

Indiana Association of Realtors Inc.

July 2019

EXECUTIVE SUMMARY

Balance Sheet

- The Association's cash balances decreased during July by \$204,000 with an ending balance of \$2,038,000.
- Accounts receivable increased by \$7,000 with an ending balance of \$15,000 – this balance represents amounts due from local associations for Realist services.
- Accrued interest receivable increased by \$6,000 with an ending balance of \$91,000 – this balance represents interest due from One Forty Three LLC related to the note receivable.
- Note Receivable due from One Forty Three remained unchanged with an ending balance of \$1,749,000.
- Prepaid expense decreased by \$6,000 due to July amortization of expenses. Ending balance was \$54,000 and will be amortized over future months.
- The amount due from ISRE decreased by \$4,000 during the month with an ending balance of \$235,000.
- The amount due from One Forty Three LLC decreased by \$27,000 as IAR was reimbursed for Ratio invoices paid in a prior month. Ending balance was \$5,538,000.
- The amount due from One Forty Three MT increased by \$1,000 due to insurance expense paid by IAR on behalf of One Forty Three MT. Ending balance was \$248,000.
- IAR investments increased by \$4,000 during the month due to unrealized gains with an ending balance of \$1,983,000
- RDF investments increased by \$2,000 during the month due to unrealized gains with an ending balance of \$1,645,000. IAR also holds cash for RDF purposes in the amount of \$308,000 – this amount is deducted from cash and equivalents on the balance sheet and added back under the investment section for RDF.
- Alerus 457(b) Investments remained the same with an ending balance of \$318,000 (balance is adjusted quarterly). This asset is offset by a corresponding liability.
- Accounts Payable increased by \$18,000 with an ending balance of \$121,000. This increase is due to various invoices received in July.
- Amounts due to ONB:
 - Line of Credit with ONB remained unchanged with an ending balance of \$1,049,000.
 - Note Payable with ONB decreased by \$21,000 with an ending balance of \$618,000 due to loan payments made in July.
 - See Note Receivable from One Forty Three LLC in the asset section which offsets these amounts due to ONB.
- The ending balance in accrued payables was \$8,000 which represents accrued PTO recorded for the 2018 audit – this balance will be adjusted annually as part of the audit.
- RPAC Payable (Transmittal) increased by \$25,000 due to cash activity during the month. These funds represent personal RPAC contributions (net of amounts vetted back to NAR) that are due to RPAC. This amount is also included in cash and equivalents on the balance sheet, and therefore, nets to zero on IAR's balance sheet.
- RPAC Payable (contributions) decreased by \$2,000 with an ending balance of \$2,000. These funds represent RPAC contributions collected in July with 2019 dues payments and will be remitted to RPAC in August.
- Dues payable decreased by \$334,000, from \$2,047,000 to \$1,713,000 due to amortization of dues revenue for July. The balance in this account will be amortized over the remaining months of the year and recognized as income.

Indiana Association of Realtors Inc.

July 2019

EXECUTIVE SUMMARY (continued)

Income Statement

- Net income of \$99,000 was recorded for the month, which represents net ordinary income of \$98,000 and net investment gain of \$1,000. Budgeted net income for July was \$30,000.
- YTD net income was \$898,000, which represents net ordinary income of \$665,000 and net investment income of \$233,000. Budgeted net income YTD was \$149,000.
- Compared to the prior year
 - a. YTD net ordinary income was \$289,000 higher than the prior YTD net ordinary income of \$376,000 – this increase is due to higher dues revenue and lower expenses in 2019.
 - b. YTD net investment income was \$270,000 higher due to unrealized gains on investments in 2019.
- Total income for July was \$408,000, which was above the monthly budget of \$351,000 by \$56,000 or 16%.
- Total income YTD was \$2,873,000, which was above the YTD budget of \$2,490,000 by \$382,000 or 15%.
- Compared to the prior year, total YTD income was higher by \$253,000 (10%) than the prior YTD income of \$2,619,000.
- Total expenses for the month were \$310,000, and were below the monthly budget of \$323,000 by \$13,000 or 4%, mostly due to personnel and programmatic costs.
- YTD expenses were \$2,207,000, and were below the YTD budget of \$2,356,000 by \$149,000 or 6%, mostly due to personnel and programmatic costs.
- Compared to the prior year, YTD expenses were lower by \$36,000 (2%), mostly due to decrease in costs for personnel and professional fees.

