

**REPORT OF THE TREASURER TO THE
KANSAS-NEBRASKA BLUE RIVER COMPACT ADMINISTRATION**

May 13, 2020

1. Current Year Overview (Attachment A)
 - a. Our beginning balance for FY2019-2020 was \$27,854.18. Since that time, we have had income from the State Assessments and interest which total \$19,074.31.
 - b. Our expenses thus far have been \$16,138.00 for USGS Stateline gages, \$680.00 for the Lower Big Blue NRD observation wells, and \$3,800.00 for Accounting Reviews that covered FY2015, FY2016, FY2018 and FY2019.
 - c. The balance today is \$26,240.49.
 - d. Our estimated end-of-year balance is \$26,265.49; which includes projected interest income for May and June 2020. We do not expect to have any more expenditures this fiscal year.
2. Budget Analysis of FY2017 to FY2022 (Attachment B)
 - a. The first three columns show the actual expenditures and income for FY2017, FY2018 and FY2019. The average ending year balance for this timeframe was roughly \$26,000.00.
 - b. The FY2020 budget is divided into two columns to show actual expenditures and income to date, and estimated expenditures and income through the remainder of the fiscal year. Of note, we did have an increased expenditure for our Accounting Reviews. As we discussed at our meeting last year, we processed four Accounting Reviews this fiscal year in order to catch-up on our reviews. This resulted in an expense of \$3,800.00, or \$950.00 for each Review.
 - c. The column highlighted in yellow is the proposed budget for FY2021. We continue to add roughly 3 percent to Stateline gages and Observation wells expenditures to allow for increased costs. We also continue to include line items for postage and printing costs. There is no line item for an Accounting Review in FY2021 as we conduct these every other year.
 - d. The final column shows the projected budget for FY2022. Again, we have allowed for a 3 percent increase for Stateline Gages and Observation Wells. Our Accounting Review line item of \$1900.00 would cover both FY2020 and FY2021, and also allows for a 3 percent increase in costs. According to our projection, our balance would be \$26,765.49 at the close of FY2022.
3. Accounting Review documents (Attachment C).
 - a. We have included the documents from the FY2018 and FY2019 Accounting Reviews as attachment C.

ATTACHMENT A: Current Year Overview

May 13, 2020

BEGINNING BALANCE: July 1, 2019 \$ 27,854.18

INCOME: as of May 13, 2020

State Assessments	\$ 19,000.00	
Interest Income	\$ 74.31	
TOTAL INCOME	<u>19,074.31</u>	\$ 19,074.31

EXPENSES: as of May 13, 2020

USGS - Stateline Gages	\$ 16,198.00	
Printing Annual Report	\$ -	
Lower Big Blue Natural Resources District - Observation Wells	\$ 680.00	
Dana Cole - Accounting Review FY15, FY16, FY18, FY19	\$ 3,800.00	
TOTAL EXPENSES	<u>20,678.00</u>	\$ 20,678.00

BALANCE ON HAND: \$ 26,250.49

ESTIMATED EXPENDITURES THROUGH JUNE 30, 2020

USGS - Stateline Gages	\$ -	
Dana Cole - Review	\$ -	
Printing Annual Report	\$ -	
Postage and Office Supplies	\$ -	
Miscellaneous	\$ -	
TOTAL ESTIMATED ADDITIONAL EXPENDITURES	<u>-</u>	\$ -

ESTIMATED INCOME THOUGH JUNE 30, 2020

Interest Income	\$ 15.00
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ESTIMATED BALANCE AS OF JUNE 30, 2020 \$ 26,265.49

ATTACHMENT B: Big Blue River Compact Budget Analysis, FY2017 to FY2022

	FY 2017	FY 2018	FY 2019	FY 2020		FY 2021	FY 2022
	Actual	Actual	Actual	Actual	Estimated	Proposed	Projected
	7/1/16 to 6/30/17	7/1/17 to 6/30/18	7/1/18 to 6/30/19	7/1/19 to 5/13/2020	5/14/20 to 6/30/20	7/1/20 to 6/30/21	7/1/21 to 6/30/22
EXPENDITURES							
Operations							
USGS - Stateline Gages	\$ 15,790.00	\$ 15,925.00	\$ 16,039.00	\$ 16,198.00	\$ -	\$ 16,500.00	\$ 17,000.00
LBBNRD - Observation Wells	\$ 680.00	\$ 680.00	\$ 680.00	\$ 680.00	\$ -	\$ 700.00	\$ 700.00
Water Quality Committee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Report - Printing	\$ -	\$ -	\$ -		\$ -	\$ 200.00	\$ 200.00
Financial Review	\$ -	\$ -	\$ 950.00	\$ 3,800.00	\$ -	\$ -	\$ 1,900.00
Postage and Office Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100.00	\$ 100.00
Miscellaneous Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100.00	\$ 100.00
Total Expenses	\$ 16,470.00	\$ 16,605.00	\$ 17,669.00	\$ 20,678.00	\$ -	\$ 17,600.00	\$ 20,000.00
INCOME & CARRY OVER							
Assessments (Both States)	\$ 19,000.00	\$ 19,000.00	\$ 19,000.00	\$ 19,000.00	\$ -	\$ 19,000.00	\$ 19,000.00
Interest earned	\$ 38.96	\$ 52.14	\$ 100.85	\$ 74.31	\$ 15.00	\$ 50.00	\$ 50.00
Carry Over from Prior Year	\$ 21,406.23	\$ 23,975.19	\$ 26,422.33	\$ 27,854.18	\$ -	\$ 26,265.49	\$ 27,715.49
Total Income and Carry Over	\$ 40,445.19	\$ 43,027.33	\$ 45,523.18	\$ 46,928.49	\$ 15.00	\$ 45,315.49	\$ 46,765.49
Ending Balance	\$ 23,975.19	\$ 26,422.33	\$ 27,854.18	\$ 26,250.49	\$ 26,265.49	\$ 27,715.49	\$ 26,765.49

