019 and earlier years. During FFY 2021 the agency received project funds under a single multi-year project managed by USGS. Subsequent to the end of the fiscal year, USGS reported that NPS was carrying over unused funding to FY22.

State of Alaska Settlement Trust

Procedures

1. I agreed remaining fund balances in the State Settlement Trust to reductions in expenditures from the Investment Fund for State trustee agency projects. I performed the following steps for this procedure:
 - a. Obtained the State of Alaska, Department of Fish and Game's fund balance schedule for the State Settlement Trust and the supporting accounting reports from the State of Alaska accounting system.
 - b. Agreed the amounts reflected as available cash balances in the State Settlement Trust to the related accounting records.
 - c. Recalculated the obligations for active projects and recalculated the estimated amounts available to reduce expenditures from the Investment Fund for State trustee agency projects.
 - d. Agreed the amount available to reduce expenditures from the Investment Fund to respective Court Notices.

Findings

No exceptions were found as a result of applying the procedures.

EVOSTC Restoration Office

Procedures

1. I compared amounts approved by the Trustee Council for the AB to actual expenditures for the year. I performed the following steps for this procedure:
 - a. Obtained the EVOSTC Executive Offices Expenditure Matrix for the year ended January 31, 2021, which tracks the approved AB against actual expenditures, and compared the budgeted amounts reflected in the Expenditure Matrix to the budget approved by the Trustee Council, and compared actual expenditures for the current year to expenditures of the prior year.

- b. Compared actual amounts to State of Alaska accounting records.
 - c. Inquired of the EVOSTC Administrative Manager regarding variances of actual amounts for the current year to actual amounts of the prior year and of the budget.
2. I inquired of the EVOCTC Administrative Manager about procedures used to monitor the timely return of unspent federal agency project amounts to the Exxon Valdez Civil Settlement Account with NRDA&R.

Findings

No exceptions were found as a result of applying the procedures.

I was engaged by the State of Alaska, Department of Fish and Game on behalf of the EVOSTC's management to perform this agreed-upon procedures engagement and conducted my engagement in accordance with attestation standards established by the AICPA. I was not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on established policies and procedures over the use of EVOSTC funding. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

I am required to be independent of the EVOSTC and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the management of the Trustee Council and the Federal and State of Alaska liaison agencies and is not intended to be and should not be used by anyone other than these specified parties.



July 8, 2022

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Exxon Valdez Oil Spill Trustee Council
Anchorage, Alaska

Management is responsible for the accompanying financial statements of the State of Alaska *Exxon Valdez* Oil Spill Investment Fund (Investment Fund) as of and for the years ended June 30, 2021 and 2020, as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. I have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or the completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the *Exxon Valdez* Oil Spill Trustee Council's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The accompanying financial statements of the Investment Fund present only the Investment Fund and do not purport to, and do not, present fairly the financial position of the State of Alaska or any of its component units as of June 30, 2021 and 2020, and the changes in its financial position, or, where applicable, its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



July 8, 2022

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

STATE OF ALASKA - EXXON VALDEZ OIL SPILL INVESTMENT FUND
(An Agency Fund of the State of Alaska)

STATEMENTS OF FIDUCIARY ASSETS AND LIABILITIES

As of June 30, 2021 and 2020

	2021			2020		
	Research	Habitat	Total	Research	Habitat	Total
ASSETS						
Cash and Investments	\$ 107,562,423	\$ 93,320,171	\$ 200,882,594	\$ 103,168,515	\$ 82,907,288	\$ 186,075,803
Total Assets	\$ 107,562,423	\$ 93,320,171	\$ 200,882,594	\$ 103,168,515	\$ 82,907,288	\$ 186,075,803
LIABILITIES						
Accounts Payable	\$ 20,163	\$ 11,289	\$ 31,452	\$ 25,378	\$ 22,126	\$ 47,504
Assets Held in Custody by the State of Alaska	107,542,260	93,308,882	200,851,142	103,143,137	82,885,162	186,028,299
Total Liabilities	\$ 107,562,423	\$ 93,320,171	\$ 200,882,594	\$ 103,168,515	\$ 82,907,288	\$ 186,075,803

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

STATE OF ALASKA - EXXON VALDEZ OIL SPILL INVESTMENT FUND
(An Agency Fund of the State of Alaska)

