



2011 - 2012 Budget Summary Narrative Talking Points

Income:

Category:	Talking Points:
40: Education Income	<ul style="list-style-type: none"> Classroom income will continue at the same level as this fiscal year, with 414 classes scheduled by our chapters and the association, with an average of 14 participants per class. Online course income will increase as we market our current catalog of 19 courses and develop 4 more courses, including C100, for online delivery. Facilitator clinics will resume next fiscal year. Line 128, Education Other no longer includes online course income.
41: Advertising Income	<ul style="list-style-type: none"> Advertising income will decrease slightly, as current advertisers continue to advertise, but at a lesser rate in some cases. Emphasis will be placed on recapturing past advertisers from energy companies.
43: Investment Income	<ul style="list-style-type: none"> Investment income is based on actual rate of return, primarily CD's.
44: Membership Income	<ul style="list-style-type: none"> Income will increase, based on realizing half a year of both new (1,213) and renewal memberships (6,487 regular and 1,671 senior) at an increased rate of \$10. The number of agency memberships are on the rise, too, primarily due to new DOT members.
45: Merchandise Sales	<ul style="list-style-type: none"> Income reflects actual projected sales of IRWA pins and plaques. Wearables have been outsourced to Lands End.
46: Other Income	<ul style="list-style-type: none"> No change.
950: International Conf.	<ul style="list-style-type: none"> Increase in income is reflective of an increase in exhibitors and a \$50 increase in registration fees for an early bird rate of \$475.
47: Seminars & Conferences	<ul style="list-style-type: none"> FAU income will increase as up to 200 people participate in our once every four year World Congress of Real Estate. A Young Professionals event will continue next year, as a revenue neutral event.

Expense:

50: Cost of Goods Sold	<ul style="list-style-type: none"> Expense reflects cost of IRWA pins and plaques purchased by members.
55: Education Expenses	<ul style="list-style-type: none"> Education expenses reflect the cost savings of producing and shipping smaller class size packages, offset by the increased revision costs to classroom curriculum as our education committees review and make recommendations for material updates, revisions and rewrites.
597: Building Operation	<ul style="list-style-type: none"> Expense is the actual cost of one year's building operation. Lease cost would have been \$198,000.
60: Payroll & Benefits	<ul style="list-style-type: none"> Payroll & Benefits will increase by a total of 2.6%, as our tenured staff works more closely with 76 chapter presidents and membership, education and professional development chairs.
70: Other Seminars and Conferences	<ul style="list-style-type: none"> Expenses reflect the actual costs of increased prices for the Seattle Conference, 2012 World Congress of Real Estate and Young Professionals events.

74: Travel- Regions	<ul style="list-style-type: none"> Expense held at 2010 rate.
75: Travel- Education Committees	<ul style="list-style-type: none"> Expense held at 2010 rate.
76: Travel- Service Committees	<ul style="list-style-type: none"> Expense held at 2010 rate.
77: Travel- Other	<ul style="list-style-type: none"> Expense line reflects the estimated cost of travel for the Leadership Institute and the Committee Chair/Vice Chair meeting at Conference.
78: Travel- International Governing Council	<ul style="list-style-type: none"> IEC travel has decreased dramatically as the new International Governing Council leadership provides primary support for our regions.
79: Travel- Staff	<ul style="list-style-type: none"> Slight decrease in travel for IRWA staff.
80: Administrative Expenses	<ul style="list-style-type: none"> Increase in depreciation and amortization (paper expense) of office furniture and recently developed IRWA education products. Increase in actual cost of the Leadership Institute (half of which is being underwritten by our two foundation partners). Increase in maintenance costs for our e-commerce database. An increase in marketing of the IRWA and our credentialed members to the users of right of way services and potential new members. An increase in teleconferencing for education committees.
88: Income Taxes	<ul style="list-style-type: none"> No expense anticipated.
Other Income:	
48: Pipeline Committee Revenue	<ul style="list-style-type: none"> No change anticipated for Pipeline Committee, brochure and facilitator pass through income.
4090: Brochure Income Pass Through	
4095: Facilitator Income Pass Through	
Other Expense:	
72-6470: Pipeline Committee Expenses	<ul style="list-style-type: none"> No change anticipated for Pipeline Committee, brochure and facilitator pass through expense.
8200: Brochure Expense Pass Through	
8400: Facilitator Expense Pass Through	
Net Income	<ul style="list-style-type: none"> Given that we have the equivalent of 6 months income in net equity, our goal it to produce a revenue neutral budget, investing in our members with new and revised education programming, leadership development and the marketing of the IRWA and our credentialed members to the users of right of way services.