

Indiana Association of Realtors

December 2018

EXECUTIVE SUMMARY

Balance Sheet

- The Association's cash balances increased during December by \$240,000 due to 2019 dues collected. Ending cash balance was \$995,000.
- Receivables increased by \$297,000 with an ending balance of \$1,777,000. The increase is due to an increase in the note receivable and accrued interest income due from One Forty Three LLC and the accrual of 2018 dues collected in January of 2019.
- Fixed assets increased by \$45,000 due to various purchases made throughout the year that were expensed, were reclassified to assets.
- The amount Due from ISRE increased by \$54,000 during the month with an ending balance of \$327,000. For 2018, the amount due from ISRE decreased by \$79,000.
- The amount Due from One Forty Three LLC increased by \$17,000 with an ending balance \$5,424,000. For the year, the amount due from One Forty Three LLC increased by \$184,000.
- IAR investments decreased by \$26,000 during the month due to unrealized losses, with an ending balance of \$1,840,000 and RDF investments increased by \$10,000 with an ending balance of \$1,572,000.
- Alerus investment in the 457(b) plan decreased by \$29,000 for the quarter due to unrealized losses. This asset is offset by a liability for the same amount.
- The investment in ISRE decreased by \$76,000 due to the net income recorded by ISRE for 2018.
- Accounts Payable decreased by \$35,000 with an ending balance of \$105,000.
- Lines of Credit with ONB
 - The \$1.3 mil LOC increased by \$268,000 during the month due to loan draw for construction costs. Ending balance was \$974,000
 - The \$700,000 note payable decreased by \$10,000 due to loan payment made in December. Ending balance was \$690,000.
 - See offsetting Note Receivable from One Forty Three LLC in assets.
- RPAC Payable for dues assessment increased by \$36,000 with an ending balance of \$62,000 – these funds represent RPAC contributions collected with 2019 dues payments and will be remitted to RPAC on a monthly basis.
- Dues payable (even year) decreased by \$338,000, from \$676,000 to \$0 due to amortization of dues revenue for December.
- Dues payable (odd year) increased by \$565,000 with an ending balance of \$938,000. These funds represent 2019 dues collected in 2018 and will be recognized as income in 2019.
- Unearned registration fees represent income collected to date for the legislative conference to be held in early 2019 and will be recognized at that time.

Income Statement

- Net income of \$178,000 was recorded for the month, which represents net ordinary income of \$104,000 and net investment loss of (\$6,000). Budgeted net loss for December was (\$47,000).
- 2018 net income was \$1,012,000, which represents net ordinary income of \$1,001,000 and net investment income of \$11,000. Budgeted net income for 2018 was \$220,000.
- Compared to the prior year, net income was \$499,000 higher than the prior year net income of \$513,000 – this increase is due to higher membership dues (due to increase in members) and lower expenses (RDF expenses

incurred in the prior year for Access Marketing and the Indiana road funding project were not recurring expenses in 2018).

- Total income for December was \$429,000, which was above the monthly budget of \$334,000 by \$96,000 or 29%.
- Total income for 2018 was \$4,762,000, which was above the 2018 budget of \$4,186,000 by \$576,000 or 14%.
- Compared to the prior year, total YTD income was \$391,000 higher (9%) than the prior year income of \$4,371,000.
- Total expenses for the month were \$325,000, and were below the monthly budget of \$383,000 by \$58,000 or 15%, mostly due to personnel and technology/equipment.
- 2018 expenses were \$3,762,000, and were below the annual budget of \$3,991,000 by \$229,000 or 6% due to personnel, travel, and technology/equipment.
- Compared to the prior year, expenses were \$208,000 lower (5%), mostly due to prior year RDF expenses mentioned above.

