

**DRAFT**

**Streamlined Sales Tax Governing Board**

**Quarterly Financial Report  
Third Quarter FY 2007**

**Submitted to the Executive Committee**

**May 21, 2007**

**Streamlined Sales Tax Governing Board  
Quarterly Financial Report  
Third Quarter FY 2007**

The Streamlined Sales Tax Governing Board realized a surplus of \$387,389 after considering operations through the third quarter of Fiscal Year 2007, ending March 31, 2007. This resulted in an ending balance of \$736,030. Income totaled \$784,089 for three-quarters for the year, resulting from membership fees paid by full and associate member states, interest, and meeting income.

Major budgetary items to date include:

- Member payments totaling \$604,000
- Net Meeting Income, after considering Meeting Expenses, is \$42,093
- Salary and benefit expenses for three full-time employees of \$158,553
- Contractual Services expenses of \$84,639 with expenses related to the Central Registration System (\$46,031) accounting for the largest part of that amount
- Office Expense totaling \$32,718

The income statement reflects the FY 2007 Budget, the actual amounts through March 31, 2007, and a year-to-date percentage of the budget utilized. Total expenses remain substantially less than expected during the fiscal year.

At the Executive Committee meeting in North Carolina, amendments to the FY 2007 Budget were approved. While the Total Income and Total Expenses remain unchanged, amounts within specific expense accounts were adjusted to reflect spending expectations for the year. The changes are as follows:

1. Office Expense – Telecommunications was decreased by \$5,000 to \$20,000 from \$25,000
2. Office Expense – Materials and Supplies was increased by \$2,000 to \$5,000 from \$3,000
3. Travel – Other Travel was decreased by \$7,000 to \$18,000 from \$25,000
4. Contractual Services – Central Registration was increased by \$10,000 to \$60,000 from \$50,000

An evaluation of the Materials and Supplies account at this time reveals that the account is continuing to track at levels which could exceed budgeted levels. The Finance Committee will monitor these and other expenses for the remainder of the fiscal year.

Also included is a Balance Sheet for the period ended March 31, 2007. To begin FY 2007, the organization held \$369,105 in cash and cash equivalents, as reflected in the independent auditor's report received on October 5, 2006. Principally due to the operating surplus, the ending cash balance after third quarter operations rose to \$716,894.

At the end of the third quarter, assets of the Governing Board totaled \$748,975, of which more than 95% was held in the form of cash or cash equivalents. Much of the remainder was composed of accounts receivable, with a minor portion representing furniture and equipment.

Streamlined Sales Tax Governing Board Inc  
Income Statement  
For the period July 1, 2006 to March 31, 2007  
Budget As Amended

	FY 2007 Budget	Actual	Variance
BEGINNING BALANCE	\$361,614	\$361,228	
INCOME			
Member Payments	564,000	604,000	107%
Member payments held in escrow	40,000	\$0	0%
Publication Sales			
Investment Income	12,000	21,694	181%
NGA/NCSL Contributins	0		
Meeting Income	<u>280,000</u>	<u>158,395</u>	57%
TOTAL INCOME	<u>896,000</u>	<u>784,089</u>	88%
EXPENSES			
Salaries and Benefits			
Salaries	240,000	\$140,853	59%
Payroll Taxes	47,000	12,815	27%
Health coverage	13,500	4,885	36%
Retirement Expense	<u>20,000</u>	<u>0</u>	0%
Subtotal - Salaries	320,500	158,553	
Office Expense			
Telecommunications	20,000	9,849	49%
Printing	12,000	9,249	77%
Materials and Supplies	5,000	4,590	92%
Postage and Delivery	3,000	2,189	73%
Law Service and Books	500		0%
Computer Equipment and Furniture-Depreciation	0	2,976	
Computer Equipment and Furniture	15,000	2,482	17%
Other Insurance	10,000		0%
Other	<u>0</u>	<u>1,383</u>	
Subtotal -Office Expense	65,500	32,718	
Travel			
Employee Travel	40,000	15,030	38%
Other Travel	<u>18,000</u>	<u>2,045</u>	11%
Subtotal -Travel	58,000	17,075	
Contractual Services			
Rent - Office space	13,500	6,596	49%
Central Registration	60,000	46,031	77%
Accounting Services	11,000	8,109	74%
Legal Services	20,000	10,350	52%
Fund Audit	10,000	9,000	90%
Web Site Development & Hosting	35,000		0%
Other	<u>20,000</u>	<u>4,552</u>	23%
Subtotal - Contractual Services	169,500	84,639	
Meeting Expenses	210,000	116,302	55%
Reserve	25,000		0%
TOTAL EXPENSES	<u>848,500</u>	<u>409,287</u>	48%
Surplus(Deficit) for Budget Period	47,500	374,802	
ENDING BALANCE	<u>\$409,114</u>	<u>\$736,030</u>	

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Streamlined Sales Tax Governing Board Inc  
Balance Sheet  
9 months ended March 31, 2007

Assets

Current Assets

Cash and cash equivalents	\$716,894
FTA Receivable	4,064
Streamline Conferences-Registrations	<u>18,515</u>

Total current assets \$739,472

Noncurrent assets

Furniture and equipment, net \$8,657

Rent Deposit 846

Total noncurrent assets \$9,502

Total assets \$748,975

Liabilities and net assets

Current Liabilities

Accounts payable	\$0
Deferred revenue-Meetings	<u>12,945</u>

Total current liabilities \$12,945

Commitments and Contingencies

Net Assets

Unrestricted 736,030

Total Liabilities and Net Assets \$748,975