

Indiana Association of Realtors Inc.

November 2019

EXECUTIVE SUMMARY

Balance Sheet

- The Association's cash balances decreased during November by \$547,000 with an ending balance of \$1,103,000 – this decrease is mostly due to paying off the line of credit to ONB at the end of November.
- Accounts receivable decreased by \$1,000 with an ending balance of \$10,000 – this balance represents amounts due from local associations for Realist services.
- Accrued interest receivable increased by \$6,000 with an ending balance of \$113,000 – 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 increased slightly with an ending balance of \$42,000 and will be amortized over future months.
- The amount due from ISRE decreased slightly with an ending balance of \$198,000.
- The amount due from One Forty Three LLC and One Forty Three MT decreased by \$460,000 due to transfer of tax credit dollars to IAR to pay down ONB line of credit. Ending balance of the total amount due from One Forty Three entities to IAR was \$5,293,414.
- IAR investments increased by \$2,000 during the month due to unrealized gains with an ending balance of \$2,024,000
- RDF investments decreased by \$5,000 during the month due to unrealized losses with an ending balance of \$1,666,000. IAR also holds cash for RDF purposes in the amount of \$388,000 – 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 at year end). This asset is offset by a corresponding liability.
- Accounts Payable decreased by \$86,000 with an ending balance of \$90,000. This decrease is due to invoices paid for stakeholders conference, CoreLogic and ZipLogix in November.
- Amounts due to ONB:
 - Line of Credit with ONB was paid off during the month
 - Note Payable with ONB decreased by \$11,000 with an ending balance of \$575,000 due to loan payments made in November.
- 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 \$4,000 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) for odd and even years increased by net amount of \$26,500 with a total ending balance of \$40,000. These funds represent RPAC contributions collected in November with 2019 and 2020 dues payments and will be remitted to RPAC in December.
- Dues payable (even year) increased by \$359,000 which represents 2020 dues collected in November. This will be recorded as income next year.
- Dues payable (odd year) decreased by \$348,000, from \$697,000 to \$350,000 due to amortization of dues revenue for November. The balance in this account will be amortized in December and recognized as income.

Indiana Association of Realtors Inc.

November 2019

EXECUTIVE SUMMARY (continued)

Income Statement

- Net income of \$127,000 was recorded for the month, which represents net ordinary income of \$128,000 and net investment loss (net of interest expense) of (\$1,000). Budgeted net loss for November was (\$6,000).
- YTD net income was \$1,507,000, which represents net ordinary income of \$1,205,000 and net investment income of \$302,000. Budgeted net income YTD was \$219,000.
- Compared to the prior year
 - a. YTD net ordinary income was \$309,000 higher than the prior YTD net ordinary income of \$896,000 – this increase is due to higher dues revenue and lower expenses in 2019.
 - b. YTD net investment income was \$364,000 higher due to unrealized gains on investments in 2019.
- Total income for November was \$418,000, which was above the monthly budget of \$351,000 by \$67,000 or 19%.
- Total income YTD was \$4,656,000, which was above the YTD budget of \$3,911,000 by \$745,000 or 19%.
- Compared to the prior year, total YTD income was higher by \$323,000 or 7% than the prior YTD income of \$4,333,000.
- Total expenses for the month were \$290,000, and were below the monthly budget of \$360,000 by \$69,000 or 19% - under budget in all major categories.
- YTD expenses were \$3,450,000, and were below the YTD budget of \$3,715,000 by \$265,000 or 7%, mostly due to personnel and programmatic costs.
- Compared to the prior year, YTD expenses were lower by \$14,000 or less than 1%.