Indiana Association of Realtors, Inc.
Balance Sheet (Summary)
December 31, 2018

	12/31/2018	11/30/2018	Difference
ASSETS			
Current Assets			
Checking/Savings			
1000 - Cash Accounts	994,561	754,576	239,986
Total Checking/Savings	994,561	754,576	239,986
Other Current Assets			
1200 - Accounts Receivable	1,776,949	1,479,902	297,046
1300 - Other Current Assets	23,708	29,014	(5,306)
Total Other Current Assets	1,800,657	1,508,916	291,740
Total Current Assets	2,795,218	2,263,492	531,726
Fixed Assets			
1600 - Fixed Assets, Net of Deprec.	348,859	344,691	4,168
Total Fixed Assets	348,859	344,691	4,168
Other Assets			
1203 - Intercompany Loans Receivable	5,750,618	5,678,848	71,770
1500 - Investments	3,761,853	3,772,190	(10,337)
1700 - Capitalized Loan and Lease Costs	3,134	3,934	(800)
Total Other Assets	9,515,605	9,454,972	60,633
Total ASSETS	12,659,682	12,063,155	596,527
LIABILITIES & NET ASSETS			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	104,700	139,849	(35,149)
Total Accounts Payable	104,700	139,849	(35,149)
Other Current Liabilities			
2025 - Other Current Liabilities	1,758,121	1,444,501	313,620
2100 - Payroll Liabilities	323,258	409,952	(86,694)
2400 - Deferred Dues & Other Revenue	939,782	712,764	227,018
Total Other Current Liabilities	3,021,161	2,567,217	453,944
Total Current Liabilities	3,125,861	2,707,066	418,795
Total Liabilities	3,125,861	2,707,066	418,795
NET ASSETS			
Without Donor Restrictions			
Undesignated	7,617,757	7,483,597	134,160
Board Designated (RDF)	1,916,064	1,872,492	43,572
Total Without Donor Restrictions	9,533,821	9,356,089	177,732
Total Net Assets	9,533,821	9,356,089	177,732
Total LIABILITIES & NET ASSETS	12,659,682	12,063,155	596,527

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

December 31, 2018

	12/31/2018	11/30/2018	Difference
ASSETS			
Current Assets			
Checking/Savings			
1000 - Cash Accounts			
1010 - Petty Cash	120	120	0
1020 - IAR Checking-Regions	1,184,278	986,958	197,320
1029 - First Merchants Checking	10,403	10,408	(5)
1032 - IAR Checking-ONB	4,439	7,636	(3,197)
1040 - Transmittal Checking Account	14,943	10,940	4,003
1118 - REALTORS Federal Credit Union	86	87	0
1125 - IAR-Prof Standards Escrow	40,150	40,150	0
1199 - Cash Owed (to) by RDF	(259,858)	(301,723)	41,865
Total 1000 - Cash Accounts	994,561	754,576	239,986
Total Checking/Savings	994,561	754,576	239,986
Other Current Assets			
1200 - Accounts Receivable			
1200 - Accounts Receivable	15,962	15,999	(37)
1211 - Dues Receivable	35,103	11,803	23,299
1220 - Other Receivables	300	500	(200)
1245 - Accrued Interest Receivable	51,314	45,815	5,499
1270 - Note Receivable	1,674,270	1,405,785	268,485
Total 1200 - Accounts Receivable	1,776,949	1,479,902	297,046
1300 - Other Current Assets			
1310 - Prepaid Expense	23,120	28,426	(5,306)
1340 - Postage Deposits	588	588	0
Total 1300 - Other Current Assets	23,708	29,014	(5,306)
Total Other Current Assets	1,800,657	1,508,916	291,740
Total Current Assets	2,795,218	2,263,492	531,726
Fixed Assets			
1600 - Fixed Assets, Net of Deprec.			
1625 - Leasehold improvements-IAR	16,335	0	16,335
1630 - Furniture, Fixtures & Equipmen	411,405	382,304	29,101
Total 1605 - Land, Buildings & Equipment	427,740	382,304	45,436
1672 - Accum. Depreciation - Improvem	(2,199)	0	(2,199)
1680 - Accum. Depreciation - FF&E	(76,682)	(37,613)	(39,069)
Total 1655 - Accumulated Depreciation	(78,881)	(37,613)	(41,268)
Total 1600 - Fixed Assets, Net of Deprec.	348,859	344,691	4,168
Total Fixed Assets	348,859	344,691	4,168
Other Assets			
1203 - Intercompany Loans Receivable			
1260 - Due from ISRE	326,701	272,346	54,354
1203 - Due From 143 LLC	5,423,917	5,406,502	17,416
Total - 1203 - Intercompany Loans Receivable	5,750,618	5,678,848	71,770
1500 - Investments			
1510 - SEI Investments	1,839,992	1,865,638	(25,646)
1520 - Realtor's Defense Fund Assets			
1525 - Realtors Defense Fund Invest	1,572,101	1,562,023	10,078
1599 - Cash Owed by (to) IAR	259,858	301,723	(41,865)

