



To: Commission
From: Glenn Hegar, Treasurer
Date: November 14, 2024
Subject: Financial Statements for the three months ended September 30, 2024

OVERALL COMMENTS:

Attached are the financial statements for the three months ended September 30, 2024.

The budget column amounts in the attached reports are computed and are based on the amounts in the fiscal year 2025 budget approved at the meeting of the Commission during its meeting on July 31, 2024.

Favorable variances (for revenue or expense items) are shown as positive numbers and unfavorable variances (for revenue or expense items) are shown as negative numbers. Note that black or red text or shaded cells, when used, are meant to indicate whether a number reflects a significant favorable or unfavorable variance and not whether the number is positive or negative.

BALANCE SHEET:

The balance sheet remains strong.

Accounts receivable consist of membership fee and audit program fee amounts related to FY 2025 that will be collected during the remainder of the fiscal year. Invoices were sent out later this year than usual.

BUDGET AND FUND SUMMARY:

The MTC is operating at a surplus for the reporting period, as explained in the Statement of Activity section below.

The deficit in Nexus Program revenues is due to the delay in sending out invoices; program fees in excess of budgeted have already been received since September 30.

STATEMENT OF ACTIVITY:

The MTC is operating with an overall surplus substantially related to vacant staff positions resulting in a favorable variance overall for the salaries, retirement, employee insurance, and payroll taxes line items.

Multistate Tax Commission
Statement of Financial Position (Balance Sheet)
FY25

Accrual Basis

	30-Sep-2024
	FY25
ASSETS	\$ 13,907,735
Current Assets	\$ 12,423,583
Bank Accounts	\$ 552,360
SSB Operating Acct-4001	\$ 539,140
Truist-Operating Acct-5516	\$ 500
SSB Payroll Acct-9001	\$ 12,550
Petty Cash/DC	\$ 170
Undeposited Funds	\$ -
Accounts Receivable	\$ 6,225,406
Other Current Assets	\$ 5,645,817
Prepaid Expenses	\$ 61,194
Emp Advances	\$ -
Investment Accts	\$ 5,584,624
Temp Balancing Acct	\$ -
Fixed Assets	\$ 236,045
Furniture & Equip	\$ 484,853
Accum Depr-F&F	\$ 429,396
Leasehold Imprv	\$ (325,313)
Accum Depr-LI	\$ (352,892)
Other Assets	\$ 1,248,107
Rent Sec Deposit	\$ 335
Right of Use Asset	\$ 1,247,772
LIABILITIES AND FUND BALANCE	\$ 13,907,735
LIABILITIES	\$ 7,840,619
Current Liabilities	\$ 6,877,752
Accounts Payable	\$ -
Credit Cards	\$ 970
Payroll Liabilities	\$ 591,622
Other Current Liabilities	\$ 6,285,160
Lease Liab - ST	\$ 366,237
Unearned Program Fees	\$ 5,912,204
Unearned Reg Fee	\$ 6,719
Misc	\$ -
Long-Term Liabilities	\$ 962,867
Lease Liab - LT	\$ 962,867
FUND BALANCE	\$ 5,853,934
Approp Fund Balance	\$ 654,749
Restr Fund Balance	\$ 1,172,114
Unapp Fund Balance	\$ 3,421,829
Retained Earnings	\$ 605,242
Current Income	\$ 213,182
	\$ 69,388

Multistate Tax Commission
Budget & Fund Summary
FY25

	FY25-Q1		
	Budget	Actual	(Actual - Budget) Variance \$\$\$
General Operations Program			
Revenue	\$ 336,088	\$ 446,651	\$ 110,564
Expenses	\$ 721,401	\$ 816,577	\$ 95,176
Surplus/Deficit Gen Operations	\$ (385,314)	\$ (369,926)	\$ 15,388
Audit Program			
Revenue	\$ 1,430,011	\$ 1,362,363	\$ (67,648)
Expenses	\$ 1,132,881	\$ 939,934	\$ (192,947)
Surplus/Deficit Audit Program	\$ 297,129	\$ 422,429	\$ 125,299
Nexus Program			
Revenue	\$ 513,023	\$ 237,227	\$ (275,796)
Expenses	\$ 168,373	\$ 134,732	\$ (33,641)
Surplus/Deficit Nexus Program	\$ 344,650	\$ 102,494	\$ (242,156)
Training & Education			
Revenue	\$ 10,750	\$ -	\$ (10,750)
Expenses	\$ 10,640	\$ 11,203	\$ 563
Surplus/Deficit Training & Education	\$ 110	\$ (11,203)	\$ (11,313)
Total Operations			
Revenue	\$ 2,289,871	\$ 2,046,241	\$ (243,630)
Expenses	\$ 2,033,295	\$ 1,902,446	\$ (130,848)
Surplus/Deficit	\$ 256,576	\$ 143,794	\$ (112,782)