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

July 31, 2019

	07/31/2019	06/30/2019	Difference
ASSETS			
Current Assets			
Checking/Savings			
1000 - Cash Accounts	2,038,098	2,242,410	(204,311)
Total Checking/Savings	<u>2,038,098</u>	<u>2,242,410</u>	<u>(204,311)</u>
Other Current Assets			
1200 - Accounts Receivable	1,858,724	1,846,010	12,713
1300 - Other Current Assets	54,629	60,505	(5,876)
Total Other Current Assets	<u>1,913,353</u>	<u>1,906,515</u>	<u>6,837</u>
Total Current Assets	<u>3,951,451</u>	<u>4,148,925</u>	<u>(197,474)</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	6,021,399	6,050,333	(28,933)
1500 - Investments	4,071,164	4,058,096	13,067
1700 - Capitalized Loan and Lease Costs	3,133	3,133	0
Total Other Assets	<u>10,095,696</u>	<u>10,111,562</u>	<u>(15,866)</u>
Total ASSETS	<u>14,396,006</u>	<u>14,609,346</u>	<u>(213,340)</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	120,765	102,886	17,879
Total Accounts Payable	<u>120,765</u>	<u>102,886</u>	<u>17,879</u>
Other Current Liabilities			
2025 - Other Current Liabilities	1,763,639	1,760,620	3,018
2100 - Payroll Liabilities	366,667	366,667	0
2400 - Deferred Dues & Other Revenue	1,712,981	2,046,601	(333,619)
Total Other Current Liabilities	<u>3,843,287</u>	<u>4,173,888</u>	<u>(330,601)</u>
Total Current Liabilities	<u>3,964,052</u>	<u>4,276,774</u>	<u>(312,722)</u>
Total Liabilities	<u>3,964,052</u>	<u>4,276,774</u>	<u>(312,722)</u>
EQUITY			
Member Capital			
Undesignated	8,380,857	8,289,356	91,502
Board Designated	2,051,097	2,043,216	7,880
Total Member Capital	<u>10,431,954</u>	<u>10,332,572</u>	<u>99,382</u>
Total Equity	<u>10,431,954</u>	<u>10,332,572</u>	<u>99,382</u>
Total LIABILITIES & EQUITY	<u>14,396,006</u>	<u>14,609,346</u>	<u>(213,340)</u>

