

# Indiana Association of Realtors

## July 2017

### EXECUTIVE SUMMARY

#### Balance Sheet

- The Association's cash balances decreased during July by \$364,000 with ending balance of \$1,837,000 mostly due to transfer made to 143 LLC for construction costs and transfer made to RPAC from Transmittal Checking.
- Accounts Receivable decreased by \$100,000 due to receipt of the grant due from NAR for RDF issues mobilization costs.
- Prepaid expenses increased by \$21,000 due to the deposit made to Hilton for future legislative conferences and August rent/parking paid at the end of July. Balance at month end was \$73,000.
- The amounts Due from One Forty Three LLC increased by \$185,000 during the month due to transfers from IAR to cover renovation costs. Balance at month end is \$5,242,000.
- The amount Due from ISRE decreased by \$12,500 during the month with an ending balance of \$304,000. There was a payment of \$95,000 from ISRE to IAR during the month.
- IAR investments increased by \$24,000 during the month with an ending balance of \$1,858,000 and RDF investments also increased by \$13,000 with an ending balance of \$1,617,000.
- Accounts payable increased by \$17,000 with an ending balance of \$32,000.
- Accrued Payables increased by \$8,500 with an ending balance of \$84,000 and included two months of Core Logic invoices not yet received (June and July) and CLA accounting services.
- Dues payable for 2017 decreased by \$283,000, from \$1,733,000 to \$1,450,000 due to amortization of dues payments for July. This balance will be amortized monthly over the remainder of the year and recognized as income.

#### Income Statement

- Net income of \$122,000 was recorded for the month, which represents net income from operations of \$88,000 and investment income (net of interest expense) of \$34,000.
- YTD net income was \$191,000 compared to budgeted net loss of (\$235,000).
- Compared to the prior year, net income YTD was \$329,000 lower (63%) than the prior YTD net income of \$520,000.
- Membership income for the current month was \$327,000, which was above the monthly budget of \$300,000 by \$27,000 or 9%.
- Membership income YTD was \$2,297,000 and was above the YTD budget of \$2,100,000 by \$197,000 or 9%.
- Compared to the prior year, membership income YTD was \$112,000 (5%) higher than the prior YTD amount of \$2,185,000.
- Total expenses for the month were \$278,000, and were below the monthly budget of \$343,000 by \$65,000 or 19% mostly due to personnel, facility costs & programmatic costs.
- Total expenses YTD were \$2,468,000 and were over the YTD budget of \$2,426,000 by \$42,000 or 2%, mostly due to issues mobilization expenses charged to RDF programming and included in programmatic costs.
- Compared to the prior year, expenses YTD are \$518,000 (27%) higher mostly due to facility costs which includes furniture purchases for new office space, and issues mobilization expenses included in programmatic costs.

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

July 31, 2017

	07/31/2017	06/30/2017	Difference
<b>ASSETS</b>			
Current Assets			
Checking/Savings			
1000 - Cash Accounts	1,836,717	2,200,697	(363,980)
Total Checking/Savings	<u>1,836,717</u>	<u>2,200,697</u>	<u>(363,980)</u>
Other Current Assets			
1200 - Accounts Receivable	10,660	110,987	(100,327)
1300 - Other Current Assets	84,267	63,125	21,142
Total Other Current Assets	<u>94,927</u>	<u>174,112</u>	<u>(79,185)</u>
Total Current Assets	<u>1,931,644</u>	<u>2,374,809</u>	<u>(443,165)</u>
Fixed Assets			
1600 - Fixed Assets, Net of Deprec.	38,240	38,240	0
Total Fixed Assets	<u>38,240</u>	<u>38,240</u>	<u>0</u>
Other Assets			
1203 - Intercompany Loans Receivable	5,546,281	5,373,388	172,893
1500 - Investments	3,616,459	3,552,330	64,129
Total Other Assets	<u>9,162,740</u>	<u>8,925,718</u>	<u>237,022</u>
<b>Total ASSETS</b>	<b><u>11,132,624</u></b>	<b><u>11,338,767</u></b>	<b><u>(206,143)</u></b>
<b>LIABILITIES &amp; NET ASSETS</b>			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	31,802	14,555	17,246
Total Accounts Payable	<u>31,802</u>	<u>14,555</u>	<u>17,246</u>
Other Current Liabilities			
2025 - Other Current Liabilities	1,098,094	1,173,595	(75,500)
2100 - Payroll Liabilities	350,920	338,350	12,570
2400 - Deferred Dues & Other Revenue	1,450,023	1,732,543	(282,520)
Total Other Current Liabilities	<u>2,899,037</u>	<u>3,244,488</u>	<u>(345,450)</u>
Total Current Liabilities	<u>2,930,839</u>	<u>3,259,043</u>	<u>(328,204)</u>
Total Liabilities	<u>2,930,839</u>	<u>3,259,043</u>	<u>(328,204)</u>
NET ASSETS			
3010 - Unrestricted Net Assets	6,445,692	6,560,913	(115,222)
3020 - REALTORS Defense Fund	1,634,033	1,606,350	27,683
Net Income	122,060	(87,539)	209,600
Total Net Assets	<u>8,201,785</u>	<u>8,079,724</u>	<u>122,061</u>
<b>Total LIABILITIES &amp; NET ASSETS</b>	<b><u>11,132,624</u></b>	<b><u>11,338,767</u></b>	<b><u>(206,143)</u></b>

