



**EXECUTIVE COMMITTEE MEETING**  
June 6, 2018 ~ 1:00 pm  
Arizona REALTORS® Building ~ Phoenix, Arizona

**AGENDA**

- I. CALL TO ORDER – President Lori Doerfler, ABR, CIPS, rCRMS, CRS, GRI, PMN**
- II. ROLL CALL** (reimbursement slips)
- III. PRESIDENT’S REPORT – President Lori Doerfler, ABR, CIPS, rCRMS, CRS, GRI, PMN**
  - a. Approval of Meeting Minutes for March 19, 2018 (**attachment 01**)
  - b. Updated Arizona REALTORS® Calendar of Events (**attachment 02**)
  - c. NAR and Region XI Update
  - d. Arizona REALTORS® MEP Presentation – UBS Financial (**attachments 12 & 13**)
- IV. TREASURER’S REPORT – Treasurer Jan Leighton**
  - a. 2018 Year-to-Date Financials (**attachment 03**)
  - b. 2018 Capital Budget Update (**attachment 04**)
- V. CHIEF EXECUTIVE OFFICER’S REPORT – Michelle Lind, CEO (attachment 05)**
  - a. CEO Update – Michelle Lind, CEO
  - b. Legal Update – Scott Drucker, General Counsel
- VI. PRIMARY COMMITTEE REPORTS**
  - a. Professional & Business Development (PBD) – Susan Slattery (**attachment 06**)
  - b. Business Services & Technology (BST) – Carlos Ramos (**attachment 07**)
  - c. Risk Management (RMC) – Beth Adams (**attachment 08**)
    1. Executive Session – Ethics Decisions
  - d. Legislative & Political Affairs (LPA) – Kent Simpson (**attachment 09**)
    1. RAPAC and Issues Mobilization Fund Updates (**attachment 10**)
- VII. REGION VICE PRESIDENTS’ REPORTS**
  - a. **Region 1** – Dale Kelley
  - b. **Region 2** – Christopher Paris, CRS, GRI
  - c. **Region 3** – Dani Lawrence, CNE, ABR, GRI
  - d. **Region 4** – Becca Linnig
  - e. **Region 5** – Eric Gibbs
  - f. **AE Representative** – Rebecca Grossman, RCE, GREEN

**VIII. UNFINISHED BUSINESS**

**IX. NEW BUSINESS**

a. Legislative & Political Affairs Vice-chair Appointment – MOTION (attachment 11)

b. Upcoming Meetings:

Friday, September 7, 2018 at the Arizona REALTORS® Building

ExCom Orientation – 10:00 a.m.

Budget Meeting – 1:00 p.m.

Monday, October 15, 2018 at Scottsdale Marriott at McDowell Mountains

2018 ExCom Meeting

**X. ADJOURN**

**ARIZONA ASSOCIATION OF REALTORS®**  
**EXECUTIVE COMMITTEE MEETING**  
**March 19, 2018**  
**Renaissance Glendale Hotel & Spa ~ Glendale, AZ**

**DRAFT MINUTES**

**CALL TO ORDER**

The meeting was called to order at 2:02 pm by President Doerfler. A quorum was present.

**Present**

Lori Doerfler	D. Patrick Lewis	Mary Roberts
Jan Leighton	Dale Kelley	Christopher Paris
Dani Lawrence	Pamela Frestedt	Eric Gibbs
Susan Slattery	Beth Adams	Carlos Ramos
Kent Simpson	Rebecca Grossman	Paula Monthofer

**Staff**

Michelle Lind	Christina Smalls	Monica Schulik
Scott Drucker	Nicole LaSlavic	Barb Freestone
Nick Catanesi		

**Guests**

Ryan Moore, UBS	Geoffrey Moore, UBS
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**PRESIDENT'S REPORT – President Monthofer**

**Approval of Minutes** – The minutes from the January 10, 2018 meeting were approved as delivered.

**TREASURER'S REPORT – Jan Leighton**

**2017 Audit Report** – Treasurer Leighton gave an update on the 2017 audit.

**Allocation of 2017 Accumulated Operating Surplus –**

**MOTION:** It was moved, seconded and carried to recommend approval to the Board of Directors allocating the accumulated operating surplus of \$1,998,225 as follows:

1. \$1,200,000 allocated to the Issues Mobilization Fund
2. \$500,000 allocated to the Operating Reserve;
3. \$200,000 allocated to the Capital Reserve;

Which leaves \$98,225 in unallocated status for cash flow purposes.

**2018 Year-to-Date Financials** – Treasurer Leighton gave an update on the 2018 financials.

**2018 Capital Budget Update** – Treasurer Leighton gave an update on the 2018 Capital Budget.

**AAR Investment/Reserve Accounts Review** – Ryan Moore from UBS gave the committee an overview of the association’s investment and reserve accounts. Ryan Moore and the CEO recommended that no additional reserve funds be placed into long term growth assets with equity exposure at this time.

**CHIEF EXECUTIVE OFFICER’S REPORT – Michelle Lind**

**CEO Update** – CEO Michelle Lind gave an update on the Operations and Strategic Initiatives area.

**Legal Update** – General Counsel Scott Drucker gave an update on current legal issues being monitored by the association.

**PRIMARY COMMITTEE REPORTS**

**Professional and Business Development** – Chair Susan Slattery gave an update on the PBD area’s activities year-to-date.

**Business Services and Technology** – Chair Carlos Ramos gave an update on the progress of the BS&T area’s year-to-date activities.

**Risk Management -**

**In Executive session:** Adoption of Hearing Panel Decisions – Five (5) hearing panel decisions were adopted as submitted.

Chair Beth Adams gave an update on the Risk Management Committee’s activities year-to-date.

**On-site Wastewater Treatment Facility Addendum -**

**MOTION:** It was moved, seconded and carried to approve for release on or about June 1, 2018 the revised On-site Wastewater Treatment Facility Addendum.

**Legislative and Political Affairs** – Chair Kent Simpson gave an update on the year-to-date activities of the LPA area which included a RAPAC and Issues Mobilization Funds Update.

**RAPAC Thank You Gifts -**

**MOTION:** It was moved, seconded and carried to approve \$14,600 from Operating Reserves to cover the cost of 10,000 RAPAC seed thank you gifts including the postage and mailing labels for each REALTOR® that invests \$30 or more in the REALTORS® of Arizona Political Action Committee.

**RIMC Policy Revision -**

**MOTION:** It was moved, seconded and carried to approve the removal of the words “(e.g. non-dues)” from the REALTORS® Issues Mobilization policies to allow for funds collected through the dues increase to be allocated to each local association’s REALTOR® Issues Mobilization fund reserves.

**RIMC Fund Allocation -**

**MOTION:** It was moved, seconded and carried to approve \$5,000,000 from the REALTORS® Issues Mobilization fund to the Citizens for Fair Tax Policy fund for use in a ballot measure to prohibit professional service taxes for all services not taxed from and after December 31, 2017.

**RAPAC Bylaws Revision -**

**MOTION:** It was moved, seconded and carried to approve the recommended policy change to the RAPAC Bylaws, Article V Contributions Section 8 to raise the cap on local associations reserves from twenty-five thousand dollars (\$25,000) to seventy-five thousand dollars (\$75,000).

**REGION VICE PRESIDENTS' REPORTS**

**Region 5** – Vice President Eric Gibbs gave an update on region activities.

**Region 4** – Vice President Pamela Frestedt gave an update on the region activities.

**Region 3** – Vice President Dani Lawrence gave an update on the region activities.

**Region 2** – Vice President Christopher Paris gave an update on the region activities.

**Region 1** – Vice President Dale Kelley gave an update on the region activities.

**AE Representative** – Association Executive Representative Rebecca Grossman provided a brief report.

**UNFINISHED BUSINESS**

There was no unfinished business to discuss.

**NEW BUSINESS**

**2019 Elections**

**Leadership Appointment Vacancies –**

**MOTION:** It was moved, seconded and carried to approve Lisa Paffrath from the Northern Arizona Association of REALTORS® as the new 2018 Risk Management Vice-chair and 2019 Risk Management Chair appointment to the Executive Committee and Randy Rogers from the Tucson Association of REALTORS® as the local association executive representative on the 2019 Executive Committee.

**AAR Bylaws Revisions – NAR Model Bylaws Compliance –**

**MOTION:** It was moved, seconded and carried to approve the proposed revisions to the AAR Bylaws, Policies and Official Statements to bring AAR's Bylaws into compliance with NAR's mandatory verbatim bylaws language and to revise the bylaws to change the application submittal date for NAR at-large directors from sixty (60) days to thirty (30) days.

**Region XI Nominating Committee – Arizona Appointments –**

**MOTION:** It was moved, seconded and carried to appoint 2018 President Lori Doerfler and President-elect D. Patrick Lewis as Arizona's 2018 representatives on the Region XI Nominating Committee.

**Next Meeting** – The next meeting will be held at 1:00 p.m. on Wednesday, June 6, 2018 at AAR.

**ADJOURN**

There being no further business, the meeting was adjourned at 4:21 p.m.

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**K. Michelle Lind, Recording Secretary**

**On May 8, 2018 an email vote was sent to the Executive Committee for the following motion:**

**MOTION:  
TO APPROVE ADVANCING UP TO \$15,000 FROM THE OPERATING RESERVE  
FOR HOTEL DEPOSITS AND FEES RELATED TO THE 2019 REGION XI  
CONFERENCE.**

**On May 9, 2018 there was a unanimous vote to approve the motion.**



## **2018 MEETINGS/EVENTS**

### **SEPTEMBER**

- Wednesday, 5<sup>th</sup> - Thursday, 6<sup>th</sup>**      **REALTOR® Party Training and Arizona REALTOR® Caucus –**  
Phoenix Marriott Resort, Tempe at the Buttes – Tempe
- Friday, 7<sup>th</sup>**      **2019 ExCom Orientation/Budget Meeting –**  
Arizona REALTORS® Building – Phoenix
- Friday, 14<sup>th</sup>**      **Industry Partners Conference –**  
Embassy Suites – Phoenix/Paradise Valley

### **OCTOBER**

- Monday, 15<sup>th</sup> - Wednesday, 17<sup>th</sup>**      **Arizona REALTORS® Leadership Conference**  
Marriott at McDowell Mountains **and** Scottsdale Association
- 15 – Executive Committee Meeting @** Marriott at McDowell Mountains  
**16 – Leadership Conference** General Session/Breakouts  
at the **Scottsdale Association**
- 16 – Installation Dinner @** Marriott at McDowell Mountains  
**17 – Board of Directors Meeting @** Marriott at McDowell Mountains

### **NOVEMBER**

- Thursday, 1<sup>st</sup> - Monday, 5<sup>th</sup>**      **NAR Conference & Expo**  
Boston, MA

## **2019 Arizona REALTORS®/NAR Meetings**

- March 25-28**      **Arizona REALTOR® Convention –**  
Scottsdale
- April 10-12**      **Region XI Conference –**  
The Wigwam – Litchfield Park
- April**      **Arizona REALTORS® Planning Session for 2020**  
Location to be determined at a later date
- May 13-18**      **NAR Legislative Meetings –**  
Washington, DC
- October 16-18**      **Arizona REALTORS® Leadership Conference –**  
Embassy Suites – Phoenix/Paradise Valley
- November 6-11**      **NAR Conference & Expo –**  
San Francisco

*Together*  
**WE INSPIRE**

**MARCH 2018 FINANCIALS**

**Lori Doerfler, President  
K. Michelle Lind, CEO**





# ARIZONA ASSOCIATION OF REALTORS®

## MONTHLY FINANCIAL PACKAGE

March 2018

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*Together*  
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**FINANCIAL SUMMARY**



**MONTHLY FINANCIAL NOTES – March 2018**  
**Income/Expense Summary (Operating Budget vs. Actual)**

	<u>2018 Y-T-D Actual</u>	<u>Budget</u>	<u>Variance</u>
<b>Income</b>			
Dues	\$ 8,861,183	\$ 7,124,600	\$ 1,736,583
Other	\$ 234,332	\$ 273,390	\$ (39,058)
Total Income	\$ 9,095,515	\$ 7,397,990	\$ 1,697,525
<b>Expenses</b>	\$ 1,809,607	\$ 2,476,029	\$ (666,422)
Net Income (Loss)	\$ 7,285,908	\$ 4,921,960	\$ 2,363,947

Year-to-date income exceeds expense by \$7,285,908. This amount compares favorably with projected net income of \$4,921,960 for the reporting period, therefore, we have a positive year-to-date variance of \$2,363,947.

**RESERVE FUNDS**

**Operating Reserve (Bylaw Article IV, Section 1; Policy B.6)** - The balance as of January 1, 2018 was is \$7,463,456 inclusive of UBS RMA and Private Bank Accounts. The current balance is \$7,464,940. There were no deposits and a \$8,774 withdrawal this period for RAPAC Thank-you cards. The Fund has seen a change in value of \$1,484.

**REALTORS® Issues Mobilization Fund (Bylaw Article IV, Section 3; Policy B.6 & RIMC Policies)** - The balance as of January 1, 2018 was \$4,918,435 inclusive of the UBS RMA and Private Bank Accounts. The current balance is \$4,933,382. The amount of \$1,400,000 was invested in the UBS Portfolio Management long term account in 2015-2017 (*see balance sheet and below*) and investment performance is reported quarterly. There were \$1,285 in deposits and no withdrawals this period. The UBS RMA and Private Bank Accounts have seen a change in value of \$14,947.

**Capital Reserve (Bylaw Article IV, Section 2; Policy B.6)** - The balance as of January 1, 2018 was \$3,284,757 inclusive of the UBS RMA and Private Bank Accounts. The current balance is \$3,262,382. The amount of \$350,000 was invested in the UBS Portfolio Management long term account in 2015 (*see balance sheet and below*) and investment performance is reported quarterly. There were no deposits and \$3,305 in withdrawals this period for office equipment, monument sign expenses, and education room equipment. The UBS RMA and Private Bank Accounts have seen a change in value of (\$22,375).

**Strategic Initiatives Reserve (Bylaw Article IV, Section 4; Policy B.6)** - The balance as of January 1, 2018 was \$1,774,533 inclusive of the Credit Union, MidFirst, and UBS RMA Accounts. The current balance is \$1,776,419. The amount of \$250,000 was invested in the UBS Portfolio Management long term account in 2015 (*see balance sheet and below*) and investment performance is reported quarterly. There were no disbursements or deposits this period. The fund has seen a change in value of \$1,886.

**UBS Portfolio Management Long Term Accounts (Policy P.22)** - The balance as of January 1, 2018 was \$2,531,174 inclusive of the Strategic Initiatives, Capital Reserve and Issues Mobilization accounts. The current balance is \$2,510,649. The fund has seen a change in value of (\$20,525).

## PRIMARY COMMITTEE AREAS

### Page 25: LEGISLATIVE AND POLITICAL AFFAIRS

Expenses are under budget in some areas and over budget in other areas as follows: 1501 - Government Area Support is under expense as a result of not incurring costs for the legislative area committee meetings and savings as a result of the convention being located in town; 1510 - Legislative Advocacy is under expense as a result of Government Affairs Director Institute costs being reduced this year; 1545 - Local Lobbying Support is under as a result of a reduction in demand of support; 1550 - Legislative Policy Development is under expense as a result of a reduction in the attendance for REALTOR® Day at the Capitol and a portion of speaker fees covered through an NAR grant; 1560 - Fundraising Support is over expense due to costs associated with the spring RAPAC auction items, which will be reduced by a RPAC Fundraising Grant from NAR; 1575 - Federal Liaison Support is under budget due to travel for Mid-Year yet to be secured; 1580 - Election Year Activities is on budget; 1585 - Governmental Communication is under budget as we have not needed to reprint RAPAC brochures, and we still have a large quantity available before needing to reorder; 1596 - Political Research is under budget due to minimal research conducted. **Overall the Legislative & Political Affairs Area has a positive net variance of \$161,792 Y-T-D.**

Adjustments/Recommendations: None.

### Page 35: RISK MANAGEMENT

Expenses are under budget primarily due to: 1602 - Subscriptions/References is under budget as County/State Bar Dues were paid in December, not January; 1605 - Copying fees are under budget as copies are not currently being tracked and applied to individual departments; 1610 - Catering/Hotel and Speaker Fees are under budget because expenses for the Black Canyon Conference Center for the February PS Workshop were less than budgeted and Subscriptions and References is also under budget as online registration fees for the PS Workshop were nonexistent since RAMCO was used for the first time this year at no cost as opposed to RegOnline; 1625 - Promotion is under budget because it has not yet been necessary for us to send out any ASAP text alerts; 1650 - Professional/Contract Fees are under budget as we released only one new form in October for which we have not yet paid to secure a copyright and zipForm has still not billed us for the new and revised forms released in February. **Overall, the Risk Management Area has a positive net variance of \$17,168 Y-T-D.**

Adjustments/Recommendations: None

### Page 44: BUSINESS SERVICES AND TECHNOLOGY

Expenses are **under** budget primarily due to: 1701 - Bus. Services & Tech. Support due to timing of RAMCON expenses; 1710 - Software Development timing of fees related to contracted programming; 1730 - IT Resource & Security Management timing of proposed projects; 1770 - Business Services timing of vendor billing; and 1780 - Communications timing of video production. **Overall, the Business Services and Technology Area has a positive net variance of \$220,328 Y-T-D.**

Adjustments/Recommendations: None.

### Page 50: PROFESSIONAL AND BUSINESS DEVELOPMENT

Income is under budget (\$48,489) due primarily less than budgeted Spring Conference income. Overall expenses are under budget (\$248,041) primarily due to: 1801 - Prof. Dev. Support – lower copying costs to date, timing for needed catering, staff expense and contract fees; 1815 - REALTOR® Institute – timing of promotion activities, actual GRI class schedule, actual catering utilized to date, sponsorship disbursements made to date in contract fees; 1820 - rCRMS – higher than anticipated speaker fees and contract fees due to more than anticipated classes scheduled; 1825 - CRPM – contract fee expenses lower than anticipated based on actual revenue share disbursements, supplies due to timing of needs; 1840 - Leadership Training/Conference – primarily due to actual costs for speaker fees and catering for January leadership workshop; 1860 - Spring Convention – under budget in March due to timing of bill from hotel; 1855 - MRES Society – supplies are under budget due to timing; 1870 - Education Outreach – expenses higher than anticipated for speaker fees and contract fees due to more than anticipated classes scheduled; 1871 - Education Development – under budget due to timing for contract fee activities; 1872 - Instructor Development – catering under budget due to actual expenses incurred from the January IDW. **Overall the Professional & Business Development Area has a positive net variance of \$199,552 Y-T-D.**

Adjustments/Recommendations: None.

**Page 63: OPERATIONS AND STRATEGIC INITIATIVES**

**Income is over budget** primarily due to higher than budgeted dues. **There were 46,513 fully paid members for the reporting period. During the same period in 2017 there were 44,867 paid members. This represents a 3.6% increase in paid members for the same period in 2017.** *(Note: The 2018 budget was prepared anticipating an overall annual paid member increase of 4% from the 2017 budget projection.)* **Expenses were under budget overall** primarily due to: 1000 - General Overhead copier lease pay out and less than budgeted credit card fees; 1901 - Operations Support expenses were slightly less than budgeted; 1903 - Association Relations were slightly less than budgeted; 1905 - National Meetings slightly less than budgeted travel expenses; 1920 - ExCom & Director Support slightly less than budgeted catering and travel expense; 1955 - Public Relations near budgeted expense; 1990 - Personnel and 6000 - Building expenses are both slightly less than budgeted for this period. **Overall, the Operations & Strategic Initiatives Area has a positive net variance of \$1,807,490 Y-T-D.**

Adjustments/Recommendations: None.

**Arizona Association of REALTORS®  
Summary Balance Sheet  
March 2018**

	<u>3/31/2018</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	29,317,504.25
Accounts Receivable	5,056.72
Other Current Assets	<u>67,639.96</u>
<b>Total Current Assets</b>	<b>29,390,200.93</b>
Fixed Assets	2,564,449.58
Other Assets	<u>0.00</u>
<b>TOTAL ASSETS</b>	<b><u><u>31,954,650.51</u></u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	24,357.03
Credit Cards	25,647.90
Other Current Liabilities	<u>45,126.87</u>
<b>Total Current Liabilities</b>	<b>95,131.80</b>
Long Term Liabilities	<u>6,473.25</u>
<b>Total Liabilities</b>	<b>101,605.05</b>
Equity	<u>31,853,045.46</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u><u>31,954,650.51</u></u></b>

**Arizona Association of REALTORS®  
Grouped Balance Sheet  
March 2018**

March 31, 2018

**ASSETS**

**Current Assets**

**Checking/Savings**

**AAR General Accounts**

Operating Account - MIDFIRST Checking	220,736.77	
AFLAC 125 Claims Reimb. MIDFIRST	7,346.94	
Operating Account - CHASE Checking	12,662.86	240,746.57
AAR UBS RMA Money Market		<u>9,013,652.37</u>
Combined AAR General Accounts		9,254,398.94

**Capital Accounts**

Capital Purchase - UBS - Private Bank	1,537,167.70	
Capital Purchase - UBS Portfolio Mgmt.	450,789.59	
Capital Reserve Fund - UBS Checking RMA	1,725,214.79	
Combined Capital Accounts		<u>3,713,172.08</u>

**Operating Accounts**

Operating Reserve - UBS Checking RMA	3,365,578.85	
Operating Reserve - UBS - Private Bank	4,099,361.93	
Combined Operating Accounts		<u>7,464,940.78</u>

**Strategic Initiative**

Strategic Initiative - UBS Portfolio Mgmt.	321,896.70	
Strategic Initiative - UBS RMA	1,485,922.91	
Strategic Init. Savings - NWCUCU	202,047.26	
Strategic Initiative Checking - MIDFIRST	88,449.45	
Combined Strategic Initiative Accounts		2,098,316.32

**Issues Mobilization Accounts**

Issues Mob - UBS RMA	1,663,061.77	
Issues Mob - Portfolio Management	1,737,963.24	
Issues Mob - UBS Private Bank	3,270,320.68	
Combined Issues Mob Accounts		<u>6,671,345.69</u>

**Arizona Homeownership Alliance - UBS RMA**

100,123.31	
	<u>100,123.31</u>

**Political Survival Fund**

7,609.32	
	<u>7,609.32</u>

**Property Management**

Cash-AZ Bank & Trust - Preserve Property Management	7,597.81	
		<u>7,597.81</u>

<b>Total Checking/Savings</b>		<u><u>29,317,504.25</u></u>
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**Accounts Receivable**



**Arizona Association of REALTORS®  
Grouped Balance Sheet  
March 2018**

	<u>March 31, 2018</u>	
A/R - Trade		<u>5,056.72</u>
A/R - Regonline	16,200.66	
Due From PSF Fund to IM	<u>0.00</u>	
Total Accounts Receivable		16,200.66
Other Current Assets		
Prepaid Expenses and Deposits	87.93	
Monthly Prepays	<u>51,351.37</u>	
Total Prepaid Expenses and Deposits		<u>51,439.30</u>
Total Other Current Assets		67,639.96
Total Current Assets		<u>29,390,200.93</u>
Fixed Assets		
Property and Equipment		
151 · A/D - Furn & Equipment	-173,899.26	
157 · A/D - Computer	-670,006.99	
161 · A/D - Leashold Imprvments	-794,892.13	
165 · A/D - Building Osborn	-941,535.36	
167 · A/D - Tenant Improvements	<u>-72,903.91</u>	
Total Accumulated Depreciation		-2,653,237.65
150 · Furniture & Equipment	221,975.62	
156 · Computer	873,752.48	
160 · Leasehold Improvements	1,428,122.12	
163 · Land - Osborn	617,737.40	
164 · Building - Osborn	1,995,153.78	
166 · Tenant Improvements	<u>80,945.83</u>	
Total Property and Equipment		<u>5,217,687.23</u>
Total Fixed Assets		2,564,449.58
Other Assets		
Loan Cost / Leasing Commissions		
Note Receivable	<u>0.00</u>	
Total Other Assets		0.00
TOTAL ASSETS		<u><u>31,954,650.51</u></u>

**Arizona Association of REALTORS®**  
**Grouped Balance Sheet**  
**March 2018**

March 31, 2018

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities**

**Accounts Payable**

Accounts Payable

24,357.03

Total Accounts Payable

24,357.03

**Credit Cards**

MidFirst Business Visa

25,647.90

Total Credit Cards

25,647.90

**Other Current Liabilities**

Due to NAR

0.00

Sales Tax Payable

0.00

Combined Current Liabilities

0.00

Accrued Salaries & P/R Taxes

13,274.14

Total Accrued Salaries & P/R Taxes

13,274.14

Security Deposits Payable - Osborn

15,668.10

Deferred Dues Income

0.00

Deferred Income - Other

75.00

Stale Dated Checks/Escheat

1,641.81

Arbitration Case Pending

-166.92

Current portion of LTD

14,634.74

31,852.73

Total Other Current Liabilities

45,126.87

Total Current Liabilities

95,131.80

**Long Term Liabilities**

Capital Lease Payable

6,473.25

Total Long Term Liabilities

6,473.25

**TOTAL LIABILITIES**

101,605.05

**Equity**

**Temporarily restricted**

304 · Fund Balance - Issues Mobilization

324,717.00

Total Temporarily restricted

324,717.00

**Unrestricted/Designated**

302 · Fund Balance - Operating Reserve

7,463,458.00

303 · Fund Balance - Capital

3,739,365.00

305 · Fund Balance - Issues Mobilization

6,345,674.00

307 · Fund Balance - Strategic Initiative

2,099,142.00

308 Fund Balance - AZ Homeownership

100,051.00

Total Unrestricted/Designated

19,747,690.00

3900 · Unrestricted/Undesignated

4,520,072.41

Net Income

7,260,566.05

Total Equity

31,853,045.46

**TOTAL LIABILITIES & EQUITY**

31,954,650.51

*Together*  
**WE INSPIRE**

**FINANCIAL DETAILS**

## Balance Sheet

As of March 31, 2018

	Mar 31, 18
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
1000 · Combined Operating Cash Account	
100.3 · Operating Acc. - MidFirst 2997	220,736.77
100.4 · AFLAC 125 Claims - MidFirst	7,346.94
101.3 · Operating Account - CHASE 1442	12,662.86
101.5 · UBS - AAR Main RMA	9,013,652.37
Total 1000 · Combined Operating Cash Account	9,254,398.94
1007 · Portfolio Management - UBS	
1007.1 · Strat Initiative Portfolio Mgmt	321,896.70
1007.2 · Capital Reserve Portfolio Mgmt	450,789.59
1007.3 · Issues Mob. Portfolio Mgmt	1,737,963.24
Total 1007 · Portfolio Management - UBS	2,510,649.53
1008 · Investment Accounts - UBS	
108.1 · Capital Purch UBS Private Bank	1,537,167.70
108.2 · Op. Reserve UBS Private Bank	4,099,361.93
108.3 · Issues Mob UBS Private Bank	3,270,320.68
Total 1008 · Investment Accounts - UBS	8,906,850.31
101.40 · Combined Strategic Initiative	
101.41 · Strategic Init. Savings - NWCUCU	202,047.26
101.43 · Strategic Initiative - UBS	1,485,922.91
101.44 · Strategic Init Check - MidFirst	88,449.45
Total 101.40 · Combined Strategic Initiative	1,776,419.62
101.66 · Operating Reserve Net	
102 · Cash in Op Reserve - UBS	3,365,578.85
Total 101.66 · Operating Reserve Net	3,365,578.85
103 · Capital Reserve Checking RMA	1,725,214.79
104 · Issues Mob Accounts - UBS	
104.4 · Issues Mob Fund - UBS RMA	1,663,061.77
Total 104 · Issues Mob Accounts - UBS	1,663,061.77
105 · Cash-AZ Bank & Trust/Prop Mgmt	7,597.81
106.. · AZ Homeownership Alliance RMA	100,123.31
111. · PSF	
111 · Political Survival Fund	7,609.32
Total 111. · PSF	7,609.32
Total Checking/Savings	29,317,504.25
Accounts Receivable	
112 · A/R	5,056.72
Total Accounts Receivable	5,056.72
Other Current Assets	
Prepaid Expenses and Deposits	
123 · Monthly Prepays	
123.010 · April Pre-Pays	39,543.45
123.011 · May Pre-Pays	4,317.54
123.015 · September Pre-Pays	3,250.00
123.016 · October Pre-Pays	3,425.67
123.017 · November Pre-Pays	814.71
Total 123 · Monthly Prepays	51,351.37
124 · Prepaid Expenses	
124.2 · Prepaid Postage-Pitney Bowes	87.93
Total 124 · Prepaid Expenses	87.93
Total Prepaid Expenses and Deposits	51,439.30

## Balance Sheet

As of March 31, 2018

04/24/18

Accrual Basis

	Mar 31, 18
112.110 · A/R Misc.	
113.10 · A/R - Regonline	16,200.66
<b>Total 112.110 · A/R Misc.</b>	<b>16,200.66</b>
<b>Total Other Current Assets</b>	<b>67,639.96</b>
<b>Total Current Assets</b>	<b>29,390,200.93</b>
<b>Fixed Assets</b>	
<b>Property and Equipment</b>	
<b>Total Accumulated Depreciation</b>	
151 · A/D - Furn & Equipment	-173,899.26
157 · A/D - Computer	-670,006.99
161 · A/D - Leasehold Imprvments	-794,892.13
165 · A/D - Building Osborn	-941,535.36
167 · A/D - Tenant Improvements	-72,903.91
<b>Total Total Accumulated Depreciation</b>	<b>-2,653,237.65</b>
150 · Furniture & Equipment	221,975.62
156 · Computer	873,752.48
160 · Leasehold Improvements	1,428,122.12
163 · Land - Osborn	617,737.40
164 · Building - Osborn	1,995,153.78
166 · Tenant Improvements	80,945.83
<b>Total Property and Equipment</b>	<b>2,564,449.58</b>
<b>Total Fixed Assets</b>	<b>2,564,449.58</b>
<b>TOTAL ASSETS</b>	<b>31,954,650.51</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
200 · Accounts Payable	24,357.03
<b>Total Accounts Payable</b>	<b>24,357.03</b>
<b>Credit Cards</b>	
203.1 · MidFirst Business Credit Card	25,647.90
<b>Total Credit Cards</b>	<b>25,647.90</b>
<b>Other Current Liabilities</b>	
214 · Accrued Salaries & P/R Taxes	
2100 · Payroll Liabilities	8,415.98
214 · Accrued Salaries & P/R Taxes - Other	4,858.16
<b>Total 214 · Accrued Salaries &amp; P/R Taxes</b>	<b>13,274.14</b>
215 · Security Deposits Payable - Osb	15,668.10
228 · Deferred Income	
232 · Deferred Income Other	75.00
<b>Total 228 · Deferred Income</b>	<b>75.00</b>
240 · Stale Dated Checks/Escheat	1,641.81
275 · Arbitration Case Pending	-166.92
295 · Current portion of LTD	14,634.74
<b>Total Other Current Liabilities</b>	<b>45,126.87</b>
<b>Total Current Liabilities</b>	<b>95,131.80</b>
<b>Long Term Liabilities</b>	
285 · Capital Lease Payable	6,473.25
<b>Total Long Term Liabilities</b>	<b>6,473.25</b>
<b>Total Liabilities</b>	<b>101,605.05</b>
<b>Equity</b>	
Temporarily restricted	

## Arizona Association of REALTORS®

## Balance Sheet

As of March 31, 2018

	<u>Mar 31, 18</u>
304 · Fund Bal - Issues Mobilization	324,717.00
Total Temporarily restricted	324,717.00
Unrestricted/Designated	
302 · Fund Bal - Operating Reserve	7,463,458.00
303 · Fund Bal - Capital	3,739,365.00
305 · Fund Bal - Issues Mobilization	6,345,674.00
307 · Fund Bal - Strategic Initiative	2,099,142.00
308 · Fund Bal - AZ Homeownership	100,051.00
Total Unrestricted/Designated	19,747,690.00
3900 · Unrestricted/Undesignated	4,520,072.41
Net Income	7,260,566.05
Total Equity	31,853,045.46
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>31,954,650.51</b>

