

Indiana Association of Realtors Inc.

August 2019

EXECUTIVE SUMMARY

Balance Sheet

- The Association's cash balances decreased during August by \$93,000 with an ending balance of \$1,945,000.
- Accounts receivable decreased by \$3,000 with an ending balance of \$13,000 – this balance represents amounts due from local associations for Realist services.
- Accrued interest receivable increased by \$6,000 with an ending balance of \$96,000 – this balance represents interest due from One Forty Three LLC related to the note receivable.
- Note Receivable due from One Forty Three remained unchanged with an ending balance of \$1,749,000.
- Prepaid expense decreased by \$5,000 due to August amortization of expenses. Ending balance was \$49,000 and will be amortized over future months.
- The amount due from ISRE decreased by \$24,000 during the month with an ending balance of \$212,000.
- The amount due from One Forty Three LLC increased by \$1,000 due to first floor art work paid by IAR. Ending balance was \$5,540,000.
- The amount due from One Forty Three MT increased by \$1,000 due to insurance expense paid by IAR on behalf of One Forty Three MT. Ending balance was \$249,000.
- IAR investments increased by \$18,000 during the month due to unrealized gains with an ending balance of \$2,001,000
- RDF investments increased by \$27,000 during the month due to unrealized gains with an ending balance of \$1,672,000. IAR also holds cash for RDF purposes in the amount of \$328,000 – this amount is deducted from cash and equivalents on the balance sheet and added back under the investment section for RDF.
- Alerus 457(b) Investments remained the same with an ending balance of \$318,000 (balance is adjusted quarterly). This asset is offset by a corresponding liability.
- Accounts Payable decreased by \$13,000 with an ending balance of \$108,000. This decrease is due to various invoices paid in August.
- Amounts due to ONB:
 - Line of Credit with ONB remained unchanged with an ending balance of \$1,049,000.
 - Note Payable with ONB decreased by \$11,000 with an ending balance of \$607,000 due to loan payments made in August.
 - See Note Receivable from One Forty Three LLC in the asset section which offsets these amounts due to ONB.
- The ending balance in accrued payables was \$8,000 which represents accrued PTO recorded for the 2018 audit – this balance will be adjusted annually as part of the audit.
- RPAC Payable (Transmittal) increased by \$16,000 due to cash activity during the month. These funds represent personal RPAC contributions (net of amounts vetted back to NAR) that are due to RPAC. This amount is also included in cash and equivalents on the balance sheet, and therefore, nets to zero on IAR's balance sheet.
- RPAC Payable (contributions) increased by \$2,000 with an ending balance of \$4,000. These funds represent RPAC contributions collected in August with 2019 dues payments and will be remitted to RPAC in September.
- Dues payable decreased by \$330,000, from \$1,713,000 to \$1,383,000 due to amortization of dues revenue for August. The balance in this account will be amortized over the remaining months of the year and recognized as income.

Indiana Association of Realtors Inc.

August 2019

EXECUTIVE SUMMARY (continued)

Income Statement

- Net income of \$285,000 was recorded for the month, which represents net ordinary income of \$240,000 and net investment gain of \$45,000. Budgeted net income for August was \$78,000.
- YTD net income was \$1,183,000, which represents net ordinary income of \$905,000 and net investment income of \$278,000. Budgeted net income YTD was \$226,000.
- Compared to the prior year
 - a. YTD net ordinary income was \$427,000 higher than the prior YTD net ordinary income of \$478,000 – this increase is due to higher dues revenue and lower expenses in 2019.
 - b. YTD net investment income was \$309,000 higher due to unrealized gains on investments in 2019.
- Total income for August was \$528,000, which was above the monthly budget of \$361,000 by \$167,000 or 46%.
- Total income YTD was \$3,401,000, which was above the YTD budget of \$2,852,000 by \$549,000 or 19%.
- Compared to the prior year, total YTD income was higher by \$383,000 (13%) than the prior YTD income of \$3,018,000.
- Total expenses for the month were \$288,000, and were above the monthly budget of \$286,000 by \$2,000 or less than 1%.
- YTD expenses were \$2,496,000, and were below the YTD budget of \$2,642,000 by \$146,000 or 6%, mostly due to personnel and programmatic costs.
- Compared to the prior year, YTD expenses were lower by \$44,000 (2%), mostly due to decrease in costs for personnel, professional fees and programmatic costs.

