

Streamlined Sales Tax Governing Board

Annual Financial Report for FY 2009

(unaudited)

**Submitted to the Governing Board
September 29, 2009**

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The Governing Board ended FY 2009 with a balance of \$832,238.00 with an operating deficit of \$10,541.00. When the budget was adopted in the fall of 2007 the projected balance was expected to be \$673,298 with an operating deficit of \$261,842. The FY2009 budget was amended in June 2008 and September 2008 to reflect changing priorities.

Receipts totaled \$679,512. Receipts came from the petition fees paid by full and associate member states (\$580,000), gross revenue generated from meetings (\$79,050), and interest income (\$15,133). Revenues were \$70,488 below budget and declined 26 percent from the previous fiscal year.

Expenses totaled \$690,054. Salaries and benefits, office expenses, travel expenses, and contractual expenses were all lower than anticipated. Expenses were \$321,788 below budget and increased 9 percent over the previous fiscal year.

Major budgetary developments in FY 2009 include:

- Contracts with two government affairs firms
- Beginning a new web site
- A study of uncollected use tax

At the end of FY 2009, assets of the Governing Board totaled \$950,669, of which 87 percent was held in the form of cash or cash equivalents. Much of the remainder was composed of deferred member dues, accounts receivable, 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 Wachovia, a savings account with Green Bank, and certificates of deposits through Wachovia Securities. This mixture of accounts is designed to provide maximum deposit security and to earn competitive interest. Interest earned on these accounts totaled \$15,133 and an unrealized gain of \$5,330.00 from certificates of deposit. 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, 2009; a historical presentation of the Income and Expense Statements from FY 2002 through FY 2009; the variance between Budgeted and Actual Receipts and Expenditures for FY 2009, a cash flow statement for FY 2009; and detailed breakdown of accounts payable and receivable.

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