

# Indiana Association of Realtors

## September 2017

### EXECUTIVE SUMMARY

#### Balance Sheet

- The Association's cash balances decreased during September by \$388,000 with ending balance of \$894,000, mostly due to transfers made to One Forty Three LLC for construction costs.
- Accounts Receivable increased by \$19,000 due to Realist invoice for September and 2017 dues.
- The amounts Due from One Forty Three LLC increased by \$170,000 during the month due to transfers from IAR to cover renovation costs. Balance at month end is \$5,761,000.
- The amount Due from ISRE increased by \$10,000 during the month with an ending balance of \$310,000.
- IAR investments decreased by \$6,000 during the month with an ending balance of \$1,869,000 and RDF investments decreased by \$7,000 with an ending balance of \$1,623,000.
- Cambridge Ventures investment was liquidated during September with an ending balance of zero.
- Accounts Payable increased by \$85,000 due to invoices received from the Hilton for the stakeholder meeting and CoreLogic. Ending balance was \$114,000.
- Accrued Payables decreased by \$38,000 due to the July invoice received from CoreLogic.
- 401K and 457 Payables increased due to timing of month end payroll. Ending balance was \$20,000.
- Dues payable for 2017 decreased by \$288,000, from \$1,176,000 to \$888,000 due to amortization of dues payments for September. This balance will be amortized over the remaining months of the year and recognized as income.

#### Income Statement

- Net loss of (\$99,000) was recorded for the month, which represents net loss from operations of (\$64,000) and net investment loss of (\$35,000).
- YTD net income was \$186,000 compared to budgeted net loss of (\$214,000). YTD net income from operations was \$80,000 and YTD net investment income was \$106,000.
- Compared to the prior year, net income YTD was \$464,000 or 71% lower than the prior YTD net income of \$650,000.
- Total income for the current month was \$370,000, which was above the monthly budget of \$365,000 by \$4,000 or 1%. While membership dues were over budget by \$58,000, sponsorship and registration income were under budget by \$55,000.
- Total income YTD was \$3,311,000 and was above the YTD budget of \$2,850,000 by \$461,000 or 16%.
- Compared to the prior year, total income YTD was \$346,000 or 12% higher than the prior YTD amount of \$2,965,000.
- Total expenses for the month were \$434,000, and were above the monthly budget of \$357,000 by \$77,000 or 22% mostly due to facility costs which includes furniture for the new offices, part of which was budgeted in prior months.
- Total expenses YTD were \$3,232,000 and were over the YTD budget of \$3,083,000 by \$149,000 or 5%, mostly due to issues mobilization expenses charged to RDF programming included in programmatic costs.
- Compared to the prior year, expenses YTD are \$726,000 or 29% higher, mostly due to personnel, 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)**  
September 30, 2017

	09/30/2017	08/31/2017	Difference
<b>ASSETS</b>			
Current Assets			
Checking/Savings			
1000 - Cash Accounts	894,445	1,282,793	(388,349)
Total Checking/Savings	894,445	1,282,793	(388,349)
Other Current Assets			
1200 - Accounts Receivable	27,025	8,251	18,775
1300 - Other Current Assets	77,908	81,380	(3,472)
Total Other Current Assets	104,933	89,631	15,303
Total Current Assets	999,378	1,372,424	(373,046)
Fixed Assets			
1600 - Fixed Assets, Net of Deprec.	38,240	38,240	0
Total Fixed Assets	38,240	38,240	0
Other Assets			
1203 - Intercompany Loans Receivable	6,070,571	5,891,038	179,533
1500 - Investments	3,548,360	3,662,766	(114,406)
Total Other Assets	9,618,931	9,553,804	65,127
<b>Total ASSETS</b>	<b>10,656,549</b>	<b>10,964,468</b>	<b>(307,919)</b>
<b>LIABILITIES &amp; NET ASSETS</b>			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	114,396	29,072	85,324
Total Accounts Payable	114,396	29,072	85,324
Other Current Liabilities			
2025 - Other Current Liabilities	1,084,840	1,112,309	(27,469)
2100 - Payroll Liabilities	370,489	350,920	19,568
2400 - Deferred Dues & Other Revenue	890,364	1,175,955	(285,591)
Total Other Current Liabilities	2,345,693	2,639,184	(293,492)
Total Current Liabilities	2,460,089	2,668,256	(208,168)
Total Liabilities	2,460,089	2,668,256	(208,168)
NET ASSETS			
3010 - Unrestricted Net Assets	6,639,220	6,538,120	101,101
3020 - REALTORS Defense Fund	1,656,992	1,663,660	(6,668)
Net Income	(99,752)	94,432	(194,184)
Total Net Assets	8,196,460	8,296,212	(99,751)
<b>Total LIABILITIES &amp; NET ASSETS</b>	<b>10,656,549</b>	<b>10,964,468</b>	<b>(307,919)</b>