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

July 31, 2019

	07/31/2019	06/30/2019	Difference
ASSETS			
Current Assets			
Checking/Savings			
1000 - Cash Accounts			
1020 - IAR Checking-Regions	2,199,766	2,414,800	(215,034)
1029 - First Merchants Checking	10,371	10,380	(9)
1032 - IAR Checking-ONB	34,891	42,996	(8,105)
1040 - Transmittal Checking Account	86,517	61,244	25,273
1118 - REALTORS Federal Credit Union	86	87	0
1125 - IAR-Prof Standards Escrow	14,500	14,000	500
1199 - Cash Owed (to) by RDF	(308,033)	(301,097)	(6,936)
Total 1000 - Cash Accounts	<u>2,038,098</u>	<u>2,242,410</u>	<u>(204,311)</u>
Total Checking/Savings	2,038,098	2,242,410	(204,311)
Other Current Assets			
1200 - Accounts Receivable			
1200 - Accounts Receivable	15,355	8,324	7,030
1211 - Dues Receivable	3,594	3,594	0
1245 - Accrued Interest Receivable	90,536	84,853	5,683
1270 - Note Receivable	1,749,239	1,749,239	0
Total 1200 - Accounts Receivable	<u>1,858,724</u>	<u>1,846,010</u>	<u>12,713</u>
1300 - Other Current Assets			
1310 - Prepaid Expense	54,041	59,916	(5,876)
1340 - Postage Deposits	588	589	0
1390 - Revenue Clearing Account	0	0	0
Total 1300 - Other Current Assets	<u>54,629</u>	<u>60,505</u>	<u>(5,876)</u>
Total Other Current Assets	<u>1,913,353</u>	<u>1,906,515</u>	<u>6,837</u>
Total Current Assets	<u>3,951,451</u>	<u>4,148,925</u>	<u>(197,474)</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	235,219	238,847	(3,628)
1203 - Due From 143 LLC	5,538,397	5,565,095	(26,699)
1206 - Due From 143 MT	247,783	246,391	1,394
Total - 1203 - Intercompany Loans Receivable	<u>6,021,399</u>	<u>6,050,333</u>	<u>(28,933)</u>
1500 - Investments			
1510 - SEI Investments	1,982,974	1,979,244	3,729
1520 - Realtor's Defense Fund Assets			
1525 - Realtors Defense Fund Invest	1,645,165	1,642,763	2,402
1599 - Cash Owed by (to) IAR	308,033	301,097	6,936
Total 1520 - Realtor's Defense Fund Assets	<u>1,953,198</u>	<u>1,943,860</u>	<u>9,338</u>

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

July 31, 2019

	07/31/2019	06/30/2019	Difference
1540 - Alerus - 457(b) Investments	318,198	318,198	0
1810 - Investment in ISRE	(195,489)	(195,489)	0
1820 - Investment in 143 MM	12,283	12,283	0
Total 1500 - Investments	<u>4,071,164</u>	<u>4,058,096</u>	<u>13,067</u>
1700 - Capitalized Loan and Lease Costs			
1715 - Capitalized Loan Costs	4,000	4,000	0
1716 - Accum Amort - Capitalized Loan Costs	(867)	(867)	0
Total 1700 - Capitalized Loan and Lease Costs	<u>3,133</u>	<u>3,133</u>	<u>0</u>
Total Other Assets	<u>10,095,696</u>	<u>10,111,562</u>	<u>(15,866)</u>
Total ASSETS	<u>14,396,006</u>	<u>14,609,346</u>	<u>(213,340)</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	120,765	102,886	17,879
Total Accounts Payable	<u>120,765</u>	<u>102,886</u>	<u>17,879</u>
Other Current Liabilities			
2025 - Other Current Liabilities			
2036 - Line of Credit-ONB (\$1.3mil)	1,049,239	1,049,239	0
2037 - Note Payable-ONB (\$700K)	617,694	638,592	(20,897)
2040 - Accrued Payables	7,691	7,691	0
2080 - RPAC Payable (Transmittal)	86,517	61,244	25,272
2081 - RPAC Payable (Contributions)	1,998	3,854	(1,857)
2095 - Prof Stds Escrow Liability	500	0	500
Total 2025 - Other Current Liabilities	<u>1,763,639</u>	<u>1,760,620</u>	<u>3,018</u>
2100 - Payroll Liabilities			
2110 - FSA Plan Payable	767	768	0
2120 - Post Retirement Benefit Obliga	47,702	47,701	0
2150 - 457 Plan Liabilities	318,198	318,198	0
Total 2100 - Payroll Liabilities	<u>366,667</u>	<u>366,667</u>	<u>0</u>
2400 - Deferred Dues & Other Revenue			
2415 - Dues Payable, Odd Year	1,712,981	2,046,601	(333,619)
Total 2400 - Deferred Dues & Other Revenue	<u>1,712,981</u>	<u>2,046,601</u>	<u>(333,619)</u>
Total Other Current Liabilities	<u>3,843,287</u>	<u>4,173,888</u>	<u>(330,601)</u>
Total Current Liabilities	<u>3,964,052</u>	<u>4,276,774</u>	<u>(312,722)</u>
Total Liabilities	<u>3,964,052</u>	<u>4,276,774</u>	<u>(312,722)</u>
EQUITY			
Member Capital			
Undesignated	8,380,857	8,289,356	91,502
Board Designated			
3020 - RDF Investments	1,953,196	1,943,859	9,337
3021 - RPAC (Contributions)	1,998	3,854	(1,856)
3022 - Local Legislative Issues	91,708	91,308	399
3023 - RDF Issues (RPAC opt outs)	4,195	4,195	0
Total Board Designated	<u>2,051,097</u>	<u>2,043,216</u>	<u>7,880</u>
Total Member Capital	<u>10,431,954</u>	<u>10,332,572</u>	<u>99,382</u>
Total Equity	<u>10,431,954</u>	<u>10,332,572</u>	<u>99,382</u>
Total LIABILITIES & EQUITY	<u>14,396,006</u>	<u>14,609,346</u>	<u>(213,340)</u>

