

# **Streamlined Sales Tax Governing Board**

## **Annual Financial Report for FY 2015**

(unaudited)

**Submitted to the Governing Board  
September 16, 2015**

## Annual Financial Report for FY 2015

The Governing Board ended FY 2015 with a balance of \$576,334 resulting from an operating surplus of \$113,610 for the fiscal year. When the budget was adopted in the fall of 2014 the projected balance was expected to be \$391,049 with an operating deficit of \$71,675. FY2015 ended with a surplus for various reasons including finding ways to reduce certain expenses and also because about \$100,000 in payments for the new central registration system have not yet been made due to delays in getting the new system completed.

Receipts totaled \$1,003,963. Receipts came from the membership dues paid by full and associate member states (\$954,998) and gross revenue generated from meetings (\$48,288). Interest income of \$677 was also earned. Revenues were approximately \$7,500 below projections due to Meeting Fees generating less revenue than anticipated. (Note: Although Meeting Fees were less than anticipated, so were the Meeting Expenses.)

Expenses totaled \$890,353. Salaries and benefits, office expenses, travel expenses, and contractual expenses were all lower than what was budgeted. Expenses were approximately \$190,000 below budget but approximately 10 percent more than the previous fiscal year. This increase was due primarily to the payments made toward the new central registration system.

Major budgetary developments in FY 2015 include:

- Continuation of the contracts with two government affairs firms
- New central registration system development

At the end of FY 2015, assets of the Governing Board totaled \$874,040, 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 2015 were approximately \$185,000 more than total assets at the end of FY 2014.

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. Interest earned on these accounts was minimal.

The following financial statements are included: (1) balance sheet as of June 30, 2015; (2) the income statement showing the variance between Budgeted and Actual Receipts and Expenditures for FY 2015; (3) a cash flow statement for FY 2015; and (4) a historical presentation of the Income and Expense Statements from FY 2006 through FY 2015.

These documents reflect a stable financial condition after nine 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, 2015**

	FY 2015 Budget	Year to Date Actual	Percentage of Annual Budget
<b>BEGINNING BALANCE</b>	\$ 462,724	\$ 462,724	
<b>INCOME</b>			
Member Payments	\$ 955,000	\$ 954,998	100%
Member payments held in escrow	\$ -	\$ -	
Publication Sales	\$ -	\$ -	
Investment Income	\$ 1,500	\$ 677	45%
Other income	\$ -	\$ -	
NGA/NCSL Contributions	\$ -	\$ -	
Meeting Income	\$ 55,000	\$ 48,288	88%
<b>TOTAL INCOME</b>	<b>\$ 1,011,500</b>	<b>\$ 1,003,963</b>	<b>99%</b>
<b>EXPENSES</b>			
<i><b>Salaries and Benefits</b></i>			
Salaries	\$ 310,000	\$ 299,450	97%
Payroll Taxes	\$ 26,000	\$ 22,935	88%
Health coverage	\$ 19,200	\$ 13,932	73%
Retirement Expense	\$ 10,275	\$ 4,861	47%
<b>Subtotal - Salaries</b>	<b>\$ 365,475</b>	<b>\$ 341,179</b>	<b>93%</b>
<i><b>Office Expense</b></i>			
Telecommunications	\$ 22,000	\$ 13,885	63%
Printing	\$ 2,000	\$ 194	10%
Materials and Supplies	\$ 6,000	\$ 1,388	23%
Postage and Delivery	\$ 3,000	\$ 275	9%
Law Service and Books	\$ 1,500	\$ 1,470	98%
Computer Equip and Furniture - Depreciation	\$ 2,500	\$ 2,762	110%
Computer Equipment and Furniture	\$ 5,000	\$ -	0%
Other Insurance	\$ 1,500	\$ 1,184	79%
Credit card fees	\$ 1,200	\$ 1,643	137%
Other	\$ 1,500	\$ 365	24%
<b>Subtotal - Office Expense</b>	<b>\$ 46,200</b>	<b>\$ 23,165</b>	<b>50%</b>

