

Indiana Association of Realtors

February 2019

EXECUTIVE SUMMARY

Balance Sheet

- The Association's cash balances increased during February by \$1,769,000 due to 2019 dues collected. Ending cash balance was \$3,444,000.
- Receivables increased by \$2,000 with an ending balance of \$1,754,000. The increase is due to an increase in accrued interest due from One Forty Three LLC.
- Prepaid expense increased by \$19,000 due to various amounts paid for conference deposits, annual subscriptions and post-retirement health insurance. Ending balance is \$80,000 and will be amortized over future months.
- The amount Due from ISRE decreased by \$9,000 during the month with an ending balance of \$294,000.
- The amount Due from One Forty Three LLC increased by \$82,000 due to transfer made to cover construction loan payments for the next several months. Ending balance was \$5,526,000.
- IAR investments increased by \$13,000 during the month due to unrealized gains, with an ending balance of \$1,908,000 and RDF investments increased by \$3,000 with an ending balance of \$1,595,000.
- Accounts Payable decreased by \$3,000 with an ending balance of \$99,000.
- Amounts due to ONB:
 - Line of Credit with ONB remained unchanged for the month with an ending balance of \$974,000.
 - Note Payable to ONB decreased by \$10,000 due to loan payment made in February. Ending balance was \$670,000
 - See Note Receivable from One Forty Three LLC in the asset section which offsets these amounts due to ONB.
- Accrued Payables decreased by \$7,800 due to estimated tax payment made for unrelated business income tax due to 2018 tax law changes regarding parking provided by employers. 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 for dues assessment increased by \$128,000 with an ending balance of \$226,000 – these funds represent RPAC contributions collected in February with 2019 dues payments and will be remitted to RPAC in March.
- Dues payable (odd year) increased by \$1,545,000, from \$1,691,000 to \$3,237,000 due to 2019 dues collected in February. The balance in this account will be amortized over the remaining months of the year and recognized as income.

Income Statement

- Net income of \$221,000 was recorded for the month, which represents net ordinary income of \$204,000 and net investment gain of \$17,000. Budgeted net income for February was \$28,000.
- YTD net income was \$203,000, which represents net ordinary income of \$112,000 and net investment gain of \$91,000. Budgeted net income YTD was \$42,000.
- Compared to the prior year, YTD net income was \$200,000 higher than the prior YTD net income of \$3,000 – this increase is due to higher dues revenue and investment gains.
- Total income for February was \$581,000, which was above the monthly budget of \$351,000 by \$229,000 or 65% - this increase is due to the timing of dues revenue collected in February vs January – January income was under budget by \$156,000 or 43%.

- Total income YTD was \$789,000, which was above the YTD budget of \$718,000 by \$70,000 or 10%.
- Compared to the prior year, total YTD income was \$123,000 higher (19%) than the prior YTD income of \$666,000.
- Total expenses for the month were \$377,000, and were above the monthly budget of \$325,000 by \$51,000 or 16%, mostly due to catering costs and other program costs.
 - a. Catering expenses were over budget due to expenses for the Legislative conference that were recorded in February, but budgeted in January. Catering expenses were under budget for January and are under budget for the YTD period thru February.
 - b. Other Program Costs were over budget due to invoice from Access Marketing for advance legislation on hate crimes.
- YTD expenses were \$677,000, and were below the YTD budget of \$680,000 by \$3,000 or 1%.
- Compared to the prior year, YTD expenses were \$61,000 higher (10%), mostly due to invoice from Access Marketing mentioned above.