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

July 31, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD Actual
Income						
4000 - Membership Income	384,982	343,208	2,774,538	2,402,460	4,118,500	2,529,422
4200 - Contract Fees & Event Income	6,110	0	12,865	15,500	30,500	12,000
4300 - Royalties, Rent & Product Sales	95	583	3,910	4,085	7,000	6,898
4900 - Other Income	16,600	7,642	81,257	68,490	106,700	70,992
Total Income	<u>407,787</u>	<u>351,433</u>	<u>2,872,570</u>	<u>2,490,535</u>	<u>4,262,700</u>	<u>2,619,312</u>
Expense						
5000 - Personnel Costs	138,216	157,355	1,004,966	1,131,487	1,988,262	1,052,375
5300 - Travel & Entertainment	6,876	9,310	142,499	128,650	249,350	130,964
5600 - Professional Fees	16,197	17,979	131,096	125,855	215,750	147,351
5700 - Technology & Equipment	67,243	50,342	416,858	377,390	654,100	393,379
5900 - Office Costs	7,066	5,976	69,804	59,820	91,700	68,728
6100 - Facility Costs	18,452	20,133	131,042	141,935	243,600	135,209
7100 - Programmatic Costs	55,770	62,365	311,276	391,293	665,480	315,156
Total Expense	<u>309,820</u>	<u>323,460</u>	<u>2,207,541</u>	<u>2,356,430</u>	<u>4,108,242</u>	<u>2,243,162</u>
Net Ordinary Income	<u>97,967</u>	<u>27,973</u>	<u>665,029</u>	<u>134,105</u>	<u>154,458</u>	<u>376,150</u>
Other Income/Expense						
Other Income	15,321	2,083	281,886	14,585	25,000	(9,073)
Other Expense	13,906	0	48,782	0	4,990	27,575
Net Other Income (Expense)	<u>1,415</u>	<u>2,083</u>	<u>233,104</u>	<u>14,585</u>	<u>20,010</u>	<u>(36,648)</u>
Net Income (Loss)	<u>99,382</u>	<u>30,056</u>	<u>898,133</u>	<u>148,690</u>	<u>174,468</u>	<u>339,502</u>

