

TWENTY-NINTH ANNUAL REPORT

July 1, 2013—June 30, 2014

Prepared by the
Central Midwest Interstate
Low-Level Radioactive Waste
Commission

Joseph G. Klinger Chairman Illinois Dewey F. Crawford Secretary/Treasurer Kentucky Gary W. McCandless, P.E. Commissioner Illinois Jennifer Rominger Executive Assistant

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HISTORY

In response to a federal policy, declared in the Low-Level Radioactive Waste Policy Act of 1980 (1980 Act) (42 USC 202lb et seq.), that each state is responsible for assuring that disposal capacity is available for certain categories of low-level radioactive waste (LLRS) generated within its borders, the State of Illinois and the Commonwealth of Kentucky entered into the Central Midwest Interstate Low-Level Radioactive Waste Compact (CMC). Congress has consented to the CMC and the Southeast, Midwest, Central States, Rocky Mountain, Atlantic, Appalachian, Southwestern, Northwest and Texas Interstate Compacts.

MISSION OF CENTRAL MIDWEST COMPACT

A three-member Commission administers the CMC. Illinois Commissioners are Chairman Joseph Klinger and Gary McCandless. Dewey Crawford is the Commissioner representing Kentucky and serves as the Secretary/Treasurer. Jennifer Rominger serves as the Executive Assistant.

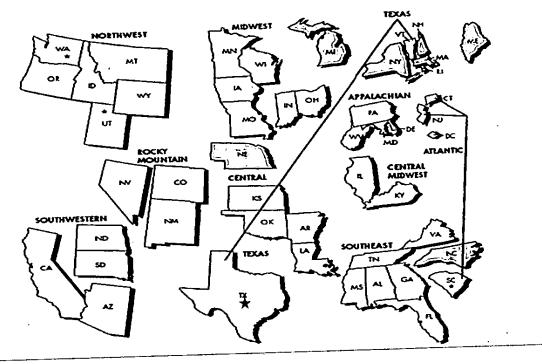
The Commission is required to adopt, and amend as necessary, a Regional Management Plan. The Regional Management Plan describes the number and type of regional storage, treatment, and disposal facilities needed; adopts policies regarding source and volume reductions; and describes alternative means for treatment, storage, and disposal of LLRW. The Commission is authorized to designate a host state for each regional facility, but only a state that generates more than 10 percent of their region's total volume of low-level radioactive waste. Illinois has been designated as the host state for a regional disposal facility. Use of storage, treatment, and disposal facilities in the region for LLRW originating from outside the region, and export of LLRW from the CMC region, is subject to Commission approval. The Commission may enter into an agreement or contract with a state, a group of states, or persons for access to a facility in the region.

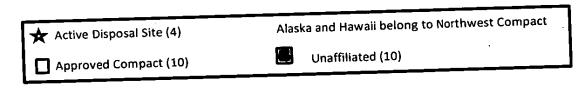
Central Midwest Interstate

Low-Level Radioactive Waste

Low-Level Waste Compacts

http://www.nrc.gov/waste/llw-disposal/licensing/compacts.html





Unaffiliated States

District of Columbia Massachusetts Nebraska New York Maine Michigan New Hampshire North Carolina Puerto Rico Rhode Island

LOW-LEVEL WASTE DISPOSAL FACILITIES

The three active, licensed low-level waste disposal facilities are located in Agreement States (see <u>map</u>). Additional information about the facilities may be found at the Web sites maintained by the respective Agreement States.