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

September 30, 2017

	09/30/2017	08/31/2017	Difference
<b>ASSETS</b>			
Current Assets			
Checking/Savings			
1000 - Cash Accounts			
1010 - Petty Cash	120	120	0
1020 - IAR Checking-Regions	297,522	197,175	100,347
1029 - First Merchants Checking	269,439	769,425	(499,986)
1032 - IAR Checking-ONB	12,452	15,681	(3,229)
1040 - Transmittal Checking Account	38,600	27,119	11,481
1050 - PayPal	8,372	7,631	740
1118 - REALTORS Federal Credit Union	271,351	271,039	312
1125 - IAR-Prof Standards Escrow	31,000	29,000	2,000
1199 - Cash Owed (to) by RDF	(34,411)	(34,397)	(14)
Total 1000 - Cash Accounts	<u>894,445</u>	<u>1,282,793</u>	<u>(388,349)</u>
Total Checking/Savings	894,445	1,282,793	(388,349)
Other Current Assets			
1200 - Accounts Receivable			
1200 - Accounts Receivable	15,582	7,765	7,818
1211 - Dues Receivable	11,443	486	10,957
Total 1200 - Accounts Receivable	<u>27,025</u>	<u>8,251</u>	<u>18,775</u>
1300 - Other Current Assets			
1310 - Prepaid Expense	66,355	69,827	(3,472)
1340 - Postage Deposits	588	588	0
1350 - Other Deposits	10,965	10,965	0
Total 1300 - Other Current Assets	<u>77,908</u>	<u>81,380</u>	<u>(3,472)</u>
Total Other Current Assets	<u>104,933</u>	<u>89,631</u>	<u>15,303</u>
Total Current Assets	<u>999,378</u>	<u>1,372,424</u>	<u>(373,046)</u>
Fixed Assets			
1600 - Fixed Assets, Net of Deprec.			
1605 - Land, Buildings & Equipment			
1630 - Furniture, Fixtures & Equipmen	251,928	251,927	0
Total 1605 - Land, Buildings & Equipment	<u>251,928</u>	<u>251,927</u>	<u>0</u>
1655 - Accumulated Depreciation			
1680 - Accum. Depreciation - FF&E	(213,688)	(213,687)	0
Total 1655 - Accumulated Depreciation	<u>(213,688)</u>	<u>(213,687)</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	5,760,672	5,591,048	169,624
1260 - Due from ISRE	309,899	299,990	9,909
Total - 1203 - Intercompany Loans Receivable	<u>6,070,571</u>	<u>5,891,038</u>	<u>179,533</u>
1500 - Investments			
1510 - SEI Investments	1,868,568	1,874,365	(5,797)
1520 - Realtor's Defense Fund Assets			
1525 - Realtors Defense Fund Invest	1,622,581	1,629,263	(6,682)
1599 - Cash Owed by (to) IAR	34,411	34,397	14
Total 1520 - Realtor's Defense Fund Assets	<u>1,656,992</u>	<u>1,663,660</u>	<u>(6,668)</u>
1530 - Cambridge Ventures L.P.	0	101,941	(101,941)
1540 - Alerus - 457(b) Investments	236,760	236,760	0