## 2018 Funds Analysis Operating Reserve

ACCOUNT	Acct. #	Balance Forward	Jan.	Feb.	Mar.	Apr.	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	NET
AAR Operating Reserve - RIMA	UX66383	\$ 3,367,047.80													\$ 3,367,047.80
Dividend and Interest Income (including accrued)			\$2,395.94	\$2,788.55	\$2,725.86										\$7,910.35
Deposits															\$0.00
Withdrawals					(\$8,774.90)										(\$8,774.90)
Change in Market Value			\$0.01	(\$604.41)											(\$604.40)
Total															<u>\$ 3,365,578.85</u>
AAR - Operating Reserve - Private Bank	Portfolio 705809	\$4,096,408.95													\$4,096,408.95
Interest/Dividends			\$17,506.04	\$1,480.01	\$5,565.48										\$24,570.53
Deposits															\$0.00
Withdrawals															\$0.00
Prior Period Accruals			(\$26,202.00)	(\$21,459.27)	(\$28,877.79)										(\$76,539.06)
Current Period Accruals			\$21,459.27	\$28,877.79	\$31,664.93										\$82,001.99
Investment Appreciation/Depreciation			(\$10,352.70)	(\$8,658.85)	(\$3,973.78)										(\$22,985.33)
Fees			(\$4,095.15)												(\$4,095.15)
TOTAL															<u>\$7,463,456.75</u>

## 2018 Funds Analysis Issues Mobilization

ACCOUNT	Acct. #	Balance Forward	Jan.	Feb.	Mar.	Apr.	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	NET
Realtors Issues Mob. - RMA	UX68861	\$ 649,528.21													\$ 649,528.21
Dividend and Interest Income (including accruals)			\$502.91	\$587.91	\$1,001,285.00										\$1,670.02
Deposits				\$17,280.00	\$1,001,285.00										\$1,018,565.00
Withdrawals				(\$6,500.00)											(\$6,500.00)
Change in Market Value				(\$201.46)											(\$201.46)
Fees															\$0.00
Total															<u>\$ 1,663,061.77</u>
AAR - Issues Mob - Private Bank	Portfolio 382818	\$4,268,906.89													\$4,268,906.89
Interest/Dividends			\$20,472.97	\$799.39	\$3,942.50										\$25,214.86
Deposits					(\$1,000,000.00)										\$0.00
Withdrawals					(\$20,457.73)										(\$69,213.47)
Prior Period Accruals			(\$28,004.00)	(\$20,751.74)	(\$20,457.73)										(\$69,213.47)
Current Period Accruals			\$20,751.74	\$20,457.73	\$22,893.28										\$64,102.75
Investment Appreciation/Depreciation			(\$10,656.79)	(\$683.17)	(\$3,132.73)										(\$14,422.69)
Fees			(\$4,267.66)												(\$4,267.66)
TOTAL		<u>\$ 4,518,435.10</u>													<u>\$ 4,533,382.45</u>



## 2018 Funds Analysis Capital Reserve

ACCOUNT	Acct. #	Balance Forward	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	NET
<b>Capital Purchase - RMA</b>	LJX66672	<u>\$ 1,748,758.38</u>													
Dividend and Interest Income (including accrued)			\$1,225.16	\$1,439.94	\$1,404.15										\$ 1,748,758.38
Deposits															\$4,069.25
Withdrawals															\$0.00
Change in Market Value			(\$18,672.31)	(\$5,131.53)	(\$3,306.33)										(\$27,109.17)
Fees				(\$503.67)											(\$503.67)
Total															\$0.00
															<u>\$ 1,725,214.79</u>
<b>AAR Capital Reserve - Private Bank</b>	Portfolio 382582	<u>\$1,535,998.71</u>													
Net Contributions															\$1,535,998.71
Interest/Dividends			\$6,538.38	\$552.92	\$2,089.98										\$9,181.28
Prior Period Accruals			(\$9,800.00)	(\$8,002.73)	(\$10,872.34)										(\$28,675.07)
Current Period Accruals			\$8,002.73	\$10,872.34	\$11,937.95										\$30,813.02
Investment Appreciation/Depreciation			(\$3,813.68)	(\$3,300.56)	(\$1,500.49)										(\$8,614.73)
Fees			(\$1,535.51)												(\$1,535.51)
															<u>\$1,537,167.70</u>
<b>TOTAL</b>		<u>\$ 3,284,757.09</u>													<u>\$ 3,262,382.49</u>

## 2018 Funds Analysis Strategic Initiative

ACCOUNT	Acct. #	Balance Forward	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	NET
AAR Strategic Initiative MIDFIRST Checking	xx-3020	\$ 88,449.45	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$ 88,449.45
Deposits															\$0.00
Withdrawals															\$0.00
Transfers															\$0.00
Total															<u>\$0.00</u>
															<u>\$ 88,449.45</u>
Strategic Initiative - NWCU	5679	\$ 201,922.74	\$42.88	\$38.74	\$42.90										\$ 201,922.74
Dividend and Interest Income (including accrued)															\$124.52
Deposits															\$0.00
Withdrawals															\$0.00
Transfers															\$0.00
Total															<u>\$0.00</u>
															<u>\$ 202,047.26</u>
Strategic Initiative - UBS	UX27692	\$ 1,484,161.24	\$674.59	\$715.79	\$698.67										\$ 1,484,161.24
Dividend and Interest Income (including accrued)															2,089.05
Deposits															0.00
Withdrawals															0.00
Change in Market Value			\$0.01	(\$327.39)											327.38
Fees															0.00
Total															<u>0.00</u>
															<u>\$ 1,485,922.91</u>
TOTAL		<u>\$ 1,774,533.43</u>													<u>\$ 1,776,419.62</u>

## 2018 Funds Analysis AAR and RAPAC

ACCOUNT	Acct. #	Balance Forward	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	NET
<b>AAR General Checking - CHASE</b>															
	xx-1442	\$ 12,795.66													\$ 12,795.66
Deposits															\$0.00
Withdrawals			(\$22.24)	(\$61.24)	(\$49.32)										(\$132.80)
Transfers															\$0.00
<b>Total</b>															<b>\$ 12,662.86</b>
<b>AAR General Checking - MIDFIRST</b>															
	xx-2997	\$ 222,123.44													\$ 222,123.44
Deposits			\$4,405,673.07	\$788,662.34	\$911,496.01										\$6,105,831.42
Withdrawals			(\$587,822.44)	(\$415,489.23)	(\$748,906.42)										(\$1,752,218.09)
Transfers			(\$3,660,000.00)	(\$560,000.00)	(\$135,000.00)										(\$4,355,000.00)
<b>Total</b>															<b>\$ 221,736.77</b>
<b>AAR Main RMA</b>															
	UX66381	\$ 4,646,398.39													\$ 4,646,398.39
Dividend and Interest Income (including accrued)			\$2,167.59	\$4,427.86	\$6,011.09										\$12,606.54
Transfers			\$3,690,000.00	\$560,000.00	\$135,000.00										\$4,385,000.00
Withdrawals															\$0.00
Change in Market Value			\$0.01	(\$352.57)											(\$352.56)
<b>Total</b>															<b>\$ 9,013,652.37</b>
<b>RAPAC - RMA</b>															
	UX68862	\$ 263,240.71													\$ 263,240.71
Dividend and Interest Income (including accrued)			\$356.99	\$324.63	\$325.06										\$1,006.68
Deposits															\$0.00
Transfers					\$410,000.00										\$410,000.00
Withdrawals				(\$226.65)											\$0.00
Change in Market Value															(\$226.65)
<b>Total</b>															<b>\$ 674,020.74</b>
<b>TOTAL</b>		<b>\$ 4,909,639.10</b>													<b>\$ 9,921,072.74</b>

## 2018 Funds Analysis UBS Portfolio Management Long-Term Equity

ACCOUNT	Acct. #	Balance Forward	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	NET
<b>Strategic Initiative - UBS Portfolio Management</b>	<b>UX42724M6</b>	<u>\$ 324,608.77</u>					\$ 324,608.77
Dividend and Interest Income <i>(including accrued)</i>			\$972.14	\$0.00	\$0.00	\$0.00	\$972.14
Deposits			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Withdrawals			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Change in Market Value			(\$3,359.58)	\$0.00	\$0.00	\$0.00	(\$3,359.58)
Fees			(\$324.63)	\$0.00	\$0.00	\$0.00	(\$324.63)
Total							<u>\$ 321,896.70</u>
<b>Capital Reserve - UBS Portfolio Management</b>	<b>UX42723M6</b>	\$454,608.87					\$ 454,608.87
Dividend and Interest Income <i>(including accrued)</i>			\$1,357.42	\$0.00	\$0.00	\$0.00	\$1,357.42
Deposits			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Withdrawals			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Change in Market Value			(\$4,721.95)	\$0.00	\$0.00	\$0.00	(\$4,721.95)
Fees			(\$454.75)	\$0.00	\$0.00	\$0.00	(\$454.75)
Total							<u>\$ 450,789.59</u>
<b>Issues Mob. - UBS Portfolio Management</b>	<b>UX42722</b>	<u>\$1,751,956.81</u>					\$1,751,956.81
Dividend and Interest Income <i>(including accrued)</i>			\$5,262.83	\$0.00	\$0.00	\$0.00	\$5,262.83
Deposits			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Withdrawals			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Change in Market Value			(\$17,507.65)	\$0.00	\$0.00	\$0.00	(\$17,507.65)
Fees			(\$1,748.75)	\$0.00	\$0.00	\$0.00	(\$1,748.75)
Total							<u>\$1,737,963.24</u>
<b>TOTAL</b>		<u><u>\$ 2,531,174.45</u></u>					<u><u>\$ 2,510,649.53</u></u>

## Arizona Association of REALTORS®

## Operating Budget vs. Actual

January through March 2018

	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	12,606.54	4,000.00	8,606.54	315.2%
415 · Rental Income	33,892.11	33,922.00	-29.89	99.9%
417 · Gain on Investments	-352.56			
430 · Dues Income	8,861,183.75	7,124,600.00	1,736,583.75	124.4%
433 · Forms Licensing	6,000.00	6,000.00	0.00	100.0%
435 · Law Book	1,113.46	400.00	713.46	278.4%
440 · Other Program Income	825.00			
440.10 · Ethics Citation Fee	500.00	200.00	300.00	250.0%
440.11 · Registration Fees	0.00	900.00	-900.00	0.0%
440.3 · Arbitration Deposits Retained	1,000.00	870.00	130.00	114.9%
440.4 · Appeal Fees Retained	500.00	255.00	245.00	196.1%
440.5 · Ethics Admin Fees	900.00	1,050.00	-150.00	85.7%
440.6 · Retained Fine	2,550.00	2,250.00	300.00	113.3%
461 · Education Development	491.84	628.00	-136.16	78.3%
462 · Education Outreach	13,471.00	6,525.00	6,946.00	206.5%
463 · Instructor Development	1,827.00	585.00	1,242.00	312.3%
464 · Leadership Training	713.00	0.00	713.00	100.0%
465 · MRE Society	675.00	500.00	175.00	135.0%
467 · REALTOR Institute	11,439.00	6,925.00	4,514.00	165.2%
468 · rCRMS	12,894.00	10,170.00	2,724.00	126.8%
469 · Spring Convention	117,522.10	184,075.00	-66,552.90	63.8%
472 · CRPM	15,421.00	13,535.00	1,886.00	113.9%
497 · Misc Income	342.91	600.00	-257.09	57.2%
<b>Total Income</b>	<b>9,095,515.15</b>	<b>7,397,990.00</b>	<b>1,697,525.15</b>	<b>122.9%</b>
<b>Gross Profit</b>	<b>9,095,515.15</b>	<b>7,397,990.00</b>	<b>1,697,525.15</b>	<b>122.9%</b>
Expense				
500 · Salaries/Benefits	680,705.33	687,000.00	-6,294.67	99.1%
540 · Staff Development	2,103.00	4,000.00	-1,897.00	52.6%
551 · Auto Expense Reimbursement	105.51	125.00	-19.49	84.4%
605 · Awards/Gifts	9,483.44	19,470.00	-9,986.56	48.7%
620 · Building Expense	85,239.31	89,125.00	-3,885.69	95.6%
630 · Catering/Hotel	104,360.94	291,231.00	-186,870.06	35.8%
631 · Computer Service and Expense	4,109.09	6,000.00	-1,890.91	68.5%
632 · Copying	1,309.46	7,700.00	-6,390.54	17.0%
639 · Dues & Commitments.	292,333.65	295,504.00	-3,170.35	98.9%
640 · Equipment Maintenance/Rental	-13,105.97	6,000.00	-19,105.97	-218.4%
690 · Credit Card & EFT Fees/Misc.	125,641.16	145,000.00	-19,358.84	86.6%
770 · Supplies	8,792.83	12,265.00	-3,472.17	71.7%
780 · Postage	1,795.74	1,875.00	-79.26	95.8%
781 · Printing	1,556.92	10,199.99	-8,643.07	15.3%
786 · Promotion	19,176.44	21,679.02	-2,502.58	88.5%
787 · Speaker Fees	56,321.04	83,000.00	-26,678.96	67.9%
788 · Staff Expense	13,124.18	41,013.41	-27,889.23	32.0%
790 · Subscriptions and Reference	6,231.31	9,819.12	-3,587.81	63.5%
810 · Contract Fees	383,732.45	712,651.64	-328,919.19	53.8%
850 · Telephone	10,672.67	11,475.00	-802.33	93.0%
855 · Transportation	624.15	383.00	241.15	163.0%
867 · Travel	15,294.45	20,513.33	-5,218.88	74.6%
<b>Total Expense</b>	<b>1,809,607.10</b>	<b>2,476,029.51</b>	<b>-666,422.41</b>	<b>73.1%</b>
<b>Net Ordinary Income</b>	<b>7,285,908.05</b>	<b>4,921,960.49</b>	<b>2,363,947.56</b>	<b>148.0%</b>
<b>Net Income</b>	<b>7,285,908.05</b>	<b>4,921,960.49</b>	<b>2,363,947.56</b>	<b>148.0%</b>

## All Funds Budget vs. Actual

January through March 2018

04/24/18

Accrual Basis

	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	43,182.16	4,000.00	39,182.16	1,079.6%
415 · Rental Income	33,892.11	33,922.00	-29.89	99.9%
417 · Gain on Investments	-19,192.70			
430 · Dues Income	8,861,183.75	7,124,600.00	1,736,583.75	124.4%
433 · Forms Licensing	6,000.00	6,000.00	0.00	100.0%
435 · Law Book	1,113.46	400.00	713.46	278.4%
440 · Other Program Income	825.00			
440.10 · Ethics Citation Fee	500.00	200.00	300.00	250.0%
440.11 · Registration Fees	0.00	900.00	-900.00	0.0%
440.3 · Arbitration Deposits Retained	1,000.00	870.00	130.00	114.9%
440.4 · Appeal Fees Retained	500.00	255.00	245.00	196.1%
440.5 · Ethics Admin Fees	900.00	1,050.00	-150.00	85.7%
440.6 · Retained Fine	2,550.00	2,250.00	300.00	113.3%
461 · Education Development	491.84	628.00	-136.16	78.3%
462 · Education Outreach	13,471.00	6,525.00	6,946.00	206.5%
463 · Instructor Development	1,827.00	585.00	1,242.00	312.3%
464 · Leadership Training	713.00	0.00	713.00	100.0%
465 · MRE Society	675.00	500.00	175.00	135.0%
466 · Member Communications	600.00	1,800.00	-1,200.00	33.3%
467 · REALTOR Institute	11,439.00	6,925.00	4,514.00	165.2%
468 · rCRMS	12,894.00	10,170.00	2,724.00	126.8%
469 · Spring Convention	117,522.10	184,075.00	-66,552.90	63.8%
472 · CRPM	15,421.00	13,535.00	1,886.00	113.9%
491 · IM Contributions	14,065.00			
497 · Misc Income	342.91	600.00	-257.09	57.2%
<b>Total Income</b>	<b>9,121,915.63</b>	<b>7,399,790.00</b>	<b>1,722,125.63</b>	<b>123.3%</b>
<b>Gross Profit</b>	<b>9,121,915.63</b>	<b>7,399,790.00</b>	<b>1,722,125.63</b>	<b>123.3%</b>
Expense				
500 · Salaries/Benefits	680,705.33	687,000.00	-6,294.67	99.1%
540 · Staff Development	2,103.00	4,000.00	-1,897.00	52.6%
551 · Auto Expense Reimbursement	105.51	125.00	-19.49	84.4%
605 · Awards/Gifts	18,258.34	19,470.00	-1,211.66	93.8%
612 · Issues Mobilization Expenses	2,000.00			
620 · Building Expense	85,239.31	89,125.00	-3,885.69	95.6%
630 · Catering/Hotel	104,360.94	291,231.00	-186,870.06	35.8%
631 · Computer Service and Expense	9,413.85	6,000.00	3,413.85	156.9%
632 · Copying	1,309.46	7,700.00	-6,390.54	17.0%
633 · Furniture/Equipment Expense	1,633.39			
639 · Dues & Commitments.	292,333.65	295,504.00	-3,170.35	98.9%
640 · Equipment Maintenance/Rental	-13,105.97	6,000.00	-19,105.97	-218.4%
690 · Credit Card & EFT Fees/Misc.	125,641.16	145,000.00	-19,358.84	86.6%
693 · Investment Banking Fees	12,426.45			
770 · Supplies	9,097.35	13,014.99	-3,917.64	69.9%
780 · Postage	1,795.74	1,875.00	-79.26	95.8%
781 · Printing	1,556.92	18,866.66	-17,309.74	8.3%
786 · Promotion	19,176.44	21,679.02	-2,502.58	88.5%
787 · Speaker Fees	56,321.04	83,000.00	-26,678.96	67.9%
788 · Staff Expense	13,124.18	41,540.42	-28,416.24	31.6%
790 · Subscriptions and Reference	6,306.84	11,844.12	-5,537.28	53.2%

**All Funds Budget vs. Actual**

January through March 2018

	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
810 • Contract Fees	404,955.38	765,859.97	-360,904.59	52.9%
850 • Telephone	10,672.67	11,475.00	-802.33	93.0%
855 • Transportation	624.15	383.00	241.15	163.0%
867 • Travel	15,294.45	20,513.33	-5,218.88	74.6%
<b>Total Expense</b>	<b>1,861,349.58</b>	<b>2,541,206.51</b>	<b>-679,856.93</b>	<b>73.2%</b>
<b>Net Ordinary Income</b>	<b>7,260,566.05</b>	<b>4,858,583.49</b>	<b>2,401,982.56</b>	<b>149.4%</b>
<b>Net Income</b>	<b>7,260,566.05</b>	<b>4,858,583.49</b>	<b>2,401,982.56</b>	<b>149.4%</b>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	Total 1500 Legislative & Pol. Affairs			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Expense</b>				
605 · Awards/Gifts	8,944.29	18,820.00	-9,875.71	47.5%
630 · Catering/Hotel	77,780.89	87,685.00	-9,904.11	88.7%
639 · Dues & Commitments.	290,409.00	292,074.00	-1,665.00	99.4%
770 · Supplies	0.00	300.00	-300.00	0.0%
781 · Printing	174.54	6,000.00	-5,825.46	2.9%
786 · Promotion	10,931.35	8,150.02	2,781.33	134.1%
787 · Speaker Fees	2,600.00	10,000.00	-7,400.00	26.0%
788 · Staff Expense	1,649.68	11,508.41	-9,858.73	14.3%
790 · Subscriptions and Reference	2,859.89	2,754.12	105.77	103.8%
810 · Contract Fees	32,449.00	152,299.99	-119,850.99	21.3%
<b>Total Expense</b>	<b>427,798.64</b>	<b>589,591.54</b>	<b>-161,792.90</b>	<b>72.6%</b>
<b>Net Ordinary Income</b>	<b>-427,798.64</b>	<b>-589,591.54</b>	<b>161,792.90</b>	<b>72.6%</b>
<b>Net Income</b>	<b>-427,798.64</b>	<b>-589,591.54</b>	<b>161,792.90</b>	<b>72.6%</b>



**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1501 Government Area Support (1500 Legislative & Pol. Affairs)			% of Budget
	Jan - Mar 18	Budget	\$ Over Budget	
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	0.00			
630 · Catering/Hotel	202.47	685.00	-482.53	29.6%
639 · Dues & Commitments.	0.00			
770 · Supplies	0.00			
781 · Printing	174.54	2,000.00	-1,825.46	8.7%
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
788 · Staff Expense	1,649.68	5,198.41	-3,548.73	31.7%
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00			
<b>Total Expense</b>	<b>2,026.69</b>	<b>7,883.41</b>	<b>-5,856.72</b>	<b>25.7%</b>
<b>Net Ordinary Income</b>	<b>-2,026.69</b>	<b>-7,883.41</b>	<b>5,856.72</b>	<b>25.7%</b>
<b>Net Income</b>	<b>-2,026.69</b>	<b>-7,883.41</b>	<b>5,856.72</b>	<b>25.7%</b>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1510 Legislative Advocacy (1500 Legislative & Pol. Affairs)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Expense</b>				
605 · Awards/Gifts	0.00			
630 · Catering/Hotel	0.00			
639 · Dues & Commitments.	10,650.00	12,065.00	-1,415.00	88.3%
770 · Supplies	0.00			
781 · Printing	0.00			
786 · Promotion	990.86	3,130.02	-2,139.16	31.7%
787 · Speaker Fees	0.00			
788 · Staff Expense	0.00	1,160.00	-1,160.00	0.0%
790 · Subscriptions and Reference	2,859.89	2,754.12	105.77	103.8%
810 · Contract Fees	31,899.00	36,399.99	-4,500.99	87.6%
<b>Total Expense</b>	<u>46,399.75</u>	<u>55,509.13</u>	<u>-9,109.38</u>	<u>83.6%</u>
<b>Net Ordinary Income</b>	<u>-46,399.75</u>	<u>-55,509.13</u>	<u>9,109.38</u>	<u>83.6%</u>
<b>Net Income</b>	<u><u>-46,399.75</u></u>	<u><u>-55,509.13</u></u>	<u><u>9,109.38</u></u>	<u><u>83.6%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1545 Local Lobbying Support (1500 Legislative & Pol. Affairs)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	0.00			
630 · Catering/Hotel	0.00			
639 · Dues & Commitments.	0.00			
770 · Supplies	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
788 · Staff Expense	0.00	750.00	-750.00	0.0%
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00			
Total Expense	0.00	750.00	-750.00	0.0%
Net Ordinary Income	0.00	-750.00	750.00	0.0%
Net Income	0.00	-750.00	750.00	0.0%

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	1550 Legislative Policy Dev. (1500 Legislative & Pol. Affairs)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	0.00			
630 · Catering/Hotel	75,762.25	87,000.00	-11,237.75	87.1%
639 · Dues & Commitments.	0.00			
770 · Supplies	0.00	0.00	0.00	0.0%
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	2,600.00	10,000.00	-7,400.00	26.0%
788 · Staff Expense	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00			
<b>Total Expense</b>	<b>78,362.25</b>	<b>97,000.00</b>	<b>-18,637.75</b>	<b>80.8%</b>
<b>Net Ordinary Income</b>	<b>-78,362.25</b>	<b>-97,000.00</b>	<b>18,637.75</b>	<b>80.8%</b>
<b>Net Income</b>	<b>-78,362.25</b>	<b>-97,000.00</b>	<b>18,637.75</b>	<b>80.8%</b>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1560 Fundraising Support (1500 Legislative & Pol. Affairs)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	8,944.29	18,820.00	-9,875.71	47.5%
630 · Catering/Hotel	1,816.17	0.00	1,816.17	100.0%
639 · Dues & Commitments.	279,759.00	280,009.00	-250.00	99.9%
770 · Supplies	0.00	300.00	-300.00	0.0%
781 · Printing	0.00			
786 · Promotion	9,940.49	2,520.00	7,420.49	394.5%
787 · Speaker Fees	0.00			
788 · Staff Expense	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00	104,100.00	-104,100.00	0.0%
<b>Total Expense</b>	<b>300,459.95</b>	<b>405,749.00</b>	<b>-105,289.05</b>	<b>74.1%</b>
<b>Net Ordinary Income</b>	<b>-300,459.95</b>	<b>-405,749.00</b>	<b>105,289.05</b>	<b>74.1%</b>
<b>Net Income</b>	<b>-300,459.95</b>	<b>-405,749.00</b>	<b>105,289.05</b>	<b>74.1%</b>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1575 Federal Liaison Support (1500 Legislative & Pol. Affairs)			% of Budget
	Jan - Mar 18	Budget	\$ Over Budget	
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	0.00			
630 · Catering/Hotel	0.00			
639 · Dues & Commitments.	0.00			
770 · Supplies	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
788 · Staff Expense	0.00	4,400.00	-4,400.00	0.0%
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00			
<b>Total Expense</b>	<u>0.00</u>	<u>4,400.00</u>	<u>-4,400.00</u>	<u>0.0%</u>
<b>Net Ordinary Income</b>	<u>0.00</u>	<u>-4,400.00</u>	<u>4,400.00</u>	<u>0.0%</u>
<b>Net Income</b>	<u><u>0.00</u></u>	<u><u>-4,400.00</u></u>	<u><u>4,400.00</u></u>	<u><u>0.0%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1580 - Election Year Activities (1500 Legislative & Pol. Affairs)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	0.00			
630 · Catering/Hotel	0.00			
639 · Dues & Commitments.	0.00			
770 · Supplies	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
788 · Staff Expense	0.00	0.00	0.00	0.0%
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00			
<b>Total Expense</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>Net Ordinary Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>Net Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1585 Governmental Communication (1500 Legislative & Pol. Affairs)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	0.00			
630 · Catering/Hotel	0.00			
639 · Dues & Commitments.	0.00			
770 · Supplies	0.00			
781 · Printing	0.00	4,000.00	-4,000.00	0.0%
786 · Promotion	0.00	2,500.00	-2,500.00	0.0%
787 · Speaker Fees	0.00			
788 · Staff Expense	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	550.00	1,800.00	-1,250.00	30.6%
<b>Total Expense</b>	<b>550.00</b>	<b>8,300.00</b>	<b>-7,750.00</b>	<b>6.6%</b>
<b>Net Ordinary Income</b>	<b>-550.00</b>	<b>-8,300.00</b>	<b>7,750.00</b>	<b>6.6%</b>
<b>Net Income</b>	<b>-550.00</b>	<b>-8,300.00</b>	<b>7,750.00</b>	<b>6.6%</b>



**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1596 Political Research (1500 Legislative & Pol. Affairs)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	0.00			
630 · Catering/Hotel	0.00			
639 · Dues & Commitments.	0.00			
770 · Supplies	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
788 · Staff Expense	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00	10,000.00	-10,000.00	0.0%
<b>Total Expense</b>	<b>0.00</b>	<b>10,000.00</b>	<b>-10,000.00</b>	<b>0.0%</b>
<b>Net Ordinary Income</b>	<b>0.00</b>	<b>-10,000.00</b>	<b>10,000.00</b>	<b>0.0%</b>
<b>Net Income</b>	<b>0.00</b>	<b>-10,000.00</b>	<b>10,000.00</b>	<b>0.0%</b>