Indiana Association of Realtors, Inc.
Balance Sheet (Summary)
February 28, 2019

| | 02/28/2019 | 01/31/2019 | Difference |
|---|--------------------------|--------------------------|-------------------------|
| ASSETS | | | |
| Current Assets | | | |
| Checking/Savings | | | |
| 1000 - Cash Accounts | 3,444,423 | 1,675,827 | 1,768,596 |
| Total Checking/Savings | <u>3,444,423</u> | <u>1,675,827</u> | <u>1,768,596</u> |
| Other Current Assets | | | |
| 1200 - Accounts Receivable | 1,754,067 | 1,751,800 | 2,267 |
| 1300 - Other Current Assets | 80,364 | 61,674 | 18,690 |
| Total Other Current Assets | <u>1,834,431</u> | <u>1,813,474</u> | <u>20,957</u> |
| Total Current Assets | <u>5,278,854</u> | <u>3,489,301</u> | <u>1,789,553</u> |
| Fixed Assets | | | |
| 1600 - Fixed Assets, Net of Deprec. | 348,859 | 348,859 | 0 |
| Total Fixed Assets | <u>348,859</u> | <u>348,859</u> | <u>0</u> |
| Other Assets | | | |
| 1203 - Intercompany Loans Receivable | 5,819,472 | 5,746,944 | 72,528 |
| 1500 - Investments | 3,850,504 | 3,844,865 | 5,640 |
| 1700 - Capitalized Loan and Lease Costs | 3,134 | 3,133 | 0 |
| Total Other Assets | <u>9,673,110</u> | <u>9,594,942</u> | <u>78,168</u> |
| Total ASSETS | <u>15,300,823</u> | <u>13,433,102</u> | <u>1,867,721</u> |
| LIABILITIES & NET ASSETS | | | |
| Liabilities | | | |
| Current Liabilities | | | |
| Accounts Payable | | | |
| 2010 - Accounts Payable | 98,526 | 101,626 | (3,100) |
| Total Accounts Payable | <u>98,526</u> | <u>101,626</u> | <u>(3,100)</u> |
| Other Current Liabilities | | | |
| 2025 - Other Current Liabilities | 1,896,677 | 1,790,356 | 106,321 |
| 2100 - Payroll Liabilities | 322,007 | 322,007 | 0 |
| 2400 - Deferred Dues & Other Revenue | 3,236,628 | 1,691,435 | 1,545,193 |
| Total Other Current Liabilities | <u>5,455,312</u> | <u>3,803,798</u> | <u>1,651,514</u> |
| Total Current Liabilities | <u>5,553,838</u> | <u>3,905,424</u> | <u>1,648,414</u> |
| Other Liabilities | | | |
| 2200 - Intercompany Loans Payable | 10,184 | 11,577 | (1,393) |
| Total - Other Liabilities | <u>10,184</u> | <u>11,577</u> | <u>(1,393)</u> |
| Total Liabilities | <u>5,564,022</u> | <u>3,917,001</u> | <u>1,647,021</u> |
| NET ASSETS | | | |
| Without Donor Restrictions | | | |
| Undesignated | 7,567,164 | 7,513,314 | 53,850 |
| Board Designated | 2,169,637 | 2,002,787 | 166,850 |
| Total Without Donor Restrictions | <u>9,736,801</u> | <u>9,516,101</u> | <u>220,700</u> |
| Total Net Assets | <u>9,736,801</u> | <u>9,516,101</u> | <u>220,700</u> |
| Total LIABILITIES & NET ASSETS | <u>15,300,823</u> | <u>13,433,102</u> | <u>1,867,721</u> |

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

February 28, 2019

| | 02/28/2019 | 01/31/2019 | Difference |
|--|------------------|------------------|------------------|
| ASSETS | | | |
| Current Assets | | | |
| Checking/Savings | | | |
| 1000 - Cash Accounts | | | |
| 1010 - Petty Cash | 0 | 0 | 0 |
| 1020 - IAR Checking-Regions | 3,537,644 | 1,865,993 | 1,671,650 |
| 1029 - First Merchants Checking | 10,393 | 10,399 | (4) |
| 1032 - IAR Checking-ONB | 95,080 | 7,163 | 87,916 |
| 1040 - Transmittal Checking Account | 18,575 | 20,132 | (1,557) |
| 1118 - REALTORS Federal Credit Union | 87 | 87 | 0 |
| 1125 - IAR-Prof Standards Escrow | 40,400 | 40,150 | 250 |
| 1199 - Cash Owed (to) by RDF | (257,756) | (268,097) | 10,341 |
| Total 1000 - Cash Accounts | <u>3,444,423</u> | <u>1,675,827</u> | <u>1,768,596</u> |
| Total Checking/Savings | 3,444,423 | 1,675,827 | 1,768,596 |
| Other Current Assets | | | |
| 1200 - Accounts Receivable | | | |
| 1200 - Accounts Receivable | 13,135 | 16,045 | (2,910) |
| 1211 - Dues Receivable | 4,603 | 4,604 | 0 |
| 1220 - Other Receivables | 0 | 100 | (100) |
| 1245 - Accrued Interest Receivable | 62,058 | 56,780 | 5,277 |
| 1270 - Note Receivable | 1,674,271 | 1,674,271 | 0 |
| Total 1200 - Accounts Receivable | <u>1,754,067</u> | <u>1,751,800</u> | <u>2,267</u> |
| 1300 - Other Current Assets | | | |
| 1310 - Prepaid Expense | 79,776 | 61,086 | 18,690 |
| 1340 - Postage Deposits | 588 | 588 | 0 |
| Total 1300 - Other Current Assets | <u>80,364</u> | <u>61,674</u> | <u>18,690</u> |
| Total Other Current Assets | <u>1,834,431</u> | <u>1,813,474</u> | <u>20,957</u> |
| Total Current Assets | <u>5,278,854</u> | <u>3,489,301</u> | <u>1,789,553</u> |
| Fixed Assets | | | |
| 1600 - Fixed Assets, Net of Deprec. | | | |
| 1625 - Leasehold improvements-IAR | 16,335 | 16,335 | 0 |
| 1630 - Furniture, Fixtures & Equipmen | 411,405 | 411,405 | 0 |
| Total 1605 - Land, Buildings & Equipment | <u>427,740</u> | <u>427,740</u> | <u>0</u> |
| 1672 - Accum. Depreciation - Improvem | (2,199) | (2,199) | 0 |
| 1680 - Accum. Depreciation - FF&E | (76,682) | (76,682) | 0 |
| Total 1655 - Accumulated Depreciation | <u>(78,881)</u> | <u>(78,881)</u> | <u>0</u> |
| Total 1600 - Fixed Assets, Net of Deprec. | <u>348,859</u> | <u>348,859</u> | <u>0</u> |
| Total Fixed Assets | <u>348,859</u> | <u>348,859</u> | <u>0</u> |
| Other Assets | | | |
| 1203 - Intercompany Loans Receivable | | | |
| 1260 - Due from ISRE | 293,554 | 303,026 | (9,472) |
| 1203 - Due From 143 LLC | 5,525,918 | 5,443,918 | 82,000 |
| Total - 1203 - Intercompany Loans Receivable | <u>5,819,472</u> | <u>5,746,944</u> | <u>72,528</u> |
| 1500 - Investments | | | |
| 1510 - SEI Investments | 1,908,087 | 1,895,091 | 12,996 |
| 1520 - Realtor's Defense Fund Assets | | | |
| 1525 - Realtors Defense Fund Invest | 1,594,759 | 1,591,775 | 2,985 |
| 1599 - Cash Owed by (to) IAR | 257,756 | 268,097 | (10,341) |
| Total 1520 - Realtor's Defense Fund Assets | <u>1,852,515</u> | <u>1,859,872</u> | <u>(7,356)</u> |

