

**Texas Low-Level Radioactive Waste Disposal  
Compact Commission**

**ANNUAL FINANCIAL REPORT**

*For The Year Ended August 31, 2015*

**Brandon T Hurley**  
**Chairman**

**John M Salsman**  
**Vice Chairman**

**Leigh Ing**  
**Executive Director**

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# Texas Low-Level Radioactive Waste Disposal Compact Commission

**Chair**  
Brandon T. Hurley, TX

**Vice-Chair**  
John M. Salsman, CHP, TX

**Executive Director**  
Leigh Ing

**Mailing Address:**  
333 Guadalupe St., 3-240  
Austin, Texas 78701

(512) 305-8941

Administration@tllrwdec.org

**Commissioners**  
Peter Bradford, VT  
Hon. Richard H. Dolgener, TX  
Eric J. Doyal, TX  
Linda Morris, LMP, TX  
John M. Salsman, CHP, TX  
Richard Saudek, VT  
Clint J. Weber, TX  
Robert C. Wilson, TX

\*\*\*\*\*

**Alternate**  
Jane O'Meara Sanders, Ph.D., VT

November 20, 2015

Honorable Greg Abbott, Governor  
Honorable Glenn Hegar, Texas Comptroller  
Ursula Parks, Director, Legislative Budget Board  
John Keel, CPA, State Auditor

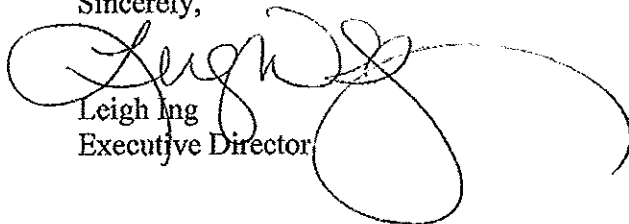
Dear Lady and Gentlemen:

We are pleased to submit the Annual Financial Report of the Texas Low-Level Radioactive Waste Disposal Compact Commission for the year ended August 31, 2015, in compliance with TEX. GOV'T CODE ANN Section 2101.011 and in accordance with the requirements established by the Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements- and Management's Discussion and Analysis – for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas Comprehensive Annual Financial Report; therefore an opinion has not been expressed on the financial statements and related information contained in this report.

If you have any questions, please contact me at 512-305-8941

Sincerely,

  
Leigh Ing  
Executive Director

## UNAUDITED

**Texas Low Level Radioactive Waste Compact Commission (535)**  
**Exhibit VIII — Combined Statement of Net Position —**  
**Discretely Presented Component Units**  
**August 31, 2015**

	<b>Component Units (Exhibit K-1)</b>
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	
Cash in State Treasury	\$ 332,591.93
Other Current Assets	
Total Current Assets	<u>332,591.93</u>
Non-Current Assets:	
Other Non-Current Assets	
Total Non-Current Assets	<u>0</u>
Total Assets	<u>332,591.93</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Outflows of Resources	
Total Deferred Outflows of Resources	<u>0</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Payables from:	
Accounts	\$ 24,283.86
Funds Held For Others	
Total Current Liabilities	<u>24,283.86</u>
Non-Current Liabilities	
Other Non-Current Liabilities	
Total Non-Current Liabilities	<u>0</u>
Total Liabilities	<u>24,283.86</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Inflows of Resources	
Total Deferred Inflows of Resources	<u>0</u>
<b>NET POSITION</b>	
Invested in Capital Assets, Net of Related Debt	
Restricted For	
Funds Held as Permanent Investments:	
Expendable	
Nonexpendable	
Unrestricted	308,308.07
Total Net Position	<u>\$ 308,308.07</u>

The accompanying notes to the financial statements are an integral part of this statement.

UNAUDITED

**Texas Low Level Radioactive Waste Compact Commission (535)**  
**Exhibit IX — Combined Statement of Revenues, Expenses and Changes in Net Position —**  
**Discretely Presented Component Units**  
**For the Fiscal Year Ended August 31, 2015**

