Lancaster County Association of Realtors

Financial Statements and Supplementary Information

(Reviewed)

December 31, 2015 and 2014

REINSEL KUNTZ LESHER
certified public accountants & consultants

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REINSEL KUNTZ LESHER
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Independent Accountant's Review Report

To the Board of Directors
Lancaster County Association of Realtors
Lancaster, Pennsylvania

We have reviewed the accompanying financial statements of Lancaster County Association of Realtors, which comprise the balance sheet as of December 31, 2015 and 2014, and the related statements of income and comprehensive income, changes in members' equity, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

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Other Matter

The schedule of components of operating expenses, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our reviews, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

Reinsel Kuntz Lesher LLP

July 28, 2016
Lancaster, Pennsylvania

Lancaster County Association of Realtors

Balance Sheet

See Independent Accountant's Review Report

	December 31, 2015	2014
Assets		
Current Assets		
Cash and cash equivalents	**$ 590,491**	$ 571,301
Investments	**543,298**	522,837
Due from members	**199,870**	186,820
Inventory	**828**	828
Prepaid corporate taxes	**203**	320
Total Current Assets	**1,334,690**	1,282,106
Investment in Affiliated Company	**46,897**	46,203
Property and Equipment		
Land	**302,905**	302,905
Building and improvements	**1,280,609**	1,266,816
Furniture and fixtures	**93,586**	86,329
Computer equipment and software	**259,439**	259,439
	1,936,539	1,915,489
Accumulated depreciation	**(1,318,103)**	(1,258,176)
Net Property and Equipment	**618,436**	657,313
Total Assets	**$ 2,000,023**	$ 1,985,622
Liabilities and Members' Equity		
Current Liabilities		
Accounts payable	**$ 11,868**	$ 6,175
Accrued payroll taxes	**-**	31
Funds held for other organizations	**80,675**	65,856
Deferred revenue	**691,453**	660,903
Current portion of long-term debt	**20,588**	19,474
Total Current Liabilities	**804,584**	752,439
Long-Term Debt, Net of Current Portion	**88,267**	108,856
Members' Equity	**1,107,172**	1,124,327
Total Liabilities and Members' Equity	**$ 2,000,023**	$ 1,985,622

See accompanying notes.

Lancaster County Association of Realtors

Statement of Income and Comprehensive Income

See Independent Accountant's Review Report

	Years Ended December 31, 2015	2014
Revenue		
Association membership dues	**$ 774,989**	$ 734,127
Multiple Listing Service	**369,441**	346,763
Real estate education group	**100,633**	113,596
Association programs	**12,795**	17,610
Miscellaneous - primarily retail sales	**40,168**	44,153
Total Revenue	**1,298,026**	1,256,249
Operating Expenses		
Association	**1,158,891**	1,109,256
Multiple Listing Service	**5,228**	1,519
Real estate education group	**61,403**	57,342
Association programs	**48,701**	46,879
Miscellaneous	**19,120**	21,495
Total Operating Expenses	**1,293,343**	1,236,491
Operating Income	**4,683**	19,758
Other Income (Expense)		
Interest income	**321**	371
Interest expense	**(6,667)**	(7,721)
Realized gain on sale of investments	**28,063**	13,516
Equity in net income of Keystone MLS Network	**694**	546
Total Other Income (Expense)	**22,411**	6,712
Income Before Income Taxes	**27,094**	26,470
Provision for Income Taxes	**12,968**	13,522
Net Income	**14,126**	12,948
Other Comprehensive Income (Loss)		
Unrealized gains on investments (net of tax effect of $12,968 and $7,870 at December 31, 2015 and 2014, respectively)	**(3,218)**	8,921
Reclassification adjustment for gains included in net income	**(28,063)**	(13,516)
Total Other Comprehensive Loss	**(31,281)**	(4,595)
Comprehensive Income (Loss)	**$ (17,155)**	$ 8,353

See accompanying notes.