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

February 28, 2019

| | 02/28/2019 | 01/31/2019 | Difference |
|---|-------------------|-------------------|------------------|
| 1540 - Alerus - 457(b) Investments | 273,108 | 273,108 | 0 |
| 1810 - Investment in ISRE | (195,489) | (195,489) | 0 |
| 1820 - Investment in 143 MM | 12,283 | 12,283 | 0 |
| Total 1500 - Investments | 3,850,504 | 3,844,865 | 5,640 |
| 1700 - Capitalized Loan and Lease Costs | | | |
| 1715 - Capitalized Loan Costs | 4,000 | 4,000 | 0 |
| 1716 - Accum Amort - Capitalized Loan Costs | (866) | (867) | 0 |
| Total 1700 - Capitalized Loan and Lease Costs | 3,134 | 3,133 | 0 |
| Total Other Assets | 9,673,110 | 9,594,942 | 78,168 |
| Total ASSETS | 15,300,823 | 13,433,102 | 1,867,721 |
| LIABILITIES & NET ASSETS | | | |
| Liabilities | | | |
| Current Liabilities | | | |
| Accounts Payable | | | |
| 2010 - Accounts Payable | 98,526 | 101,626 | (3,100) |
| Total Accounts Payable | 98,526 | 101,626 | (3,100) |
| Other Current Liabilities | | | |
| 2025 - Other Current Liabilities | | | |
| 2036 - Line of Credit-ONB (\$1.3mil) | 974,270 | 974,271 | 0 |
| 2037 - Note Payable-ONB (\$700K) | 669,731 | 680,016 | (10,285) |
| 2040 - Accrued Payables | 7,691 | 15,491 | (7,800) |
| 2060 - Local Board Payable | 0 | 1,771 | (1,771) |
| 2080 - RPAC Payable (Transmittal) | 18,576 | 20,132 | (1,557) |
| 2081 - RPAC Payable (Dues assessment) | 226,409 | 98,675 | 127,734 |
| Total 2025 - Other Current Liabilities | 1,896,677 | 1,790,356 | 106,321 |
| 2100 - Payroll Liabilities | | | |
| 2110 - FSA Plan Payable | 1,197 | 1,197 | 0 |
| 2120 - Post Retirement Benefit Obliga | 47,701 | 47,702 | 0 |
| 2150 - 457 Plan Liabilities | 273,109 | 273,108 | 0 |
| Total 2100 - Payroll Liabilities | 322,007 | 322,007 | 0 |
| 2400 - Deferred Dues & Other Revenue | | | |
| 2415 - Dues Payable, Odd Year | 3,236,628 | 1,691,435 | 1,545,193 |
| Total 2400 - Deferred Dues & Other Revenue | 3,236,628 | 1,691,435 | 1,545,193 |
| Total Other Current Liabilities | 5,455,312 | 3,803,798 | 1,651,514 |
| Total Current Liabilities | 5,553,838 | 3,905,424 | 1,648,414 |
| Other Liabilities | | | |
| 2200 - Intercompany Loans Payable | | | |
| 2215 - Due to 143 MT | 10,184 | 11,577 | (1,393) |
| Total 2200 - Intercompany Loans Payable | 10,184 | 11,577 | (1,393) |
| Total - Other Liabilities | 10,184 | 11,577 | (1,393) |
| Total Liabilities | 5,564,022 | 3,917,001 | 1,647,021 |
| NET ASSETS | | | |
| Without Donor Restrictions | | | |
| Undesignated | 7,567,164 | 7,513,314 | 53,850 |
| Board Designated | | | |
| 3020 - RDF Investments | 1,852,516 | 1,859,872 | (7,356) |
| 3021 - RPAC Dues Assessment | 226,409 | 98,675 | 127,734 |
| 3022 - Local Legislative Issues | 86,667 | 41,065 | 45,602 |

