

Indiana Association of Realtors Inc.

June 2019

EXECUTIVE SUMMARY

Balance Sheet

- The Association's cash balances decreased during June by \$147,000 with an ending balance of \$2,242,000.
- Accounts receivable decreased by \$1,000 with an ending balance of \$8,000 – this balance represents amounts due from local associations for Realist services.
- Accrued interest receivable increased by \$6,000 with an ending balance of \$85,000 – 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 \$4,000 due to June amortization of expenses. Ending balance was \$60,000 and will be amortized over future months.
- The amount due from ISRE decreased by \$8,000 during the month with an ending balance of \$239,000.
- The amount due from One Forty Three LLC remained the same with an ending balance of \$5,565,000.
- 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 \$246,000.
- IAR investments increased by \$54,000 during the month due to unrealized gains with an ending balance of \$1,979,000
- RDF investments increased by \$27,000 during the month due to unrealized gains with an ending balance of \$1,643,000. IAR also holds cash for RDF purposes in the amount of \$301,000 – 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 increased by \$16,000 for the second quarter with an ending balance of \$318,000. This asset is offset by a corresponding liability.
- Accounts Payable increased by \$14,000 with an ending balance of \$104,000. This increase is due to various invoices received in June.
- Amounts due to ONB:
 - Line of Credit with ONB remained unchanged with an ending balance of \$1,049,000.
 - Note Payable with ONB remained unchanged with an ending balance of \$639,000 – the June principal and interest payment was not due until July 1st, so there will be two loan payments recorded next month.
 - 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 \$27,000 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 less than \$1,000 with an ending balance of \$3,800. These funds represent RPAC contributions collected in June with 2019 dues payments and will be remitted to RPAC in July.
- Dues payable (odd year) decreased by \$321,000, from \$2,367,000 to \$2,047,000 due to amortization of dues revenue for June. The balance in this account will be amortized over the remaining months of the year and recognized as income.

Indiana Association of Realtors Inc.

June 2019

EXECUTIVE SUMMARY (continued)

Income Statement

- Net income of \$226,000 was recorded for the month, which represents net ordinary income of \$135,000 and net investment gain of \$91,000. Budgeted net income for June was \$49,000.
- YTD net income was \$799,000, which represents net ordinary income of \$567,000 and net investment income of \$232,000. Budgeted net income YTD was \$119,000.
- Compared to the prior year
 - a. YTD net ordinary income was \$293,000 higher than the prior YTD net ordinary income of \$274,000 – this increase is due to higher dues revenue and lower expenses.
 - b. YTD net investment income was \$279,000 higher due to unrealized gains on investments.
- Total income for June was \$416,000, which was above the monthly budget of \$366,000 by \$49,000 or 13%.
- Total income YTD was \$2,465,000, which was above the YTD budget of \$2,139,000 by \$326,000 or 15%.
- Compared to the prior year, total YTD income was higher by \$239,000 (11%) than the prior YTD income of \$2,226,000.
- Total expenses for the month were \$280,000, and were below the monthly budget of \$320,000 by \$39,000 or 12%, mostly due to personnel, technology/equipment and programmatic costs.
- YTD expenses were \$1,898,000, and were below the YTD budget of \$2,033,000 by \$135,000 or 7%, mostly due to personnel and programmatic costs.
- Compared to the prior year, YTD expenses were lower by \$54,000 (3%), mostly due to decrease in costs for personnel, professional fees, and programmatic costs.

