



To: Members, Executive Committee  
From: Glenn Hegar, Treasurer  
Date: November 17, 2022  
Subject: Financial Statements for the three months ended September 30, 2022

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### **OVERALL COMMENTS:**

Attached are the financial statements for the three months ended September 30, 2022.

The budget column amounts in the attached reports are computed and are based on the amounts in the fiscal year 2023 budget approved at the meeting of the Commission during its meeting on August 3, 2022.

Membership assessments, Joint Audit Program fees, and Nexus Program fees are recognized ratably throughout the year.

Administrative Services expenses are allocated based on the relative expenses of each department that receives an allocation.

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.

### **BALANCE SHEET:**

The balance sheet remains strong.

Accounts receivable consists of membership fee and program fee amounts related to FY 2023 that will be collected during the remainder of FY 2023.

### **BUDGET AND FUND SUMMARY:**

#### **Overall:**

The overall activities and financial results in the three-month period ended September 30, 2022, are substantially in accordance with the approved budget. There is a small deficit.

## **INCOME STATEMENT:**

### **Overall:**

The MTC is operating as budgeted and with a very small deficit and close to "break even".

### **Revenues: Dividend Income**

Interest rates have dramatically increased during calendar 2022 resulting in higher than anticipated earnings on MTC's money market fund and short-term government fund.

### **Revenues: Expenses**

There is one vacant position resulting in a favorable variance taken as a whole for the salaries, retirement, employee insurance, and payroll taxes line items.



09/30/22

**ASSETS**

**Current Assets**

Cash in Banks	378,537	
Investments	8,029,537	
Petty Cash	262	
Accounts Receivable	3,591,310	
Accounts Receivable - Program Fees	0	
Prepaid Rent	39,985	
Prepaid Health Insurance	84,954	
Prepaid Maintenance	3,627	
Prepaid Meeting Costs	25,245	
Prepaid Subscriptions	67,898	
Prepaid Other	-	
<b>Total Current Assets</b>		<b>\$ 12,221,354</b>

Office Furniture & Equipment	522,574	
Leasehold Improvements	429,396	
Less: Accum Depred & Amortization	(637,469)	
<b>Total Property &amp; Equipment</b>		<b>\$ 314,502</b>

**Other Assets**

Expense Account Advances	5,200	
Rent Deposits	335	
<b>Total Other Assets</b>		<b>\$ 5,535</b>

<b>TOTAL ASSETS</b>		<b>\$ 12,541,391</b>
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**LIABILITIES & FUND BALANCE**

**Current Liabilities**

Accounts Payable	58,364	
Other Current Liabilities	130,822	
Accrued Vacation Pay	534,989	
Unearned Program Fees	6,012,673	
Unearned Registration Fees	(1,170)	
<b>Total Current Liabilities</b>		<b>\$ 6,735,678</b>

**Fund Balance**

Appropriated Fund Bal -Enterprise Automation Project	555,715	
Appropriated Fund Bal -Equipment Reserve	62,903	
Restricted Fund Balance-Cumulative	1,210,053	
Unappropriated Fund Balance-Cummulative & Current	3,977,041	
<b>Total Fund Balance</b>		<b>\$ 5,805,712</b>

<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>		<b>\$ 12,541,391</b>
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**Budget & Fund Summary**  
**07/01/22 - 09/30/22**

	Current Period			Year-to Date		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>OPERATIONS BY PROGRAM &amp; TOTAL</b>						
<b>General Operations Program</b>						
Revenues	162,745	170,926	8,181	520,235	533,052	12,818
Expenses	159,694	238,872	(79,178)	520,682	557,298	(36,616)
<b>Surplus/Deficit - Gen Operations</b>	<b>3,051</b>	<b>(67,946)</b>	<b>(70,997)</b>	<b>(448)</b>	<b>(24,246)</b>	<b>(23,798)</b>
<b>Administrative Services</b>						
Revenues	-	-	-	-	-	-
Expenses	-	(150,634)	150,634	-	(0)	0
<b>Surplus/Deficit - Admin Services</b>	<b>-</b>	<b>150,634</b>	<b>150,634</b>	<b>-</b>	<b>0</b>	<b>0</b>
<b>Audit Program</b>						
Revenues	411,362	411,362	0	1,234,086	1,234,087	0
Expenses	410,345	547,440	(137,095)	1,234,788	1,207,366	27,422
<b>Surplus/Deficit -Audit</b>	<b>1,017</b>	<b>(136,077)</b>	<b>(137,094)</b>	<b>(702)</b>	<b>26,720</b>	<b>27,422</b>
<b>Nexus Program</b>						
Revenues	73,915	73,915	-	221,746	221,746	-
Expenses	72,788	110,352	(37,565)	222,863	225,920	(3,057)
<b>Surplus/Deficit - Nexus Program</b>	<b>1,128</b>	<b>(36,437)</b>	<b>(37,565)</b>	<b>(1,117)</b>	<b>(4,174)</b>	<b>(3,057)</b>
<b>Training &amp; Education</b>						
Revenues	-	-	-	-	-	-
Expenses	542	2,974	(2,432)	1,625	4,821	(3,196)
<b>Surplus/Deficit - Training &amp; Education</b>	<b>(542)</b>	<b>(2,974)</b>	<b>(2,432)</b>	<b>(1,625)</b>	<b>(4,821)</b>	<b>(3,196)</b>
<b>Other Projects (SITAS)</b>						
Revenues	-	-	-	-	-	-
Expenses	-	-	-	-	-	-
<b>Surplus/Deficit - Other Programs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL OPERATIONS</b>						
Revenues	648,022	656,203	8,181	1,976,067	1,988,885	12,818
Expenses	643,368	899,638	(256,270)	1,979,958	1,995,405	(15,446)
<b>SURPLUS/DEFICIT - TOTAL OPERATIONS</b>	<b>4,654</b>	<b>(243,435)</b>	<b>(248,089)</b>	<b>(3,892)</b>	<b>(6,520)</b>	<b>(2,629)</b>