Lancaster County Association of Realtors

Statement of Changes in Members' Equity

See Independent Accountant's Review Report

	Years Ended December 31, 2015 and 2014		
	Members' Equity	Accumulated Other Comprehensive Income (Loss)	Total
Balance at January 1, 2014	$ 1,043,396	$ 72,578	$ 1,115,974
Net income	12,948	-	12,948
Unrealized gains on investments, net of tax effect	-	8,921	8,921
Reclassification adjustment for gains included in net loss	-	(13,516)	(13,516)
Balance at December 31, 2014	1,056,344	67,983	1,124,327
Net income	**14,126**	**-**	**14,126**
Unrealized losses on investments, net of tax effect	**-**	**(3,218)**	**(3,218)**
Reclassification adjustment for gains included in net loss	**-**	**(28,063)**	**(28,063)**
Balance at December 31, 2015	**$ 1,070,470**	**$ 36,702**	**$ 1,107,172**

Lancaster County Association of Realtors

Statement of Cash Flows

See Independent Accountant's Review Report

	Years Ended December 31, 2015	2014
Cash Flows from Operating Activities		
Net income	**$ 14,126**	$ 12,948
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	**59,927**	68,940
Realized gain on sale of investments	**-**	(13,516)
Deferred income taxes	**-**	13,522
Equity income in affiliated company	**(694)**	(546)
Changes in assets and liabilities		
(Increase) decrease in assets		
Due from members	**(13,050)**	(10,011)
Prepaid corporate taxes	**117**	11,743
Increase (decrease) in liabilities		
Accounts payable	**5,693**	1,848
Funds held for other organizations	**14,819**	12,399
Deferred revenue	**30,550**	21,390
Accrued expenses	**(31)**	31
Net Cash Provided by Operating Activities	**111,457**	118,748
Cash Flows from Investing Activities		
Capital expenditures	**(21,050)**	(5,477)
Proceeds on sale of investments	**195,290**	80,681
Purchase of investments	**(247,032)**	(82,763)
Net Cash Used in Investing Activities	**(72,792)**	(7,559)
Cash Flows Used in Financing Activities		
Principal payments on long-term debt	**(19,475)**	(18,419)
Net Increase in Cash and Cash Equivalents	**19,190**	92,770
Cash and Cash Equivalents at Beginning of Year	**571,301**	478,531
Cash and Cash Equivalents at End of Year	**$ 590,491**	$ 571,301
Supplementary Cash Flows Information		
Cash paid for interest	**$ 6,667**	$ 7,721

See accompanying notes.

Note 1 - Nature of Activities

Lancaster County Association of Realtors (the Association), formed in 1917, provides various member services, which include a Professional Standards program, computerized Multiple Listing Services through Keystone MLS Network; a related party, and the promotion and development of industry professionalism within Lancaster County.

Note 2 - Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statement follows.

Recognition of Revenue

The Association recognizes revenue from dues, Multiple Listing Service management fees, and assessments on the accrual basis. The membership period corresponds to the business year of the Association. Investment income is recorded on the accrual basis.

Concentrations of Cash and Credit Risk

Certain financial instruments potentially subject the Association to concentrations of credit risk. These financial instruments consist primarily of amounts due from members. Concentrations of credit risk with respect to amounts due from members are limited due to a large member base.

The Association places its temporary cash investments with certain financial institutions. The balances are insured by the Federal Deposit Insurance Corporation. Balances may exceed insured limits at certain times throughout the year.

Property and Equipment

Property and equipment is carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets as follows:

Building and improvements	39 years
Furniture and fixtures	7 years
Computer equipment	5 years
Computer software	3 years

Expenditures for additions, major replacements, and betterments are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. When property and equipment are retired or sold, the cost and applicable accumulated depreciation are removed from the respective accounts and the related gain or loss is recognized.

Long-Lived Assets

Long-lived assets, other than those held for sale, are reviewed for impairment whenever events or circumstances indicate that the carrying amount of the assets may not be recoverable. An asset is considered to be impaired when the undiscounted estimated net cash flows to be generated by the asset are less than the carrying amount. The impairment recognized is the amount by which the carrying amount exceeds the fair value of the impaired asset. Management has concluded that no impairment reserves are required as of December 31, 2015 and 2014.

Note 2 - Summary of Significant Accounting Policies (continued)

Advertising Costs

Advertising costs are charged to expense as incurred. Advertising expenses were $16,650 and $19,730 for the years ended December 31, 2015 and 2014, respectively.

Inventory

Inventory is valued at the lower of cost (first-in, first-out method) or market. Inventory consists of lockboxes.

Funds Held for Other Organizations

Funds held for other organizations consist of various organizations that have appointed, in their bylaws, for the Association to be the custodian of their funds. The Association assumes the role of Treasurer for the organizations and handles the billing and collection of annual dues. These amounts are included in current assets and current liabilities on the balance sheet.