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

February 28, 2019

| | 02/28/2019 | 01/31/2019 | Difference |
|---|-------------------|-------------------|------------------|
| 3023 - RDF Issues (RPAC opt outs) | 4,045 | 3,175 | 870 |
| Total Board Designated | 2,169,637 | 2,002,787 | 166,850 |
| Total Without Donor Restrictions | 9,736,801 | 9,516,101 | 220,700 |
| Total Net Assets | 9,736,801 | 9,516,101 | 220,700 |
| Total LIABILITIES & NET ASSETS | 15,300,823 | 13,433,102 | 1,867,721 |

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

February 28, 2019

| | 1 Month Actual | 1 Month Budget | YTD Actual | YTD Budget | Annual Budget | Prior YTD Actual |
|--|-----------------------|----------------------|-----------------------|----------------------|-----------------------|---------------------|
| Income | | | | | | |
| 4000 - Membership Income | 572,184 | 343,208 | 767,678 | 686,420 | 4,118,500 | 642,710 |
| 4200 - Contract Fees & Event Income | (125) | 0 | 4,506 | 15,500 | 30,500 | 4,145 |
| 4300 - Royalties, Rent & Product Sales | 1,194 | 583 | 1,194 | 1,170 | 7,000 | 2,514 |
| 4900 - Other Income | 7,350 | 7,642 | 15,450 | 15,280 | 106,700 | 16,200 |
| Total Income | <u>580,603</u> | <u>351,433</u> | <u>788,828</u> | <u>718,370</u> | <u>4,262,700</u> | <u>665,569</u> |
| Expense | | | | | | |
| 5000 - Personnel Costs | | | | | | |
| 5010 - Compensation | 113,737 | 127,083 | 230,800 | 254,170 | 1,525,000 | 228,021 |
| 5020 - Bonus Pool | 0 | 0 | 0 | 0 | 100,000 | 205 |
| 5030 - Contract Labor / Temp Help | 0 | 1,000 | 0 | 2,000 | 12,000 | 0 |
| 5100 - Benefits & Taxes | 27,478 | 29,272 | 51,789 | 58,542 | 351,262 | 56,728 |
| Total 5000 - Personnel Costs | <u>141,215</u> | <u>157,355</u> | <u>282,589</u> | <u>314,712</u> | <u>1,988,262</u> | <u>284,954</u> |
| 5300 - Travel & Entertainment | | | | | | |
| 5310 - Staff Travel Costs | 6,678 | 5,078 | 13,815 | 13,370 | 99,900 | 8,226 |
| 5410 - Leadership Travel | 7,228 | 4,232 | 11,261 | 19,030 | 149,450 | 4,294 |
| Total 5300 Travel & Entertainment | <u>13,906</u> | <u>9,310</u> | <u>25,076</u> | <u>32,400</u> | <u>249,350</u> | <u>12,520</u> |
| 5600 - Professional Fees | 25,086 | 17,979 | 46,669 | 35,960 | 215,750 | 56,179 |
| 5700 - Technology & Equipment | 13,060 | 50,342 | 86,458 | 100,680 | 654,100 | 105,466 |
| 5900 - Office Costs | 7,945 | 7,559 | 32,260 | 15,110 | 91,700 | 43,533 |
| 6100 - Facility Costs | 18,399 | 20,300 | 39,348 | 40,600 | 243,600 | 36,989 |
| 7100 - Programmatic Costs | 156,998 | 62,365 | 164,355 | 140,730 | 665,480 | 75,873 |
| Total Expense | <u>376,609</u> | <u>325,210</u> | <u>676,755</u> | <u>680,192</u> | <u>4,108,242</u> | <u>615,514</u> |
| Net Ordinary Income | <u>203,994</u> | <u>26,223</u> | <u>112,073</u> | <u>38,178</u> | <u>154,458</u> | <u>50,055</u> |
| Other Income/Expense | | | | | | |
| Other Income | | | | | | |
| 4800 - Investment Income | 23,476 | 2,083 | 104,839 | 4,170 | 25,000 | (39,196) |
| Total Other Income | <u>23,476</u> | <u>2,083</u> | <u>104,839</u> | <u>4,170</u> | <u>25,000</u> | <u>(39,196)</u> |
| Other Expense | | | | | | |
| 8000 - Interest Expense | 6,770 | 0 | 13,932 | 0 | 0 | 7,191 |
| 8100 - Priority Return-Twain | 0 | 416 | 0 | 830 | 4,990 | 432 |
| Total Other Expense | <u>6,770</u> | <u>416</u> | <u>13,932</u> | <u>830</u> | <u>4,990</u> | <u>7,623</u> |
| Net Other Income (Expense) | <u>16,706</u> | <u>1,667</u> | <u>90,907</u> | <u>3,340</u> | <u>20,010</u> | <u>(46,819)</u> |
| Net Income (Loss) | <u>220,700</u> | <u>27,890</u> | <u>202,980</u> | <u>41,518</u> | <u>174,468</u> | <u>3,236</u> |