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

June 30, 2019

	06/30/2019	05/31/2019	Difference
ASSETS			
Current Assets			
Checking/Savings			
1000 - Cash Accounts	2,242,410	2,389,678	(147,268)
Total Checking/Savings	<u>2,242,410</u>	<u>2,389,678</u>	<u>(147,268)</u>
Other Current Assets			
1200 - Accounts Receivable	1,846,010	1,841,486	4,524
1300 - Other Current Assets	60,505	64,860	(4,356)
Total Other Current Assets	<u>1,906,515</u>	<u>1,906,346</u>	<u>168</u>
Total Current Assets	<u>4,148,925</u>	<u>4,296,024</u>	<u>(147,100)</u>
Fixed Assets			
1600 - Fixed Assets, Net of Deprec.	348,859	348,860	0
Total Fixed Assets	<u>348,859</u>	<u>348,860</u>	<u>0</u>
Other Assets			
1203 - Intercompany Loans Receivable	6,050,333	6,057,221	(6,889)
1500 - Investments	4,058,096	3,942,067	116,030
1700 - Capitalized Loan and Lease Costs	3,133	3,133	0
Total Other Assets	<u>10,111,562</u>	<u>10,002,421</u>	<u>109,141</u>
Total ASSETS	<u>14,609,346</u>	<u>14,647,305</u>	<u>(37,959)</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	104,141	89,866	14,275
Total Accounts Payable	<u>104,141</u>	<u>89,866</u>	<u>14,275</u>
Other Current Liabilities			
2025 - Other Current Liabilities	1,760,620	1,733,761	26,859
2100 - Payroll Liabilities	366,667	351,043	15,624
2400 - Deferred Dues & Other Revenue	2,046,601	2,367,496	(320,894)
Total Other Current Liabilities	<u>4,173,888</u>	<u>4,452,300</u>	<u>(278,411)</u>
Total Current Liabilities	<u>4,278,029</u>	<u>4,542,166</u>	<u>(264,136)</u>
Total Liabilities	<u>4,278,029</u>	<u>4,542,166</u>	<u>(264,136)</u>
EQUITY			
Member Capital			
Undesignated	8,288,101	8,108,260	179,840
Board Designated	2,043,216	1,996,879	46,337
Total Member Capital	<u>10,331,317</u>	<u>10,105,139</u>	<u>226,177</u>
Total Equity	<u>10,331,317</u>	<u>10,105,139</u>	<u>226,177</u>
Total LIABILITIES & EQUITY	<u>14,609,346</u>	<u>14,647,305</u>	<u>(37,959)</u>

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

June 30, 2019

	06/30/2019	05/31/2019	Difference
ASSETS			
Current Assets			
Checking/Savings			
1000 - Cash Accounts			
1020 - IAR Checking-Regions	2,414,800	2,571,159	(156,360)
1029 - First Merchants Checking	10,380	10,381	0
1032 - IAR Checking-ONB	42,996	42,996	0
1040 - Transmittal Checking Account	61,244	33,839	27,405
1118 - REALTORS Federal Credit Union	87	87	0
1125 - IAR-Prof Standards Escrow	14,000	13,000	1,000
1199 - Cash Owed (to) by RDF	(301,097)	(281,784)	(19,313)
Total 1000 - Cash Accounts	<u>2,242,410</u>	<u>2,389,678</u>	<u>(147,268)</u>
Total Checking/Savings	2,242,410	2,389,678	(147,268)
Other Current Assets			
1200 - Accounts Receivable			
1200 - Accounts Receivable	8,324	9,483	(1,159)
1211 - Dues Receivable	3,594	3,594	0
1245 - Accrued Interest Receivable	84,853	79,170	5,683
1270 - Note Receivable	1,749,239	1,749,239	0
Total 1200 - Accounts Receivable	<u>1,846,010</u>	<u>1,841,486</u>	<u>4,524</u>
1300 - Other Current Assets			
1310 - Prepaid Expense	59,916	64,272	(4,356)
1340 - Postage Deposits	589	588	0
Total 1300 - Other Current Assets	<u>60,505</u>	<u>64,860</u>	<u>(4,356)</u>
Total Other Current Assets	<u>1,906,515</u>	<u>1,906,346</u>	<u>168</u>
Total Current Assets	<u>4,148,925</u>	<u>4,296,024</u>	<u>(147,100)</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)	(76,681)	0
Total 1655 - Accumulated Depreciation	<u>(78,881)</u>	<u>(78,880)</u>	<u>0</u>
Total 1600 - Fixed Assets, Net of Deprec.	<u>348,859</u>	<u>348,860</u>	<u>0</u>
Total Fixed Assets	<u>348,859</u>	<u>348,860</u>	<u>0</u>
Other Assets			
1203 - Intercompany Loans Receivable			
1260 - Due from ISRE	238,847	247,129	(8,282)
1203 - Due From 143 LLC	5,565,095	5,565,096	0
1206 - Due From 143 MT	246,391	244,996	1,393
Total - 1203 - Intercompany Loans Receivable	<u>6,050,333</u>	<u>6,057,221</u>	<u>(6,889)</u>
1500 - Investments			
1510 - SEI Investments	1,979,244	1,924,951	54,293
1520 - Realtor's Defense Fund Assets			
1525 - Realtors Defense Fund Invest	1,642,763	1,615,964	26,800
1599 - Cash Owed by (to) IAR	301,097	281,784	19,313
Total 1520 - Realtor's Defense Fund Assets	<u>1,943,860</u>	<u>1,897,748</u>	<u>46,113</u>
1540 - Alerus - 457(b) Investments	318,198	302,574	15,624

