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Alaska Remote Seller Sales Tax Commission
Board of Directors Meeting
February 2, 2022 10:00am – 12:00pm
Virtual via Zoom

Board of Director Attendees:

- Jeff Rogers
- Stephanie Queen
- Scott Bloom
- Melissa Haley
- Troy Tankersley
- Brandi Harbaugh
- Xavier Mason

1. Call to order
2. Approval of the Agenda
3. Approval of the Minutes
 - a. 12.15.2021 Board Meeting minutes
4. Public participation on Non-Agenda Items
5. Official Business
 - a. Policy Committee Chairman appointment
 - b. Remote seller sales volumes
 - i. Reported Sales analysis
 - ii. Policy Committee Recommendation on filing frequency
 - c. GovOS Fees Information / Followup
 - d. Commission members not adopting the Uniform Code
 - e. FY22 Financials update
6. Executive Session
 - a. Annual performance review of AML
7. Comments
8. Adjournment



Alaska Remote Seller Sales Tax Commission
Board of Directors Meeting
December 15, 2021 10:00am – 12:00pm
Virtual via Zoom

Board of Director Attendees:

- Jeff Rogers
- Stephanie Queen
- Scott Bloom
- Melissa Haley
- Troy Tankersley
- Brandi Harbaugh
- Xavier Mason

1. Call to order
2. Approval of the Agenda
 - a. Motion to approve by Scott Bloom, no objection
3. Approval of the Minutes
 - a. 11.17.2021 Annual Meeting minutes
 - i. Motion to approve by Scott Bloom, no objection
4. Public participation on Non-Agenda Items
 - a. No participation.
5. Official Business
 - a. Conduct Election of remaining Officers Seats
 - i. Secretary

Current responsibility of Secretary is signing approved meeting minutes. Jeff Rogers nominates Melissa Haley to continue as Secretary. No other nominations received, no objections to Melissa Haley's nomination.

ii. Treasurer

Jeff Rogers nominates Brandi Harbaugh to continue as Treasurer. No other nominations received, no objections to Brandi Harbaugh's nomination.

- b. Committee chairman appointments
 - i. Finance Committee



Jeff Rogers nominates Brandi Harbaugh to continue serving as Finance Committee chair. No objections.

ii. Policy Committee

Board President can appoint person to role with Board approval. In previous conversations, no one has stepped up. Maureen Graham (Wasilla) has volunteered to give reports to Board but unsure if she is willing to be Chair. Troy Tankersley to speak with Maureen about Chair position.

Board requested this be brought to Policy Committee at next meeting to ask for other volunteers. Bring responses back to Board at future meeting.

c. Additional Finance Committee members / participants

Finance Committee is down to two members, Brandi Harbaugh (KPB) and Jila Stuart (Haines). Finance Committee will likely meet quarterly with possible additional meetings occasionally.

Board requests Clinton Singletary send out member jurisdiction wide invitation to participate in Committee, not limited to Finance Directors or City Managers. Bring responses back to Board at future meeting.

d. Discussion on increasing economic nexus threshold

- i. Kenai Borough Assembly Resolution
- ii. Economic Nexus Thresholds by state

Discussion around the financial impact of this change. Something AMSTP staff has wrestled with and have done some analysis but are limited by lack of data and not having a full picture of economic impact since we don't have access to the full view of statewide sales. Board discussion about impacts of increasing limits, who has requested this increase, how the tax collection and filing burden affects smaller businesses, and how the filing burden affects service providers. Possibility of addressing issue as an exemption instead of adjusting threshold. Commission's best interest to focus efforts on compliance by large businesses. When we look at the thresholds for other states, the \$100,000 is in line with national trends. Some comfort with going to \$150,000 or change limits on who can file annually or quarterly. Hesitancy to change things too quickly.

Requested AMSTP report on # sellers by sales volume along with proposal allowing greater volume of quarterly or annual filing.

Kenai Borough resolution also mentioned desiring a robust audit & compliance program. Jeff Rogers asked for update on AMSTP's efforts. AMSTP is currently advertising for a position to help free up Kara and Clinton to develop audit program. Have not conducted formal audits but have contacted businesses reporting questionable exemptions. These outreaches have generated amended returns and changes to the seller's software settings.