**Income Statement**  
07/01/22 - 09/30/22

	Current Period		Variance	Year-To-Date		Variance
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Member Assessments	132,633	132,633	-	397,900	397,900	-
Gen/Oper Support Fee-Audit	19,450	19,450	-	58,349	58,349	-
Gen/Oper Support Fee-Nexus	6,037	6,037	-	18,111	18,111	-
Audit Program Fee	411,362	411,362	(0)	1,234,086	1,234,087	0
Dividend Income	4,583	12,806	(8,223)	13,750	27,993	14,243
Special Project Fees	73,915	73,915	-	221,746	221,746	-
Annual Seminar		325	(325)	32,000	31,025	(975)
<b>TOTAL REVENUES</b>	<b>\$ 652,605</b>	<b>\$ 656,528</b>	<b>\$ (3,923)</b>	<b>\$ 1,989,817</b>	<b>\$ 1,989,614</b>	<b>\$ (203)</b>

<b>EXPENSES</b>						
Salaries	397,071	392,750	4,320	1,191,212	1,176,806	14,406
Retirement	40,495	38,853	1,642	121,486	116,453	5,033
Employee Insurance	94,199	85,107	9,092	282,601	241,288	41,312
Employers Medicare&Social Secu	14,944	16,001	(1,057)	44,831	48,207	(3,376)
Subscriptions, Publicat & Dues	8,858	9,966	(1,108)	26,575	29,145	(2,570)
Travel	13,754	11,027	2,727	46,263	83,758	(37,495)
Rent & Utilities	40,571	80,448	(39,878)	121,713	121,247	466
Consumable & Durable Supplies	1,843	706	1,137	6,730	3,007	3,722
Postage-General	525	6,613	(6,088)	3,375	7,321	(3,946)
Printing	21	1,643	(1,622)	662	1,643	(980)
Telephone Service	4,275	4,831	(556)	12,825	11,137	1,688
Internet Access	4,750	5,298	(548)	14,250	13,967	283
Training & Seminars	1,458	4,940	(3,482)	4,375	6,570	(2,195)
Conferences & Meetings	-	150	(150)	27,000	63,100	(36,100)
Consulting/ Contract Fees	1,125	7,473	(6,348)	3,375	13,360	(9,985)
Investment Advisory Fees	4,750	3,350	1,400	14,250	10,464	3,786
Business Insurance	1,667	1,878	(212)	5,000	7,571	(2,571)
Maintenance	858	191	667	2,575	938	1,637
Miscellaneous	1,371	1,584	(213)	4,112	4,661	(549)
Audit & Payroll Services	417	5,246	(4,829)	1,250	5,738	(4,488)
Software Licenses	5,000	12,311	(7,311)	15,000	14,976	24
<b>Total Operation Expenses</b>	<b>647,660</b>	<b>690,366</b>	<b>(42,705)</b>	<b>1,992,834</b>	<b>1,983,157</b>	<b>9,678</b>
Furniture & Equipment	458	1,375	(917)	1,375	8,317	(6,942)
<b>EXCESS REVENUE (EXPENSES)</b>	<b>\$ 4,487</b>	<b>\$ (35,212)</b>	<b>\$ 39,699</b>	<b>\$ (4,393)</b>	<b>\$ (1,860)</b>	<b>\$ (2,938)</b>



