

Texas Low-Level Radioactive Waste Disposal Compact Commission

Chair

Brandon T. Hurley, Chair, TX

Vice-Chair

John M. Salsman, Vice Chair, TX

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Commissioners

Peter Bradford, VT
Hon. Richard H. Dolgener, TX
Lisa Edwards, TX
Linda Morris, LMP, TX
Jeff Mundy, TX
Richard Saudek, VT

January 31, 2020

The Honorable Greg Abbott
Governor of Texas
P.O. Box 12428
Austin, Texas 78711-2428

The Honorable Phil Scott
Governor of Vermont
109 State Street Pavilion
Montpelier, VT 05609

The Honorable Dan Patrick
Lieutenant Governor of Texas
P.O. Box 12068
Austin, TX 78711

The Honorable David Zuckerman
Lieutenant Governor of Vermont
115 State Street
Montpelier, Vermont 05633

The Honorable Dennis Bonnen
Speaker of the House of Texas
Room 2W.13
P.O. Box 2910
Austin, TX 78768

The Honorable Mitzi Johnson
Speaker of the House of Vermont
115 State Street
Montpelier, VT 05633

Subject: Annual Report for 2019 TLLRWDCC Activities

Dear Governor Abbott, Governor Scott, Mr. Patrick, Mr. Zuckerman, Mr. Bonnen and Ms. Johnson,

As suggested in Article III, Section 3.04, Paragraph 8 of the Texas Low-Level Radioactive Waste Disposal Compact, I am pleased to provide the 2019 annual report of the Texas Low-Level Radioactive Waste Disposal Compact Commission ("TLLRWDCC" or "Commission"). The Commission is the result of a federal law that created an interstate compact whose member states are Texas and Vermont. It was created to provide a safe and effective disposal facility for generators of low-level radioactive waste generated in Texas and Vermont and to allow Texas to restrict the import and disposal of wastes from states other than Texas and Vermont and from international sources.

This annual report provides: (1) a review of the mission statement of the TLLRWDCC; (2) the current organizational structure including board members and expiration dates; (3) the volumes of low level radioactive waste exported from and imported into the member states of the Compact; (4) a description of the revenue generated as a result of the agreements approved by the TLLRWDCC for the importation of low-level radioactive waste into the Compact Waste Facility located in Andrews County, Texas that is operated by Waste Control Specialists; and (5) the status of the monitoring and protection of capacity for

disposal at the Compact Waste Facility being done by the Commission. All independent audits conducted on behalf of the TLLRWDC in compliance with the Compact are provided on the TLLRWDC website at www.tllrwcc.org. The most recent audit that the Commission has received from its auditors is attached to this report.

1. Mission Statement:

It is the mission of the TLLRWDC to promote the health, safety and welfare of the citizens and the environment of the Compact’s party states; to ensure the safe, effective, efficient, and economical disposal and management of low-level radioactive waste and to encourage the reduction of the generation thereof; and to distribute the costs, benefits and obligations among party states of this process; all in accord with the terms of the Compact. The primary activities of the Commission involve review and approval or denial of requests to ship waste from states other than Vermont and Texas to the Compact facility in Andrews, TX. Shipments from other states into the facility are called “imports.” (See Table 2 below). From time to time, the Commission also receives requests to authorize “exports” of low level radioactive waste from generators located in Texas or Vermont to a facility in another state (Table 3 below).

The TLLRWDC and its members have the powers and duties prescribed by the compact and the members of the commission are responsible for administering the provisions of the compact. Texas and Vermont are the party states of the Compact. The party states recognize a responsibility for each state to effectively manage low-level radioactive waste generated within its boundaries, pursuant to the Low-Level Radioactive Waste Policy Act, as amended by the Low-Level Radioactive Waste Policy Amendments Act of 1985 (42 U.S.C. Sections 2021b-2021j). They also recognize that the United States Congress, by enacting the Act, has authorized and encouraged states to enter into compacts for the efficient management and disposal of low-level radioactive waste. It is the stated policy of the party states to cooperate in the protection of the health, safety, and welfare of their citizens and the environment and to provide for and encourage the economic management and disposal of low-level radioactive waste. It is the purpose of this compact to provide the framework for and facilitate such a cooperative effort.