Deferred Revenue

Deferred revenue consists of annual association membership dues that were billed in advance.

Income Taxes

The Association is subject to federal income taxes as determined by the Internal Revenue Service because the Multiple Listing Service provided to members is a business of a kind normally operated for profit.

The Association is also subject to state income taxes.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Association, including whether the entity is exempt from income taxes. Management evaluated the tax positions taken and concluded that the Association had taken no uncertain tax positions that require recognition or disclosure in the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. With few exceptions, the Association is no longer subject to income tax examinations by the U.S. Federal, state, or local tax authorities for the years before 2012.

Deferred Income Taxes

Deferred tax assets and liabilities are determined based on the difference between the financial statement and tax basis of assets and liabilities, using enacted tax rates in effect for the year in which the differences are expected to reverse.

Deferred income taxes occur as a result of temporary differences in recording depreciation for financial statement and income tax purposes, unrealized investment gains and losses, contributions carryover, and net operating loss carryforwards.

Note 2 - Summary of Significant Accounting Policies (continued)

Use of Estimates

The process of preparing financial statements in accordance with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Due from Members

Due from members is carried at the original invoice, less an allowance for doubtful accounts if necessary. Management reviews outstanding balances on a monthly basis. At December 31, 2015 and 2014, management has determined that amounts due from members are fully collectible. Amounts are written off when deemed uncollectible. Amounts collected on accounts that were previously written off are recorded as income in the year received.

Cash and Cash Equivalents

The Association considers all money market funds and short-term highly liquid debt instruments with a maturity of three months or less when purchased to be cash equivalents.

Investment in Affiliated Company

The Association is accounting for its investment in Keystone MLS Network, a 50% owned affiliate, by the equity method of accounting under which the Association's share of the net income of the affiliate is recognized as income in the Association's statement of income and comprehensive income and added to the investment account, and dividends from the affiliate are treated as a reduction of the investment account.

The fiscal year of the affiliate ends on June 30, and the Association consistently follows the practice of recognizing the net income of the affiliate on that basis. Therefore, the net income of the affiliate which is reported on the Association's statement of income and comprehensive income is for the affiliate's year which ended on the previous June 30.

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in accounting principles generally accepted in the United States of America when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. The updated standard will be effective starting in 2019. The Association has not yet selected a transition method and is currently evaluating the effect that the updated standard will have on the financial statements.

Note 2 - Summary of Significant Accounting Policies (continued)

Recent Accounting Pronouncements (continued)

In July 2015, the FASB issued ASU 2015-11, *Inventory (Topic 330): Simplifying the Measurement of Inventory*. The amendments in the ASU require entities that measure inventory using the first-in, first-out or average cost methods to measure inventory at the lower of cost and net realizable value. Net realizable value is defined as estimated selling price in the ordinary course of business less reasonably predictable costs of completion, disposal, and transportation. This ASU will be effective for fiscal years beginning after December 15, 2016. The Association does not expect the adoption of ASU 2015-11 to have a material effect on its financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which sets out the principles for the recognition, measurement, presentation, and disclosure of leases for both parties to a contract (i.e. lessees and lessors). The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today. The new standard requires lessors to account for leases using an approach that is substantially equivalent to existing guidance for sales-type leases, direct financing leases, and operating leases. The standard is effective on January 1, 2020, with early adoption permitted. The Association is in the process of evaluating the impact of this new guidance.

Investments

The Association accounts for its investments under FASB Accounting Standards Codification (ASC) 320, *Investments in Debt and Equity Securities*. Accordingly, available-for-sale securities are recorded at their fair value on the balance sheet. Under this guidance, the unrealized gain on available-for-sale securities, net of deferred taxes, must be reported as a separate component of members' equity until realized. Deferred taxes of $19,754 and $32,722 are netted against the unrealized gain at December 31, 2015 and 2014, respectively. The unrealized holding gain was $56,456 and $100,705 at December 31, 2015 and 2014, respectively. Investment expenses amounted to $5,525 and $5,220 for the years ended December 31, 2015 and 2014, respectively, and are included in components of operating expenses under cash management fees.