**Arizona Association of REALTORS®  
 Profit & Loss Budget vs. Actual  
 January through March 2018**

	Total 1600 Risk Management			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
Income				
440 · Other Program Income	825.00			
440.10 · Ethics Citation Fee	500.00	200.00	300.00	250.0%
440.11 · Registration Fees	0.00	900.00	-900.00	0.0%
440.3 · Arbitration Deposits Retained	1,000.00	870.00	130.00	114.9%
440.4 · Appeal Fees Retained	500.00	255.00	245.00	196.1%
440.5 · Ethics Admin Fees	900.00	1,050.00	-150.00	85.7%
440.6 · Retained Fine	2,550.00	2,250.00	300.00	113.3%
<b>Total Income</b>	<b>6,275.00</b>	<b>5,525.00</b>	<b>750.00</b>	<b>113.6%</b>
<b>Gross Profit</b>	<b>6,275.00</b>	<b>5,525.00</b>	<b>750.00</b>	<b>113.6%</b>
Expense				
605 · Awards/Gifts	0.00	100.00	-100.00	0.0%
630 · Catering/Hotel	11,596.93	15,902.00	-4,305.07	72.9%
632 · Copying	0.00	1,400.00	-1,400.00	0.0%
770 · Supplies	697.55	2,250.00	-1,552.45	31.0%
781 · Printing	0.00	100.00	-100.00	0.0%
786 · Promotion	0.00	2,500.00	-2,500.00	0.0%
787 · Speaker Fees	1,750.00	2,000.00	-250.00	87.5%
788 · Staff Expense	4,646.50	5,800.00	-1,153.50	80.1%
790 · Subscriptions and Reference	3,371.42	6,865.00	-3,493.58	49.1%
810 · Contract Fees	51,589.46	52,375.00	-785.54	98.5%
867 · Travel	876.95	1,655.00	-778.05	53.0%
<b>Total Expense</b>	<b>74,528.81</b>	<b>90,947.00</b>	<b>-16,418.19</b>	<b>81.9%</b>
<b>Net Ordinary Income</b>	<b>-68,253.81</b>	<b>-85,422.00</b>	<b>17,168.19</b>	<b>79.9%</b>
<b>Net Income</b>	<b>-68,253.81</b>	<b>-85,422.00</b>	<b>17,168.19</b>	<b>79.9%</b>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1601 Risk Management Support (1600 Risk Management)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
Income				
440 · Other Program Income	0.00			
440.10 · Ethics Citation Fee	0.00			
440.11 · Registration Fees	0.00			
440.3 · Arbitration Deposits Retained	0.00			
440.4 · Appeal Fees Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
<b>Total Income</b>	<u>0.00</u>			
<b>Gross Profit</b>	0.00			
Expense				
605 · Awards/Gifts	0.00			
630 · Catering/Hotel	707.34	680.00	27.34	104.0%
632 · Copying	0.00			
770 · Supplies	697.55	1,500.00	-802.45	46.5%
781 · Printing	0.00			
786 · Promotion	0.00	250.00	-250.00	0.0%
787 · Speaker Fees	0.00			
788 · Staff Expense	4,365.09	4,800.00	-434.91	90.9%
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00			
867 · Travel	0.00			
<b>Total Expense</b>	<u>5,769.98</u>	<u>7,230.00</u>	<u>-1,460.02</u>	<u>79.8%</u>
<b>Net Ordinary Income</b>	<u>-5,769.98</u>	<u>-7,230.00</u>	<u>1,460.02</u>	<u>79.8%</u>
<b>Net Income</b>	<u><u>-5,769.98</u></u>	<u><u>-7,230.00</u></u>	<u><u>1,460.02</u></u>	<u><u>79.8%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1602 Legal Support (1600 Risk Management)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
Income				
440 · Other Program Income	0.00			
440.10 · Ethics Citation Fee	0.00			
440.11 · Registration Fees	0.00			
440.3 · Arbitration Deposits Retained	0.00			
440.4 · Appeal Fees Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
<b>Total Income</b>	<u>0.00</u>			
<b>Gross Profit</b>	0.00			
Expense				
605 · Awards/Gifts	0.00			
630 · Catering/Hotel	0.00			
632 · Copying	0.00			
770 · Supplies	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
788 · Staff Expense	0.00			
790 · Subscriptions and Reference	1,127.94	3,200.00	-2,072.06	35.2%
810 · Contract Fees	4,828.74	5,000.00	-171.26	96.6%
867 · Travel	0.00	0.00	0.00	0.0%
<b>Total Expense</b>	<u>5,956.68</u>	<u>8,200.00</u>	<u>-2,243.32</u>	<u>72.6%</u>
<b>Net Ordinary Income</b>	<u>-5,956.68</u>	<u>-8,200.00</u>	<u>2,243.32</u>	<u>72.6%</u>
<b>Net Income</b>	<u><u>-5,956.68</u></u>	<u><u>-8,200.00</u></u>	<u><u>2,243.32</u></u>	<u><u>72.6%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1605 PS Enforcement (1600 Risk Management)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
440 · Other Program Income	0.00			
440.10 · Ethics Citation Fee	500.00	200.00	300.00	250.0%
440.11 · Registration Fees	0.00			
440.3 · Arbitration Deposits Retained	1,000.00	870.00	130.00	114.9%
440.4 · Appeal Fees Retained	500.00	255.00	245.00	196.1%
440.5 · Ethics Admin Fees	900.00	1,050.00	-150.00	85.7%
440.6 · Retained Fine	2,550.00	2,250.00	300.00	113.3%
<b>Total Income</b>	<u>5,450.00</u>	<u>4,625.00</u>	<u>825.00</u>	<u>117.8%</u>
<b>Gross Profit</b>	5,450.00	4,625.00	825.00	117.8%
<b>Expense</b>				
605 · Awards/Gifts	0.00	100.00	-100.00	0.0%
630 · Catering/Hotel	255.48	462.00	-206.52	55.3%
632 · Copying	0.00	1,400.00	-1,400.00	0.0%
770 · Supplies	0.00	250.00	-250.00	0.0%
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
788 · Staff Expense	281.41	1,000.00	-718.59	28.1%
790 · Subscriptions and Reference	2,243.48	2,440.00	-196.52	91.9%
810 · Contract Fees	1,760.00			
867 · Travel	538.07	1,155.00	-616.93	46.6%
<b>Total Expense</b>	<u>5,078.44</u>	<u>6,807.00</u>	<u>-1,728.56</u>	<u>74.6%</u>
<b>Net Ordinary Income</b>	<u>371.56</u>	<u>-2,182.00</u>	<u>2,553.56</u>	<u>-17.0%</u>
<b>Net Income</b>	<u><u>371.56</u></u>	<u><u>-2,182.00</u></u>	<u><u>2,553.56</u></u>	<u><u>-17.0%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1610 PS Training (1600 Risk Management)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
Income				
440 · Other Program Income	825.00			
440.10 · Ethics Citation Fee	0.00			
440.11 · Registration Fees	0.00	900.00	-900.00	0.0%
440.3 · Arbitration Deposits Retained	0.00			
440.4 · Appeal Fees Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
<b>Total Income</b>	<u>825.00</u>	<u>900.00</u>	<u>-75.00</u>	<u>91.7%</u>
<b>Gross Profit</b>	825.00	900.00	-75.00	91.7%
Expense				
605 · Awards/Gifts	0.00			
630 · Catering/Hotel	10,634.11	14,550.00	-3,915.89	73.1%
632 · Copying	0.00			
770 · Supplies	0.00	500.00	-500.00	0.0%
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	1,750.00	2,000.00	-250.00	87.5%
788 · Staff Expense	0.00			
790 · Subscriptions and Reference	0.00	1,225.00	-1,225.00	0.0%
810 · Contract Fees	0.00	0.00	0.00	0.0%
867 · Travel	0.00			
<b>Total Expense</b>	<u>12,384.11</u>	<u>18,275.00</u>	<u>-5,890.89</u>	<u>67.8%</u>
<b>Net Ordinary Income</b>	<u>-11,559.11</u>	<u>-17,375.00</u>	<u>5,815.89</u>	<u>66.5%</u>
<b>Net Income</b>	<u><u>-11,559.11</u></u>	<u><u>-17,375.00</u></u>	<u><u>5,815.89</u></u>	<u><u>66.5%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1615 Alt. Dispute Resolution (1600 Risk Management)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
Income				
440 · Other Program Income	0.00			
440.10 · Ethics Citation Fee	0.00			
440.11 · Registration Fees	0.00			
440.3 · Arbitration Deposits Retained	0.00			
440.4 · Appeal Fees Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
<b>Total Income</b>	<u>0.00</u>			
<b>Gross Profit</b>	0.00			
Expense				
605 · Awards/Gifts	0.00			
630 · Catering/Hotel	0.00	0.00	0.00	0.0%
632 · Copying	0.00			
770 · Supplies	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00	0.00	0.00	0.0%
788 · Staff Expense	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00	0.00	0.00	0.0%
867 · Travel	338.88	500.00	-161.12	67.8%
<b>Total Expense</b>	<u>338.88</u>	<u>500.00</u>	<u>-161.12</u>	<u>67.8%</u>
<b>Net Ordinary Income</b>	<u>-338.88</u>	<u>-500.00</u>	<u>161.12</u>	<u>67.8%</u>
<b>Net Income</b>	<u><u>-338.88</u></u>	<u><u>-500.00</u></u>	<u><u>161.12</u></u>	<u><u>67.8%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1625 Risk Management Publicatns (1600 Risk Management)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
Income				
440 · Other Program Income	0.00			
440.10 · Ethics Citation Fee	0.00			
440.11 · Registration Fees	0.00			
440.3 · Arbitration Deposits Retained	0.00			
440.4 · Appeal Fees Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
<b>Total Income</b>	<u>0.00</u>			
<b>Gross Profit</b>	0.00			
Expense				
605 · Awards/Gifts	0.00			
630 · Catering/Hotel	0.00			
632 · Copying	0.00			
770 · Supplies	0.00			
781 · Printing	0.00			
786 · Promotion	0.00	2,250.00	-2,250.00	0.0%
787 · Speaker Fees	0.00			
788 · Staff Expense	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00			
867 · Travel	0.00			
<b>Total Expense</b>	<u>0.00</u>	<u>2,250.00</u>	<u>-2,250.00</u>	<u>0.0%</u>
<b>Net Ordinary Income</b>	<u>0.00</u>	<u>-2,250.00</u>	<u>2,250.00</u>	<u>0.0%</u>
<b>Net Income</b>	<u>0.00</u>	<u>-2,250.00</u>	<u>2,250.00</u>	<u>0.0%</u>



**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	Total 1650 Forms Development and Sale (1600 Risk Management)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
440 · Other Program Income	0.00			
440.10 · Ethics Citation Fee	0.00			
440.11 · Registration Fees	0.00			
440.3 · Arbitration Deposits Retained	0.00			
440.4 · Appeal Fees Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
<b>Total Income</b>	<u>0.00</u>			
<b>Gross Profit</b>	0.00			
<b>Expense</b>				
605 · Awards/Gifts	0.00			
630 · Catering/Hotel	0.00	210.00	-210.00	0.0%
632 · Copying	0.00			
770 · Supplies	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
788 · Staff Expense	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00	1,875.00	-1,875.00	0.0%
867 · Travel	0.00			
<b>Total Expense</b>	<u>0.00</u>	<u>2,085.00</u>	<u>-2,085.00</u>	<u>0.0%</u>
<b>Net Ordinary Income</b>	<u>0.00</u>	<u>-2,085.00</u>	<u>2,085.00</u>	<u>0.0%</u>
<b>Net Income</b>	<u>0.00</u>	<u>-2,085.00</u>	<u>2,085.00</u>	<u>0.0%</u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1665 Legal Hotline (1600 Risk Management)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
440 · Other Program Income	0.00			
440.10 · Ethics Citation Fee	0.00			
440.11 · Registration Fees	0.00			
440.3 · Arbitration Deposits Retained	0.00			
440.4 · Appeal Fees Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
<b>Total Income</b>	<u>0.00</u>			
<b>Gross Profit</b>	0.00			
<b>Expense</b>				
605 · Awards/Gifts	0.00			
630 · Catering/Hotel	0.00			
632 · Copying	0.00			
770 · Supplies	0.00			
781 · Printing	0.00	100.00	-100.00	0.0%
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
788 · Staff Expense	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	45,000.72	45,500.00	-499.28	98.9%
867 · Travel	0.00			
<b>Total Expense</b>	<u>45,000.72</u>	<u>45,600.00</u>	<u>-599.28</u>	<u>98.7%</u>
<b>Net Ordinary Income</b>	<u>-45,000.72</u>	<u>-45,600.00</u>	<u>599.28</u>	<u>98.7%</u>
<b>Net Income</b>	<u><u>-45,000.72</u></u>	<u><u>-45,600.00</u></u>	<u><u>599.28</u></u>	<u><u>98.7%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	Total 1700 Business Services & Tech.			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
433 · Forms Licensing	6,000.00	6,000.00	0.00	100.0%
466 · Member Communications	600.00	1,800.00	-1,200.00	33.3%
<b>Total Income</b>	<u>6,600.00</u>	<u>7,800.00</u>	<u>-1,200.00</u>	<u>84.6%</u>
<b>Gross Profit</b>	6,600.00	7,800.00	-1,200.00	84.6%
<b>Expense</b>				
540 · Staff Development	0.00	2,500.00	-2,500.00	0.0%
630 · Catering/Hotel	474.96	600.00	-125.04	79.2%
631 · Computer Service and Expense	4,109.09	6,000.00	-1,890.91	68.5%
770 · Supplies	414.27	1,249.99	-835.72	33.1%
780 · Postage	0.00	75.00	-75.00	0.0%
781 · Printing	297.16	9,291.66	-8,994.50	3.2%
788 · Staff Expense	1,306.08	12,687.01	-11,380.93	10.3%
790 · Subscriptions and Reference	75.53	2,225.00	-2,149.47	3.4%
810 · Contract Fees	267,728.89	460,487.98	-192,759.09	58.1%
867 · Travel	0.00	818.33	-818.33	0.0%
<b>Total Expense</b>	<u>274,405.98</u>	<u>495,934.97</u>	<u>-221,528.99</u>	<u>55.3%</u>
<b>Net Ordinary Income</b>	<u>-267,805.98</u>	<u>-488,134.97</u>	<u>220,328.99</u>	<u>54.9%</u>
<b>Net Income</b>	<u><u>-267,805.98</u></u>	<u><u>-488,134.97</u></u>	<u><u>220,328.99</u></u>	<u><u>54.9%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1701 Bus Services & Tech Suppt (1700 Business Services & Tech.)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
Income				
433 · Forms Licensing	0.00			
466 · Member Communications	0.00			
<b>Total Income</b>	<u>0.00</u>			
<b>Gross Profit</b>	0.00			
Expense				
540 · Staff Development	0.00	2,500.00	-2,500.00	0.0%
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
770 · Supplies	121.76	500.00	-378.24	24.4%
780 · Postage	0.00	75.00	-75.00	0.0%
781 · Printing	297.16	624.99	-327.83	47.5%
788 · Staff Expense	1,306.08	12,160.00	-10,853.92	10.7%
790 · Subscriptions and Reference	0.00	200.00	-200.00	0.0%
810 · Contract Fees	0.00			
867 · Travel	0.00	0.00	0.00	0.0%
<b>Total Expense</b>	<u>1,725.00</u>	<u>16,059.99</u>	<u>-14,334.99</u>	<u>10.7%</u>
<b>Net Ordinary Income</b>	<u>-1,725.00</u>	<u>-16,059.99</u>	<u>14,334.99</u>	<u>10.7%</u>
<b>Net Income</b>	<u><u>-1,725.00</u></u>	<u><u>-16,059.99</u></u>	<u><u>14,334.99</u></u>	<u><u>10.7%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1710 Software Development (1700 Business Services & Tech.)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
433 · Forms Licensing	0.00			
466 · Member Communications	0.00			
<b>Total Income</b>	<u>0.00</u>			
<b>Gross Profit</b>	0.00			
<b>Expense</b>				
540 · Staff Development	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00	1,000.00	-1,000.00	0.0%
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
788 · Staff Expense	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	6,575.39	15,620.31	-9,044.92	42.1%
867 · Travel	0.00			
<b>Total Expense</b>	<u>6,575.39</u>	<u>16,620.31</u>	<u>-10,044.92</u>	<u>39.6%</u>
<b>Net Ordinary Income</b>	<u>-6,575.39</u>	<u>-16,620.31</u>	<u>10,044.92</u>	<u>39.6%</u>
<b>Net Income</b>	<u><u>-6,575.39</u></u>	<u><u>-16,620.31</u></u>	<u><u>10,044.92</u></u>	<u><u>39.6%</u></u>

**Arizona Association of REALTORS®**  
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**January through March 2018**

	1730 IT Resource/Security Mgmt. (1700 Business Services & Tech.)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
433 · Forms Licensing	0.00			
466 · Member Communications	0.00			
<b>Total Income</b>	<u>0.00</u>			
<b>Gross Profit</b>	0.00			
<b>Expense</b>				
540 · Staff Development	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	4,109.09	5,000.00	-890.91	82.2%
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
788 · Staff Expense	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	52,737.72	93,287.49	-40,549.77	56.5%
867 · Travel	0.00			
<b>Total Expense</b>	<u>56,846.81</u>	<u>98,287.49</u>	<u>-41,440.68</u>	<u>57.8%</u>
<b>Net Ordinary Income</b>	<u>-56,846.81</u>	<u>-98,287.49</u>	<u>41,440.68</u>	<u>57.8%</u>
<b>Net Income</b>	<u><u>-56,846.81</u></u>	<u><u>-98,287.49</u></u>	<u><u>41,440.68</u></u>	<u><u>57.8%</u></u>

	1770 Business Services Dept. (1700 Business Services & Tech.)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
433 · Forms Licensing	6,000.00	6,000.00	0.00	100.0%
466 · Member Communications	0.00			
<b>Total Income</b>	<u>6,000.00</u>	<u>6,000.00</u>	<u>0.00</u>	<u>100.0%</u>
<b>Gross Profit</b>	<u>6,000.00</u>	<u>6,000.00</u>	<u>0.00</u>	<u>100.0%</u>
<b>Expense</b>				
540 · Staff Development	0.00			
630 · Catering/Hotel	474.96	600.00	-125.04	79.2%
631 · Computer Service and Expense	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
788 · Staff Expense	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	187,192.85	298,371.85	-111,179.00	62.7%
867 · Travel	0.00	818.33	-818.33	0.0%
<b>Total Expense</b>	<u>187,667.81</u>	<u>299,790.18</u>	<u>-112,122.37</u>	<u>62.6%</u>
<b>Net Ordinary Income</b>	<u>-181,667.81</u>	<u>-293,790.18</u>	<u>112,122.37</u>	<u>61.8%</u>
<b>Net Income</b>	<u><u>-181,667.81</u></u>	<u><u>-293,790.18</u></u>	<u><u>112,122.37</u></u>	<u><u>61.8%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1780 Communications (1700 Business Services & Tech.)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
433 · Forms Licensing	0.00			
466 · Member Communications	600.00	1,800.00	-1,200.00	33.3%
<b>Total Income</b>	600.00	1,800.00	-1,200.00	33.3%
<b>Gross Profit</b>	600.00	1,800.00	-1,200.00	33.3%
<b>Expense</b>				
540 · Staff Development	0.00	0.00	0.00	0.0%
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
770 · Supplies	292.51	749.99	-457.48	39.0%
780 · Postage	0.00			
781 · Printing	0.00	8,666.67	-8,666.67	0.0%
788 · Staff Expense	0.00	527.01	-527.01	0.0%
790 · Subscriptions and Reference	75.53	2,025.00	-1,949.47	3.7%
810 · Contract Fees	21,222.93	53,208.33	-31,985.40	39.9%
867 · Travel	0.00			
<b>Total Expense</b>	21,590.97	65,177.00	-43,586.03	33.1%
<b>Net Ordinary Income</b>	-20,990.97	-63,377.00	42,386.03	33.1%
<b>Net Income</b>	-20,990.97	-63,377.00	42,386.03	33.1%



**Arizona Association of REALTORS®**  
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**January through March 2018**

	Total 1800 Professional & Bus.Develop			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
461 · Education Development	491.84	628.00	-136.16	78.3%
462 · Education Outreach	13,471.00	6,525.00	6,946.00	206.5%
463 · Instructor Development	1,827.00	585.00	1,242.00	312.3%
464 · Leadership Training	713.00	0.00	713.00	100.0%
465 · MRE Society	675.00	500.00	175.00	135.0%
467 · REALTOR Institute	11,439.00	6,925.00	4,514.00	165.2%
468 · rCRMS	12,894.00	10,170.00	2,724.00	126.8%
469 · Spring Convention	117,522.10	184,075.00	-66,552.90	63.8%
472 · CRPM	15,421.00	13,535.00	1,886.00	113.9%
<b>Total Income</b>	<u>174,453.94</u>	<u>222,943.00</u>	<u>-48,489.06</u>	<u>78.3%</u>
<b>Gross Profit</b>	174,453.94	222,943.00	-48,489.06	78.3%
<b>Expense</b>				
540 · Staff Development	992.00	0.00	992.00	100.0%
630 · Catering/Hotel	6,534.85	177,244.00	-170,709.15	3.7%
632 · Copying	1,229.27	5,050.00	-3,820.73	24.3%
639 · Dues & Commitments.	1.92	670.00	-668.08	0.3%
770 · Supplies	3,639.14	4,465.00	-825.86	81.5%
781 · Printing	920.24	3,175.00	-2,254.76	29.0%
786 · Promotion	3,124.79	5,329.00	-2,204.21	58.6%
787 · Speaker Fees	51,971.04	71,000.00	-19,028.96	73.2%
788 · Staff Expense	1,332.31	5,495.00	-4,162.69	24.2%
810 · Contract Fees	22,956.66	68,557.00	-45,600.34	33.5%
855 · Transportation	624.15	383.00	241.15	163.0%
<b>Total Expense</b>	<u>93,326.37</u>	<u>341,368.00</u>	<u>-248,041.63</u>	<u>27.3%</u>
<b>Net Ordinary Income</b>	<u>81,127.57</u>	<u>-118,425.00</u>	<u>199,552.57</u>	<u>-68.5%</u>
<b>Net Income</b>	<u><u>81,127.57</u></u>	<u><u>-118,425.00</u></u>	<u><u>199,552.57</u></u>	<u><u>-68.5%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1801 Prof Dev Support (1800 Professional & Bus.Develop)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
463 · Instructor Development	0.00			
464 · Leadership Training	0.00			
465 · MRE Society	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
469 · Spring Convention	0.00			
472 · CRPM	0.00			
<b>Total Income</b>	<u>0.00</u>			
<b>Gross Profit</b>	0.00			
<b>Expense</b>				
540 · Staff Development	992.00	0.00	992.00	100.0%
630 · Catering/Hotel	251.19	800.00	-548.81	31.4%
632 · Copying	1,229.27	5,050.00	-3,820.73	24.3%
639 · Dues & Commitments.	0.00	655.00	-655.00	0.0%
770 · Supplies	87.34	0.00	87.34	100.0%
781 · Printing	0.00	500.00	-500.00	0.0%
786 · Promotion	26.95	0.00	26.95	100.0%
787 · Speaker Fees	0.00			
788 · Staff Expense	71.73	1,050.00	-978.27	6.8%
810 · Contract Fees	1,257.58	7,134.00	-5,876.42	17.6%
855 · Transportation	0.00			
<b>Total Expense</b>	<u>3,916.06</u>	<u>15,189.00</u>	<u>-11,272.94</u>	<u>25.8%</u>
<b>Net Ordinary Income</b>	<u>-3,916.06</u>	<u>-15,189.00</u>	<u>11,272.94</u>	<u>25.8%</u>
<b>Net Income</b>	<u><u>-3,916.06</u></u>	<u><u>-15,189.00</u></u>	<u><u>11,272.94</u></u>	<u><u>25.8%</u></u>

**Arizona Association of REALTORS®**  
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**January through March 2018**

	1815 REALTOR Institute (1800 Professional & Bus.Develop)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
463 · Instructor Development	0.00			
464 · Leadership Training	0.00			
465 · MRE Society	0.00			
467 · REALTOR Institute	11,439.00	6,925.00	4,514.00	165.2%
468 · rCRMS	0.00			
469 · Spring Convention	0.00			
472 · CRPM	0.00			
<b>Total Income</b>	<u>11,439.00</u>	<u>6,925.00</u>	<u>4,514.00</u>	<u>165.2%</u>
<b>Gross Profit</b>	11,439.00	6,925.00	4,514.00	165.2%
<b>Expense</b>				
540 · Staff Development	0.00			
630 · Catering/Hotel	14.81	225.00	-210.19	6.6%
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
770 · Supplies	2,111.24	2,275.00	-163.76	92.8%
781 · Printing	459.38	300.00	159.38	153.1%
786 · Promotion	2,626.25	3,450.00	-823.75	76.1%
787 · Speaker Fees	750.00	1,200.00	-450.00	62.5%
788 · Staff Expense	0.00	110.00	-110.00	0.0%
810 · Contract Fees	1,570.00	5,680.00	-4,110.00	27.6%
855 · Transportation	134.56	40.00	94.56	336.4%
<b>Total Expense</b>	<u>7,666.24</u>	<u>13,280.00</u>	<u>-5,613.76</u>	<u>57.7%</u>
<b>Net Ordinary Income</b>	<u>3,772.76</u>	<u>-6,355.00</u>	<u>10,127.76</u>	<u>-59.4%</u>
<b>Net Income</b>	<u><u>3,772.76</u></u>	<u><u>-6,355.00</u></u>	<u><u>10,127.76</u></u>	<u><u>-59.4%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	1820 rCRMS (1800 Professional & Bus.Develop)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
463 · Instructor Development	0.00			
464 · Leadership Training	0.00			
465 · MRE Society	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	12,894.00	10,170.00	2,724.00	126.8%
469 · Spring Convention	0.00			
472 · CRPM	0.00			
<b>Total Income</b>	<u>12,894.00</u>	<u>10,170.00</u>	<u>2,724.00</u>	<u>126.8%</u>
<b>Gross Profit</b>	12,894.00	10,170.00	2,724.00	126.8%
<b>Expense</b>				
540 · Staff Development	0.00			
630 · Catering/Hotel	19.57	30.00	-10.43	65.2%
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
770 · Supplies	0.00			
781 · Printing	0.00			
786 · Promotion	101.19	200.00	-98.81	50.6%
787 · Speaker Fees	7,200.00	4,500.00	2,700.00	160.0%
788 · Staff Expense	12.20	27.00	-14.80	45.2%
810 · Contract Fees	5,186.83	1,719.00	3,467.83	301.7%
855 · Transportation	79.62	40.00	39.62	199.1%
<b>Total Expense</b>	<u>12,599.41</u>	<u>6,516.00</u>	<u>6,083.41</u>	<u>193.4%</u>
<b>Net Ordinary Income</b>	<u>294.59</u>	<u>3,654.00</u>	<u>-3,359.41</u>	<u>8.1%</u>
<b>Net Income</b>	<u><u>294.59</u></u>	<u><u>3,654.00</u></u>	<u><u>-3,359.41</u></u>	<u><u>8.1%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	1825 Cert. Res. Prop. Manager (1800 Professional & Bus.Develop)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
463 · Instructor Development	0.00			
464 · Leadership Training	0.00			
465 · MRE Society	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
469 · Spring Convention	0.00			
472 · CRPM	15,421.00	13,535.00	1,886.00	113.9%
<b>Total Income</b>	<u>15,421.00</u>	<u>13,535.00</u>	<u>1,886.00</u>	<u>113.9%</u>
<b>Gross Profit</b>	15,421.00	13,535.00	1,886.00	113.9%
<b>Expense</b>				
540 · Staff Development	0.00			
630 · Catering/Hotel	12.92	30.00	-17.08	43.1%
632 · Copying	0.00			
639 · Dues & Commitments.	0.00	0.00	0.00	0.0%
770 · Supplies	100.00	300.00	-200.00	33.3%
781 · Printing	0.00			
786 · Promotion	170.40	179.00	-8.60	95.2%
787 · Speaker Fees	5,850.00	4,900.00	950.00	119.4%
788 · Staff Expense	0.00	30.00	-30.00	0.0%
810 · Contract Fees	2,950.45	5,484.00	-2,533.55	53.8%
855 · Transportation	88.73	213.00	-124.27	41.7%
<b>Total Expense</b>	<u>9,172.50</u>	<u>11,136.00</u>	<u>-1,963.50</u>	<u>82.4%</u>
<b>Net Ordinary Income</b>	<u>6,248.50</u>	<u>2,399.00</u>	<u>3,849.50</u>	<u>260.5%</u>
<b>Net Income</b>	<u><u>6,248.50</u></u>	<u><u>2,399.00</u></u>	<u><u>3,849.50</u></u>	<u><u>260.5%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	1840 Leadership Training/Conf. (1800 Professional & Bus.Develop)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
463 · Instructor Development	0.00			
464 · Leadership Training	713.00	0.00	713.00	100.0%
465 · MRE Society	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
469 · Spring Convention	0.00			
472 · CRPM	0.00			
<b>Total Income</b>	<u>713.00</u>	<u>0.00</u>	<u>713.00</u>	<u>100.0%</u>
<b>Gross Profit</b>	713.00	0.00	713.00	100.0%
<b>Expense</b>				
540 · Staff Development	0.00			
630 · Catering/Hotel	18.93	600.00	-581.07	3.2%
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
770 · Supplies	0.00	0.00	0.00	0.0%
781 · Printing	0.00	375.00	-375.00	0.0%
786 · Promotion	0.00			
787 · Speaker Fees	2,325.00	3,000.00	-675.00	77.5%
788 · Staff Expense	0.00			
810 · Contract Fees	0.00	375.00	-375.00	0.0%
855 · Transportation	0.00			
<b>Total Expense</b>	<u>2,343.93</u>	<u>4,350.00</u>	<u>-2,006.07</u>	<u>53.9%</u>
<b>Net Ordinary Income</b>	<u>-1,630.93</u>	<u>-4,350.00</u>	<u>2,719.07</u>	<u>37.5%</u>
<b>Net Income</b>	<u><u>-1,630.93</u></u>	<u><u>-4,350.00</u></u>	<u><u>2,719.07</u></u>	<u><u>37.5%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	1850 Partners Conference (1800 Professional & Bus.Develop)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
463 · Instructor Development	0.00			
464 · Leadership Training	0.00			
465 · MRE Society	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
469 · Spring Convention	0.00			
472 · CRPM	0.00			
<b>Total Income</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.0%</u>
<b>Gross Profit</b>	0.00	0.00	0.00	0.0%
<b>Expense</b>				
540 · Staff Development	0.00			
630 · Catering/Hotel	0.00	0.00	0.00	0.0%
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
770 · Supplies	0.00			
781 · Printing	0.00			
786 · Promotion	0.00	0.00	0.00	0.0%
787 · Speaker Fees	0.00			
788 · Staff Expense	0.00			
810 · Contract Fees	0.00	0.00	0.00	0.0%
855 · Transportation	0.00			
<b>Total Expense</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.0%</u>
<b>Net Ordinary Income</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.0%</u>
<b>Net Income</b>	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>0.0%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	Total 1855 MRE Society (1800 Professional & Bus.Develop)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
463 · Instructor Development	0.00			
464 · Leadership Training	0.00			
465 · MRE Society	675.00	500.00	175.00	135.0%
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
469 · Spring Convention	0.00			
472 · CRPM	0.00			
<b>Total Income</b>	<u>675.00</u>	<u>500.00</u>	<u>175.00</u>	<u>135.0%</u>
<b>Gross Profit</b>	675.00	500.00	175.00	135.0%
<b>Expense</b>				
540 · Staff Development	0.00			
630 · Catering/Hotel	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
770 · Supplies	400.00	900.00	-500.00	44.4%
781 · Printing	0.00			
786 · Promotion	0.00	100.00	-100.00	0.0%
787 · Speaker Fees	0.00	50.00	-50.00	0.0%
788 · Staff Expense	0.00			
810 · Contract Fees	0.00	60.00	-60.00	0.0%
855 · Transportation	0.00			
<b>Total Expense</b>	<u>400.00</u>	<u>1,110.00</u>	<u>-710.00</u>	<u>36.0%</u>
<b>Net Ordinary Income</b>	<u>275.00</u>	<u>-610.00</u>	<u>885.00</u>	<u>-45.1%</u>
<b>Net Income</b>	<u><u>275.00</u></u>	<u><u>-610.00</u></u>	<u><u>885.00</u></u>	<u><u>-45.1%</u></u>