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

February 28, 2019

| | 1 Month Actual | 1 Month Budget | YTD Actual | YTD Budget | Annual Budget | Prior YTD 02/28/2018 |
|---|----------------|----------------|------------|------------|---------------|-------------------------|
| Income | | | | | | |
| 4000 - Membership Income | | | | | | |
| 4002 - Membership Dues | 446,719 | 277,816 | 585,417 | 555,632 | 3,333,792 | 537,043 |
| 4020 - Shared Fees, Local Boards | 8,025 | 8,000 | 13,302 | 16,000 | 96,000 | 15,830 |
| 4021 - State Application Fee (even years) | 0 | 0 | 0 | 0 | 0 | 31,099 |
| 4023 - State Application Fee (odd years) | 22,600 | 20,000 | 36,600 | 40,000 | 240,000 | 0 |
| 4030 - RDF Dues | 48,368 | 30,184 | 63,438 | 60,368 | 362,208 | 58,738 |
| 4035 - RDF Issues Income | 870 | 333 | 3,145 | 670 | 4,000 | 0 |
| 4040 - Local Legislative Issues Income | 45,602 | 6,875 | 65,776 | 13,750 | 82,500 | 0 |
| Total 4000 - Membership Income | 572,184 | 343,208 | 767,678 | 686,420 | 4,118,500 | 642,710 |
| 4200 - Contract Fees & Event Income | | | | | | |
| 4101 - Sponsorship Income | 0 | 0 | 0 | 5,000 | 10,000 | 0 |
| 4201 - Registration Income | (125) | 0 | 4,506 | 10,500 | 20,500 | 4,145 |
| Total 4200 - Contract Fees & Event Income | (125) | 0 | 4,506 | 15,500 | 30,500 | 4,145 |
| 4300 - Royalties, Rent & Product Sales | 1,194 | 583 | 1,194 | 1,170 | 7,000 | 2,514 |
| 4900 - Other Income | 7,350 | 7,642 | 15,450 | 15,280 | 106,700 | 16,200 |
| Total Income | 580,603 | 351,433 | 788,828 | 718,370 | 4,262,700 | 665,569 |
| Expense | | | | | | |
| 5000 - Personnel Costs | | | | | | |
| 5010 - Compensation | 113,737 | 127,083 | 230,800 | 254,170 | 1,525,000 | 228,021 |
| 5020 - Bonus Pool | 0 | 0 | 0 | 0 | 100,000 | 205 |
| 5030 - Contract Labor / Temp Help | 0 | 1,000 | 0 | 2,000 | 12,000 | 0 |
| 5100 - Benefits & Taxes | | | | | | |
| 5110 - Health & Life Insurance | 4,146 | 8,740 | 8,798 | 17,481 | 104,881 | 15,721 |
| 5115 - Wellness Benefit | 234 | 417 | 492 | 830 | 5,000 | 554 |
| 5120 - Dental Insurance | 470 | 750 | 940 | 1,500 | 9,000 | 1,273 |
| 5125 - Disability Insurance | 347 | 458 | 789 | 920 | 5,500 | 761 |
| 5130 - Retirement Benefits | 5,273 | 5,542 | 9,786 | 11,080 | 66,500 | 10,494 |
| 5140 - Post-Employment Benefits | 1,223 | 1,333 | 2,447 | 2,670 | 16,000 | 3,722 |
| 5150 - Workers Compensation Insuranc | 666 | 750 | 1,331 | 1,500 | 9,000 | 1,261 |
| 5160 - Payroll Taxes | 9,183 | 8,740 | 19,874 | 17,481 | 104,881 | 21,217 |
| 5170 - Professional Development | 415 | 375 | 415 | 750 | 4,500 | 0 |
| 5180 - Dues & Subscriptions | 5,521 | 2,167 | 6,917 | 4,330 | 26,000 | 1,725 |
| Total 5100 - Benefits & Taxes | 27,478 | 29,272 | 51,789 | 58,542 | 351,262 | 56,728 |
| Total 5000 - Personnel Costs | 141,215 | 157,355 | 282,589 | 314,712 | 1,988,262 | 284,954 |
| 5300 - Travel & Entertainment | | | | | | |