Indiana Association of Realtors, Inc.
Balance Sheet (Summary)

August 31, 2019

	08/31/2019	07/31/2019	Difference
ASSETS			
Current Assets			
Checking/Savings			
1000 - Cash Accounts	1,945,325	2,038,098	(92,773)
Total Checking/Savings	<u>1,945,325</u>	<u>2,038,098</u>	<u>(92,773)</u>
Other Current Assets			
1200 - Accounts Receivable	1,861,566	1,858,724	2,842
1300 - Other Current Assets	49,254	54,629	(5,375)
Total Other Current Assets	<u>1,910,820</u>	<u>1,913,353</u>	<u>(2,533)</u>
Total Current Assets	<u>3,856,145</u>	<u>3,951,451</u>	<u>(95,306)</u>
Fixed Assets			
1600 - Fixed Assets, Net of Deprec.	348,859	348,859	0
Total Fixed Assets	<u>348,859</u>	<u>348,859</u>	<u>0</u>
Other Assets			
1203 - Intercompany Loans Receivable	6,000,541	6,021,399	(20,858)
1500 - Investments	4,136,913	4,071,164	65,749
1700 - Capitalized Loan and Lease Costs	3,134	3,133	0
Total Other Assets	<u>10,140,588</u>	<u>10,095,696</u>	<u>44,891</u>
Total ASSETS	<u>14,345,592</u>	<u>14,396,006</u>	<u>(50,415)</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	107,628	120,765	(13,137)
Total Accounts Payable	<u>107,628</u>	<u>120,765</u>	<u>(13,137)</u>
Other Current Liabilities			
2025 - Other Current Liabilities	1,771,571	1,763,639	7,932
2100 - Payroll Liabilities	366,667	366,667	0
2400 - Deferred Dues & Other Revenue	1,382,613	1,712,981	(330,369)
Total Other Current Liabilities	<u>3,520,851</u>	<u>3,843,287</u>	<u>(322,437)</u>
Total Current Liabilities	<u>3,628,479</u>	<u>3,964,052</u>	<u>(335,574)</u>
Total Liabilities	<u>3,628,479</u>	<u>3,964,052</u>	<u>(335,574)</u>
EQUITY			
Member Capital			
Undesignated	8,615,494	8,380,857	234,637
Board Designated	2,101,619	2,051,097	50,522
Total Member Capital	<u>10,717,113</u>	<u>10,431,954</u>	<u>285,159</u>
Total Equity	<u>10,717,113</u>	<u>10,431,954</u>	<u>285,159</u>
Total LIABILITIES & EQUITY	<u>14,345,592</u>	<u>14,396,006</u>	<u>(50,415)</u>

Indiana Association of Realtors, Inc.
Balance Sheet (Detail)