Indiana Association of Realtors, Inc.
Balance Sheet (Summary)
November 30, 2019

	11/30/2019	10/31/2019	Difference
ASSETS			
Current Assets			
Checking/Savings			
1000 - Cash Accounts	1,103,257	1,650,673	(547,416)
Total Checking/Savings	<u>1,103,257</u>	<u>1,650,673</u>	<u>(547,416)</u>
Other Current Assets			
1200 - Accounts Receivable	1,876,211	1,871,755	4,456
1300 - Other Current Assets	42,854	42,283	570
Total Other Current Assets	<u>1,919,065</u>	<u>1,914,038</u>	<u>5,026</u>
Total Current Assets	<u>3,022,322</u>	<u>3,564,711</u>	<u>(542,390)</u>
Fixed Assets			
1600 - Fixed Assets, Net of Deprec.	348,859	348,860	0
Total Fixed Assets	<u>348,859</u>	<u>348,860</u>	<u>0</u>
Other Assets			
1203 - Intercompany Loans Receivable	5,491,076	5,952,362	(461,286)
1500 - Investments	4,214,047	4,195,975	18,072
1700 - Capitalized Loan and Lease Costs	3,133	3,133	0
Total Other Assets	<u>9,708,256</u>	<u>10,151,470</u>	<u>(443,214)</u>
Total ASSETS	<u>13,079,437</u>	<u>14,065,041</u>	<u>(985,604)</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	90,262	176,300	(86,038)
Total Accounts Payable	<u>90,262</u>	<u>176,300</u>	<u>(86,038)</u>
Other Current Liabilities			
2025 - Other Current Liabilities	749,702	1,787,314	(1,037,612)
2100 - Payroll Liabilities	366,697	366,667	30
2400 - Deferred Dues & Other Revenue	831,501	820,908	10,593
Total Other Current Liabilities	<u>1,947,900</u>	<u>2,974,889</u>	<u>(1,026,989)</u>
Total Current Liabilities	<u>2,038,162</u>	<u>3,151,189</u>	<u>(1,113,027)</u>
Total Liabilities	<u>2,038,162</u>	<u>3,151,189</u>	<u>(1,113,027)</u>
EQUITY			
Member Capital			
Undesignated	8,837,021	8,761,141	75,880
Board Designated	2,204,254	2,152,711	51,543
Total Member Capital	<u>11,041,275</u>	<u>10,913,852</u>	<u>127,423</u>
Total Equity	<u>11,041,275</u>	<u>10,913,852</u>	<u>127,423</u>
Total LIABILITIES & EQUITY	<u>13,079,437</u>	<u>14,065,041</u>	<u>(985,604)</u>

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

November 30, 2019

	11/30/2019	10/31/2019	Difference
ASSETS			
Current Assets			
Checking/Savings			
1000 - Cash Accounts			
1020 - IAR Checking-Regions	1,288,142	1,840,728	(552,586)
1029 - First Merchants Checking	10,353	10,357	(4)
1032 - IAR Checking-ONB	50,875	21,774	29,101
1040 - Transmittal Checking Account	126,759	130,347	(3,587)
1118 - REALTORS Federal Credit Union	87	86	0
1125 - IAR-Prof Standards Escrow	15,500	14,500	1,000
1199 - Cash Owed (to) by RDF	(388,459)	(367,119)	(21,340)
Total 1000 - Cash Accounts	<u>1,103,257</u>	<u>1,650,673</u>	<u>(547,416)</u>
Total Checking/Savings	1,103,257	1,650,673	(547,416)
Other Current Assets			
1200 - Accounts Receivable			
1200 - Accounts Receivable	10,111	11,337	(1,227)
1211 - Dues Receivable	3,594	3,595	0
1245 - Accrued Interest Receivable	113,267	107,584	5,683
1270 - Note Receivable	1,749,239	1,749,239	0
Total 1200 - Accounts Receivable	<u>1,876,211</u>	<u>1,871,755</u>	<u>4,456</u>
1300 - Other Current Assets			
1310 - Prepaid Expense	42,266	41,695	570
1340 - Postage Deposits	588	588	0
Total 1300 - Other Current Assets	<u>42,854</u>	<u>42,283</u>	<u>570</u>
Total Other Current Assets	<u>1,919,065</u>	<u>1,914,038</u>	<u>5,026</u>
Total Current Assets	<u>3,022,322</u>	<u>3,564,711</u>	<u>(542,390)</u>
Fixed Assets			
1600 - Fixed Assets, Net of Deprec.			
1625 - Leasehold improvements-IAR	16,335	16,335	0
1630 - Furniture, Fixtures & Equipmen	411,405	411,406	0
Total 1605 - Land, Buildings & Equipment	<u>427,740</u>	<u>427,741</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>348,860</u>	<u>0</u>
Total Fixed Assets	<u>348,859</u>	<u>348,860</u>	<u>0</u>
Other Assets			
1203 - Intercompany Loans Receivable			
1260 - Due from ISRE	197,662	198,728	(1,066)
1203 - Due From 143 LLC	5,293,414	5,539,670	(246,256)
1206 - Due From 143 MT	0	213,964	(213,964)
Total - 1203 - Intercompany Loans Receivable	<u>5,491,076</u>	<u>5,952,362</u>	<u>(461,286)</u>
1500 - Investments			
1510 - SEI Investments	2,024,318	2,022,420	1,898
1520 - Realtor's Defense Fund Assets			
1525 - Realtors Defense Fund Invest	1,666,278	1,671,443	(5,166)
1599 - Cash Owed by (to) IAR	388,459	367,119	21,340
Total 1520 - Realtor's Defense Fund Assets	<u>2,054,737</u>	<u>2,038,562</u>	<u>16,174</u>
1540 - Alerus - 457(b) Investments	318,198	318,199	0