Stephanie Queen asked about AMSTP staff's confidence with how accurately buyers are being taxed related to geography? Why are so many large companies not using our TTR solution? Many large companies already have their own 3rd party address system and can't use TTR. Others have their own software. The problem we encounter (ZIP larger than taxing jurisdiction) there is no impetus for companies to change what they are doing.



They are choosing to not use the tools and we can't force them. It is up to the customer to provide the feedback to the company. Most vocal communities are Ketchikan, Wasilla, North Pole.

e. FY22 Financials update

Clinton plans to present quarterly update and monthly breakdown for previous month at future Board meetings. Request from Board to include prior year comparison, YTD for same point in time i.e. Q1 to Q1.

Board continues to appreciate monthly update from AMSTP staff, right length with few salient bullets.

6. Comments

Jeff Rogers: good conversation with AML on Board engaging with GovOS to reduce fees. The Board feels fiduciary responsibility to make sure members are not overpaying for a service. GovOS has been a partner from the beginning and we could not be at our current position if they were not our partner. We avoided upfront costs but amortizing in upfront rate. No incentive on GovOS to cut costs.

Stephanie Queen: she has asked Soldotna's municipal attorney to review the MUNIREvs contract specifically around fee thresholds and fee reductions and the requirements to reset annually. Is that a reasonable interpretation of the contract?

Scott Bloom: he has looked at the MUNIREvs contract language and it does not specify that it resets annually. Agree that MUNIREvs has helped us a lot but it was so expensive because there was a risk if the sales and project would be successful. There is a reasonable argument that the fee reduction be based on life of contract and not on annual basis.

Brandi Harbaugh: Asked about possibly comparing fee structure for brick and mortar businesses being served by same MUNIREvs software? Is it same platform & mechanism? Possibly could use as way to propose reduced overall rate when negotiating in the future with MUNIREvs.

7. Adjournment – meeting adjourned at 11:08am.



To: ARSSTC Board

From: Clinton Singletary, Statewide Municipal Sales Tax Director

Date: February 2, 2022

Re: Policy Committee chairman appointment

At its December 15 meeting, the ARSSTC Board of Directors asked for a member of the Policy Committee to volunteer to serve as chairman of the Policy Committee. This request was discussed at the Policy Committee's December 21 meeting.

In the end, Maureen Graham volunteered to serve as chairman pending approval by the ARSSTC Board of Directors. As the Board is probably aware, Maureen was an original member of the Policy Committee and has been an involved member of the committee since its inception. This includes her serving as the liaison between the Policy Committee and Board.

Maureen would be an excellent choice as chairman and AMSTP staff look forward to working with her in this new role if the Board approves her appointment.

Here is a current list of Policy Committee members for reference:

- Camie Gillen, Petersburg Borough
- Erin Russell, City & Borough of Juneau
- Julie Liew, City of Kodiak
- Justin Harris, City & Borough of Sitka
- Lauri Lingafelt, Kenai Peninsula Borough
- Maureen Graham, City of Wasilla
- Majorie Veeder, City of Unalaska
- Karl Kaufman, Landye Bennett Blumstein LLP

Reported Gross & Taxable Sales Analysis

Gross Sales (Nov 2020 - Nov 2021)	# of Businesses	Total Revenue	% of Total Revenue	% of Registered Businesses
Over \$250k	165	\$ 11,899,755	91.9%	13.4%
\$100k - \$250k	124	\$ 593,261	4.6%	10.1%
\$50k - \$100k	120	\$ 219,069	1.7%	9.7%
\$25k - \$50k	133	\$ 128,723	1.0%	10.8%
\$10k - \$25k	162	\$ 76,327	0.6%	13.2%
Under \$10k	344	\$ 35,378	0.3%	27.9%
Zero	183	\$ -	0.0%	14.9%
Totals	1,231	\$ 12,952,513		

Taxable Sales (Nov 2020 - Nov 2021)	# of Businesses	Total Revenue	% of Total Revenue	% of Registered Businesses
Over \$250k	97	\$ 11,678,250	90.2%	7.9%
\$100k - \$250k	114	\$ 710,641	5.5%	9.3%
\$50k - \$100k	89	\$ 248,436	1.9%	7.2%
\$25k - \$50k	122	\$ 163,325	1.3%	9.9%
\$10k - \$25k	175	\$ 105,278	0.8%	14.2%
Under \$10k	379	\$ 46,582	0.4%	30.8%
Zero	255	\$ -	0.0%	20.7%
	1,231	\$ 12,952,512		



Filing Frequency Change Guidelines – Revised Proposal from Policy Committee

Seller provides a written request for changes to filing frequency. Changes will be timed to coincide with the start of quarter (January, April, July or October).