August 31, 2019

	08/31/2019	07/31/2019	Difference
ASSETS			
Current Assets			
Checking/Savings			
1000 - Cash Accounts			
1020 - IAR Checking-Regions	2,128,368	2,199,766	(71,398)
1029 - First Merchants Checking	10,367	10,371	(4)
1032 - IAR Checking-ONB	17,699	34,891	(17,192)
1040 - Transmittal Checking Account	102,675	86,517	16,158
1118 - REALTORS Federal Credit Union	86	86	0
1125 - IAR-Prof Standards Escrow	14,500	14,500	0
1199 - Cash Owed (to) by RDF	(328,370)	(308,033)	(20,337)
Total 1000 - Cash Accounts	<u>1,945,325</u>	<u>2,038,098</u>	<u>(92,773)</u>
Total Checking/Savings	1,945,325	2,038,098	(92,773)
Other Current Assets			
1200 - Accounts Receivable			
1200 - Accounts Receivable	12,515	15,355	(2,840)
1211 - Dues Receivable	3,594	3,594	0
1245 - Accrued Interest Receivable	96,218	90,536	5,682
1270 - Note Receivable	1,749,239	1,749,239	0
Total 1200 - Accounts Receivable	<u>1,861,566</u>	<u>1,858,724</u>	<u>2,842</u>
1300 - Other Current Assets			
1310 - Prepaid Expense	48,665	54,041	(5,375)
1340 - Postage Deposits	589	588	0
1390 - Revenue Clearing Account	0	0	0
Total 1300 - Other Current Assets	<u>49,254</u>	<u>54,629</u>	<u>(5,375)</u>
Total Other Current Assets	<u>1,910,820</u>	<u>1,913,353</u>	<u>(2,533)</u>
Total Current Assets	<u>3,856,145</u>	<u>3,951,451</u>	<u>(95,306)</u>
Fixed Assets			
1600 - Fixed Assets, Net of Deprec.			
1625 - Leasehold improvements-IAR	16,335	16,335	0
1630 - Furniture, Fixtures & Equipmen	411,405	411,405	0
Total 1605 - Land, Buildings & Equipment	<u>427,740</u>	<u>427,740</u>	<u>0</u>
1672 - Accum. Depreciation - Improvem	(2,199)	(2,199)	0
1680 - Accum. Depreciation - FF&E	(76,682)	(76,682)	0
Total 1655 - Accumulated Depreciation	<u>(78,881)</u>	<u>(78,881)</u>	<u>0</u>
Total 1600 - Fixed Assets, Net of Deprec.	<u>348,859</u>	<u>348,859</u>	<u>0</u>
Total Fixed Assets	<u>348,859</u>	<u>348,859</u>	<u>0</u>
Other Assets			
1203 - Intercompany Loans Receivable			
1260 - Due from ISRE	211,694	235,219	(23,525)
1203 - Due From 143 LLC	5,539,670	5,538,397	1,273
1206 - Due From 143 MT	249,177	247,783	1,394
Total - 1203 - Intercompany Loans Receivable	<u>6,000,541</u>	<u>6,021,399</u>	<u>(20,858)</u>
1500 - Investments			
1510 - SEI Investments	2,001,321	1,982,974	18,347
1520 - Realtor's Defense Fund Assets			
1525 - Realtors Defense Fund Invest	1,672,230	1,645,165	27,065
1599 - Cash Owed by (to) IAR	328,370	308,033	20,337
Total 1520 - Realtor's Defense Fund Assets	<u>2,000,600</u>	<u>1,953,198</u>	<u>47,402</u>

Indiana Association of Realtors, Inc.
Balance Sheet (Detail)