Multistate Tax Commission
Statement of Activity (Profit and Loss Statement)
Budget vs. Actuals
FY25

	Accrual Basis		
	FY25-Q1		
	Budget	Actual	+/- Budget-\$
Revenue			
4000000 Member Assessments	\$ 284,213	\$ 284,213	\$ -
4001000 Gen/Oper Support Surchg-Audit	\$ 67,648	\$ 67,648	\$ -
4002000 Gen/Oper Support Surchg-Nexus	\$ 19,285	\$ 19,285	\$ -
4010000 Audit Program Fee	\$ 1,362,363	\$ 1,362,363	\$ (0)
4023000 Dividend Income	\$ 45,000	\$ 54,531	\$ 9,531
4030000 Special Project Fees/Nexus	\$ 237,227	\$ 237,227	\$ 0
4060000 Annual Seminar	\$ 27,000	\$ 11,999	\$ (15,001)
4080000 Miscellaneous Revenue	\$ 125	\$ -	\$ (125)
4090000 Training Program Fees	\$ -	\$ 8,976	\$ 8,976
Total Revenue	\$ 2,042,860	\$ 2,046,241	\$ 3,381
Expenditures			
Operating Expenses			
5040000 Advertising/Recruitment	\$ 125	\$ -	\$ (125)
5045000 Subscriptions, Publications & Dues	\$ 30,500	\$ 34,696	\$ 4,196
5050000 Travel	\$ 78,500	\$ 71,216	\$ (7,284)
5055000 Travel - Members	\$ 1,250	\$ -	\$ (1,250)
5060000 Rent & Utilities	\$ 1,170	\$ 2,188	\$ 1,018
5070000 Consumable & Durable Supplies	\$ 7,025	\$ 16,501	\$ 9,476
5080000 Postage & Express Mail	\$ 4,750	\$ 2,975	\$ (1,775)
5090000 Printing	\$ 662	\$ -	\$ (662)
5100000 Telephone Service	\$ 12,075	\$ 4,110	\$ (7,965)
5110000 Internet Access	\$ 14,625	\$ 13,475	\$ (1,150)
5115000 Training & Seminars	\$ 6,000	\$ 1,787	\$ (4,213)
5124000 Seminar Expenses	\$ -	\$ 2,818	\$ 2,818
5125000 Food/Beverage & Audio-Visual	\$ 96,583	\$ 110,946	\$ 14,363
5160000 Business Insurance	\$ 5,000	\$ 10,036	\$ 5,036
5170000 Maintenance	\$ 3,000	\$ 405	\$ (2,595)
5190000 SW Licenses / Misc	\$ 22,787	\$ 55,769	\$ 32,982
5700000 Administrative Service Alloc	\$ 0	\$ -	\$ (0)
Professional Fees			
5128000 Consulting/Contract-Exp	\$ 125	\$ 2,773	\$ 2,648
5129000 Consulting/Contract Fees	\$ 3,000	\$ 7,243	\$ 4,243
5130000 Accounting Dept-Outsourced	\$ 16,250	\$ 14,376	\$ (1,874)
5142000 Investment Advisory Fees	\$ 13,125	\$ 12,502	\$ (623)
5200000 Audit + Payroll Services	\$ -	\$ 970	\$ 970
Total Professional Fees	\$ 32,500	\$ 37,863	\$ 5,363
Total Operating Expenses	\$ 316,553	\$ 364,786	\$ 48,233
Payroll Expenses			
5000000 Salaries	\$ 1,274,092	\$ 1,160,044	\$ (114,048)
5010000 Retirement	\$ 126,975	\$ 110,377	\$ (16,598)
5020000 Employee Insurance	\$ 287,304	\$ 234,272	\$ (53,031)
5022000 Employers MC & SS	\$ 47,885	\$ 45,974	\$ (1,911)
5024000 Transportation Benefit Exp	\$ 8,400	\$ 3,246	\$ (5,154)
5025000 Unemployment & Pd Fam Leave	\$ 2,855	\$ 1,133	\$ (1,722)
Total Payroll Expenses	\$ 1,747,510	\$ 1,555,046	\$ (192,464)
Total Expenditures	\$ 2,064,064	\$ 1,919,832	\$ (144,231)
Net Operating Revenue	\$ (21,204)	\$ 126,409	\$ 147,612
Other Revenue			
4026000 Unrealized Gain / (Losses)		\$ 36,403	\$ 36,403
Total Other Revenue	\$ -	\$ 36,403	\$ 36,403
Other Expenditures			
5900000 Furniture & Equipment	\$ 4,125	\$ 19,017	\$ 14,892
Net Revenue	\$ (25,329)	\$ 143,794	\$ 169,123