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

July 31, 2017

	07/31/2017	06/30/2017	Difference
<b>ASSETS</b>			
Current Assets			
Checking/Savings			
1000 - Cash Accounts			
1010 - Petty Cash	120	120	0
1020 - IAR Checking-Regions	249,648	513,344	(263,696)
1029 - First Merchants Checking	1,269,264	1,269,048	216
1032 - IAR Checking-ONB	18,909	22,070	(3,160)
1040 - Transmittal Checking Account	12,905	96,904	(84,001)
1050 - PayPal	3,852	2,547	1,306
1118 - REALTORS Federal Credit Union	270,717	270,383	334
1125 - IAR-Prof Standards Escrow	28,750	28,750	0
1199 - Cash Owed (to) by RDF	(17,448)	(2,469)	(14,979)
Total 1000 - Cash Accounts	<u>1,836,717</u>	<u>2,200,697</u>	<u>(363,980)</u>
Total Checking/Savings	<u>1,836,717</u>	<u>2,200,697</u>	<u>(363,980)</u>
Other Current Assets			
1200 - Accounts Receivable			
1200 - Accounts Receivable	10,365	110,451	(100,086)
1211 - Dues Receivable	295	536	(241)
Total 1200 - Accounts Receivable	<u>10,660</u>	<u>110,987</u>	<u>(100,327)</u>
1300 - Other Current Assets			
1310 - Prepaid Expense	72,714	51,572	21,142
1340 - Postage Deposits	588	588	0
1350 - Other Deposits	10,965	10,965	0
Total 1300 - Other Current Assets	<u>84,267</u>	<u>63,125</u>	<u>21,142</u>
Total Other Current Assets	<u>94,927</u>	<u>174,112</u>	<u>(79,185)</u>
Total Current Assets	<u>1,931,644</u>	<u>2,374,809</u>	<u>(443,165)</u>
Fixed Assets			
1600 - Fixed Assets, Net of Deprec.			
1605 - Land, Buildings & Equipment			
1630 - Furniture, Fixtures & Equipmen	251,927	251,928	0
Total 1605 - Land, Buildings & Equipment	<u>251,927</u>	<u>251,928</u>	<u>0</u>
1655 - Accumulated Depreciation			
1680 - Accum. Depreciation - FF&E	(213,687)	(213,688)	0
Total 1655 - Accumulated Depreciation	<u>(213,687)</u>	<u>(213,688)</u>	<u>0</u>
Total 1600 - Fixed Assets, Net of Deprec.	<u>38,240</u>	<u>38,240</u>	<u>0</u>
Total Fixed Assets	<u>38,240</u>	<u>38,240</u>	<u>0</u>
Other Assets			
1203 - Intercompany Loans Receivable			
1203 - Due From 143 LLC	5,242,220	5,056,819	185,401
1260 - Due from ISRE	304,061	316,569	(12,508)
Total - 1203 - Intercompany Loans Receivable	<u>5,546,281</u>	<u>5,373,388</u>	<u>172,893</u>
1500 - Investments			
1510 - SEI Investments	1,857,685	1,833,810	23,875
1520 - Realtor's Defense Fund Assets			
1525 - Realtors Defense Fund Invest	1,616,585	1,603,881	12,704
1599 - Cash Owed by (to) IAR	17,448	2,469	14,979
Total 1520 - Realtor's Defense Fund Assets	<u>1,634,033</u>	<u>1,606,350</u>	<u>27,683</u>
1530 - Cambridge Ventures L.P.	101,941	101,941	0
1540 - Alerus - 457(b) Investments	236,760	224,189	12,571

