

# **Streamlined Sales Tax Governing Board**

## **Annual Financial Report for FY 2011**

(unaudited)

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### **Annual Financial Report for FY 2011**

The Governing Board ended FY 2011 with a balance of \$656,596 with an operating deficit of \$62,274. When the budget was adopted in the fall of 2010 the projected balance was expected to be \$469,087 with an operating deficit of \$249,783.

Receipts totaled \$671,611. Receipts came from the petition fees paid by full and associate member states (\$600,000), gross revenue generated from meetings (\$67,520), and interest income (\$5,345). Revenues were \$389.00 below budget and 4.7 percent less than the previous fiscal year.

Expenses totaled \$733,885. Salaries and benefits, office expenses, travel expenses, and contractual expenses were all lower than anticipated. Expenses were \$188,398 below budget and were 10.3 percent less than the previous fiscal year.

Major budgetary developments in FY 2011 include:

- Continuation of the contracts with two government affairs firms

At the end of FY 2011, assets of the Governing Board totaled \$909,898, of which 99 percent was held in the form of cash or cash equivalents. Much of the remainder was composed of deferred member dues, with minor portions representing furniture and equipment, prepaid expenses, and rental deposit.

The financial assets of the Governing Board are held in a checking account and money market account with Wells Fargo and a savings account with Green Bank. Previously the Governing Board held certificates of deposits through Wachovia Securities, but that account was closed in the spring of 2011 and the balance transferred to the Wells Fargo money market account. This mixture of accounts is designed to provide maximum deposit security and to earn competitive interest. Interest earned on these accounts totaled \$5,345. As of June 30, bank statements received by the Governing Board have been reconciled with accounts maintained by the Governing Board.

The following financial statements include the balance sheet as of June 30, 2011; a historical presentation of the Income and Expense Statements from FY 2002 through FY 2011; the variance between Budgeted and Actual Receipts and Expenditures for FY 2011, a cash flow statement for FY 2011; and detailed breakdown of accounts payable and receivable.

The documents reflect a strong and stable financial condition after five and half years of operation under the Governing Board.