**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	1860 Spring Convention (1800 Professional & Bus.Develop)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
463 · Instructor Development	0.00			
464 · Leadership Training	0.00			
465 · MRE Society	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
469 · Spring Convention	117,522.10	184,075.00	-66,552.90	63.8%
472 · CRPM	0.00			
<b>Total Income</b>	<u>117,522.10</u>	<u>184,075.00</u>	<u>-66,552.90</u>	<u>63.8%</u>
<b>Gross Profit</b>	117,522.10	184,075.00	-66,552.90	63.8%
<b>Expense</b>				
540 · Staff Development	0.00			
630 · Catering/Hotel	5,942.10	175,228.00	-169,285.90	3.4%
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
770 · Supplies	668.31	750.00	-81.69	89.1%
781 · Printing	460.86	2,000.00	-1,539.14	23.0%
786 · Promotion	200.00	1,400.00	-1,200.00	14.3%
787 · Speaker Fees	30,273.29	53,500.00	-23,226.71	56.6%
788 · Staff Expense	180.55	2,895.00	-2,714.45	6.2%
810 · Contract Fees	9,042.06	45,375.00	-36,332.94	19.9%
855 · Transportation	0.00			
<b>Total Expense</b>	<u>46,767.17</u>	<u>281,148.00</u>	<u>-234,380.83</u>	<u>16.6%</u>
<b>Net Ordinary Income</b>	<u>70,754.93</u>	<u>-97,073.00</u>	<u>167,827.93</u>	<u>-72.9%</u>
<b>Net Income</b>	<u><u>70,754.93</u></u>	<u><u>-97,073.00</u></u>	<u><u>167,827.93</u></u>	<u><u>-72.9%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	1870 Education Outreach (1800 Professional & Bus.Develop)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
461 · Education Development	0.00			
462 · Education Outreach	13,471.00	6,525.00	6,946.00	206.5%
463 · Instructor Development	0.00			
464 · Leadership Training	0.00			
465 · MRE Society	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
469 · Spring Convention	0.00			
472 · CRPM	0.00			
<b>Total Income</b>	<u>13,471.00</u>	<u>6,525.00</u>	<u>6,946.00</u>	<u>206.5%</u>
<b>Gross Profit</b>	13,471.00	6,525.00	6,946.00	206.5%
<b>Expense</b>				
540 · Staff Development	0.00			
630 · Catering/Hotel	133.90	45.00	88.90	297.6%
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
770 · Supplies	272.25	240.00	32.25	113.4%
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	5,572.75	3,500.00	2,072.75	159.2%
788 · Staff Expense	0.00	0.00	0.00	0.0%
810 · Contract Fees	2,513.95	1,575.00	938.95	159.6%
855 · Transportation	321.24	90.00	231.24	356.9%
<b>Total Expense</b>	<u>8,814.09</u>	<u>5,450.00</u>	<u>3,364.09</u>	<u>161.7%</u>
<b>Net Ordinary Income</b>	<u>4,656.91</u>	<u>1,075.00</u>	<u>3,581.91</u>	<u>433.2%</u>
<b>Net Income</b>	<u><u>4,656.91</u></u>	<u><u>1,075.00</u></u>	<u><u>3,581.91</u></u>	<u><u>433.2%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	1871 Education Development (1800 Professional & Bus.Develop)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
461 · Education Development	491.84	628.00	-136.16	78.3%
462 · Education Outreach	0.00			
463 · Instructor Development	0.00			
464 · Leadership Training	0.00			
465 · MRE Society	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
469 · Spring Convention	0.00			
472 · CRPM	0.00			
<b>Total Income</b>	<u>491.84</u>	<u>628.00</u>	<u>-136.16</u>	<u>78.3%</u>
<b>Gross Profit</b>	491.84	628.00	-136.16	78.3%
<b>Expense</b>				
540 · Staff Development	0.00	0.00	0.00	0.0%
630 · Catering/Hotel	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	1.92	15.00	-13.08	12.8%
770 · Supplies	0.00	0.00	0.00	0.0%
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
788 · Staff Expense	0.00			
810 · Contract Fees	10.79	900.00	-889.21	1.2%
855 · Transportation	0.00			
<b>Total Expense</b>	<u>12.71</u>	<u>915.00</u>	<u>-902.29</u>	<u>1.4%</u>
<b>Net Ordinary Income</b>	<u>479.13</u>	<u>-287.00</u>	<u>766.13</u>	<u>-166.9%</u>
<b>Net Income</b>	<u><u>479.13</u></u>	<u><u>-287.00</u></u>	<u><u>766.13</u></u>	<u><u>-166.9%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	1872 Instructor Development (1800 Professional & Bus.Develop)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
463 · Instructor Development	1,827.00	585.00	1,242.00	312.3%
464 · Leadership Training	0.00			
465 · MRE Society	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
469 · Spring Convention	0.00			
472 · CRPM	0.00			
<b>Total Income</b>	<u>1,827.00</u>	<u>585.00</u>	<u>1,242.00</u>	<u>312.3%</u>
<b>Gross Profit</b>	1,827.00	585.00	1,242.00	312.3%
<b>Expense</b>				
540 · Staff Development	0.00			
630 · Catering/Hotel	141.43	250.00	-108.57	56.6%
632 · Copying	0.00			
639 · Dues & Commitments.	0.00	0.00	0.00	0.0%
770 · Supplies	0.00	0.00	0.00	0.0%
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00	300.00	-300.00	0.0%
788 · Staff Expense	1,067.83	1,383.00	-315.17	77.2%
810 · Contract Fees	425.00	0.00	425.00	100.0%
855 · Transportation	0.00			
<b>Total Expense</b>	<u>1,634.26</u>	<u>1,933.00</u>	<u>-298.74</u>	<u>84.5%</u>
<b>Net Ordinary Income</b>	<u>192.74</u>	<u>-1,348.00</u>	<u>1,540.74</u>	<u>-14.3%</u>
<b>Net Income</b>	<u><u>192.74</u></u>	<u><u>-1,348.00</u></u>	<u><u>1,540.74</u></u>	<u><u>-14.3%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1875 Broker University (1800 Professional & Bus.Develop)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
463 · Instructor Development	0.00			
464 · Leadership Training	0.00			
465 · MRE Society	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
469 · Spring Convention	0.00			
472 · CRPM	0.00			
<b>Total Income</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.0%</u>
<b>Gross Profit</b>	0.00	0.00	0.00	0.0%
<b>Expense</b>				
540 · Staff Development	0.00			
630 · Catering/Hotel	0.00	36.00	-36.00	0.0%
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
770 · Supplies	0.00	0.00	0.00	0.0%
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00	50.00	-50.00	0.0%
788 · Staff Expense	0.00	0.00	0.00	0.0%
810 · Contract Fees	0.00	255.00	-255.00	0.0%
855 · Transportation	0.00	0.00	0.00	0.0%
<b>Total Expense</b>	<u>0.00</u>	<u>341.00</u>	<u>-341.00</u>	<u>0.0%</u>
<b>Net Ordinary Income</b>	<u>0.00</u>	<u>-341.00</u>	<u>341.00</u>	<u>0.0%</u>
<b>Net Income</b>	<u><u>0.00</u></u>	<u><u>-341.00</u></u>	<u><u>341.00</u></u>	<u><u>0.0%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	Total 1900 Operations			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
410 · Interest Income	12,606.54	4,000.00	8,606.54	315.2%
415 · Rental Income	33,892.11	33,922.00	-29.89	99.9%
417 · Gain on Investments	-352.56			
430 · Dues Income	8,861,183.75	7,124,600.00	1,736,583.75	124.4%
435 · Law Book	1,113.46	400.00	713.46	278.4%
497 · Misc Income	342.91	600.00	-257.09	57.2%
<b>Total Income</b>	<u>8,908,786.21</u>	<u>7,163,522.00</u>	<u>1,745,264.21</u>	<u>124.4%</u>
<b>Gross Profit</b>	8,908,786.21	7,163,522.00	1,745,264.21	124.4%
<b>Expense</b>				
500 · Salaries/Benefits	680,705.33	687,000.00	-6,294.67	99.1%
540 · Staff Development	1,111.00	1,500.00	-389.00	74.1%
551 · Auto Expense Reimbursement	105.51	125.00	-19.49	84.4%
605 · Awards/Gifts	539.15	550.00	-10.85	98.0%
620 · Building Expense	85,239.31	89,125.00	-3,885.69	95.6%
630 · Catering/Hotel	7,973.31	9,800.00	-1,826.69	81.4%
632 · Copying	80.19	1,250.00	-1,169.81	6.4%
639 · Dues & Commitments.	1,922.73	2,760.00	-837.27	69.7%
640 · Equipment Maintenance/Rental	-13,105.97	6,000.00	-19,105.97	-218.4%
690 · Credit Card & EFT Fees/Misc.	125,641.16	145,000.00	-19,358.84	86.6%
770 · Supplies	4,334.38	4,750.00	-415.62	91.3%
780 · Postage	1,795.74	1,800.00	-4.26	99.8%
781 · Printing	164.98	300.00	-135.02	55.0%
786 · Promotion	5,120.30	5,700.00	-579.70	89.8%
788 · Staff Expense	4,189.61	6,050.00	-1,860.39	69.2%
810 · Contract Fees	30,231.37	32,140.00	-1,908.63	94.1%
850 · Telephone	10,672.67	11,475.00	-802.33	93.0%
867 · Travel	14,417.50	18,040.00	-3,622.50	79.9%
<b>Total Expense</b>	<u>961,138.27</u>	<u>1,023,365.00</u>	<u>-62,226.73</u>	<u>93.9%</u>
<b>Net Ordinary Income</b>	<u>7,947,647.94</u>	<u>6,140,157.00</u>	<u>1,807,490.94</u>	<u>129.4%</u>
<b>Net Income</b>	<u><u>7,947,647.94</u></u>	<u><u>6,140,157.00</u></u>	<u><u>1,807,490.94</u></u>	<u><u>129.4%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	1000 General Overhead (1900 Operations)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
410 · Interest Income	12,606.54	4,000.00	8,606.54	315.2%
415 · Rental Income	0.00			
417 · Gain on Investments	-352.56			
430 · Dues Income	0.00			
435 · Law Book	1,113.46	400.00	713.46	278.4%
497 · Misc Income	342.91	600.00	-257.09	57.2%
<b>Total Income</b>	<u>13,710.35</u>	<u>5,000.00</u>	<u>8,710.35</u>	<u>274.2%</u>
<b>Gross Profit</b>	13,710.35	5,000.00	8,710.35	274.2%
<b>Expense</b>				
500 · Salaries/Benefits	0.00			
540 · Staff Development	1,111.00	1,500.00	-389.00	74.1%
551 · Auto Expense Reimbursement	105.51	125.00	-19.49	84.4%
605 · Awards/Gifts	539.15	550.00	-10.85	98.0%
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	1,833.73	1,835.00	-1.27	99.9%
640 · Equipment Maintenance/Rental	-13,105.97	6,000.00	-19,105.97	-218.4%
690 · Credit Card & EFT Fees/Misc.	125,641.16	145,000.00	-19,358.84	86.6%
770 · Supplies	4,318.25	4,500.00	-181.75	96.0%
780 · Postage	0.00			
781 · Printing	164.98	300.00	-135.02	55.0%
786 · Promotion	0.00			
788 · Staff Expense	0.00	0.00	0.00	0.0%
810 · Contract Fees	25,591.37	27,500.00	-1,908.63	93.1%
850 · Telephone	10,672.67	11,475.00	-802.33	93.0%
867 · Travel	0.00			
<b>Total Expense</b>	<u>156,871.85</u>	<u>198,785.00</u>	<u>-41,913.15</u>	<u>78.9%</u>
<b>Net Ordinary Income</b>	<u>-143,161.50</u>	<u>-193,785.00</u>	<u>50,623.50</u>	<u>73.9%</u>
<b>Net Income</b>	<u><u>-143,161.50</u></u>	<u><u>-193,785.00</u></u>	<u><u>50,623.50</u></u>	<u><u>73.9%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1402 Individual Dues (1400 Dues)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
410 · Interest Income	0.00			
415 · Rental Income	0.00			
417 · Gain on Investments	0.00			
430 · Dues Income	17,915.00			
435 · Law Book	0.00			
497 · Misc Income	0.00			
<b>Total Income</b>	<u>17,915.00</u>			
<b>Gross Profit</b>	17,915.00			
<b>Expense</b>				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
551 · Auto Expense Reimbursement	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
788 · Staff Expense	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	0.00			
<b>Total Expense</b>	<u>0.00</u>			
<b>Net Ordinary Income</b>	<u>17,915.00</u>			
<b>Net Income</b>	<u><u>17,915.00</u></u>			



**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	1404 NAR Institute Affiliates (1400 Dues)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
410 · Interest Income	0.00			
415 · Rental Income	0.00			
417 · Gain on Investments	0.00			
430 · Dues Income	8,356.25			
435 · Law Book	0.00			
497 · Misc Income	0.00			
<b>Total Income</b>	<u>8,356.25</u>			
<b>Gross Profit</b>	8,356.25			
<b>Expense</b>				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
551 · Auto Expense Reimbursement	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
788 · Staff Expense	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	0.00			
<b>Total Expense</b>	<u>0.00</u>			
<b>Net Ordinary Income</b>	<u>8,356.25</u>			
<b>Net Income</b>	<u><u>8,356.25</u></u>			

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	1400 Dues - Other (1400 Dues)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
410 · Interest Income	0.00			
415 · Rental Income	0.00			
417 · Gain on Investments	0.00			
430 · Dues Income	8,834,912.50	7,124,600.00	1,710,312.50	124.0%
435 · Law Book	0.00			
497 · Misc Income	0.00			
<b>Total Income</b>	<u>8,834,912.50</u>	<u>7,124,600.00</u>	<u>1,710,312.50</u>	<u>124.0%</u>
<b>Gross Profit</b>	8,834,912.50	7,124,600.00	1,710,312.50	124.0%
<b>Expense</b>				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
551 · Auto Expense Reimbursement	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
788 · Staff Expense	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	0.00			
<b>Total Expense</b>	<u>0.00</u>			
<b>Net Ordinary Income</b>	<u>8,834,912.50</u>	<u>7,124,600.00</u>	<u>1,710,312.50</u>	<u>124.0%</u>
<b>Net Income</b>	<u><u>8,834,912.50</u></u>	<u><u>7,124,600.00</u></u>	<u><u>1,710,312.50</u></u>	<u><u>124.0%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	Total 1400 Dues (1900 Operations)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
Income				
410 · Interest Income	0.00			
415 · Rental Income	0.00			
417 · Gain on Investments	0.00			
430 · Dues Income	8,861,183.75	7,124,600.00	1,736,583.75	124.4%
435 · Law Book	0.00			
497 · Misc Income	0.00			
<b>Total Income</b>	<u>8,861,183.75</u>	<u>7,124,600.00</u>	<u>1,736,583.75</u>	<u>124.4%</u>
<b>Gross Profit</b>	8,861,183.75	7,124,600.00	1,736,583.75	124.4%
Expense				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
551 · Auto Expense Reimbursement	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
788 · Staff Expense	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	0.00			
<b>Total Expense</b>	<u>0.00</u>			
<b>Net Ordinary Income</b>	<u>8,861,183.75</u>	<u>7,124,600.00</u>	<u>1,736,583.75</u>	<u>124.4%</u>
<b>Net Income</b>	<u><u>8,861,183.75</u></u>	<u><u>7,124,600.00</u></u>	<u><u>1,736,583.75</u></u>	<u><u>124.4%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1901 Operations & Strategic Sup (1900 Operations)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
Income				
410 · Interest Income	0.00			
415 · Rental Income	0.00			
417 · Gain on Investments	0.00			
430 · Dues Income	0.00			
435 · Law Book	0.00			
497 · Misc Income	0.00			
<b>Total Income</b>	<u>0.00</u>			
<b>Gross Profit</b>	0.00			
Expense				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
551 · Auto Expense Reimbursement	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
632 · Copying	80.19	1,250.00	-1,169.81	6.4%
639 · Dues & Commitments.	89.00	925.00	-836.00	9.6%
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	1,795.74	1,800.00	-4.26	99.8%
781 · Printing	0.00			
786 · Promotion	3,738.58	4,000.00	-261.42	93.5%
788 · Staff Expense	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	0.00			
<b>Total Expense</b>	<u>5,703.51</u>	<u>7,975.00</u>	<u>-2,271.49</u>	<u>71.5%</u>
<b>Net Ordinary Income</b>	<u>-5,703.51</u>	<u>-7,975.00</u>	<u>2,271.49</u>	<u>71.5%</u>
<b>Net Income</b>	<u><u>-5,703.51</u></u>	<u><u>-7,975.00</u></u>	<u><u>2,271.49</u></u>	<u><u>71.5%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
 January through March 2018

	1903 Association Relations (1900 Operations)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
Income				
410 · Interest Income	0.00			
415 · Rental Income	0.00			
417 · Gain on Investments	0.00			
430 · Dues Income	0.00			
435 · Law Book	0.00			
497 · Misc Income	0.00			
<b>Total Income</b>	<u>0.00</u>			
<b>Gross Profit</b>	0.00			
Expense				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
551 · Auto Expense Reimbursement	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	7,286.00	7,600.00	-314.00	95.9%
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	1,361.72	1,600.00	-238.28	85.1%
788 · Staff Expense	289.15	300.00	-10.85	96.4%
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	0.00			
<b>Total Expense</b>	<u>8,936.87</u>	<u>9,500.00</u>	<u>-563.13</u>	<u>94.1%</u>
<b>Net Ordinary Income</b>	<u>-8,936.87</u>	<u>-9,500.00</u>	<u>563.13</u>	<u>94.1%</u>
<b>Net Income</b>	<u><u>-8,936.87</u></u>	<u><u>-9,500.00</u></u>	<u><u>563.13</u></u>	<u><u>94.1%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	1905 National Meetings (1900 Operations)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
Income				
410 · Interest Income	0.00			
415 · Rental Income	0.00			
417 · Gain on Investments	0.00			
430 · Dues Income	0.00			
435 · Law Book	0.00			
497 · Misc Income	0.00			
Total Income	0.00			
<b>Gross Profit</b>	0.00			
Expense				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
551 · Auto Expense Reimbursement	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
788 · Staff Expense	3,726.95	4,550.00	-823.05	81.9%
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	6,054.76	7,700.00	-1,645.24	78.6%
Total Expense	9,781.71	12,250.00	-2,468.29	79.9%
<b>Net Ordinary Income</b>	-9,781.71	-12,250.00	2,468.29	79.9%
<b>Net Income</b>	-9,781.71	-12,250.00	2,468.29	79.9%

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	1920 EXCOM & Director Support (1900 Operations)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
410 · Interest Income	0.00			
415 · Rental Income	0.00			
417 · Gain on Investments	0.00			
430 · Dues Income	0.00			
435 · Law Book	0.00			
497 · Misc Income	0.00			
<b>Total Income</b>	<u>0.00</u>			
<b>Gross Profit</b>	0.00			
<b>Expense</b>				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
551 · Auto Expense Reimbursement	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	687.31	2,200.00	-1,512.69	31.2%
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	16.13	250.00	-233.87	6.5%
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
788 · Staff Expense	173.51	1,200.00	-1,026.49	14.5%
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	8,362.74	10,340.00	-1,977.26	80.9%
<b>Total Expense</b>	<u>9,239.69</u>	<u>13,990.00</u>	<u>-4,750.31</u>	<u>66.0%</u>
<b>Net Ordinary Income</b>	<u>-9,239.69</u>	<u>-13,990.00</u>	<u>4,750.31</u>	<u>66.0%</u>
<b>Net Income</b>	<u><u>-9,239.69</u></u>	<u><u>-13,990.00</u></u>	<u><u>4,750.31</u></u>	<u><u>66.0%</u></u>

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	1955 Public Relations (1900 Operations)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
410 · Interest Income	0.00			
415 · Rental Income	0.00			
417 · Gain on Investments	0.00			
430 · Dues Income	0.00			
435 · Law Book	0.00			
497 · Misc Income	0.00			
<b>Total Income</b>	<u>0.00</u>			
<b>Gross Profit</b>	0.00			
<b>Expense</b>				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
551 · Auto Expense Reimbursement	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	20.00	100.00	-80.00	20.0%
788 · Staff Expense	0.00			
810 · Contract Fees	2,000.00	2,000.00	0.00	100.0%
850 · Telephone	0.00			
867 · Travel	0.00			
<b>Total Expense</b>	<u>2,020.00</u>	<u>2,100.00</u>	<u>-80.00</u>	<u>96.2%</u>
<b>Net Ordinary Income</b>	<u>-2,020.00</u>	<u>-2,100.00</u>	<u>80.00</u>	<u>96.2%</u>
<b>Net Income</b>	<u><u>-2,020.00</u></u>	<u><u>-2,100.00</u></u>	<u><u>80.00</u></u>	<u><u>96.2%</u></u>



**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	1990 Personnel (1900 Operations)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	0.00			
415 · Rental Income	0.00			
417 · Gain on Investments	0.00			
430 · Dues Income	0.00			
435 · Law Book	0.00			
497 · Misc Income	0.00			
Total Income	0.00			
Gross Profit	0.00			
Expense				
500 · Salaries/Benefits	680,705.33	687,000.00	-6,294.67	99.1%
540 · Staff Development	0.00			
551 · Auto Expense Reimbursement	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
788 · Staff Expense	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	0.00			
Total Expense	680,705.33	687,000.00	-6,294.67	99.1%
Net Ordinary Income	-680,705.33	-687,000.00	6,294.67	99.1%
Net Income	-680,705.33	-687,000.00	6,294.67	99.1%

**Arizona Association of REALTORS®**  
**Profit & Loss Budget vs. Actual**  
**January through March 2018**

	6000 Building (1900 Operations)			
	Jan - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
410 · Interest Income	0.00			
415 · Rental Income	33,892.11	33,922.00	-29.89	99.9%
417 · Gain on Investments	0.00			
430 · Dues Income	0.00			
435 · Law Book	0.00			
497 · Misc Income	0.00			
<b>Total Income</b>	<u>33,892.11</u>	<u>33,922.00</u>	<u>-29.89</u>	<u>99.9%</u>
<b>Gross Profit</b>	33,892.11	33,922.00	-29.89	99.9%
<b>Expense</b>				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
551 · Auto Expense Reimbursement	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	85,239.31	89,125.00	-3,885.69	95.6%
630 · Catering/Hotel	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
788 · Staff Expense	0.00			
810 · Contract Fees	2,640.00	2,640.00	0.00	100.0%
850 · Telephone	0.00			
867 · Travel	0.00			
<b>Total Expense</b>	<u>87,879.31</u>	<u>91,765.00</u>	<u>-3,885.69</u>	<u>95.8%</u>
<b>Net Ordinary Income</b>	<u>-53,987.20</u>	<u>-57,843.00</u>	<u>3,855.80</u>	<u>93.3%</u>
<b>Net Income</b>	<u><u>-53,987.20</u></u>	<u><u>-57,843.00</u></u>	<u><u>3,855.80</u></u>	<u><u>93.3%</u></u>

**2018 AAR CAPITAL BUDGET**  
(As of 3/31/18)

	<b>Budget</b>	<b>Actual</b>
<b><u>Computer</u></b>		
Network Infrastructure: Replacements & Upgrades	\$25,000	\$0
Network Infrastructure: Disaster Recovery	\$5,000	\$0
Network Infrastructure: Security	\$45,000	\$0
ExCom Tablet Reimbursements	\$6,000	\$4,186
Website, Software, and Hardware Upgrades	\$14,650	\$1,949
New and Replacement Workstations/Laptops	\$32,000	\$15,087
	<b>\$127,650</b>	<b>\$21,222</b>
<b><u>Furniture &amp; Equipment</u></b>		
Audio/Video	\$5,000	\$0
Replacement Desk & Office Furniture	\$5,250	\$0
Miscellaneous	\$2,000	\$1,633
	<b>\$12,250</b>	<b>\$1,633</b>
<b><u>Building</u></b>		
HVAC	\$20,780	\$0
Meeting Center	\$15,000	\$0
Interior Repairs & Improvements	\$25,500	\$0
Exterior Repairs & Improvements	\$60,000	\$8,960
	<b>\$121,280</b>	<b>\$8,960</b>
<b>Total Yr. 2018</b>	<b>\$256,180</b>	<b>\$31,816</b>

**Arizona REALTORS®**  
**OPERATIONS AND STRATEGIC INITIATIVES**  
**2018 Business Plan**

**FROM:** Operations & Strategic Initiatives  
**Chair:** Jan Leighton, Treasurer  
**Staff Liaison:** K. Michelle Lind, Esq., CEO  
**DATE:** June 2018

REALTOR® . . . the best prepared real estate practitioner with the highest standards.

The following are programs, products, services and activities (PPSA's) with Operations & Strategic Initiatives oversight.

**CURRENT TOP PRIORITIES**

- 2019 Strategic Plan
- 2019 Business Plans
- 2019 Budget

**RECOMMENDATIONS**

- Leadership Appointment for 2019 Legislative & Political Affairs Chair/Vice Chair

**GROUPS FORMED**

- Local Association PAG
- 2019 Planning Session

**BOARD OF DIRECTORS**

AAR is an effective member directed, fiscally responsible, non-profit corporation. AAR offers a value package that enhances members' abilities to conduct their businesses with integrity and competency.

Measurable Objectives	Status
Determine real estate firm representatives for 2019 BOD based on 12/31/17 membership numbers.	Emails and letters sent on January 4 <sup>th</sup>
Establish recommendations for allocation of surplus from 2017 operating budget for BOD approval.	Completed – <b>Approved during March 22<sup>nd</sup> meeting</b>
Begin 2019 officer election process. Announce deadline and application submission dates. Submit 2019 candidate statements for BOD vote.	Deadline was January 22 <sup>nd</sup> and was announced throughout 2017, with the last posted on November 15, 2017 in The Voice. <b>Election held March 22<sup>nd</sup></b> <b>First announcement for 2020 elections made:</b> <a href="https://www.aaronline.com/about-us/aar-officer-elections/">https://www.aaronline.com/about-us/aar-officer-elections/</a>

Operate in compliance with bylaws, policies and applicable laws.	On-going
Communicate upcoming meeting times and agendas effectively.	On-going
Evaluate and/or approve funds for innovative programs, products and/or services as submitted.	On-going
Draft, update and distribute meeting agendas and materials for the Board of Directors meetings in a timely manner.	On-going
Maintain at least 80% attendance by Directors.	<ul style="list-style-type: none"> <li>● 92 % - March meeting</li> <li>● ___ % - October meeting</li> </ul>

### EXECUTIVE COMMITTEE

AAR is an effective member directed, fiscally responsible, non-profit corporation. AAR offers a value package that enhances members' abilities to conduct their businesses with integrity and competency.

Measurable Objectives	Status
Assist leadership engagement with local association leadership to strengthen the strategic partnership.	On-going
Assist President-elect and First Vice President with selecting primary committee chairs, vice chairs and association executive representative for 2019 to be approved by ExCom in January and BOD at March meeting.	<p>Approved by ExCom on January 10<sup>th</sup></p> <p><b>Motion approved during the March 19<sup>th</sup> ExCom meeting and March 22<sup>nd</sup> BOD meeting for RMC Chair and AE Representative changes.</b></p> <p><b>Motion on June 6<sup>th</sup> agenda for LPA Chair and Vice Chair change.</b></p>
Assist President-elect in identifying members, scheduling and organizing planning session for 2019. Coordinate Planning Session outcomes, distribute Strategic Plan to attendees for comment. Distribute Strategic final plan for implementation in business plans and budget.	<p><b>Session held April 27<sup>th</sup> at the Musical Instrument Museum in Scottsdale. Jeff Turner was the facilitator.</b></p> <p><b>Drafting of 2019 Strategic Plan for approval underway.</b></p> <p><b>Drafts of Budget and area Business Plans will follow.</b></p>
Update AAR officer position description and activity checklists. Distribute job descriptions and budgeted expense and reimbursement expectations to line officers and executive committee members.	<p>Emailed updated descriptions on 12/1/17.</p> <p>New Director Position Description approved by ExCom and Motion is on the March 22<sup>nd</sup> BOD Agenda.</p> <p><b>Approved by BOD on March 22<sup>nd</sup></b></p>
Operate in compliance with bylaws, policies and applicable laws.	On-going

Communicate upcoming meeting times and agendas effectively.	Updated meetings/events calendar included in January, <b>June</b> ExCom meeting materials.
Evaluate and/or approve funds and agreements for innovative programs, products and/or services as submitted.	On-going
Draft, update and distribute meeting agendas and materials for Executive Committee meetings in January, March, June, September and October in a timely manner.	On-going
Maintain at least 80% attendance by committee members.	<ul style="list-style-type: none"> <li>• <b>86</b> % - January meeting</li> <li>• <b>100</b> % - March meeting.</li> <li>• ___% - June meeting</li> <li>• ___% - 2019 Budget meeting</li> <li>• ___% - October meeting</li> </ul>

### **ASSOCIATION RELATIONS**

AAR partners with and collaborates with local member associations, MLSs and other industry partners to accomplish mutual goals. AAR leadership engages with local association leadership to strengthen the strategic partnership.

<b>Measurable Objectives</b>	<b>Status</b>
Complete the NAR Mandatory Core Standards Compliance Form for AAR and submit as required by NAR.	Completed December 2017.
Assist and certify local associations in NAR mandatory core standards compliance.	18 Certified in December 2017. On-going for 2018.
Plan and conduct annual Arizona AE Workshop.	<b>Agenda building in process for the 2018 program</b>
Deliver timely information and updates to AEs on AAR activities.	Regular updates via AE Basecamp
Coordinate with local associations regarding NAR's Association Executive Institute.	<b>Save the date sent for a state night out dinner for Sunday, March 25.</b>  <b>Dinner held for all AEs in attendance.</b>
Figure 2019 director entitlements for local associations using 12/31/17 membership report.	Entitlements posted on local association Basecamp on January 3, 2018.  <b>Follow up via Basecamp in April.</b>
Determine which Arizona AEs are eligible to serve on 2019 BOD.	
Partner with local association to provide new REALTOR® orientation resources to include AAR.	<b>Video in process of being drafted and produced. Anticipated completion in June 2018</b>
Provide tools and be a resource to local associations to help communicate their relevance to members and encourage communication and	A World Without AAR brochures provided to local associations as requested.

collaboration between associations and MLSs regarding the member experience.	Information provided via AE Basecamp.
Encourage local associations to collaborate with local community leaders, organizations, the public and REALTOR® members on involvement and reinvestment in the community, with a focus on available grants and programs offered through the REALTOR® Party resources.	Information provided via AE Basecamp.
Maintain a collaborative working relationship with the ADRE.	Staff attendance at all ADRE Advisory Committee meetings and established stakeholder groups.  Meetings between CEO and Commissioner as needed.
AAR cultivates strategic alliances and partners with MLSs, institutes, societies, councils, and other homeownership entities on endeavors that benefit the membership. (CCIM/IREM, VAREP)	AAR Sponsorship of January 25 <sup>th</sup> IREM/CCIM Event.  <b>AAR Sponsorship of April 19<sup>th</sup> VAREP event.</b>
Investigate and compile MLS regional consolidation resources for Local Associations.	NAR Consolidation resources provided.
Influence members to utilize REALTOR® brands (products and services).	On-going via The Voice, Facebook and the Blog.

## **CONSUMER OUTREACH**

AAR will demonstrate engagement in not less than four meaningful consumer engagement activities annually.

<b>Measurable Objectives</b>	<b>Status</b>
Respond to media requests for interviews and information.	<b>9 earned media spots as of 5/1/18</b> See <a href="https://www.aaronline.com/press/">https://www.aaronline.com/press/</a>
Promote the value proposition of using a REALTOR® and/or engaging in community activities which enhance the image of REALTORS®.	Homeless initiative continued.  Staff participation at Homeless Veterans events.  <b>Totes for Hope promoted for DC Meetings.</b>
Promote the value and the “why” of the REALTOR® brand to our members and consumers.	On-going with PR firm  <b>Facebook Live event held on May 3<sup>rd</sup>.</b>
Promote REALTORS® as professionals.	On-going with PR firm
Engage the public in legislative/political issues that impact real estate and related issues.	<b>Encouraging signatures on Protect Arizona Taxpayers Initiative.</b>
Organize human resources or fundraising for the benefit of charitable/community organizations.	Donations made to Totes for Hope, Lodestar Day Resource Center and

	House of Refuge in December 2017.  <b>Sponsor of REALTORS® Relief Run at NAR meetings in Boston.</b>  On-going promotion of Totes for Hope.
Establish AAR as a source of credible information about Arizona real estate issues.	On-going with PR firm

### **NATIONAL ASSOCIATION**

AAR is regarded as an influential voice and partner to the NATIONAL ASSOCIATION OF REALTORS®.

<b>Measurable Objectives</b>	<b>Status</b>
Make recommendations to NAR for committee/officer positions.	Committee deadline sent via AE & NAR Directors Basecamp.  <b>All requested endorsements completed.</b>
Coordinate NAR meeting calendar with line officers and communicate expectations effectively, through preferred methods.	<b>NAR DC meeting schedule completed and distributed.</b>
Coordinate attendance at NAR Legislative meetings	Officers registered
Coordinate attendance at NAR Expo/Conference	

### **REGION 11**

AAR, as a member of Region 11, plays a vital role in its influence on NAR policy and decision making. AAR is regarded as an influential voice and partner to the NATIONAL ASSOCIATION OF REALTORS®.

<b>Measurable Objectives</b>	<b>Status</b>
Remain active in all NAR Region 11 activities (Caucus, Nominating Committee, and Strategic Planning Committee).	On-going
Assist in coordinating and attend Region 11 Conference.	Information for 2018 Conference sent to Local AEs.  <b>Officers attended Region 11 Conference April 10-13.</b>  <b>Arizona State Dinner held April 12<sup>th</sup></b>
Assist Arizona's 2019 RVP	<b>On-going.</b>  <b>Currently planning the 2019 Region XI Conference which will be held at the Wigwam Resort in Litchfield Park. Save the date flyers drafted and distributed.</b>



## DUES/FINANCIAL

AAR is an effective member directed, fiscally responsible, non-profit corporation. Annual dues collected by the Arizona Association of REALTORS® are used to ensure its members are the best prepared real estate professionals with the highest standards.

Measurable Objectives	Status
Collect dues from local associations and members-at-large. Conduct monthly dues/membership reconciliations.	<b>Dues collected from 47,352 members through April 31<sup>st</sup></b>
Evaluate annual budget to ensure that dues are properly allocated to AAR's policies, programs and services.	On-going
Prepare, analyze and distribute monthly financials to the Executive Committee for review and to ensure the association's financial goals are being met.	Completed monthly
Continue to proactively research and review options for AAR efficiency.	On-going
Prepare suggested budget adjustments, if necessary, for ExCom consideration.	
Monitor: <ul style="list-style-type: none"> <li>• Capital Reserve fund account balances</li> <li>• Operating and Strategic Initiative Reserve accounts</li> <li>• RAPAC and Issues Mobilization accounts</li> </ul> and ensure adherence to bylaws and investment policy.	Completed monthly.  Meetings with UBS Financial advisor on February 13 <sup>th</sup> and February 20 <sup>th</sup> .  Communications with advisor as needed.
Reconcile all AAR checking accounts monthly (AAR, ARDAF, ARFHCO, PSF, RAPAC, Issues Mob, etc).	Completed monthly.
Establish recommendations for allocation of surplus from previous year's operating budget for ExCom approval.	Completed - Motion for March meeting. <b>Approved March 19<sup>th</sup></b>
Assist with the annual audits (AAR, ARDAF, ARFHCO, RAPAC).	AAR audit began January 23-26 Meeting with auditors held on February 20 <sup>th</sup> . <b>ARDAF, ARFHCO, and RAPAC audits pending.</b>
Prepare and finalize 2019 Operating and Capital budget with the 2019 Executive Committee and Board of Directors.	