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

July 31, 2017

	07/31/2017	06/30/2017	Difference
1810 - Investment in ISRE	(213,960)	(213,960)	0
Total 1500 - Investments	3,616,459	3,552,330	64,129
1700 - Capitalized Lease Costs			
Total 1700 - Capitalized Lease Costs	0	0	0
Total Other Assets	9,162,740	8,925,718	237,022
<b>Total ASSETS</b>	<b>11,132,624</b>	<b>11,338,767</b>	<b>(206,143)</b>
<b>LIABILITIES &amp; NET ASSETS</b>			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	31,802	14,555	17,246
Total Accounts Payable	31,802	14,555	17,246
Other Current Liabilities			
2025 - Other Current Liabilities			
2035 - Line of Credit-ONB	1,000,000	1,000,000	0
2040 - Accrued Payables	83,690	75,190	8,500
2080 - RPAC Payable	12,904	96,905	(84,000)
2095 - Prof Stds Escrow Liability	1,500	1,500	0
Total 2025 - Other Current Liabilities	1,098,094	1,173,595	(75,500)
2100 - Payroll Liabilities			
2115 - HSA Payable	0	0	0
2120 - Post Retirement Benefit Obliga	114,161	114,161	0
2150 - 457 Plan Liabilities	236,759	224,189	12,570
Total 2100 - Payroll Liabilities	350,920	338,350	12,570
2400 - Deferred Dues & Other Revenue			
2415 - Dues Payable, Odd Year	1,450,023	1,732,543	(282,520)
Total 2400 - Deferred Dues & Other Revenue	1,450,023	1,732,543	(282,520)
Total Other Current Liabilities	2,899,037	3,244,488	(345,450)
Total Current Liabilities	2,930,839	3,259,043	(328,204)
Total Liabilities	2,930,839	3,259,043	(328,204)
NET ASSETS			
3010 - Unrestricted Net Assets	6,445,692	6,560,913	(115,222)
3020 - REALTORS Defense Fund	1,634,033	1,606,350	27,683
Net Income	122,060	(87,539)	209,600
Total Net Assets	8,201,785	8,079,724	122,061
<b>Total LIABILITIES &amp; NET ASSETS</b>	<b>11,132,624</b>	<b>11,338,767</b>	<b>(206,143)</b>