- EnergySolutions Barnwell Operations, located in Barnwell, South Carolina
 Currently, Barnwell accepts waste from all U.S. generators except those in the
 Rocky Mountain and Northwest Compacts. Beginning in 2008, Barnwell will only
 accept waste from the Atlantic compact states (Connecticut, New Jersey, and
 South Carolina). Barnwell is licensed by the State of South Carolina to receive
 wastes in Classes A-C.
- U.S. Ecology, located in Richland, Washington
 Richland accepts waste from the Northwest and Rocky Mountain compacts. Richland
 is licensed by the State of Washington to receive wastes in Classes A-C.
- EnergySolutions Clive Operations, located in Clive, Utah
 Clive accepts waste from all regions of the United States. Clive is licensed by the
 State of Utah for Class A waste only.
- Waste Control Specialists (WCS), LLC, located near Andrews, Texas
 WCS accepts waste from the Texas Compact generators and outside generators with permission from the Compact. WCS is licensed by the State of Texas for Classes A, B, and C waste.

http://www.nrc.gov/waste/liw-disposal/licensing/locations.html



Disposal Options for CMC

Generators in the Central Midwest Region continue to have access to the EnergySolutions disposal facility located in Clive, Utah for certain radioactive wastes. This facility accepts Class A waste, both containerized and un-containerized and naturally occurring radioactive materials. This facility also accepts mixed waste (i.e., waste that is both radioactive and chemically hazardous) generated in the Central Midwest region. The Commission anticipates that Illinois and Kentucky generators will continue to have access to the EnergySolutions facility.



Fortunately in July 2012 the Waste Control Specialists, Inc. disposal facility in Andrews County Texas became authorized to accept outside of Texas Compact Class A, Class B and Class C low-level radioactive waste at the Compact Waste Facility. Some Central Midwest Compact waste generators have submitted applications and proposed agreements for importation of low level radioactive waste particularly for Class B and Class C.



Waste considered to be naturally occurring radioactive material (NORM) can be disposed at the US Ecology Richland, Washington disposal facility, or at several US EPA RCRA Subtitle C landfills (NORM material with lower concentrations).



WASTE GENERATION – Current and Future Projections

In compliance with the Management Act, the Illinois Emergency Management Agency (IEMA) conducts an annual survey of the LLRW generators located in Illinois and any broker or processor that handles Illinois LLRW within or outside of the state. Each generator provides IEMA with information by completing the generator's Annual Survey about the types, quantities, and activity of LLRW generated, stored, treated, and disposed of and future LLRW shipment projections. Brokers and processors provide information regarding any and all Illinois waste received, treated, processed, and shipped for disposal by completing the Brokers' and Processors' Annual Survey.

IEMA operates a system to administratively track shipments of LLRW that have a point of origination or destination in the state of Illinois. Persons who ship LLRW into, out of, or within the state must obtain a permit from IEMA and report shipment information electronically to the Tracking System. Brokers can provide the Electronic Data Transmission (EDT) files on behalf of their generator customers. IEMA provides the information collected by the Tracking System back to the generators in the form of completed annual survey tables for generator verification.

Illinois LLRW generation in 2013 continued to demonstrate the typical variation in year to year production. The waste volume and activity both decreased from 2012. The number of generators decreased from 2012 to 2013 by 3. This continues the decline observed since 2000.

Illinois
Illinois LLRW Generator Survey Response by Generator Category

Generator	2010	2011	2012	2013
Category Academic	33	29	28	30
Fuel Cycle	2	2 15	2 15	16
Governmental Industrial	65	58	57	62 302
Medical	319	316	313 7	7_
Reactor Total	441	427	422	419

2013 Volume and Activity by Generator Category

Generator Category	Volume (ft³)	Volume (m³)	Activity (mCi) 1,017.8	Activity (MBq) 37,657.1
Academic	2,316.2	65.6		128,773.5
Fuel Cycle	13,674.5	387.3	3,480.4	109,487.1
Governmental	679.2	19.2	2,959.1	
Industrial	8,423.5	238.6	65,414.8	2,420,347.2
1-	126.5	3.6	1,773.2	65,607.7
Medical		9,398.0	3,329,202.3	123,180,484.7
Reactor	331,849.5		3,403,847.6	125,942,357.3
Total	357,070.2	10,112.3	5,405,017.0	•
		•		