Quarterly Filing

A business may request quarterly filing if they meet the following criteria:

- Has less than \$100,000 in taxable sales into Commission Member Jurisdictions in the preceding 12 months, **or**
- Automatically qualify with less than \$100,000 gross sales statewide in the preceding 12 months.

Annual Filing

A business may request annual filing if they meet the following criteria:

- Total gross sales across the state in the preceding 12 months were exempt from sales tax.

If a business files late, they will be reverted back to a monthly filing frequency. A business may request a quarterly filing again if they demonstrate timely filing for the preceding 6 months.

Administrative process:

1. AMSTP staff receive the request for reduced filing frequency.
2. AMSTP staff asks the business which communities they sell into.
3. AMSTP staff reviews the list of relevant communities for those which do not allow reduced filing frequency.
 - a. Exception could be made after approval by affected communities.
4. AMSTP staff will inform business of determination once community allowance is verified.
5. AMSTP will run annual audit to check that businesses remain within the criteria limits.



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Member of the National League of Cities and the National Association of Counties

MEMO: ARSSTC software fees

January 20, 2022

To: ARSSTC Board of Directors

The ARSSTC board of directors has asked AML staff to better explain the fee structure that MUNIRevs (now GovOS) assesses for its software that allows the Commission to meet the standards set by *Wayfair* – single-level, statewide

AML has completed the inquiry and produces the following for the ARSSTC and AML boards of directors.

Background: After a request for proposals and the review by a committee of the two that were submitted, AML consulted with potential member jurisdictions and signed a five-year contract with MUNIRevs based on their ability to 1) work with and meet the needs of local governments, 2) their innovative approach to managing the complexity of Alaska’s unique situation, and 3) their price structure, which obviated the need for high up-front costs. The contract was reviewed with and by the ARSSTC board upon its formation and is part of the service that AML provides to the ARSSTC through our MOA.

AML paid the initial \$100,000 and other development costs, and the fee structure in the contract is based on a percentage of collected sales tax. It is graduated and assessed annually – 12% on the first \$10M collected, 8% on the next \$10M, and 4% beyond \$20M. It resets every January 1 and can be revisited when the initial contract is up for renewal at the five-year mark. We are just over two years into that contract.

Findings:

Comparison with other vendor – Compared to the other vendor that submitted a proposal, MUNIRevs is by far the more affordable option. The chart below outlines annual costs of MUNIRevs compared to the FAST proposal, with and without the upfront capital costs (which have been amortized over ten years).

	MUNIRevs	FAST	FAST w/o capital
Software Licensing		\$ 400,000.00	\$ 400,000.00
Implementation/Service	\$ 1,239,173.65	\$ 1,500,000.00	\$ 1,500,000.00
Hosting		\$ 750,000.00	\$ 750,000.00
One Time (10 yr amort)	\$ 100,000.00	\$ 1,475,000.00	
Total	\$ 1,139,173.65	\$ 4,025,000.00	\$ 2,650,000.00

MUNIRevs clearly offers savings compared to the other vendor. Combined with the TTR (software that assists with geolocating sales tax rates and exemptions) and ARSSTC fees of 1.25% and 4% respectively, members retained 83.7% of their sales tax, compared to what would have been 55.7% with the other vendor.

Comparison with current physical sales tax processes – This software solution cannot be compared with traditional collection processes or tools, but we can work through that analysis to some extent. If we assume that the MUNIREvs total is correct and split it out as a flat cost for each participating jurisdiction, which is what we'd have to do to begin to compare it to traditional local collection, then we find that for each jurisdiction the percentage ranges from 1 to 1000. 11 jurisdictions would pay less or the same and the majority pay more – an equal flat fee would be more than 11 of the members bring in.

