

**Central Interstate Low-Level
Radioactive Waste Commission**



**Annual Report
Fiscal Year 2019
(July 1, 2018 – June 30, 2019)**

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Introduction

The Central Interstate Low-Level Radioactive Waste Commission (“Commission”) was established in 1984 pursuant to the Central Interstate Low-Level Radioactive Waste Compact (“Compact”) (Public Law 99-240) and has, as current member states, Arkansas, Kansas, Louisiana, and Oklahoma. The purpose and objectives of the Commission are:

To carry out the mandate of the Compact by providing for and encouraging the safe and economical management of low-level radioactive waste within the four-state Compact region:

To provide a framework for a cooperative effort to promote the health, safety, and welfare of the citizens and the environment of the Compact region;

To select the necessary regional facilities to accept compatible wastes generated in and from party states, and meeting the requirements of the Compact, giving each party state the right to have the wastes generated within its borders properly managed at such regional facilities;

To take whatever action is necessary to encourage the reduction of wastes generated within the Compact region; and

To faithfully and diligently perform its duties and powers as are granted by the Compact.

The Commission maintains a mailing list of individuals and organizations interested in Commission activities. Commission meetings are open to the public. Meeting announcements and materials are on the Commission’s website and distributed to interested persons and groups through email. The Commission’s office responds to various requests for information.

Items contained on the Commission’s website are news articles, Annual Reports, minutes of Commission meetings, notices of meetings, legal summaries, and other appropriate information.

Contact Information

The Commission’s mailing address, phone number, website address, and email address are:

Central Interstate LLRW Compact Commission

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Oklahoma City, OK 73101-1042

Ph: 405.702.5151 Fax: 405.702.5101

[Http://www.cillrwcc.org/](http://www.cillrwcc.org/)

cillrwcc@gmail.com

Commissioners and Administrator

As of June 30, 2019

	Commissioner	Alternate
Arkansas	George Overbey Arkansas House of Representatives PO Box 177 Lamar, AR 72846 Cell: 479.970.8060 overby@centurylink.net	Vacant
Kansas	Vacant	Richard Brunetti Director of Bureau of Air Kansas Department of Health & Environment 1000 SW Jackson, Suite 310 Topeka, KS 66612 Office: 785.296.1551 Rick.Brunetti@ks.gov
Louisiana	Richard "Scott" Blackwell, Chair Assessment Division Radiation Section Department of Environmental Quality PO Box 43121 Baton Rouge, LA 70821 Office: 225.219.3639 Richard.Blackwell@la.gov	Vacant
Oklahoma	Kelly Dixon, Vice-Chair Director Land Protection Division Department of Environmental Quality PO Box 1677 Oklahoma City, OK 73101-1677 Office: 405.702.5151 Kelly.Dixon@deq.ok.gov	Mike Stickney Environmental Programs Manager Land Protection Division Department of Environmental Quality PO Box 1677 Oklahoma City, OK 73101-1677 Office: 405.702.5313 Mike.Stickney@deq.ok.gov
Administrator	Kristie Valtierra Central Interstate Low-Level Radioactive Waste Compact Commission PO Box 1042 Oklahoma City, OK 73101-1042 Office: 405.702.5220 admin@cillrwcc.org	

Significant Events

Commission Meetings

The Commission held one (1) meeting during Fiscal Year 2019.

February 12, 2019 – Special Teleconference Meeting

Commission Officer Changes

On October 4, 2018, Kelly Dixon was appointed to replace Jon Roberts as the Oklahoma Commissioner. Jon Roberts served as the Oklahoma Commissioner for 8.5 years and as the Chair from July 2011 to June 30, 2018.

Article V(D)(1) of the Commission's By-Laws state that the Vice-Chairperson term is two (2) years and rotates to the Chairperson on even-numbered years. According to that By-law provision, on July 1, 2018, Vice-Chairperson, Richard Blackwell assumed the office of Chairperson.

Article V(D) of the Commission By-laws requires a vote for Vice-Chairperson during its annual meeting on even-numbered years. In accordance with that provision, Kelly Dixon was elected to serve as Vice-Chairperson.

As of June 30, 2019, a new Kansas Commissioner had not been appointed.

