AGIA Reimbursements

**CY 2009 Audit**

* First annual audit of AGIA Licensee
* RFP issued June 2009; awarded to Martindale
* Audit fieldwork conducted May – Nov. 2010
* No funding was budgeted for audit
* Paid for w/ $50K RSA from DNR plus $8700 from DOR = **Total Audit Fee $58,700**
* Smallest transaction volume of any anticipated audit
* Audit Findings: Immaterial financial impact, primarily on internal controls
* TC implemented changes and corrections immediately

**CY2010 Audit**

* Substantially greater transaction volume than previous CY
* Estimated cost of audit = **$150,000**
* Only **$50,000** funding provided for audit in special gasline appropriation
* CY2010 Contract funding sources include:
	+ $50,000 - Department of Natural Resources, RSA
	+ $50,000 - AR 15340, Natural Gas Commercialization
	+ $50,000 - DOR Commissioner’s Office Operating Budget

**CY2011 Audit**

* **$125,000** has ben requested in FY2012 budget for CY2011 audit

**Reimbursements Issued to date**

* DOR received first filing for complete filing in **October 2009**
* First reimbursement issued **December 2009** ($1.1 million)
* To date, total reimbursements issued = **$36.7 million**
* Additional reimbursements estimated for remainder of FY2011 = **$73 million**
* Included in the $73M, next reimbursement payment is on **3/31/11 for $12.6M**
* Followed by estimate of
	+ $20M by 4/30/11 for 4Q 2010
	+ $ 7M in 2010 Exceptions/Adjustments
	+ $32M for 1Q 2011 Activity by 6/30/11

**Forecast Reimbursements**

* Estimated Payout during FY2012 up to **$170 million**
	+ May range from $125 – $170 million
	+ Rate of spend may be impacted by project developments, particularly outcome of current commercial negotiations.

|  |  |
| --- | --- |
| Fund Balance 6/30/10 | $148,265,463  |
| FY 2011 Actual Pay Out  7/10 to 10/10 | ($32,375,550) |
| FY 2011 Forecasted Payout (Remaining) | ($73,000,000) |
| Estimated Fund Balance @ 6/30/11 | $42,889,913  |
|  |  |
| FY 2012 Forecasted Payout  | ($170,000,000) |
|  | ($127,110,087) |
|  |  |
| FY2012 Request | $160,000,000  |
| Projected Balance @ 6/30/12 | $32,889,913  |

Submitted by the Office of Speaker Chenault