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

July 31, 2017

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD Actual
<b>Income</b>						
4000 - Membership Income	327,059	300,000	2,297,038	2,100,000	3,600,000	2,185,199
4200 - Contract Fees & Event Income	1,350	42	9,290	13,794	70,500	7,040
4300 - Royalties, Rent & Product Sales	43	417	6,340	2,919	5,000	6,058
4900 - Other Income	37,160	8,475	231,393	59,325	101,700	61,493
<b>Total Income</b>	<b>365,612</b>	<b>308,934</b>	<b>2,544,061</b>	<b>2,176,038</b>	<b>3,777,200</b>	<b>2,259,790</b>
<b>Expense</b>						
5000 - Personnel Costs						
5010 - Compensation	111,884	127,719	792,538	894,033	1,532,622	711,121
5020 - Bonus Pool	0	0	28,279	28,000	80,000	24,000
5030 - Contract Labor / Temp Help	4,247	1,450	5,447	10,150	17,400	6,788
5100 - Benefits & Taxes	26,933	27,128	193,347	189,896	325,524	178,483
<b>Total 5000 - Personnel Costs</b>	<b>143,064</b>	<b>156,297</b>	<b>1,019,611</b>	<b>1,122,079</b>	<b>1,955,546</b>	<b>920,392</b>
5300 - Travel & Entertainment						
5310 - Staff Travel Costs	9,302	4,355	50,858	51,485	99,450	55,213
5410 - Leadership Travel	11,458	4,753	82,702	74,271	135,250	110,287
<b>Total 5300 Travel &amp; Entertainment</b>	<b>20,760</b>	<b>9,108</b>	<b>133,560</b>	<b>125,756</b>	<b>234,700</b>	<b>165,500</b>
5600 - Professional Fees	27,261	21,333	139,182	176,831	283,500	138,476
5700 - Technology & Equipment	45,099	47,041	355,037	329,287	564,500	298,635
5900 - Office Costs	6,189	8,827	47,680	62,789	106,950	59,334
6100 - Facility Costs	15,080	38,742	201,298	289,194	428,910	77,629
7100 - Programmatic Costs	20,068	61,570	571,492	319,615	513,350	289,847
<b>Total Expense</b>	<b>277,521</b>	<b>342,918</b>	<b>2,467,860</b>	<b>2,425,551</b>	<b>4,087,456</b>	<b>1,949,813</b>
<b>Net Ordinary Income</b>	<b>88,091</b>	<b>(33,984)</b>	<b>76,201</b>	<b>(249,513)</b>	<b>(310,256)</b>	<b>309,977</b>
<b>Other Income/Expense</b>						
Other Income						
4800 - Investment Income	37,129	2,083	124,358	14,581	25,000	210,011
<b>Total Other Income</b>	<b>37,129</b>	<b>2,083</b>	<b>124,358</b>	<b>14,581</b>	<b>25,000</b>	<b>210,011</b>
Other Expense						
8000 - Interest Expense	3,160	0	9,090	0	0	0
<b>Total Other Expense</b>	<b>3,160</b>	<b>0</b>	<b>9,090</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Other Income (Expense)</b>	<b>33,969</b>	<b>2,083</b>	<b>115,268</b>	<b>14,581</b>	<b>25,000</b>	<b>210,011</b>
<b>Net Income (Loss)</b>	<b>122,060</b>	<b>(31,901)</b>	<b>191,469</b>	<b>(234,932)</b>	<b>(285,256)</b>	<b>519,988</b>

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

July 31, 2017

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget
<b>Income</b>					
4000 - Membership Income					
4002 - Membership Dues	268,114	245,344	1,818,985	1,717,408	2,944,128
4020 - Shared Fees, Local Boards	7,767	8,000	53,359	56,000	96,000
4023 - State Application Fee (odd years)	22,024	20,000	225,751	140,000	240,000
4030 - RDF Dues	29,154	26,656	198,943	186,592	319,872
Total 4000 - Membership Income	327,059	300,000	2,297,038	2,100,000	3,600,000
4200 - Contract Fees & Event Income					
4101 - Sponsorship Income	0	0	0	10,000	30,000
4201 - Registration Income	1,350	42	9,290	3,794	40,500
Total 4200 - Contract Fees & Event Income	1,350	42	9,290	13,794	70,500
4300 - Royalties, Rent & Product Sales					
4301 - Royalty Income	43	417	6,340	2,919	5,000
Total 4300 - Royalties, Rent & Product Sales	43	417	6,340	2,919	5,000
4900 - Other Income					
4900 - Other Income	29,560	833	28,814	5,831	10,000
4901 - Grant Income-Temp Restricted	0	0	142,129	0	0
4910 - RECP Income	7,100	7,100	49,700	49,700	85,200
4920 - Professional Standards Income	500	542	10,750	3,794	6,500
Total 4900 - Other Income	37,160	8,475	231,393	59,325	101,700
Total Income	365,612	308,934	2,544,061	2,176,038	3,777,200
<b>Expense</b>					
5000 - Personnel Costs					
5010 - Compensation	111,884	127,719	792,538	894,033	1,532,622
5020 - Bonus Pool	0	0	28,279	28,000	80,000
5030 - Contract Labor / Temp Help	4,247	1,450	5,447	10,150	17,400
5100 - Benefits & Taxes					
5110 - Health & Life Insurance	8,019	8,605	55,646	60,235	103,262
5115 - Wellness Benefit	181	167	1,272	1,169	2,000
5120 - Dental Insurance	681	667	4,730	4,669	8,000
5125 - Disability Insurance	926	1,042	6,430	7,294	12,500
5130 - Retirement Benefits	5,551	5,417	35,126	37,919	65,000
5140 - Post-Employment Benefits	1,819	1,250	12,938	8,750	15,000
5150 - Workers Compensation Insuranc	733	583	7,032	4,081	7,000
5160 - Payroll Taxes	6,935	7,772	61,303	54,404	93,262
5170 - Professional Development	1,211	416	2,206	2,912	5,000
5180 - Dues & Subscriptions	877	1,209	6,664	8,463	14,500