2. Organizational Structure:

The TLLRWDC’s governing body is composed of six volunteer commissioners appointed by the Governor of Texas and two commissioners appointed by the Governor of Vermont. To support the commissioners, the TLLRWDC has previously contracted with one Executive Director who was responsible for managing the Commission’s day-to-day operations and one Deputy Executive Director who provided support. The Commission is currently seeking to fill its staff openings for an Executive Director and an Administrative Assistant. Board members and their term expiration dates are provided below in Table 1.

Table 1: Board Members and Term Expiration Dates

Board Member	State	Term Expiration Date
Brandon T. Hurley (Chair)	TX	August 31, 2019*
John M. Salsman (Vice-Chair)	TX	August 31, 2023
Linda Morris, LMP	TX	August 31, 2021
Jeff Mundy	TX	August 31, 2025

Richard H. Dolgener	TX	August 31, 2021
Lisa Edwards	TX	August 31, 2023
Richard H. Saudek	VT	**
Peter Bradford	VT	**

* Ongoing service at the pleasure of the Governor of Texas

** Vermont Commissioners serve at the pleasure of the Governor of Vermont

3. Approved Import and Export Waste Volumes

There are 51 active import agreements entered by the Commission and out-of-compact generators which may have resulted in waste shipments during 2019. These agreements are detailed below in Table 2. The term “volume”, as used in this report, is defined as the total volume of low-level radioactive waste proposed for disposal by out-of-compact generators measured in cubic feet. The term “Curies”, as used in this report, is the unit of measure describing the intensity of radioactivity (produced by the disintegration of radioactive elements) associated with the waste proposed for disposal estimated at the time of receipt of the waste at the Compact Waste Facility in Andrews, Texas.

Table 2: Import Agreements Impacting 2019

Petitioner	Volume (ft ³)	Curies	State
Aerojet Ordnance Tennessee	300	10	TN
Aerojet Ordnance Tennessee	210	7	TN
Alaron-Veolia	79	150	multiple
Alaron-Veolia	700	6	multiple
Ameren Missouri	765	100	MO
Ameren Missouri	765	100	MO
Arizona Public Service – Palo Verde	2,000	600	AZ
Arizona Public Service – Palo Verde	600	400	AZ
Bionomics, Inc.	350	900	multiple
Bionomics, Inc.	350	400	multiple
Chase Environmental	500	10	multiple
Duke Energy – Brunswick	1,200	900	NC
Duke Energy – Brunswick	175	27,000	NC
Duke Energy – Brunswick	175	48,000	NC
Duke Energy – Brunswick	500	1,200	NC
Energy Solutions	650	7,500	multiple
Energy Solutions	650	7,500	multiple
Energy Solutions	650	7,500	multiple
Energy Solutions	650	7,500	TN
Entergy – Grand Gulf Nuclear Station	740	130,000	MS
Exelon Generation	4,255	6,500	multiple
Exelon Generation	4,255	6,500	multiple

Exelon Generation	60	20,000	multiple
Indiana Michigan Power	1,000	250	MI
NextEra Point Beach LLC	125.2	300	WI
NextEra Seabrook LLC	240	120	NH
Nuratec	150	200	MO
PerkinElmer, Inc.	400	4,900	MA
PerkinElmer, Inc.	400	4,900	MA
PermaFix Northwest Richland	150	0.5	AL
PG&E-Diablo Canyon	385	422	CA
PG&E-Diablo Canyon	385	322	CA
Qal-Tek Associates	55	120	multiple
Qal-Tek Associates	2.5	0.436	multiple
Qal-Tek Associates	55	120	multiple
Philotechnics	500	10	multiple
RAM Services, Inc.	52.5	112	multiple
RAM Services, Inc.	100	240	multiple
Southern Nuclear Co. Plant Vogtle	600	450	GA
Tennessee Valley Authority	5,000	3,000	multiple
Tennessee Valley Authority	300	24,100	multiple
Tennessee Valley Authority	5,000	3,000	AL
Tennessee Valley Authority	730	120,000	multiple
Thomas Gray & Associates	2,000	1,000	multiple
Thomas Gray and Associates	2,000	1,000	multiple
US Army -Joint Munitions Command	40,000	500	multiple
US Army -Joint Munitions Command	500	15	TN
US Army -Joint Munitions Command	35,000	440	multiple
US Army-Aerojet Ordnance	720	24	TN
Wolf Creek Nuclear Operating Corp.	1,500	300	KS
Wolf Creek Nuclear Operating Corp.	21,000	300	KS