Note - Totals may not add due to rounding

Distribution by Class of LLRW Shipped by Generator Category in 2013

Generator Category	Class A Volum (ft ³)		Clas Volu (ft³)	ıme _(ın³)	Volu (ft³)	ss C ume <u>(m³)</u>	Total Car Volui (ft³) 2,316.0	-
Academic	2,310.1	65.4	3.8	<0.1	2.1	<0.1	13,674.5	387.3
Fuel Cycle	13,674.5	387.3	0.0	0.0	0.0	0.0	680.2	19.2
Governmental	679.5	19.2	0.0	0.0	0.7	<0.1		238.6
Industrial	8,415.7	238.3	3.6	0.2	0.0	0.0	8,423.5	3.6
Medical	115.9	3.3	10.6	< 0.1	0.0	0.0	126.5	
Reactor	330,821.2	9,368.9	908.0	25.7	120.3	3.4	331,849.5	9,398.0
Total	356,017.0	10,082.4	926.0		123.1	3.5	357,070.2	10,112.3

Note – Totals may not add due to rounding

LLRW Volume Projections (ft³) 2012-2018

LLRW Volume Pr	ojections (it)	2012-2010		2017	2018	2019 .	2020
Year	2014	2015	2016	2017	2010		
Academic	507	337	347	339	342_	359	377
1-	500	500	500	500	. 500	500	500
Fuel Cycle		12	14	2	2	2	2
Governmental	24				5,604	5,636	5,654
Industrial	5,535	5,53 9	5,586	5,686	المستعدين أساسه المستعد		
Medical	458	303	213	213	213	213	213
	241,686	444,494	1,235,273	335,174	491,473	153,174	150,273
Reactor				341,815	498,134	159,885	157,019
Total	248,861	451,185	1,241,933	341,813	T70,13T	100,000	,

**The 2013 Annual Survey required generators to project the amount of LLRW they expect to produce or possess between 2014 and 2020. This information is used by the Agency for determining the development timeframe for a regional disposal facility or the need for an interim storage facility. Past history has indicated that the non-reactor generators underestimated volumes and activities by three to four times what was actually generated and disposed.

These tables were extracted from the Illinois Emergency Management Agency – 2013 Annual Survey Report. The entire report may be found at: http://www.iema.illinois.gov/iema/publications/pdf/LLW_2013Survey.pdf

Kentucky is in the process of creating their own website for licensed waste generators to enter their data. Both states are collaborating on this process. A beta test of the site is planned for December 2014. Kentucky's LLRW generation report will be uploaded to the Compact's website under the publication's tab no later later than December 31st, 2014. (www.compact.org)

OBSERVATIONS AND CURRENT ACTIVITIES

- Participating Member of the Low-Level Waste Forum. The LLW Forum's goals are to
 educate policy makers and the public about the management and disposal of low-level
 radioactive wastes, and to foster information sharing and the exchange of views
 between states and compacts. The next meeting of the LLW Form is the LLW forum is
 on October 30-31st in Colorado.
- Chairman Joe Klinger attended the LLW forum in Austin on March 17-18, 2014 and participated in a fracking session. FRAC waste challenges are being talked about in Pennsylvania and North Dakota. Illinois is working on some rules to address horizontal fracking operations in the state. Radiological concerns need to be addressed. The Compact has not had to deal with it yet but it could happen if the rules pass. The newly established E42 task force is developing a white paper on the facking issues which is due at the end of the year.
- The NRC is working on guidance on GTCC (Greater than Class C) waste. The Compact is monitoring this process closely to see how it might affect both states.
- Updated the Forum with changes to our Compact in reference to video teleconferencing for meetings. Due to the Compacts efforts to minimize all costs and be effective stewards of investments, the Central Midwest Compact has worked diligently to keep operating costs to a minimum.
- The Central Midwest Compact is monitoring several national activities including import
 and export rulemaking by the Texas Compact (Illinois industrial generator has received
 authorization to import Class B & C), efforts to risk-inform the waste classification
 scheme, NRC's comprehensive revisions to 10 CFR Part 61, and the opportunity for costshared collection and disposal of certain sealed sources.
- The Central Midwest Compact is currently writing an update upon the Maxey Flats
 Disposal site in Morehead, Kentucky. Watch the Compact's website under the publication's tab for this report.
- Status of Development of New Disposal Capacity in the Central Midwest Region:

o In December 1996, the Illinois Low-Level Radioactive Waste Task Group adopted siting criteria. As directed by amendments to the state siting law enacted in June 1997, the Illinois State Geological and Water Surveys screened the state and produced maps showing the application of the siting criteria and submitted their findings to the Task Group and to the Illinois Department of Nuclear Safety (IDNS) on September 30, 1997. Prior to December 1, 2000, the IDNS held 3 public hearings throughout the state and submitted a report to the Governor and Legislative leaders regarding the impact and ramifications, if any, pertaining to the design, licensure, development, construction, operation, closure, and post-closure care of a regional disposal facility. After extensive economic modeling, the report concluded: it would not be economically viable at this time to pursue siting a facility in Illinois. A copy of the report is available to the public at no charge. Anyone interested in receiving a copy should contact the Illinois Emergency Management Agency at (217)785-9986. The Compact asked the State of Illinois to prepare a report regarding LLW Management and the need or an interim storage facility in the region after the closure of the Barnwell facility in 2008. The report is available by contacting the Illinois Emergency Management Agency at (217) 785-9986

AGREEMENTS AND PLANS

Interregional Facility Access Agreements

Interregional Facility Access Agreements ensure that Illinois and Kentucky waste generators can continue to use the existing facilities outside the region to treat or temporarily store their waste.

On November 4, 1997, the Commission voted in favor of signing the National Interregional Access Agreement for Waste Management (October 23, 1992). To date this leaves only the Atlantic Compact, New Hampshire, Puerto Rico, and Rhode Island who have not signed the National Agreement. At a Regular Meeting in April 2006, the Commission voted not to renew previous agreements with other states and compacts (the Rocky Mountain, Southwestern, Northeast, Midwest and Southeast Compacts, the State of Michigan and the Commonwealth of Massachusetts) when these agreements expired in 2011. However, the Central Midwest Compact has an Interregional Agreement with the Atlantic Compact.

Regional Management Plan

The Commission is required to adopt and amend, as appropriate, a plan for managing the region's low-level radioactive waste. The Regional Management Plan was adopted in 1988. In May of 1999 at a meeting held in Chicago, Illinois, the Commission unanimously voted to accept the revised 1999 Regional Management Plan. A copy of the plan in available through the Internet address (URL) http://www.cmcompact.org or by calling the Commission office at (217) 836-3018.

COMMISSION ACTIVITIES

September 10, 2013 Annual Meeting held in Springfield, Illinois

April 14, 2014 Spring Meeting held via VTC in Springfield, Illinois and Frankfort, KY

September 17, 2014 Annual Meeting held in Springfield, Illinois with VTC capabilities for participants in Frankfort, KY

AUDITS

The financial records of the Commission were audited in compliance with Article XI of the Commission's bylaws. The auditing firm of Estes, Bridgewater & Ogden performed an audit of the Commission's records finding that the financial statements accurately represent the Commission's financial position according to generally accepted accounting principles.

Estes, Bridgewater & Ogden

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners Central Midwest Interstate Low-Level Radioactive Waste Compact Commission

We have audited the accompanying financial statements of the Central Midwest Interstate Low-Level Radioactive Waste Compact Commission which comprise the balance sheets as of June 30, 2014 and 2013, and the related statements of revenue, expenditure and changes in fund balance and cash flows for the years then ended, and the related notes to the financial statements.