	<u>Total Component Unit (Exhibit K-2)</u>
<b>OPERATING REVENUES</b>	
Sales of Goods and Services	\$
Other Sales of Goods and Services - Non-Pledged	2,532.30
Other Operating Revenue (GR)	
Total Operating Revenues	<u>2,532.30</u>
<b>OPERATING EXPENSES:</b>	
Cost of Goods Sold	
Professional Fees and Services	223,941.82
Travel	30,354.53
Materials and Supplies	2,288.00
Communication and Utilities	2,727.56
Rentals and Leases	1,209.14
Printing and Reproduction	1,111.94
Interest Expense	3.55
Other Expenses	12,784.92
Total Operating Expenses	<u>274,421.46</u>
Operating Income (Loss)	<u>(271,889.16)</u>
<b>NONOPERATING REVENUE (EXPENSES)</b>	
Gifts, Pledges and Donations (PR - Grants/Contributions)	
Other Nonoperating Revenues (Expenses)	
Total Other Nonoperating Revenues (Expenses)	<u>0</u>
Income (Loss) Before Transfers	<u>(271,889.16)</u>
<b>TRANSFERS</b>	
Transfer In (Agy 582, Fund 0088)	889,285.50
Transfer Out (Agy 582, Fd 0088)	(443,634.60)
Total Capital Contributions, Endowments and Transfers	<u>445,650.90</u>
Change in Net Position	<u>173,761.74</u>
Net Position, September 1, 2014	134,546.33
Restatements	
Net Position, September 1, 2014, as Restated	<u>134,546.33</u>
Net Position, August 31, 2015	<u>\$ 308,308.07</u>

The accompanying notes to the financial statements are an integral part of this statement.

TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION (535)  
NOTES TO THE FINANCIAL STATEMENTS**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****ENTITY**

The Texas Low-Level Radioactive Waste Disposal Compact Commission ("TLLRWDC" or Commission) is not an agency of the State of Texas. It is an entity created by the Low-Level Radioactive Waste Disposal Policy Amendment Act of 1985 and approved by Congress as Public Law 105-236. However, the TLLRWDC's financial records comply with the State of Texas statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts' Reporting Requirements of State Agencies.

The mission of the TLLRWDC is to promote the health, safety and welfare of the citizens and the environment of the Compact's party states which are currently Texas and Vermont. It is also the mission of the TLLRWDC to limit the number of radioactive waste disposal facilities and to effectively, efficiently, and economically manage low-level radioactive waste and to encourage the reduction of the generation thereof. The Commission fulfills its mission through the regulation of the import and export of low-level radioactive waste to and from the Compact party states.

Due to the significant changes related to Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying financial report to be in compliance with generally accepted accounting principles (GAAP). The financial report will be considered for audit by the State Auditor as part of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

Texas Low-Level Radioactive Waste Disposal Compact Commission is considered a discrete component unit by the Texas Comptroller of Public Accounts. Information on the component unit can be found in Note 19. Discrete component units are reported under GAAP fund type 15.

**FUND STRUCTURE**

The funds of the individual discrete component unit is available from the component units' separately issued financial statements. Additional information about component units can be found in Note 19.

**BASIS OF ACCOUNTING**

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Proprietary funds, pension trust funds, external investment trust funds and private-purpose trust funds are accounted for on the full accrual basis of accounting. Under the full accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred.

Proprietary funds distinguish operating from non-operating items. Operating revenues and expenses result from providing services or producing and delivering goods in connection with the proprietary funds' principal ongoing operations. Operating expenses for the enterprise and internal services funds include the cost of sales and services, administrative expenses and depreciation

TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION (535)  
NOTES TO THE FINANCIAL STATEMENTS

on capital assets.

ASSETS, LIABILITIES, AND FUND BALANCES/NET POSITION

FUND BALANCES/NET POSITION

Fund Balance/Net Position

"Fund Balance" is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the governmental fund statements. "Net position" is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the government-wide, proprietary and fiduciary fund statements.

When both restricted and unrestricted resources are available for use, it is the TLLRWDC's policy to use unrestricted resources first, then restricted when they are needed. When only restricted resources are available for use, it is the Commission's policy to use committed resources first, then assigned resources and unassigned resources last.

Fund Balance Components

Fund balances for governmental funds are classified as nonspendable, restricted, committed, assigned or unassigned in the fund financial statements.

- 1) Nonspendable fund balance: includes amounts not available to be spent because they are either Not in spendable form -or- Legally or contractually required to be maintained intact
- 2) Restricted fund balance: includes those resources that have constraints placed on their use through external parties - such as creditors, grantors, contributors, laws or regulations of other governments - or by law through constitutional provisions or enabling legislation.
- 3) Committed fund balance: can be used only for specific purposes pursuant to constraints imposed through legislation passed into law by a formal action of the Texas Legislature, the state's highest level of decision making authority.
- 4) Assigned fund balance: includes amounts constrained by the state's intent to be used for specific purposes, but the constraints do not meet the requirements to be reported as restricted or committed. Intent is expressed by the Texas Legislature or A body (for example, a budget or finance committee) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.
- 5) Unassigned fund balance: is the residual classification for the general fund. This classification represents fund balance that was not assigned to other funds and was not restricted, committed or assigned to specific purposes within the general fund.

ASSETS

Cash and Cash Equivalents

Short-term highly liquid investments with an original maturity of three months or less are considered cash equivalents.

TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION (535)  
NOTES TO THE FINANCIAL STATEMENTS

Invested In Capital Assets, Net of Related Debt

Invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bond, notes and other debt that are attributed to the acquisition, construction or improvement of those assets.

Restricted Position

Restricted net assets result when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors and the like or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

Unrestricted net assets consist of net assets that do not meet the definition of the two preceding categories. Unrestricted net assets often have constraints on resources that are imposed by management but can be removed or modified.

LIABILITIES

Accounts Payable

Accounts Payable represents the liability for the value or services received at the balance sheet date for which payment is pending.

Current Payables - Other

Payables are the accrual at year-end of expenditure transactions. Payables may be included in either the governmental or proprietary fund types.

INTERFUND TRANSACTIONS AND BALANCES

The Commission has the following types of transactions among funds:

- 1) Transfers: Legally required transfers that are reported when incurred as "Transfers In" by the recipient fund and as "Transfers Out" by the disbursing fund.
- 2) Reimbursements: Reimbursements are repayments from funds responsible for expenditures or expenses to funds that made the actual payment. Reimbursements of expenditures made by one fund for another that are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.
- 3) Interfund receivables and payables: Interfund loans are reported as interfund receivables and payables. If repayment is due during the current year or soon thereafter it is classified as "Current", repayment for two (or more) years is classified as "Non-Current."
- 4) Interfund Sales and Purchases: Charges or collections for services rendered by one fund to another that are recorded as revenues of the recipient fund and expenditures or expenses of the disbursing fund. The composition of the Commission's Interfund receivables and payables at August 31, 2015, if any, is presented in Note 12.



TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION (535)  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 2: CAPITAL ASSETS**

Not applicable

**NOTE 3: DEPOSITS, INVESTMENTS & REPURCHASE AGREEMENTS**

Not applicable

**NOTE 4: SHORT TERM DEBT**

Not applicable

**NOTE 5: SUMMARY OF LONG-TERM LIABILITIES**

Not applicable

**NOTE 6: BONDED INDEBTEDNESS**

Not applicable

**NOTE 7: DERIVATIVE INSTRUMENTS**

Not applicable

**NOTE 8: LEASES**

Not applicable

**NOTE 9: PENSION PLANS**

Not applicable

**NOTE 10: DEFERRED COMPENSATION**

Not applicable

**NOTE 11: POST EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

Not applicable

**NOTE 12: INTERFUND BALANCES/ACTIVITIES**

In Interfund Transactions and Balances, there are numerous transactions between funds and agencies. At year end, amounts to be received or paid are reported as: Interfund Receivables or Interfund Payables, Due From State Agencies or Due To State Agencies, or Due From Other Funds or Due To Other Funds. Transfers In or Transfers Out, Legislative Transfers In or Legislative Transfers Out.

The Commission experienced routine transfers with Texas Commission on Environmental Quality, which were consistent with the activities of the fund making the transfer.

UNAUDITED

TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION (535)  
 NOTES TO THE FINANCIAL STATEMENTS

Individual fund balances and activities at August 31, 2015, are as follows:

	Transfers In	Transfers Out
Discrete Component Unit (FT15)		
Appd Fund 4156, D23 Fund 0088		
From Agency 582, D23 Fund 0088	305,996.50	
Appd Fund 4156, D23 Fund 5151		
From Agency 582, D23 Fund 0088	583,289.00	
To Agency 582, D23 Fund 0088	<u>583,289.00</u>	<u>443,634.60</u>
Total Transfers	\$ <u>889,285.50</u>	<u>443,634.60</u>

**NOTE 13: CONTINUANCE SUBJECT TO REVIEW**

Not applicable

**NOTE 14: ADJUSTMENTS TO FUND BALANCES/NET ASSETS**

Not applicable

**NOTE 15: CONTINGENCIES AND COMMITMENTS**

Not applicable

**NOTE 16: SUBSEQUENT EVENTS**

Not applicable

**NOTE 17: RISK MANAGEMENT**

Not applicable

**NOTE 18: MANAGEMENT DISCUSSION AND ANALYSIS/MATERIAL CHANGES TO AFR**

Not applicable

**NOTE 19: THE FINANCIAL REPORTING ENTITY: RELATED ORGANIZATIONS**

The Commission is a multi-state federal compact and is not a Texas State agency. Since its funding comes through the legislative appropriation process, it's activities are reported as a discretely presented component unit.

