2021-2022 PROPOSED BUDGET NARRATIVE

February 11, 2021

INCOME

Category:	Description:	Assumptions and Strategy:
40: Education Income	Classroom (In-person & Virtual) & Online IRWA Sponsored Courses RWIEF Funding Request Certification and Designation Online Discount Incentive	It is anticipated for income to decrease to 300 classroom courses with an average of 14 participants. 3,000 online participants are anticipated. Classroom education has decreased as chapters conduct fewer in-person classes due to COVID-19. Online participation expected to increase as new products are added. RWIEF funding to be requested for four course rewrites and minor revisions of 20 courses. Webinars to be developed by staff.
41: Advertising Income	Right of Way Magazine Advertising Website Advertising (new)	Advertising income anticipated to increase as staff seeks more advertiser engagement. To offset a decrease in companies utilizing our website for posting job openings, staff is developing a new website advertising platform.
43: Investment Income	Income from Investments	Income potential and additional loss has decreased due to reallocation of our investment from 60% bonds and 40% stocks to 80% bonds and 20% stocks through our investment broker. CEO & CFO to monitor closely.
44: Membership Income	New and Renewing Regular Members Agency & Corporate Members Application & Late Fees Marketing & Membership Committee (new)	Income anticipated to increase with 8,482 members renewing their membership, as well as new members gained. A new Communication & Marketing Committee will be formed to focus on new member acquisition and a continued focus on member retention.
45: Merchandise Sales	Income from the sale of IRWA branded merchandise	Income will remain unchanged for sales of IRWA merchandise. However, merchandise may be added as the Communication & Marketing Committee becomes engaged with staff to offer products to further market IRWA.
46: Other Income	Affiliate Dues Magazine Subscriptions Miscellaneous	Income will remain consistent for our Affiliates, the Japan Compensation Consultant Association (JCCA) and Korea Appraisal Board (KAB). IRWA also has a small number of non-member magazine subscribers.
47: Seminars & Conferences	Revenue from the Annual Education Conference	Income is anticipated to be less than originally anticipated for the 2021 conference budget with attendance down due to COVID-19.

EXPENSE Category:	Description:	Assumptions and Strategy:
50: Cost of Goods Sold	Inventory of items in the online merchandise store	Expense will remain the same for sales of IRWA pins and plaques unless merchandise is added as the Marketing & Membership Committee becomes engaged with staff to offer products to further market IRWA.
55: Education Expenses	Expenses related to conducting educational courses	Expense will increase with more chapter incentives due to fewer in-person classroom courses scheduled by chapters.
59: Building Operation	Cost of maintaining IRWA Headquarters	Expense will decrease with less bank interest due to the building loan being paid off. General building operation to remain the same.
60: Payroll & Benefits	Payroll, benefits, and pension expenses for 20 full-time employees	Payroll, benefits and pension expenses will decrease due to moving away from IRWA's PEO as of January 1, 2022.
67: Seminars/Conferences	Expenses related to the production and execution of the Annual Education Conference to be held in Cleveland, Ohio	Expenses are anticipated to be less than originally budgeted for the 2021 conference with fewer expected conference participants pre COVID-19.
74: Travel - Regions	Travel expense related to Region Officers traveling to forums, chapter meetings and conferences	Expense will increase due to returning back to in-person meetings being held post COVID-19.
75: Travel – Industry Committees	Cost of travel for Industry Committees	Expense will increase due to returning back to in-person meetings being held post COVID-19.
75: Travel – Service Committees	Cost of travel for Service Committees	Expense will increase due to returning back to in-person meetings being held post COVID-19.
77: Travel- Other	Agency Liaison Allied Organizations Appraisal Foundation	Expense will increase due to returning back to in-person meetings being held post COVID-19.

78: Travel- IEC/IGC	Travel expense for IEC & IGC meetings, IEC attendance at Region Forums and Chapter meetings, IGC attendance at Annual Education Conference and other travel as approved by the President	Expense will increase due to returning back to in-person meetings being held post COVID-19.
79: Travel- Staff	Travel expense for assigned staff to attend IGC meetings, Region Forums or Chapter meetings, as needed	Expense will increase due to returning back to in-person meetings being held post COVID-19.
80: Administrative	All costs related to providing support services for our volunteer/staff network to conduct the business of the Association	Expense will decrease with Public Relations (former Nossaman contract), *Right of Way* magazine, offset by increase in Marketing & Legal Consulting.
88: Income Taxes	Federal and State income taxes related to Association activities	Expense will remain constant.
Other Income:		
48: Pipeline Committee Revenue	Member dues and other sources of revenue generated by the Pipeline Committee	Income anticipated to remain the same.
4095: Instructor Income Pass Through	Charges to chapters for reimbursement of instructor fees for chapter-based courses	No budget for this line item.
95: Other Income & Expense		
Other Expense:		
72: Pipeline Committee Expenses	Expenses incurred by the Pipeline Committee	Expense anticipated to remain the same
8400: Instructor Expense Pass Through	Fees paid by IRWA to instructors for courses conducted on behalf of chapters	No budget for this line item