## BUILDING

AAR's building is an asset and its equity will be vigilantly monitored.

Measurable Objectives	Status
Address on-going building maintenance needs and report any critical issues to ExCom.	<b>Monument sign replacement pending. Variance approved April 5<sup>th</sup>. Final specs and permitting process underway.</b>

	<p>Noise reduction efforts completed in meeting center.</p> <p>Security camera/lights investigation underway.</p>
Assist property manager in working with tenants to maintain lease agreements.	<p>Arizona Hispanic Chamber lease expires 8/31/2018</p> <p>Southwest Institute lease expires 10/31/18</p>
Conduct thorough review of Arizona REALTORS® building infrastructure and make recommendations for needed improvements in the 2019 Capital Budget.	

### **PERSONNEL/OVERHEAD**

In order to accomplish the Strategic Plan, area business plans deliver member value and work as a collaborative partner with national and local member associations. AAR must have knowledgeable staff that can serve as leaders in the industry.

Measurable Objectives	Status
Analyze personnel/overhead needs based on the Association's business plans.	On-going
Retain a well-trained, capable staff.	On-going
Maintain positive staff response to member needs.	On-going
Develop a staff succession plan.	In-process

### **ARIZONA REALTORS® DISASTER ASSISTANCE FOUNDATION (ARDAF)**

The Foundation is a separate 501(c)(3) corporation. The Foundation provides a fund to collect and distribute tax deductible donations from members and the general public to be used to assist those who have suffered from a personal or natural disaster.

Measurable Objectives	Status
Coordinate annual audit.	<b>Awaiting auditors</b>
Provide in-kind staff time to effectively manage 501(C)(3) per its bylaws.	On-going
Prepare and distribute local association funds and reports.	Reported quarterly – <b>April report completed.</b>

### **ARIZONA REALTORS® FOUNDATION FOR HOUSING AND COMMUNITY OUTREACH (ARFHCO)**

The Foundation is a separate 501(c)(3) corporation. The Foundation provides education opportunities to AAR members as well as an EAH program to state and local association employees.

Measurable Objectives	Status
Coordinate annual audit.	<b>Awaiting auditors</b>
Provide in-kind staff time to effectively manage 501(C)(3) per its bylaws.	On-going

## 2018 PBD Measurable Objective Update

### Program, Product, Service or Activity (PPSA):

#### **Broker University**

This program involves:

- *Broker Summit*
- *Broker Management Clinic classes*
- *Mack In A Minute video series*
- *Broker Brief webinars*
- *Branch Manager resources*

<b>Measurable objectives</b>	
Design and deliver a broker summit that addresses the needs of the diverse brokerage community.	Recommendation pending
Develop, partner and/or provide programs that focus on broker and operational competencies.	
Communicate educational opportunities to brokers with messages that demonstrate the value of the programs to the broker and their agents.	
Student feedback is favorable regarding quality and relevance	On going
Redesign and deliver engaging and practical-based Broker Management Clinics	BMC 2 and 3 held during the AAR convention
Maintain, and update as needed, a Broker University webpage that compiles professional development resources:	Ongoing
Provide opportunities for brokers/managers to stay abreast of issues, trends and AAR activities delivered through timely webinars and videos.	Broker Brief Webinars (une and September)  Contract Conversation videos housed on <a href="http://www.aaronline.com">www.aaronline.com</a>
Explore and engage in opportunities to provide professional development programs or resources to branch managers.	Recommendation pending PBD action
Continue to produce and distribute the Mack In A Minute video series.	On-going. Mack In a Minute videos are sent out via email to brokers/managers the first Monday of every month. Archived videos are housed on

	AARonline.com/Increase-Knowledge
Identify the needs of the diverse brokerages for use in developing professional development programs.	

**Program, Product, Service or Activity (PPSA):**

***rCRMS (Certified Risk Management Specialist)***

This program involves:

- rCRMS Program development, administration, delivery and marketing

<b>Measurable objectives</b>	
Members will have access to rCRMS classes offered in partnership and live streamed at a competitive and affordable price	24classes (live and live-streamed) scheduled to date in partnership with local associations  January Federal Legal Issues – 46 attendees January Essential Skills – 25 attendees February Disclosure – 32 Attendees February Res Contract – 20 Attended March Agency (Remote) – 42 Attended April Disclosure – 17 Attended
Monitor and update curriculum as needed.	On-going
Explore opportunities to incorporate or increase engagement activities into the curriculum.	
Maintain and monitor a cadre of qualified instructors	On-going
Provide an easy to find master calendar and path earn the certification on rCRMS webpage	
Maintain a dedicated instructor page to house course materials.	Done (password protected)
Offer rCRMS certification holders discounted class registration fees.	Registration fee discounted by \$25 for current rCRMS Cert holders

Employ communication strategies to market upcoming courses and program value, including social media and video.	Inventory of instructor invitation videos will be conducted and reviewed by the end of March to identify needed updates
Recognize newly certified members on CRMS webpage, AAR Facebook page and announced to local associations.	Ongoing

**Program, Product, Service or Activity (PPSA):**

**Education Outreach**

This program involves:

1. Delivery, admin and resources for live and live-streamed REBAC classes
2. Live-streamed c/e classes
3. Annual Trends Summit
4. Development of micro-learning segments
5. New agent resource

<b>Measurable objectives</b>	
AAR will engage instructors who have practitioner experience in the topic area and who adapt to learner-centered teaching with preference given to instructors who assist in marketing effort requests.	On-going Three new instructors added to the live streamed cadre
Provide partnership and revenue share opportunities to local associations, brokerages and NARPM who want to offer REBAC and AAR classes.	12 local associations participating in the AAR live streamed courses 3 local associations offering REBAC classes through AAR partnership 3 firms offering AAR c/e classes in through AAR
Live Stream one day of c/e classes with local associations each month.	Courses scheduled, instructors booked January CE class – 150 students February CE Class – 53 Students March CE Class – 51 Students
Collaborate with instructors to identify how to incorporate (or increase) engagement/ activities into the curriculum they teach.	Workshop held to teach Kahoot platform to instructors
Members will have access to education programs offered through AAR at a competitive and affordable price.	Completed 3 hour c/e registration fees set at \$20

	3 hour CRPM registration fee set at \$25 6 hour CRPM course registration fee set at \$79 6-hour REBAC registration fee set at \$59 6 hour rCRMS course registration fee set at \$59 (registration for live streaming set at \$49) 12 hour rCRMS course registration fee set at \$79
AAR will provide local associations with an Education Chairman’s manual and Live Streaming Administrative Guide.	Completed
Deliver an Annual Trends Summit featuring national speakers for changing trends and business practices in the industry.	Target: December
Assist instructors who meet AAR’s criteria, in obtaining approval to teach REBAC classes	New REBAC instructor Mandy Neat
Grow the cadre of well-trained live streaming instructors.	New instructors added to the live streaming cadre for 2018 include: Jesi Wolnik, Jimmy V, Patrick Ritchie, Melinda Eslinger
Engage in opportunities to provide new agent resources/training opportunities.	
Research education needs within the commercial membership segment and identify what AAR’s role should be.	
Explore opportunities to take current content and convert into micro-learning training.	

**Program, Product, Service or Activity (PPSA):**

***Education Development***

This program involves:

- *Resources, reference material and training expenses to stay abreast of education trends and technologies*
- *Course development/updates*
- *Contract Conversation videos*

<b>Measurable objectives</b>	
Maintain and update learning management platform license.	GRI online portal update rollout in May
Monitor and enhance live streaming platform	Upgraded TV monitor for

to continually provide an effective learning experience and adhere to ADRE regulations.	Instructor's view in December
Explore gamification opportunities that can be incorporated into education programs.	Instructor workshop held in March on Kahoot
Staff has access to the necessary curriculum development and delivery resources to develop quality programs	On-going Staff attended Training Magazine conference in February
Explore development of a professionalism certification program or research/license available programs when that is more feasible.	
Produce a minimum of 4 Contract Conversation videos.	Planning stages for a video featuring Jan Leighton and the AAR Land Purchase Contract
Research and evaluate how an immersive learning experience can be incorporated into AAR's programs.	
Explore possibility of developing or making available retirement workshops, videos or resources for members.	NAR's retirement class, "Building Wealth, Representing Investors, and Becoming One Yourself" offered at the Convention

**Program, Product, Service or Activity (PPSA):**

**Instructor Development**

This program involves:

- *Instructor Development programs and opportunities*
- *Attendance at trainer conference*
- *Research and Resources (training/subscriptions) to share, incorporate and monitor presentation trends*
- *Video production*
- *Uniform Instructor Standards*

<b>Measurable objectives</b>	
Provide AAR instructors with opportunities to continually grow their skills and understanding of the needs of the modern learner.	December 2017 webinar: Look Who's Talking - Classroom Management  IDW – January 19 with Len Elder (26 attended)
Provide resources and guidance to new instructors coming into AAR cadre.	Classroom Management webinar planned for Spring

	Gary Nelson and Mandy Neat completed the Bob Pike Trainer Bootcamp in December
Provide training and resources to AAR's instructors who teach AAR's live streaming classes.	
Develop teaching tip/best practice video snippets for GRI classes.	
Monitor emerging trends in instructor skills which can aid instructors in enhancing their skills. (share distribute with PBD and instructors)	ongoing
Develop and provide materials to instructors to promote professionalism at every education opportunity	
Utilize Instructor Standards to guide and strengthen instructor quality and performance.	On-going
Provide one scholarship to the Bob Pike Train the Trainer for one new AAR instructor who could benefit from the program.	Completed – Mandy Neat attended program in January

**Program, Product, Service or Activity (PPSA):**

***Industry Partners Conference***

This program involves:

- Partnership role in planning, presenting and administering the annual Partners Conference

<b>Measurable objectives</b>	
Participate as a partner with AMLA and ASEA, to offer a program designed to help members understand each other's role in the real estate transaction.	September 14, 2018
Positive feedback is received to ensure it meets the needs of our members.	

**Program, Product, Service or Activity (PPSA):**

***Leadership Training & Development***

This program involves:

- Annual Leadership Conference



- LTA program
- The Art of Leadership Webinar series
- Leadership Workshop

<b>Measurable objectives</b>	
Offer an annual conference for incoming leadership and members who wish to become leaders.	
Program feedback received is favorable regarding quality and relevance.	
Offer a leadership development program (LTA) specifically for incoming local association presidents-elect.	LTA dates: April 18-19; May 31-June 1; July 10-11, August 20-21 ___ local associations represented in this year's LTA program
Develop and offer educational events, classes and opportunities to enhance leadership skills.	Storytelling Workshop – January 22, 2018 with Karel Murray -7 attendees)  Art of Leadership 5-Part Webinar Series focusing on Influence – January 17, 24, 31, February 7, 14. (Marketing target: brokers/Managers) (22 registered/4-6 average attendees)

**Program, Product, Service or Activity (PPSA):**

***MRES Society***

This program involves:

- Administration and marketing of MRES program
- New agent training/resources
- Education program for MRES Society members
- Communication efforts emphasizing value of education/learning
- Video production
- Development of learning path resources

<b>Measurable objectives</b>	
Recognize members' lifelong learning commitment through a membership-based program connected to educational accomplishments	MRES Society membership  2018-2019 Term: <b>New:</b> 28 <b>Renewing:</b> 13 <b>Gold:</b> 10
Distribute MRES Society information through eblasts and social media channels	Facebook ad scheduled for January

	Eblast sent to membership in October 2017 and December 2017 (average open rate 22%)
Increase MRES Society membership by 10%.	28 applications received in January
Develop a strategy to create topical learning paths/infographics to assist new agent or members looking to take their career to the next level.	
Produce a minimum of 4 videos featuring members discussing the impact education courses had on their business success. (minimum of 4)	
Provide MRES Society membership information to students in the GRI, rCRMS and CRPM classes (show them the path to the MRES Society membership and how the classes they are taking fit in)	On going
Solicit feedback from MRES members to evaluate membership value	
Explore and implement, if feasible, a lifetime member Platinum level category.	Recommendations pending
Provide MRES Society members with access to a special education program.	

**Program, Product, Service or Activity (PPSA):**

***Property Management Certification***

This program involves:

- Administration, delivery and marketing of CRPM certification program
- Timely Webinars
- Property Management Summit

<b>Measurable objectives</b>	
Members will have access to property management classes and the CRPM certification program at competitive and affordable fees through partnership and live streaming.	24 classes scheduled to date live/live streamed in partnership with local associations and NARPM January PM Bootcamp – 42 attended January How to Evict Tenant c/e class – 71 attended

	February Acc FH/The Anatomy of AAR Lease Agreement (REMOTE) -79 Attended February Legal Hotline Issues – 40 Attended February PM Adv Trust Accting – 50 Attended March PMBC – 34 Attended
Maintain a cadre of qualified instructors who meet the AAR adopted Instructor Standards and bring practical experience to the program	On-going
Receive favorable feedback regarding quality and relevance.	On-going. Favorable feedback received to date
Provide an easy to find master calendar and path earn the certification on CRPM webpage.	Course calendar on AAR website calendar and on the CRPM webpage
Offer timely webinars focusing on property management issues	2018 webinars tentatively scheduled for May, August and November
Offer a summit that addresses property management issues and topics.	
Communicate upcoming classes to members and target area utilizing eblasts, video and social media.	A monthly “Upcoming class” eblast is done monthly in addition to targeted eblasts
Announce and maintain a list of members who earned the CRPM certification.	On-going

**Program, Product, Service or Activity (PPSA):**

***REALTOR Institute: GRI Designation***

This program involves:

- Program administration and maintenance
- Curriculum maintenance and enhancements
- Education course for designees
- Dedicated website enhancements and maintenance
- Marketing collateral and strategies
- Scholarship program

<b>Measurable objectives</b>	
The GRI program is available and accessible to members throughout the state through live and live streamed classes.	Done 54 native GRI classes scheduled to date

Partnerships are utilized to deliver GRI Classes	Partnerships with local associations - 9 local associations are offering GRI classes in 2018 1 firm offering GRI classes in 2018
Provide GRI designees with access to a special education program.	Webinar Summit targeted for mid-summer
Communicate the value of the GRI program through eblasts, video, social media.	Facebook ads scheduled for April/July/October
Maintain and enhance the GRI website as needed	On-going
Evaluate the program annually to ensure it is responsive to the changing industry.	Survey will be sent to GRI candidates in the fall
Student feedback is favorable regarding quality and relevance	On-going. To date, favorable class/instructor feedback received
Survey designees who earned the GRI designation to measure how and what they implemented into their business practice as a result of what they learned in the GRI program	Survey will be sent to GRI graduates in the fall.
Maintain, monitor and grow a cadre of qualified instructors who meet the established GRI instructor criteria, AAR Instructor standards and embrace learner-centered teaching styles.	1 new instructor added to the GRI Instructor Cadre to date.
Provide sufficient resources to update and refresh the Online Business Planning course	
Marketing messages focus on the value/benefits - connection to building a successful career	
Communication to Brokers emphasizes the value of the program brings to their agents' business success and available scholarships	
Provide GRI Administrative Guide to course providers.	Available on the GRI website-Admin portal
Recognize new designees through social media and announcements and provide resources to help them promote their accomplishment.	Ongoing 10 graduates in January 14 graduates in February 3 graduates in March
Provide a financial scholarship program to members.	\$15,000 approved I the 2018 budget 44 scholarships awarded in the 1 <sup>st</sup> quarter 67 scholarships awarded in the 2 <sup>nd</sup> quarter 3 <sup>rd</sup> quarter request period opens on June 7th

Monitor national trends in the GRI programs to keep AAR's GRI program growing and evolving.	On-going
Monitor Student demographics.	

**Program, Product, Service or Activity (PPSA):**

***REALTOR Convention***

This program involves planning, delivery and marketing of annual convention

<b>Measurable objectives</b>	
Offer a statewide conference that addresses the trends and challenges of the current market and provides information on best practices to help members learn how to adapt and succeed as well as networking opportunities.	March 20-22, 2018  Total pre-registered: 446 (includes all registration types)  Total attended: 405
Feature national speakers to provide a broad scope in national business practices, trends and techniques.	Sean Carpenter, Jeff Chalmers, Maurice Hampton, Cheryl Knowlton, Gee Dunsten, Bill Lublin, Brian Copeland, Jaime Casup, Mellisa Zimbleman
Provide retirement type session or workshop during convention	Offered NAR's Building Wealth-Investing class
Utilize a variety of marketing efforts to inform members of the convention and its value	Facebook ad in February, eblasts, video invitations from speakers drip campaign General membership eblast in January and February, targeted eblasts to GRI candidates, new members, past convention attendees and Valley members. Convention flyer sent to local associations encouraging their help in promoting to their members
Positive feedback is received.	
Explore and evaluate areas/locations for convention in 2019	Done - Scottsdale

**Program, Product, Service or Activity (PPSA):**

**Support & Resources**

This program includes support programs including:

- Printing, copying and postage
- Committee, workgroup and task force support
- Reteach.us platform maintenance and enhancements
- Registration platform maintenance and enhancements
- Resources, tools, subscriptions and license fees for programs support activities
- Promotion and marketing efforts
- Video commercial production
- Program registration fee ETF expenses
- Conferences/training events

<b>Measurable objectives</b>	
Appropriate groups are formed and kept updated throughout the year.	On-going
Provide the necessary equipment, supplies, subscriptions, licenses and tools to implement the business plans, host/house online program and registration functions	On-going
Production and editing of video commercials emphasizing the value of lifelong learning.	
Participate in local association and firm events, where available to promote AAR's educational programs and resources	AAR table at Coldwell Banker's March event. Plans for AAR table at Coldwell Banker's June event
Review program messages and enhance where needed to connect message to business success.	Ongoing
Develop easy to follow paths to earn the rCRMS, CRPM and GRI using infographic format.	
Develop and distribute printed collateral at AAR and/or local events.	On-going
Work through appropriate committees to influence ADRE to permit C/E Credit for business-skill related topics	
Promote the use of the Reteach.us site.	On-going. Information included in class materials and in student communications

Employ technologies and resources to create and retain a state of the art learning environment available to members.	On-going
Staff attends AAR, NAR and-Education-related conferences/forums.	Training Magazine Conference – February Digital Marketing Conference – February Social Media Marketing World virtual Conference

## AAR Business Services & Technology 2018 Business Plan

**From:** Business Services and Technology  
**Chair:** Carlos Ramos  
**Staff Liaison:** Nick Catanesi  
**Meeting Date:** June 6, 2018

**REALTOR® - The best prepared real estate professional with the highest standards.**

The following are programs, products, services and activities (PPSA's) with Business Services and Technology oversight.

### **BUSINESS SERVICES**

AAR provides technology tools other than forms delivery as a member benefit only if AAR is in a unique position to provide the tool, or the tool create value statewide, or if the tool advances the real estate industry and the AAR vision. AAR explores, identifies and recruits members who are technologically adept to enhance the goals of the committee. (Strategic Objectives 5.B and 5.F)

**Brief description of how the PPSA contributes to achieving AAR's vision:** AAR's Business Services provide tangible products members use every day in increasing their professionalism and providing a higher quality of service to consumers.

**Importance of PPSA to the critical-to-serve customer:** Business Services enhances member's professionalism and prepares them to better serve tomorrow's consumers.

#### **Strategic Focus Points:**

Measurable Objectives	Status
Negotiate discounts for products and services that benefit members and consistently market those offerings.	Discounts on products and services in the Tech Marketplace as well as member benefits.
Market for member awareness and increased use	Marketing via the Voice at least once/month.
Pursue partnership and collaboration opportunities to the members how to use business technologies.	Pending
Research and inform members on how to choose the right technologies for business through channels of communication.	Tech Marketplace provides members the options for the technologies that make sense for their individual needs.
Create a mechanism for consistent member generated content regarding technology related issues and practices.	Pending

#### **Tech Helpline®**

AAR provides technology tools, other than forms delivery, as a member benefit only if: AAR is in a unique position to provide the tool; the tool creates value statewide; or the tool advances the real estate industry and the AAR vision. AAR investigates and provides information on member or staff recommended products and services that increase efficiency, profitability and digital security of member business operations. AAR negotiates discounts for products and services that benefit members. (Strategic Objectives 5.B, 5.C and 5.D)

**Brief description of how the PPSA contributes to achieving AAR's vision:** Provides members with a source to minimize computer and device issues with a trusted REALTOR® friendly resource.



**Importance of PPSA to the critical-to-serve customer:** Provides members with an inexpensive resource for computer and device technical assistance as a benefit.

**Strategic Focus Points:**

Measurable Objectives	Status
Usage statistics are compiled and shared monthly.	Statistics are shared monthly with the Communications Workgroup and the BS&T Committee
Market for member awareness and increased use	Internally promoted by the Voice email and externally through Tech Helpline monthly mailing
Pursue partnership and collaboration opportunities to the members how to use business technologies.	Internally promoted by the Voice email and externally through Tech Helpline monthly mailing
Maintain positive member responses	All feedback from membership has been positive

**zipForm®**

AAR controls and provides the delivery of AAR’s forms to the members as a member benefit. AAR negotiates discounts for products and services that benefit members. (Strategic Objectives 5.A and 5.D)

**Brief description of how the PPSA contributes to achieving AAR’s vision:** zipForm® controls the delivery of AAR’s forms and provides the delivery of AAR’s forms to the members as a member benefit. zipForm® Plus is provided to members as a benefit from NAR while zipForm® Standard and Mobile are provided as benefits from AAR.

**Importance of PPSA to the critical-to-serve customer:** zipForm® controls risk and enhances member’s professionalism, preparing them to better serve tomorrow’s consumers.

**Strategic Focus Points:**

Measurable Objectives	Status
Usage statistics are compiled and shared monthly.	Statistics are shared monthly with the Communications Workgroup and the BS&T Committee
Conduct trainings on a monthly/bi-weekly basis	Ongoing
Pursue partnership and collaboration opportunities to the members how to use business technologies.	Ongoing
Maintain positive member responses	Feedback from membership is generally positive

**AAR eSign**

AAR provides technology tools, other than forms delivery, as a member benefit only if: AAR is in a unique position to provide the tool; the tool creates value statewide; or the tool advances the real estate industry and the AAR vision. AAR investigates and provides information on member or staff recommended products and services that increase efficiency, profitability and digital security of member business operations. AAR negotiates discounts for products and services that benefit members. (Strategic Objective 5.B, 5.C and 5.D)

**Brief description of how the PPSA contributes to achieving AAR’s vision:** AAR eSign provides members with a technology tool through AAR’s unique position to provide the tool. AAR eSign creates value statewide and advances the real estate industry.

**Importance of PPSA to the critical-to-serve customer:** AAR eSign controls risk and enhances member’s professionalism, preparing them to better serve tomorrow’s consumers.

**Strategic Focus Points:**

Measurable Objectives	Status
Usage statistics are compiled and shared monthly.	Statistics are shared monthly with the Communications Workgroup and the BS&T Committee
Conduct trainings on a monthly/bi-weekly basis	Ongoing
Pursue partnership and collaboration opportunities to the members how to use business technologies.	Ongoing
Maintain positive member responses	Feedback from membership is generally positive

**AAR Single Sign-On**

AAR provides technology tools, other than forms delivery, as a member benefit only if: AAR is in a unique position to provide the tool; the tool creates value statewide; or the tool advances the real estate industry and the AAR vision. AAR investigates and provides information on member or staff recommended products and services that increase efficiency, profitability and digital security of member business operations. AAR negotiates discounts for products and services that benefit members. (Strategic Objectives 5.B, 5.C and 5.D)

**Brief description of how the PPSA contributes to achieving AAR’s vision:** AAR Single Sign-On provides members with a technology tool through AAR’s unique position to provide the tool. AAR eSign creates value statewide and advances the real estate industry.

**Importance of PPSA to the critical-to-serve customer:** AAR Single Sign-On controls risk and enhances member’s professionalism, preparing them to better serve tomorrow’s consumers.

**Strategic Focus Points:**

Measurable Objectives	Status
Usage statistics are compiled and shared monthly.	Enrollment statistics are compiled and shared on a weekly basis.
Conduct trainings on a monthly/bi-weekly basis	Training has been implemented within the zipForm®/AAR eSign training sessions.
Pursue partnership and collaboration opportunities to the members how to use business technologies.	Pursuing partnerships with third party providers, brokers, and all AZ MLSs.
Maintain positive member responses	Member response has been overwhelmingly positive.

# **SOFTWARE DEVELOPMENT**

AAR will develop and monitor software that will help AAR maintain data to better understand member needs, communicate more effectively with members and maximize adoption of AAR programs and services.

**Brief description of how the PPSA contributes to achieving AAR’s vision:** AAR’s Business Services provide tangible products members use every day in increasing their professionalism and providing a higher quality of service to consumers.

**Importance of PPSA to the critical-to-serve customer:** Applications provided by AAR allow members to work effectively and efficiently.

## **Strategic Focus Points:**

<b>Measurable Objectives</b>	<b>Status</b>
Develop and maintain data and access to data for AAR purposes.	APIs have been built for AARonline.com and vendors. Further “Search A REALTOR®” functionality is being investigated.

## **Enhanced Member Profile**

AAR develops and maintains data, beginning with an enhanced member profile, to better understand member needs, communicate more effectively with members and maximize adoption of AAR programs and services (SP: 5.E).

**Brief description of how the PPSA contributes to achieving AAR’s vision:** The Enhanced Member Profile provides the tools to communicate the right message to the right people in methods that reach out, inform and engage the membership.

**Importance of PPSA to the critical-to-serve customer:** The Enhanced Member Profile is a necessary tool to provide information on members to effectively communicate and coordinate information.

## **Strategic Focus Points:**

<b>Measurable Objectives</b>	<b>Status</b>
Provide data analytics of AAROnline.com members logged-in.	Data on members is continually being collected via VOICE and educational emails
Develop “Enhanced Member Profile” through RAMCO AMS.	Ongoing
Maintain RAMCO as the data warehouse for the Enhanced Member Profile	Enhanced data set has been obtained through TargetSmart data feed.

## **IT RESOURCES AND SECURITY MANAGEMENT**

AAR will develop and monitor software that will help members' access to AAR's forms as a member benefit (SP: 5.A) and maintain data to better understand member needs, communicate more effectively with members and maximize adoption of AAR programs and services (SP: 5.E).

**Brief description of how the PPSA contributes to achieving AAR's vision:** This program contains basic support items for the network and communications infrastructure of the association.

**Importance of PPSA to the critical-to-serve customer:** This is an "enabling" program that provides for development and delivery of essential customer benefits.

### **Strategic Focus Points:**

<b>Measurable Objectives</b>	<b>Status</b>
Data and voice systems uptime is better than 99%, excluding planned maintenance periods	Meeting objectives
Security exploits conducted against AAR receive urgent attention and appropriate measure taken to prevent reoccurrence	Meeting objectives
Build an effective disaster recovery infrastructure to allow immediate phone and email recovery	Meeting objectives for email, phone system pending moving of server to colocation

### **Phone**

AAR's Information Technology resources will ensure that phone communications are secure and reliable, allowing AAR to communicate more effectively with members (SP: 5.E).

**Brief description of how the PPSA contributes to achieving AAR's vision:** The phone system is an integral part necessary to communicate with members. The system is essential to each area of AAR, providing a direct link to/from members, ensuring AAR's ability to fulfilling its vision.

**Importance of PPSA to the critical-to-serve customer:** The phone system is a necessary tool to provide members with a channel to effectively communicate and coordinate information.

### **Strategic Focus Points:**

<b>Measurable Objectives</b>	<b>Status</b>
Enhance disaster recovery infrastructure to maintain phone system in event of local physical failure	Pending moving of server to colocation
Maintain a secure and reliable phone system	Meeting objectives
Troubleshoot problems in a quick and efficient manner.	Meeting objectives

### **Network**

AAR's Information Technology resources will ensure that the network infrastructure is secure and reliable, allowing AAR to communicate more effectively with members and each other (SP: 5.E).

**Brief description of how the PPSA contributes to achieving AAR's vision:** Provide resources which support the entire network and infrastructure of the association. A major part of this is securing AAR's networks against unauthorized access, physical damage/failure and providing for restoring the infrastructure in the event of a major disaster. Components of this program include AAR's Internet connections, data backup and restoration, maintenance of Internet firewalls and switches, support for our membership system, and consulting fees for technology and security issues.

**Importance of PPSA to the critical-to-serve customer:** This program provides resources that enable nearly all programs within AAR.

**Strategic Focus Points:**

<b>Measurable Objectives</b>	<b>Status</b>
Establish disaster recovery infrastructure in event of local physical failure	Ongoing; moved email and Abacus to cloud successfully.
Maintain the network to ensure it remains secure and reliable	Meeting objectives
Conduct vulnerability study and remediation by June 2018	Pending

## **BUSINESS SERVICES AND TECHNOLOGY SUPPORT**

AAR's Business Services and Technology area will provide top notch technical and customer support to its members.

**Brief description of how the PPSA contributes to achieving AAR's vision:** This program contains basic support items for other programs within this committee, as well as programs in other areas. Included are things such as copying, postage, subscriptions and supplies. It supports the vision indirectly by providing resources critical to accomplishing the goals of other programs, products, services, and activities. Specialized training/continuing education of staff and travel of staff to meetings and conferences are included in this budget.

**Importance of PPSA to the critical-to-serve customer:** This is an "enabling" program that provides for development and delivery of essential customer benefits.

**Strategic Focus Points:**

<b>Measurable Objectives</b>	<b>Status</b>
Staff and committee leadership review use of resources via monthly financials	Meeting objectives
At year-end, income and expense for this committee's overall budget are within 10%	Meeting objectives

## MEMBER COMMUNICATIONS

AAR creates and maintains a consistent, coordinated system of communication management for all areas of the association. Efforts in this area include investigating and implementing communication methods to increase the effectiveness of AAR's efforts to inform, engage and reach out to the membership.

### Strategic Focus Points:

<b>Measurable Objectives</b>	<b>Status</b>
Disseminate pertinent, relevant and timely industry and association information, (i.e.; social networks, website, video, newsletters, etc.).	Meeting objectives through VOICE, Facebook, Youtube, and educational emails
Create and update Communications and Public Relations plans for the organization based on members' interests and the coordinated efforts with area managers, local associations, and the Executive Committee by January 2019.	Pending
Customize website content for individual users based on user-selected topics and actual use of the site.	Meeting objectives
Print and digital collateral adheres to the AAR brand and is member centric and speaks to AAR's value proposition.	Meeting objectives
Communication statistics are compiled and shared monthly.	Statistics are shared monthly with the Communications Workgroup and the BS&T Committee
Organize information on the website for easy search and access by members.	Ongoing: pending enhanced "Find A REALTOR®" results
Implement a system to determine the preferred communications methods of our members and communicate with our members via segmented content by May 2018.	Pending: working with ClickDimensions to develop subscription list for member feedback on communication preferences
Provide a consistent voice at AAR which will speak to advocacy efforts with a focus on consumer outreach and education to the public and members by making at least two posts to HomeOwnershipMatters.com/Arizona in 2018.	Pending
Solicit community outreach efforts conducted by REALTOR® members and recognize them through an annual award.	Pending
Promote the value and the "why" of the REALTOR® brand to our members by conducting a statewide consumer-directed event in 2018.	Working with web consultant on creating member created flyers from established content which promotes the REALTOR® brand.
Social media channels are managed and monitored to ensure a steady rise in engagement and alternate sources for members to receive information.	Meeting objectives
Develop a system to foster discussions with member association for the purpose of delivering timely and relevant content by April 2018.	Pending
Engage in regular outreach to members to elicit discussions by posing monthly questions on social media.	Pending
Meet or exceed real estate industry email open and click-through rates with The Voice.	Meeting objectives
Conduct member and consumer research as needed to provide information to decision makers by fielding at least two email surveys in 2018.	Pending
Communicate the value and success of REALTOR® associations throughout the state by placing at least ten mentions in print or broadcast media in 2018.	On track to meeting objectives

**AAR Risk Management Committee  
2018 Business Plan**

**FROM:** Risk Management Committee (RMC)  
**Chairman:** Beth Adams  
**Vice Chairman:** Lisa Paffrath  
**RMC Liaison:** Scott M. Drucker  
**DATE:** June 6, 2018

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The following are programs, products, services and activities (PPSA's) with Risk Management Committee oversight.