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

November 30, 2019

	11/30/2019	10/31/2019	Difference
1810 - Investment in ISRE	(195,489)	(195,489)	0
1820 - Investment in 143 MM	12,283	12,283	0
Total 1500 - Investments	<u>4,214,047</u>	<u>4,195,975</u>	18,072
1700 - Capitalized Loan and Lease Costs			
1715 - Capitalized Loan Costs	4,000	4,000	0
1716 - Accum Amort - Capitalized Loan Costs	(867)	(867)	0
Total 1700 - Capitalized Loan and Lease Costs	<u>3,133</u>	<u>3,133</u>	0
Total Other Assets	<u>9,708,256</u>	<u>10,151,470</u>	(443,214)
Total ASSETS	<u>13,079,437</u>	<u>14,065,041</u>	(985,604)
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	90,262	176,300	(86,038)
Total Accounts Payable	<u>90,262</u>	<u>176,300</u>	(86,038)
Other Current Liabilities			
2025 - Other Current Liabilities			
2036 - Line of Credit-ONB (\$1.3mil)	0	1,049,239	(1,049,239)
2037 - Note Payable-ONB (\$700K)	574,908	585,696	(10,788)
2040 - Accrued Payables	7,691	7,691	0
2080 - RPAC Payable (Transmittal)	126,759	130,347	(3,587)
2081 - RPAC Payable (Contributions)-odd years	1,019	1,766	(748)
2082 - RPAC Payable (Contributions)-even years	39,325	12,075	27,250
2095 - Prof Stds Escrow Liability	0	500	(500)
Total 2025 - Other Current Liabilities	<u>749,702</u>	<u>1,787,314</u>	(1,037,612)
2100 - Payroll Liabilities			
2110 - FSA Plan Payable	768	767	0
2120 - Post Retirement Benefit Obliga	47,701	47,702	0
2130 - 401(k) Payable	30	0	30
2150 - 457 Plan Liabilities	318,198	318,198	0
Total 2100 - Payroll Liabilities	<u>366,697</u>	<u>366,667</u>	30
2400 - Deferred Dues & Other Revenue			
2410 - Dues Payable, Even Year	481,989	123,463	358,526
2415 - Dues Payable, Odd Year	349,512	697,445	(347,933)
Total 2400 - Deferred Dues & Other Revenue	<u>831,501</u>	<u>820,908</u>	10,593
Total Other Current Liabilities	<u>1,947,900</u>	<u>2,974,889</u>	(1,026,989)
Total Current Liabilities	<u>2,038,162</u>	<u>3,151,189</u>	(1,113,027)
Total Liabilities	<u>2,038,162</u>	<u>3,151,189</u>	(1,113,027)
EQUITY			
Member Capital			
Undesignated	8,837,021	8,761,141	75,880
Board Designated			
3020 - RDF Investments	2,054,735	2,038,561	16,174
3021 - RPAC (Contributions)	40,344	13,841	26,503
3022 - Local Legislative Issues	103,970	95,764	8,206
3023 - RDF Issues (RPAC opt outs)	5,205	4,545	660
Total Board Designated	<u>2,204,254</u>	<u>2,152,711</u>	51,543
Total Member Capital	<u>11,041,275</u>	<u>10,913,852</u>	127,423

