Streamlined Sales Tax Governing Board
Quarterly Financial Report
Second Quarter of Fiscal Year Ending June 30, 2015

This report reflects the income and expenses of the Streamlined Sales Tax Governing Board, Inc. (SSTGB) for the first six months of Fiscal Year Ending June 30, 2015 (FYE 2015).

The Income Statement includes a comparison of the Budgeted Income and Expense Statement for FYE 2015 to the year-to-date actual expenses as of December 31, 2014 and a year-to-date percentage of the budget utilized. Total expenses are generally in line with the expected expenses in all major categories for the first six months of the fiscal year.

Also included is a Balance Sheet for the period ended December 31, 2014. On December 31, 2014, assets of the SSTGB totaled $1,008,820, of which 99% was held in the form of cash or cash equivalents. The remainder was comprised of accounts receivable, furniture and equipment, and a rent deposit.

The documents continue to reflect the stable financial condition of the SSTGB.

Major budgetary items reflected in the second quarter FYE 2015 income statement include:

- Salary and benefits for three full-time and one half-time employee totaled $84,306 during the quarter.

- Travel expenses totaled $26,596. These expenses include all employee travel expenses to attend various meetings and conferences, travel expenses for SSTGB members to represent the SSTGB at various meetings and travel expenses for legislative delegates to attend certain Streamlined meetings.

- Office expenses totaled $7,084, the majority of which was telecommunication expenses ($3,737).

- Contractual services category, which is comprised of office rent, central registration system maintenance, accounting services, annual outside audit, website development and hosting services and the federal affairs contracts totaled $83,285. The majority of this expense ($45,000) was related to the contracts the SSTGB has with two government affairs companies. This category also contains payments made to develop the new central registration system.
Streamlined Sales Tax Governing Board Inc  
Statement of Activities  
For the 6 months ended December 31, 2014