The Commission has issued 14 export authorizations which may have resulted in low level radioactive waste being shipped out of the Compact during 2019. These agreements are detailed below in Table 3.

Table 3: Export Agreements Impacting 2019

Petitioner	Volume (ft³)	Curie Content	State
Allison Cancer Center	1	0.00001	TX
Cardinal Health	30	1	TX
Cardinal Health NPS	30	1	TX
Comanche Peak Power Company	16,000	5	TX
Comanche Peak Power Company	25,000	5	TX
Entergy Vermont Yankee	4,800	0.2	VT

STP NOC	22,847	0.63	TX
STP NOC	25,131	0.91	TX
SWRI	150	1	TX
Texas A&M University	7.5	0.01	TX
Texas A&M University	7	0.01	TX
UT Dallas	4.01	0.01	TX
UT Galveston	7.5	0.5	TX
UT HSC Houston	2,542	0.501	TX

4. Revenue Associated with Agreements Approved by the TLLRWDC

As a result of import agreements entered into in 2018 and 2019, a number of shipments were made from out-of-compact generators to the Compact Waste Facility in Andrews, TX. Each of these out-of-compact shipments resulted in a fee of 10% for Q1 to Q3 2019, and 20% for Q4 2019 of the amount charged for disposal being paid to the Texas Commission on Environmental Quality, which oversees the operations of the facility. The quarterly totals of the out-of-compact disposal fees for 2019 are listed below in Table 4. Also provided in Table 4 are the annual out-of-compact disposal fees collected each year since 2012, when the Compact Waste Facility began taking out-of-compact radioactive waste.

Table 4: Breakdown of Fees from Out-of-Compact Disposal - FY 2019

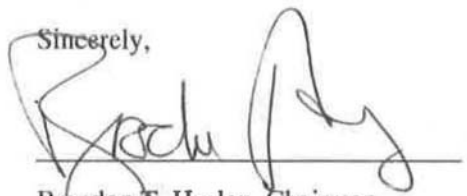
Description	Quantity (\$)
1 st Quarter 2019	733,780.76
2 nd Quarter 2019	1,218,488.49
3 rd Quarter 2019	629,372.18
4 th Quarter 2019	304,121.91
Total Fees 2019	2,885,763.34
Total Fees 2018	2,091,621.46
Total Fees 2017	4,699,561.12
Total Fees 2016	3,132,315.05
Total Fees 2015	11,037,231.18
Total Fees 2014	3,666,357.39
Total Fees 2013	5,910,178.16
Total Fees 2012	2,522,275.80
Total Fees – FY 2012 to FY 2019	32,812,988.45

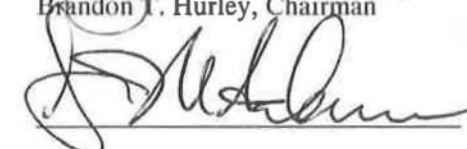
5. Monitoring and Protection of Capacity at Compact Waste Facility

Another primary mission of the TLLRWDC is to ensure adequate capacity exists at the Compact Waste Facility in Andrews County for both party states' generators of low level radioactive waste. To this end, each application is reviewed to ensure the proposed disposal by out-of-compact generators will not adversely impact the capacity of the Compact Waste Facility. Specifically, each import application is reviewed by the Technical Committee of the TLLRWDC to ensure that the requested volume and curies, when added with other authorized shipments, will not impinge upon the capacity needed by party state generators.

