



To: Commission
From: Kelly Hancock, Treasurer
Date: November 20, 2025
Subject: Financial Statements for the fiscal year ended June 30, 2025

OVERALL COMMENTS:

Attached are the financial statements for the fiscal year ended June 30, 2025.

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.

The FY 2025 budget was prepared before the Commission began efforts to modernize accounting practices. Those modernization efforts included reclassifying accounts which resulted in (or increased) some favorable and unfavorable variances.

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 the black or red text or shaded cells are meant to indicate whether a number reflects a favorable or unfavorable variance and not whether the number is positive or negative.

BALANCE SHEET:

The balance sheet remains strong.

Accounts receivable consists of membership fee and audit program fee amounts related to FY 2025 that will be collected during the remainder of CY 2025.

STATEMENT OF ACTIVITY:

Revenues: Dividend Income

Interest rates remain higher than expected and this produced higher than anticipated earnings on MTC's money market fund and short-term government fund.

Revenues: Training Program Fees

The favorable variance is the result of a successful Partnership Summit in January 2025 that was not yet planned when the budget was prepared.

Expenditures: Travel

While transportation costs have increased generally, the amount of travel required for the audit program continues to trend downward.

Expenditures: Software Licenses/Miscellaneous

The unfavorable variance is due, in large part, to reclassifying accounts.

Expenditures: Payroll

There were vacant positions for varying lengths of time in FY 2025 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

	FY24		FY25		Change	
	30-Jun-24		30-Jun-25		\$\$\$	
ASSETS	\$	10,472,965	\$	11,466,338	\$	993,373
Current Assets	\$	6,300,362	\$	7,293,449	\$	993,088
Bank Accounts	\$	681,985	\$	167,244	\$	(514,740)
Accounts Receivable	\$	98,555	\$	1,287,452	\$	1,188,897
Other Current Assets	\$	5,519,822	\$	5,838,753	\$	318,931
Fixed Assets	\$	170,643	\$	170,929	\$	286
Furniture & Equip	\$	505,594	\$	505,880	\$	286
Accum Depr-F&F	\$	(380,202)	\$	(380,202)	\$	-
Leasehold Imprv	\$	429,396	\$	429,396	\$	-
Accum Depr-LI	\$	(384,146)	\$	(384,146)	\$	-
Other Assets	\$	4,001,960	\$	4,001,960	\$	-
Rent Sec Deposit	\$	335	\$	335	\$	-
Right of Use Asset	\$	4,001,625	\$	4,001,625	\$	-
LIABILITIES AND FUND BALANCE	\$	10,472,965	\$	11,466,338	\$	993,373
LIABILITIES	\$	4,712,526	\$	4,683,152	\$	(29,374)
Current Liabilities	\$	647,735	\$	618,361	\$	(29,374)
Accounts Payable	\$	-	\$	-	\$	-
Credit Cards	\$	993	\$	19,264	\$	18,271
Payroll Liabilities	\$	619,403	\$	592,378	\$	(27,025)
Other Current Liabilities	\$	27,339	\$	6,719	\$	(20,620)
Lease Liab - ST	\$	-	\$	-	\$	-
Unearned Program Fees	\$	-	\$	-	\$	-
Unearned Reg Fee	\$	27,339	\$	6,719	\$	(20,620)
Misc				\$		-
Long-Term Liabilities	\$	4,064,791	\$	4,064,791	\$	-
Lease Liab - LT	\$	4,064,791	\$	4,064,791	\$	-
FUND BALANCE	\$	5,760,439	\$	6,783,187	\$	1,022,748
Approp Fund Balance	\$	654,749	\$	654,749	\$	-
Approp Fund Bal-576	\$	99,034	\$	99,034	\$	-
Appr Fund Bal-Enterprise Auto	\$	555,715	\$	555,715	\$	-
Restr Fund Balance	\$	1,172,114	\$	1,226,309	\$	54,195
Unapp Fund Balance	\$	3,421,829	\$	3,873,601	\$	451,772
Opening Balance Equity			\$	-	\$	-
Net Income	\$	511,747	\$	1,022,748	\$	511,000
Retained Earnings	\$	-	\$	5,780	\$	5,780

Multistate Tax Commission

Statement of Activity (Profit and Loss Statement)

Budget vs. Actuals

FY25

Accrual Basis

	FY25-YE		
	Actual	Budget	+/- Budget-\$
Revenue			
Member Assessments	\$ 1,136,850	\$ 1,136,850	\$ -
Gen/Oper Support Surchg-Audit	\$ 270,590	\$ 270,590	\$ 0
Gen/Oper Support Surchg-Nexus	\$ 77,140	\$ 77,140	\$ (0)
Audit Program Fee	\$ 5,479,125	\$ 5,449,453	\$ 29,672
Dividend Income	\$ 214,599	\$ 180,000	\$ 34,599
Special Project Fees/Nexus	\$ 970,773	\$ 948,906	\$ 21,867
Annual Seminar	\$ 33,644	\$ 27,000	\$ 6,644
Miscellaneous Revenue	\$ -	\$ 500	\$ (500)
Training Program Fees	\$ 153,711	\$ 43,000	\$ 110,711
Total Revenue	\$ 8,336,432	\$ 8,133,439	\$ 202,993