<table>
<thead>
<tr>
<th></th>
<th>FY 2015 Budget</th>
<th>1st Quarter Actual</th>
<th>2nd Quarter Actual</th>
<th>Year to Date Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>BEGINNING BALANCE</td>
<td>$462,724</td>
<td>$462,724</td>
<td>$1,184,999</td>
<td>$462,724</td>
<td></td>
</tr>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member Payments</td>
<td>955,000</td>
<td>954,998</td>
<td>0</td>
<td>954,998</td>
<td>100%</td>
</tr>
<tr>
<td>Member payments held in escrow</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Publication Sales</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Investment Income</td>
<td>1,500</td>
<td>149</td>
<td>201</td>
<td>350</td>
<td>23%</td>
</tr>
<tr>
<td>Other income</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>NGA/NCSL Contributions</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Meeting Income</td>
<td>55,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>TOTAL INCOME</strong></td>
<td>1,011,500</td>
<td>955,147</td>
<td>201</td>
<td>955,348</td>
<td>94%</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries</td>
<td>310,000</td>
<td>73,924</td>
<td>73,924</td>
<td>147,847</td>
<td>48%</td>
</tr>
<tr>
<td>Payroll Taxes</td>
<td>26,000</td>
<td>5,655</td>
<td>5,159</td>
<td>10,614</td>
<td>42%</td>
</tr>
<tr>
<td>Health coverage</td>
<td>19,200</td>
<td>3,176</td>
<td>3,811</td>
<td>6,986</td>
<td>36%</td>
</tr>
<tr>
<td>Retirement Expense</td>
<td>10,275</td>
<td>1,009</td>
<td>1,412</td>
<td>2,421</td>
<td>24%</td>
</tr>
<tr>
<td>Subtotal - Salaries</td>
<td>365,475</td>
<td>83,763</td>
<td>84,306</td>
<td>168,069</td>
<td>46%</td>
</tr>
<tr>
<td>Office Expense</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Telecommunications</td>
<td>22,000</td>
<td>2,852</td>
<td>3,737</td>
<td>6,588</td>
<td>30%</td>
</tr>
<tr>
<td>Printing</td>
<td>2,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Materials and Supplies</td>
<td>6,000</td>
<td>274</td>
<td>284</td>
<td>567</td>
<td>9%</td>
</tr>
<tr>
<td>Postage and Delivery</td>
<td>3,000</td>
<td>49</td>
<td>98</td>
<td>145</td>
<td>5%</td>
</tr>
<tr>
<td>Law Service and Books</td>
<td>1,500</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Computer Equipment and Furniture-Depreciation</td>
<td>2,500</td>
<td>691</td>
<td>691</td>
<td>1,381</td>
<td>55%</td>
</tr>
<tr>
<td>Computer Equipment and Furniture</td>
<td>5,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Other Insurance</td>
<td>1,500</td>
<td>0</td>
<td>1,184</td>
<td>1,184</td>
<td>79%</td>
</tr>
<tr>
<td>Credit card fees</td>
<td>1,200</td>
<td>468</td>
<td>1,224</td>
<td>1,224</td>
<td>102%</td>
</tr>
<tr>
<td>Other</td>
<td>1,500</td>
<td>468</td>
<td>(140)</td>
<td>328</td>
<td>22%</td>
</tr>
<tr>
<td>Subtotal - Office Expense</td>
<td>46,200</td>
<td>4,333</td>
<td>7,804</td>
<td>11,417</td>
<td>25%</td>
</tr>
<tr>
<td>Travel</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Travel</td>
<td>55,000</td>
<td>9,494</td>
<td>11,252</td>
<td>20,746</td>
<td>38%</td>
</tr>
<tr>
<td>Other Travel</td>
<td>35,000</td>
<td>4,052</td>
<td>9,929</td>
<td>13,981</td>
<td>40%</td>
</tr>
<tr>
<td>Chairperson Travel (SLAC,Audit,Cert)</td>
<td>5,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Legislative travel</td>
<td>25,000</td>
<td>2,289</td>
<td>5,415</td>
<td>7,683</td>
<td>31%</td>
</tr>
<tr>
<td>Subtotal - Travel</td>
<td>120,000</td>
<td>15,815</td>
<td>26,596</td>
<td>42,411</td>
<td>35%</td>
</tr>
<tr>
<td>Contractual Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent - Office space</td>
<td>10,000</td>
<td>3,002</td>
<td>1,629</td>
<td>4,631</td>
<td>46%</td>
</tr>
<tr>
<td>Central Registration</td>
<td>210,000</td>
<td>78,917</td>
<td>25,196</td>
<td>104,113</td>
<td>50%</td>
</tr>
<tr>
<td>Accounting Services</td>
<td>8,500</td>
<td>1,318</td>
<td>1,447</td>
<td>2,764</td>
<td>33%</td>
</tr>
<tr>
<td>Legal Services</td>
<td>2,500</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Fund Audit</td>
<td>11,000</td>
<td>2,018</td>
<td>5,500</td>
<td>7,518</td>
<td>68%</td>
</tr>
<tr>
<td>Web Site Development &amp; Hosting</td>
<td>12,000</td>
<td>2,019</td>
<td>3,804</td>
<td>5,823</td>
<td>49%</td>
</tr>
<tr>
<td>Federal Affairs</td>
<td>180,000</td>
<td>40,000</td>
<td>45,000</td>
<td>85,000</td>
<td>47%</td>
</tr>
<tr>
<td>Other</td>
<td>25,000</td>
<td>680</td>
<td>711</td>
<td>1,391</td>
<td>6%</td>
</tr>
<tr>
<td>Subtotal - Contractual Services</td>
<td>459,000</td>
<td>127,953</td>
<td>83,285</td>
<td>211,239</td>
<td>46%</td>
</tr>
<tr>
<td>Meeting Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Semi Annual Meetings</td>
<td>60,000</td>
<td>1,008</td>
<td>23,262</td>
<td>24,270</td>
<td>40%</td>
</tr>
<tr>
<td>Committee Meetings</td>
<td>5,000</td>
<td>0</td>
<td>1,426</td>
<td>1,426</td>
<td>29%</td>
</tr>
<tr>
<td>Subtotal - Meeting Expenses</td>
<td>65,000</td>
<td>1,008</td>
<td>24,688</td>
<td>25,696</td>
<td>40%</td>
</tr>
<tr>
<td>Reserve</td>
<td>25,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Online Taxability matrix</td>
<td>2,500</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td>1,083,175</td>
<td>232,872</td>
<td>225,959</td>
<td>458,832</td>
<td>42%</td>
</tr>
<tr>
<td>Surplus/(Deficit) for Budget Period</td>
<td>(71,675)</td>
<td>722,275</td>
<td>(225,759)</td>
<td>496,516</td>
<td></td>
</tr>
<tr>
<td><strong>ENDING BALANCE</strong></td>
<td>$391,049</td>
<td>$1,184,999</td>
<td>$959,240</td>
<td>$959,240</td>
<td></td>
</tr>
</tbody>
</table>
## Streamlined Sales Tax Governing Board Inc
### Balance Sheet
**For the 6 months ended December 31, 2014**