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

September 30, 2017

	09/30/2017	08/31/2017	Difference
1810 - Investment in ISRE	(213,960)	(213,960)	0
Total 1500 - Investments	3,548,360	3,662,766	(114,406)
1700 - Capitalized Lease Costs			
Total 1700 - Capitalized Lease Costs	0	0	0
Total Other Assets	9,618,931	9,553,804	65,127
<b>Total ASSETS</b>	<b>10,656,549</b>	<b>10,964,468</b>	<b>(307,919)</b>
<b>LIABILITIES &amp; NET ASSETS</b>			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	114,396	29,072	85,324
Total Accounts Payable	114,396	29,072	85,324
Other Current Liabilities			
2025 - Other Current Liabilities			
2035 - Line of Credit-ONB	1,000,000	1,000,000	0
2040 - Accrued Payables	45,490	83,690	(38,200)
2080 - RPAC Payable	38,600	27,119	11,481
2095 - Prof Stds Escrow Liability	750	1,500	(750)
Total 2025 - Other Current Liabilities	1,084,840	1,112,309	(27,469)
2100 - Payroll Liabilities			
2115 - HSA Payable	0	0	0
2120 - Post Retirement Benefit Obliga	114,161	114,161	0
2130 - 401(k) Payable	18,568	0	18,568
2135 - 457b Plan Payable	1,000	0	1,000
2150 - 457 Plan Liabilities	236,760	236,759	0
Total 2100 - Payroll Liabilities	370,489	350,920	19,568
2400 - Deferred Dues & Other Revenue			
2410 - Dues Payable, Even Year	2,200	0	2,200
2415 - Dues Payable, Odd Year	888,164	1,175,955	(287,791)
Total 2400 - Deferred Dues & Other Revenue	890,364	1,175,955	(285,591)
Total Other Current Liabilities	2,345,693	2,639,184	(293,492)
Total Current Liabilities	2,460,089	2,668,256	(208,168)
Total Liabilities	2,460,089	2,668,256	(208,168)
NET ASSETS			
3010 - Unrestricted Net Assets	6,639,220	6,538,120	101,101
3020 - REALTORS Defense Fund	1,656,992	1,663,660	(6,668)
Net Income	(99,752)	94,432	(194,184)
Total Net Assets	8,196,460	8,296,212	(99,751)
<b>Total LIABILITIES &amp; NET ASSETS</b>	<b>10,656,549</b>	<b>10,964,468</b>	<b>(307,919)</b>