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

February 28, 2019

| | 1 Month Actual | 1 Month Budget | YTD Actual | YTD Budget | Annual Budget | Prior YTD 02/28/2018 |
|--|----------------|----------------|---------------|----------------|----------------|-------------------------|
| 5310 - Staff Travel Costs | | | | | | |
| 5310 - Staff Travel | 1,946 | 750 | 2,147 | 1,750 | 17,050 | 1,511 |
| 5320 - Staff Lodging | 2,999 | 958 | 9,619 | 4,420 | 32,400 | 441 |
| 5330 - Staff Mileage | 598 | 1,085 | 805 | 2,150 | 13,750 | 1,806 |
| 5340 - Staff Meals | 575 | 1,442 | 684 | 3,380 | 22,600 | 3,164 |
| 5350 - Staff Hospitality | 0 | 184 | 0 | 360 | 3,200 | 1,194 |
| 5360 - Conference Registration Fees | 560 | 659 | 560 | 1,310 | 10,900 | 110 |
| Total 5310 - Staff Travel Costs | 6,678 | 5,078 | 13,815 | 13,370 | 99,900 | 8,226 |
| 5410 - Leadership Travel | | | | | | |
| 5410 - Board / Volunteer Travel | 1,180 | 308 | 1,475 | 1,620 | 20,000 | 885 |
| 5420 - Board / Volunteer Lodging | 5,572 | 1,624 | 5,572 | 6,860 | 68,300 | 1,388 |
| 5430 - Board / Volunteer Mileage | 275 | 626 | 276 | 1,740 | 10,000 | 872 |
| 5440 - Board / Volunteer Meals | 190 | 1,156 | 3,927 | 7,290 | 34,350 | 491 |
| 5450 - Board / Volunteer Hospitality | 11 | 335 | 11 | 1,150 | 6,500 | 658 |
| 5460 - Conference Registration Fees | 0 | 183 | 0 | 370 | 10,300 | 0 |
| Total 5410 - Leadership Travel | 7,228 | 4,232 | 11,261 | 19,030 | 149,450 | 4,294 |
| Total 5300 Travel & Entertainment | 13,906 | 9,310 | 25,076 | 32,400 | 249,350 | 12,520 |
| 5600 - Professional Fees | | | | | | |
| 5610 - Legal Services | 961 | 3,250 | 2,791 | 6,500 | 39,000 | 2,620 |
| 5620 - Audit & Tax Services | 12,550 | 2,187 | 12,550 | 4,380 | 26,250 | 23,176 |
| 5630 - Accounting Services | 10,075 | 10,417 | 28,328 | 20,830 | 125,000 | 27,383 |
| 5640 - Other Consulting Services | 0 | 625 | 0 | 1,250 | 7,500 | 0 |
| 5650 - President's Stipend | 1,500 | 1,500 | 3,000 | 3,000 | 18,000 | 3,000 |
| Total 5600 - Professional Fees | 25,086 | 17,979 | 46,669 | 35,960 | 215,750 | 56,179 |
| 5700 - Technology & Equipment | | | | | | |
| 5710 - Technology Consulting Service | 2,141 | 47,876 | 61,978 | 95,740 | 624,500 | 98,900 |
| 5720 - Equipment Repairs & Maintenance | 0 | 83 | 0 | 170 | 1,000 | 757 |
| 5730 - Small Equipment Purchases | 302 | 125 | 471 | 250 | 1,500 | 1,326 |
| 5740 - Equipment > \$1000 | 4,612 | 375 | 6,007 | 750 | 4,500 | 2,005 |
| 5750 - Equipment Lease Payments | 1,608 | 833 | 13,505 | 1,670 | 10,000 | 1,755 |
| 5760 - Software & Licensing Fees | 4,397 | 1,050 | 4,497 | 2,100 | 12,600 | 723 |
| Total 5700 - Technology & Equipment | 13,060 | 50,342 | 86,458 | 100,680 | 654,100 | 105,466 |
| 5900 - Office Costs | | | | | | |
| 5910 - Telephone | 3,216 | 2,083 | 6,149 | 4,170 | 25,000 | 9,036 |
| 5920 - Postage | 17 | 146 | 16 | 290 | 1,750 | 0 |
| 5925 - Shipping Expense | 36 | 8 | 37 | 20 | 100 | 0 |
| 5930 - Office Supplies | 274 | 396 | 429 | 790 | 4,750 | 2,779 |
| 5932 - Kitchen Supplies | 346 | 375 | 373 | 750 | 4,500 | 414 |