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

December 31, 2018

	12/31/2018	11/30/2018	Difference
Total 1520 - Realtor's Defense Fund Assets	1,831,959	1,863,746	(31,787)
1540 - Alerus - 457(b) Investments	273,108	302,394	(29,286)
1810 - Investment in ISRE	(195,489)	(271,871)	76,382
1820 - Investment in 143 MM	12,283	12,283	0
Total 1500 - Investments	3,761,853	3,772,190	(10,337)
1700 - Capitalized Loan and Lease Costs			
1715 - Capitalized Loan Costs	4,000	4,000	0
1716 - Accum Amort - Capitalized Loan Costs	(866)	(66)	(800)
Total 1700 - Capitalized Loan and Lease Costs	3,134	3,934	(800)
Total Other Assets	9,515,605	9,454,972	60,633
Total ASSETS	12,659,682	12,063,155	596,527
LIABILITIES & NET ASSETS			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	104,700	139,849	(35,149)
Total Accounts Payable	104,700	139,849	(35,149)
Other Current Liabilities			
2025 - Other Current Liabilities			
2036 - Line of Credit-ONB (\$1.3mil)	974,270	705,785	268,485
2037 - Note Payable-ONB (\$700K)	690,092	700,000	(9,908)
2040 - Accrued Payables	15,491	0	15,491
2080 - RPAC Payable (Transmittal)	14,943	10,941	4,002
2081 - RPAC Payable (Dues assessment)	62,325	26,775	35,550
2095 - Prof Stds Escrow Liability	1,000	1,000	0
Total 2025 - Other Current Liabilities	1,758,121	1,444,501	313,620
2100 - Payroll Liabilities			
2110 - FSA Plan Payable	2,449	1,261	1,188
2120 - Post Retirement Benefit Obliga	47,701	106,297	(58,596)
2150 - 457 Plan Liabilities	273,108	302,394	(29,286)
Total 2100 - Payroll Liabilities	323,258	409,952	(86,694)
2400 - Deferred Dues & Other Revenue			
2410 - Dues Payable, Even Year	0	338,383	(338,383)
2415 - Dues Payable, Odd Year	937,911	373,205	564,706
2430 - Unearned Registration Fees	1,871	1,176	695
Total 2400 - Deferred Dues & Other Revenue	939,782	712,764	227,018
Total Other Current Liabilities	3,021,161	2,567,217	453,944
Total Current Liabilities	3,125,861	2,707,066	418,795
Total Liabilities	3,125,861	2,707,066	418,795
NET ASSETS			
Without Donor Restrictions			
Undesignated			
7,617,757	7,617,757	7,483,597	134,160
Board Designated (RDF)			
3020 - RDF Investments	1,831,959	1,863,747	(31,788)
3021 - RDF Dues Assessment	62,325	0	62,325
3022 - RDF Local Issues	21,780	8,745	13,035
Total Board Designated (RDF)	1,916,064	1,872,492	43,572
Total Without Donor Restrictions	9,533,821	9,356,089	177,732