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

July 31, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior Year Actual
Income						
4000 - Membership Income						
4002 - Membership Dues	320,283	277,816	2,184,991	1,944,712	3,333,792	2,015,641
4020 - Shared Fees, Local Boards	8,410	8,000	57,198	56,000	96,000	55,521
4021 - State Application Fee (even years)	0	0	0	0	0	238,025
4023 - State Application Fee (odd years)	24,600	20,000	244,800	140,000	240,000	0
4030 - RDF Dues	31,290	30,184	213,438	211,288	362,208	220,235
4035 - RDF Issues Income	0	333	3,295	2,335	4,000	0
4040 - Local Legislative Issues Income	399	6,875	70,816	48,125	82,500	0
Total 4000 - Membership Income	384,982	343,208	2,774,538	2,402,460	4,118,500	2,529,422
4200 - Contract Fees & Event Income						
4101 - Sponsorship Income	1,000	0	1,000	5,000	10,000	0
4201 - Registration Income	5,110	0	11,865	10,500	20,500	12,000
Total 4200 - Contract Fees & Event Income	6,110	0	12,865	15,500	30,500	12,000
4300 - Royalties, Rent & Product Sales						
4301 - Royalty Income	95	583	3,910	4,085	7,000	6,898
Total 4300 - Royalties, Rent & Product Sales	95	583	3,910	4,085	7,000	6,898
4900 - Other Income						
4900 - Other Income	10,000	42	27,057	290	500	17,542
4901 - Grant Income	0	0	0	15,000	15,000	0
4910 - RECP Income	7,100	7,100	49,700	49,700	85,200	49,700
4920 - Professional Standards Income	(500)	500	4,500	3,500	6,000	3,750
Total 4900 - Other Income	16,600	7,642	81,257	68,490	106,700	70,992
Total Income	407,787	351,433	2,872,570	2,490,535	4,262,700	2,619,312
Expense						
5000 - Personnel Costs						
5010 - Compensation	114,873	125,883	800,781	882,865	1,512,280	825,894
5020 - Bonus Pool	0	0	34,400	30,000	100,000	29,205
5030 - Contract Labor / Temp Help	1,200	2,200	7,200	14,200	25,200	0
5100 - Benefits & Taxes						
5110 - Health & Life Insurance	4,171	8,740	26,965	60,941	104,641	54,209
5115 - Wellness Benefit	314	417	1,390	2,915	5,000	1,488
5120 - Dental Insurance	431	750	3,133	5,250	9,000	4,457
5125 - Disability Insurance	586	458	4,076	3,210	5,500	2,667
5130 - Retirement Benefits	5,884	5,542	36,950	38,790	66,500	36,913
5140 - Post-Employment Benefits	1,225	1,333	8,570	9,335	16,000	10,484
5150 - Workers Compensation Insuranc	665	750	4,687	5,250	9,000	4,413

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

July 31, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior Year Actual
5160 - Payroll Taxes	6,854	8,740	60,024	60,941	104,641	63,601
5170 - Professional Development	1,125	375	2,718	2,625	4,500	5,411
5180 - Dues & Subscriptions	888	2,167	14,072	15,165	26,000	13,633
Total 5100 - Benefits & Taxes	22,143	29,272	162,585	204,422	350,782	197,276
Total 5000 - Personnel Costs	138,216	157,355	1,004,966	1,131,487	1,988,262	1,052,375
5300 - Travel & Entertainment						
5310 - Staff Travel Costs						
5310 - Staff Travel	231	750	13,634	9,450	17,050	11,365
5320 - Staff Lodging	1,550	958	19,090	16,710	32,400	16,248
5330 - Staff Mileage	682	1,085	3,575	7,825	13,750	6,717
5340 - Staff Meals	2,626	1,442	8,199	13,090	22,600	11,327
5350 - Staff Hospitality	0	184	922	1,780	3,200	2,144
5360 - Conference Registration Fees	550	659	3,575	4,605	10,900	3,260
Total 5310 - Staff Travel Costs	5,639	5,078	48,995	53,460	99,900	51,061
5410 - Leadership Travel						
5410 - Board / Volunteer Travel	(96)	308	16,555	11,660	20,000	14,256
5420 - Board / Volunteer Lodging	532	1,624	37,507	34,980	68,300	33,645
5430 - Board / Volunteer Mileage	863	626	4,082	5,370	10,000	3,485
5440 - Board / Volunteer Meals	(62)	1,156	25,519	18,570	34,350	21,566
5450 - Board / Volunteer Hospitality	0	335	8,491	3,325	6,500	3,216
5460 - Conference Registration Fees	0	183	1,350	1,285	10,300	3,735
Total 5410 - Leadership Travel	1,237	4,232	93,504	75,190	149,450	79,903
Total 5300 Travel & Entertainment	6,876	9,310	142,499	128,650	249,350	130,964
5600 - Professional Fees						
5610 - Legal Services	6,742	3,250	12,512	22,750	39,000	24,555
5620 - Audit & Tax Services	0	2,187	19,725	15,315	26,250	38,118
5630 - Accounting Services	7,955	10,417	88,272	72,915	125,000	74,178
5640 - Other Consulting Services	0	625	87	4,375	7,500	0
5650 - President's Stipend	1,500	1,500	10,500	10,500	18,000	10,500
Total 5600 - Professional Fees	16,197	17,979	131,096	125,855	215,750	147,351
5700 - Technology & Equipment						
5710 - Technology Consulting Service	65,405	47,876	362,573	360,120	624,500	339,248
5720 - Equipment Repairs & Maintenance	0	83	0	585	1,000	757
5730 - Small Equipment Purchases	263	125	2,342	875	1,500	1,570
5740 - Equipment > \$1000	0	375	21,229	2,625	4,500	39,658
5750 - Equipment Lease Payments	711	833	16,880	5,835	10,000	5,561
5760 - Software & Licensing Fees	864	1,050	13,834	7,350	12,600	6,585
Total 5700 - Technology & Equipment	67,243	50,342	416,858	377,390	654,100	393,379