As of December 31, 2019, the total volume of waste disposed of in the Compact Waste Facility (162,679 cubic feet) totals 1.81% of the permitted volumetric capacity of the Compact Waste Facility and the total curies associated with these same volumes of disposed waste (497,145 Ci) totals less than 12.8% of the permitted curies for the facility.

Thank you for the opportunity to provide this report, and please let us know if you have any questions or comments.

Sincerely,


Brandon T. Hurley, Chairman


John M. Salsman, Vice-Chairman

1/31/2020
Date
2/12/2020
Date

Attachment: 2018 Audit of the TLLRWDC

- CC: Linda Morris, Commissioner
- Jeff Mundy, Commissioner
- Richard H. Dolgener, Commissioner
- Lisa Edwards, Commissioner
- Richard H. Saudek, Commissioner
- Peter Bradford, Commissioner

TEXAS LOW LEVEL RADIOACTIVE WASTE
DISPOSAL COMPACT COMMISSION

FINANCIAL STATEMENTS
AND OTHER INFORMATION
WITH INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED AUGUST 31, 2018



MONDAY RUFUS & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS AND ADVISORS



TEXAS LOW LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION
FINANCIAL STATEMENTS AND OTHER INFORMATION
WITH INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED AUGUST 31, 2018

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INDEPENDENT AUDITORS' REPORT

To the Commissioners of the
Texas Low Level Radioactive Waste Disposal Compact Commission

Report on the Financial Statements

We have audited the accompanying financial statements of the Texas Low Level Radioactive Waste Disposal Compact Commission (hereafter the "Commission") as of and for the year ended August 31, 2018, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Commission as of August 31, 2018, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis section which precedes the basic financial statements be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The budgetary comparison schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The budgetary comparison schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Monday Rufus & Co., P.C.

Austin, Texas

April 25, 2019



TEXAS LOW LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

In this section of the annual financial report, the management of Texas Low Level Radioactive Waste Disposal Compact Commission (hereafter the "Commission"), discusses and analyzes the Commission's financial performance for the fiscal year ended August 31, 2018. Please read it in conjunction with the independent auditors' report on Page 1, and the Commission's Basic Financial Statements which follow this section.

FINANCIAL HIGHLIGHTS

- The Commission reported expenses of \$311 thousand, reflecting a 9% decrease from the prior fiscal year.
- The decreased expenses in 2018 were primarily the result of less overall costs for professional and contracted services as well as reduced fees for dues and fees.
- Shortly after the fiscal year end, the Commission returned approximately \$266 thousand of unused allocated funds to the State. This amount has been recorded as an amount due to the State as of August 31, 2018.

USING THIS ANNUAL REPORT

This annual report consists of three parts: Management's Discussion and Analysis (MD&A) (this section), the Basic Financial Statements, and the Notes to the Financial Statements.

The purpose of the MD&A is to provide an objective and easily readable analysis of the financial activities of the Commission for the year. It is based on currently known facts and conditions and also provides comparisons to prior year financial information.

For purposes of external financial reporting, the Commission is considered to be a special-purpose government engaged only in business-type activities. For organizations such as these, the Governmental Accounting Standards Board (GASB) specifies the Basic Financial Statements should consist of the following:

- Statement of Net Position
- Statement of Revenue, Expenses, and Changes in Net Position
- Statement of Cash Flows

These financial statements report the Commission's financial activities and show how revenues for the period compared to expenses as well as provide information on cash flows. They are prepared using the full-accrual basis of accounting and reflect the flow of total economic resources in a manner similar to the financial reports of a private business enterprise.

The notes to the financial statements communicate information essential for the fair presentation of the financial information that is not displayed on the face of the financial statements. As such, the notes are an integral part of the Basic Financial Statements.