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

June 30, 2019

	06/30/2019	05/31/2019	Difference
1810 - Investment in ISRE	(195,489)	(195,489)	0
1820 - Investment in 143 MM	12,283	12,283	0
Total 1500 - Investments	<u>4,058,096</u>	<u>3,942,067</u>	116,030
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>	0
Total Other Assets	<u>10,111,562</u>	<u>10,002,421</u>	109,141
Total ASSETS	<u>14,609,346</u>	<u>14,647,305</u>	<u>(37,959)</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2010 - Accounts Payable	104,141	89,866	14,275
Total Accounts Payable	<u>104,141</u>	<u>89,866</u>	14,275
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)	638,591	638,591	0
2040 - Accrued Payables	7,691	7,691	0
2080 - RPAC Payable (Transmittal)	61,245	33,840	27,405
2081 - RPAC Payable (Contributions)	3,854	4,400	(546)
Total 2025 - Other Current Liabilities	<u>1,760,620</u>	<u>1,733,761</u>	26,859
2100 - Payroll Liabilities			
2110 - FSA Plan Payable	767	767	0
2120 - Post Retirement Benefit Obliga	47,702	47,702	0
2150 - 457 Plan Liabilities	318,198	302,574	15,624
Total 2100 - Payroll Liabilities	<u>366,667</u>	<u>351,043</u>	15,624
2400 - Deferred Dues & Other Revenue			
2415 - Dues Payable, Odd Year	2,046,601	2,367,496	(320,894)
Total 2400 - Deferred Dues & Other Revenue	<u>2,046,601</u>	<u>2,367,496</u>	(320,894)
Total Other Current Liabilities	<u>4,173,888</u>	<u>4,452,300</u>	(278,411)
Total Current Liabilities	<u>4,278,029</u>	<u>4,542,166</u>	(264,136)
Total Liabilities	<u>4,278,029</u>	<u>4,542,166</u>	(264,136)
EQUITY			
Member Capital			
Undesignated			
	8,288,101	8,108,260	179,840
Board Designated			
3020 - RDF Investments	1,943,859	1,897,747	46,112
3021 - RPAC (Contributions)	3,854	4,400	(546)
3022 - Local Legislative Issues	91,308	90,537	771
3023 - RDF Issues (RPAC opt outs)	4,195	4,195	0
Total Board Designated	<u>2,043,216</u>	<u>1,996,879</u>	46,337
Total Member Capital	<u>10,331,317</u>	<u>10,105,139</u>	226,177
Total Equity	<u>10,331,317</u>	<u>10,105,139</u>	226,177
Total LIABILITIES & EQUITY	<u>14,609,346</u>	<u>14,647,305</u>	<u>(37,959)</u>

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

June 30, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior YTD Actual
Income						
4000 - Membership Income	405,427	343,208	2,389,556	2,059,252	4,118,500	2,158,588
4200 - Contract Fees & Event Income	2,250	0	6,755	15,500	30,500	7,020
4300 - Royalties, Rent & Product Sales	0	583	3,815	3,502	7,000	6,848
4900 - Other Income	8,100	22,642	64,656	60,848	106,700	53,642
Total Income	<u>415,777</u>	<u>366,433</u>	<u>2,464,782</u>	<u>2,139,102</u>	<u>4,262,700</u>	<u>2,226,098</u>
Expense						
5000 - Personnel Costs	136,712	157,355	866,750	974,132	1,988,262	907,315
5300 - Travel & Entertainment	39,564	9,935	135,411	119,340	249,350	121,678
5600 - Professional Fees	16,575	17,979	114,899	107,876	215,750	129,813
5700 - Technology & Equipment	53,871	62,842	350,327	327,048	654,100	346,505
5900 - Office Costs	10,007	5,976	62,803	53,844	91,700	65,248
6100 - Facility Costs	15,835	20,133	112,590	121,802	243,600	115,910
7100 - Programmatic Costs	7,867	45,490	254,940	328,928	665,480	265,352
Total Expense	<u>280,431</u>	<u>319,710</u>	<u>1,897,720</u>	<u>2,032,970</u>	<u>4,108,242</u>	<u>1,951,821</u>
Net Ordinary Income	<u>135,346</u>	<u>46,723</u>	<u>567,062</u>	<u>106,132</u>	<u>154,458</u>	<u>274,277</u>
Other Income/Expense						
Other Income	90,831	2,083	266,565	12,502	25,000	(23,661)
Other Expense	0	0	34,876	0	4,990	23,388
Net Other Income (Expense)	<u>90,831</u>	<u>2,083</u>	<u>231,689</u>	<u>12,502</u>	<u>20,010</u>	<u>(47,049)</u>
Net Income (Loss)	<u>226,177</u>	<u>48,806</u>	<u>798,751</u>	<u>118,634</u>	<u>174,468</u>	<u>227,228</u>