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

December 31, 2018

	<u>12/31/2018</u>	<u>11/30/2018</u>	<u>Difference</u>
Total Net Assets	<u>9,533,821</u>	<u>9,356,089</u>	<u>177,732</u>
Total LIABILITIES & NET ASSETS	<u>12,659,682</u>	<u>12,063,155</u>	<u>596,527</u>

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

December 31, 2018

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD Actual
Income						
4000 - Membership Income	420,061	324,254	4,604,348	4,032,000	4,032,000	4,082,557
4200 - Contract Fees & Event Income	0	42	25,145	42,000	42,000	18,625
4300 - Royalties, Rent & Product Sales	1,109	583	17,482	7,000	7,000	16,142
4900 - Other Income	8,100	8,766	115,041	105,200	105,200	254,093
Total Income	429,270	333,645	4,762,016	4,186,200	4,186,200	4,371,417
Expense						
5000 - Personnel Costs						
5010 - Compensation	115,313	137,500	1,406,767	1,525,000	1,525,000	1,357,490
5020 - Bonus Pool	50,565	71,000	79,770	100,000	100,000	88,917
5030 - Contract Labor / Temp Help	0	167	0	2,000	2,000	5,447
5100 - Benefits & Taxes	(36,942)	26,751	252,036	321,000	321,000	318,208
Total 5000 - Personnel Costs	128,936	235,418	1,738,573	1,948,000	1,948,000	1,770,062
5300 - Travel & Entertainment						
5310 - Staff Travel Costs	7,763	4,461	76,035	91,250	91,250	92,363
5410 - Leadership Travel	16,970	6,552	131,636	175,850	175,850	150,321
Total 5300 Travel & Entertainment	24,733	11,013	207,671	267,100	267,100	242,684
5600 - Professional Fees	15,871	15,459	215,056	213,000	213,000	226,452
5700 - Technology & Equipment	(14,651)	58,174	612,317	648,100	648,100	572,576
5900 - Office Costs	23,884	11,263	134,931	78,150	78,150	105,594
6100 - Facility Costs	57,226	22,071	268,072	264,850	264,850	167,372
7100 - Programmatic Costs	89,039	29,334	584,996	571,750	571,750	884,581
Total Expense	325,038	382,732	3,761,616	3,990,950	3,990,950	3,969,321
Net Ordinary Income	104,232	(49,087)	1,000,400	195,250	195,250	402,096
Other Income/Expense						
Other Income						
4800 - Investment Income	67,207	2,083	52,373	25,000	25,000	110,492
Total Other Income	67,207	2,083	52,373	25,000	25,000	110,492
Other Expense						
8000 - Interest Expense	(11,157)	0	35,699	0	0	1
8100 - Priority Return-Twain	4,864	0	5,297	0	0	0
Total Other Expense	(6,293)	0	40,996	0	0	1
Net Other Income (Expense)	73,500	2,083	11,377	25,000	25,000	110,491
Net Income (Loss)	177,732	(47,004)	1,011,777	220,250	220,250	512,587