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

July 31, 2017

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget
Total 5100 - Benefits & Taxes	26,933	27,128	193,347	189,896	325,524
Total 5000 - Personnel Costs	143,064	156,297	1,019,611	1,122,079	1,955,546
5300 - Travel & Entertainment					
5310 - Staff Travel Costs					
5310 - Staff Travel	1,882	730	13,139	10,610	15,750
5320 - Staff Lodging	1,833	855	13,795	15,485	31,750
5330 - Staff Mileage	1,095	655	4,092	5,085	9,100
5340 - Staff Meals	2,017	1,585	10,811	14,095	27,500
5350 - Staff Hospitality	0	271	921	4,397	6,750
5360 - Conference Registration Fees	2,475	259	8,100	1,813	8,600
Total 5310 - Staff Travel Costs	9,302	4,355	50,858	51,485	99,450
5410 - Leadership Travel					
5410 - Board / Volunteer Travel	177	584	12,272	13,088	19,500
5420 - Board / Volunteer Lodging	2,591	1,979	35,591	33,853	59,250
5430 - Board / Volunteer Mileage	393	483	3,802	5,881	10,300
5440 - Board / Volunteer Meals	8,269	1,184	25,296	14,288	27,200
5450 - Board / Volunteer Hospitality	28	439	1,406	6,573	13,750
5460 - Conference Registration Fees	0	84	4,335	588	5,250
Total 5410 - Leadership Travel	11,458	4,753	82,702	74,271	135,250
Total 5300 Travel & Entertainment	20,760	9,108	133,560	125,756	234,700
5600 - Professional Fees					
5610 - Legal Services	5,810	2,750	30,532	19,250	33,000
5620 - Audit & Tax Services	0	0	23,375	27,500	27,500
5630 - Accounting Services	19,951	10,417	74,775	72,919	125,000
5640 - Other Consulting Services	0	6,666	0	46,662	80,000
5650 - President's Stipend	1,500	1,500	10,500	10,500	18,000
Total 5600 - Professional Fees	27,261	21,333	139,182	176,831	283,500
5700 - Technology & Equipment					
5710 - Technology Consulting Service	43,828	44,625	344,957	312,375	535,500
5720 - Equipment Repairs & Maintenance	0	83	414	581	1,000
5730 - Small Equipment Purchases	96	250	122	1,750	3,000
5740 - Equipment > \$1000	0	833	0	5,831	10,000
5750 - Equipment Lease Payments	452	417	3,249	2,919	5,000
5760 - Software & Licensing Fees	723	833	6,295	5,831	10,000
Total 5700 - Technology & Equipment	45,099	47,041	355,037	329,287	564,500
5900 - Office Costs					
5910 - Telephone	2,100	4,374	11,221	30,618	52,500
5920 - Postage	241	116	693	812	1,400