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

June 30, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior Year Actual
Income						
4000 - Membership Income						
4002 - Membership Dues	323,890	277,816	1,864,707	1,666,896	3,333,792	1,714,129
4020 - Shared Fees, Local Boards	8,324	8,000	48,789	48,000	96,000	47,573
4021 - State Application Fee (even years)	0	0	0	0	0	209,445
4023 - State Application Fee (odd years)	40,800	20,000	220,200	120,000	240,000	0
4030 - RDF Dues	31,643	30,184	182,148	181,104	362,208	187,441
4035 - RDF Issues Income	0	333	3,295	2,002	4,000	0
4040 - Local Legislative Issues Income	770	6,875	70,417	41,250	82,500	0
Total 4000 - Membership Income	405,427	343,208	2,389,556	2,059,252	4,118,500	2,158,588
4200 - Contract Fees & Event Income						
4101 - Sponsorship Income	0	0	0	5,000	10,000	0
4201 - Registration Income	2,250	0	6,755	10,500	20,500	7,020
Total 4200 - Contract Fees & Event Income	2,250	0	6,755	15,500	30,500	7,020
4300 - Royalties, Rent & Product Sales						
4301 - Royalty Income	0	583	3,815	3,502	7,000	6,848
Total 4300 - Royalties, Rent & Product Sales	0	583	3,815	3,502	7,000	6,848
4900 - Other Income						
4900 - Other Income	0	42	17,056	248	500	7,542
4901 - Grant Income	0	15,000	0	15,000	15,000	0
4910 - RECP Income	7,100	7,100	42,600	42,600	85,200	42,600
4920 - Professional Standards Income	1,000	500	5,000	3,000	6,000	3,500
Total 4900 - Other Income	8,100	22,642	64,656	60,848	106,700	53,642
Total Income	415,777	366,433	2,464,782	2,139,102	4,262,700	2,226,098
Expense						
5000 - Personnel Costs						
5010 - Compensation	115,050	125,883	689,306	756,982	1,512,280	705,481
5020 - Bonus Pool	0	0	31,000	30,000	100,000	29,205
5030 - Contract Labor / Temp Help	1,200	2,200	6,000	12,000	25,200	0
5100 - Benefits & Taxes						
5110 - Health & Life Insurance	3,427	8,740	22,794	52,201	104,641	46,483
5115 - Wellness Benefit	361	417	1,076	2,498	5,000	1,307
5120 - Dental Insurance	431	750	2,703	4,500	9,000	3,821
5125 - Disability Insurance	373	458	3,490	2,752	5,500	2,249
5130 - Retirement Benefits	4,880	5,542	31,066	33,248	66,500	31,842
5140 - Post-Employment Benefits	1,224	1,333	7,346	8,002	16,000	9,260
5150 - Workers Compensation Insuranc	666	750	4,021	4,500	9,000	3,782

NO ASSURANCE IS PROVIDED. SEE SELECT INFORMATION.