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

November 30, 2019

	<u>11/30/2019</u>	<u>10/31/2019</u>	<u>Difference</u>
Total Equity	11,041,275	10,913,852	127,423
Total LIABILITIES & EQUITY	<u>13,079,437</u>	<u>14,065,041</u>	<u>(985,604)</u>

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

November 30, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD Actual
Income						
4000 - Membership Income	405,878	343,208	4,425,469	3,775,292	4,118,500	4,184,287
4200 - Contract Fees & Event Income	10	0	34,355	30,500	30,500	25,145
4300 - Royalties, Rent & Product Sales	1,334	583	7,595	6,417	7,000	16,373
4900 - Other Income	11,267	7,642	188,381	99,058	106,700	106,941
Total Income	<u>418,489</u>	<u>351,433</u>	<u>4,655,800</u>	<u>3,911,267</u>	<u>4,262,700</u>	<u>4,332,746</u>
Expense						
5000 - Personnel Costs	146,471	157,355	1,577,532	1,760,907	1,988,262	1,609,637
5300 - Travel & Entertainment	28,818	69,110	215,515	239,415	249,350	182,938
5600 - Professional Fees	10,727	17,979	192,108	197,771	215,750	199,185
5700 - Technology & Equipment	48,937	50,342	633,873	591,258	654,100	626,968
5900 - Office Costs	16,306	6,226	116,762	84,224	91,700	111,047
6100 - Facility Costs	20,477	21,133	207,580	223,467	243,600	210,846
7100 - Programmatic Costs	18,743	37,665	506,847	617,778	663,080	495,957
Total Expense	<u>290,479</u>	<u>359,810</u>	<u>3,450,217</u>	<u>3,714,820</u>	<u>4,105,842</u>	<u>3,436,578</u>
Net Income (Loss) from Operations	<u>128,010</u>	<u>(8,377)</u>	<u>1,205,583</u>	<u>196,447</u>	<u>156,858</u>	<u>896,168</u>
Other Income/Expense						
Other Income	4,345	2,083	377,137	22,917	25,000	(14,834)
Other Expense	4,932	0	75,266	0	4,990	47,288
Net Other Income (Expense)	<u>(587)</u>	<u>2,083</u>	<u>301,871</u>	<u>22,917</u>	<u>20,010</u>	<u>(62,122)</u>
Net Income (Loss)	<u>127,423</u>	<u>(6,294)</u>	<u>1,507,454</u>	<u>219,364</u>	<u>176,868</u>	<u>834,046</u>