As of June 30, 2019, the alternate for Arkansas remained vacant.

Summary of Litigation

The Commission was not involved in litigation during Fiscal Year 2019 nor is any litigation pending. Details of past litigation are available on the Commission's website.

Waste Generation, Exports and Disposal

Authorization to Export

Article III.G. of the Compact provides that, unless authorized by the Commission, it shall be unlawful after January 1, 1986, for any person to export from the Compact region, low-level radioactive waste ("LLRW") generated within the region, and to transport LLRW from the site at which it is generated except to a regional facility.

At the June 20, 2017, Annual Meeting, the Commission adopted a Resolution authorizing LLRW generators within the region to export their LLRW outside of the region to any duly authorize and permitted disposal facility provided the export is done in compliance with all applicable state and federal laws and regulation and any terms or conditions required of both the disposal facility and the regional Compact in which the disposal facility is located. The Resolution became effective July 1, 2017 and serves as the authorization required under Article III.G. It will remain in effect until modified, suspended, or revoked by the Commission. The Resolution is available on the Commission's website.

Disposal Sites

There are currently four disposal sites in the United States authorized to accept low-level radioactive waste.

Energy Solutions in Clive, Utah

Waste Control Specialists (WCS) near Andrews, Texas

US Ecology in Richland, Washington

EnergySolutions in Barnwell, South Carolina

Additional information about each of these sites is available at:

<https://www.nrc.gov/waste/llw-disposal/licensing/locations.html>.

Generators seeking to treat, process and otherwise manage their waste in preparation for ultimate disposal may wish to refer to the National Directory of Brokers and Processors for assistance. The Directory is available at <http://bpdirectory.com/>.

Disposal Quantities and Activity Levels

The following tables show the quantities and activity level of low-level radioactive waste generated and disposed by generators in the Central States Compact, as reported in the Manifest Information Management System (<http://mims.doe.gov>).

Table 1. Summary of LLRW generated in the Central States Compact 2009-2018.

Year	Volume (ft ³)	Volume Class A	Volume Class B	Volume Class C	Activity (curies)	Activity Class A	Activity Class B	Activity Class C
2018	37,767.52	37,767.52	0.00	0.00	182.38	182.38	0.00	0.00
2017	69,350.76	69,350.76	0.00	0.00	297.52	297.52	0.00	0.00
2016	58,599.65	58,195.75	11.90	392.00	66,082.76	117.25	1,667.57	64,297.93
2015	45,328.35	45,299.98	0.00	0.00	117.08	117.08	0.00	0.00
2014	27,356.09	27,347.59		8.50	9.93	9.86		0.08
2013	62,582.04	62,486.00	111.00	0.00	21,351.04	63.00	21,283.25	0.00
2012	250,710.77	250,719.00		1.00	125.14	121.00		0.00
2011	36,128.92	36,099.00		39.00	173.64	171.00		0.00
2010	32,135.87	32,150.00		9.00	137.23	130.00		0.00
2009	85,804.62	85,834.00		2.00	171.03	162.00		0.00
	705,764.59	705,249.60	122.90	451.50	88,647.73	1,371.08	22,950.82	64,298.01

Table 2. Summary of LLRW generated in individual Central Compact states in 2018.

State	Year	Volume (ft3)	Vol A	Vol B	Vol C	Activity (curies)	Act A	Act B	Act C
Arkansas	2018	17,538.35	17,538.35	0.00	0.00	29.83	29.83	0.00	0.00
Kansas	2018	5,251.83	5,251.83	0.00	0.00	17.27	17.27	0.00	0.00
Louisiana	2018	14,940.84	14,940.84	0.00	0.00	135.28	135.28	0.00	0.00
Oklahoma	2018	36.50	36.50	0.00	0.00	0.00	0.00	0.00	0.00
		37,767.52	37,767.52	0.00	0.00	182.38	182.38	0.00	0.00

Table 3. Summary of LLRW disposed by Compact generators in 2018.