This same line of thinking can be evaluated based on how much a jurisdiction currently spends on local sales tax collection – software and staff – as a percentage of total collected. These long-standing tax collection programs of members maximize efficiency. They've mostly made up for their initial capital costs in software, have minimal staff, and have vendors that are accustomed to the sales tax processes in each community. Current local collection processes can operate with very little cost because they've been in operation for so long and have some economy of scale, especially in larger communities. Keep in mind that remote sales are only 5-20% of physical sales, which means the system that has to be in place to collect remote sales tax as effectively as physical sales tax is being compared to revenues that are 80-95% less than the same evaluation being used for physical sales tax.

Evaluation of rates – The MUNIREvs rate is one of three components of the total fees that members experience. It's the highest, yes, but it's also designed to be responsive to how quickly the ARSSTC can 1) register sellers and additional jurisdictions. This is the main reason we have focused on growth over the last two years. The quicker we get to \$10M, the sooner members experience cost savings. In 2021 that threshold was reached in late October. In 2022, we estimate that we will reach \$10M by August and that the MUNIREvs effective rate will be 9.5% for the year. This will result in significant savings compared to prior years.

At the same time, we come back to how to think about rates overall, including compared to current costs of members to manage physical sales tax. In many instances, this could be as little as 1%. The Commission's rate itself – 4.85% for FY22 – is well beyond that. This is the rate the ARSSTC has the most control of, and to get to 1% would require a bare minimum of staff or increasing sales tax collections to \$41M annually. Even the smallest rate component – TTR's fees to ensure that there is GIS coding for rates and exemptions – is higher than the costs experienced for physical sales tax collection.

MUNIREvs Costs –

MUNIREvs estimates their up-front costs as between \$3.4M - \$4M. If coupled with their traditional fee structure (a flat amount with annual inflationary increases), as illustrated, ARSSTC jurisdictions would be paying more overall than under the approach that MUNIREvs developed just for Alaska. The graduated percentage is		Cost Structure with Typical		
		Implementation Fee	ARSSTC Fee Model	Difference
Implementation Fees	\$	3,400,000.00	\$ 60,000.00	\$(3,340,000.00)
SaaS fees - Year 1	\$	900,000.00	\$ 361,781.25	\$(538,218.75)
SaaS fees - Year 2	\$	945,000.00	\$ 1,425,081.30	\$ 480,081.30
SaaS fees - Year 3	\$	992,250.00	\$ 1,400,000.00	\$ 407,750.00
SaaS fees - Year 4	\$	1,041,862.50	\$ 1,400,000.00	\$ 358,137.50
SaaS fees - Year 5	\$	1,093,955.63	\$ 1,400,000.00	\$ 306,044.38
Totals at End of Year 5	\$	8,373,068.13	\$ 6,046,862.55	\$(2,326,205.58)
SaaS fees - Year 6	\$	1,148,653.41	\$ 1,400,000.00	\$ 251,346.59
SaaS fees - Year 7	\$	1,206,086.08	\$ 1,400,000.00	\$ 193,913.92
SaaS fees - Year 8	\$	1,266,390.38	\$ 1,400,000.00	\$ 133,609.62
SaaS fees - Year 9	\$	1,329,709.90	\$ 1,400,000.00	\$ 70,290.10
SaaS fees - Year 10	\$	1,396,195.39	\$ 1,400,000.00	\$ 3,804.61
Total at End of Year 10	\$	14,720,103.28	\$ 13,046,862.55	\$(1,673,240.73)

equitable for all members and accommodates the implementation and total tax base of Alaska communities.

AML staff anticipate that we will reach higher annual collections more quickly than demonstrated in this chart. a reduced fee structure should be more plausibly renegotiated in just three years.