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

July 31, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior Year Actual
5900 - Office Costs						
5910 - Telephone	2,608	2,083	19,675	14,585	25,000	23,689
5920 - Postage	460	146	633	1,020	1,750	944
5925 - Shipping Expense	0	8	191	60	100	3
5930 - Office Supplies	784	396	4,169	2,770	4,750	5,619
5932 - Kitchen Supplies	869	375	5,743	2,625	4,500	2,266
5940 - Printing	0	459	3,842	3,205	5,500	8,402
5950 - Liability Insurance	772	1,167	6,641	8,165	14,000	7,734
5960 - Licenses and Fees	0	125	12	875	1,500	0
5970 - Bank & Credit Card Fees	1,561	750	24,512	22,250	28,000	19,211
5980 - Miscellaneous	12	467	4,386	4,265	6,600	860
Total 5900 - Office Costs	7,066	5,976	69,804	59,820	91,700	68,728
6100 - Facility Costs						
6110 - Office Rent & Parking	18,452	20,133	129,564	140,935	241,600	134,330
6180 - Property Taxes	0	0	1,478	1,000	2,000	879
Total 6100 - Facility Costs	18,452	20,133	131,042	141,935	243,600	135,209
7100 - Programmatic Costs						
7110 - Facility Rental	0	542	3,000	3,790	6,500	3,500
7120 - Catering	0	4,584	55,046	76,576	146,500	82,518
7130 - Honorarium/Speaker Fees	0	1,541	17,397	13,295	26,000	7,311
7140 - Speaker Travel	0	395	0	3,775	5,850	3,116
7150 - Plaques & Awards	656	541	7,600	3,795	7,500	2,811
7160 - Event Sponsorships	550	834	10,073	5,830	10,000	7,471
7170 - Curriculum	0	42	0	290	500	0
7210 - Website Development / Hosting	1,235	2,574	8,641	18,010	30,880	20,490
7220 - Internet Communications	1,350	2,833	10,483	19,835	34,000	32,811
7225 - Publications	588	667	6,609	6,665	12,000	6,936
7240 - Video Production & Editing	0	167	1,050	1,165	2,000	749
7250 - Media / Public Relations Proj	0	42	0	290	500	0
7310 - Other Program Costs	369	4,729	62,884	46,601	86,250	13,595
7320 - Grants	0	2,791	0	19,545	33,500	17,500
7330 - Electronic Forms	41,022	37,500	120,571	112,500	150,000	116,348
7410 - Marketing Research	0	583	(7,000)	4,085	7,000	0
7420 - Outreach	0	459	4,922	3,209	5,500	0
7430 - Legislative Issues	0	0	0	41,250	82,500	0
7440 - Issue Research	0	708	0	4,956	8,500	0
7450 - Legislative Advocacy	10,000	833	10,000	5,831	10,000	0
Total 7100 - Programmatic Costs	55,770	62,365	311,276	391,293	665,480	315,156
Total Expense	309,820	323,460	2,207,541	2,356,430	4,108,242	2,243,162

NO ASSURANCE IS PROVIDED. SEE SELECT INFORMATION.