TEXAS LOW LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2018

ABOUT THE TEXAS LOW LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION

The Commission is an Interstate Compact enacted into law in Texas and Vermont in 1993 and was authorized by the Texas Low Level Radioactive Waste Disposal Policy Consent Act approved by Congress as Public Law 105-236 on September 20, 1998. While closely monitored by the State of Texas, the Commission is not considered to be a State agency. However, the Commission is considered to be a discretely presented component unit by the Texas Comptroller of Public Accounts for the purpose of financial reporting by the State of Texas.

The Commission is managed by contracted professionals who perform duties such as preparation and proposal of the annual budget, development of the strategic plan, coordination of inter-agency relationships, and other daily functions.

FINANCIAL ANALYSIS OF THE COMMISSION

The primary purpose of the financial statements of the Commission is to report assets and liabilities of the Commission and to show whether the Commission is better off or worse off as a result of current year financial activities. The Statement of Net Position includes all the Commission's assets and liabilities at the end of the year while the Statement of Revenues, Expenses, and Changes in Net Position includes all the revenues and expenses generated or incurred by the Commission's operations during the year. These apply the accrual basis of accounting which is the basis used by private sector companies.

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. For the current year, the Commission reported a single revenue source, *Disposal Fees*, which reflects an allocation from the State of Texas to carry out the Commission's activities. All the Commission's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report the Commission's net position and changes in net position. The Commission's net position (the difference between assets and liabilities) provides one measure of the Commission's financial health. Over time, increases or decreases in the Commission's net position are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the Commission however, you should also consider nonfinancial factors as well, such as the current political environment related to the activities of the Commission and possible future changes to the support levels provided by the states of Texas and Vermont.

Table-I on the following page shows the net position of the Commission as of August 31, 2018 as well as comparative information for the year ended August 31, 2017. The two-year comparison shows that net position held constant at \$2,000.

Table-II on the following page provides details into the revenues and expenditures of the Commission. As shown on the table, expenditures decreased for the year by approximately \$31 thousand. Because the Commission must return unused funds to the State after each fiscal year, recorded revenues approximate expenditures in most years.



TEXAS LOW LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2018

Table I
NET POSITION

	Year Ended 8/31/18	Year Ended 8/31/17	Change
ASSETS			
Cash and Cash Equivalents	\$ 291,680	\$ 272,918	\$ 18,762
Deposits	2,000	2,000	-
Total Assets	<u>293,680</u>	<u>274,918</u>	<u>18,762</u>
LIABILITIES			
Accounts Payable	25,833	33,189	(7,356)
Due to State	265,847	239,729	26,118
Total Liabilities	<u>291,680</u>	<u>272,918</u>	<u>18,762</u>
NET POSITION			
Unrestricted Net Position	2,000	2,000	-
Total Net Position	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ -</u>

Table II
CHANGES IN NET POSITION

	Year Ended 8/31/18	Year Ended 8/31/17	Change
OPERATING REVENUES:			
Disposal Fees	\$ 311,317	\$ 344,559	\$ (33,242)
Total Revenue	<u>311,317</u>	<u>344,559</u>	<u>(33,242)</u>
OPERATING EXPENSES:			
Professional and Contracted Services	249,427	264,647	(15,220)
Travel	28,499	26,760	1,739
Dues and Fees	2,790	9,500	(6,710)
Materials and Supplies	-	2,713	(2,713)
Communications and Utilities	1,874	2,216	(342)
Rentals and Leases	24,000	23,100	900
Other Operating Costs	4,727	13,623	(8,896)
Total Expenses	<u>311,317</u>	<u>342,559</u>	<u>(31,242)</u>
Change in Net Position	<u>-</u>	<u>2,000</u>	<u>(2,000)</u>
Net Position - September 1 (Beginning)	2,000	-	2,000
Net Position - August 31 (Ending)	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ -</u>



TEXAS LOW LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2018

CAPITAL ASSETS AND LONG-TERM DEBT

As of August 31, 2018 the Commission had no capital assets to record related to its operations. In addition, there was no short or long-term debt outstanding in the name of the Commission.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Commission's valuable mission of responsibly overseeing the disposition of low-level radioactive waste generated within the boundaries of the party states is expected to continue to be fully supported and funded by the partner states of Texas and Vermont in the upcoming and future years.