MUNIREvs “Software as a Service” – The Alaska solution provided by MUNIREvs is not an off-the-shelf program, nor simply a product. It includes all of the software infrastructure, redundancy and maintenance that go into a comprehensive package. For example, it includes MUNIREvs engineers ensuring data is backed up every five minutes (in reality more often) 24 hours a day. It also includes the highest security measures, including the SOC2 certification they added for the ARSSTC at no additional cost. The service provided by MUNIREvs includes:

- **Encryption** - All data is encrypted, including Personally Identifiable Information (PII, e.g. SSN)
- **Fault-tolerance** and **Business Continuity** are baked-in.
- **Authentication** (who can get in) for administrator access is managed by the ARSSTC, and constituents can securely register & access without jurisdiction staff time.
- **Authorization** (what can that person do) is managed by GovOS
- **SOC2 Level Security** for Tax & Licensing Software Products.
- Little to no local IT resources needed
 - No server to maintain
 - No redundancy to implement, test and maintain.
 - No security to monitor and update.
 - A second staging environment is included for testing of new features requested or enhancements.

Conclusion

To successfully collect remote sales tax, Alaska local governments have come together and essentially developed a system similar to that of a Department of Revenue Tax Division. Such a system costs more than most are familiar with in their traditional collection of physical sales tax, but determining the weight of that cost is relative to the total amount being collected. In so many ways, the cost is very much about economy of scale.

MUNIREvs has been a good partner, designing a system tailor-made for Alaska’s local governments. Their fee structure has saved jurisdictions taxpayer money overall and especially in initial development costs. Staff are concerned that this inquiry has led to a less positive relationship between parties, but has also resulted in good information about GovOS’s costs that will help to settle future questions that may arise. Staff are confident in moving forward and continuing to work closely with MUNIREvs to see system improvements that benefit sellers and member jurisdictions.

Staff have expressed concern about the Commission’s reputational, financial, and legal risks if pursuit of changes to this contract occur prior to the date agreed to by AML and the vendor. ARSSTC members can celebrate our compliance with *Wayfair* and the success that we have all achieved by working together. The software and staffing system have enabled Alaska local governments to benefit quickly from operationalization. It will continue to do so, if we remain focused on the important goals of adding new jurisdictions, increasing seller registration, and ensuring seller compliance.



To: ARSSTC Board

From: Clinton Singletary, Statewide Municipal Sales Tax Director

Date: February 2, 2022

Re: Commission members who have not adopted the Uniform Code

Background

The process for a municipality to join the Commission consists of two primary steps.

1. The municipality passes an ordinance or resolution authorizing entry into the Intergovernmental Agreement.
2. The municipality adopts the Uniform Remote Seller Sales Tax Code ("Uniform Code") by ordinance.
 - a. The Uniform Code can either be adopted by reference or in its entirety.

The Intergovernmental Agreement establishes that municipalities have 120 days from when the municipality joins the Commission to adopt the Uniform Code.

Issue

Currently, there are 6 municipalities who have joined the Commission, but have not yet managed to adopt the Uniform Code. Below is a chart showing each community, the date the community joined the Commission along with notes on their status.

Municipality	Date Joined	Status / Notes
City of Chevak	12/23/2019	No communication
City of Elim	1/6/2020	No communication
City of Kake	11/10/2020	Is still pursuing code adoption. Having difficulty scheduling council meetings since the last election.
City of Hoonah	11/12/2020	Code adoption failed in January 2021. Stated would revisit code adoption in fall 2021. No further updates.
City of Shungnak	11/2/2021	Actively working on code adoption
City of Quinhagak	12/2/2021	Actively working on code adoption

To date, AMSTP staff has not enforced the 120-day code adoption timeline from the Intergovernmental Agreement. Only one community (City of King Cove) has formally withdrawn its membership after failing to adopt the Uniform Code.

AMSTP is asking the Board for the following guidance:

- 1) How vigorously should the 120-day Uniform Code adoption requirement be enforced?
- 2) What should the process look like for notifying a member municipality of their removal from the Commission?
 - a. Currently the Intergovernmental Agreement only addresses voluntary withdrawal by the member.
 - b. A member would need to pass a resolution formally withdrawing its membership from the Commission.