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 an opinion on these financial statements based on our audits. We conducted our audits 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 of 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 Central Midwest Interstate Low-Level Radioactive Waste Compact Commission, as of June 30, 2014 and 2013, and the changes in its fund balance and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Estes, Budgenater & Ogolen

Certified Public Accountants Springfield, Illinois

September 12, 2014

BALANCE SHEET

Central Midwest Interstate Low-Level Radioactive Waste Compact Commission BALANCE SHEETS June 30, 2014 and 2013

Statement 1

		2014	2013
	Assets		
CURRENT ASSETS			
Cash and cash equivalents:		\$ 12,934	\$ 6,315
Investments (Note 3)		2,367,308	2,374,185
Interest receivable		11.842	9,625
TOTAL ASSETS		\$2,392,084	\$2,390,125
<u>Liabilitie</u>	s and Fund Balance		
CURRENT LIABILITIES Accounts payable	· *	· \$	\$ <u> </u>
FUND BALANCE		2,392,084	2,390,125
TOTAL LIABILITIES AND F	CUND BALANCE	\$2,392,084	\$ <u>2.390,125</u>

The accompanying notes are an integral part of these financial statements.

^{*}Please see Notes to Financial Statements in Appendices. They are an integral part of these financial statements.

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

Central Midwest Interstate Low-Level
Radioactive Waste Compact Commission

Statement 2

STATEMENTS OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Years Ended June 30, 2014 and 2013

	2014	2013
REVENUE Interest	\$ <u>23,317</u>	\$ <u>24,368</u>
EXPENDITURES		
Meetings		10,963
Travel	2,861	5,1.14
Administrative expense	10,257	•
Professional fees	3,000	3,000
Insurance	3,145	3,309
Contractual services	2,095	
Total expenditures	21,358	32,893
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	1,959	(8,525)
FUND BALANCE – BEGINNING	2;390,125	2,398,650
FUND BALANCE - ENDING	\$ <u>2.392.084</u>	\$2,390,125

The accompanying notes are an integral part of these financial statements.

^{*}Please see Notes to Financial Statements in Appendices. They are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

Central Midwest Interstate Low-Level Radioactive Waste Compact Commission STATEMENTS OF CASH FLOWS For the Years Ended June 30, 2014 and 2013 Statement 3

·	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES: Excess (deficiency) of revenue over expenditures	\$ 1,959	(\$ 8,525)
Changes in operating assets and liabilities: (Increase) decrease in interest receivable	((<u>. 6,018</u>)
Net cash (used for) operating activities	(258)	(14,543)
CASH FLOWS FROM INVESTING ACTIVITIES: Investments matured Investments purchased	1,620,182 (<u>1,613,305</u>)	1,919,347 (<u>1,908,216</u>)
Net cash provided by (used for) investing activities	6,877	11,131
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	6,619	(3,412)
CASH AND CASH EQUIVALENTS - BEGINNING	6,315	9,727
CASH AND CASH EQUIVALENTS - ENDING	\$ <u>12,934</u>	\$ <u>6.315</u>
The accompanying notes are an integral part of these financial statements.		

^{*}Please see Notes to Financial Statements in Appendices. They are an integral part of these financial statements.

All minutes, notices and other announcements of the Central Midwest Interstate Low-Level Radioactive Waste Commission are available at: www.cmcompact.org

APPENDICES

A. Notes to Financial Statements

Central Midwest Interstate Low-Level Radioactive Waste Compact Commission NOTES TO FINANCIAL STATEMENTS For the Years Ended June 30, 2014 and 2013

NOTE 1 - NATURE OF ORGANIZATION

The Central Midwest Interstate Low-Level Radioactive Waste Compact Commission was entered into by the State of Illinois and the Commonwealth of Kentucky in response to Section 4(a)(2) of the 1980 Federal Low-Level Radioactive Waste Policy Act (P.L. 96-573). Both states enacted identical compact legislation and the compact was ratified by the U.S. Congress in the 1985 Low-Level Radioactive Waste Policy Amendments Act (P.L. 99-240).