**CURRENT TOP PRIORITIES**

- **Continue Grievance Committee and Professional Standards support**
  - Maintain and enhance Ethics hearing and Arbitration hearing process
  - Quarterly Professional Standards Newsletter – 3/16/18
- **Enhance dispute resolution services**
  - Administer the Buyer/Seller Dispute Resolution Program
  - Administer the Mediation and Ombudsman Programs
  - Professional Standards Workshop - 2/7/18
  - Professional Standards Mediator and Ombudsman training - 10/25/17
- **Forms**
  - Revise Buyer Contingency Addendum
  - Revise Commercial Real Estate Purchase Contract
- **Legal Hotline Support**
  - Continue promotion efforts
- **Regulatory Issues**
  - Continue to work with ADRE
  - ADRE Advisory Board meetings - met on 4/25/18
  - ADRE TRID Partner's meetings – met on 3/28/18
- **Risk management education and information**
  - AZ REALTOR® Voice articles
  - AAR website articles and blogs
  - Scams & Frauds, Short Sales
  - Arizona Broker/Manager Quarterly – 2/28/18
  - Update Advisories – Revised Buyer Advisory – 2/18

**RECOMMENDATIONS**

None

**GROUPS CURRENTLY FORMED**

- **Buyer Contingency Addendum Workgroup**
- **Commercial Real Estate Purchase Contract Workgroup**

## PROFESSIONAL STANDARDS

**Professional Standards Administration** is the processing of ethics complaints and arbitration requests.

This program involves:

- **Grievance Committee (GVC):** Process complaints/monthly meetings
- **Professional Standards Committee (PSC):** Schedule and staff hearings
- **Professional Standards Policy and Training Workgroup:** Reviews policies and implements training
- **Mediation Program**
- **Ombudsman Program**

### Measurable Goals:

Measurable objectives	Status
<ul style="list-style-type: none"> <li>• GVC: Prompt review of complaints</li> </ul>	<b>1<sup>st</sup> Quarter 2018 Filings</b> <b>Ethics = 30</b> <b>Arbitration = 3</b>
<ul style="list-style-type: none"> <li>• PSC: Complete ethics cases promptly</li> </ul>	<b>1<sup>st</sup> Quarter 2018 Ethics Hearings</b> <b>Held = 3</b>
<ul style="list-style-type: none"> <li>• PSC: Complete arbitrations promptly</li> </ul>	<b>1<sup>st</sup> Quarter 2018 Arbitrations</b> <b>Held = 2</b>
<ul style="list-style-type: none"> <li>• Update PS policy adaptations as necessary</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>• Reinforce, on a continuing basis, AAR PS benefits and results</li> </ul>	<b>On-Going</b>

**Mediation Program** This program involves facilitating mediations to resolve ethics complaints and arbitration requests.

### Measurable Goals:

Measurable objectives	Status
<ul style="list-style-type: none"> <li>• Facilitate mediation requests on a timely basis</li> </ul>	<b>1<sup>st</sup> Quarter 2018 Mediations</b> <b>Requested = 17</b> <b>Held = 9</b> <b>Successful = 4</b>
<ul style="list-style-type: none"> <li>• Receive positive feedback from mediation evaluations</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>• Maintain list of qualified mediators</li> </ul>	<b>19 mediators for 1<sup>st</sup> Quarter 2018</b>
<ul style="list-style-type: none"> <li>• Update mediation policies and procedures as necessary</li> </ul>	<b>On-Going</b>

**Ombudsman Program** This program involves taking complaint calls/emails and facilitating Ombudsman contact to attempt resolution.

### Measurable Goals:

Measurable objectives	Status
<ul style="list-style-type: none"> <li>• Facilitate ombudsman requests on a timely basis</li> </ul>	<b>1<sup>st</sup> Quarter 2018 Ombudsman</b> <b>requests</b> <b>Filed = 12</b> <b>Out of Scope = 0</b> <b>Unsuccessful = 1</b> <b>Successful = 11</b>
<ul style="list-style-type: none"> <li>• Receive positive feedback from ombudsman evaluations</li> </ul>	<b>On-Going</b>



<ul style="list-style-type: none"> <li>Maintain list of qualified ombudsmen</li> </ul>	<b>15 Ombudsman for 1<sup>st</sup> Quarter 2018</b>
<ul style="list-style-type: none"> <li>Update PS policy adaptations as necessary</li> </ul>	<b>On-Going</b>

**Professional Standards, Mediation, and Ombudsman Education and Training**

This program includes training for members of Grievance and Professional Standards Committees and AAR Mediators and Ombudsmen.

**Measurable Goals:**

<b>Measurable objectives</b>	<b>Status</b>
<ul style="list-style-type: none"> <li>Offer PS Training for GVC and PS Committee</li> </ul>	<b>Professional Standards Workshop held on February 7, 2018</b>
<ul style="list-style-type: none"> <li>PS Policy &amp; Training Workgroup meeting</li> </ul>	<b>Held when needed</b>
<ul style="list-style-type: none"> <li>Offer Mediator training</li> </ul>	<b>October 25, 2017</b>
<ul style="list-style-type: none"> <li>Offer Ombudsman training</li> </ul>	<b>October 25, 2017</b>
<ul style="list-style-type: none"> <li>Offer hearing panel chair training</li> </ul>	<b>April 18, 2018</b>
<ul style="list-style-type: none"> <li>Publish PS, Mediation and Ombudsman information</li> </ul>	<b>Quarterly Newsletter sent March 16, 2018</b>
<ul style="list-style-type: none"> <li>PS outreach to members</li> </ul>	<b>On-Going</b>

**Buyer-Seller Dispute Resolution** This program provides alternative dispute resolution options (mediation or arbitration) for buyers and sellers to resolve disputes or claims arising out of the AAR purchase contract.

**Measurable Goals:**

<b>Measurable objectives</b>	<b>Status</b>
<ul style="list-style-type: none"> <li>Offer an effective Buyer-Seller Dispute Resolution program</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>Recruit effective Buyer-Seller Dispute Resolution providers</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>Ensure compliance of Buyer-Seller Dispute providers with program’s directives</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>Receive positive feedback from Buyer-Seller Dispute Resolution program evaluations</li> </ul>	<b>On-Going</b>

**RISK MANAGEMENT**

**Forms Development** This program involves:

**Creation of workgroups**

**Drafting** - Draft new forms as needed and revise current forms

**Education** - Forms information updates on website, emails and other communication vehicles

**Measurable Goals:**

<b>Measurable objectives</b>	<b>Status</b>
<ul style="list-style-type: none"> <li>Workgroups formed as necessary</li> </ul>	<ul style="list-style-type: none"> <li><b>Buyer Contingency Addendum Workgroup</b></li> <li><b>Commercial Purchase Contract Workgroup</b></li> </ul>
<ul style="list-style-type: none"> <li>Protect our forms copyright</li> </ul>	<b>On-Going</b> <ul style="list-style-type: none"> <li><b>Lawsuit filed 3/2/18</b></li> </ul>

<ul style="list-style-type: none"> <li>Forms drafted or revised for introduction in February and June 2018</li> </ul>	<ul style="list-style-type: none"> <li><b>Residential Lease Owner's Property Disclosure Statement 2/18</b></li> <li><b>Additional Clause Addendum 2/18</b></li> <li><b>On-Site Wastewater Treatment Facility Addendum 6/18</b></li> </ul>
<ul style="list-style-type: none"> <li>Deliver timely forms information/education</li> </ul>	<ul style="list-style-type: none"> <li><b>Post articles on aaronline.com, AAR Blog and The Voice</b></li> <li><b>Maintain Short Sale webpage</b></li> <li><b>Maintain Scams and Frauds webpage</b></li> </ul>
<ul style="list-style-type: none"> <li>Promote and update the educational tool kit for teams and brokers on best practices and guidelines for management of teams</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>Promote and update a webpage that includes safety education, incident recordation and contemporaneous incident notification via a REALTOR® text alert system (ASAP)</li> </ul>	<b>On-Going</b>

**Legal Hotline** This program allows designated brokers/managers to call in to the Hotline attorneys for answers to real estate-related legal questions, and includes:

- Program maintenance and monitoring
- Review of letters of opinion/articles for publication

**Measurable Goals:**

<b>Measurable objectives</b>	<b>Status</b>
<ul style="list-style-type: none"> <li>Promote Hotline usage</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>Hotline to prepare ten Q&amp;As on current issues/current "hot topics" six times per year for the Arizona REALTOR® Voice and AAR website</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>Hotline to maintain statistics on number and types of calls in cooperation with AAR staff</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>Hotline attorney to attend AAR Risk Management Committee or Workgroup meetings as requested</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>Hotline attorney to review new or revised AAR forms and notify AAR of any legal concerns or recommendations</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>Hotline attorney to consult with AAR General Counsel on legal issues as requested</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>Evaluate Hotline program by surveying members</li> </ul>	<b>To be performed in 2018</b>
<ul style="list-style-type: none"> <li>Form Hotline Workgroup to evaluate program</li> </ul>	<b>To be performed in 2018</b>

**Industry Issues** This program involves addressing current industry issues.

**Measurable Goals:**

Measurable objectives	Status
<ul style="list-style-type: none"> <li>Maintain claims statistics to identify liability trends</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>Foster alliances with defense attorneys and E&amp;O carriers and mediators</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>As of 2018, monitor marijuana legal conflicts, solar, marketing service agreements, and comfort animals - Keep members informed as these issues evolve</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>Educate agents on potential ethical and legal liabilities associated with off-market listings</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>Share with agents the dangers posed by social media</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>Increase promotion and education of federal regulatory changes and enforcement; respond to changes and monitor</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>Monitor cyber-fraud and cyber-security issues and keep members informed of risks, as well as policies and procedures members can implement to mitigate those risks</li> </ul>	<b>On-Going</b> <ul style="list-style-type: none"> <li>- <b>Cyber Security Task Force formed</b></li> <li>- <b>Wire Fraud Advisory drafted and released</b></li> <li>- <b>Cyber Security Broker Policies and Procedures drafted and released</b></li> <li>- <b>A flyer on steps to take if a victim of wire transfer fraud drafted and released</b></li> </ul>
<ul style="list-style-type: none"> <li>Monitor the Americans with Disabilities Act website accessibility issues and keep members informed as the issue evolves</li> </ul>	<b>On-Going</b>
<ul style="list-style-type: none"> <li>Collaborate with local associations, regional vice presidents and multiple listing services to identify risk management needs for members, associations and regions</li> </ul>	<b>On-Going</b> <ul style="list-style-type: none"> <li>- <b>Events held on March 30, 2017 and July 6, 2017</b></li> <li>- <b>RVPs contacted on February 8, 2018</b></li> </ul>

**Legal & Industry Publications** This program includes:

- Risk Management articles for AAR publications, ASREB Journal and other publications
- Articles on emerging legal issues for AAR publications, ASREB Journal and other publications
- *Arizona Real Estate: A Professional's Guide to Law and Practice*
- AZ Broker/Manager Quarterly
- Buyer Advisory
- Short Sale Seller Advisory
- Lease Owner's Advisory
- Tenant Advisory
- Legal information and risk management information on website (Short Sales blog, Scams & Frauds webpage)
- Spanish translations
- Risk Management brochures

**Measurable Goals:**

Measurable objectives	Status
<ul style="list-style-type: none"> <li>Distribution of time sensitive legal and risk management information and articles</li> </ul>	<p><b>Articles recently published on:</b></p> <ul style="list-style-type: none"> <li>- <b>Procuring Cause; Commission Shouldn't be an Uncomfortable Discussion</b></li> <li>- <b>The Evolution of Seller Concessions</b></li> <li>- <b>Risks of Self-Showing Lockboxes</b></li> <li>- <b>Oppose HB 2507</b></li> <li>- <b>Does the FHA Apply to a Member of the LGBT Community?</b></li> <li>- <b>Fixing and Flipping by REALTORS®</b></li> <li>-</li> </ul>
<ul style="list-style-type: none"> <li>Deliver Arizona Broker/Manager Quarterly</li> </ul>	<p><b>On-Going</b></p>
<ul style="list-style-type: none"> <li>Maintain advisories as necessary: Buyer Advisory, Short Sale Seller Advisory, Lease Owners Advisory, Tenant Advisory</li> </ul>	<p><b>On-Going</b></p>
<ul style="list-style-type: none"> <li>Maintain and update legal, risk management, fair housing, and international real estate content on AAR's website and in publications, as necessary</li> </ul>	<p><b>On-Going</b></p>
<ul style="list-style-type: none"> <li>Promote and continue to develop resources that assist brokers in operating a brokerage that is of value to the public, agents, and the real estate industry (i.e. risk management, legal hotline, etc.)</li> </ul>	<p><b>On-Going</b></p>
<ul style="list-style-type: none"> <li>Direct agents to their brokers</li> </ul>	<p><b>On-Going</b></p>
<ul style="list-style-type: none"> <li>Direct members to AARonline.com for relevant risk management resources</li> </ul>	<p><b>On-Going</b></p>

**Legal and Legislative Outreach and Education** This program includes:

- Speaking/teaching at local associations and member firms on legal issues and new legislation
- Program participant in legal components of Winter Conference, Broker University, Partners Conference, Leadership Conference, educational outreach and other association programs

**Measurable Goals:**

Measurable objectives	Status
<ul style="list-style-type: none"> <li>Participation in legal and legislative programs</li> </ul>	<p><b>On-Going</b></p>

**Legislative Support** This program includes:

- Provide input on industry issues
- Assist AAR lobbyist in drafting legislation
- Promote laws that reduce member liability
- Testify at the legislature as needed on legislative issues
- Inform members of legislative issues and changes in conjunction with the Legislative and Political Affairs Committee

**Measurable Goals:**

Measurable objectives	Status
<ul style="list-style-type: none"> <li>• Successful outcome in legislation supported and successful defeat of legislation opposed</li> </ul>	<p><b>Advise on legislation pertaining to:</b></p> <ul style="list-style-type: none"> <li>- Sign ordinances</li> <li>- The sale of new mobile/manufactured homes by real estate licensees</li> <li>- Sober living facilities</li> <li>- The use of mandatory eviction action forms</li> <li>- HOA licensing and related HOA issues</li> <li>- Awarding attorneys' fees in construction defect cases</li> </ul>
<ul style="list-style-type: none"> <li>• Promote laws (legislative and case law), regulations, and standards of practice that reduce member liability</li> </ul>	<p><b>On-Going</b></p>

**REGULATORY ISSUES** This plan includes:

- Communicate with ADRE and other administrative agencies such as ADEQ, ADWR, DFI, and BTR on regulatory issues
- Review and make recommendations on proposed administrative rules or policy changes
- Serve on ADRE or other state agency committees, when available and appropriate
- Assist AAR CEO and lobbyist in drafting and testifying on proposed rules

**Measurable Goals:**

Measurable objectives	Status
<ul style="list-style-type: none"> <li>• Negotiation of reasonable regulatory rules and policies that are acceptable to AAR members and do not hinder their success</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Appointed to assist ADRE in drafting Substantive Policy Statement on Teams</b></li> </ul>
<ul style="list-style-type: none"> <li>• Maintain contact with ADRE Advisory Board</li> </ul>	<p><b>Met on April 25, 2018</b></p>

**General Programs**

**Support:** This program includes support programs including:

- Continuing education
- State and County Bar dues
- Resource subscriptions
- Staff attendance at legal, legislative and industry meetings
- Copying and postage

**Measurable Goals:**

Measurable objectives	Status
<ul style="list-style-type: none"> <li>• All tasks assigned by the Committee are completed, updates and information provided to members after Professional Standards, continuing legal education class or industry meetings. General printing/postage/supply funds provide the tools to accomplish the area's PPSAs</li> </ul>	<p><b>On-Going</b></p>

## Related Activities without Direct Committee Oversight

### Legal Counsel

- Provide guidance to leadership and CEO on association legal concerns
- Review and advise on building/tenant issues and related contracts
- Review and advise on affinity agreements
- Prepare memoranda on legal issues as they arise
- Provide limited advice and guidance to local associations
- Respond to member inquiries as appropriate

### **Measurable Goals:**

<b>Measurable objectives</b>	<b>Status</b>
<ul style="list-style-type: none"><li>• CEO, state leadership, committees, and local association executives are informed on legal issues and questions satisfactorily answered.</li></ul>	<b>On-Going</b>

### Litigation Support Related activities without direct committee oversight:

- Draft Amicus Briefs and monitor litigation and potential litigation or disputes in which AAR has an interest
- Legal research and evaluation of claims or issues
- Preparation of pleadings, memos and correspondence relating to claims or issues
- Coordinate with outside counsel in the representation of AAR on any claims or issues

### **Measurable Goals:**

<b>Measurable objectives</b>	<b>Status</b>
<ul style="list-style-type: none"><li>• Successful outcome in litigation and dispute resolution.</li></ul>	<b>On-Going</b> - <b>Copyright infringement lawsuit filed by AAR on March 2, 2018</b>

**AAR LEGISLATIVE AND POLITICAL AFFAIRS**  
**2018 Business Plan**

**Committee:** Legislative and Political Affairs  
**Chair:** Kent Simpson  
**Staff Liaison:** Nicole LaSlavic  
**DATE:** June 2018

**REALTOR®... the best prepared real estate professional with the highest standards.**

The following are programs, products, services and activities (PPSA's) with Legislative and Political Affairs oversight.

**CURRENT TOP PRIORITIES**

- Achievement of the 2018 Legislative Policies
- Achievement of the 2018 REALTOR® Party Goals
- Service tax ballot measure

**RECOMMENDATIONS**

**GROUPS FORMED**

**Federal Liaison Support**

AAR proactively advocates and protects private property rights and real property ownership. AAR advocates and capitalizes on the REALTOR® Party. AAR leverages and maintains influential relationships.

**Strategic Focus Points:** Indicate which focus point is addressed by the PPSA.

- 1. AAR is a professional REALTOR® association that functions within a fluid operational structure and responsive governance model to accomplish its purpose and vision.
- 2. AAR is the most powerful and influential political force in Arizona.
- 3. AAR provides members unsurpassed risk management tools.
- 4. AAR sets the standard in quality and meaningful professional development that positions the REALTOR® member to succeed, and delivered to members in their moment of need.
- 5. AAR supports the success of REALTOR® members with business services.
- 6. AAR communicates the right message to the right people at the right time in methods that listen, reach out, inform, connect and engage with the membership and local associations.

<b>Measurable Objective</b>	<b>Target Date</b>	<b>Status</b>
Communicate quarterly with NAR political staff and FPC's on federal issues and the positions taken by each Arizona Member of Congress to enhance our FPC efforts while at Washington, D.C. meetings and throughout the year	Quarterly	<b>Weekly communication occurs between VPGA and NAR Arizona Legislative Liaison.</b>
Register all FPCs with NAR's REALTOR® Action Center	1/18	<b>Completed in 2017. Will occur again post elections.</b>

Oversee the FPCs quality contact with their representative or their staff within D.C. or Arizona, ensuring attendance at required meetings, training sessions and fundraisers	Quarterly	<b>Ongoing.</b>
Ensure FPCs attend required Mid-Year meetings	5/18	<b>Scheduling in the process for Mid-Year.</b>
Ensure compliance that all FPCs attend required NAR training session on their roles and responsibilities	2/19	<b>FPCs will meet with their MOC or MOC staff at Mid-Year.</b>
Oversee that each FPC team will hold one meeting locally or attend a fundraiser with their congressman/senator or their staff during the year	12/18	<b>Ongoing.</b>
Maintain strong communication with Congressional staff through ongoing contacts on issues important to Arizona	12/18	<b>As needed.</b>
Attendance at meetings with Members of Congress during the NAR Mid-Year Hill Visits is by invitation only	5/18	<b>Invitations sent to AE's for them to identify who will fill their allocated spots.</b>
Ensure compliance that FPCs meet any NAR requirements	12/18	

**Recommendations:**

- Continue basically as-is**
- Continue with the following modifications**
- Discontinue**

**Fundraising/Grassroots Support**

AAR proactively advocates and protects private property rights and real property ownership. AAR articulates NAR's and/or AAR's legislative/political successes to members with emphasis on how it affects their day-to-day business. AAR advocates and capitalizes on the REALTOR® Party. AAR provides resources to members to help them understand the value of RAPAC and educates and encourages members to share the value of RAPAC. AAR leverages and maintains influential relationships. AAR serves as a resource for local associations to take advantage of REALTOR® Party opportunities. AAR strives to achieve NAR RPAC fundraising goals and Calls for Action participation rates.

**Strategic Focus Points:** Indicate which focus point is addressed by the PPSA.

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<b>Measurable Objective</b>	<b>Target Date</b>	<b>Status</b>
Finalize the political activities fundraising plan by December 31st by the previous plan year	12/18	<b>The 2018/2019 plan was finalized in October 2017.</b>
Identify members to participate in the annual REALTOR® Party training	6/18	<b>Date for training set for September 5, 2018.</b>
Provide fundraising tips, tools and promotional materials for local associations	9/18	<b>Ongoing via email and in-person distribution as the AZ REALTOR® Party Director attends local association events.</b>
Distribute REALTOR® Party updates with local associations and the REALTOR® Party Director and provide Statewide RAPAC graphs	Monthly	<b>Ongoing monthly via email.</b>
Visit, at a minimum of one time annually, with each local association to promote fundraising activities	10/18	<b>Ongoing activity with the AZ REALTOR® Party Director, with Western Pinal, Prescott, Sedona, Tucson, Yuma, Bullhead City, and Lake Havasu having been visited thus far in 2018.</b>
Utilize the NAR RAPAC Grant stipend for promotion of RAPAC	12/18	<b>Grant has been approved and current expenses have been reimbursed.</b>
Utilize the Major Investor Program NAR stipend to host an AAR Major Investor Event	12/18	<b>AZ REALTOR® Party Director hosted a Major Investor event on April 24<sup>th</sup>, with the full results still being tallied.</b>
Achieve percent participation of local associations in Major Investor Events	12/18	
Achieve 100% level of RAPAC participation from state and NAR directors, AEs, Presidents, Presidents-elect, RVPs, RIMC, LPAC, Legislative Committee, RAPAC Trustees, EXCOM, BOD, and local RAPAC Chairs	12/18	<b>NAR Directors - 82.76% AEs – 50% 2018 Presidents – 100% RVPs – 80% RIMC Committee – 90.9% LPAC – 100% Legislative Committee – 90.9% RAPAC Committee – 93.33% EXCOM – 93.33% BODs – 82.17%</b>
Achieve 100% or NAR Major Investor Goal for 2018. Benchmarks: 50% of goal by April; 75% of goal by June; 100% by September 30.	12/18	<b>2018 Goal – 265 Major Investors As of 04/25/2018 – 106 MIs and 62 Installment Plans</b>
Recognize Major Investors with gift	12/18	<b>Major Investor Fleece’s have been ordered in Men’s and Women’s sizes, and are being distributed throughout the year.</b>

Recognize President Circle members with gift	12/18	<b>President's Circle Yeti Tumblers have been ordered and are being distributed throughout the year.</b>
Communicate state and federal election law requirements to local associations in order for RAPAC to remain in compliance at the state and federal level	12/18	<b>Ongoing.</b>
Host a fundraising event at the Spring Conference/Convention	4/18	<b>Multiple Spring Convention fundraising events were held with \$1,280 raised by the Cornhole Tournament, \$42,180 from the Silent Auction, and \$16,040 from WCR's Cocktails with Champions for a total of \$58,500.</b>
Host a fundraising event at the Leadership Conference	10/18	
Recognize RAPAC Major Investors on aaronline.com	12/18	<b>Updated at the end of 2017 to reflect that year's MIs. 2018 MIs recognized monthly.</b>
Recognize RAPAC Major Investors with special recognition at Capitol Day	1/18	<b>Special registration, meal lines, and seating are being established for REALTOR® Day. Members will also receive Major Investor badge ribbons.</b>
Recognize RAPAC Major Investors with special recognition at REALTOR® Caucus	9/18	
Maintain Leadership Appreciation Program to connect AAR leaders with Major Investors for recognition of investment	12/18	<b>Thank you cards being sent from Leadership to MIs.</b>
Increase use of Placemaking and Smartgrowth grants by 50% over 2017 utilization by local associations	12/18	
Utilize REALTOR® Party Plus fundraising analytics and predictive models to identify likely and high dollar donors for use in achieving RAPAC goal	12/18	<b>Use of RPP data is ongoing and the local associations are encouraged to utilize the data. AAR proactively offers RPP data to local associations.</b>

**Recommendations:**

Continue basically as-is

Continue with the following modifications

Discontinue

- Utilize REALTOR® Party Plus fundraising analytics and predictive models to identify likely and high dollar donors for use in achieving RAPAC goal.

## Governmental Communications

AAR articulates NAR's and/or AAR's legislative/political successes to members with emphasis on how it affects their day-to-day business. AAR maintains and promotes a mechanism by which members can relay, on a year-round basis, legislative comments and proposals. AAR provides resources to members to help them understand the value of RAPAC. AAR educates and encourages members to share the value of RAPAC.

**Strategic Focus Points:** Indicate which focus point is addressed by the PPSA.

- 1. AAR is a professional REALTOR® association that functions within a fluid operational structure and responsive governance model to accomplish its purpose and vision.
- 2. AAR is the most powerful and influential political force in Arizona.
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- 6. AAR communicates the right message to the right people at the right time in methods that listen, reach out, inform, connect and engage with the membership and local associations.

Measurable Objective	Target Date	Status
Provide REALTOR® Party updates and legislative updates to the Communications and Technology Department for use in the REALTOR® Voice, AAR blog and alternative forms of media distribution.	12/18	<b>Ongoing updates are provided on a twice-monthly basis as well as needed for specific events such as REALTOR® Day at the Capitol.</b>
Produce quarterly videos for membership outreach on Legislative and Political Affairs topics to include, but not limited to, the REALTOR® Party.	Quarterly	
Provide Calls to Action responses, when necessary, for targeted and effective immediate member communication with Arizona legislators and Members of Congress on critical issues	As Required	<b>Conducted a statewide Call to Action on HB 2507. Responses for membership were provided for outreach to Arizona Legislators.</b>
Establish a system to enroll and automatically respond on members behalf to state and national Calls to Action	12/18	
Work with REALTOR® Party Plus to increase opt-in for text response Calls for Action	12/18	<b>Worked with RPP to enroll individuals in the text response for Calls to Action.</b>
Utilize digital advertising and technologies to push federal CFAs to members	12/18	<b>Utilized social media digital advertising in thanking a state legislator on the state Call to Action.</b>
Maintain current information on each governmental program at aaronline.com	12/18	<b>Ongoing.</b>
Communicate with Big Yam for press releases when large successes occur or the consumer needs to be educated on the associations wins	12/18	<b>Big Yam has been contacted about promoting the REALTOR® Day at the Capitol. Big Yam assisted with publication in Arizona Capitol</b>

		<b>Times on op-ed piece opposing HB 2507.</b>
Communicate how Issues Mobilization and RAPAC reserves can enhance local association political objectives	12/18	<b>Ongoing. Local Associations along the Colorado River are being encouraged to utilize their reserves to address a water diversion issue before a local board.</b>
Communicate the importance of AAR's legislative/political successes to members	12/18	<b>Ongoing via The Voice, emails, and in-person presentations.</b>
Continue to communicate the mechanism by which members can relay, on a year-round basis, legislative comments and proposals	12/18	<b>This is placed on the legislative affairs page of the website at the very top for anyone that wishes to submit comments and proposals.</b>
Utilize the broker involvement program/stipend to identify and train local brokers for grassroots education efforts on participation in NAR calls for action	12/18	<b>The Arizona REALTOR® Party Director is working closely with the State BIP Chair to develop a new but simple approach to enrolling brokers in the BIP.</b>
Work with REALTOR® Party Plus to identify a predictive model to target members for increased activism on legislative issues and advocacy initiatives	12/18	<b>Ongoing.</b>
Explore the use of geofencing, beacon and direct one-to-one digital advertising technologies for concentrated message delivery	12/18	<b>Geofencing technology was utilized in specific targeted messages to legislators regarding HB 2507.</b>

**Recommendations:**

Continue basically as-is

Continue with the following modifications

Discontinue

- **Combine REALTOR® Party updates and timely legislative updates to be provided to the Communications and Technology Department for use in the REALTOR® Voice, AAR blog and alternative forms of media distribution.**
- **Expand the production of quarterly videos for membership outreach on Legislative and Political Affairs topics to also include, but not limited to the REALTOR® Party.**
- **Work with REALTOR® Party Plus to increase opt-in for text response Calls for Action.**
- **Utilize digital advertising and technologies to push federal CFAs to members.**
- **Work with REALTOR® Party Plus to identify a predictive model to target members for increased activism on legislative issues and advocacy initiatives.**
- **Explore the use of geofencing, beacon and direct one-to-one digital advertising technologies for concentrated message delivery.**

## Governmental Area Support

AAR is the most powerful and influential political force in Arizona. Continue to follow the Legislative Policy Statements. Proactively advance or defeat legislation to benefit private property rights and REALTORS®.

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Measurable Objective	Target Date	Status
Assign tasks to all governmental area work groups within approved budget parameters	12/18	Ongoing.
Implement a “Thank You” for each of the four government affairs committees.	12/18	Identifying locations for thank you lunch.

**Recommendations:**

- Continue basically as-is
- Continue with the following modifications
- Discontinue

## Legislative Advocacy

AAR is the most powerful and influential political force in Arizona. Continue to follow the Legislative Policy Statements. Proactively advance or defeat legislation to benefit private property rights and REALTORS®. AAR advocates and capitalizes on the REALTOR® Party. AAR leverages and maintains influential relationships.

**Strategic Focus Points:** Indicate which focus point is addressed by the PPSA.

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Measurable Objective	Target Date	Status
Activate broad-based AAR membership representation in lobbying activities through legislative committee	12/18	Involvement from membership of various legislative committees on the ballot initiative.

appointments and related committee activities		
Encourage application to state boards and commissions	12/18	
Strengthen and maintain relationships with Arizona statewide officeholders and agency department heads	12/18	<b>Vice President of Government Affairs attended legislator fundraisers the first week of January.</b>
Strengthen and maintain relationships with housing industry partners through ongoing communications	12/18	<b>Ongoing. Industry Partnership event occurred March 7, 2018.</b>
Achieve an 85% success rate on AAR legislative policy priorities	6/18	<b>Legislative session still occurring.</b>
Conduct daily monitoring of legislation and recommend positions to the Legislative Committee in conjunction with the approved Legislative Policy Statements	6/18	<b>Began in November 2017 when prefiled bills were posted. Legislative Committee reviewed over 1166 bills and took positions on over 130 directly related to real estate.</b>
Monitor member involvement in political campaigns	12/18	<b>Ongoing and will pick up post legislative session.</b>
Finalize 2019 legislative priority list is finalized by October 2018	10/18	
Evaluate state-level candidates on AAR legislative policies and voting record to receive funds	8/18	<b>Will occur post legislative session.</b>

**Recommendations:**

- Continue basically as-is**  
 **Continue with the following modifications**  
 **Discontinue**

**Legislative Policy Development**

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**Strategic Focus Points:** Indicate which focus point is addressed by the PPSA.