**Revenue Summary**  
07/01/22 - 09/30/22

	Current Period			Year-To-Date		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>Revenues By Program Type</b>						
<b>General Operations</b>						
Member Assessments		132,633	-	397,900	397,900	-
Gen/Oper Support Fee-Audit	19,450	19,450	-	58,349	58,349	-
Gen/Oper Support Fee-Nexus	6,037	6,037	-	18,111	18,111	-
Investment Income	4,583	12,806	(8,223)	13,750	27,993	14,243
Seminar Fees		325	(325)	32,000	31,025	(975)
Miscellaneous Revenue	42	-	42	125	404	279
<b>Total Revenues-General Operations</b>	<b>162,745</b>	<b>171,251</b>	<b>(8,506)</b>	<b>520,234</b>	<b>533,781</b>	<b>13,547</b>
<b>Audit Program</b>						
Audit Program Fee	411,362	411,362	(0)	1,234,086	1,234,087	(0)
<b>Total Revenues - Audit</b>	<b>411,362</b>	<b>411,362</b>	<b>(0)</b>	<b>1,234,086</b>	<b>1,234,087</b>	<b>(0)</b>
<b>Nexus Program</b>						
Nexus Program Fees	73,915	73,915	-	221,746	221,746	-
<b>Total Revenues - Nexus</b>	<b>73,915</b>	<b>73,915</b>	<b>-</b>	<b>221,746</b>	<b>221,746</b>	<b>-</b>
<b>Training &amp; Education</b>						
Audit Sampling & CAAT School Fees	-	-	-	-	-	-
Income Tax Training School Fees	-	-	-	-	-	-
Nexus Schools	-	-	-	-	-	-
<b>Total Revenues - Training &amp; Education</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL REVENUES</b>	<b>\$ 648,022</b>	<b>\$ 656,528</b>	<b>\$ (8,506)</b>	<b>\$ 1,976,067</b>	<b>\$ 1,989,614</b>	<b>\$ 13,547</b>





**Expenditures Summary**

**07/01/22 - 09/30/22**

	Current Period			Year-to Date		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>Expenditures by Program</b>						
General Operations	159,694	238,872	(79,178)	520,682	557,298	(36,616)
Administrative Services	-	(206,803)	206,803	-	(1)	1
Audit	410,345	547,440	(137,095)	1,234,788	1,207,366	27,422
Nexus Program	72,788	110,352	(37,565)	222,863	225,920	(3,057)
Training & Education	542	2,974	(2,432)	1,625	4,821	(3,196)
<b>Total Expenditures</b>	<b>\$ 643,368</b>	<b>\$ 692,836</b>	<b>\$ (49,467)</b>	<b>\$ 1,979,958</b>	<b>\$ 1,995,404</b>	<b>\$ (15,446)</b>



Expenditure Details  
07/01/22 - 09/30/22

	Current Period			Year-to Date		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>Expenditures By Program Type</b>						
<b>General Operations</b>						
Personnel	103,141	105,328	(2,187)	309,424	311,630	(2,205)
Operating Expenses	28,573	43,883	(15,310)	127,320	156,008	(28,688)
Equipment	458	-	458	1,375	-	1,375
Administrative Services	27,521	89,660	(62,139)	82,563	89,660	(7,097)
<b>Total Expenses - General Operations</b>	<b>159,694</b>	<b>238,872</b>	<b>(79,178)</b>	<b>520,682</b>	<b>557,298</b>	<b>(36,616)</b>
<b>Administrative Services</b>						
Personnel	68,594	66,427	2,167	205,782	199,612	6,171
Operating Expenses	39,879	80,579	(40,700)	119,636	145,880	(26,244)
Equipment	-	-	-	-	8,317	(8,317)
Administrative Services	(108,473)	(353,809)	245,336	(325,418)	(353,809)	28,391
<b>Total Expenses -Administrative Services</b>	<b>-</b>	<b>(206,803)</b>	<b>206,803</b>	<b>-</b>	<b>(41)</b>	<b>1</b>
<b>Audit</b>						
Personnel	326,424	314,940	11,484	979,275	930,868	48,407
Operating Expenses	15,302	8,670	6,632	49,655	52,668	(3,013)
Equipment	-	-	-	-	-	-
Administrative Services	68,620	223,830	(155,211)	205,859	223,830	(17,971)
<b>Total Expenses -Audit</b>	<b>410,345</b>	<b>547,440</b>	<b>(137,095)</b>	<b>1,234,788</b>	<b>1,207,366</b>	<b>27,422</b>
<b>Nexus Program</b>						
Personnel	48,591	48,486	105	145,773	144,576	1,197
Operating Expenses	11,865	21,547	(9,683)	40,095	41,026	(931)
Equipment	-	-	-	-	-	-
Administrative Services	12,332	40,319	(27,987)	36,995	40,319	(3,323)
<b>Total Expenses -Administrative Services</b>	<b>72,788</b>	<b>110,352</b>	<b>(37,565)</b>	<b>222,863</b>	<b>225,920</b>	<b>(3,057)</b>
<b>Training &amp; Education</b>						
Personnel	-	-	-	-	-	-
Operating Expenses	542	2,974	(2,432)	1,625	4,821	2,974
Equipment	-	-	-	-	-	-
Administrative Services	-	-	-	-	-	-
<b>Total Direct Expenses-Training &amp; Education</b>	<b>542</b>	<b>2,974</b>	<b>(2,432)</b>	<b>1,625</b>	<b>4,821</b>	<b>2,974</b>
<b>Grand Total</b>						
Personnel	546,750	535,182	11,569	1,640,255	1,586,685	53,569
Operating Expenses	96,160	157,654	(61,494)	338,330	400,402	(62,072)
Equipment	458	-	458	1,375	8,317	(6,942)
Administrative Services	(0)	-	(0)	(1)	-	(1)
<b>Total Expenditures</b>	<b>643,368</b>	<b>692,836</b>	<b>(49,467)</b>	<b>1,979,958</b>	<b>1,995,404</b>	<b>(15,446)</b>