STATEMENTS OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

For the Years Ended June 30, 2021 and 2020

	2021			2020		
	Research	Habitat	Total	Research	Habitat	Total
ASSETS						
Investments, Beginning of Year	\$ 103,168,515	\$ 82,907,288	\$ 186,075,803	\$ 103,872,724	\$ 85,222,164	\$ 189,094,888
Additions:						
Interest and Investment Income	20,045,558	15,051,849	35,097,407	6,100,676	5,229,533	11,330,209
Transfer from Research	-	-	-	-	327,000	327,000
Total Additions	20,045,558	15,051,849	35,097,407	6,100,676	5,556,533	11,657,209
Deductions:						
State of Alaska,						
Exxon Valdez Oil Spill Settlement Trust	9,518,199	2,503,896	12,022,095	1,424,925	4,798,806	6,223,731
Investment Management Fees	20,163	11,289	31,452	25,378	22,126	47,504
United States Department of the Interior,						
Natural Resources Damage						
Assessment and Restoration Fund	6,113,288	2,123,781	8,237,069	5,027,582	3,050,477	8,078,059
Transfer to Habitat	-	-	-	327,000	-	327,000
Total Deductions	15,651,650	4,638,966	20,290,616	6,804,885	7,871,409	14,676,294
Investments, End of Year	\$ 107,562,423	\$ 93,320,171	\$ 200,882,594	\$ 103,168,515	\$ 82,907,288	\$ 186,075,803
LIABILITIES						
Accounts Payable, Beginning of Year	\$ 25,378	\$ 22,126	\$ 47,504	\$ 26,249	\$ 23,516	\$ 49,765
Additions	20,163	11,289	31,452	25,378	22,126	\$ 47,504
Deductions	25,378	22,126	47,504	26,249	23,516	49,765
Accounts Payable, End of Year	20,163	11,289	31,452	25,378	22,126	47,504
Assets Held in Custody						
by the State of Alaska, Beginning of Year	103,143,137	82,885,162	186,028,299	103,846,475	85,198,648	189,045,123
Additions	20,025,395	15,040,560	35,065,955	6,075,298	5,534,407	11,609,705
Deductions	15,626,272	4,616,840	20,243,112	6,778,636	7,847,893	14,626,529
Assets Held in Custody						
by the State of Alaska, End of Year	107,542,260	93,308,882	200,851,142	103,143,137	82,885,162	186,028,299
Liabilities, End of Year	\$ 107,562,423	\$ 93,320,171	\$ 200,882,594	\$ 103,168,515	\$ 82,907,288	\$ 186,075,803

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Exxon Valdez Oil Spill Trustee Council
Anchorage, Alaska

Management is responsible for the accompanying financial statements of the United States Department of the Interior, Natural Resources Damage Assessment and Restoration Fund (NRDA&R) – cash basis – as of and for the years ended September 30, 2021 and 2020, as listed in the table of contents. Management is also responsible for determining that the cash-basis of accounting is an acceptable financial reporting framework. I have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or the completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Exxon Valdez Oil Spill Trustee Council's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The accompanying financial statements of NRDA&R present only the amounts related to the Exxon Valdez Oil Spill Trustee Council and do not purport to, and do not, present fairly the financial position of NRDA&R or the U.S. Department of the Interior as of September 30, 2021 and 2020, and the results of their operations for the years then ended in conformity with accounting principles generally accepted in the United States of America. The NRDA&R financial statements are prepared in accordance with the cash-basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.



July 8, 2022

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

UNITED STATES DEPARTMENT OF THE INTERIOR, NATURAL RESOURCES DAMAGE
ASSESSMENT AND RESTORATION FUND

STATEMENTS OF ASSETS, LIABILITIES AND TRUST FUND BALANCE ARISING FROM
CASH TRANSACTIONS - CASH BASIS

As of September 30, 2021 and 2020

	2021	2020
ASSETS		
Cash and Investments	\$ 92,571	\$ 282,430
Total Assets	\$ 92,571	\$ 282,430
LIABILITIES AND TRUST FUND BALANCE		
Trust Fund Balance	\$ 92,571	\$ 282,430
Total Liabilities and Trust Fund Balance	\$ 92,571	\$ 282,430