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

February 28, 2019

| | 1 Month Actual | 1 Month Budget | YTD Actual | YTD Budget | Annual Budget | Prior YTD 02/28/2018 |
|--|----------------|----------------|----------------|----------------|------------------|-------------------------|
| 5940 - Printing | 257 | 459 | 3,408 | 910 | 5,500 | 7,983 |
| 5950 - Liability Insurance | 587 | 1,167 | 1,469 | 2,330 | 14,000 | 1,469 |
| 5960 - Licenses and Fees | 0 | 125 | 0 | 250 | 1,500 | 0 |
| 5970 - Bank & Credit Card Fees | 3,138 | 2,333 | 17,019 | 4,670 | 28,000 | 13,467 |
| 5980 - Miscellaneous | 74 | 467 | 3,360 | 930 | 6,600 | 8,385 |
| Total 5900 - Office Costs | 7,945 | 7,559 | 32,260 | 15,110 | 91,700 | 43,533 |
| 6100 - Facility Costs | | | | | | |
| 6110 - Office Rent & Parking | 18,399 | 20,133 | 39,348 | 40,270 | 241,600 | 36,989 |
| 6180 - Property Taxes | 0 | 167 | 0 | 330 | 2,000 | 0 |
| Total 6100 - Facility Costs | 18,399 | 20,300 | 39,348 | 40,600 | 243,600 | 36,989 |
| 7100 - Programmatic Costs | | | | | | |
| 7110 - Facility Rental | 0 | 542 | 0 | 1,080 | 6,500 | 3,500 |
| 7120 - Catering | 37,204 | 4,584 | 37,599 | 44,160 | 146,500 | 3,307 |
| 7130 - Honorarium/Speaker Fees | 11,897 | 1,541 | 11,896 | 5,590 | 26,000 | 150 |
| 7140 - Speaker Travel | 0 | 395 | 0 | 1,800 | 5,850 | 0 |
| 7150 - Plaques & Awards | 48 | 541 | 473 | 1,090 | 7,500 | 2,811 |
| 7160 - Event Sponsorships | 5,250 | 834 | 5,250 | 1,660 | 10,000 | 6,975 |
| 7170 - Curriculum | 0 | 42 | 0 | 80 | 500 | 0 |
| 7210 - Website Development / Hosting | 809 | 2,574 | 2,469 | 5,140 | 30,880 | 5,749 |
| 7220 - Internet Communications | 1,526 | 2,833 | 2,897 | 5,670 | 34,000 | 10,597 |
| 7225 - Publications | 2,961 | 667 | 3,549 | 3,330 | 12,000 | 3,630 |
| 7240 - Video Production & Editing | 0 | 167 | 0 | 330 | 2,000 | 0 |
| 7250 - Media / Public Relations Proj | 0 | 42 | 0 | 80 | 500 | 0 |
| 7260 - Advertising/Marketing | 124 | 0 | 124 | 0 | 0 | 0 |
| 7310 - Other Program Costs | 57,460 | 4,729 | 60,379 | 22,460 | 86,250 | 769 |
| 7320 - Grants | 0 | 2,791 | 0 | 5,590 | 33,500 | 0 |
| 7330 - Electronic Forms | 39,719 | 37,500 | 39,719 | 37,500 | 150,000 | 38,385 |
| 7410 - Marketing Research | 0 | 583 | 0 | 1,170 | 7,000 | 0 |
| 7420 - Outreach | 0 | 459 | 0 | 910 | 5,500 | 0 |
| 7430 - Legislative Issues | 0 | 0 | 0 | 0 | 82,500 | 0 |
| 7440 - Issue Research | 0 | 708 | 0 | 1,420 | 8,500 | 0 |
| 7450 - Legislative Advocacy | 0 | 833 | 0 | 1,670 | 10,000 | 0 |
| Total 7100 - Programmatic Costs | 156,998 | 62,365 | 164,355 | 140,730 | 665,480 | 75,873 |
| Total Expense | 376,609 | 325,210 | 676,755 | 680,192 | 4,108,242 | 615,514 |
| Other Income/Expense | | | | | | |
| Other Income | | | | | | |
| 4800 - Investment Income | | | | | | |
| 4810 - Interest & Dividend Income | 5,665 | 2,083 | 11,070 | 4,170 | 25,000 | 5,974 |