Cost and fair value of marketable securities available for sale are as follows as of December 31:

	2015		
	Cost	**Unrealized Gains (Losses)**	**Fair Value**
Fixed income funds	**$ 165,619**	**$ (1,408)**	**$ 164,211**
Equity securities	**270,607**	**59,300**	**329,907**
Alternative investments	**50,616**	**(1,436)**	**49,180**
	$ 486,842	**$ 56,456**	**$ 543,298**

Note 2 - Summary of Significant Accounting Policies (continued)

Investments (continued)

	2014		
	Cost	Unrealized Gains	Fair Value
Fixed income funds	$ 162,570	$ 3,350	$ 165,920
Equity securities	259,562	97,355	356,917
	$ 422,132	$ 100,705	$ 522,837

Investments held as of December 31, 2015 and 2014 are comprised of investments in mutual funds, alternative investments, and common stocks. The Association has recorded unrealized holding losses on 32 and 11 of these investments as of December 31, 2015 and 2014, respectively. Management believes that holding losses recorded on these investments are not a permanent impairment, but rather a temporary market decline. The following tables show investments gross unrealized losses and fair value, aggregated by investment category and length of time that the individual mutual funds have been in a continuous unrealized loss position as of December 31:

	2015					
	Less than 12 Months		12 Months or More		Total	
	Market Value	Unrealized Loss	Market Value	Unrealized Loss	Market Value	Unrealized Loss
Mutual funds - fixed income, temporarily impaired	**$ 39,268**	**$ (917)**	**$ 81,039**	**$ (2,909)**	**$ 120,307**	**$ (3,826)**
Equity securities, temporarily impaired	**49,403**	**(3,090)**	**9,768**	**(3,112)**	**59,171**	**(6,202)**
Alternative investments, temporarily impaired	**49,180**	**(1,436)**	**-**	**-**	**49,180**	**(1,436)**
	$ 137,851	**$ (5,443)**	**$ 90,807**	**$ (6,021)**	**$ 228,658**	**$ (11,464)**

	2014					
Mutual funds - fixed income, temporarily impaired	$ 16,903	$ (333)	$ 64,008	$ (1,077)	$ 80,911	$ (1,410)
Equity securities, temporarily impaired	10,293	(1,101)	6,827	(1,256)	17,120	(2,357)
	$ 27,196	$ (1,434)	$ 70,835	$ (2,333)	$ 98,031	$ (3,767)

Note 3 - Rent Expense

The Association entered into an operating lease for an automobile during 2014, expiring in 2017. Total rental expense amounted to $4,549 and $5,319 for 2015 and 2014, respectively.

Future minimum lease payments for the automobile are as follows at December 31:

2016	**$**	**4,549**
2017		**3,033**

Note 4 - Retirement Plan

The Association has a 401(k) retirement plan that covers substantially all employees. The Association will match 100% of the first 5% of salary deferral. The Association may make additional contributions at the discretion of the Board of Directors. Contributions made by the Association to the plan in 2015 and 2014 totaled $16,553 and $16,803, respectively.

Note 5 - Income Taxes

Provision for income taxes is summarized as follows as of December 31:

	2015	2014
Deferred		
Federal	**$ 8,747**	$ 1,994
State	**4,421**	11,528
	$ 12,968	$ 13,522

The deferred income taxes recorded on the balance sheet result primarily from the Association's unrealized gains and losses on investments and federal and state net operating loss carryforwards. At December 31, 2015 and 2014, the Association had $513,717 and $559,360, respectively, in federal net operating losses available to carry forward to offset future federal taxable income. At December 31, 2015 and 2014, the Association had $633,293 and $681,665, respectively, in state net operating losses available to carry forward to offset future state taxable income. These carry forwards will expire from 2028 through 2033.

The income tax provision differs from the amount of income tax determined by applying the U.S. Federal income tax rate to pretax income for the years ended December 31, 2015 and 2014, due to differences between estimated and actual tax calculations and the effects of temporary timing differences on current year tax calculations.