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

September 30, 2017

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD Actual
<b>Income</b>						
4000 - Membership Income	357,662	300,000	3,036,772	2,700,000	3,600,000	2,848,464
4200 - Contract Fees & Event Income	1,990	56,542	17,940	70,378	70,500	26,775
4300 - Royalties, Rent & Product Sales	60	417	8,184	3,753	5,000	8,096
4900 - Other Income	9,850	8,475	248,594	76,275	101,700	81,923
<b>Total Income</b>	<b>369,562</b>	<b>365,434</b>	<b>3,311,490</b>	<b>2,850,406</b>	<b>3,777,200</b>	<b>2,965,258</b>
<b>Expense</b>						
5000 - Personnel Costs						
5010 - Compensation	112,459	127,719	1,015,549	1,149,471	1,532,622	918,727
5020 - Bonus Pool	0	0	28,278	28,000	80,000	24,000
5030 - Contract Labor / Temp Help	0	1,450	5,447	13,050	17,400	10,387
5100 - Benefits & Taxes	20,140	27,128	246,575	244,152	325,524	224,807
<b>Total 5000 - Personnel Costs</b>	<b>132,599</b>	<b>156,297</b>	<b>1,295,849</b>	<b>1,434,673</b>	<b>1,955,546</b>	<b>1,177,921</b>
5300 - Travel & Entertainment						
5310 - Staff Travel Costs	5,167	7,355	59,764	63,195	99,450	66,141
5410 - Leadership Travel	14,986	12,753	98,959	91,777	135,250	126,164
<b>Total 5300 Travel &amp; Entertainment</b>	<b>20,153</b>	<b>20,108</b>	<b>158,723</b>	<b>154,972</b>	<b>234,700</b>	<b>192,305</b>
5600 - Professional Fees	15,166	21,333	168,156	219,497	283,500	185,884
5700 - Technology & Equipment	61,892	47,041	459,275	423,369	564,500	393,480
5900 - Office Costs	4,423	8,827	56,602	80,443	106,950	55,151
6100 - Facility Costs	126,064	38,742	399,563	366,678	428,910	100,919
7100 - Programmatic Costs	73,658	64,320	693,700	403,505	513,350	399,774
<b>Total Expense</b>	<b>433,955</b>	<b>356,668</b>	<b>3,231,868</b>	<b>3,083,137</b>	<b>4,087,456</b>	<b>2,505,434</b>
<b>Net Ordinary Income</b>	<b>(64,393)</b>	<b>8,766</b>	<b>79,622</b>	<b>(232,731)</b>	<b>(310,256)</b>	<b>459,824</b>
<b>Other Income/Expense</b>						
Other Income						
4800 - Investment Income	(32,130)	2,083	122,071	18,747	25,000	189,900
<b>Total Other Income</b>	<b>(32,130)</b>	<b>2,083</b>	<b>122,071</b>	<b>18,747</b>	<b>25,000</b>	<b>189,900</b>
Other Expense						
8000 - Interest Expense	3,229	0	15,549	0	0	0
<b>Total Other Expense</b>	<b>3,229</b>	<b>0</b>	<b>15,549</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Other Income (Expense)</b>	<b>(35,359)</b>	<b>2,083</b>	<b>106,522</b>	<b>18,747</b>	<b>25,000</b>	<b>189,900</b>
<b>Net Income (Loss)</b>	<b>(99,752)</b>	<b>10,849</b>	<b>186,144</b>	<b>(213,984)</b>	<b>(285,256)</b>	<b>649,724</b>

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

September 30, 2017

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget
<b>Income</b>					
4000 - Membership Income					
4002 - Membership Dues	285,814	245,344	2,390,614	2,208,096	2,944,128
4020 - Shared Fees, Local Boards	7,818	8,000	68,941	72,000	96,000
4023 - State Application Fee (odd years)	32,977	20,000	316,097	180,000	240,000
4030 - RDF Dues	31,053	26,656	261,120	239,904	319,872
Total 4000 - Membership Income	357,662	300,000	3,036,772	2,700,000	3,600,000
4200 - Contract Fees & Event Income					
4101 - Sponsorship Income	0	20,000	0	30,000	30,000
4201 - Registration Income	1,990	36,542	17,940	40,378	40,500
Total 4200 - Contract Fees & Event Income	1,990	56,542	17,940	70,378	70,500
4300 - Royalties, Rent & Product Sales					
4301 - Royalty Income	60	417	8,184	3,753	5,000
Total 4300 - Royalties, Rent & Product Sales	60	417	8,184	3,753	5,000
4900 - Other Income					
4900 - Other Income	0	833	28,815	7,497	10,000
4901 - Grant Income-Temp Restricted	0	0	142,129	0	0
4910 - RECP Income	7,100	7,100	63,900	63,900	85,200
4920 - Professional Standards Income	2,750	542	13,750	4,878	6,500
Total 4900 - Other Income	9,850	8,475	248,594	76,275	101,700
Total Income	369,562	365,434	3,311,490	2,850,406	3,777,200
<b>Expense</b>					
5000 - Personnel Costs					
5010 - Compensation	112,459	127,719	1,015,549	1,149,471	1,532,622
5020 - Bonus Pool	0	0	28,278	28,000	80,000
5030 - Contract Labor / Temp Help	0	1,450	5,447	13,050	17,400
5100 - Benefits & Taxes					
5110 - Health & Life Insurance	7,658	8,605	71,710	77,445	103,262
5115 - Wellness Benefit	142	167	1,646	1,503	2,000
5120 - Dental Insurance	0	667	5,847	6,003	8,000
5125 - Disability Insurance	(344)	1,042	7,313	9,378	12,500
5130 - Retirement Benefits	5,058	5,417	52,463	48,753	65,000
5140 - Post-Employment Benefits	624	1,250	15,382	11,250	15,000
5150 - Workers Compensation Insuranc	733	583	8,497	5,247	7,000
5160 - Payroll Taxes	5,756	7,772	73,829	69,948	93,262
5170 - Professional Development	0	416	2,206	3,744	5,000
5180 - Dues & Subscriptions	513	1,209	7,682	10,881	14,500

