

# **Streamlined Sales Tax Governing Board**

## **Annual Financial Report for FY 2014**

(unaudited)

**Submitted to the Governing Board  
October 7, 2014**

## Annual Financial Report for FY 2014

The Governing Board ended FY 2014 with a balance of \$462,724 with an operating surplus of \$22,114. When the budget was adopted in the fall of 2013 the projected balance was expected to be \$307,135 with an operating deficit of \$133,475. FY2014 ended with a surplus for various reasons including finding ways to reduce certain expenses and also because the downpayment for the new central registration system was put off until after July 1, 2014.

Receipts totaled \$827,392. Receipts came from the petition fees paid by full and associate member states (\$775,000) and gross revenue generated from meetings (\$51,335). Interest income of \$1,057 was also earned. Revenues were \$9,108 below projections due to Meeting Fees generating less than anticipated. (Note: Although Meeting Fees were less than anticipated, so were the Meeting Expenses.)

Expenses totaled \$805,278. Salaries and benefits, office expenses, travel expenses, and contractual expenses were all lower than what was budgeted. Expenses were \$164,697 below budget but approximately 4 percent more than the previous fiscal year. Most of this increase was due to the increased travel during the fiscal year to complete the CSP contract compliance audits and the accrual of unused leave time.

Major budgetary developments in FY 2014 include:

- Continuation of the contracts with two government affairs firms
- Planned, but unpaid upgrades to the central registration system

At the end of FY 2014, assets of the Governing Board totaled \$689,290, of which 98% was held in the form of cash or cash equivalents. The remainder was comprised of prepaid expenses, accounts receivable, furniture and equipment, and a rent deposit. Assets at the end of FY 2014 were \$45,689 more than total assets at the end of FY 2013.

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 Westby Co-op Credit Union. This mixture of accounts is designed to provide maximum deposit security and to earn competitive interest. Interest earned on these accounts totaled \$1,057.

The following financial statements include the balance sheet as of June 30, 2014; the variance between Budgeted and Actual Receipts and Expenditures for FY 2014, and a cash flow statement for FY 2014 a historical presentation of the Income and Expense Statements from FY 2006 through FY 2014.

These documents reflect a stable financial condition after eight and one-half years of operation under the Governing Board.

**Streamlined Sales Tax Governing Board Inc**  
**Income Statement**  
**For the 12 months ended June 30, 2014**

	FY 2014 Budget	FY 2014 Actual	Percentage of Annual Budget
<b>BEGINNING BALANCE</b>	<b>\$440,610</b>	<b>\$440,610</b>	
<b>INCOME</b>			
Member Payments	775,000	775,000	100%
Member payments held in escrow	0	0	
Publication Sales			
Investment Income	1,500	1,057	70%
Other income	0	0	
NGA/NC SL Contributions	0	0	
Meeting Income	60,000	51,335	86%
<b>TOTAL INCOME</b>	<b>836,500</b>	<b>827,392</b>	<b>99%</b>
<b>EXPENSES</b>			
<b>Salaries and Benefits</b>			
Salaries	310,000	303,316	98%
Payroll Taxes	26,000	22,938	88%
Health coverage	19,200	12,661	66%
Retirement Expense	10,275	4,821	47%
<b>Subtotal - Salaries</b>	<b>365,475</b>	<b>343,736</b>	<b>94%</b>
<b>Office Expense</b>			
Telecommunications	25,000	16,564	66%
Printing	2,000	872	44%
Materials and Supplies	5,500	2,364	43%
Postage and Delivery	3,000	389	13%
Law Service and Books	1,500	1,404	94%
Computer Equipment and Furniture- Depreciation	2,500	3,795	152%
Computer Equipment and Furniture	5,000	0	0%
Other Insurance	1,500	848	57%
Other	1,500	5,016	334%
<b>Subtotal -Office Expense</b>	<b>47,500</b>	<b>31,252</b>	<b>66%</b>
<b>Travel</b>			
Employee Travel	53,000	50,487	95%
Other Travel	40,000	40,612	102%
Legislative travel	25,000	12,476	50%
<b>Subtotal -Travel</b>	<b>118,000</b>	<b>103,575</b>	<b>88%</b>

<b>Contractual Services</b>			
Rent - Office space	12,000	9,376	78%
Central Registration	100,000	36,820	37%
Accounting Services	8,500	6,630	78%
Legal Services	2,500	0	0%
Fund Audit	11,000	10,068	92%
Web Site Development & Hosting	10,000	10,792	108%
Federal Affairs	180,000	195,000	108%
Other	25,000	7,719	31%
<b>Subtotal - Contractual Services</b>	<b>349,000</b>	<b>276,406</b>	<b>79%</b>
<b>Meeting Expenses</b>	<b>65,000</b>	<b>50,309</b>	<b>77%</b>
<b>Reserve</b>	<b>25,000</b>	<b>0</b>	<b>0%</b>
Online Taxability Matrix	0	0	
<b>TOTAL EXPENSES</b>	<b>969,975</b>	<b>805,278</b>	<b>83%</b>
<b>Surplus(Deficit) for Budget Period</b>	<b>(133,475)</b>	<b>22,114</b>	
<b>ENDING BALANCE</b>	<b>\$307,135</b>	<b>\$462,724</b>	

**Streamlined Sales Tax Governing Board Inc**  
**Balance Sheet**  
**For the 12 months ended June 30, 2014**

	<b>Beginning Balances (7/1/13)</b>	<b>Ending Balances (6/30/14)</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$615,220	\$678,880
Dues Receivable	0	0
Rent deposit receivable	846	0
Streamline Conferences-Registrations	71	170
Prepaid Expenses	18,324	4,179
<b>Total current assets</b>	634,461	683,229
<b>Noncurrent assets</b>		
Furniture and equipment, net	9,141	5,346
Rent Deposit	0	715
<b>Total noncurrent assets</b>	9,141	6,061
<b>Total assets</b>	<b>\$643,602</b>	<b>\$689,290</b>
<b>Liabilities and net assets</b>		
<b>Current Liabilities</b>		
Accounts payable	\$3,664	9,077
Vacation Payable	12,961	23,930
Deferred revenue-Membership	186,366	193,558
Deferred revenue-Meetings	0	0
<b>Total current liabilities</b>	202,991	226,565
<b>Long term Liabilities</b>		
Deferred revenue-Membership	0	0
<b>Total liabilities</b>	\$202,991	\$226,565
<b>Commitments and Contingencies</b>		
<b>Net Assets</b>		
Unrestricted	440,610	462,725
<b>Total Liabilities and Net Assets</b>	<b>\$643,601</b>	<b>\$689,290</b>

**Streamlined Sales Tax Governing Board Inc**  
**Cash Flow Statement**  
**For the 12 months ended June 30, 2014**

Cash flows from operating activities	
Change in net assets	22,114
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	3,795
Loss on disposal of fixed assets	
(Increase) decrease in assets	
Accounts receivable	747
Prepaid expenses	13,430
Increase (decrease) in liabilities	
Accounts payable	5,413
Accrued liabilities	10,969
Deferred revenue	7,192
Streamlined Conferences Cash	
<b>New cash flows provided by operating activities</b>	<b>63,660</b>
Cash flows from investing activities	
Purchases of furniture and equipment	0
Net cash used in investing activities	
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>63,660</b>
Cash and cash equivalents, beginning of year	615,220
Cash and cash equivalents, end of year	678,880