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

UNITED STATES DEPARTMENT OF THE INTERIOR, NATURAL RESOURCES DAMAGE
ASSESSMENT AND RESTORATION FUND

STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN TRUST FUND
BALANCE - CASH BASIS

For the Years Ended September 30, 2021 and 2020

	2021	2020
RECEIPTS		
Contributions:		
Exxon Valdez Oil Spill Investment Fund	\$ 8,237,069	\$ 7,097,059
Unobligated Balances Returned to NRDA&R:		
U.S. Department of Commerce, National Oceanic and Atmospheric Administration	62,300	5,611
U.S. Department of Agriculture, USFS	-	17,260
U.S. Department of the Interior, U.S. Fish and Wildlife Service	163,503	37,297
U.S. Geological Survey	10,177	3,680
Investment Income	802	12,532
Total Receipts	8,473,851	7,173,439
Disbursements		
U.S. Department of the Interior, Bureau of Land Management	10,900	38,177
U.S. Fish and Wildlife Service	4,119,589	3,712,949
U.S. Geological Survey	1,225,670	1,339,980
National Park Service	21,800	45,780
Office of the Secretary	35,970	35,425
U.S. Department of Agriculture, U.S. Forest Service	289,161	27,167
U.S. Department of Commerce, National Oceanic and Atmospheric Administration	2,960,620	3,275,143
Total Disbursements	8,663,710	8,474,621
Deficiency of Receipts Over Disbursements	(189,859)	(1,301,182)
Trust Fund Balance, Beginning of Year	282,430	1,583,612
Trust Fund Balance, End of Year	\$ 92,571	\$ 282,430

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Exxon Valdez Oil Spill Trustee Council
Anchorage, Alaska

Management is responsible for the accompanying financial statements of the State of Alaska Exxon Valdez Oil Spill Settlement Trust (Settlement Trust) as of and for the years ended June 30, 2021 and 2020, as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. I have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or the completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Exxon Valdez Oil Spill Trustee Council's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The accompanying financial statements of the Settlement Trust present only the Settlement Trust and do not purport to, and do not, present fairly the financial position of the State of Alaska or any of its component units as of June 30, 2021 and 2020, and the changes in its financial position, or, where applicable, its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



July 8, 2022

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

STATE OF ALASKA - EXXON VALDEZ OIL SPILL SETTLEMENT TRUST
(A Special Revenue Fund of the State of Alaska)

BALANCE SHEETS

As of June 30, 2021 and 2020

	2021	2020
ASSETS		
Cash and Investments	\$ 9,661,118	\$ 8,755,830
Due from other funds	-	445,900
Total Assets	\$ 9,661,118	\$ 9,201,730
LIABILITIES		
Liabilities:		
Accounts Payable	\$ 1,117,022	\$ 217,302
Due to State of Alaska General Fund	3,374	495,632
Total Liabilities	1,120,396	712,934
Fund Balance:		
Restricted for Development	8,540,722	8,488,796
Total Liabilities and Fund Balance	\$ 9,661,118	\$ 9,201,730

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

STATE OF ALASKA - EXXON VALDEZ OIL SPILL SETTLEMENT TRUST
(A Special Revenue Fund of the State of Alaska)

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN TRUST FUND BALANCE

For the Years Ended June 30, 2021 and 2020

	2021	2020
REVENUES		
Contributions - State of Alaska, <i>Exxon Valdez</i> Oil Spill Investment Fund	\$ 12,022,095	\$ 6,223,731
Interest and Investment Income (Loss)	(18,263)	266,041
Total Revenues	12,003,832	6,489,772
EXPENDITURES		
Current Operating and Capital:		
Natural Resources Damage Assessment and Restoration Projects - State of Alaska, Department of Commerce, Community, and Economic Development	5,492,451	286,590
Department of Fish and Game	3,204,632	3,967,423
Department of Natural Resources	3,254,823	5,835,211
Total Current Operating Expenditures	11,951,906	10,089,224
Excess (Deficiency) of Revenues Over Expenditures	51,926	(3,599,452)
Trust Fund Balance, Beginning of Year	8,488,796	12,088,248
Trust Fund Balance, End of Year	\$ 8,540,722	\$ 8,488,796