August 31, 2019

	08/31/2019	07/31/2019	Difference
1540 - Alerus - 457(b) Investments	318,198	318,198	0
1810 - Investment in ISRE	(195,489)	(195,489)	0
1820 - Investment in 143 MM	12,283	12,283	0
Total 1500 - Investments	<u>4,136,913</u>	<u>4,071,164</u>	<u>65,749</u>
1700 - Capitalized Loan and Lease Costs			
1715 - Capitalized Loan Costs	4,000	4,000	0
1716 - Accum Amort - Capitalized Loan Costs	(866)	(867)	0
Total 1700 - Capitalized Loan and Lease Costs	<u>3,134</u>	<u>3,133</u>	<u>0</u>
Total Other Assets	<u>10,140,588</u>	<u>10,095,696</u>	<u>44,891</u>
Total ASSETS	<u>14,345,592</u>	<u>14,396,006</u>	<u>(50,415)</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	107,628	120,765	(13,137)
Total Accounts Payable	<u>107,628</u>	<u>120,765</u>	<u>(13,137)</u>
Other Current Liabilities			
2025 - Other Current Liabilities			
2036 - Line of Credit-ONB (\$1.3mil)	1,049,239	1,049,239	0
2037 - Note Payable-ONB (\$700K)	607,169	617,694	(10,525)
2040 - Accrued Payables	7,691	7,691	0
2080 - RPAC Payable (Transmittal)	102,675	86,517	16,158
2081 - RPAC Payable (Contributions)	4,297	1,998	2,299
2095 - Prof Stds Escrow Liability	500	500	0
Total 2025 - Other Current Liabilities	<u>1,771,571</u>	<u>1,763,639</u>	<u>7,932</u>
2100 - Payroll Liabilities			
2110 - FSA Plan Payable	767	767	0
2120 - Post Retirement Benefit Obliga	47,702	47,702	0
2150 - 457 Plan Liabilities	318,198	318,198	0
Total 2100 - Payroll Liabilities	<u>366,667</u>	<u>366,667</u>	<u>0</u>
2400 - Deferred Dues & Other Revenue			
2415 - Dues Payable, Odd Year	1,382,613	1,712,981	(330,369)
Total 2400 - Deferred Dues & Other Revenue	<u>1,382,613</u>	<u>1,712,981</u>	<u>(330,369)</u>
Total Other Current Liabilities	<u>3,520,851</u>	<u>3,843,287</u>	<u>(322,437)</u>
Total Current Liabilities	<u>3,628,479</u>	<u>3,964,052</u>	<u>(335,574)</u>
Total Liabilities	<u>3,628,479</u>	<u>3,964,052</u>	<u>(335,574)</u>
EQUITY			
Member Capital			
Undesignated	8,615,494	8,380,857	234,637
Board Designated			
3020 - RDF Investments	2,000,599	1,953,196	47,403
3021 - RPAC (Contributions)	4,297	1,998	2,299
3022 - Local Legislative Issues	92,528	91,708	820
3023 - RDF Issues (RPAC opt outs)	4,195	4,195	0
Total Board Designated	<u>2,101,619</u>	<u>2,051,097</u>	<u>50,522</u>
Total Member Capital	<u>10,717,113</u>	<u>10,431,954</u>	<u>285,159</u>
Total Equity	<u>10,717,113</u>	<u>10,431,954</u>	<u>285,159</u>
Total LIABILITIES & EQUITY	<u>14,345,592</u>	<u>14,396,006</u>	<u>(50,415)</u>

Indiana Association of Realtors, Inc.
Budget Performance (Summary)

August 31, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD Actual
Income						
4000 - Membership Income	433,325	343,208	3,207,863	2,745,668	4,118,500	2,912,678
4200 - Contract Fees & Event Income	11,160	10,000	24,025	25,500	30,500	18,040
4300 - Royalties, Rent & Product Sales	2,330	583	6,241	4,668	7,000	8,778
4900 - Other Income	81,558	7,642	162,814	76,132	106,700	78,092
Total Income	<u>528,373</u>	<u>361,433</u>	<u>3,400,943</u>	<u>2,851,968</u>	<u>4,262,700</u>	<u>3,017,588</u>
Expense						
5000 - Personnel Costs	149,512	157,355	1,155,028	1,288,842	1,988,262	1,203,551
5300 - Travel & Entertainment	12,276	9,310	154,225	137,960	249,350	137,942
5600 - Professional Fees	19,155	17,979	150,251	143,834	215,750	155,941
5700 - Technology & Equipment	47,279	50,342	464,137	427,732	654,100	463,093
5900 - Office Costs	8,142	5,976	77,946	65,796	91,700	74,503
6100 - Facility Costs	21,475	20,133	152,517	162,068	243,600	153,757
7100 - Programmatic Costs	30,576	24,865	341,853	416,158	665,480	350,795
Total Expense	<u>288,415</u>	<u>285,960</u>	<u>2,495,957</u>	<u>2,642,390</u>	<u>4,108,242</u>	<u>2,539,582</u>
Net Ordinary Income	<u>239,958</u>	<u>75,473</u>	<u>904,986</u>	<u>209,578</u>	<u>154,458</u>	<u>478,006</u>
Other Income/Expense						
Other Income	54,300	2,083	336,187	16,668	25,000	1,154
Other Expense	9,099	0	57,881	0	4,990	31,901
Net Other Income (Expense)	<u>45,201</u>	<u>2,083</u>	<u>278,306</u>	<u>16,668</u>	<u>20,010</u>	<u>(30,747)</u>
Net Income (Loss)	<u>285,159</u>	<u>77,556</u>	<u>1,183,292</u>	<u>226,246</u>	<u>174,468</u>	<u>447,259</u>