Site	Year	Volume (ft3)	Volume Class A	Volume Class B	Volume Class C	Activity (curies)	Activity Class A	Activity Class B	Activity Class C
Energy Solutions	2018	37,767.52	37,767.52	0.00	0.00	182.38	182.38	0.00	0.00
		37,767.52	37,767.52	0.00	0.00	182.38	182.38	0.00	0.00

Commission Budget

Budget/Expenditures

Table 4 shows the Commission’s budget and expenditures for Fiscal Year 2019. The line item Administration covers administrative work performed under contract with the Oklahoma DEQ. The expense was budgeted in Miscellaneous but the expense is shown under Administration. This change was effective at the end of FY17.

Table 4. Commission Budget/Cash Expenditures for Fiscal Year 2019

Expense	FY2019 Budget	FY 2019 Actual
Administration	0	5,733
Rent/storage	2,000	1,385
Telephone	3,000	-
Postage	600	-
Copy & Printing	300	-
Machine Lease and Maintenance	0	
Meeting Transcriptions	1,000	665
Dues & Subscriptions	9,500	9,500
Office Equipment & Supplies	500	-
Travel & Meeting Expense	10,000	873
Insurance	5,000	4,762
Accounting	12,500	10,000
Legal Fees	3000	-
Miscellaneous	30,0000	5,076
Cash Reserve/ Recover Shortfall		
Total		
	72,900	37,995

Donations/Grants

Article IV.J. of the Compact and XI.(D) of the Commission’s Bylaws require the Commission to report the nature, amount and condition, if any, of any donation or grant accepted by the Commission during the year together with the identity of the donor, grantor, or lender. For Fiscal Year 2019, the Commission accepted no donations or grants.

**CENTRAL INTERSTATE LOW-LEVEL
RADIOACTIVE WASTE COMMISSION**

**REQUIRED COMMUNICATIONS,
MANAGEMENT LETTER,
AND
COMPLIANCE REPORT**

For the Year Ended June 30, 2019

**Central Interstate Low-Level
Radioactive Waste Commission**

**Required Communications and Compliance Report
For the Year Ended June 30, 2019**

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To the Commissioners
Central Interstate Low-Level
Radioactive Waste Commission

Other Offices in
Missouri and Kansas

We have audited the financial statements of Central Interstate Low-Level Radioactive Waste Commission (the Commission) for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 28, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Commission are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2019. We noted no transactions entered into by the Commission during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Management has not identified any such estimates.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered difficulties in obtaining the information requested in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No such misstatements were identified during our audit. However, we provided assistance in converting from the cash basis of accounting to the accrual basis of accounting.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 8, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Commission's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Commission's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in the Commission's internal control described under Financial Reporting to be a material weakness.

As part of our audit, we try to identify opportunities for improving the management of financial resources and for improving the internal controls over financial reporting. We are submitting, for your consideration, our observations and recommendations with regard to these matters.

The Commission's written responses to our comments have not been subject to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

CURRENT YEAR COMMENTS

Financial Reporting – Material Weakness

Management is responsible for establishing, maintaining and monitoring internal controls over financial reporting, and for the fair presentation of the financial statements and related notes in conformity with U.S. generally accepted accounting principles. A system of internal controls should establish a process for assuring that the Commission's objectives of operational effectiveness and efficiency and reliable and timely financial reporting are met.

During our audit procedures, it was determined that significant number of credit card charges did not have sufficient supporting documentation. After several requests for supporting documentation, it was determined that certain credit card charges were for personal items.

A single individual was responsible for all of the accounting functions, including cash receipts and disbursements, reconciling the bank account, posting transactions to the general ledger and preparing financial statements. To the extent possible, duties should be segregated to serve as a check and balance and to maintain the best control system possible.

We recommend that the Commission review, revise and establish a system of internal controls over financial reporting including the initiation, authorization and approval of transactions and related financial information. In addition, we recommend that a formal policy be adopted that prohibits the personal use of the Commission's credit card and requires sufficient supporting documentation for all charges.

Management's Response

Management agrees with the recommendation and is in the process of reviewing, revising and implementing internal controls over financial reporting.

Restriction on Use

This information is intended solely for the use of the information and use of Commissioners and management of the Commission and is not intended to be and should not be used by anyone other than these specified parties.

Cochran Head Vick & Co., P.A.