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

November 30, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior Year Actual
Income						
4000 - Membership Income						
4002 - Membership Dues	324,914	277,816	3,502,032	3,055,976	3,333,792	3,344,525
4020 - Shared Fees, Local Boards	7,288	8,000	88,680	88,000	96,000	87,616
4021 - State Application Fee (even years)	0	0	0	0	0	378,624
4023 - State Application Fee (odd years)	33,000	20,000	405,200	220,000	240,000	0
4030 - RDF Dues	31,810	30,184	342,173	332,024	362,208	364,777
4035 - RDF Issues Income	660	333	4,306	3,667	4,000	450
4040 - Local Legislative Issues Income	8,206	6,875	83,078	75,625	82,500	8,295
Total 4000 - Membership Income	<u>405,878</u>	<u>343,208</u>	<u>4,425,469</u>	<u>3,775,292</u>	<u>4,118,500</u>	<u>4,184,287</u>
4200 - Contract Fees & Event Income						
4101 - Sponsorship Income	0	0	4,500	10,000	10,000	5,500
4201 - Registration Income	10	0	29,855	20,500	20,500	19,645
Total 4200 - Contract Fees & Event Income	<u>10</u>	<u>0</u>	<u>34,355</u>	<u>30,500</u>	<u>30,500</u>	<u>25,145</u>
4300 - Royalties, Rent & Product Sales						
4301 - Royalty Income	1,334	583	7,595	6,417	7,000	16,373
Total 4300 - Royalties, Rent & Product Sales	<u>1,334</u>	<u>583</u>	<u>7,595</u>	<u>6,417</u>	<u>7,000</u>	<u>16,373</u>
4900 - Other Income						
4900 - Other Income	2,667	42	104,281	458	500	19,091
4901 - Grant Income	0	0	0	15,000	15,000	5,000
4910 - RECP Income	7,100	7,100	78,100	78,100	85,200	78,100
4920 - Professional Standards Income	1,500	500	6,000	5,500	6,000	4,750
Total 4900 - Other Income	<u>11,267</u>	<u>7,642</u>	<u>188,381</u>	<u>99,058</u>	<u>106,700</u>	<u>106,941</u>
Total Income	418,489	351,433	4,655,800	3,911,267	4,262,700	4,332,746
Expense						
5000 - Personnel Costs						
5010 - Compensation	118,350	125,883	1,275,972	1,386,397	1,512,280	1,291,454
5020 - Bonus Pool	0	0	34,400	30,000	100,000	29,205
5030 - Contract Labor / Temp Help	0	2,200	12,000	23,000	25,200	0
5100 - Benefits & Taxes						
5110 - Health & Life Insurance	4,247	8,740	45,610	95,901	104,641	77,354
5115 - Wellness Benefit	15	417	1,758	4,583	5,000	2,045
5120 - Dental Insurance	470	750	4,973	8,250	9,000	6,487
5125 - Disability Insurance	7,274	458	13,321	5,042	5,500	10,480
5130 - Retirement Benefits	4,518	5,542	62,677	60,958	66,500	57,403
5140 - Post-Employment Benefits	1,225	1,333	6,121	14,667	16,000	15,380
5150 - Workers Compensation Insuranc	665	750	7,349	8,250	9,000	6,934

NO ASSURANCE IS PROVIDED. SEE SELECT INFORMATION.

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

November 30, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior Year Actual
5160 - Payroll Taxes	5,413	8,740	84,200	95,901	104,641	87,545
5170 - Professional Development	1,220	375	8,035	4,125	4,500	8,674
5180 - Dues & Subscriptions	3,074	2,167	21,116	23,833	26,000	16,676
Total 5100 - Benefits & Taxes	28,121	29,272	255,160	321,510	350,782	288,978
Total 5000 - Personnel Costs	146,471	157,355	1,577,532	1,760,907	1,988,262	1,609,637
5300 - Travel & Entertainment						
5310 - Staff Travel Costs						
5310 - Staff Travel	1,402	2,850	18,918	15,675	17,050	13,666
5320 - Staff Lodging	2,506	9,458	29,804	31,442	32,400	21,910
5330 - Staff Mileage	379	1,585	9,041	12,665	13,750	10,048
5340 - Staff Meals	2,357	3,242	12,164	21,158	22,600	15,724
5350 - Staff Hospitality	85	684	1,007	3,016	3,200	2,144
5360 - Conference Registration Fees	695	3,659	5,245	10,241	10,900	4,780
Total 5310 - Staff Travel Costs	7,424	21,478	76,179	94,197	99,900	68,272
5410 - Leadership Travel						
5410 - Board / Volunteer Travel	4,101	6,608	22,119	19,692	20,000	20,800
5420 - Board / Volunteer Lodging	12,087	19,624	58,489	66,676	68,300	47,516
5430 - Board / Volunteer Mileage	247	1,626	7,389	9,374	10,000	4,564
5440 - Board / Volunteer Meals	3,929	10,156	37,192	33,194	34,350	31,051
5450 - Board / Volunteer Hospitality	0	1,335	11,767	6,165	6,500	4,856
5460 - Conference Registration Fees	1,030	8,283	2,380	10,117	10,300	5,879
Total 5410 - Leadership Travel	21,394	47,632	139,336	145,218	149,450	114,666
Total 5300 Travel & Entertainment	28,818	69,110	215,515	239,415	249,350	182,938
5600 - Professional Fees						
5610 - Legal Services	1,440	3,250	23,080	35,750	39,000	34,438
5620 - Audit & Tax Services	0	2,187	23,840	24,063	26,250	41,168
5630 - Accounting Services	7,787	10,417	128,601	114,583	125,000	107,079
5640 - Other Consulting Services	0	625	87	6,875	7,500	0
5650 - President's Stipend	1,500	1,500	16,500	16,500	18,000	16,500
Total 5600 - Professional Fees	10,727	17,979	192,108	197,771	215,750	199,185
5700 - Technology & Equipment						
5710 - Technology Consulting Service	46,537	47,876	556,766	564,124	624,500	555,908
5720 - Equipment Repairs & Maintenance	0	83	0	917	1,000	756
5730 - Small Equipment Purchases	0	125	3,316	1,375	1,500	3,695
5740 - Equipment > \$1000	0	375	36,676	4,125	4,500	43,310
5750 - Equipment Lease Payments	802	833	19,062	9,167	10,000	8,546
5760 - Software & Licensing Fees	1,598	1,050	18,053	11,550	12,600	14,753
Total 5700 - Technology & Equipment	48,937	50,342	633,873	591,258	654,100	626,968