Indiana Association of Realtors, Inc.
Budget Performance (Detail)

August 31, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior Year Actual
Income						
4000 - Membership Income						
4002 - Membership Dues	334,384	277,816	2,519,374	2,222,528	3,333,792	2,317,482
4020 - Shared Fees, Local Boards	8,453	8,000	65,652	64,000	96,000	63,476
4021 - State Application Fee (even years)	0	0	0	0	0	278,624
4023 - State Application Fee (odd years)	57,000	20,000	301,800	160,000	240,000	0
4030 - RDF Dues	32,668	30,184	246,105	241,472	362,208	253,096
4035 - RDF Issues Income	0	333	3,295	2,668	4,000	0
4040 - Local Legislative Issues Income	820	6,875	71,637	55,000	82,500	0
Total 4000 - Membership Income	433,325	343,208	3,207,863	2,745,668	4,118,500	2,912,678
4200 - Contract Fees & Event Income						
4101 - Sponsorship Income	2,000	5,000	3,000	10,000	10,000	2,500
4201 - Registration Income	9,160	5,000	21,025	15,500	20,500	15,540
Total 4200 - Contract Fees & Event Income	11,160	10,000	24,025	25,500	30,500	18,040
4300 - Royalties, Rent & Product Sales						
4301 - Royalty Income	2,330	583	6,241	4,668	7,000	8,778
Total 4300 - Royalties, Rent & Product Sales	2,330	583	6,241	4,668	7,000	8,778
4900 - Other Income						
4900 - Other Income	74,458	42	101,514	332	500	17,542
4901 - Grant Income	0	0	0	15,000	15,000	0
4910 - RECP Income	7,100	7,100	56,800	56,800	85,200	56,800
4920 - Professional Standards Income	0	500	4,500	4,000	6,000	3,750
Total 4900 - Other Income	81,558	7,642	162,814	76,132	106,700	78,092
Total Income	528,373	361,433	3,400,943	2,851,968	4,262,700	3,017,588
Expense						
5000 - Personnel Costs						
5010 - Compensation	114,893	125,883	915,673	1,008,748	1,512,280	952,943
5020 - Bonus Pool	0	0	34,400	30,000	100,000	29,205
5030 - Contract Labor / Temp Help	1,200	2,200	8,400	16,400	25,200	0
5100 - Benefits & Taxes						
5110 - Health & Life Insurance	3,718	8,740	30,683	69,681	104,641	60,820
5115 - Wellness Benefit	323	417	1,713	3,332	5,000	1,825
5120 - Dental Insurance	430	750	3,564	6,000	9,000	5,057
5125 - Disability Insurance	2,560	458	6,636	3,668	5,500	3,073
5130 - Retirement Benefits	12,232	5,542	49,181	44,332	66,500	42,094
5140 - Post-Employment Benefits	1,224	1,333	9,796	10,668	16,000	11,710
5150 - Workers Compensation Insuranc	666	750	5,352	6,000	9,000	5,042