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Measurable Objective	Target Date	Status
Poll members for their opinions through use of formal and informal methods	12/18	<b>Phone polling of members occurred in December 2017 on the potential ballot measure.</b>
Continue to involve stakeholders on real estate related issues	12/18	<b>Worked with representatives from the manufactured home industry, multi-family housing industry on legislation. Stakeholder meetings have occurred with many industries that can be impacted by the service tax ballot measure.</b>
Encourage proportional regional representation at the REALTOR® Caucus	9/18	
Forward all legislative recommendations to the Legislative and Political Affairs Committee for review and appropriate action	9/18	
Host 2018 REALTOR® Day Luncheon	1/18	<b>Completed. Hosted January 9, 2018</b>
Identify for participation in or host a second legislator event	12/18	<b>Completed. Industry Partner event occurred on March 7, 2018.</b>
Achieve attendance of 65% of legislators at legislative events	6/18	<b>Achieved at both legislative day at the capitol and the Industry Partner event.</b>
Identify attendees for legislator events through political involvement and leadership activity	12/18	<b>Ongoing. Targeted invitations occurred for Industry Partner event, and Update from the Hill luncheon.</b>

**Recommendations:**

- Continue basically as-is**  
 **Continue with the following modifications**  
 **Discontinue**

**Local Lobbying Support**

AAR is the most powerful and influential political force in Arizona. AAR proactively advocates and protects private property rights and real property ownership.

**Strategic Focus Points:** Indicate which focus point is addressed by the PPSA.

1. AAR is a professional REALTOR® association that functions within a fluid operational structure and responsive governance model to accomplish its purpose and vision.  
 2. AAR is the most powerful and influential political force in Arizona.  
 3. AAR provides members unsurpassed risk management tools.  
 4. AAR sets the standard in quality and meaningful professional development that positions the REALTOR® member to succeed, and delivered to members in their moment of need.  
 5. AAR supports the success of REALTOR® members with business services.  
 6. AAR communicates the right message to the right people at the right time in methods that listen, reach out, inform, connect and engage with the membership and local associations.

Measurable Objective	Target Date	Status
Assist local lobbying efforts as issues arise	12/18	<b>Fielded calls from Region 1 associations on how to handle the water rights issue. Discussed with Northern Arizona Association the use of Issues Mobilization for a property tax measure.</b>
Encouraged local associations to establish an advocacy program and provide assistance as requested	12/18	<b>The Lake Havasu, Bullhead City, and Kingman Associations are working together to form a campaign intended to maintain a prohibition on the diversion of water rights away from their area. Arizona REALTOR®'s Government Affairs team is assisting them with navigating the NAR grant process as well as campaign advice and support.</b>

**Recommendations:**

- Continue basically as-is**  
 **Continue with the following modifications**  
 **Discontinue**

**Political Research**

AAR is the most powerful and influential political force in Arizona. AAR proactively advocates and protects private property rights and real property ownership. AAR continues to follow the Legislative Policy Statements.

**Strategic Focus Points:** Indicate which focus point is addressed by the PPSA.

1. AAR is a professional REALTOR® association that functions within a fluid operational structure and responsive governance model to accomplish its purpose and vision.  
 2. AAR is the most powerful and influential political force in Arizona.  
 3. AAR provides members unsurpassed risk management tools.  
 4. AAR sets the standard in quality and meaningful professional development that positions the REALTOR® member to succeed, and delivered to members in their moment of need.  
 5. AAR supports the success of REALTOR® members with business services.  
 6. AAR communicates the right message to the right people at the right time in methods that listen, reach out, inform, connect and engage with the membership and local associations.

Measurable Objective	Target Date	Status
Conduct research as needed	12/18	<b>Research commissioned on the tax breaks and taxes implemented in the last decade.</b>
Work with REALTOR® Party Plus to utilize predictive models to obtain	12/18	<b>Ballot measure will work directly with RPP to obtain the predictive</b>



comprehensive analysis of membership as well as election data		<b>models for utilization in messaging and ballot measure activities.</b>
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**Recommendations:**

- Continue basically as-is
- Continue with the following modifications
- Discontinue

- Work with REALTOR® Party Plus to utilize predictive models to obtain comprehensive analysis of membership as well as election data.

**Election Year Activities**

AAR is the most powerful and influential political force in Arizona. AAR leverages and maintains influential relationships.

**Strategic Focus Points:** Indicate which focus point is addressed by the PPSA.

- 1. AAR is a professional REALTOR® association that functions within a fluid operational structure and responsive governance model to accomplish its purpose and vision.
- 2. AAR is the most powerful and influential political force in Arizona.
- 3. AAR provides members unsurpassed risk management tools.
- 4. AAR sets the standard in quality and meaningful professional development that positions the REALTOR® member to succeed, and delivered to members in their moment of need.
- 5. AAR supports the success of REALTOR® members with business services.
- 6. AAR communicates the right message to the right people at the right time in methods that listen, reach out, inform, connect and engage with the membership and local associations.

Measurable Objective	Target Date	Status
Encourage members to register to vote	12/18	<b>Ongoing.</b>
Establish protocol for a “Get Out the Vote” campaign for use in 2018 election cycle	11/18	

**Recommendations:**

- Continue basically as-is
- Continue with the following modifications
- Discontinue

## RAPAC ACTIVITY

### March 2018

BOARD/ASSOCIATION	2017 RAPAC RESERVES	Funds Rec'd in 2017 for 2018	Funds Rec'd in 2018	2018 RAPAC TOTAL RECEIVED	2018 LOCAL SHARE	2018 GOAL	PERCENT OF GOAL	2018 LOCAL REQUESTS	2017+2018 LOCAL RESERVES	AVAILABLE LOCAL FUNDS	RAPAC PARTIC
AAR/INDIVIDUAL	\$ 12,735.13	\$ 685.00	\$ 3,014.00	\$ 3,699.00	\$ 739.80	\$ 1,166.00	<b>317.24%</b>	\$ -	\$ 13,474.93	\$ 13,474.93	32.98%
BULLHEAD/MOHAVE	\$ 25,000.00	\$ 2,340.00	\$ 4,115.00	\$ 6,455.00	\$ 1,291.00	\$ 6,678.00	96.66%	\$ -	\$ 26,291.00	\$ 26,291.00	19.67%
CENTRAL ARIZONA	\$ 25,000.00	\$ 1,960.00	\$ 4,280.00	\$ 6,240.00	\$ 1,248.00	\$ 3,773.60	<b>165.36%</b>	\$ -	\$ 26,248.00	\$ 26,248.00	13.24%
DOUGLAS	\$ 790.75	\$ -	\$ 240.00	\$ 240.00	\$ 48.00	\$ 1,060.00	22.64%	\$ -	\$ 838.75	\$ 838.75	20.51%
GREEN VALLEY/SAHUARITA	\$ 24,424.40	\$ 2,175.00	\$ 1,870.00	\$ 4,045.00	\$ 809.00	\$ 4,494.40	90.00%	\$ -	\$ 25,233.40	\$ 25,233.40	47.76%
KINGMAN/GOLDEN VALLEY	\$ 8,456.46	\$ 1,680.00	\$ 3,844.00	\$ 5,524.00	\$ 1,104.80	\$ 4,240.00	<b>130.28%</b>	\$ -	\$ 9,561.26	\$ 9,561.26	<b>73.48%</b>
LAKE HAVASU	\$ 25,000.00	\$ 200.00	\$ 27,676.65	\$ 27,876.65	\$ 5,575.33	\$ 12,698.80	<b>219.52%</b>	\$ -	\$ 30,575.33	\$ 30,575.33	<b>53.55%</b>
NORTHERN ARIZONA	\$ 18,164.59	\$ 1,719.00	\$ 8,668.00	\$ 10,387.00	\$ 2,077.40	\$ 10,239.60	<b>101.44%</b>	\$ -	\$ 20,241.99	\$ 20,241.99	19.08%
PHOENIX	\$ 19,900.00	\$ 23,849.09	\$ 50,695.00	\$ 74,544.09	\$ 14,908.82	\$ 173,331.20	43.01%	\$ -	\$ 34,808.82	\$ 34,808.82	23.49%
PRESCOTT	\$ 22,356.69	\$ 14,237.00	\$ 13,583.00	\$ 27,820.00	\$ 5,564.00	\$ 24,083.20	<b>115.52%</b>	\$ -	\$ 27,920.69	\$ 27,920.69	44.89%
SANTA CRUZ	\$ 8,831.30	\$ 300.00	\$ 1,720.00	\$ 2,020.00	\$ 404.00	\$ 1,950.40	<b>103.57%</b>	\$ -	\$ 9,235.30	\$ 9,235.30	49.64%
SCOTTSDALE AREA	\$ 23,623.86	\$ 43,958.74	\$ 52,855.81	\$ 96,814.55	\$ 19,362.91	\$ 159,424.00	60.73%	\$ -	\$ 42,986.77	\$ 42,986.77	29.90%
SEDONA/VERDE VALLEY	\$ 25,000.00	\$ -	\$ 23,051.00	\$ 23,051.00	\$ 4,610.20	\$ 10,451.60	<b>220.55%</b>	\$ -	\$ 29,610.20	\$ 29,610.20	<b>55.39%</b>
SEVRAR	\$ 25,000.00	\$ 26,271.00	\$ 40,876.46	\$ 67,147.46	\$ 13,429.49	\$ 225,907.20	29.72%	\$ -	\$ 38,429.49	\$ 38,429.49	33.19%
SOUTHEAST ARIZONA	\$ 16,940.18	\$ -	\$ 2,875.00	\$ 2,875.00	\$ 575.00	\$ 4,282.40	67.14%	\$ -	\$ 17,515.18	\$ 17,515.18	13.57%
TUCSON	\$ 24,000.00	\$ 12,570.00	\$ 22,925.00	\$ 35,495.00	\$ 7,099.00	\$ 97,689.60	36.33%	\$ -	\$ 31,099.00	\$ 31,099.00	12.52%
WEMAR	\$ 23,515.30	\$ 14,075.00	\$ 32,504.40	\$ 46,579.40	\$ 9,315.88	\$ 135,171.20	34.46%	\$ -	\$ 32,831.18	\$ 32,831.18	15.30%
WESTERN PINAL	\$ 4,602.29	\$ 630.00	\$ 1,790.00	\$ 2,420.00	\$ 484.00	\$ 5,745.20	42.12%	\$ -	\$ 5,086.29	\$ 5,086.29	28.83%
WHITE MOUNTAIN	\$ 25,000.00	\$ 2,885.00	\$ 5,825.00	\$ 8,710.00	\$ 1,742.00	\$ 7,610.80	<b>114.44%</b>	\$ -	\$ 26,742.00	\$ 26,742.00	27.05%
YUMA	\$ 16,313.44	\$ 1,595.91	\$ 11,559.00	\$ 13,154.91	\$ 3,817.22	\$ 9,200.80	<b>142.98%</b>	\$ -	\$ 20,130.66	\$ 20,130.66	47.48%
<b>TOTAL</b>	\$ 374,654.39	\$ 151,130.74	\$ 313,967.32	\$ 465,098.06	\$ 94,205.85	\$ 899,198.00	51.72%	\$ -	\$ 468,860.24	\$ 468,860.24	21.72%

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NOTE 1: RAPAC TOTAL RECEIVED 2016 is comprised of RAPAC deferred from 2015 plus YTD 2016 RAPAC

NOTE 2: Associations/Boards denoted in bold font have made 100% of their RAPAC goal for 2016

NOTE 3: Associations/Boards who have a bolded participation percentage are at NAR's internal goal of 50% or better

## Issues Mobilization Activity March 2018

<b>BOARD/ASSOCIATION</b>	<b>2017 ISSUES RESERVES</b>	<b>2018 ISSUES CONTRIBUTIONS</b>	<b>2018 ISSUES DUES</b>	<b>2018 Total Contributions For Credit</b>	<b>2018 LOCAL REQUESTS</b>	<b>BALANCE LOCAL RESERVES</b>
AAR/INDIVIDUAL	\$5,572.85	\$ -	\$ 3,255.00	\$ 3,255.00	\$ -	\$ 6,386.60
BULLHEAD/MOHAVE	\$26,802.11	\$ -	\$ 11,935.00	\$ 11,935.00	\$ -	\$ 29,785.86
CENTRAL ARIZONA	\$1,660.50	\$ -	\$ 7,070.00	\$ 7,070.00	\$ -	\$ 3,428.00
DOUGLAS	\$3,052.12	\$ -	\$ -	\$ -	\$ -	\$ 3,052.12
GRAHAM/GREENLEE	\$2,127.50	\$ -	\$ -	\$ -	\$ -	\$ 2,127.50
GREEN VALLEY	\$18,337.81	\$ -	\$ 8,365.00	\$ 8,365.00	\$ -	\$ 20,429.06
KINGMAN/GOLDEN V	\$20,592.47	\$ -	\$ 8,400.00	\$ 8,400.00	\$ -	\$ 22,692.47
LAKE HAVASU	\$18,123.25	\$ -	\$ 23,170.00	\$ 23,170.00	\$ -	\$ 23,915.75
NORTHERN ARIZONA	\$23,412.38	\$ -	\$ 17,430.00	\$ 17,430.00	\$ -	\$ 27,769.88
PHOENIX	\$18,051.33	\$ -	\$ 289,380.00	\$ 289,380.00	\$ -	\$ 90,396.33
PRESCOTT	\$17,088.95	\$ 30.00	\$ 47,740.00	\$ 47,770.00	\$ -	\$ 29,031.45
SANTA CRUZ	\$4,984.84	\$ 230.00	\$ 3,150.00	\$ 3,380.00	\$ -	\$ 5,829.84
SCOTTSDALE AREA	\$984.92	\$ 100.00	\$ 276,045.00	\$ 276,145.00	\$ -	\$ 70,021.17
SEDONA/VERDE V	\$29,095.28	\$ 3,670.00	\$ 18,655.00	\$ 22,325.00	\$ -	\$ 34,676.53
SEVRAR	\$39,169.11	\$ 7,420.00	\$ 414,645.00	\$ 422,065.00	\$ -	\$ 144,685.36
SOUTHEAST ARIZONA	\$15,658.35	\$ -	\$ 7,105.00	\$ 7,105.00	\$ -	\$ 17,434.60
TUCSON	\$3,002.51	\$ 210.00	\$ 180,390.00	\$ 180,600.00	\$ -	\$ 48,152.51
WEMAR	\$25,521.95	\$ -	\$ 270,200.00	\$ 270,200.00	\$ -	\$ 93,071.95
WESTERN PINAL	\$12,381.09	\$ -	\$ 8,400.00	\$ 8,400.00	\$ -	\$ 14,481.09
WHITE MOUNTAIN	\$16,231.53	\$ 350.00	\$ 13,475.00	\$ 13,825.00	\$ -	\$ 19,687.78
YUMA	\$22,866.20	\$ 2,055.00	\$ 18,935.00	\$ 20,990.00	\$ -	\$ 28,113.70
<b>TOTALS</b>	<b>\$324,717.05</b>	<b>\$14,065.00</b>	<b>\$1,627,745.00</b>	<b>\$ 1,641,810.00</b>	<b>\$0.00</b>	<b>\$735,169.55</b>

## RAPAC ACTIVITY

### April 2018

BOARD/ASSOCIATION	2017 RAPAC RESERVES	Funds Rec'd in 2017 for 2018	Funds Rec'd in 2018	2018 RAPAC TOTAL RECEIVED	2018 LOCAL SHARE	2018 GOAL	PERCENT OF GOAL	2018 LOCAL REQUESTS	2017+2018 LOCAL RESERVES	AVAILABLE LOCAL FUNDS	RAPAC PARTIC
AAR/INDIVIDUAL	\$ 12,735.13	\$ 685.00	\$ 3,083.00	\$ 3,768.00	\$ 753.60	\$ 1,166.00	<b>323.16%</b>	\$ -	\$ 13,488.73	\$ 13,488.73	32.98%
BULLHEAD/MOHAVE	\$ 25,000.00	\$ 2,340.00	\$ 5,965.00	\$ 8,305.00	\$ 1,661.00	\$ 6,678.00	<b>124.36%</b>	\$ -	\$ 26,661.00	\$ 26,661.00	20.78%
CENTRAL ARIZONA	\$ 25,000.00	\$ 1,960.00	\$ 5,487.22	\$ 7,447.22	\$ 1,489.44	\$ 3,773.60	<b>197.35%</b>	\$ -	\$ 26,489.44	\$ 26,489.44	21.08%
DOUGLAS	\$ 790.75	\$ -	\$ 240.00	\$ 240.00	\$ 48.00	\$ 1,060.00	22.64%	\$ -	\$ 838.75	\$ 838.75	20.51%
GREEN VALLEY/SAHUARITA	\$ 24,424.40	\$ 2,175.00	\$ 1,970.00	\$ 4,145.00	\$ 829.00	\$ 4,494.40	92.23%	\$ -	\$ 25,253.40	\$ 25,253.40	47.76%
KINGMAN/GOLDEN VALLEY	\$ 8,456.46	\$ 1,680.00	\$ 3,944.00	\$ 5,624.00	\$ 1,124.80	\$ 4,240.00	<b>132.64%</b>	\$ -	\$ 9,581.26	\$ 9,581.26	<b>81.74%</b>
LAKE HAVASU	\$ 25,000.00	\$ 200.00	\$ 29,232.48	\$ 29,432.48	\$ 5,886.50	\$ 12,698.80	<b>231.77%</b>	\$ -	\$ 30,886.50	\$ 30,886.50	<b>56.36%</b>
NORTHERN ARIZONA	\$ 18,164.59	\$ 1,719.00	\$ 8,668.00	\$ 10,387.00	\$ 2,077.40	\$ 10,239.60	<b>101.44%</b>	\$ -	\$ 20,241.99	\$ 20,241.99	19.08%
PHOENIX	\$ 19,900.00	\$ 23,849.09	\$ 50,665.00	\$ 74,514.09	\$ 14,902.82	\$ 173,331.20	42.99%	\$ -	\$ 34,802.82	\$ 34,802.82	23.49%
PRESCOTT	\$ 22,356.69	\$ 14,237.00	\$ 15,308.00	\$ 29,545.00	\$ 5,909.00	\$ 24,083.20	<b>122.68%</b>	\$ -	\$ 28,265.69	\$ 28,265.69	44.89%
SANTA CRUZ	\$ 8,831.30	\$ 300.00	\$ 1,750.00	\$ 2,050.00	\$ 410.00	\$ 1,950.40	<b>105.11%</b>	\$ -	\$ 9,241.30	\$ 9,241.30	<b>50.54%</b>
SCOTTSDALE AREA	\$ 23,623.86	\$ 43,958.74	\$ 55,456.17	\$ 99,414.91	\$ 19,882.98	\$ 159,424.00	62.36%	\$ -	\$ 43,506.84	\$ 43,506.84	29.95%
SEDONA/VERDE VALLEY	\$ 25,000.00	\$ -	\$ 25,281.00	\$ 25,281.00	\$ 5,056.20	\$ 10,451.60	<b>241.89%</b>	\$ -	\$ 30,056.20	\$ 30,056.20	<b>55.58%</b>
SEVRAR	\$ 25,000.00	\$ 26,271.00	\$ 43,600.28	\$ 69,871.28	\$ 13,974.26	\$ 225,907.20	30.93%	\$ -	\$ 38,974.26	\$ 38,974.26	13.63%
SOUTHEAST ARIZONA	\$ 16,940.18	\$ -	\$ 3,000.00	\$ 3,000.00	\$ 600.00	\$ 4,282.40	70.05%	\$ -	\$ 17,540.18	\$ 17,540.18	33.62%
TUCSON	\$ 24,000.00	\$ 12,570.00	\$ 24,882.50	\$ 37,452.50	\$ 7,490.50	\$ 97,689.60	38.34%	\$ -	\$ 31,490.50	\$ 31,490.50	12.66%
WEMAR	\$ 23,515.30	\$ 14,075.00	\$ 32,569.40	\$ 46,644.40	\$ 9,328.88	\$ 135,171.20	34.51%	\$ -	\$ 32,844.18	\$ 32,844.18	28.83%
WESTERN PINAL	\$ 4,602.29	\$ 630.00	\$ 1,790.00	\$ 2,420.00	\$ 484.00	\$ 5,745.20	42.12%	\$ -	\$ 5,086.29	\$ 5,086.29	15.31%
WHITE MOUNTAIN	\$ 25,000.00	\$ 2,885.00	\$ 11,259.71	\$ 14,144.71	\$ 2,828.94	\$ 7,610.80	<b>185.85%</b>	\$ -	\$ 27,828.94	\$ 27,828.94	36.48%
YUMA	\$ 16,313.44	\$ 1,595.91	\$ 11,865.00	\$ 13,460.91	\$ 3,970.22	\$ 9,200.80	<b>146.30%</b>	\$ -	\$ 20,283.66	\$ 20,283.66	47.48%
<b>TOTAL</b>	\$ 374,654.39	\$ 151,130.74	\$ 336,016.76	\$ 487,147.50	\$ 98,707.53	\$ 899,198.00	54.18%	\$ -	\$ 473,361.92	\$ 473,361.92	18.90%

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NOTE 1: RAPAC TOTAL RECEIVED 2016 is comprised of RAPAC deferred from 2015 plus YTD 2016 RAPAC

NOTE 2: Associations/Boards denoted in bold font have made 100% of their RAPAC goal for 2016

NOTE 3: Associations/Boards who have a bolded participation percentage are at NAR's internal goal of 50% or better

## Issues Mobilization Activity April 2018

<b>BOARD/ASSOCIATION</b>	<b>2017 ISSUES RESERVES</b>	<b>2018 ISSUES CONTRIBUTIONS</b>	<b>2018 ISSUES DUES</b>	<b>2018 Total Contributions For Credit</b>	<b>2018 LOCAL REQUESTS</b>	<b>BALANCE LOCAL RESERVES</b>
AAR/INDIVIDUAL	\$5,572.85	\$ -	\$ 3,290.00	\$ 3,290.00	\$ -	\$ 6,395.35
BULLHEAD/MOHAVE	\$26,802.11	\$ -	\$ 12,775.00	\$ 12,775.00	\$ -	\$ 29,995.86
CENTRAL ARIZONA	\$1,660.50	\$ -	\$ 7,140.00	\$ 7,140.00	\$ -	\$ 3,445.50
DOUGLAS	\$3,052.12	\$ -	\$ -	\$ -	\$ -	\$ 3,052.12
GRAHAM/GREENLEE	\$2,127.50	\$ -	\$ -	\$ -	\$ -	\$ 2,127.50
GREEN VALLEY	\$18,337.81	\$ -	\$ 8,365.00	\$ 8,365.00	\$ -	\$ 20,429.06
KINGMAN/GOLDEN V	\$20,592.47	\$ -	\$ 8,575.00	\$ 8,575.00	\$ -	\$ 22,736.22
LAKE HAVASU	\$18,123.25	\$ 700.00	\$ 23,520.00	\$ 24,220.00	\$ -	\$ 24,178.25
NORTHERN ARIZONA	\$23,412.38	\$ -	\$ 17,990.00	\$ 17,990.00	\$ -	\$ 27,909.88
PHOENIX	\$18,051.33	\$ -	\$ 298,970.00	\$ 298,970.00	\$ -	\$ 92,793.83
PRESCOTT	\$17,088.95	\$ 30.00	\$ 48,405.00	\$ 48,435.00	\$ 2,000.00	\$ 27,197.70
SANTA CRUZ	\$4,984.84	\$ 230.00	\$ 3,185.00	\$ 3,415.00	\$ -	\$ 5,838.59
SCOTTSDALE AREA	\$984.92	\$ 100.00	\$ 277,340.00	\$ 277,440.00	\$ -	\$ 70,344.92
SEDONA/VERDE V	\$29,095.28	\$ 3,870.00	\$ 19,005.00	\$ 22,875.00	\$ -	\$ 34,814.03
SEVRAR	\$39,169.11	\$ 7,420.00	\$ 420,665.00	\$ 428,085.00	\$ -	\$ 146,190.36
SOUTHEAST ARIZONA	\$15,658.35	\$ -	\$ 7,210.00	\$ 7,210.00	\$ -	\$ 17,460.85
TUCSON	\$3,002.51	\$ 210.00	\$ 183,820.00	\$ 184,030.00	\$ -	\$ 49,010.01
WEMAR	\$25,521.95	\$ -	\$ 275,170.00	\$ 275,170.00	\$ -	\$ 94,314.45
WESTERN PINAL	\$12,381.09	\$ -	\$ 8,645.00	\$ 8,645.00	\$ -	\$ 14,542.34
WHITE MOUNTAIN	\$16,231.53	\$ 700.00	\$ 13,790.00	\$ 14,490.00	\$ -	\$ 19,854.03
YUMA	\$22,866.20	\$ 2,055.00	\$ 19,460.00	\$ 21,515.00	\$ -	\$ 28,244.95
<b>TOTALS</b>	<b>\$324,717.05</b>	<b>\$15,315.00</b>	<b>\$1,657,320.00</b>	<b>\$ 1,672,635.00</b>	<b>\$2,000.00</b>	<b>\$740,875.80</b>

## **RECOMMENDATION TO THE EXECUTIVE COMMITTEE**

### **FROM:**

2019 President D. Patrick Lewis and President-Elect Mary Roberts

### **RECOMMENDATION:**

To recommend approval of Shelley Ostrowski from the Yuma Association of REALTORS® as the 2019 Legislative and Political Affairs Vice-chair.

### **BACKGROUND:**

The President-elect in conjunction with the First Vice President select Primary Committee Chairs and Vice-Chairs for Director approval in the spring for the subsequent year in order to allow them to be involved in the specific program planning and operating budget development.

- Pamela Frestedt was previously approved as the 2019 Legislative and Political Affairs Vice-chair, however she has been named the interim CEO of the Southeast Valley Regional Association of REALTORS® leaving the Vice-chair position vacant.

### **BUDGET IMPACT:**

None

### **MOTION:**

**TO RECOMMEND APPROVAL OF SHELLEY OSTROWSKI FROM THE YUMA ASSOCIATION OF REALTORS® AS THE 2019 LEGISLATIVE AND POLITICAL AFFAIRS VICE-CHAIR.**

### **FOR MORE INFORMATION CONTACT:**

2019 President D. Patrick Lewis at [dpatricklewis@gmail.com](mailto:dpatricklewis@gmail.com);

2019 President-Elect Mary Roberts at [maryrobertshavas@gmail.com](mailto:maryrobertshavas@gmail.com)

**OR** Michelle Lind at [michellelind@aaronline.com](mailto:michellelind@aaronline.com)



# The road to a stronger plan

Multiple Employer Plans Explained



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UBS Retirement Plan Consulting Services

# Today's discussion

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## Agenda

**Section 1: Who we are**

**Section 2: Delivering the strengths of UBS**

**Section 3: Overview of multiple employer plans**

**Section 4: Roadmap to a stronger plan**

- Fiduciary governance
- Plan health
- Participant retirement readiness

**Section 5: Fee Comparison Examples**



Section 1

# Who we are

# UBS Institutional Consulting Group - Southwest

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## Helping you create a stronger plan

- Formed in 2009
- Team of eight strong
- Over \$2 billion in assets under management
- 100 years of combined experience

## Full Range Consulting Services to:

- Multiple Employer Plans (MEP & PEO)
- Native American Tribes
- Taft-Hartley Benefit Plans
- Foundations, Endowments & Associations
- Not for Profit – Hospitals, Schools & Religious Organizations
- ERISA 3(21) and 3(38) fiduciary services
- Corporate Retirement Plans (Public & Private)
- State & Local Governments

## Accolades

- 2015, 2016 & 2017 Barron's Top 1200 Financial Advisor
- 2015 & 2016 Financial Times Top 401 Retirement Advisor Recipient
- 300 Most Influential Advisors in Defined Contribution by 401(k) Advisor
- Research Magazine's top ranked advisor
- Who's Who Registry of Executives and Professionals from Cambridge Who's Who

# Team Members

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**Michael DiGrazia, CIMA<sup>®</sup>, CFP<sup>®</sup>**  
Director  
Institutional Consultant  
Senior Retirement Plan Consultant  
UBS Institutional Consulting Group

(602) 957 5133  
[michael.digrazia@ubs.com](mailto:michael.digrazia@ubs.com)

Mike has navigated clients through institutional consulting and wealth management in some of the most volatile market conditions in our nation's history, spanning portions of three decades. He utilizes this past experience, and the skills and credentials acquired throughout his career in real estate and finance to help organizations with their retirement plans and investment needs.

Mike has been a Director since 2009 and is a member of the Institutional Consulting Group at UBS. There are less than 100 advisors with the Institutional Consultant title and Mike is also one of 80 Senior Retirement Plan Consultants at our firm. His experience allows our team to provide customized strategies for businesses that address an organization's unique needs and circumstances. He is a Certified Financial Planner™ Certificiant and holds the Certified Investment Management Analyst™ and Accredited Retirement Plan Consultant™ Designations.

Mike has extensive experience advising on Multiple Employer Plans (MEP). MEPs achieve economies of scale by pooling 401(k) assets of companies of all sizes. When structured properly, a MEP can relieve the adopting employer of their fiduciary liability, eliminate the need to hold committee meetings, reduce administrative workload and responsibilities, as well as eliminate individual 5500 filings and audits. Prior to joining UBS, Mike was a co-owner of a real estate appraisal firm in Connecticut, and a Wealth Management Consultant with Merrill Lynch. He graduated from Bentley University in Waltham, MA and is a member of the Financial Planning Association and the Investment Management Consultants Association.

Mike is a member of Neighbors Helping Neighbors in Scottsdale, AZ and a Scottsdale Miss Softball coach as well as an SMS board member. Mike is also a mentor for American Corporate Partners (ACP), which assists veterans in their career transition from the armed forces to the civilian workforce. He is past president of the Exchange Club of Norwalk, and the American Diabetes Association – Fairfield County Advisory Council.

## UBS Retirement Plan Consulting Services

# Team Members

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**Thomas Tenney, CFA, CFP®**  
Account Vice President  
Retirement Plan Consultant  
Wealth Advisor

(602) 957 5152  
[thomas.tenney@ubs.com](mailto:thomas.tenney@ubs.com)

Tom has more than twenty years of financial services experience. Prior to joining UBS in 2007, he held portfolio manager and advisory roles at Mellon Private Asset Management and East Pacific Investment Company, Inc. He also traded options on the trading floors of the Chicago Board Options Exchange and the Chicago Board of Trade from 1998 through 2006.

Tom's focus is helping corporations and business owners create retirement and profit sharing plans for the benefit of their employees. He works closely with senior management and investment committees to select and monitor the investments offered in those plans. As one of UBS's Retirement Plan Consultants, he is able to assist with Investment Policy Statements.

Tom earned the Chartered Financial Analyst (CFA) designation in 1998, and in 2010 attained the CFP® designation of Certified Financial Planner™. In 1995, he was awarded an MBA in Finance from Hawaii Pacific University. He is a member of the CFA Society Phoenix and previously served as the Society President. He lives in Scottsdale, AZ with his wife and their four children.