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

November 30, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior Year Actual
5900 - Office Costs						
5910 - Telephone	2,656	2,083	31,449	22,917	25,000	39,888
5920 - Postage	0	146	1,007	1,604	1,750	1,037
5925 - Shipping Expense	150	8	579	92	100	123
5930 - Office Supplies	603	396	5,902	4,354	4,750	8,093
5932 - Kitchen Supplies	129	375	6,691	4,125	4,500	4,276
5940 - Printing	479	459	4,715	5,041	5,500	8,706
5950 - Liability Insurance	772	1,167	9,726	12,833	14,000	10,672
5960 - Licenses and Fees	0	125	2,817	1,375	1,500	0
5970 - Bank & Credit Card Fees	10,543	1,000	42,628	25,750	28,000	32,865
5976 - Bad Debt Expense	0	0	32	0	0	0
5980 - Miscellaneous	974	467	5,438	6,133	6,600	5,387
5990 - Tax Expense	0	0	5,778	0	0	0
Total 5900 - Office Costs	16,306	6,226	116,762	84,224	91,700	111,047
6100 - Facility Costs						
6110 - Office Rent & Parking	18,999	20,133	204,475	221,467	241,600	209,088
6130 - Building Maintenance & Repair	0	0	150	0	0	0
6180 - Property Taxes	1,478	1,000	2,955	2,000	2,000	1,758
Total 6100 - Facility Costs	20,477	21,133	207,580	223,467	243,600	210,846
7100 - Programmatic Costs						
7110 - Facility Rental	0	542	10,200	5,958	6,500	7,600
7120 - Catering	1,651	16,584	98,754	141,912	146,500	139,643
7130 - Honorarium/Speaker Fees	2,600	1,541	31,246	24,459	26,000	20,261
7140 - Speaker Travel	889	395	1,115	5,455	5,850	4,839
7150 - Plaques & Awards	958	541	11,753	6,959	7,500	5,177
7160 - Event Sponsorships	1,500	834	11,916	9,166	10,000	7,471
7170 - Curriculum	0	42	0	458	500	677
7210 - Website Development / Hosting	1,222	2,574	14,249	28,306	30,880	17,052
7220 - Internet Communications	1,551	2,833	14,953	31,167	34,000	42,286
7225 - Publications	2,065	667	14,381	11,333	12,000	11,984
7240 - Video Production & Editing	2,000	167	3,050	1,833	2,000	749
7250 - Media / Public Relations Proj	0	42	0	458	500	0
7260 - Advertising/Marketing	50	0	49	0	0	0
7310 - Other Program Costs	4,257	5,529	122,998	79,317	83,850	63,034
7320 - Grants	0	2,791	0	30,709	33,500	17,500
7330 - Electronic Forms	0	0	162,261	150,000	150,000	156,184
7410 - Marketing Research	0	583	(7,000)	6,417	7,000	0
7420 - Outreach	0	459	6,922	5,045	5,500	1,500
7430 - Legislative Issues	0	0	0	61,875	82,500	0