Multistate Tax Commission

Revenue Summary

FY25

FY25-Q1

(Actual-Budget)

	Budget	Actual	Variance \$\$\$
<u>Revenue By Program Type</u>			
General Operations Program			
Member Assessments	\$ 284,213	\$ 284,213	\$ -
Gen/Oper Support Fee-Audit	\$ -	\$ 67,648	\$ 67,648
Gen/Oper Support Fee-Nexus	\$ -	\$ 19,285	\$ 19,285
Investment Income	\$ 45,000	\$ 54,531	\$ 9,531
Special Project Fees	\$ -	\$ -	\$ -
Annual Seminar Fees	\$ 6,750	\$ 11,999	\$ 5,249
Training Fees	\$ -	\$ 8,976	\$ 8,976
Program Fees	\$ -	\$ -	\$ -
Miscellaneous Revenue	\$ 125	\$ -	\$ (125)
Total Revenues-General Operations	\$ 336,088	\$ 446,651	\$ 110,564
Audit Program			
Audit Program Fee	\$ 1,430,011	\$ 1,362,363	\$ (67,648)
Total Revenues-Audit Program	\$ 1,430,011	\$ 1,362,363	\$ (67,648)
Nexus Program			
Nexus Program Fee	\$ 513,023	\$ 237,227	\$ (275,796)
Total Revenues-Nexus Program	\$ 513,023	\$ 237,227	\$ (275,796)
Training & Education			
Audit Sampling School Fees	\$ 4,750	\$ -	\$ (4,750)
Legal Seminars	\$ -	\$ -	\$ -
Income Tax Training School Fees	\$ -	\$ -	\$ -
Market Based Sourcing	\$ -	\$ -	\$ -
Partnership Summit	\$ -	\$ -	\$ -
Nexus Schools	\$ 6,000	\$ -	\$ (6,000)
Misc	\$ -	\$ -	\$ -
Total Revenues-Training & Education	\$ 10,750	\$ -	\$ (10,750)
TOTAL REVENUES	\$ 2,289,871	\$ 2,046,241	\$ (243,630)

Multistate Tax Commission
Expenditure Summary
FY25

FY25-Q1

(Actual - Budget)

	Budget	Actual	Variance \$\$\$
General Operations Program	\$ 443,373	\$ 816,577	\$ 373,204
Audit Program	\$ 1,132,881	\$ 939,934	\$ (192,947)
Nexus Program	\$ 168,373	\$ 134,732	\$ (33,641)
Training & Education	\$ 10,640	\$ 11,203	\$ 563
Total Expenditures	\$ 1,755,266	\$ 1,902,446	\$ 147,180

Multistate Tax Commission
Expenditure Details
FY25

	FY25-Q1		
	Budget	Actual	(Actual-Budget) Variance \$\$\$
<u>Expenditures By Program Type</u>			
General Operations			
Personnel	\$ 326,660	\$ 325,982	\$ (678)
Operating Expense	\$ 115,338	\$ 490,595	\$ 375,258
Equipment	\$ 1,375	\$ -	\$ (1,375)
Total Revenues-General Operations	\$ 443,373	\$ 816,577	\$ 373,204
Audit Program			
Personnel	\$ 1,070,956	\$ 909,226	\$ (161,730)
Operating Expense	\$ 61,925	\$ 30,708	\$ (31,217)
Equipment	\$ -	\$ -	\$ -
Total Revenues-Audit Program	\$ 1,132,881	\$ 939,934	\$ (192,947)
Nexus Program			
Personnel	\$ 156,385	\$ 133,921	\$ (22,465)
Operating Expense	\$ 11,988	\$ 812	\$ (11,176)
Equipment	\$ -	\$ -	\$ -
Total Revenues-Nexus Program	\$ 168,373	\$ 134,732	\$ (33,641)
Training & Education			
Personnel	\$ 3,227	\$ -	\$ (3,227)
Operating Expense	\$ 7,413	\$ 11,203	\$ 3,790
Equipment	\$ -	\$ -	\$ -
Total Revenues-Training & Education	\$ 10,640	\$ 11,203	\$ 563
Grand Total			
Personnel	\$ 1,557,229	\$ 1,369,129	\$ (188,100)
Operating Expense	\$ 196,663	\$ 533,318	\$ 336,655
Equipment	\$ 1,375	\$ -	\$ (1,375)
Total Expenditures	\$ 1,755,266	\$ 1,902,446	\$ 147,180