Note 5 - Income Taxes (continued)

The gross amounts of deferred tax assets and liabilities are as follows as of December 31:

	2015	2014
Deferred tax liability	$ (19,754)	$ (32,722)
Deferred tax asset	200,984	212,328
Valuation allowance	(181,230)	(179,606)
Net Deferred Tax Assets	$ -	$ -

Note 6 - Long-Term Debt

Long-term debt consists of the following as of December 31:

	2015	2014
Note payable to bank; monthly installments of $2,178, including interest at 5.50%; secured by certain real estate; matures September 2020	$ 108,855	$ 128,330
Current portion	(20,588)	(19,474)
	$ 88,267	$ 108,856

Future maturities of long-term debt is as follows for the next five years ending December 31:

2016	$ 20,588
2017	21,767
2018	23,013
2019	24,330
2020	19,157

Note 7 - Related Party Transactions

The Association provides multiple listing services to its members through a contract with Keystone MLS Network (Keystone). The Association has a 50% ownership interest in Keystone. Keystone bills the Association's members directly for the multiple listing services. The Association receives management and member assessment fees from Keystone. Management and member assessment revenue received from Keystone during 2015 and 2014 totaled $341,441 and $329,763, respectively. Accounts receivable from Keystone at December 31, 2015 and 2014 was $21,904 and $21,280, respectively, and is included in due from members on the balance sheet.

Note 8 - Investment in Affiliated Company

Condensed financial information of Keystone MLS Network is as follows as of June 30:

	2015	2014
Assets		
Cash	**$ 168,204**	$ 143,094
Accounts receivable	**7,399**	7,330
Prepaid taxes	**115**	308
Total Assets	**$ 175,718**	$ 150,732
Liabilities		
Related affiliate payable	**$ 81,923**	$ 58,326
Capital		
Retained earnings	**93,795**	92,406
Total Liabilities and Capital	**$ 175,718**	$ 150,732

Note 9 - Fair Value Measurements

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Association has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Note 9 - Fair Value Measurements (continued)

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2015 and 2014.

Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held by the Association are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Association are deemed to be actively traded.

Common stocks, corporate bonds and U.S. Government securities are valued at the closing price reported on the active market on which the individual securities are traded.

Alternative investments are valued at the closing price reported on the active market on which the securities are traded.

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

We evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the years ended December 31, 2015 and 2014, there were no significant transfers in or out of Level 3.

The following table summarizes the fair value of the Association's recurring financial instruments at December 31:

	2015	2014
Assets		
Fixed income funds	**$ 164,211**	$ 165,920
Equity securities	**329,907**	356,917
Alternative investments	**49,180**	-
	$ 543,298	$ 522,837

All fair value measurements using Level 1 category. The carrying amounts of cash and cash equivalents, due from members, accounts payable, and deferred revenue included in the balance sheet approximate fair value given the short-term nature of these financial instruments.

Note 10 - Subsequent Events

The Association has evaluated subsequent events through July 28, 2016, which is the date the financial statements were available to be issued. No material events subsequent to December 31, 2015 were noted.

Lancaster County Association of Realtors

Components of Operating Expenses

See Independent Accountant's Review Report

	Years Ended December 31, 2015	2014
Association Expenses		
Salaries	**$ 386,921**	$ 375,875
Payroll taxes	**30,415**	29,823
Employee fringe benefits	**78,852**	79,061
Dues to national and state boards	**377,474**	355,183
Equipment lease and service contracts	**15,713**	16,523
Insurance	**7,686**	6,640
Office supplies, postage, and maintenance	**64,382**	55,902
Utilities	**10,820**	11,905
Telephone	**8,376**	8,067
Advertising and public relations	**16,650**	19,730
Newsletter and education	**26,587**	9,942
A/M system	**16,211**	12,489
Conventions and seminars	**13,190**	10,491
Professional fees	**31,520**	34,518
Real estate taxes	**14,167**	14,167
Depreciation	**59,927**	68,940
Total Association Expenses	**$ 1,158,891**	$ 1,109,256
Multiple Listing Service Expenses		
Operations	**$ 5,228**	$ 1,519
Real Estate Education Group Expenses		
Books and materials	**$ 5,660**	$ 4,107
Commissions	**42,854**	43,914
Telephone and utilities	**4,660**	5,418
Miscellaneous	**8,229**	3,903
Total Real Estate Education Group Expenses	**$ 61,403**	$ 57,342
Association Programs Expenses		
Luncheons and banquet	**$ 29,381**	$ 28,832
Outings	**12,894**	15,800
Community program	**6,426**	2,247
Total Association Programs Expenses	**$ 48,701**	$ 46,879
Miscellaneous Expenses		
Charitable contributions	**$ 2,272**	$ 2,800
Supplies for resale	**(2,667)**	337
Cash management fees	**19,104**	17,669
Miscellaneous	**280**	544
Sales/use tax	**14**	-
PA capital stock tax	**117**	145
Total Miscellaneous Expenses	**$ 19,120**	$ 21,495