Indiana Association of Realtors, Inc.
Budget Performance (Detail)

August 31, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior Year Actual
5160 - Payroll Taxes	6,688	8,740	66,712	69,681	104,641	71,257
5170 - Professional Development	3,372	375	6,640	3,000	4,500	6,620
5180 - Dues & Subscriptions	2,206	2,167	16,278	17,332	26,000	13,905
Total 5100 - Benefits & Taxes	<u>33,419</u>	<u>29,272</u>	<u>196,555</u>	<u>233,694</u>	<u>350,782</u>	<u>221,403</u>
Total 5000 - Personnel Costs	149,512	157,355	1,155,028	1,288,842	1,988,262	1,203,551
5300 - Travel & Entertainment						
5310 - Staff Travel Costs						
5310 - Staff Travel	1,465	750	15,098	10,200	17,050	12,023
5320 - Staff Lodging	1,182	958	20,272	17,668	32,400	16,248
5330 - Staff Mileage	1,532	1,085	5,108	8,910	13,750	6,778
5340 - Staff Meals	909	1,442	9,107	14,532	22,600	11,733
5350 - Staff Hospitality	0	184	922	1,964	3,200	2,144
5360 - Conference Registration Fees	1,075	659	4,100	5,264	10,900	4,110
Total 5310 - Staff Travel Costs	<u>6,163</u>	<u>5,078</u>	<u>54,607</u>	<u>58,538</u>	<u>99,900</u>	<u>53,036</u>
5410 - Leadership Travel						
5410 - Board / Volunteer Travel	0	308	16,556	11,968	20,000	17,644
5420 - Board / Volunteer Lodging	353	1,624	37,861	36,604	68,300	34,317
5430 - Board / Volunteer Mileage	646	626	4,726	5,996	10,000	3,665
5440 - Board / Volunteer Meals	2,150	1,156	27,670	19,726	34,350	21,994
5450 - Board / Volunteer Hospitality	2,964	335	11,455	3,660	6,500	3,476
5460 - Conference Registration Fees	0	183	1,350	1,468	10,300	3,810
Total 5410 - Leadership Travel	<u>6,113</u>	<u>4,232</u>	<u>99,618</u>	<u>79,422</u>	<u>149,450</u>	<u>84,906</u>
Total 5300 Travel & Entertainment	12,276	9,310	154,225	137,960	249,350	137,942
5600 - Professional Fees						
5610 - Legal Services	4,582	3,250	17,094	26,000	39,000	25,134
5620 - Audit & Tax Services	0	2,187	19,725	17,502	26,250	38,118
5630 - Accounting Services	13,073	10,417	101,345	83,332	125,000	80,689
5640 - Other Consulting Services	0	625	87	5,000	7,500	0
5650 - President's Stipend	1,500	1,500	12,000	12,000	18,000	12,000
Total 5600 - Professional Fees	<u>19,155</u>	<u>17,979</u>	<u>150,251</u>	<u>143,834</u>	<u>215,750</u>	<u>155,941</u>
5700 - Technology & Equipment						
5710 - Technology Consulting Service	44,661	47,876	407,234	407,996	624,500	405,203
5720 - Equipment Repairs & Maintenance	0	83	0	668	1,000	757
5730 - Small Equipment Purchases	168	125	2,510	1,000	1,500	2,860
5740 - Equipment > \$1000	1,591	375	22,820	3,000	4,500	41,077
5750 - Equipment Lease Payments	465	833	17,345	6,668	10,000	6,272
5760 - Software & Licensing Fees	394	1,050	14,228	8,400	12,600	6,924
Total 5700 - Technology & Equipment	<u>47,279</u>	<u>50,342</u>	<u>464,137</u>	<u>427,732</u>	<u>654,100</u>	<u>463,093</u>

Indiana Association of Realtors, Inc.
Budget Performance (Detail)