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

December 31, 2018

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD 12/31/2017
Income						
4000 - Membership Income						
4002 - Membership Dues	314,732	267,221	3,659,257	3,333,792	3,333,792	3,245,704
4020 - Shared Fees, Local Boards	8,019	8,000	95,635	96,000	96,000	92,517
4021 - State Application Fee (even years)	50,000	20,000	428,624	240,000	240,000	0
4023 - State Application Fee (odd years)	0	0	0	0	0	390,237
4030 - RDF Dues	34,275	29,033	399,052	362,208	362,208	354,099
4035 - RDF Issues Income	13,035	0	21,780	0	0	0
Total 4000 - Membership Income	420,061	324,254	4,604,348	4,032,000	4,032,000	4,082,557
4200 - Contract Fees & Event Income						
4101 - Sponsorship Income	0	0	5,500	10,000	10,000	0
4201 - Registration Income	0	42	19,645	32,000	32,000	18,625
Total 4200 - Contract Fees & Event Income	0	42	25,145	42,000	42,000	18,625
4300 - Royalties, Rent & Product Sales	1,109	583	17,482	7,000	7,000	16,142
4900 - Other Income	8,100	8,766	115,041	105,200	105,200	254,093
Total Income	429,270	333,645	4,762,016	4,186,200	4,186,200	4,371,417
Expense						
5000 - Personnel Costs						
5010 - Compensation	115,313	137,500	1,406,767	1,525,000	1,525,000	1,357,490
5020 - Bonus Pool	50,565	71,000	79,770	100,000	100,000	88,917
5030 - Contract Labor / Temp Help	0	167	0	2,000	2,000	5,447
5100 - Benefits & Taxes						
5110 - Health & Life Insurance	4,710	8,417	82,064	101,000	101,000	96,567
5115 - Wellness Benefit	459	417	2,505	5,000	5,000	2,840
5120 - Dental Insurance	454	583	6,940	7,000	7,000	7,846
5125 - Disability Insurance	118	500	10,598	6,000	6,000	14,722
5130 - Retirement Benefits	5,240	5,542	62,643	66,500	66,500	60,139
5140 - Post-Employment Benefits	(57,373)	1,875	(41,993)	22,500	22,500	14,292
5150 - Workers Compensation Insuranc	631	750	7,564	9,000	9,000	10,697
5160 - Payroll Taxes	7,209	6,667	94,755	80,000	80,000	91,533
5170 - Professional Development	95	417	8,769	5,000	5,000	3,428
5180 - Dues & Subscriptions	1,515	1,583	18,191	19,000	19,000	16,144
Total 5100 - Benefits & Taxes	(36,942)	26,751	252,036	321,000	321,000	318,208
Total 5000 - Personnel Costs	128,936	235,418	1,738,573	1,948,000	1,948,000	1,770,062
5300 - Travel & Entertainment						
5310 - Staff Travel Costs						

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

December 31, 2018

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD 12/31/2017
5310 - Staff Travel	327	667	13,993	17,500	17,500	16,426
5320 - Staff Lodging	5,281	979	27,191	30,750	30,750	32,008
5330 - Staff Mileage	634	709	10,682	9,250	9,250	11,251
5340 - Staff Meals	1,466	1,439	17,190	20,750	20,750	21,357
5350 - Staff Hospitality	0	83	2,144	2,500	2,500	1,681
5360 - Conference Registration Fees	55	584	4,835	10,500	10,500	9,640
Total 5310 - Staff Travel Costs	7,763	4,461	76,035	91,250	91,250	92,363
5410 - Leadership Travel						
5410 - Board / Volunteer Travel	727	709	21,527	23,500	23,500	18,920
5420 - Board / Volunteer Lodging	13,109	2,541	60,625	77,500	77,500	64,571
5430 - Board / Volunteer Mileage	495	980	5,059	14,250	14,250	8,409
5440 - Board / Volunteer Meals	930	1,654	31,980	41,850	41,850	41,761
5450 - Board / Volunteer Hospitality	359	585	5,216	11,000	11,000	6,025
5460 - Conference Registration Fees	1,350	83	7,229	7,750	7,750	10,635
Total 5410 - Leadership Travel	16,970	6,552	131,636	175,850	175,850	150,321
Total 5300 Travel & Entertainment	24,733	11,013	207,671	267,100	267,100	242,684
5600 - Professional Fees						
5610 - Legal Services	3,706	2,917	38,144	35,000	35,000	60,105
5620 - Audit & Tax Services	2,550	0	43,718	27,500	27,500	23,775
5630 - Accounting Services	8,115	10,417	115,194	125,000	125,000	111,149
5640 - Other Consulting Services	0	625	0	7,500	7,500	13,423
5650 - President's Stipend	1,500	1,500	18,000	18,000	18,000	18,000
Total 5600 - Professional Fees	15,871	15,459	215,056	213,000	213,000	226,452
5700 - Technology & Equipment						
5710 - Technology Consulting Service	30,350	55,167	586,257	612,000	612,000	557,009
5720 - Equipment Repairs & Maintenance	420	83	1,176	1,000	1,000	414
5730 - Small Equipment Purchases	314	625	4,010	7,500	7,500	178
5740 - Equipment > \$1000	(43,310)	83	0	1,000	1,000	2,723
5750 - Equipment Lease Payments	(2,996)	833	5,550	10,000	10,000	1,770
5760 - Software & Licensing Fees	571	1,383	15,324	16,600	16,600	10,482
Total 5700 - Technology & Equipment	(14,651)	58,174	612,317	648,100	648,100	572,576
5900 - Office Costs						
5910 - Telephone	2,795	1,708	42,683	20,500	20,500	25,401
5920 - Postage	264	129	1,301	1,550	1,550	1,640
5925 - Shipping Expense	0	8	123	100	100	125
5930 - Office Supplies	(53)	334	8,040	4,000	4,000	4,811
5932 - Kitchen Supplies	307	333	4,584	4,000	4,000	3,802
5940 - Printing	875	625	9,580	7,500	7,500	4,172