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

September 30, 2017

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget
Total 5100 - Benefits & Taxes	20,140	27,128	246,575	244,152	325,524
Total 5000 - Personnel Costs	132,599	156,297	1,295,849	1,434,673	1,955,546
5300 - Travel & Entertainment					
5310 - Staff Travel Costs					
5310 - Staff Travel	267	1,230	13,463	12,570	15,750
5320 - Staff Lodging	3,107	2,855	18,381	19,195	31,750
5330 - Staff Mileage	1,125	655	6,167	6,395	9,100
5340 - Staff Meals	668	2,085	12,591	17,765	27,500
5350 - Staff Hospitality	0	271	1,062	4,939	6,750
5360 - Conference Registration Fees	0	259	8,100	2,331	8,600
Total 5310 - Staff Travel Costs	5,167	7,355	59,764	63,195	99,450
5410 - Leadership Travel					
5410 - Board / Volunteer Travel	1,266	1,084	13,812	14,756	19,500
5420 - Board / Volunteer Lodging	9,144	4,979	45,118	40,811	59,250
5430 - Board / Volunteer Mileage	463	1,483	4,548	7,847	10,300
5440 - Board / Volunteer Meals	4,113	2,184	29,741	17,656	27,200
5450 - Board / Volunteer Hospitality	0	2,939	1,405	9,951	13,750
5460 - Conference Registration Fees	0	84	4,335	756	5,250
Total 5410 - Leadership Travel	14,986	12,753	98,959	91,777	135,250
Total 5300 Travel & Entertainment	20,153	20,108	158,723	154,972	234,700
5600 - Professional Fees					
5610 - Legal Services	4,651	2,750	38,826	24,750	33,000
5620 - Audit & Tax Services	0	0	23,375	27,500	27,500
5630 - Accounting Services	9,015	10,417	92,455	93,753	125,000
5640 - Other Consulting Services	0	6,666	0	59,994	80,000
5650 - President's Stipend	1,500	1,500	13,500	13,500	18,000
Total 5600 - Professional Fees	15,166	21,333	168,156	219,497	283,500
5700 - Technology & Equipment					
5710 - Technology Consulting Service	60,922	44,625	446,965	401,625	535,500
5720 - Equipment Repairs & Maintenance	0	83	414	747	1,000
5730 - Small Equipment Purchases	0	250	122	2,250	3,000
5740 - Equipment > \$1000	0	833	0	7,497	10,000
5750 - Equipment Lease Payments	431	417	4,115	3,753	5,000
5760 - Software & Licensing Fees	539	833	7,659	7,497	10,000
Total 5700 - Technology & Equipment	61,892	47,041	459,275	423,369	564,500
5900 - Office Costs					
5910 - Telephone	1,781	4,374	14,426	39,366	52,500
5920 - Postage	0	116	894	1,044	1,400

