



## TREASURER REPORT

### *Interstate Commission for Adult Offender Supervision*

2020 Annual Business Meeting

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**To: Commissioners of the Interstate Commission for Adult Offender Supervision**

**From: Gary Roberge, Treasurer and Commissioner, State of Connecticut**

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Despite the challenges facing the nation, the Commission ended FY 2020 in a strong financial position. Declines in stock market returns did not adversely affect the Commission's overall investment health. The Commission finished FY 2020 3.2% under budget carrying \$104,624.40 into reserves.

The balance in the Commission's cash reserve is \$1,581,915.63 and is maintained in a savings account earning .005% interest annually. The Commission also maintains investments in two long-term Vanguard investment accounts. These funds include an investment grade bond fund and a total stock market index fund. The balance in the Vanguard funds as of June 30, 2020 totals \$1,887,103.49. In FY 2020, the rate of return on these investments was 5.53%.

State budgets face significant pressure and lingering uncertainty regarding the size and duration of the economic challenge presented by COVID-19. Investment income along with operational changes created a stable fiscal position capable of supporting a one-time 30% dues reduction to all member states for FY 2022, which is before the Commission for vote at this ABM. Though continued and expanded use of investment funds may result in dues increases in the future, operational changes today will allow for a manageable temporary adjustment without significant effect on the Commission's services or goals.

The Commission collects \$1,516,253 in dues assessments annually and estimates spending for FY 2021 to total \$1,443,100. In FY 2022, if the Commission approves the reduction, it will collect \$1,061,377.10 in dues. Cost savings anticipated over the next two years requires accessing roughly \$281,470 from reserves to cover the reduction.

Respectfully submitted,

*Gary Roberge*

Gary Roberge, Treasurer  
Chair, Finance Committee  
Commissioner, State of Connecticut