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

December 31, 2018

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD 12/31/2017
5950 - Liability Insurance	735	1,042	11,407	12,500	12,500	11,701
5960 - Licenses and Fees	0	125	0	1,500	1,500	23
5970 - Bank & Credit Card Fees	14,593	6,500	47,458	20,000	20,000	38,819
5980 - Miscellaneous	(3,432)	459	1,955	6,500	6,500	15,100
5990 - Tax Expense	7,800	0	7,800	0	0	0
Total 5900 - Office Costs	23,884	11,263	134,931	78,150	78,150	105,594
6100 - Facility Costs						
6110 - Office Rent & Parking	15,699	22,071	224,787	264,850	264,850	154,602
6180 - Property Taxes	0	0	1,758	0	0	1,578
6510 - Amortization	800	0	800	0	0	67
6520 - Depreciation Expense	40,727	0	40,727	0	0	11,125
Total 6100 - Facility Costs	57,226	22,071	268,072	264,850	264,850	167,372
7100 - Programmatic Costs						
7110 - Facility Rental	0	250	7,600	3,000	3,000	2,082
7120 - Catering	11,598	6,959	151,241	148,500	148,500	156,283
7130 - Honorarium/Speaker Fees	(9,000)	1,749	11,261	28,500	28,500	6,100
7140 - Speaker Travel	0	375	4,839	6,500	6,500	3,534
7150 - Plaques & Awards	378	438	5,555	6,000	6,000	4,602
7160 - Event Sponsorships	500	542	7,971	6,500	6,500	8,000
7170 - Curriculum	0	125	677	1,500	1,500	0
7210 - Website Development / Hosting	1,234	2,500	18,287	30,000	30,000	34,493
7220 - Internet Communications	1,355	2,458	43,639	29,500	29,500	43,402
7225 - Publications	1,203	625	13,187	19,000	19,000	8,372
7240 - Video Production & Editing	0	126	749	1,500	1,500	99
7250 - Media / Public Relations Proj	0	42	0	500	500	0
7310 - Other Program Costs	521	7,813	63,557	78,250	78,250	384,762
7320 - Grants	17,250	2,791	34,750	33,500	33,500	36,250
7330 - Electronic Forms	0	0	156,183	148,500	148,500	149,102
7410 - Marketing Research	14,000	541	14,000	6,500	6,500	0
7420 - Outreach	0	459	1,500	5,500	5,500	2,000
7440 - Issue Research	50,000	708	50,000	8,500	8,500	45,500
7450 - Legislative Advocacy	0	833	0	10,000	10,000	0
Total 7100 - Programmatic Costs	89,039	29,334	584,996	571,750	571,750	884,581
Total Expense	325,038	382,732	3,761,616	3,990,950	3,990,950	3,969,321
Other Income/Expense						
Other Income						
4800 - Investment Income						
4810 - Interest & Dividend Income	26,882	2,083	75,204	25,000	25,000	58,996