COMPLIANCE REPORT

CHV**COCHRAN HEAD VICK & CO., P.C.****& Co***Certified Public Accountants*

7255 West 98th Terrace
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**Independent Auditor's Report On Internal Control Over Financial Reporting And
On Compliance And Other Matters Based On An Audit Of Financial Statements
Performed In Accordance With Government Auditing Standards**

**Other Offices in
Missouri and Kansas**

To the Commissioners
Central Interstate Low-Level
Radioactive Waste Commission

We have audited, in accordance with the auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Central Interstate Low-Level Radioactive Waste Commission (the Commission) as of and for the year ended June 30, 2019, and the related notes to the financial statements, and have issued our report thereon dated September 8, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2019-001 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

The Commission's Response to the Finding

The Commission's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The Commission's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cochran Head Vick & Co., P.A.

Overland Park, Kansas
September 8, 2022

**Central Interstate Low-Level Radioactive Waste Commission
Schedule of Findings and Responses
For the Year December 31, 2019**

2019-001 Financial Reporting

Condition

Management is responsible for establishing, maintaining and monitoring internal controls over financial reporting, and for the fair presentation of the financial statements and related notes in conformity with U.S. generally accepted accounting principles. During our audit procedures, it was determined that significant number of credit card charges did not have sufficient supporting documentation. After several requests for supporting documentation, it was determined that certain credit card charges were for personal items.

Criteria

A system of internal controls should establish a process for assuring that the Commission's objectives of operational effectiveness and efficiency and reliable and timely financial reporting are met.

Cause

Internal controls were not adequately designed and operating effectively.

Effect

Potential exists for material misstatements to the financial statements.

Recommendation

We recommend that the Commission review, revise and establish a system of internal controls over financial reporting including the initiation, authorization and approval of transactions and related financial information.

Management's Response/Corrective Action

Management agrees with the recommendation and is in the process of reviewing, revising and implementing internal controls over financial reporting.

**CENTRAL INTERSTATE LOW-LEVEL
RADIOACTIVE WASTE COMMISSION**

**BASIC FINANCIAL STATEMENTS
Together with Independent Auditor's Report**

**FOR THE YEARS ENDED
June 30, 2019 and 2018**

**Central Interstate Low-Level
Radioactive Waste Commission**

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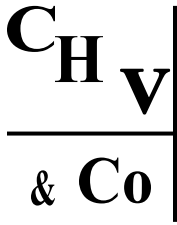
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COCHRAN HEAD VICK & CO., P.A.

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Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

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To the Commissioners
Central Interstate Low-Level
Radioactive Waste Commission

Report on the Financial Statements

We have audited the accompanying financial statements of the Central Interstate Low-Level Radioactive Waste Commission (the Commission) as of and for the years ended June 30, 2019 and 2018, and the related notes to the 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.

Auditor's Responsibility

Our responsibility is to express opinions 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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 auditor's 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 accounting 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Commission as of June 30, 2019 and 2018 and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other offices in
Missouri and Kansas

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 8, 2022 on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Commission's internal control over financial reporting and compliance.

Cochran Head Viced & Co., P.A.

Overland Park, Kansas
September 8, 2022

**Central Interstate Low-Level
Radioactive Waste Commission
Statements of Net Position
June 30, 2019 and 2018**

	2019	2018
<u>Assets</u>		
Current Assets		
Cash and cash equivalents	\$ 6,111,645	\$ 6,001,556
Restricted cash and investments - rebate fund	829,461	829,461
Other receivable	582	-
Total current assets	6,941,688	6,831,017
Total Assets	6,941,688	6,831,017
<u>Liabilities</u>		
Current Liabilities		
Accounts payable	10,000	-
Total Liabilities	10,000	-
<u>Net Position</u>		
Restricted	829,461	829,461
Unrestricted	6,102,227	6,001,556
Total Net Position	\$ 6,931,688	\$ 6,831,017

See accompanying notes to the financial statements.