The Commission's budget each year is set based on expected funding from the State of Texas along with estimates of anticipated expenses that will be required to fund operations within the constraints of the revenue budget. The Commission has an approved expense budget of up to \$577 thousand for the upcoming 2019 fiscal year.

CONTACTING THE COMMISSION'S FINANCIAL MANAGEMENT

This financial report is designed to provide to the Commissioners of the Texas Low Level Radioactive Waste Disposal Compact Commission and the citizens of the states of Texas and Vermont with a general overview of the Commission's finances and to show accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Commission's administration office at (512) 217-8045. General information about the Commission can be found at the Texas Low Level Radioactive Waste Disposal Compact Commission's website at www.tllrwdcc.org.



BASIC FINANCIAL STATEMENTS



TEXAS LOW LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION
STATEMENT OF NET POSITION
AUGUST 31, 2018

ASSETS

Cash and Cash Equivalents	\$	291,680
Deposits		2,000
Total Assets		293,680

LIABILITIES

Accounts Payable		25,833
Due to State		265,847
Total Liabilities		291,680

NET POSITION

Unrestricted Net Position		2,000
Total Net Position	\$	2,000

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



TEXAS LOW LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED AUGUST 31, 2018

OPERATING REVENUES:

Disposal Fees	\$ 311,317
Total Revenues	311,317

OPERATING EXPENSES:

Professional and Contracted Services	249,427
Travel	28,499
Dues and Fees	2,790
Materials and Supplies	-
Communications and Utilities	1,874
Rentals and Leases	24,000
Other Operating Costs	4,727
Total Expenses	311,317
Change in Net Position	-
Total Net Position - Beginning	2,000
Total Net Position - Ending	\$ 2,000

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



TEXAS LOW LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2018

Cash Flows from Operating Activities:

Cash Received from Disposal Fees	\$ 337,435
Cash Payments for Professional Fees and Contracted Services	(249,427)
Cash Payments for Travel	(28,499)
Cash Payments for Other Operating Activities	<u>(40,747)</u>
Net Cash provided by (Used for) Operating Activities	<u>18,762</u>
Net Increase (Decrease) in Cash and Cash Equivalents	18,762
Cash and Cash Equivalents at Beginning of the Year	<u>272,918</u>
Cash and Cash Equivalents at the End of the Year:	<u><u>\$ 291,680</u></u>

Reconciliation of Operating Income (Loss) to Net Cash

Provided by (Used for) Operating Activities:

Operating Income (Loss):	\$ -
Effect of Increases and Decreases in Current Assets and Liabilities:	
Increase (decrease) in Accounts Payable	(7,356)
Increase (decrease) in Due to State	<u>26,118</u>
Net Cash Provided by (Used for) Operating Activities	<u><u>\$ 18,762</u></u>

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



NOTES TO THE FINANCIAL STATEMENTS



TEXAS LOW LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The Texas Low Level Radioactive Waste Disposal Compact Commission (the "Commission") is an Interstate Compact enacted into law in Texas and Vermont in 1993 and authorized by the Texas Low Level Radioactive Waste Disposal Policy Consent Act approved by Congress as Public Law 105-236 on September 20, 1998. The State of Texas provides oversight of the Commission and its financial records and practices generally comply with Texas statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts Reporting Requirements for State Agencies. However, the Commission is not considered an agency of the State of Texas. The Commission is considered a discretely presented component unit of a proprietary fund nature for purposes of external financial reporting by the State of Texas.

According to the guidelines of the Interstate Compact, it is the policy of the party states (Texas and Vermont) to cooperate in the protection of the health, safety, welfare, and environment of the citizens of the respective states by providing for and encouraging the safe and economical management and disposal of low-level radioactive waste. Generally, the Commission fulfills its mission through the regulation of the importation of low-level radioactive waste to a host-state licensed low-level radioactive waste disposal site in Andrews County, Texas and the regulation of the exportation of low-level radioactive waste from the Compact party states.