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

November 30, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior Year Actual
7440 - Issue Research	0	708	0	7,788	8,500	0
7450 - Legislative Advocacy	0	833	10,000	9,163	10,000	0
Total 7100 - Programmatic Costs	<u>18,743</u>	<u>37,665</u>	<u>506,847</u>	<u>617,778</u>	<u>663,080</u>	<u>495,957</u>
Total Expense	<u>290,479</u>	<u>359,810</u>	<u>3,450,217</u>	<u>3,714,820</u>	<u>4,105,842</u>	<u>3,436,578</u>
Net Income (Loss) from Operations	<u>128,010</u>	<u>(8,377)</u>	<u>1,205,583</u>	<u>196,447</u>	<u>156,858</u>	<u>896,168</u>
Other Income/Expense						
Other Income						
4800 - Investment Income						
4810 - Interest & Dividend Income	5,915	2,083	87,953	22,917	25,000	48,322
4811 - Interest Income (notes payable)	5,682	0	61,953	0	0	42,315
4815 - Unrealized Gains/Losses	(7,252)	0	241,323	0	0	(66,195)
4820 - Realized Gains/Losses	0	0	3,747	0	0	(21,990)
4830 - Investment Management Fees	0	0	(17,839)	0	0	(17,286)
Total 4800 - Investment Income	<u>4,345</u>	<u>2,083</u>	<u>377,137</u>	<u>22,917</u>	<u>25,000</u>	<u>(14,834)</u>
Total Other Income	<u>4,345</u>	<u>2,083</u>	<u>377,137</u>	<u>22,917</u>	<u>25,000</u>	<u>(14,834)</u>
Other Expense						
8000 - Interest Expense	4,932	0	72,834	0	0	46,856
8100 - Priority Return-Twain	0	0	2,432	0	4,990	432
Total Other Expense	<u>4,932</u>	<u>0</u>	<u>75,266</u>	<u>0</u>	<u>4,990</u>	<u>47,288</u>
Net Other Income (Expense)	<u>(587)</u>	<u>2,083</u>	<u>301,871</u>	<u>22,917</u>	<u>20,010</u>	<u>(62,122)</u>
Net Income (Loss)	<u>127,423</u>	<u>(6,294)</u>	<u>1,507,454</u>	<u>219,364</u>	<u>176,868</u>	<u>834,046</u>

Indiana Association of Realtors, Inc.
Statement of Cash Flows
Year To Date 11/30/2019

OPERATING ACTIVITIES

Net Income	<u>1,507,454</u>
Adjustments to reconcile Net Income to net cash provided by operations	
1200 - Accounts Receivable	5,851
1203 - Due From 143 LLC	130,504
1211 - Dues Receivable	31,508
1220 - Other Receivables	300
1260 - Due from ISRE	129,039
1310 - Prepaid Expense	(19,147)
1540 - Alerus - 457(b) Investments	(45,090)
2010 - Accounts Payable	(14,437)
2040 - Accrued Payables	(7,800)
2080 - RPAC Payable (Transmittal)	111,816
2081 - RPAC Payable (Contributions)-odd years	(61,306)
2082 - RPAC Payable (Contributions)-even years	39,325
2095 - Prof Stds Escrow Liability	(1,000)
2110 - FSA Plan Payable	(1,681)
2130 - 401(k) Payable	29
2150 - 457 Plan Liabilities	45,090
2410 - Dues Payable, Even Year	481,989
2415 - Dues Payable, Odd Year	(588,398)
2430 - Unearned Registration Fees	(1,871)
Net cash provided by Operating Activities	<u>1,742,175</u>
INVESTING ACTIVITIES	
1510 - SEI Investments	(184,327)
1525 - Realtors Defense Fund Invest	(94,176)
1599 - Cash Owed by (to) IAR	(128,601)
Net Cash provided by Investing Activities	<u>(407,104)</u>
FINANCING ACTIVITIES	
1270 - Note Receivable	(74,969)
1245 - Accrued Interest Receivable	(61,952)
2036 - Line of Credit-ONB (\$1.3mil)	(974,271)
2037 - Note Payable-ONB (\$700K)	(115,184)
Net cash provided by Financing Activities	<u>(1,226,376)</u>
Net cash change for period	108,695
Cash at beginning of period	<u>994,561</u>
Cash at end of period	<u><u>1,103,257</u></u>

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

For the eleven months ended November 30, 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 October 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.