**Central Interstate Low-Level
Radioactive Waste Commission**
Statements of Revenues, Expenses and
Changes in Net Position
For the Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Operating Revenues		
Commission member fees	\$ 20,000	\$ 20,000
Other operating revenue	-	23
Total Operating Revenues	<u>20,000</u>	<u>20,023</u>
 Operating Expenses		
Administration	10,517	-
Professional fees	10,665	30,581
Office expense	6,462	1,935
Insurance	3,843	4,018
Travel	873	6,958
Membership fees	9,500	9,500
Total Operating Expenses	<u>41,860</u>	<u>52,992</u>
 Operating (Loss)	<u>(21,860)</u>	<u>(32,969)</u>
 Nonoperating Revenue		
Interest	122,531	73,851
Total Nonoperating Revenue	<u>122,531</u>	<u>73,851</u>
 Change in net position	100,671	40,882
 Net position, beginning of year	<u>6,831,017</u>	<u>6,790,135</u>
 Net position, end of year	<u>\$ 6,931,688</u>	<u>\$ 6,831,017</u>

See accompanying notes to the financial statements.

**Central Interstate Low-Level
Radioactive Waste Commission
Statements of Cash Flows
For the Years Ended June 30, 2019 and 2018**

	2019	2018
Cash Flows From Operating Activities		
Cash received from customers	\$ 20,000	\$ 20,000
Cash paid for goods and services	(32,442)	(57,696)
Other receipts	-	23
Net Cash Used in Operating Activities	(12,442)	(37,673)
 Cash Flows From Investing Activities		
Interest received	122,531	73,851
Net Cash Provided by Investing Activities	122,531	73,851
 Increase in Cash and Cash Equivalents	110,089	36,178
 Cash and cash equivalents, beginning of year	6,231,017	6,194,839
Cash and cash equivalents, end of year	6,341,106	6,231,017
Certificates of deposit	600,000	600,000
Total Cash and Investments reported on the statement of net position	\$ 6,941,106	\$ 6,831,017
 Reconciliation of Cash to the Statement of Net Position		
Cash and cash equivalents	\$ 6,111,645	\$ 6,001,556
Restricted cash and investments - rebate fund	829,461	829,461
Total Cash and Investments	\$ 6,941,106	\$ 6,831,017
 Reconciliation of operating loss to net cash used in operating activities		
Operating (loss)	\$ (21,860)	\$ (32,969)
Adjustments to reconcile operating loss to net cash used in operating activities:		
<i>Increase/(Decrease) in:</i>		
Accounts receivable	(582)	
Accounts payable	10,000	(4,704)
Net Cash Used in Operating Activities	\$ (12,442)	\$ (37,673)

See accompanying notes to the financial statements.

**Central Interstate Low-Level
Radioactive Waste Commission**
Notes to the Financial Statements
June 30, 2019 and 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Central Interstate Low-Level Radioactive Waste Commission (the Commission) is presented to assist in understanding the Commission's financial statements. The financial statements and notes are representations of the Commission's management, which is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles (GAAP) and have been consistently applied in the preparation of the financial statements.

Nature of Operations

The Commission was established in 1984 by an interstate compact among the states of Arkansas, Kansas, Louisiana, Nebraska, and Oklahoma with the consent of Congress through the Omnibus Low-Level Radioactive Waste Interstate Compact Consent Act. The purpose of the Commission is to carry out the mandate of the Central Interstate Low-Level Radioactive Waste Compact (the Compact) by providing for and encouraging the safe and economical management of low-level radioactive waste within the Compact's region. The State of Nebraska withdrew from the Compact effective August 28, 2004. The current member states of the Compact are Arkansas, Kansas, Louisiana, and Oklahoma.

The Commission is an instrumentality of the Compact's member states and, as such, is exempt from federal and state income taxes under Section 115 of the Internal Revenue Code.

Basis of Accounting

The Commission accounts for its activities as a governmental enterprise fund. The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting, under which revenues are recognized when earned and expenses are recorded when liabilities are incurred.

Operating Revenue and Expenses

The Commission's statement of revenues, expenses and changes in net position distinguishes between operating and non-operating revenues and expenses. Operating revenues result from exchange transactions associated with providing services. These include annual membership fees paid by each member state in the amount of \$5,000 each. Interest earned on the Commission's cash and investments is reported as non-operating revenue. All expenses of the Commission are reported as operating expenses.