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

September 30, 2017

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget
5925 - Shipping Expense	0	8	52	72	100
5930 - Office Supplies	321	300	2,517	2,700	3,600
5932 - Kitchen Supplies	163	333	2,876	2,997	4,000
5934 - Bathroom Supplies	0	83	0	747	1,000
5940 - Printing	0	562	4,172	5,058	6,750
5950 - Liability Insurance	896	1,042	8,865	9,378	12,500
5960 - Licenses and Fees	0	125	22	1,125	1,500
5970 - Bank & Credit Card Fees	1,160	1,667	17,655	15,003	20,000
5980 - Miscellaneous	102	217	5,123	2,953	3,600
<b>Total 5900 - Office Costs</b>	<b>4,423</b>	<b>8,827</b>	<b>56,602</b>	<b>80,443</b>	<b>106,950</b>
<b>6100 - Facility Costs</b>					
6110 - Office Rent & Parking	14,397	20,742	101,805	186,678	248,910
6115 - Other temp office costs	111,667	18,000	296,969	180,000	180,000
6180 - Property Taxes	0	0	789	0	0
<b>Total 6100 - Facility Costs</b>	<b>126,064</b>	<b>38,742</b>	<b>399,563</b>	<b>366,678</b>	<b>428,910</b>
<b>7100 - Programmatic Costs</b>					
7110 - Facility Rental	0	167	282	2,378	3,000
7120 - Catering	29,521	35,917	113,965	123,378	146,000
7130 - Honorarium/Speaker Fees	0	6,334	3,500	19,506	23,500
7140 - Speaker Travel	0	1,332	3,534	4,988	6,000
7150 - Plaques & Awards	264	1,058	4,476	3,772	4,700
7160 - Event Sponsorships	0	521	5,750	4,689	6,250
7210 - Website Development / Hosting	2,875	1,700	27,670	15,300	20,400
7215 - Clipping Service	0	417	0	3,753	5,000
7220 - Internet Communications	4,717	250	24,448	2,250	3,000
7225 - Publications	904	687	6,351	6,183	8,250
7240 - Video Production & Editing	0	84	99	756	1,000
7250 - Media / Public Relations Proj	0	42	0	378	500
7310 - Other Program Costs	35,377	8,103	377,209	38,802	49,250
7320 - Grants	0	2,791	11,875	25,119	33,500
7330 - Electronic Forms	0	0	111,041	108,000	144,000
7410 - Marketing Research	0	2,542	0	22,878	30,500
7420 - Outreach	0	501	2,000	4,509	6,000
7440 - Issue Research	0	833	1,500	7,497	10,000
7450 - Legislative Advocacy	0	1,041	0	9,369	12,500
<b>Total 7100 - Programmatic Costs</b>	<b>73,658</b>	<b>64,320</b>	<b>693,700</b>	<b>403,505</b>	<b>513,350</b>
<b>Total Expense</b>	<b>433,955</b>	<b>356,668</b>	<b>3,231,868</b>	<b>3,083,137</b>	<b>4,087,456</b>
<b>Net Ordinary Income</b>	<b>(64,393)</b>	<b>8,766</b>	<b>79,622</b>	<b>(232,731)</b>	<b>(310,256)</b>

**Other Income/Expense**



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

September 30, 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	4,437	2,083	35,920	18,747	25,000
4815 - Unrealized Gains/Losses	(17,412)	0	42,766	0	0
4820 - Realized Gains/Losses	(19,155)	0	56,416	0	0
4830 - Investment Management Fees	0	0	(13,031)	0	0
Total 4800 - Investment Income	<u>(32,130)</u>	<u>2,083</u>	<u>122,071</u>	<u>18,747</u>	<u>25,000</u>
Total Other Income	<u>(32,130)</u>	<u>2,083</u>	<u>122,071</u>	<u>18,747</u>	<u>25,000</u>
Other Expense					
8000 - Interest Expense	3,229	0	15,549	0	0
Total Other Expense	<u>3,229</u>	<u>0</u>	<u>15,549</u>	<u>0</u>	<u>0</u>
Net Other Income (Expense)	<u>(35,359)</u>	<u>2,083</u>	<u>106,522</u>	<u>18,747</u>	<u>25,000</u>
<b>Net Income (Loss)</b>	<b><u>(99,752)</u></b>	<b><u>10,849</u></b>	<b><u>186,144</u></b>	<b><u>(213,984)</u></b>	<b><u>(285,256)</u></b>

**Indiana Association of Realtors, Inc.**  
**Historical and Budgeted Financial Statements**  
**Selected Information**  
**For the Nine Months Ended September 30, 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 August 31, 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%