

ARIZONA ASSOCIATION OF REALTORS®

BOARD OF DIRECTORS' MEETING

October 8, 2014

Talking Stick Resort ~ Scottsdale, AZ

MINUTES

DRAFT

CALL TO ORDER

The regularly scheduled meeting was called to order at 10:35 a.m. by President Evan Fuchs. A quorum was present.

Pledge of Allegiance – The pledge of allegiance was led by Matias Rosales.

Inspirational Message – The inspirational message was given by Dale Kelley.

ASSOCIATION REPORT – President Evan Fuchs, ABR, CRS, GRI, RSPS, SRS

Approval of Minutes – The April 18, 2014 meeting minutes were approved as delivered.

NAR Report – Karen Valentine-Pond, NAR Region 11 Vice President, addressed the Board of Directors.

Executive Committee Report – The actions of the Executive Committee since the April 2014 Board of Directors' meeting, including those actions that were approved after the September mailing to the Directors, were presented by President-elect Sexton:

MOTION:

It was moved, seconded and carried to approve an increase to 20% from 15% on the percentage the local associations retain to their local RAPAC reserves and to increase the cap for local association reserves to \$25,000 from \$20,000.

MOTION:

It was moved, seconded and carried to approve of the following provision to be added to the AAR Operating Funds and Investment Policy at T.2 and EXC.12: With the approval of the Executive Committee, permitted investments shall also include up to 20% of the Capital reserve, up to 20% of the Strategic Initiatives Reserve and up to 20% of the Issues Mobilization Fund in long term growth assets with equity exposure (such as stocks, stock mutual funds and exchange traded funds). The Capital Reserve, Strategic Initiatives Reserve and the Issues Mobilization Fund shall be analyzed annually taking into consideration past disbursements and anticipated future disbursements. Up to 20% of the funds in these accounts that are deemed not to be needed for their intended purpose for a period of five (5) years or greater shall be eligible to be invested in long term growth assets with equity exposure. All investments in long term growth assets with equity exposure shall be reported to the Board of Directors at the next scheduled meeting.

MOTION:

It was moved, seconded and carried to approve of the proposed changes to the 2015-2016 Legislative Program Policy Positions

MOTION:

It was moved, seconded and carried to approve Gerry Russell from Realty Executives as the 2015 Risk Management Committee Vice Chair.

Treasurer's Report – Treasurer Paula Monthofer provided a report on the 2014 year-to-date financials and the Capital Budget.

2015 Treasurer Lori Doerfler presented the 2015 Proposed Operating/Capital Budget and Strategic Plan to Board for approval.

MOTION:

It was moved and seconded to approve the 2015 proposed Operating/Capital Budget.

Motion and second to amend the motion to approve the 2015 proposed Operating/Capital Budget by increasing the AAR 2015 dues by \$20 for the year 2015 or as soon as can be implemented with the \$20 increase to be designated to RAPAC. The motion to amend was withdrawn.

Motion and second to amend the motion to approve to increase the AAR 2015 dues by \$20 for the year 2015 or as soon as can be implemented with the \$20 increase to be designated for the NAR Issues Mobilization fund.

The motion to amend failed. The original motion carried.

Chief Executive Officer's Report – CEO Michelle Lind updated the Directors on the Association's operations.

Legal Update – Nikki Salgat, AAR Associate Counsel, presented an update on AAR legal issues.

PRIMARY COMMITTEE REPORTS

Legislative and Political Affairs – Tom Sloyan, Chair of the Legislative and Political Affairs Committee, provided a year-to-date update on the committee's activities for the Directors and announced the RAPAC Fundraising Achievements award winners and RAPAC drawing winners as follows:

RAPAC Fundraising Achievements award winners:

Highest RAPAC Participation Goal: Central Arizona Board of REALTORS® with 72%

RAPAC Golden R: Tucson Association of REALTORS®; West Maricopa County Regional Association of REALTORS®; Northern Arizona Association of REALTORS®; Prescott Area Association of REALTORS®

RAPAC as a Platinum R (\$10,000 investment level): Southeast Valley Regional Association of REALTORS®;

Sterling R: Lake Havasu Association of REALTORS®; Central Arizona Board of REALTORS®

Exceeded 2014 RAPAC fundraising goal: Kingman/Golden Valley Association of REALTORS® with 125.51%; Santa Cruz County Board of REALTORS® with 118.20%; White Mountains Association of REALTORS® with 134.26%; Green Valley/Sahuarita Association of REALTORS® with 172.47%; Bullhead City/Mohave County Association of REALTORS® with 175.32%; Sedona/Verde Valley Association of REALTORS® with 182.75%; Yuma Association of REALTORS® with 226.11%; Prescott Area Association of REALTORS® with 171.03%; Lake Havasu Association of REALTORS® with 149.61%; Central Arizona Board of REALTORS® with 453.71%

100% of major investor goal: Kingman/Golden Valley Association of REALTORS®; Prescott Area Association of REALTORS®; White Mountains Association of REALTORS®

Exceeded major investor goal by 400%: Central Arizona Board of REALTORS®

Making over 50% of their RAPAC Participation Goal: Green Valley/Sahuarita Association of REALTORS® at 51.20%

250% of their major investor goal: Northern Arizona Association of REALTORS®; Bullhead City/Mohave County Association of REALTORS®; Sedona/Verde Valley Association of REALTORS®; Yuma Association of REALTORS®

400% of their major investor goal: Lake Havasu Association of REALTORS®

RAPAC drawing:

The RAPAC drawing raised \$5597.00. Winners of the drawing were as follows:

White wine basket \$110+: Clark Jones

Red wine basket \$132+: Michelle Lind

Scotch & Cigar \$200+: Patty Schmidt

RAPAC Champion trip to Napa Valley: Robin Day

Professional and Business Development – Lori Doerfler, Chair of the Professional and Business Development Committee provided a year-to-date update on the committee’s activities for the Directors.

Business Services and Technology – D. Patrick Lewis, Chair of the Business Services and Technology Committee, provided a year-to-date update on the committee’s activities for the Directors.

Risk Management – Tahona Epperson, Chair of the Risk Management Committee provided a year-to-date update on the committee's activities for the Directors.

REAL ESTATE SPECIALTY REPORTS

Arizona CRS Chapter – Jen MacLay, 2014 President of the Arizona CRS Chapter updated the Directors on chapter events.

Arizona Chapter of WCR – Tricia Lehane, incoming 2015 President Arizona State Chapter WCR (standing in for President Keri Hoge-Means) updated the Directors on chapter events.

ASSOCIATION CONSIDERATIONS

There were no issues up for consideration.

ADJOURN

There being no further business the meeting was adjourned at 12:07 pm.

K. Michelle Lind, Recording Secretary