Cash and Cash Equivalents

The Commission considers demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

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Net Position

In proprietary fund financial statements, net position is displayed in three components as follows:

Net Investment in Capital Assets – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted – This consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Sometimes the Commission will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the statement of net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Commission’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH AND INVESTMENTS

At June 30, 2019 and 2018, the carrying values of deposits are summarized as follows:

	<u>2019</u>	<u>2018</u>
Cash deposits	\$ 3,604	\$ 5,219
Certificates of deposit	600,000	600,000
Investment in Short Term Federal Investment Trust (STFIT) Accounts	<u>6,337,502</u>	<u>6,225,798</u>
Total cash and investments	<u>\$ 6,941,106</u>	<u>\$ 6,831,017</u>

Cash and investments as reported on the Statement of Net Position:

Cash and cash equivalents	\$ 6,111,645	\$ 6,001,556
Restricted cash and investments - rebate fund	<u>829,461</u>	<u>829,461</u>
Total cash and investments	<u>\$ 6,941,106</u>	<u>\$ 6,831,017</u>

Investment Policy

The Commission’s policy is to invest funds in either direct obligations of the United States Government or obligations that are fully insured by the United States Government. In addition, the terms of initial investments are not to exceed sixty months.

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Restricted Assets

Use of the rebate fund is restricted to payment of certain costs incurred in the establishment of a low-level waste facility or to mitigate the impact of low-level radioactive waste disposal facilities on the host state.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Commission's investment policy limits the term of investments to sixty months. The STFIT investments are redeemable on demand and the Commission's certificates of deposit have original maturities of less than 2 years.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the Commission. The Commission's investment policy limits investments to those that are either issued or fully insured by the United States Government to reduce this risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss that may be attributed to the magnitude of the Commission's investment in a single issue. The Commission has no specific policy regarding the amount that may be invested in any one issuer. At June 30, 2019 and 2018, all of the Commission's STFIT balances were held at the same financial institution.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Commission will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Commission will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. At June 30, 2019 and 2018, the Commission's cash and certificates of deposit were insured by Federal depository insurance and the balances held in STFIT accounts were uninsured and uncollateralized.

3. COMMITMENTS

The Commission entered into a Professional Services Agreement (Agreement) with the Oklahoma Department of Environmental Quality (DEQ) to provide certain administrative services on behalf of the Commission on an annual basis from July 1st to June 30th. The Agreement may be renewed at (1) year intervals. The Commission has exercised the renewal option for the fiscal year ended June 30, 2020. Total administrative expenses under the Agreement for the year ended June 30, 2019 was \$7,500 which includes \$2,500 for the period January 1, 2018 to June 30, 2018.

4. SUBSEQUENT EVENTS

The Commission has evaluated subsequent events through September 8, 2022, the date the financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in the financial statements.



Richard "Scott" Blackwell
Chairperson

Central Interstate Low-Level Radioactive Waste Commission

Amber Miller
Administrator

September 9, 2022

Managerial Response to Audit Findings for FY19, FY20 and FY21 Audit

A financial audit is an examination of the financial records of CILLRWCC that is conducted in accordance with generally accepted auditing standards 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.

The auditor's report of comments and recommendations is a letter containing their observations about any weaknesses found in CILLRWCC's internal controls—that is, in its methods of safeguarding assets, ensuring accounting accuracy and promoting adherence to municipal policies and legal requirements. This is the type of information that the auditors obtain during their audit. The letter also contains the auditor's recommendations for correcting any problems or weaknesses that were located during the audit process.

CILLRWCC has no issues with the auditor's financial representation of CILLRWCC's financial position. CILLRWCC's Independent Auditor provided the Commission with statements on the difficulty that existed in obtaining information as well as notations of material weakness notes. The Commission understands that it is responsible for establishing, maintaining, and monitoring internal controls over financial reporting, and for the fair presentation of the financial statements.

The Commission agrees that internal controls were lacking during the time frames of these audit periods. Processes are being reviewed and developed to assist with ensuring that internal controls exist. Due to the limited nature of individuals and transactions for CILLRWCC, complete segregation of duties may not exist; however, a system of internal controls will continue to be implemented to establish a process for assuring that the Commission's objectives of business-related operational effectiveness and efficiency and reliable and timely accurate financial reporting are met.

Respectfully,

Richard "Scott" Blackwell
Chairperson