<b>Travel</b>			
Employee Travel	\$ 55,000	\$ 43,658	79%
Other Travel	\$ 35,000	\$ 26,573	76%
Chairperson Travel (SLAC, Audit, Cert)	\$ 5,000	\$ 3,870	77%
Legislative travel	\$ 25,000	\$ 16,629	67%
<b>Subtotal -Travel</b>	<b>\$ 120,000</b>	<b>\$ 90,730</b>	<b>76%</b>
<b>Contractual Services</b>			
Rent - Office space	\$ 10,000	\$ 9,515	95%
Central Registration	\$ 210,000	\$ 164,502	78%
Accounting Services	\$ 8,500	\$ 5,923	70%
Legal Services	\$ 2,500	\$ -	0%
Fund Audit	\$ 11,000	\$ 10,029	91%
Web Site Development & Hosting	\$ 12,000	\$ 9,883	82%
Federal Affairs	\$ 180,000	\$ 175,000	97%
Other	\$ 25,000	\$ 6,299	25%
<b>Subtotal - Contractual Services</b>	<b>\$ 459,000</b>	<b>\$ 381,151</b>	<b>83%</b>
<b>Meeting Expenses</b>			
Semi Annual Meetings	\$ 60,000	\$ 51,133	85%
Committee Meetings	\$ 5,000	\$ 1,993	40%
<b>Subtotal - Meeting Expenses</b>	<b>\$ 65,000</b>	<b>\$ 53,127</b>	<b>82%</b>
<b>Reserve</b>	<b>\$ 25,000</b>	<b>\$ -</b>	<b>0%</b>
<b>Online Taxability Matrix</b>	<b>\$ 2,500</b>	<b>\$ 1,000</b>	<b>40%</b>
<b>TOTAL EXPENSES</b>	<b>\$ 1,083,175</b>	<b>\$ 890,353</b>	<b>82%</b>
<b>Surplus(Deficit) for Budget Period</b>	<b>\$ (71,675)</b>	<b>\$ 113,610</b>	
<b>ENDING BALANCE</b>	<b>\$ 391,049</b>	<b>\$ 576,334</b>	

**Streamlined Sales Tax Governing Board, Inc.**  
**Balance Sheet**  
**For the 12 months ended June 30, 2015**

	<b>Beginning Balances (7/1/14)</b>	<b>Ending Balances (6/30/15)</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$678,880	\$856,625
Dues Receivable	0	0
Rent deposit receivable	0	0
Streamline Conferences-Registrations	71	3314
Prepaid Expenses	4,179	8,952
<b>Total current assets</b>	683,229	868,891
<b>Noncurrent assets</b>		
Furniture and equipment, net	5,346	4,434
Rent Deposit	715	715
<b>Total noncurrent assets</b>	6,061	5,149
<b>Total assets</b>	<b>\$689,290</b>	<b>\$874,040</b>
<b>Liabilities and net assets</b>		
<b>Current Liabilities</b>		
Accounts payable	9,077	988
Vacation Payable	23,930	27,060
Deferred revenue-Membership	193,558	269,658
Deferred revenue-Meetings	0	0
<b>Total current liabilities</b>	226,565	297,706
<b>Long term Liabilities</b>		
Deferred revenue-Membership	0	0
<b>Total liabilities</b>	\$226,565	\$297,706
<b>Commitments and Contingencies</b>		
<b>Net Assets</b>		
Unrestricted	462,725	576,334
<b>Total Liabilities and Net Assets</b>	<b>\$689,290</b>	<b>\$874,040</b>

**Streamlined Sales Tax Governing Board, Inc.**  
**Cash Flow Statement**  
**For the 12 months ended June 30, 2015**

Cash flows from operating activities	
Change in net assets	113,610
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	2,762
Loss on disposal of fixed assets	
(Increase) decrease in assets	
Accounts receivable	(3,144)
Prepaid expenses	(4,774)
Increase (decrease) in liabilities	
Accounts payable	(8,089)
Accrued liabilities	3,130
Deferred revenue	76,100
Streamlined Conferences Cash	
<b>New cash flows provided by operating activities</b>	<b>179,595</b>
Cash flows from investing activities	
Purchases of furniture and equipment	(1,850)
Net cash used in investing activities	
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>177,745</b>
Cash and cash equivalents, beginning of year	678,880
Cash and cash equivalents, end of year	856,625