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

July 31, 2017

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget
5925 - Shipping Expense	0	8	27	56	100
5930 - Office Supplies	16	300	1,782	2,100	3,600
5932 - Kitchen Supplies	286	333	2,352	2,331	4,000
5934 - Bathroom Supplies	0	83	0	581	1,000
5940 - Printing	0	562	4,172	3,934	6,750
5950 - Liability Insurance	896	1,042	7,073	7,294	12,500
5960 - Licenses and Fees	0	125	22	875	1,500
5970 - Bank & Credit Card Fees	1,100	1,667	15,298	11,669	20,000
5980 - Miscellaneous	1,550	217	5,040	2,519	3,600
<b>Total 5900 - Office Costs</b>	<b>6,189</b>	<b>8,827</b>	<b>47,680</b>	<b>62,789</b>	<b>106,950</b>
<b>6100 - Facility Costs</b>					
6110 - Office Rent & Parking	10,647	20,742	74,807	145,194	248,910
6115 - Other temp office costs	4,433	18,000	125,701	144,000	180,000
6180 - Property Taxes	0	0	790	0	0
<b>Total 6100 - Facility Costs</b>	<b>15,080</b>	<b>38,742</b>	<b>201,298</b>	<b>289,194</b>	<b>428,910</b>
<b>7100 - Programmatic Costs</b>					
7110 - Facility Rental	0	167	281	2,044	3,000
7120 - Catering	3,577	6,792	84,445	84,544	146,000
7130 - Honorarium/Speaker Fees	0	1,334	2,000	11,838	23,500
7140 - Speaker Travel	0	332	3,534	3,324	6,000
7150 - Plaques & Awards	0	308	2,303	2,406	4,700
7160 - Event Sponsorships	0	521	5,750	3,647	6,250
7210 - Website Development / Hosting	2,875	1,700	21,921	11,900	20,400
7215 - Clipping Service	0	417	0	2,919	5,000
7220 - Internet Communications	715	250	17,096	1,750	3,000
7225 - Publications	477	687	4,969	4,809	8,250
7240 - Video Production & Editing	0	84	99	588	1,000
7250 - Media / Public Relations Proj	0	42	0	294	500
7310 - Other Program Costs	4,299	5,228	341,831	27,596	49,250
7320 - Grants	8,125	2,791	11,875	19,537	33,500
7330 - Electronic Forms	0	36,000	73,388	108,000	144,000
7410 - Marketing Research	0	2,542	0	17,794	30,500
7420 - Outreach	0	501	500	3,507	6,000
7440 - Issue Research	0	833	1,500	5,831	10,000
7450 - Legislative Advocacy	0	1,041	0	7,287	12,500
<b>Total 7100 - Programmatic Costs</b>	<b>20,068</b>	<b>61,570</b>	<b>571,492</b>	<b>319,615</b>	<b>513,350</b>
<b>Total Expense</b>	<b>277,521</b>	<b>342,918</b>	<b>2,467,860</b>	<b>2,425,551</b>	<b>4,087,456</b>
<b>Net Ordinary Income</b>	<b>88,091</b>	<b>(33,984)</b>	<b>76,201</b>	<b>(249,513)</b>	<b>(310,256)</b>

**Other Income/Expense**



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

July 31, 2017

	<u>1 Month Actual</u>	<u>1 Month Budget</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
Other Income					
4800 - Investment Income					
4810 - Interest & Dividend Income	8,787	2,083	27,230	14,581	25,000
4815 - Unrealized Gains/Losses	(38,121)	0	34,587	0	0
4820 - Realized Gains/Losses	70,780	0	75,572	0	0
4830 - Investment Management Fees	(4,317)	0	(13,031)	0	0
Total 4800 - Investment Income	<u>37,129</u>	<u>2,083</u>	<u>124,358</u>	<u>14,581</u>	<u>25,000</u>
Total Other Income	37,129	2,083	124,358	14,581	25,000
Other Expense					
8000 - Interest Expense	3,160	0	9,090	0	0
Total Other Expense	<u>3,160</u>	<u>0</u>	<u>9,090</u>	<u>0</u>	<u>0</u>
Net Other Income (Expense)	<u>33,969</u>	<u>2,083</u>	<u>115,268</u>	<u>14,581</u>	<u>25,000</u>
<b>Net Income (Loss)</b>	<b><u>122,060</u></b>	<b><u>(31,901)</u></b>	<b><u>191,469</u></b>	<b><u>(234,932)</u></b>	<b><u>(285,256)</u></b>

**Indiana Association of Realtors, Inc.**  
**Historical and Budgeted Financial Statements**  
**Selected Information**  
**For the Seven Months Ended July 31, 2017 and Year Ending December 31, 2017**

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 and the statement of cash flows required by accounting principles generally accepted in the United States of America.
- 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 among unrestricted, temporarily restricted and permanently restricted 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 June 30, 2017 for additional meaningful data for management and the board.

**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 14, 2016, 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**

- Revenue is expected to grow at a rate of 5% based on membership count of 16,303
- The Association will continue its current monthly lease of \$15,556 (rent and parking) thru September 2017 at which time it is expected the Association will move to its new location at the Realtor Building, which is owned by an affiliate of the Association, One Forty Three LLC. A new lease which is yet to be finalized is expected to have monthly lease payments of approximately \$20,000.
- Salaries, benefits, and taxes are expected to increase by 20%
- Facility costs are expected to increase by 200% due to the move to the new location as mentioned above
- All other expenses are expected to increase by 1.4%