August 31, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior Year Actual
5900 - Office Costs						
5910 - Telephone	2,759	2,083	22,434	16,668	25,000	26,734
5920 - Postage	0	146	632	1,166	1,750	964
5925 - Shipping Expense	10	8	202	68	100	3
5930 - Office Supplies	34	396	4,203	3,166	4,750	6,013
5932 - Kitchen Supplies	71	375	5,814	3,000	4,500	2,544
5940 - Printing	0	459	3,842	3,664	5,500	8,662
5950 - Liability Insurance	771	1,167	7,412	9,332	14,000	8,469
5960 - Licenses and Fees	2,805	125	2,817	1,000	1,500	0
5970 - Bank & Credit Card Fees	1,493	750	26,005	23,000	28,000	20,179
5976 - Bad Debt Expense	32	0	32	0	0	0
5980 - Miscellaneous	167	467	4,553	4,732	6,600	935
Total 5900 - Office Costs	8,142	5,976	77,946	65,796	91,700	74,503
6100 - Facility Costs						
6110 - Office Rent & Parking	21,475	20,133	151,039	161,068	241,600	152,878
6180 - Property Taxes	0	0	1,478	1,000	2,000	879
Total 6100 - Facility Costs	21,475	20,133	152,517	162,068	243,600	153,757
7100 - Programmatic Costs						
7110 - Facility Rental	0	542	3,000	4,332	6,500	3,500
7120 - Catering	317	4,584	55,363	81,160	146,500	95,808
7130 - Honorarium/Speaker Fees	0	1,541	17,396	14,836	26,000	17,660
7140 - Speaker Travel	225	395	226	4,170	5,850	3,886
7150 - Plaques & Awards	2,137	541	9,737	4,336	7,500	4,631
7160 - Event Sponsorships	0	834	10,073	6,664	10,000	7,471
7170 - Curriculum	0	42	0	332	500	0
7210 - Website Development / Hosting	1,234	2,574	9,875	20,584	30,880	23,365
7220 - Internet Communications	75	2,833	10,559	22,668	34,000	34,176
7225 - Publications	2,240	667	8,848	7,332	12,000	8,331
7240 - Video Production & Editing	0	167	1,050	1,332	2,000	749
7250 - Media / Public Relations Proj	0	42	0	332	500	0
7310 - Other Program Costs	24,348	4,729	87,233	51,330	86,250	17,370
7320 - Grants	0	2,791	0	22,336	33,500	17,500
7330 - Electronic Forms	0	0	120,570	112,500	150,000	116,348
7410 - Marketing Research	0	583	(7,000)	4,668	7,000	0
7420 - Outreach	0	459	4,923	3,668	5,500	0
7430 - Legislative Issues	0	0	0	41,250	82,500	0
7440 - Issue Research	0	708	0	5,664	8,500	0
7450 - Legislative Advocacy	0	833	10,000	6,664	10,000	0
Total 7100 - Programmatic Costs	30,576	24,865	341,853	416,158	665,480	350,795

Indiana Association of Realtors, Inc.
Budget Performance (Detail)

August 31, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior Year Actual
Total Expense	288,415	285,960	2,495,957	2,642,390	4,108,242	2,539,582
Net Ordinary Income	239,958	75,473	904,986	209,578	154,458	478,006
Other Income/Expense						
Other Income						
4800 - Investment Income						
4810 - Interest & Dividend Income	7,783	2,083	67,722	16,668	25,000	34,693
4811 - Interest Income (notes payable)	5,683	0	44,904	0	0	29,451
4815 - Unrealized Gains/Losses	40,834	0	233,484	0	0	(19,344)
4820 - Realized Gains/Losses	0	0	3,395	0	0	(30,686)
4830 - Investment Management Fees	0	0	(13,318)	0	0	(12,960)
Total 4800 - Investment Income	54,300	2,083	336,187	16,668	25,000	1,154
Total Other Income	54,300	2,083	336,187	16,668	25,000	1,154
Other Expense						
8000 - Interest Expense	6,667	0	55,449	0	0	31,468
8100 - Priority Return-Twain	2,432	0	2,432	0	4,990	433
Total Other Expense	9,099	0	57,881	0	4,990	31,901
Net Other Income (Expense)	45,201	2,083	278,306	16,668	20,010	(30,747)
Net Income (Loss)	285,159	77,556	1,183,292	226,246	174,468	447,259