The purposes of the Compact are:

- 1. to provide the instrument and the framework for a cooperative effort between the party states;
- 2. to provide sufficient facilities for the proper management of low-level waste generated in the region;
- 3. to protect the health and safety of the citizens of the region;
- 4. to limit the number of facilities required to manage low-level waste,
- 5. to promote volume and source reduction of the region's low-level waste;
- 6 to distribute the costs, benefits, and obligations of low-level waste management equitably between the member states and among the generators who use regional facilities;
- to ensure the ecological and economical management of low-level waste including the prohibition of shallow land burial as a disposal technology; and
- to promote the use of disposal technologies that will provide greater and safer confinement of low level waste than that provided by shallow land burial.

The first meeting of the Commission was held in Springfield, Illinois, on March 29, 1985. Illinois and Kentucky submitted checks in the amount of \$50,000 each and this \$100,000 was designated as the Commission's fund. The official letters of appointment of the Commissioners by Governor James Thompson (IL) and Governor Martha Collins (KY) were also submitted. The Commission was formally established by these actions.

Central Midwest Interstate Low-Level Radioactive Waste Compact Commission NOTES TO FINANCIAL STATEMENTS For the Years Ended June 30, 2014 and 2013

NOTE 1 - NATURE OF ORGANIZATION, cont'd.

The initial state membership fees were the primary source of income for the first year of operation. However, under the provisions of the 1985 Act, compact commissions in regions without operating facilities will received rebates from a fund maintained by the U.S. Department of Energy. The source of the fund is 25% of a surcharge levied on producers of low-level waste located in regions without disposal facilities and paid to the state in which the low-level waste is sent for disposal. The funds will be rebated to the states when certain milestones are met. The 1985 Act established four milestones: July 1, 1986; January 1, 1988; January 1, 1990; and January 1, 1993. The U.S. Department of Energy rebated funds to the Commission for the first three milestones during earlier fiscal years. On September 1, 1994, the Commission received one-half of the funds held in trust by the U.S. Department of Energy due to the January 1, 1993, milestone. There is no major source of funding foreseen for the commission until low-level waste facilities are operating in the region.

The compact designates that the headquarters of the Commission will be the host state. Since Illinois is the host state of the region's low-level, waste facilities, the Commission headquarters are at the Illinois Emergency Management Agency (IEMA) offices in Springfield, Illinois.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

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Assets, liabilities, revenue and expenses are recognized on the accrual basis of accounting

Investments, which consist of certificates of deposit and money market accounts, are stated at cost.

Cash and cash equivalents for the statement of cash flows consists of cash in checking. The Commission considers all highly liquid investments with a maturity date of ninety (90) days or less to be cash equivalents.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Financial instruments which potentially subject the Commission to concentrations of credit risk include cash, cash equivalents, and investments. The Commission places its cash, cash equivalents, and investments with creditworthy, high quality financial institutions. As of June 30, 2014 the Commission has no significant concentrations of credit risk.

The Commission reviewed events for inclusion in the financial statements through September 12, 2014, the date through which subsequent events have been evaluated and the date the financial statements were available to be issued.

Central Midwest Interstate Low-Level Radioactive Waste Compact Commission NOTES TO FINANCIAL STATEMENTS For the Years Ended June 30, 2014 and 2013

NOTE 3 - INVESTMENTS

Investments consisted of the following at June 30, 2014 and 2013:

	June 30, 2014 Cost	June 30, 2013 <u>Cost</u>
Money market accounts		\$ 170,317 2,203,868
	\$ <u>2.367.308</u>	\$ <u>2.374.185</u>

The Commission has the ability and intent to carry all investments to maturity. Market in most cases approximate costs.

NOTE 4 - FEDERAL INCOME TAX

The Commission is operating under an exemption letter dated March 4, 1986, exempting it from income tax under Section 115 of the Internal Revenue Code.

The Commission is not involved in any activities which would be considered unrelated to its exempt status; therefore, there is no tax on unrelated business income.

The Commission has been classified as an organization that is not a private foundation under Section 509(a)(2) of the Internal Revenue Code.