Alaska Remote Sellers Sales Commission
Balance Sheet
As of November 30, 2021

	Total
ASSETS	
Current Assets	
Bank Accounts	
1000 AMLIP (Fund Balance)	\$ 81,056
1005 ARSSTC Depository	\$ 256,702
1010 ARSSTC Disbursement	\$ 53,536
1015 Northrim Sweep Account	\$ 1,025,266
Total Bank Accounts	\$ 1,416,559
Other Current Assets	
1020 Prepaid Insurance	\$ 6,898
1105 Sales Tax Receivable from Prior EOM	\$ 1,593,194
1110 Prepaid	\$ 0
Total Other Current Assets	\$ 1,600,092
Total Current Assets	\$ 3,016,652
TOTAL ASSETS	\$ 3,016,652
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable (A/P)	\$ 2,587,001
Total Accounts Payable	\$ 2,587,001
Other Current Liabilities	
2005 Due to AML	\$ 0
2010 Due to AML - TTR Fee	\$ 0
2015 MUNIRevs Fee Payable	\$ 230,619
2020 TTR Fee Payable	\$ 28,793
2040 Other Current Liabilities	\$ 0
2045 Sales tax payable	\$ 0
2060 Unearned Income	\$ 1,000
Total Other Current Liabilities	\$ 260,412
Total Current Liabilities	\$ 2,847,413
Total Liabilities	\$ 2,847,413
Equity	
3000 Retained Earnings	\$ 76,112
Net Income	\$ 93,127
Total Equity	\$ 169,239
TOTAL LIABILITIES AND EQUITY	\$ 3,016,652

Alaska Remote Sellers Sales Commission
Profit and Loss by Month
 July - November, 2021

	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Total
Income						
4000 Commission Fee Income	45,793	46,059	49,052	51,534	63,503	255,942
4005 Net Sales Tax collected from MUNIRevs	1,086,033	1,126,900	1,171,905	1,262,168	1,493,437	6,140,442
4005A GASB Contra Net Sales Tax Collected	-1,099,617	-1,105,892	-1,177,485	-1,236,668	-1,524,570	-6,144,233
Total 4005 Net Sales Tax collected from MUNIRevs	-13,585	21,008	-5,580	25,500	-31,133	-3,790
4100 Late Fees	2,750	3,175	1,950	3,650	5,350	16,875
4200 Reprocessing Fees	225	100	75	150	50	600
4300 Credit Card Fees	15	68	166	147	134	529
4400 Other Income	1,189	269	-270	-5,669	94	-4,388
Total Income	36,387	70,678	45,393	75,311	37,998	265,767
Gross Profit	36,387	70,678	45,393	75,311	37,998	265,767
Expenses						
5000 AML Operating Expenses						0
5001 Munirevs Enhancement Invoices				1,350		1,350
5003 Legal	1,748	3,496		2,507	3,036	10,787
5004 Personnel Expenses						0
5004A Salaries	17,523	22,011	19,704	16,447	21,744	97,428
5004B Payroll Taxes	1,315	1,699	1,507	1,258	1,284	7,064
5004C Health Insurance	3,994	4,616	4,348	4,005	4,100	21,064
5004D Nationwide Retirement	818	1,101	985	822	839	4,565
Total 5004 Personnel Expenses	23,650	29,426	26,545	22,532	27,967	130,120
5005 Insurance						0
5005B Cyber	542	542	542	542	542	2,708
5005C SLIP	512	512	512	512	512	2,559
Total 5005 Insurance	1,053	1,053	1,053	1,053	1,053	5,267
5006 Audit Services			3,000	6,000		9,000
5007 8% Overhead Expense	2,090	2,680	2,413	2,652	3,088	12,924
Total 5000 AML Operating Expenses	28,541	36,656	33,012	36,095	35,144	169,448
5008 Bank Fees		52	52	14	17	135
5009 Merchant Services Fees	497	721	581	623	762	3,184
5010 Member Tax Revenue Expense	947,370	952,844	1,029,520	1,120,873	1,381,182	5,431,790
5011 GASB Contra Member Tax Expense	-947,370	-952,844	-1,029,520	-1,120,873	-1,381,182	-5,431,790
Total 5010 Member Tax Revenue Expense	0	0	0	0	0	0
5020 MUNIRevs Expense	137,884	138,610	133,481	102,929	127,456	640,359
5020A GASB Contra MUNIRevs Expense	-137,884	-138,610	-133,481	-102,929	-127,456	-640,359
Total 5020 MUNIRevs Expense	0	0	0	0	0	0
5030 TTR Fee Expense	14,363	14,439	14,484	12,866	15,932	72,083
5030A GASB Contra TTR Fee Expense	-14,363	-14,439	-14,484	-12,866	-15,932	-72,083
Total 5030 TTR Fee Expense	0	0	0	0	0	0
Total Expenses	29,038	37,429	33,645	36,732	35,923	172,767
Net Operating Income	7,349	33,249	11,748	38,579	2,075	93,000
Other Income						
6000 Interest Earned	27	23	17	28	31	126
Total Other Income	27	23	17	28	31	126
Net Other Income	27	23	17	28	31	126
Net Income	7,376	33,272	11,766	38,608	2,106	93,127