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

December 31, 2018

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD 12/31/2017
4811 - Interest Income (notes payable)	5,500	0	47,814	0	0	0
4815 - Unrealized Gains/Losses	(87,046)	0	(153,240)	0	0	30,091
4820 - Realized Gains/Losses	45,489	0	23,499	0	0	96,680
4825 - ISRE Gain/Loss on Investment	76,382	0	76,382	0	0	(57,911)
4830 - Investment Management Fees	0	0	(17,286)	0	0	(17,364)
Total 4800 - Investment Income	<u>67,207</u>	<u>2,083</u>	<u>52,373</u>	<u>25,000</u>	<u>25,000</u>	<u>110,492</u>
Total Other Income	67,207	2,083	52,373	25,000	25,000	110,492
Other Expense						
8000 - Interest Expense	(11,157)	0	35,699	0	0	1
8100 - Priority Return-Twain	4,864	0	5,297	0	0	0
Total Other Expense	<u>(6,293)</u>	<u>0</u>	<u>40,996</u>	<u>0</u>	<u>0</u>	<u>1</u>
Net Other Income (Expense)	73,500	2,083	11,377	25,000	25,000	110,491
Net Income (Loss)	<u>177,732</u>	<u>(47,004)</u>	<u>1,011,777</u>	<u>220,250</u>	<u>220,250</u>	<u>512,587</u>

Indiana Association of Realtors, Inc.
Statement of Cash Flows
Year To Date 12/31/2018

OPERATING ACTIVITIES

Net Income	1,011,777
Adjustments to reconcile Net Income to net cash provided by operations	
1200 - Accounts Receivable	881
1203 - Due From 143 LLC	(183,971)
1204 - Due From 143 LLC (P-ship)	15,592
1211 - Dues Receivable	12,089
1220 - Other Receivables	1,750
1260 - Due from ISRE	79,099
1310 - Prepaid Expense	12,613
1350 - Other Deposits	10,965
1390 - Revenue Clearing Account	0
1540 - Alerus - 457(b) Investments	(4,480)
2010 - Accounts Payable	(85,942)
2020 - Rent Payable	(9,535)
2040 - Accrued Payables	(24,209)
2080 - RPAC Payable (Transmittal)	(93,322)
2081 - RPAC Payable (Dues assessment)	62,325
2095 - Prof Stds Escrow Liability	750
2110 - FSA Plan Payable	2,098
2120 - Post Retirement Benefit Obliga	(58,596)
2150 - 457 Plan Liabilities	4,481
2410 - Dues Payable, Even Year	(863,711)
2415 - Dues Payable, Odd Year	937,911
2430 - Unearned Registration Fees	1,870
Net cash provided by Operating Activities	830,435

INVESTING ACTIVITIES

1510 - SEI Investments	61,766
1525 - Realtors Defense Fund Invest	11,886
1599 - Cash Owed by (to) IAR	(175,306)
1625 - Leasehold improvements-IAR	(16,335)
1630 - Furniture, Fixtures & Equipmen	(47,050)
1672 - Accum. Depreciation - Improvem	2,199
1680 - Accum. Depreciation - FF&E	39,069
Net Cash provided by Investing Activities	(123,771)

FINANCING ACTIVITIES

2045 - Accrued Interest Payable	(3,398)
1270 - Note Receivable	(674,271)
1245 - Accrued Interest Receivable	(47,814)
1716 - Accum Amort - Capitalized Loan Costs	800
2036 - Line of Credit-ONB (\$1.3mil)	674,271
2037 - Note Payable-ONB (\$700K)	(9,908)
Net cash provided by Financing Activities	(60,320)

Net cash change for period	646,344
Cash at beginning of period	424,599
Cash at end of period	994,561

Indiana Association of Realtors, Inc.
Historical and Budgeted Financial Statements
Selected Information
For the year ended December 31, 2018

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.
- 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 November 30, 2018 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 November 9, 2017, 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 from members is expected to remain in line with the prior year, 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
- Facility costs are expected to increase by 200% due to the move to the new office space
- All other expenses are expected to decrease by 6%