

**Streamlined Sales Tax Governing Board
Quarterly Financial Report
Second Quarter of Fiscal Year Ending June 30, 2017**

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, 2017 (FYE 2017).

The Income Statement includes a comparison of the Budgeted Income and Expense Statement for FYE 2017 to the year-to-date actual expenses as of December 31, 2016 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, 2016. On December 31, 2016, assets of the SSTGB totaled \$1,294,476, 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 reflect the stable financial condition of the SSTGB.

Major budgetary items reflected in the second quarter FYE 2017 income statement include:

- Salary, benefits and payroll taxes for three full-time and two part-time employees totaled \$110,282 during the quarter.
- Travel expenses totaled \$20,281. 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, travel expenses for Committee chairpersons to lead certain Streamlined committee meetings and state legislator travel reimbursement to attend the Governing Board meeting.
- Office expenses totaled \$5,771, the majority of which was telecommunication expenses (\$3,582).
- 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 \$80,959. The majority of this expense (\$56,500) was related to the contracts the SSTGB has with two government affairs companies.

Streamlined Sales Tax Governing Board Inc
Statement of Activities
For the six months ended December 31, 2016

	FY 2017 Budget	1st Quarter FYE 6/30/17	2nd Quarter FYE 6/30/17	Year-To-Date FYE 6/30/17	Percentage Of Budget
BEGINNING BALANCE	\$685,960	\$685,960	1,474,490	\$685,960	
INCOME					
Member Payments	983,650	983,660	0	983,660	100%
Member payments held in escrow					
Publication Sales					
Investment Income	1,500	286	266	552	37%
Other income					
NGA/NCSL Contributions					
Meeting Income	50,000	0	0	0	0%
TOTAL INCOME	1,035,150	983,946	266	984,212	95%
EXPENSES					
Salaries and Benefits					
Salaries	382,500	94,444	101,826	196,270	51%
Payroll Taxes	29,500	7,307	6,391	13,699	46%
Retirement Expense	10,275	1,421	2,065	3,486	34%
Subtotal - Salaries	422,275	103,172	110,282	213,454	51%
Office Expense					
Telecommunications	20,000	3,614	3,582	7,197	36%
Printing	2,000	0	0	0	0%
Materials and Supplies	6,000	108	122	230	4%
Postage and Delivery	2,000	239	(28)	211	11%
Law Service and Books	2,000	0	0	0	0%
Computer Equipment and Furniture-Depreciation	5,000	624	671	1,295	26%
Computer Equipment and Furniture	7,500	139	0	139	2%
Other Insurance	1,500	644	568	1,212	81%
Credit card fees	1,200	246	273	518	43%
Other	1,500	96	582	678	45%
Subtotal -Office Expense	48,700	5,711	5,771	11,481	24%
Travel					
Employee Travel	53,000	6,826	10,303	17,129	32%
Other Travel	33,000	3,865	325	4,190	13%
Chairperson Travel (SLAC-Audit-Cert-CRIC)	13,000	2,953	4,734	7,687	59%
State Delegate/Designee Travel	24,000	0	0	0	0%
Audit Core Team Travel	17,000	0	0	0	0%
State Auditor Training Travel	24,000	0	0	0	0%
Legislative travel	25,000	0	4,919	4,919	20%
Subtotal -Travel	189,000	13,644	20,281	33,925	18%
Contractual Services					
Rent - Office space	12,000	3,227	2,478	5,705	48%
Central Registration					
Annual Hosting	28,000	9,295	3,680	12,975	46%
Annual Maintenance, Support and Licenses	60,000	11,865	8,090	19,955	33%
Development of New System	10,000	0	0	0	0%
Accounting Services	9,000	1,665	1,440	3,105	35%
Legal Services	2,500	0	0	0	0%
Fund Audit	13,000	0	7,000	7,000	54%
Web Site Development & Hosting	14,000	1,009	1,013	2,022	14%
Federal Affairs	186,000	41,500	56,500	98,000	53%
Other	25,000	1,008	759	1,767	7%
Subtotal - Contractual Services	359,500	69,569	80,959	150,528	42%
Meeting Expenses					
Semi Annual Meetings	55,000	1,132	20,784	21,916	40%
Committee Meetings	6,000	2,189	0	2,189	36%
Subtotal - Meeting Expenses	61,000	3,320	20,784	24,105	40%
Reserve	25,000	0	0	0	0%
Online Taxability Matrix	2,000	0	0	0	0%
Online Certificate of Compliance	2,000	0	0	0	0%
TOTAL EXPENSES	1,109,475	195,416	238,076	433,492	39%
Surplus(Deficit) for Budget Period	(74,325.00)	788,530	(237,811)	550,720	
ENDING BALANCE	\$611,635	1,474,490	1,236,680	1,236,680	

Streamlined Sales Tax Governing Board Inc				
Balance Sheet				
For the six months ended December 31, 2016				
	Beginning Balances	1st Quarter FYE 6/30/17	2nd Quarter FYE 6/30/17	Change From Last Quarter
Assets				
Current Assets				
Cash and cash equivalents		\$1,669,042	\$1,285,626	(383,416)
May meeting receivables		1,255	1,255	-
Insurance receivable		0	0	-
Prepaid Expenses		0	0	-
Total current assets		1,670,297	1,286,881	(383,416)
Noncurrent assets				
Furniture and equipment, net		7,551	6,880	(671)
Rent Deposit		715	715	-
Total noncurrent assets		8,266	7,595	(671)
Total assets		\$1,678,562	\$1,294,476	(384,087)
Liabilities and net assets				
Current Liabilities				
Accounts payable		151,082	0	(151,082)
Vacation Payable		37,896	37,896	-
Deferred revenue-Membership		0	0	-
Deferred revenue-Meetings		15,095	19,900	4,805
Total current liabilities		204,072	57,796	(146,277)
Long term Liabilities				
Deferred revenue-Membership		0	0	-
Total liabilities		\$204,072	\$57,796	(146,277)
Commitments and Contingencies				
Net Assets				
Unrestricted		1,474,490	1,236,680	(237,810)
Total Liabilities and Net Assets		\$1,678,562	\$1,294,476	(384,087)

Streamlined Sales Tax Governing Board Inc		
Cash Flow		
For the six months ended December 31, 2016		
Cash flows from operating activities		
Change in net assets		550,720
Adjustments to reconcile change in net assets to		
net cash provided by operating activities:		
Depreciation		1,295
Loss on disposal of fixed assets		
(Increase) decrease in assets		
Accounts receivable		7,530
Prepaid expenses		2,025
Increase (decrease) in liabilities		
Accounts payable		(142,085)
Accrued liabilities		-
Deferred revenue		(245,403)
Streamlined Conferences Cash		
New cash flows provided by operating activities		174,082
Cash flows from investing activities		
Purchases of furniture and equipment		-
Net cash used in investing activities		
Net increase (decrease) in cash and cash equivalents		174,082
Cash and cash equivalents, beginning of year		1,111,544
Cash and cash equivalents, end of 1st quarter		1,285,626