Indiana Association of Realtors, Inc.
Statement of Cash Flows
Year To Date 08/31/2019

OPERATING ACTIVITIES

Net Income	1,183,292
Adjustments to reconcile Net Income to net cash provided by operations	
1200 - Accounts Receivable	3,448
1203 - Due From 143 LLC	(115,753)
1206 - Due From 143 MT	(249,177)
1211 - Dues Receivable	31,508
1220 - Other Receivables	300
1260 - Due from ISRE	115,007
1310 - Prepaid Expense	(25,546)
1540 - Alerus - 457(b) Investments	(45,090)
2010 - Accounts Payable	2,929
2040 - Accrued Payables	(7,800)
2080 - RPAC Payable (Transmittal)	87,732
2081 - RPAC Payable (Contributions)	(58,028)
2095 - Prof Stds Escrow Liability	(500)
2110 - FSA Plan Payable	(1,682)
2150 - 457 Plan Liabilities	45,090
2415 - Dues Payable, Odd Year	444,702
2430 - Unearned Registration Fees	(1,870)
Net cash provided by Operating Activities	1,408,562

INVESTING ACTIVITIES

1510 - SEI Investments	(161,330)
1525 - Realtors Defense Fund Invest	(100,128)
1599 - Cash Owed by (to) IAR	(68,512)
Net Cash provided by Investing Activities	(329,970)

FINANCING ACTIVITIES

1270 - Note Receivable	(74,969)
1245 - Accrued Interest Receivable	(44,904)
2036 - Line of Credit-ONB (\$1.3mil)	74,968
2037 - Note Payable-ONB (\$700K)	(82,923)
Net cash provided by Financing Activities	(127,828)

Net cash change for period	950,764
Cash at beginning of period	994,561
Cash at end of period	1,945,325

Indiana Association of Realtors, Inc.
Historical and Budgeted Financial Statements
Selected Information

For the eight months ended August 31, 2019 and the year ending December 31, 2019

The accompanying historical financial statements and budgeted financial statements include the following departures from accounting principles generally accepted in the United States of America and the guidelines for presentation of a forecast established by the AICPA:

Historical

- The financial statements omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America.
- The financial statements omit the activity of fully owned subsidiaries which include the Realtor® Building and real estate school.
- Certain accruals and adjustments are made on an annual basis in preparation for the organization's annual audit.
- The Budget Performance reports do not report changes in net assets in accordance with GAAP.

Forecast/Budget

- The forecasted financial statements omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America.
- The forecasted financial information omits the summary of significant accounting policies.

The effects of these departures have not been determined.

Additional Information

- The Balance Sheet includes a comparison with the period ended July 31, 2019 for additional meaningful data for management.

Summary of Significant Assumptions

These financial forecasts present, to the best of management's knowledge and belief, the Association's expected results of operations for the forecast periods. Accordingly, the forecasts reflect its judgment as of July, 2019, the date of these forecasts, of the expected conditions and its expected course of action. The assumptions disclosed herein are those that management believes are significant to the forecasts. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Statement of Operations Assumptions

- Budgeted revenue from members is expected to remain in line with the prior year budget, with no significant increase expected
- The Association will continue its current monthly lease of \$19,071 per month for office space
- Salaries, benefits, and taxes are expected to remain in line with the prior year, with no significant increase expected
- All other expenses are expected to increase by 4% over the prior year budget.