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

June 30, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior Year Actual
5160 - Payroll Taxes	6,877	8,740	53,170	52,201	104,641	56,255
5170 - Professional Development	827	375	1,593	2,250	4,500	4,924
5180 - Dues & Subscriptions	1,396	2,167	13,185	12,998	26,000	12,706
Total 5100 - Benefits & Taxes	20,462	29,272	140,444	175,150	350,782	172,629
Total 5000 - Personnel Costs	136,712	157,355	866,750	974,132	1,988,262	907,315
5300 - Travel & Entertainment						
5310 - Staff Travel Costs						
5310 - Staff Travel	3,048	1,375	13,401	8,700	17,050	11,265
5320 - Staff Lodging	5,941	958	17,541	15,752	32,400	15,930
5330 - Staff Mileage	467	1,085	2,893	6,740	13,750	5,583
5340 - Staff Meals	1,741	1,442	5,750	11,648	22,600	10,583
5350 - Staff Hospitality	234	184	922	1,596	3,200	2,144
5360 - Conference Registration Fees	450	659	3,025	3,946	10,900	3,260
Total 5310 - Staff Travel Costs	11,881	5,703	43,532	48,382	99,900	48,765
5410 - Leadership Travel						
5410 - Board / Volunteer Travel	5,824	308	16,652	11,352	20,000	12,521
5420 - Board / Volunteer Lodging	12,219	1,624	36,975	33,356	68,300	30,595
5430 - Board / Volunteer Mileage	394	626	3,218	4,744	10,000	3,290
5440 - Board / Volunteer Meals	6,899	1,156	25,193	17,414	34,350	20,006
5450 - Board / Volunteer Hospitality	1,897	335	8,491	2,990	6,500	3,216
5460 - Conference Registration Fees	450	183	1,350	1,102	10,300	3,285
Total 5410 - Leadership Travel	27,683	4,232	91,879	70,958	149,450	72,913
Total 5300 Travel & Entertainment	39,564	9,935	135,411	119,340	249,350	121,678
5600 - Professional Fees						
5610 - Legal Services	2,077	3,250	5,770	19,500	39,000	20,410
5620 - Audit & Tax Services	2,675	2,187	19,725	13,128	26,250	35,043
5630 - Accounting Services	10,323	10,417	80,317	62,498	125,000	65,360
5640 - Other Consulting Services	0	625	87	3,750	7,500	0
5650 - President's Stipend	1,500	1,500	9,000	9,000	18,000	9,000
Total 5600 - Professional Fees	16,575	17,979	114,899	107,876	215,750	129,813
5700 - Technology & Equipment						
5710 - Technology Consulting Service	43,779	60,376	297,167	312,244	624,500	296,849
5720 - Equipment Repairs & Maintenance	0	83	0	502	1,000	757
5730 - Small Equipment Purchases	427	125	2,793	750	1,500	1,386
5740 - Equipment > \$1000	6,755	375	21,229	2,250	4,500	36,797
5750 - Equipment Lease Payments	1,069	833	16,168	5,002	10,000	4,708
5760 - Software & Licensing Fees	1,841	1,050	12,970	6,300	12,600	6,008
Total 5700 - Technology & Equipment	53,871	62,842	350,327	327,048	654,100	346,505

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

June 30, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior Year Actual
5900 - Office Costs						
5910 - Telephone	2,485	2,083	17,068	12,502	25,000	20,912
5920 - Postage	11	146	172	874	1,750	657
5925 - Shipping Expense	149	8	252	52	100	3
5930 - Office Supplies	2,000	396	3,457	2,374	4,750	5,391
5932 - Kitchen Supplies	2,142	375	4,875	2,250	4,500	1,770
5940 - Printing	167	459	3,842	2,746	5,500	8,402
5950 - Liability Insurance	972	1,167	5,869	6,998	14,000	8,162
5960 - Licenses and Fees	0	125	12	750	1,500	0
5970 - Bank & Credit Card Fees	1,361	750	22,951	21,500	28,000	18,004
5980 - Miscellaneous	720	467	4,305	3,798	6,600	1,947
Total 5900 - Office Costs	10,007	5,976	62,803	53,844	91,700	65,248
6100 - Facility Costs						
6110 - Office Rent & Parking	15,835	20,133	111,112	120,802	241,600	115,031
6180 - Property Taxes	0	0	1,478	1,000	2,000	879
Total 6100 - Facility Costs	15,835	20,133	112,590	121,802	243,600	115,910
7100 - Programmatic Costs						
7110 - Facility Rental	0	542	3,000	3,248	6,500	3,500
7120 - Catering	3,318	4,584	55,258	71,992	146,500	82,518
7130 - Honorarium/Speaker Fees	0	1,541	17,396	11,754	26,000	4,611
7140 - Speaker Travel	0	395	0	3,380	5,850	3,115
7150 - Plaques & Awards	147	541	5,185	3,254	7,500	2,811
7160 - Event Sponsorships	400	834	9,522	4,996	10,000	7,472
7170 - Curriculum	0	42	0	248	500	0
7210 - Website Development / Hosting	1,234	2,574	7,407	15,436	30,880	17,616
7220 - Internet Communications	1,350	2,833	9,133	17,002	34,000	28,630
7225 - Publications	588	667	6,020	5,998	12,000	6,240
7240 - Video Production & Editing	0	167	1,050	998	2,000	749
7250 - Media / Public Relations Proj	0	42	0	248	500	0
7310 - Other Program Costs	830	4,729	63,498	41,872	86,250	13,595
7320 - Grants	0	2,791	0	16,754	33,500	17,500
7330 - Electronic Forms	0	0	79,549	75,000	150,000	76,995
7410 - Marketing Research	0	583	(7,000)	3,502	7,000	0
7420 - Outreach	0	459	4,922	2,750	5,500	0
7430 - Legislative Issues	0	20,625	0	41,250	82,500	0
7440 - Issue Research	0	708	0	4,248	8,500	0
7450 - Legislative Advocacy	0	833	0	4,998	10,000	0
Total 7100 - Programmatic Costs	7,867	45,490	254,940	328,928	665,480	265,352
Total Expense	280,431	319,710	1,897,720	2,032,970	4,108,242	1,951,821