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

February 28, 2019

| | 1 Month Actual | 1 Month Budget | YTD Actual | YTD Budget | Annual Budget | Prior YTD 02/28/2018 |
|--|-----------------------|----------------------|-----------------------|----------------------|-----------------------|-------------------------|
| 4811 - Interest Income (notes payable) | 5,277 | 0 | 10,743 | 0 | 0 | 7,077 |
| 4815 - Unrealized Gains/Losses | 12,421 | 0 | 87,464 | 0 | 0 | (48,217) |
| 4820 - Realized Gains/Losses | 113 | 0 | (55) | 0 | 0 | 300 |
| 4830 - Investment Management Fees | 0 | 0 | (4,383) | 0 | 0 | (4,330) |
| Total 4800 - Investment Income | <u>23,476</u> | <u>2,083</u> | <u>104,839</u> | <u>4,170</u> | <u>25,000</u> | <u>(39,196)</u> |
| Total Other Income | 23,476 | 2,083 | 104,839 | 4,170 | 25,000 | (39,196) |
| Other Expense | | | | | | |
| 8000 - Interest Expense | 6,770 | 0 | 13,932 | 0 | 0 | 7,191 |
| 8100 - Priority Return-Twain | 0 | 416 | 0 | 830 | 4,990 | 432 |
| Total Other Expense | <u>6,770</u> | <u>416</u> | <u>13,932</u> | <u>830</u> | <u>4,990</u> | <u>7,623</u> |
| Net Other Income (Expense) | <u>16,706</u> | <u>1,667</u> | <u>90,907</u> | <u>3,340</u> | <u>20,010</u> | <u>(46,819)</u> |
| Net Income (Loss) | <u>220,700</u> | <u>27,890</u> | <u>202,980</u> | <u>41,518</u> | <u>174,468</u> | <u>3,236</u> |

Indiana Association of Realtors, Inc.
Statement of Cash Flows
Year To Date 02/28/2019

OPERATING ACTIVITIES

| | |
|--|-----------|
| Net Income | 202,980 |
| Adjustments to reconcile Net Income to net cash provided by operations | |
| 1200 - Accounts Receivable | 2,827 |
| 1203 - Due From 143 LLC | (102,000) |
| 1211 - Dues Receivable | 30,499 |
| 1220 - Other Receivables | 300 |
| 1260 - Due from ISRE | 33,146 |
| 1310 - Prepaid Expense | (56,657) |
| 2010 - Accounts Payable | (6,174) |
| 2040 - Accrued Payables | (7,800) |
| 2080 - RPAC Payable (Transmittal) | 3,633 |
| 2081 - RPAC Payable (Dues assessment) | 164,083 |
| 2095 - Prof Stds Escrow Liability | (1,000) |
| 2110 - FSA Plan Payable | (1,251) |
| 2215 - Due to 143 MT | 10,184 |
| 2415 - Dues Payable, Odd Year | 2,298,717 |
| 2430 - Unearned Registration Fees | (1,870) |
| Net cash provided by Operating Activities | 2,569,617 |

INVESTING ACTIVITIES

| | |
|---|----------|
| 1510 - SEI Investments | (68,095) |
| 1525 - Realtors Defense Fund Invest | (22,658) |
| 1599 - Cash Owed by (to) IAR | 2,102 |
| Net Cash provided by Investing Activities | (88,651) |

FINANCING ACTIVITIES

| | |
|---|----------|
| 1245 - Accrued Interest Receivable | (10,744) |
| 2037 - Note Payable-ONB (\$700K) | (20,360) |
| Net cash provided by Financing Activities | (31,104) |

| | |
|-----------------------------|-----------|
| Net cash change for period | 2,449,861 |
| Cash at beginning of period | 994,561 |
| Cash at end of period | 3,444,423 |

Indiana Association of Realtors, Inc.
Historical and Budgeted Financial Statements
Selected Information
For the two months ended February 28, 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.
- 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 January 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.