Alaska Remote Sellers Sales Commission
Profit and Loss YTD Comparison
July - November, 2021

	Total		
	Jul - Nov, 2021	Jul - Nov, 2020 (PY)	% Change
Income			
4000 Commission Fee Income	255,942	106,155	141.10%
4005 Net Sales Tax collected from MUNIRevs	6,140,442	2,456,882	149.93%
4005A GASB Contra Net Sales Tax Collected	-6,144,233	-2,528,716	-142.98%
Total 4005 Net Sales Tax collected from MUNIRevs	-\$ 3,790	-\$ 71,834	94.72%
4100 Late Fees	16,875	3,325	407.52%
4200 Reprocessing Fees	600	150	300.00%
4300 Credit Card Fees	529	154	244.15%
4400 Other Income	-4,388		
Total Income	\$ 265,767	\$ 37,949	600.32%
Gross Profit	\$ 265,767	\$ 37,949	600.32%
Expenses			
5000 AML Operating Expenses			
5001 Munirevs Enhancement Invoices	1,350	10,375	-86.99%
5003 Legal	10,787	15,019	-28.18%
5004 Personnel Expenses			
5004A Salaries	97,428	69,205	40.78%
5004B Payroll Taxes	7,064	5,700	23.92%
5004C Health Insurance	21,064	17,141	22.89%
5004D Nationwide Retirement	4,565	3,462	31.86%
Total 5004 Personnel Expenses	\$ 130,120	\$ 95,508	36.24%
5005 Insurance			
5005A Crime		1,079	-100.00%
5005B Cyber	2,708	2,208	22.64%
5005C SLIP	2,559	2,485	2.94%
Total 5005 Insurance	\$ 5,267	\$ 5,773	-8.77%
5006 Audit Services	9,000	9,051	-0.56%
5007 8% Overhead Expense	12,924	11,097	16.46%
Total 5000 AML Operating Expenses	\$ 169,448	\$ 146,823	15.41%
5008 Bank Fees	135	104	29.66%
5009 Merchant Services Fees	3,184	1,457	118.62%
5010 Member Tax Revenue Expense	5,431,790	2,179,267	149.25%
5011 GASB Contra Member Tax Expense	-5,431,790	-2,179,267	-149.25%
Total 5010 Member Tax Revenue Expense	\$ 0	\$ 0	
5020 MUNIRevs Expense	640,359	316,482	102.34%
5020A GASB Contra MUNIRevs Expense	-640,359	-316,482	-102.34%
Total 5020 MUNIRevs Expense	\$ 0	\$ 0	
5030 TTR Fee Expense	72,083	32,967	118.65%
5030A GASB Contra TTR Fee Expense	-72,083	-32,967	-118.65%
Total 5030 TTR Fee Expense	\$ 0	\$ 0	
Total Expenses	\$ 172,767	\$ 148,384	16.43%
Net Operating Income	\$ 93,000	-\$ 110,434	184.21%
Other Income			
6000 Interest Earned	126	33	278.76%
Total Other Income	\$ 126	\$ 33	278.76%
Net Other Income	\$ 126	\$ 33	278.76%
Net Income	\$ 93,127	-\$ 110,401	184.35%

Alaska Remote Sellers Sales Commission
Budget vs. Actuals: ARSSTC FY '22 - FY22 P&L
July - November, 2021