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

July 31, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior Year Actual
Net Ordinary Income	97,967	27,973	665,029	134,105	154,458	376,150
Other Income/Expense						
Other Income						
4800 - Investment Income						
4810 - Interest & Dividend Income	10,379	2,083	59,937	14,585	25,000	29,444
4811 - Interest Income (notes payable)	5,682	0	39,222	0	0	25,607
4815 - Unrealized Gains/Losses	2,317	0	192,650	0	0	(20,479)
4820 - Realized Gains/Losses	1,434	0	3,396	0	0	(30,686)
4830 - Investment Management Fees	(4,491)	0	(13,319)	0	0	(12,959)
Total 4800 - Investment Income	15,321	2,083	281,886	14,585	25,000	(9,073)
Total Other Income	15,321	2,083	281,886	14,585	25,000	(9,073)
Other Expense						
8000 - Interest Expense	13,906	0	48,782	0	0	27,142
8100 - Priority Return-Twain	0	0	0	0	4,990	433
Total Other Expense	13,906	0	48,782	0	4,990	27,575
Net Other Income (Expense)	1,415	2,083	233,104	14,585	20,010	(36,648)
Net Income (Loss)	99,382	30,056	898,133	148,690	174,468	339,502

Indiana Association of Realtors, Inc.
Statement of Cash Flows
Year To Date 07/31/2019

OPERATING ACTIVITIES

Net Income	898,133
Adjustments to reconcile Net Income to net cash provided by operations	
1200 - Accounts Receivable	608
1203 - Due From 143 LLC	(114,479)
1206 - Due From 143 MT	(247,783)
1211 - Dues Receivable	31,508
1220 - Other Receivables	300
1260 - Due from ISRE	91,481
1310 - Prepaid Expense	(30,921)
1390 - Revenue Clearing Account	0
1540 - Alerus - 457(b) Investments	(45,090)
2010 - Accounts Payable	16,066
2040 - Accrued Payables	(7,800)
2080 - RPAC Payable (Transmittal)	71,573
2081 - RPAC Payable (Contributions)	(60,327)
2095 - Prof Stds Escrow Liability	(500)
2110 - FSA Plan Payable	(1,681)
2150 - 457 Plan Liabilities	45,090
2415 - Dues Payable, Odd Year	775,070
2430 - Unearned Registration Fees	(1,870)
Net cash provided by Operating Activities	1,419,378

INVESTING ACTIVITIES

1510 - SEI Investments	(142,982)
1525 - Realtors Defense Fund Invest	(73,064)
1599 - Cash Owed by (to) IAR	(48,175)
Net Cash provided by Investing Activities	(264,221)

FINANCING ACTIVITIES

1270 - Note Receivable	(74,969)
1245 - Accrued Interest Receivable	(39,221)
2036 - Line of Credit-ONB (\$1.3mil)	74,968
2037 - Note Payable-ONB (\$700K)	(72,398)
Net cash provided by Financing Activities	(111,620)

Net cash change for period	1,043,537
Cash at beginning of period	994,561
Cash at end of period	2,038,098

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

For the seven months ended July 31, 2019 and the year ending December 31, 2019

The accompanying historical financial statements and budgeted financial statements include the following departures from accounting principles generally accepted in the United States of America and the guidelines for presentation of a forecast established by the AICPA:

Historical

- The financial statements omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America.
- The financial statements omit the activity of fully owned subsidiaries which include the Realtor® Building and real estate school.
- Certain accruals and adjustments are made on an annual basis in preparation for the organization's annual audit.
- The Budget Performance reports do not report changes in net assets in accordance with GAAP.

Forecast/Budget

- The forecasted financial statements omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America.
- The forecasted financial information omits the summary of significant accounting policies.

The effects of these departures have not been determined.

Additional Information

- The Balance Sheet includes a comparison with the period ended June 30, 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.