Expenditures

Operating Expenses

Advertising/Recruitment		\$ 500	\$ 500
Subscriptions, Publications & Dues	\$ 119,135	\$ 122,000	\$ 2,865
Travel	\$ 229,464	\$ 304,950	\$ 75,486
Travel - Members	\$ 1,251	\$ 5,000	\$ 3,749
Rent & Utilities	\$ 33,691	\$ 4,680	\$ (29,011)
Consumable & Durable Supplies	\$ 24,540	\$ 25,150	\$ 610
Postage & Express Mail	\$ 6,781	\$ 14,300	\$ 7,519
Printing	\$ 6,261	\$ 3,300	\$ (2,961)
Telephone Service	\$ 17,883	\$ 48,300	\$ 30,417
Internet Access	\$ 55,850	\$ 58,500	\$ 2,650
Training & Seminars	\$ 69,592	\$ 24,500	\$ (45,092)
Seminar Expenses	\$ 7,909	\$ -	\$ (7,909)
Food/Beverage & Audio-Visual	\$ 293,543	\$ 231,000	\$ (62,543)
Business Insurance	\$ 25,782	\$ 20,000	\$ (5,782)
Maintenance	\$ 20,313	\$ 12,000	\$ (8,313)
SW Licenses / Misc	\$ 201,973	\$ 97,850	\$ (104,123)
Operating Expenses	\$ 1,113,967	\$ 972,030	\$ (141,937)

Professional Fees

Consulting/Contract-Exp	\$ 6,782	\$ 500	\$ (6,282)
Consulting/Contract Fees	\$ 43,012	\$ 19,700	\$ (23,312)
Accounting Dept-Outsourced	\$ 57,729	\$ 65,000	\$ 7,271
Investment Advisory Fees	\$ 52,604	\$ 52,500	\$ (104)
Audit + Payroll Services	\$ 6,098	\$ 15,000	\$ 8,902
Professional Fees	\$ 166,223	\$ 152,700	\$ (13,523)

Total Operating Expenses

	\$ 1,280,191	\$ 1,124,730	\$ (155,461)
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Payroll Expenses

Salaries	\$ 4,481,103	\$ 5,105,742	\$ 624,639
Retirement	\$ 425,215	\$ 508,982	\$ 83,767
Employee Insurance	\$ 960,068	\$ 1,151,409	\$ 191,341
Employers MC & SS	\$ 170,499	\$ 191,754	\$ 21,255
Transportation Benefit Exp	\$ 10,985	\$ 33,600	\$ 22,615
Unemployment & Pd Fam Leave	\$ 12,797	\$ 11,464	\$ (1,333)
Payroll Expenses	\$ 6,060,667	\$ 7,002,951	\$ 942,284

Total Expenditures

	\$ 7,340,858	\$ 8,127,681	\$ 786,823
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Net Operating Revenue

	\$ 995,574	\$ 5,758	\$ 989,816
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Other Revenue

Unrealized Gain / (Losses)	\$ 112,401	\$ -	\$ 112,401
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Total Other Revenue

	\$ 112,401	\$ -	\$ 112,401
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Other Expenditures

Furniture & Equipment	\$ 85,228	\$ 5,500	\$ (79,728)
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Other

	\$ 85,228	\$ 5,500	\$ (79,728)
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	\$ 27,173	\$ (5,500)	\$ 32,673
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Net Revenue

	\$ 1,022,748	\$ 258	\$ 1,022,490
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Multistate Tax Commission

Revenue Summary

FY25

FY25-YE

(Actual-Budget)

Revenue By Program Type

General Operations

Member Assessments

Annual Seminar Fees

Miscellaneous Revenue

	Actual	Budget	Variance \$\$\$
General Operations	\$ 1,170,494	\$ 1,164,350	\$ 6,144
Member Assessments	\$ 1,136,850	\$ 1,136,850	\$ -
Annual Seminar Fees	\$ 33,644	\$ 27,000	\$ 6,644
Miscellaneous Revenue	\$ -	\$ 500	\$ (500)

Audit Program Fee

\$ 5,749,715	\$ 5,720,042	\$ 29,673
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Nexus Program

\$ 1,047,913	\$ 1,026,046	\$ 21,867
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Training & Education

\$ 153,711	\$ 43,000	\$ 110,711
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Investment Income

\$ 214,599	\$ 180,000	\$ 34,599
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TOTAL REVENUES

\$ 8,336,432	\$ 8,133,438	\$ 202,994
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Multistate Tax Commission
Expenditure Summary
FY25

	FY25-YE		
	Actual	Budget	(Actual-Budget) Variance \$\$\$
General Admin/Operations	\$ 2,870,332	\$ 2,627,793	\$ (242,539)
Audit Program	\$ 3,941,944	\$ 4,531,524	\$ 589,581
Nexus Program	\$ 566,526	\$ 673,492	\$ 106,966
Training & Education	\$ 47,284	\$ 41,575	\$ (5,709)
Total Program Expenditures	\$ 7,426,086	\$ 7,874,384	\$ 448,298