	Total			
	Actual	Budget	Annual Budget	FY22 Projections
Income				
4000 Commission Fee Income	\$ 255,942	\$ 233,330	\$ 560,000	\$ 601,618
4005 Net Sales Tax collected from MUNIREvs	\$ 6,140,442	\$ 5,833,330	\$ 14,000,000	\$ 15,040,442
4005A GASB Contra Net Sales Tax Collected	-\$ 6,144,233	-\$ 5,833,330	\$ 14,000,000	
Total 4005 Net Sales Tax collected from MUNIREvs	-\$ 3,790	\$ 0		
4100 Late Fees	\$ 16,875	\$ 8,333	\$ 20,000	\$ 35,000
4200 Reprocessing Fees	\$ 600	\$ 625	\$ 1,500	\$ 1,500
4300 Credit Card Fees	\$ 529	\$ 417	\$ 1,000	\$ 1,000
4400 Other Income	-\$ 4,388		\$ 300	\$ 7,500
Total Income	\$ 265,767	\$ 242,705	\$ 582,800	\$ 646,618
Gross Profit	\$ 265,767	\$ 242,705	\$ 582,800	\$ 15,697,060
Expenses				
5000 AML Operating Expenses				
5001 Munirevs Enhancement Invoices	\$ 1,350	\$ 16,667	\$ 40,000	\$ 20,000
5002 Governance/Travel		\$ 833	\$ 2,000	\$ 1,000
5003 Legal	\$ 10,787	\$ 12,500	\$ 30,000	\$ 25,000
5004 Personnel Expenses				
5004A Salaries	\$ 97,428	\$ 141,667		
5004B Payroll Taxes	\$ 7,064			
5004C Health Insurance	\$ 21,064			
5004D Nationwide Retirement	\$ 4,565			
Total 5004 Personnel Expenses	\$ 130,120	\$ 141,667	\$ 340,000	\$ 300,000
5005 Insurance				
5005B Cyber	\$ 2,708	\$ 6,667		
5005C SLIP	\$ 2,559			
Total 5005 Insurance	\$ 5,267	\$ 6,667	\$ 16,000	\$ 5,267
5006 Audit Services	\$ 9,000	\$ 10,000	\$ 10,000	\$ 9,000
5007 8% Overhead Expense	\$ 12,924	\$ 13,483	\$ 32,360	\$ 28,821
Total 5000 AML Operating Expenses	\$ 169,448	\$ 201,817	\$ 470,360	\$ 389,088
5008 Bank Fees	\$ 135	\$ 208	\$ 500	\$ 300
5009 Merchant Services Fees	\$ 3,184	\$ 2,500	\$ 6,000	\$ 6,000
5010 Member Tax Revenue Expense	\$ 5,431,790	\$ 4,972,917		
5011 GASB Contra Member Tax Expense	-\$ 5,431,790	-\$ 4,972,917		
Total 5010 Member Tax Revenue Expense	\$ 0	\$ 0	\$ 11,935,000	
5020 MUNIREvs Expense				
5020A GASB Contra MUNIREvs Expense	-\$ 640,359	\$ 566,667		
Total 5020 MUNIREvs Expense	\$ 0	\$ 0	\$ 1,360,000	
5030 TTR Fee Expense				
5030A GASB Contra TTR Fee Expense	-\$ 72,083	\$ 60,417		
Total 5030 TTR Fee Expense	\$ 0	\$ 0	\$ 145,000	
Total Expenses	\$ 172,767	\$ 204,525	\$ 476,860	\$ 395,388
Net Operating Income	\$ 93,000	\$ 38,180	\$ 105,940	\$ 251,229
Other Income				
6000 Interest Earned	\$ 126	\$ 125		
Total Other Income	\$ 126	\$ 125		
Net Other Income	\$ 126	\$ 125	\$ 125	\$ 200
Net Income	\$ 93,127	\$ 38,305	\$ 106,065	\$ 251,429
Fund Balance	\$ 76,112	\$ 76,112	\$ 76,112	\$ 76,112
Fund Balance	\$ 169,239	\$ 114,417	\$ 182,177	\$ 327,541
Minimum Difference	\$ 134,685	\$ 73,512	\$ 86,805	\$ 248,464
Maximum Difference	\$ 91,493	\$ 22,381	\$ (32,410)	\$ 149,617