<table>
<thead>
<tr>
<th></th>
<th>Beginning Balances</th>
<th>1st Quarter FYE 6/30/15</th>
<th>2nd Quarter FYE 6/30/15</th>
<th>Change From Last Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$678,880</td>
<td>$1,224,559</td>
<td>$1,004,141</td>
<td>($220,418)</td>
</tr>
<tr>
<td>Dues Receivable</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>$</td>
</tr>
<tr>
<td>Rent deposit receivable</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>$</td>
</tr>
<tr>
<td>Streamline Conferences-Registrations</td>
<td>170</td>
<td>0</td>
<td>0</td>
<td>$</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>4,179</td>
<td>0</td>
<td>0</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>683,229</td>
<td>1,224,559</td>
<td>1,004,141</td>
<td>($220,418)</td>
</tr>
<tr>
<td><strong>Noncurrent assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Furniture and equipment, net</td>
<td>5,346</td>
<td>4,655</td>
<td>3,965</td>
<td>($691)</td>
</tr>
<tr>
<td>Rent Deposit</td>
<td>715</td>
<td>715</td>
<td>715</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total noncurrent assets</strong></td>
<td>6,061</td>
<td>5,370</td>
<td>4,680</td>
<td>($691)</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$689,289</td>
<td>$1,229,929</td>
<td>$1,008,820</td>
<td>($221,109)</td>
</tr>
<tr>
<td><strong>Liabilities and net assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>9,077</td>
<td>336</td>
<td>0</td>
<td>($336)</td>
</tr>
<tr>
<td>Vacation Payable</td>
<td>23,930</td>
<td>23,930</td>
<td>23,930</td>
<td>$</td>
</tr>
<tr>
<td>Deferred revenue-Membership</td>
<td>193,558</td>
<td>0</td>
<td>0</td>
<td>$</td>
</tr>
<tr>
<td>Deferred revenue-Meetings</td>
<td>0</td>
<td>20,665</td>
<td>25,650</td>
<td>$4,985</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>226,565</td>
<td>44,931</td>
<td>49,580</td>
<td>$4,649</td>
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<tr>
<td><strong>Long term Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred revenue-Membership</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>$226,565</td>
<td>$44,931</td>
<td>$49,580</td>
<td>$4,649</td>
</tr>
<tr>
<td><strong>Commitments and Contingencies</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>462,724</td>
<td>1,184,998</td>
<td>959,240</td>
<td>($225,758)</td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td>$689,289</td>
<td>$1,229,929</td>
<td>$1,008,820</td>
<td>($221,109)</td>
</tr>
</tbody>
</table>
Streamlined Sales Tax Governing Board Inc
Cash Flow
For the 6 months ended December 31, 2014

<table>
<thead>
<tr>
<th>Cash flows from operating activities</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net assets</td>
<td>496,516</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Adjustments to reconcile change in net assets to net cash provided by operating activities:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation</td>
<td>1,381</td>
</tr>
<tr>
<td>Loss on disposal of fixed assets</td>
<td></td>
</tr>
<tr>
<td>(Increase) decrease in assets</td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>170</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>4,178</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Increase (decrease) in liabilities</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>(9,077)</td>
</tr>
<tr>
<td>Accrued liabilities</td>
<td>0</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>(167,907)</td>
</tr>
</tbody>
</table>

| Streamlined Conferences Cash               |         |

| New cash flows provided by operating activities | 325,261 |

<table>
<thead>
<tr>
<th>Cash flows from investing activities</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchases of furniture and equipment</td>
<td>0</td>
</tr>
</tbody>
</table>

| Net cash used in investing activities       |         |

| Net increase (decrease) in cash and cash equivalents | 325,261 |

| Cash and cash equivalents, beginning of year | 678,880 |
| Cash and cash equivalents, end of year       | 1,004,141 |