

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

ANNUAL FINANCIAL REPORT

For The Year Ended August 31, 2022

Brandon T Hurley
Chairman

John M Salsman
Vice Chairman

TABLE OF CONTENTS

I.	LETTER OF TRANSMITTAL	
II.	GENERAL PURPOSE FINANCIAL STATEMENTS	
	A. Combined Statement of Net Position - Discretely Presented Component Units	2
	B. Combined Statement of Revenues, Expenditures and Changes in Net Position - Discretely Presented Component Units	3
III.	NOTES TO THE FINANCIAL STATEMENTS	
	1. Summary of Significant Accounting Policies	4
	2. Capital Assets	7
	3. Deposits, Investments, & Repurchase Agreements	7
	4. Short Term Debt	7
	5. Summary of Long-Term Liabilities	7
	6. Bonded Indebtedness	7
	7. Derivative Instruments	7
	8. Leases	7
	9. Pension Plans	7
	10. Deferred Compensation	7
	11. Post Employment Health Care and Life Insurance Benefits	7
	12. Interfund Balances/Activities	7
	13. Continuance Subject to Review	8
	14. Adjustments to Fund Balances/Net Assets	8
	15. Contingencies and Commitments	8
	16. Subsequent Events	8
	17. Risk Management	8
	18. Management Discussion and Analysis (Material Changes to AFR)	8
	19. The Financial Reporting Entity	8
	20. Stewardship, Compliance and Accountability	8
	21. N/A	8
	22. Donor-Restricted Endowments	9
	23. Extraordinary and Special Items	9
	24: Disaggregation of Receivable and Payable Balances	9
	25: Termination Benefits	9
	26: Segment Information	9
	27. Service Concession Agreements	9
	28. Deferred Outflows of Resources & Deferred Inflows of Resources	9
	29. Trouble Debt Restructuring	9
	30. Non-Exchange Financial Guaranters	9
	31. Tax Abatements	9
	32. Fund Balances	9

Texas Low-Level Radioactive Waste Disposal Compact Commission

Chair

Brandon T. Hurley, TX

Vice-Chair

John M. Salsman, CHP, TX

Mailing Address:

919 Congress Ave Ste 830
Austin, Texas 78701

Administration@tllrwdcc.org

Commissioners

Peter Bradford, VT
Sumana Nayak, TX
Lisa Edwards, TX
Linda Morris, LMP, TX
Richard Saudek, VT
Jeffrey Mundy, TX

September 29, 2022

Honorable Greg Abbott, Governor
Honorable Glenn Hegar, Texas Comptroller
John McGeady, Director, Legislative Budget Board
Lisa Collier, 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, 2022, 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 Diane Fulmer at 512-296-8001.

Sincerely,



Stephen Raines
Executive Director

UNAUDITED

**Texas Low Level Radioactive Waste Compact Commission (535)
Exhibit VIII — Combined Statement of Net Position —
Discretely Presented Component Units
August 31, 2022**

	GR Acct - TLLRWDCC (4156) U/F (5151)
ASSETS	
Current Assets:	
Cash and Cash Equivalents	
Cash in State Treasury	\$ 64,835.80
Other Current Assets	
Prepaid Items	\$
Deposits	4,682.55
Total Current Assets	<u>69,518.35</u>
Non-Current Assets:	
Other Non-Current Assets	
Total Non-Current Assets	<u>0</u>
Total Assets	<u><u>\$69,518.35</u></u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows of Resources	
Total Deferred Outflows of Resources	<u>0</u>
LIABILITIES	
Current Liabilities:	
Payables from:	
Accounts	\$ 20,221.27
Total Current Liabilities	<u>20,221.27</u>
Non-Current Liabilities	
Other Non-Current Liabilities	
Total Non-Current Liabilities	<u>0</u>
Total Liabilities	<u>20,221.27</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows of Resources	
Total Deferred Inflows of Resources	<u>0</u>
NET POSITION	
Invested in Capital Assets, Net of Related Debt Restricted For	
Funds Held as Permanent Investments:	
Nonexpendable	
Unrestricted	49,297.08
Total Net Position	<u>49,297.08</u>
Total Liabilities and Net Position	<u><u>\$ 69,518.35</u></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, 2022

	GR Acct - TLLRWDCC (4156) U/F (5151)
OPERATING REVENUES	
Sales of Goods and Services	\$
Other Sales of Goods and Services - Non-Pledged	
Other Operating Revenue (GR)	
Total Operating Revenues	<u>0</u>
OPERATING EXPENSES:	
Professional Fees and Services	297,946.48
Travel	24,250.59
Materials and Supplies	457.56
Communication and Utilities	3,304.81
Rentals and Leases	61,976.97
Printing and Reproduction	
Interest Expense	3.57
Other Expenses	10,672.49
Total Operating Expenses	<u>398,612.47</u>
Operating Income (Loss)	<u>(398,612.47)</u>
NONOPERATING REVENUE (EXPENSES)	
Gifts, Pledges and Donations (PR - Grants/Contributions)	
Other Nonoperating Revenues (Expenses)	
Total Other Nonoperating Revenues (Expenses)	<u>0</u>
Income (Loss) Before Transfers	<u>(398,612.47)</u>
TRANSFERS	
Transfer In (Agy 582, Fund 0088)	443,227.00
Transfer Out (Agy 582, Fd 0088)	(223,689.83)
Total Capital Contributions, Endowments and Transfers	<u>219,537.17</u>
Change in Net Position	<u>(179,075.30)</u>
Net Position, September 1, 2020	228,372.38
Restatements	
Net Position, September 1, 2018, as Restated	<u>228,372.38</u>
Net Position, August 31, 2021	<u>\$ 49,297.08</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, 2022, 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.

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

Individual fund balances and activities at August 31, 2022, are as follows:

		Transfers In	Transfers Out
Discrete Component Unit (FT15)			
Appd Fund 4156, D23 Fund 5151			
From Agency 582, D23 Fund 0088		443,227.00	
To Agency 582, D23 Fund 0088		<u> </u>	<u>223,689.83</u>
Total Transfers	\$	<u><u>443,227.00</u></u>	<u><u>223,689.83</u></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

NOTE 21: N/A

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

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

NOTE 31: TAX ABATEMENTS

Not applicable

NOTE 32: FUND BALANCES

Not applicable