NO ASSURANCE IS PROVIDED. SEE SELECT INFORMATION.

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

June 30, 2019

	1 Month Actual	1 Month Budget	YTD Actual	YTD Budget	Annual Budget	Prior Year Actual
Net Ordinary Income	135,346	46,723	567,062	106,132	154,458	274,277
Other Income/Expense						
Other Income						
4800 - Investment Income						
4810 - Interest & Dividend Income	9,163	2,083	49,559	12,502	25,000	23,977
4811 - Interest Income (notes payable)	5,683	0	33,539	0	0	21,870
4815 - Unrealized Gains/Losses	75,985	0	190,333	0	0	(61,414)
4820 - Realized Gains/Losses	0	0	1,961	0	0	554
4830 - Investment Management Fees	0	0	(8,827)	0	0	(8,648)
Total 4800 - Investment Income	90,831	2,083	266,565	12,502	25,000	(23,661)
Total Other Income	90,831	2,083	266,565	12,502	25,000	(23,661)
Other Expense						
8000 - Interest Expense	0	0	34,876	0	0	22,956
8100 - Priority Return-Twain	0	0	0	0	4,990	432
Total Other Expense	0	0	34,876	0	4,990	23,388
Net Other Income (Expense)	90,831	2,083	231,689	12,502	20,010	(47,049)
Net Income (Loss)	226,177	48,806	798,751	118,634	174,468	227,228

Indiana Association of Realtors, Inc.
Statement of Cash Flows
Year To Date 06/30/2019

OPERATING ACTIVITIES

Net Income	798,751
Adjustments to reconcile Net Income to net cash provided by operations	
1200 - Accounts Receivable	7,638
1203 - Due From 143 LLC	(141,177)
1206 - Due From 143 MT	(246,391)
1211 - Dues Receivable	31,509
1220 - Other Receivables	300
1260 - Due from ISRE	87,853
1310 - Prepaid Expense	(36,797)
1540 - Alerus - 457(b) Investments	(45,090)
2010 - Accounts Payable	(1,813)
2040 - Accrued Payables	(7,800)
2080 - RPAC Payable (Transmittal)	46,301
2081 - RPAC Payable (Contributions)	(58,471)
2095 - Prof Stds Escrow Liability	(1,000)
2110 - FSA Plan Payable	(1,681)
2150 - 457 Plan Liabilities	45,090
2415 - Dues Payable, Odd Year	1,108,690
2430 - Unearned Registration Fees	(1,870)
Net cash provided by Operating Activities	1,584,042

INVESTING ACTIVITIES

1510 - SEI Investments	(139,253)
1525 - Realtors Defense Fund Invest	(70,662)
1599 - Cash Owed by (to) IAR	(41,239)
Net Cash provided by Investing Activities	(251,154)

FINANCING ACTIVITIES

1270 - Note Receivable	(74,969)
1245 - Accrued Interest Receivable	(33,539)
2036 - Line of Credit-ONB (\$1.3mil)	74,969
2037 - Note Payable-ONB (\$700K)	(51,501)
Net cash provided by Financing Activities	(85,040)

Net cash change for period	1,247,848
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Cash at beginning of period	994,561
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Cash at end of period	2,242,410
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Indiana Association of Realtors, Inc.
Historical and Budgeted Financial Statements
Selected Information

For the six months ended June 30, 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 May 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.