The Commission is governed by an eight member Board of Commissioners with six members appointed by the Governor of Texas and two members appointed by the Governor of Vermont.

B. PRESENTATION OF FINANCIAL STATEMENTS

The financial statements of the Commission are presented as a proprietary fund under the governmental financial reporting framework. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues result from providing goods and services in connection with a proprietary fund's principal ongoing operations; they usually come from exchange or exchange-like transactions. All other revenues are nonoperating. Operating expenses can be tied specifically to the production of the goods and services, such as management of the Commission's operations. Other expenses are nonoperating.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Proprietary funds are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the fund Statement of Net Position. The fund equity is segregated into invested in capital assets net of related debt, restricted net position, and unrestricted net position.

D. FUND ACCOUNTING

The Commission utilizes fund accounting and currently reports only one proprietary fund for external financial reporting purposes. All activities of the Commission are accounted for in this fund.



TEXAS LOW LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2018

E. OTHER ACCOUNTING POLICIES

1. Cash Equivalents

For purposes of the statement of cash flows for proprietary funds, the Commission considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.

2. Inventories

The Commission does not report inventories of consumable maintenance and office supplies due to the unused amount of these items being on hand at any given time being deemed immaterial.

3. Capital Assets

Capital assets, which include land, buildings, and furniture and equipment, are reported on the Statement of Net Position when applicable. Such assets are recorded at historical cost and depreciated over the course of their estimated useful life. As of year end, the Commission had no capital assets.

4. Long-Term Debt

Long-term debt and other long-term obligations are reported as liabilities on the Statement of Net Position when applicable. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method, unless the straight-line method is not materially different, in which case the straight-line method is used. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expense in the year of issuance of the debt. As of year end, the Commission had no short or long-term debt.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY DATA

Budgets are adopted on a basis consistent with generally accepted accounting principles in the United States of America (GAAP). An annual appropriated budget is adopted by the Commission and must conform to the fiscal year of the host state of Texas.

The budget is initially prepared by the Executive Director based on anticipated state funding and expected organization operating costs. The budget is later formally presented to and considered for approval by the Board of Commissioners. Budget amendments may be brought to the Board for consideration and approval as needed throughout the year.

III. DETAILED NOTES TO FINANCIAL STATEMENTS

A. DEPOSITS AND INVESTMENTS

At August 31, 2018, the carrying amount of the Commission's deposits (cash, certificates of deposit, and interest-bearing savings accounts) was \$291,680. These funds are held on behalf of the Commission in the State Treasury.

As of year end these funds were deposited as follows:

Held in State Treasury	\$291,680
Total	<u>\$291,680</u>



OTHER INFORMATION



TEXAS LOW LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED AUGUST 31, 2018

	<u>Budgeted Amounts</u>		Actual Amounts	Variance With Final Budget
	<u>Original</u>	<u>Final</u>		
OPERATING REVENUES:				
Disposal Fees	\$ 577,164	\$ 577,164	\$ 311,317	\$ (265,847)
Total Revenues	<u>577,164</u>	<u>577,164</u>	<u>311,317</u>	<u>(265,847)</u>
OPERATING EXPENDITURES:				
Professional and Contracted Services	467,900	467,900	249,427	218,473
Travel	55,000	55,000	28,499	26,501
Dues and Fees	15,500	15,500	2,790	12,710
Materials and Supplies	1,300	1,300	-	1,300
Communications and Utilities	2,500	2,500	1,874	626
Rentals and Leases	24,000	24,000	24,000	-
Other Operating Costs	10,964	10,964	4,727	6,237
Total Expenditures	<u>577,164</u>	<u>577,164</u>	<u>311,317</u>	<u>265,847</u>
Change in Net Position	-	-	-	-
Net Position - September 1 (Beginning)	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Net Position - August 31 (Ending)	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ -</u>