KANSAS-NEBRASKA BIG BLUE RIVER COMPACT ADMINISTRATION

FINANCIAL STATEMENTS

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

JUNE 30, 2018



**DANA F. COLE
& COMPANY^{LLP}**
CERTIFIED PUBLIC ACCOUNTANTS



**DANA F. COLE
& COMPANY^{LLP}**
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Kansas-Nebraska Big Blue River Compact Administration
Lincoln, Nebraska

We have reviewed the accompanying cash basis financial statement of Kansas-Nebraska Big Blue River Compact Administration (a nonprofit organization), which comprise the statement of cash receipts and disbursements for the year ended June 30, 2018, and the related notes to the financial statement. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible for 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statement in order for it to be in accordance with the cash basis of accounting.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

BBRC TREASURER'S REPORT--ATTACHMENT C

Supplementary Information

The accompanying supplementary information included in statement of cash receipts and disbursement - compared to budget is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the review procedures applied in our review of the basic financial statement. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Dana F Cole + Company, LLP

Lincoln, Nebraska
January 6, 2020

BBRC TREASURER'S REPORT--ATTACHMENT C

KANSAS-NEBRASKA BIG BLUE RIVER COMPACT ADMINISTRATION STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS YEAR ENDED JUNE 30, 2018

RECEIPTS

Kansas contribution	9,500
Nebraska contribution	9,500
Interest	<u>52</u>
Total receipts	<u>19,052</u>

DISBURSEMENTS

Surface and ground water investigations	<u>16,605</u>
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INCREASE IN CASH	2,447
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CASH, beginning of year	<u>23,975</u>
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CASH, end of year	<u>26,422</u>
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See accompanying notes to financial statements.

BBRC TREASURER'S REPORT--ATTACHMENT C

KANSAS-NEBRASKA BIG BLUE RIVER COMPACT ADMINISTRATION NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

The Kansas-Nebraska Big Blue River Compact Administration is an interstate administrative agency established, upon adoption of rules and regulations pursuant to Article III (3,4) of the Kansas-Nebraska Big Blue River Compact on April 24, 1973, to administer the Compact.

The Administration is incorporated as an organization exempt from income tax under Code Section 501(c)(3) of the Internal Revenue Code.

Basis of Presentation

The financial statement of the Administration has been prepared on the cash receipts and disbursements basis method of accounting. Therefore, investments, receivables and payables, long-lived assets, accrued income and expenses, and amortization and depreciation, which may be material in amount, are not presented. This financial statement is not intended to present the financial position, results of operations, or cash flows in conformity with accounting principles generally accepted in the United States of America.

Function

The major function of the Administration is to establish "such stream-gauging stations, ground water observation wells, and other data collection facilities as are necessary for administering the Compact."

The purpose of the Compact is to:

- a. Promote interstate comity between the state of Kansas and Nebraska.
- b. To achieve equitable apportionment of the waters of the Big Blue River Basin between the two states and to promote orderly development thereof.
- c. To encourage continuation of the active pollution-abatement programs of the waters of the Big Blue River Basin.

NOTE 2. SUBSEQUENT EVENTS

In preparing the financial statements, the Administration has evaluated events and transactions for potential recognition or disclosure through January 6, 2020, the date the financial statements were available to be issued.

BBRC TREASURER'S REPORT--ATTACHMENT C

SUPPLEMENTAL INFORMATION

BBRC TREASURER'S REPORT--ATTACHMENT C

KANSAS-NEBRASKA BIG BLUE RIVER COMPACT ADMINISTRATION STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - COMPARED TO BUDGET YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Kansas contribution	9,500	9,500	
Nebraska contribution	9,500	9,500	
Interest	35	52	17
Total receipts	<u>19,035</u>	<u>19,052</u>	<u>17</u>
DISBURSEMENTS			
Surface and ground water investigations	18,200	16,605	1,595
Auditing and accounting services	870		870
Printing annual report	450		450
Postage and supplies	100		100
Miscellaneous	100		100
Total disbursements	<u>19,720</u>	<u>16,605</u>	<u>3,115</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(685)</u>	<u>2,447</u>	<u>3,132</u>

See accompanying notes to financial statements.

BBRC TREASURER'S REPORT--ATTACHMENT C

KANSAS-NEBRASKA BIG BLUE RIVER COMPACT ADMINISTRATION

FINANCIAL STATEMENTS

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

JUNE 30, 2019



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RECEIPTS

Kansas contribution	9,500
Nebraska contribution	9,500
Interest	<u>133</u>
Total receipts	<u>19,133</u>

DISBURSEMENTS

Surface and ground water investigations	16,719
Auditing and accounting services	<u>950</u>
Total disbursements	<u>17,669</u>

INCREASE IN CASH	1,464
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CASH, beginning of year	<u>26,422</u>
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CASH, end of year	<u><u>27,886</u></u>
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See accompanying notes to financial statements.

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	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Kansas contribution	9,500	9,500	
Nebraska contribution	9,500	9,500	
Interest	50	133	83
Total receipts	<u>19,050</u>	<u>19,133</u>	<u>83</u>
DISBURSEMENTS			
Surface and ground water investigations	18,700	16,719	1,981
Auditing and accounting services	900	950	(50)
Printing annual report	200		200
Postage and supplies	100		100
Miscellaneous	100		100
Total disbursements	<u>20,000</u>	<u>17,669</u>	<u>2,331</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(950)</u>	<u>1,464</u>	<u>2,414</u>

See accompanying notes to financial statements.