

KANSAS-OKLAHOMA ARKANSAS RIVER COMPACT COMMISSION
TREASURER'S REPORT
FY2020 Expenditures and Summary
(July 1, 2019 to June 30, 2020)

August 4, 2020

The Kansas-Oklahoma Arkansas River Compact Commission continues to operate as described in the Resolution signed by the commissioners on July 27, 2011. Chris Beightel of Kansas serves as Compact Treasurer.

The Commission continues to meet its financial obligations through an account established with Bank of America pursuant to Resolution 2012.1, which was approved by the Commission in January of 2012 and opened in February of 2012. When the account was opened, an amount of \$9,920.39 was transferred from U.S. Bank.

At the 2017 Annual Meeting, the Commission decided that, in consideration of the increased cost for a full financial audit and of the relative simplicity of the Commission's financial activity, it would be adequate to fully audit the fund every five years and conduct financial reviews in the intervening years (Resolution 2017.2B). The Commission directed that the next full audit would be of FY2016-2020 activity, to be conducted in FY2021.

The financial review of FY2019 activity was ordered on July 8, 2020 from the firm Cummins, Coffman & Schmitdlein, CPAs, P.A. An expected cost to the Commission Fund of \$750 was budgeted for this service in FY2020. As the expense will be incurred in FY2021, the amount of \$750 has been added to the proposed budget for FY2021.

At the 2017 Annual Meeting, the Commission decided to require a criminal activity insurance bond for the Treasurer when the Commission Fund exceeded \$50,000 (Resolution 2017.1). At the 2019 Annual Meeting, the Commission raised the Fund balance which would require an insurance bond to \$95,000 (Resolution 2019.1). As the current balance of the Commission Fund is approximately \$51,500, a bond has not been secured.

Annual Meeting expenses for the 2019 meeting were incurred in FY2020. No expenses were incurred for the 2020 meeting, as it was held virtually.

None of the funds allocated for a water quality project were spent in FY2020, so the budgeted amount of \$10,000 has been added to the proposed budget for FY2021.

The Oklahoma assessment for FY2020 has not yet been received. It is expected in FY2021 along with the FY2021 assessments for both states.

Below is a ledger of the cash transactions of the Commission Fund since July 1, 2018, followed by estimates of the FY2021 expenses and anticipated revenue.

Kansas-Oklahoma Arkansas River Commission Fund

<u>Check #</u>	<u>Date</u>	<u>Expense Detail</u>	<u>Amount</u>	<u>Acct. Balance</u>	<u>Note</u>
		Interest	\$3.96	\$44,487.53	FY2018 Ending Balance
	3/20/2019	Kansas 2019 Assessment	\$2,900.00	\$47,387.53	
	3/26/2019	Oklahoma 2019 Assessment	\$2,900.00	\$50,287.53	
1016	6/12/2019	Cummins and Coffman	(\$700.00)	\$49,587.53	FY2018 Financial Review
		Interest	\$4.62	\$49,592.15	FY2019 Ending Balance
	7/25/2019	Painted Horse Bar & Grille	(\$436.95)	\$49,155.20	2019 Ann Mtg Expenses
1017	8/1/2019	Hilton Garden Inn	(\$510.82)	\$48,644.38	2019 Ann Mtg Space
	3/16/2020	Kansas 2020 Assessment	\$2,900.00	\$51,544.38	
		Interest	\$4.95	\$51,549.33	FY2020 Ending Balance

Anticipated Expenditures for FY2021

Estimate

2020 Annual Meeting expenses	(\$0.00)
2021 Annual Meeting expenses	(\$400.00)
Incidentals	(\$400.00)
Water Quality Project	(\$10,000.00)
Financial Review of FY2019 activity	(\$750.00)
Audit of FY2016-2020 activity	(\$2,000.00)
Total	(\$13,550.00)

Anticipated Revenue Projection for FY2021

Oklahoma Assessment (FY2020)	\$2,900.00
State Assessments (FY2021)	\$5,800.00
Total	\$8,700.00

Balance at the end of FY2020	\$51,549.00
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Projected Balance at the end of FY2021	<u>\$46,699.00</u>
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**Kansas-Oklahoma Arkansas River Commission
Budgets for Fiscal Years (July - June) 2020, 2021 & 2022**

Kansas-Oklahoma Arkansas River Commission Fund Balance at the end of FY 2019	\$49,592.15
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	Fiscal Year 2020		Fiscal Year 2021	Fiscal Year 2022
	Approved	Actual	Proposed	Proposed
Audit or Financial Review	(\$750)	\$0	(\$2,750)	(\$750)
Treasurer's Bond	\$0	\$0	\$0	\$0
Annual Meeting	(\$400)	(\$948)	(\$400)	(\$400)
Incidentals (incl. bank interest)	(\$400)	\$5	(\$400)	(\$400)
Water Quality Project	(\$10,000)	\$0	(\$10,000)	\$0
Assessments \$2,900 KS; \$2,900 OK	\$5,800	\$2,900	\$8,700	\$5,800
Total Annual	(\$5,750)	\$1,957	(\$4,850)	\$4,250
Year End Balance	\$43,842	\$51,549	\$46,699	\$50,949

Notes:

- The financial review for FY2019 will be completed and invoiced in FY2021 along with the full audit for FY2016-2020, hence the increased cost in the proposed budget for FY2021.
- Annual meeting expenses for the 2019 meeting were incurred in FY2020. No expenses were incurred for the 2020 meeting, as it was held virtually.
- None of the funds allocated for a water quality project were spent in FY2020, so this line item was moved to the proposed budget for FY2021.
- The Oklahoma assessment for FY2020 has not yet been received. It is expected in FY2021 along with the FY2021 assessments for both states.