**NOTE 20: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Not applicable

TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION (535)  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 21: N/A**

**NOTE 22: DONOR-RESTRICTED ENDOWMENTS**

Not applicable

**NOTE 23: EXTRAORDINARY AND SPECIAL ITEMS**

Not applicable

**NOTE 24: DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES**

Not applicable

**NOTE 25: TERMINATION BENEFITS**

Not applicable

**NOTE 26: SEGMENT INFORMATION**

Not applicable

**NOTE 27: SERVICE CONCESSION AGREEMENTS**

Not applicable

**NOTE 28: DEFERRED OUTFLOWS OF RESOURCES & DEFERRED INFLOWS OF RESOURCES**

Not applicable

**NOTE 29: TROUBLED DEBT RESTRUCTURING**

Not applicable

**NOTE 30: NON-EXCHANGE FINANCIAL GUARANTERS**

Not applicable

UNAUDITED

Texas Low Level Radioactive Waste Compact Commission (535)  
 Exhibit K-1 — Combining Statement of Net Position —  
 Discretely Presented Component Units  
 August 31, 2015

	GR Acct - TLLRWDCC (4156) U/F (0088)	GR Acct - TLLRWDCC (4156) U/F (5151)	Totals
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents			
Cash in State Treasury	\$	\$ 332,591.93	\$ 332,591.93
Other Current Assets			
Total Current Assets	0	332,591.93	332,591.93
Non-Current Assets:			
Other Non-Current Assets			
Total Non-Current Assets	0	0	0
Total Assets	0	332,591.93	332,591.93
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflows of Resources			
Total Deferred Outflows of Resources	0	0	0
<b>LIABILITIES</b>			
Current Liabilities:			
Payables from:			
Accounts	\$	\$ 24,283.86	\$ 24,283.86
Funds Held For Others			
Total Current Liabilities	0	24,283.86	24,283.86
Non-Current Liabilities:			
Other Non-Current Liabilities			
Total Non-Current Liabilities	0	0	0
Total Liabilities	0	24,283.86	24,283.86
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows of Resources			
Total Deferred Inflows of Resources	0	0	0
<b>Net Position</b>			
Net Investment in Capital Assets			
Restricted For:			
Funds Held as Permanent Investments:			
Expendable			
Nonexpendable			
Unrestricted		308,308.07	308,308.07
Total Net Position	\$ 0	\$ 308,308.07	\$ 308,308.07
Total Liabilities and Net Position	\$ 0	\$ 332,591.93	\$ 332,591.93

The accompanying notes to the financial statements are an integral part of this statement.

UNAUDITED

**Texas Low Level Radioactive Waste Compact Commission (535)**  
**Exhibit K-2 — Combining Statement of Revenues, Expenses and Changes in Net Position —**  
**Discretely Presented Component Units**  
**For the Fiscal Year Ended August 31, 2015**

	Gr Acct - TLLRWDC (4156) U/F (0088)	GR Acct - TLLRWDC (4156) U/F (5151)	Totals
<b>OPERATING REVENUE:</b>			
Sales of Goods and Services	\$	\$	\$
Other Sales of Goods and Services - Non-Pledged	2,532.30		2,532.30
Total Operating Revenues	2,532.30	0	2,532.30
<b>OPERATING EXPENSES:</b>			
Cost of Goods Sold			
Professional Fees and Services		223,941.82	223,941.82
Travel		30,354.53	30,354.53
Materials and Supplies	(544.38)	2,832.38	2,288.00
Communication and Utilities		2,727.56	2,727.56
Rentals and Leases		1,209.14	1,209.14
Printing and Reproduction		1,111.94	1,111.94
Interest Expense		3.55	3.55
Other Expenses		12,784.92	12,784.92
Total Operating Expenses	(544.38)	274,965.84	274,421.46
Operating Income (Loss)	3,076.68	(274,965.84)	(271,889.16)
<b>NONOPERATING REVENUE (EXPENSES)</b>			
Gifts, Pledges and Donations (PR)			
Other Nonoperating Revenues (Expenses)			0
Total Other Nonoperating Revenues (Expenses)	0	0	0
Income (Loss) Before Transfers	3,076.68	(274,965.84)	(271,889.16)
<b>TRANSFERS</b>			
Transfer In (Agy 582, Fund 0088)	305,996.50	583,289.00	889,285.50
Transfer Out (Agy 582, Fd 0088)		(443,634.60)	(443,634.60)
Total Capital Contributions, Endowments and Transfers	305,996.50	139,654.40	445,650.90
Change in Net Position	309,073.18	(135,311.44)	173,761.74
Net Position, September 1, 2014	(309,073.18)	443,619.51	134,546.33
Restatements			
Net Position, September 1, 2014, as Restated	(309,073.18)	443,619.51	134,546.33
Net Position, August 31, 2015	\$ 0	\$ 308,308.07	\$ 308,308.07

The accompanying notes to the financial statements are an integral part of this statement.