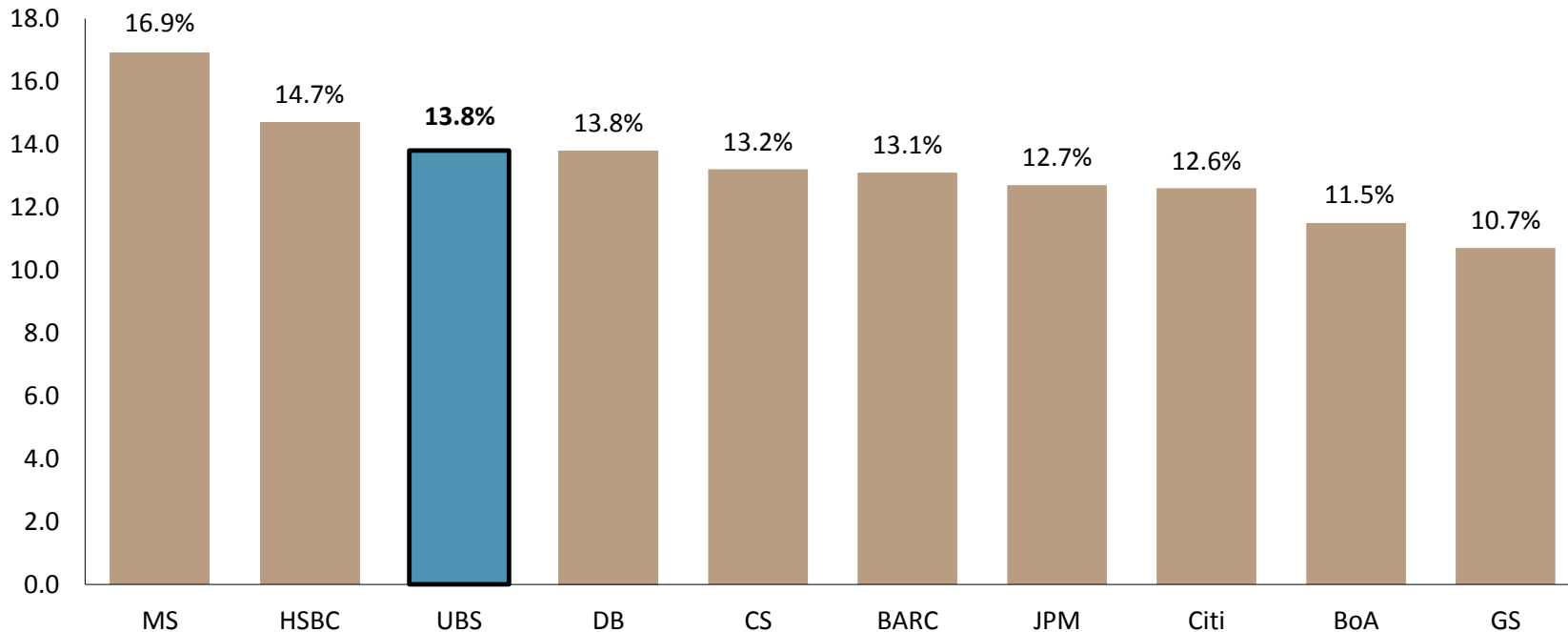
Section 2

# Delivering the strengths of UBS

# UBS Financial Services, Inc—Strong & Well Capitalized

UBS remains financially strong, with solid long-term credit ratings and a BIS Basel III common equity Tier 1 ratio of 13.8%.\*

BIS Basel III common equity Tier 1 ratio (%)-fully applied\* (As of 12/31/2017)



The Basel III framework is a global regulatory standard on bank capital adequacy, stress testing, and market liquidity risk designed to improve the banking sector's ability to absorb shocks arising from financial and economic stress. UBS has surpassed the minimum Basel III CET1 ratio six years early, and has solidified its position as the highest-capitalized bank in its peer group.

Source: Companies reporting

\* All figures are fully applied. UBS and CS are based on Swiss SRB Basel III, other European peers are based on Basel III under CRD IV, while U.S. peers are based on Basel III rule under advanced approach. HSBC and Barclays are as of 9.30.17.

# Committed to servicing retirement plans

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## A nationwide network

- 400+ Retirement Plan Consultants\*
- 2,000+ retirement plans we advise, from small businesses to the Fortune 500\*
- Listed in *PLANSPONSOR* "Top 5" rankings\*\*

## A firmwide focus

*\$100 billion+ in retirement plan assets\**

UBS Wealth Management Americas:

- \$70 billion—Retirement Plan Consulting and Institutional Consulting Services programs
- \$20 billion—Retirement plans through advisory and brokerage platform
- \$18 billion—UBS Select Program for Retirement Plans

*\$23 billion in defined benefit/defined contribution (DB/DC) assets*

UBS Asset Management:

- \$23 billion—DB/DC assets for Institutional non-taxable U.S.-based clients\*\*\*

\* Source as of 12/31/16, based on UBS reporting. Includes defined contribution and nonqualified deferred compensation plans served through our Institutional Consulting and Retirement Plan Consulting Services programs.

\*\* *PLANSPONSOR*. Consultant Buyer's Guide Survey, September 2014. Ranking criteria based on information self-reported by firms. All data are as of June 30, 2014 unless otherwise noted.

\*\*\* As of 12/31/2016; UBS Asset Management is an affiliate of UBS Financial Services Inc.

# Bringing the strength of UBS to your plan

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A 150-year global heritage and strong financial resources fuel our work

## Bringing the strength of UBS to work for you

- UBS Institutional Consulting has delivered customized investment solutions for 30+ years<sup>1</sup>
- \$1.11 trillion in UBS Wealth Management Americas invested assets<sup>2</sup>
- Best Global Wealth Manager, 2017<sup>3</sup>
- UBS's capital position is strong, and its Basel III CET1 ratio is one of the highest among large global banks<sup>4</sup>

## You will work with our highly credentialed Institutional Consultants

- Certified Investment Management Analyst<sup>®</sup> (CIMA<sup>®</sup>) and Chartered Financial Analyst (CFA)
- An average of 26+ years of industry experience<sup>1</sup>
- Strong internal network for sharing best practices

<sup>1</sup> As of 12/31/2016.

<sup>2</sup> Source: UBS quarterly report 4Q16.

<sup>3</sup> Source: Euromoney, 2017. The Best Global Wealth Manager Award was determined and awarded by the Euromoney editorial team. The Euromoney Awards for Excellence were established in 1992 and are the global benchmarks for the banking industry. These annual awards cover more than 20 global product categories, best-in-class awards in all regions and the best banks in close to 100 countries around the world. UBS did not pay a fee in exchange for the award.

<sup>4</sup> Source: Companies reporting. All figures are fully applied. UBS and CS are based on Swiss SRB Basel III, other European peers are based on Basel III under CRD IV, while US peers are based on Basel III rules under advance approach; HSBC, CS and BARC as of 09.30.16. For more information, see disclaimers at the end of this presentation and 'Capital Management' section in our quarterly and annual reports available at [ubs.com/investors](http://ubs.com/investors).



# Why UBS—the value we deliver

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In today's challenging environment, you face ongoing change and complexity in managing your responsibilities, and participants must save more due to rising life expectancies and greater responsibility for retirement savings

UBS is well-positioned to address these challenges with more than 30 years of retirement plan consulting experience and the broad financial insights of one of the leading wealth management firms in the world.

## **We provide**

- Plan sponsors with comprehensive retirement plan consulting services and a roadmap for managing plan complexity\*
- Participants with relevant education that helps them make informed financial decisions
- A tailored service experience through dedicated consultants who are supported by the resources of UBS

\* UBS Financial Services Inc., its affiliates and its employees are not in the business of providing tax or legal advice. Clients should seek advice based on their particular circumstances from an independent tax advisor.

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# Delivering our strengths

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## UBS advantage



## Your benefit

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**More than 30 years** of experience providing fiduciary investment advice



Receive advice based on **experience and knowledge**

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**Customized advice** from a firm with extensive resources and capital strength



Receive advice that is tailored and backed by **broad resources**

---

**High-touch service** from a dedicated Retirement Plan Consultant



Provides you a **single** point of contact for your retirement plan needs

---

A combination of plan consulting services and financial acumen from one of **the world's largest wealth managers<sup>6</sup>**



Our **latest thinking and insights** brought to bear on your plan and **financial experience** beneficial to your participants

Please see citations at the end of the presentation.

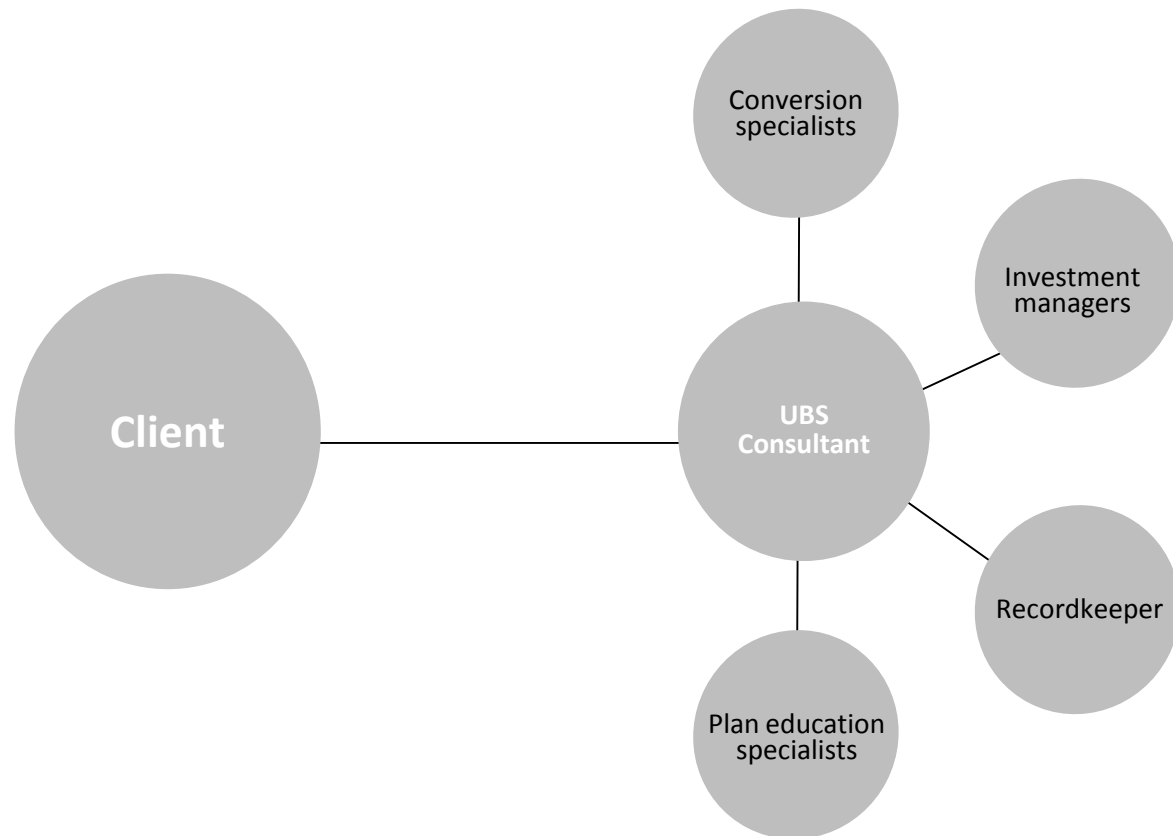
# A simplified approach

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We employ a coordinated and streamlined approach

## Benefits

- Single point of contact
- Coordination of resources
- Accountability
- Cost efficiencies
- Saves time



## Section 3

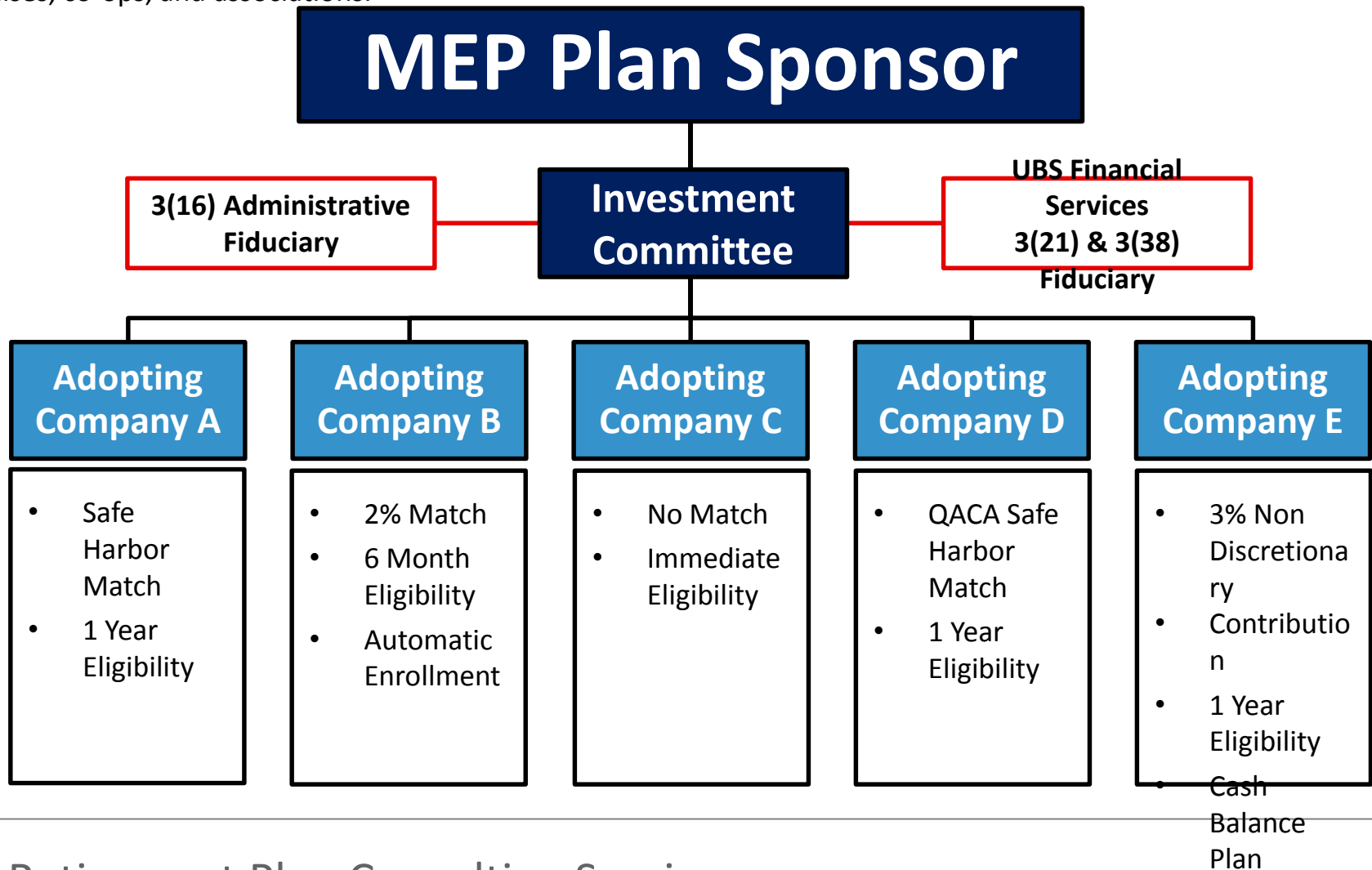
# Overview of multiple employer plans

UBS Financial Services does not create, offer, or provide administration services for Multiple Employer Plans.

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# What is a Multiple Employer Plan (MEP)?

A **multiple employer plan** is a plan maintained by two or more employers who are not related although a commonality of interest is generally required. The adopting employers of the MEP have plan design flexibility (see example below) and the MEP sponsor or Lead Employer is the Named Fiduciary to the plan. There are several common sponsors of Multiple Employer Plan's including professional employer organizations (PEOs), human resource outsourcing organizations, franchises, co-ops, and associations.



# Different Types of MEPs - Open v Closed

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## Key differences between "open" and "closed" MEPs

- Under an "open" MEP, any eligible employer may join. An "open" MEP is a single plan with a single plan document under IRS rules but is treated under Department of Labor rules as a separate plan for each Adopting Employer. This means that an individual Form 5500 with audit (if applicable) will be completed and bonding requirements will be monitored for each Adopting Employer.
- By contrast, a "closed" MEP is for an association or group of employers that share a common nexus. One overall Form 5500 and plan audit is completed for the closed MEP as a whole.

## Which is Better, an "open" or a "closed" MEP?

- The advantage of a closed MEP is the single Form 5500 and fidelity bond.
- The disadvantage is that the entire plan must be audited, whereas in an open MEP only those Adopting Employers who are large plan filers require an audit.
- Unless a closed MEP is very large, the audit cost can be substantial, so an open MEP may be preferable for small employers despite the added cost of separate 5500s.

# Significant Advantages of a Multiple Employer Plan (MEP)

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- I. **Fiduciary Outsourcing** – elimination of much of the fiduciary responsibility that goes along with sponsoring a plan under ERISA
  
- II. **Pooling of Resources Results in Cost Savings**
  - *Economies of Scale Pricing by Adopting a Larger More Efficient Plan*
  - *Audit Savings*
  - *Form 5500 & Administrative Outsourcing*
  - *Access to Low Cost Investments*
  
- III. **Outsourcing of Services and Professional Support to the MEP Plan Sponsor**
  - *Governance and oversight*
  - *Simplified Administration*
  - *Staff Time and Labor efficiency*
  - *Recordkeeping services*
  - *Participant Education Resources*
  - *Professional Investment Management*
  - *Professional Retirement Plan Consulting Services*
  
- IV. **Flexibility in Plan Design for Each Adopting Employer**
  - *Customize the plan design elements that matter to you*

# UBS & other service providers

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<u>UBS Retirement Plan Consulting</u>	<u>Retirement Plan Provider</u>	<u>Third Party Administrator</u>
<ul style="list-style-type: none"> <li>• Can act as an ERISA 3(21) &amp; 3(38) fiduciary with regard to investments in the plan</li> <li>• Assistance with Investment Policy Statement (IPS) development</li> <li>• Analyzes and monitors passive and active investments for the plan</li> <li>• When suitable, recommends replacement investments based on IPS</li> <li>• Plan and Investment fee monitoring</li> <li>• Liaison to other service providers</li> <li>• Additional Consulting services</li> <li>• Fee Benchmarking services</li> </ul>	<ul style="list-style-type: none"> <li>• Provides recordkeeping and administrative services to the plan</li> <li>• Hosts plan &amp; participant websites</li> <li>• Creates and distributes plan participant statements</li> <li>• Holds the assets of the plan</li> <li>• Enrollment kits</li> <li>• Participant education available</li> </ul>	<ul style="list-style-type: none"> <li>• May act as a 3(16) Fiduciary</li> <li>• Creates Form 5500 for the plan taking this burden away from all adopting members</li> <li>• Creates and distributes participant disclosures &amp; participant notices</li> <li>• Services may be bundled with the Retirement Plan Provider</li> </ul>



# Arizona Association of Realtor's Role as the Plan Sponsor

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The Arizona Association of Realtors has two key roles in association with the MEP.

- The first responsibility is to adopt a plan document and serve as the Plan Sponsor.
- The second responsibility is to serve as Trustee and safeguard the assets and assure that participants are treated fairly.

While the Arizona Association of Realtors oversees the MEP, the day-to-day operations are the responsibilities of the Recordkeeper, TPA & Investment Advisors who typically act as ERISA 3(16), 3(21) & 3(38) fiduciaries. Once the ERISA fiduciaries are in place, it is the plan sponsor's responsibility to review and monitor their work and recommendations.

Section 4

# Roadmap to a stronger plan

# A roadmap with three areas of focus

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Our efforts are designed to help you manage your plan more effectively



**Fiduciary  
governance**

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To help you manage your  
**fiduciary responsibilities**



**Plan health**

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Applying **new strategies** to  
**optimize** your plan



**Retirement  
readiness**

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To help participants make more  
**informed** financial decisions

# Fiduciary governance—Investment advice

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<b>IPS development</b>	<ul style="list-style-type: none"><li>• Assist in establishing Investment Policy Statement</li><li>• Help determine key investment selection and review criteria</li><li>• Review periodically</li></ul>
<b>Investment advice</b>	<ul style="list-style-type: none"><li>• Search and recommend investment options that align with your IPS</li><li>• Identify investment options that should be replaced</li><li>• Recommend range of strategies allowing participants to adequately diversify their accounts</li><li>• Review and revise your investment menu on an ongoing basis</li></ul>
<b>Fiduciary acknowledgement</b>	<ul style="list-style-type: none"><li>• ERISA fiduciary with respect to the investment advice we provide</li><li>• Subject to ERISA fiduciary standard of care with respect to investment advice</li><li>• Objective investment advice</li></ul>

# Fiduciary governance—Ongoing investment reviews

## Investment reviews

- Scorecard showing investments not meeting IPS criteria
- Market snapshot
- Plan asset allocation summary
- Performance comparisons against peers and benchmarks
- Risk and return analysis
- Style analysis
- Expense analysis

## Investment searches

- Search for investment alternatives to ensure alignment with IPS
- Make investment recommendations

News Date: 05/20/2015 10:01:00 Report Name: Portfolios of the analysis are based on pre-emption status. Please read disclosure for more information.

### XYZ's 401(k) Plan

#### Alerts Summary

Recent Alerts 07-08-2015

Name	Performance	Modern Portfolio Theory		
	YTD Total Return	1 Year Total Return (% Rank in Category)	3 Year Standard Deviation	3 Year Beta
Alliant Mid-Cap A	●	●	●	●
American Century International St A	●	●	●	●
American Funds European Growth A	●	●	●	●
BlackRock CoreAlpha Bond Investor A	●	●	●	●
Highland Small-Cap Equity A	●	●	●	●
JPMorgan Large Cap Equity A	●	●	●	●

● Alerts Do Not Meet Criteria  
○ Alerts Meet Criteria  
Note: Funds that display a dash for any data point are not in the plan. A number of different fact

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News Date: 05/20/2015 10:01:00 Report Name: Portfolios of the analysis are based on pre-emption status. Please read disclosure for more information.

### XYZ's 401(k) Plan

#### Performance

Style Count 05-20-2015

Equity Investment Style	Fixed-Income Investment Style	Performance Quartiles 05-20-2015
0 1 1 1 0 0 1 1 0 0 0 1 Value Blend Growth	0 0 0 0 0 1 1 1 0 0 0 0 List Mid East	1st Quartile 2nd Quartile 3rd Quartile 4th Quartile Number of Options

Equity Style Options: 4      Fixed-Income Style Options: 2

Fund Performance 05-20-2015	Type	Inception Date	Ret. % YTD	Ret. % 3 Mo	Ret. % 1 Yr	Ret. % 3 Yr	Ret. % 5 Yr	Ret. % 10 Yr	Since Incep	Exp Ratio	1 Yr % Rank	3 Yr % Rank	5 Yr % Rank	10 Yr % Rank
<b>Large Blend(MF)</b>	Avg	—	1.08	-0.09	5.49	16.50	15.84	7.26	—	1.56	—	—	—	—
JPMorgan Large Cap Equity A	MF	10-04-1949	4.22	3.20	7.80	17.80	15.02	11.01	—	1.06	19(1611)	27(1380)	70(1225)	185(4)
<b>Russell 1000 TR USD</b>	Idx	12-29-1978	1.71	0.11	7.27	17.73	17.58	8.13	—	—	—	—	—	—
<b>Mid-Cap Growth(MF)</b>	Avg	—	5.88	0.64	8.52	17.53	16.81	8.89	—	2.07	—	—	—	—
Alliant Mid-Cap A	MF	02-05-2002	5.19	-0.54	7.91	17.55	15.13	8.69	7.40	1.13	58(798)	48(857)	81(965)	59(451)
<b>Russell Mid Cap Growth TR USD</b>	Idx	12-31-1985	4.18	-1.14	9.45	19.24	18.69	9.69	—	—	—	—	—	—
<b>Small Growth(MF)</b>	Avg	—	7.71	1.83	9.60	17.99	17.85	9.00	—	1.86	—	—	—	—
Highland Small-Cap Equity A	MF	05-20-1988	4.79	0.75	5.25	15.96	17.17	7.91	10.24	1.82	85(758)	78(877)	62(690)	79(413)
<b>Russell 2000 Growth TR USD</b>	Idx	12-29-1978	8.24	1.98	12.34	20.11	19.32	9.86	—	—	—	—	—	—
<b>Foreign Large Growth(MF)</b>	Avg	—	6.81	1.46	-0.81	11.24	9.85	5.97	—	1.70	—	—	—	—
American Funds European Growth A	MF	04-16-1984	6.98	1.02	0.63	12.32	6.74	7.35	11.24	0.83	33(340)	31(299)	48(273)	15(174)
<b>MSCI ACWI Ex USA Growth NR USD</b>	Idx	12-29-2000	5.40	0.59	-2.06	10.16	8.48	6.02	—	—	—	—	—	—

Performance rankings are based on each fund's total returns relative to other funds in its Morningstar Category for each period shown.

The performance data quoted represents past performance and does not guarantee future results. Your investment return and principal value of an investment will fluctuate; that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 1-800-955-2800 or visit <http://disclosure.morningstar.com/fundinfo>. An investment in a mutual fund is not insured or guaranteed by the FDIC or any other government agency. Although money market seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.

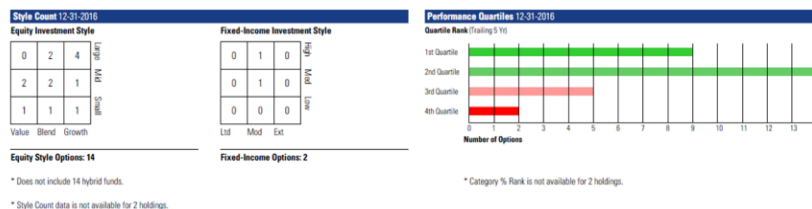
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# Fiduciary governance—Investment Committee Meetings

## Customized summaries of all reports

- Market & Economic Overview
- Investment Review
- Plan Health Statistics
- Fiduciary Updates

## Performance Summary

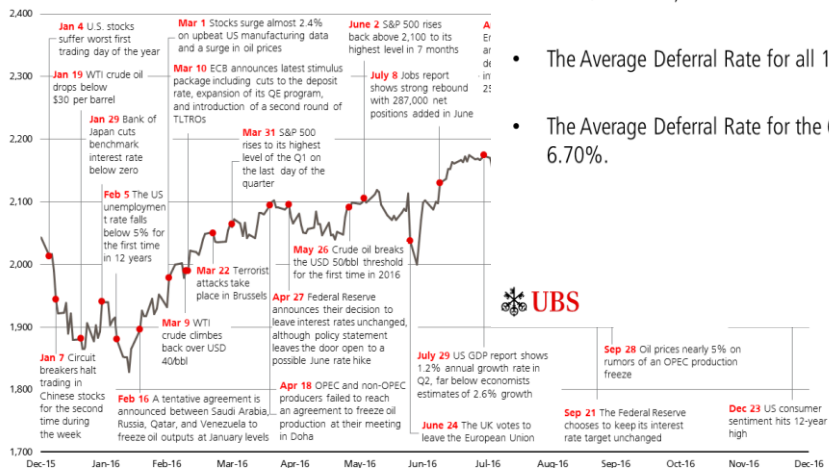


## Participation & Contribution Rates

- There are 85 participants with a balance.
  - 6 of those are terminated with a balance.
- Participation Rate: 57%
  - There are 107 participants on Fidelity's system with Acti
  - 61 of those have a deferral election on file with us. (N participants who may have a flat dollar amount selectec %'s on file).

## What has happened recently?

Markets continue to hover near all-time highs



- The Average Deferral Rate for all 107 active/eligible participants is 3.82%.
- The Average Deferral Rate for the 61 participants with deferral elections on our records is 6.70%.

Fund Performance 12-31-2016	Type	Inception Date	Ret % YTD	Ret % 3 Mo	Ret % 1 Yr	Ret % 3 Yr	Ret % 5 Yr	Ret % 10 Yr	Ret % Since Incep	Gross Fund Exp Ratio	1 Yr % Rank	2 Yr % Rank	5 Yr % Rank	10 Yr % Rank
<b>Mid-Cap Growth(Fds)</b>	Avg	—	6.03	0.75	6.03	4.03	11.79	6.79	—	1.91	—	—	—	—
Prudential-Jewison Mid Cap Growth A	MF	12-31-1996	3.83	0.83	3.83	3.31	10.29	7.61	9.39	1.06	64(644)	61(588)	77(504)	30(386)
Russell Mid Cap Growth TR USD	Idx	12-31-1985	7.33	0.46	7.33	6.23	13.51	7.83	—	—	—	—	—	—
<b>Target-Date 2000-2010(Fds)</b>	Avg	—	5.86	-0.57	5.86	3.04	5.77	3.64	—	1.24	—	—	—	—
Fidelity Freedom® 2005	MF	11-06-2003	5.91	-0.57	5.91	3.32	5.33	3.69	4.69	0.56	52(111)	37(84)	76(68)	48(40)
Fidelity Freedom® 2010	MF	10-17-1996	6.42	-0.32	6.42	3.62	6.42	4.29	6.35	0.60	29(111)	16(84)	33(68)	18(40)
Morningstar Lifetime Mod 2010 TR USD	Idx	02-18-2009	6.64	-0.82	6.64	3.34	5.83	5.10	—	—	—	—	—	—

# Fiduciary governance—Education and process

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We provide fiduciary education and help you document your process and decisions

- Fiduciary Guide
- Fiduciary Checklist
- Sample benefit committee meeting minutes and Board of Directors resolutions
- Checklist to help ensure ERISA 404(c) compliance
- Plan Administration Checklist to track key events and deadlines



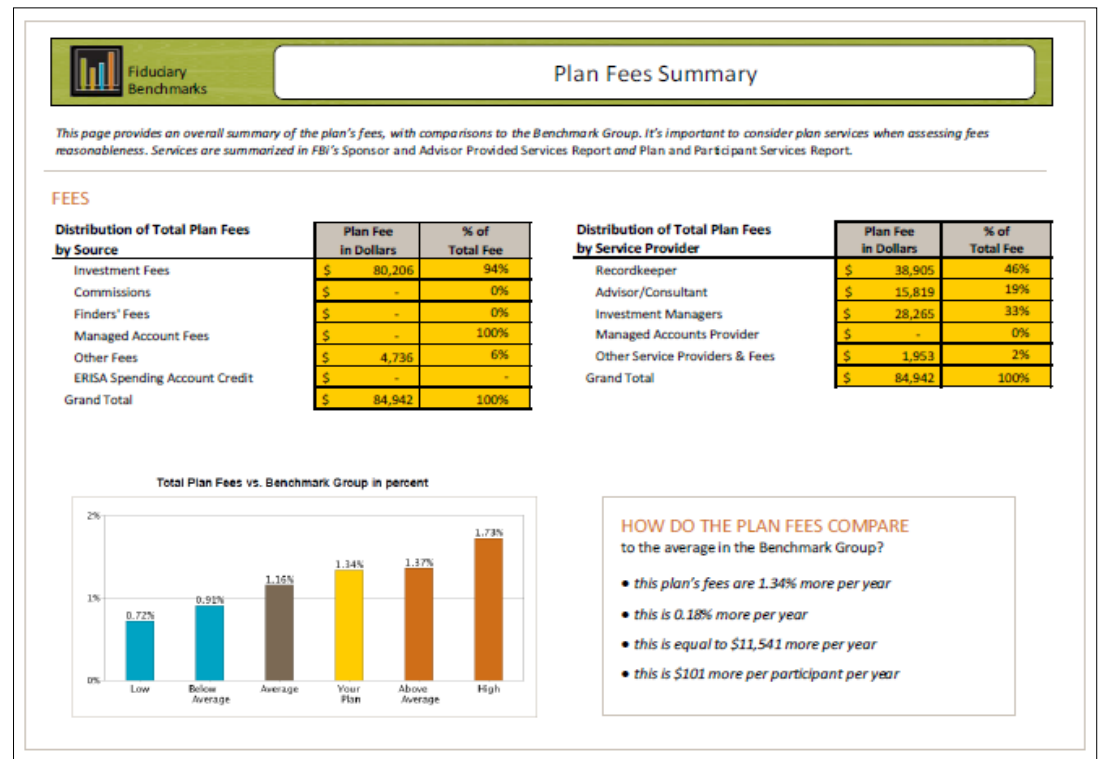




# Fiduciary governance—Fee analysis and benchmarking

Ongoing support to review and evaluate plan expenses

- Understand how fees are derived
- Determine whether fees are reasonable in light of services provided
- Document a prudent process



# Plan health—Strategies to optimize your plan

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We help you evaluate indicators of plan health, recommend key tactics to optimize your plan and assess progress

- Participation rate
- Deferral rate
- Diversification\*
- Robust provider services and capabilities
- Participant engagement

\*Diversification does not guarantee a profit or protect against a loss in a declining financial market.

# Plan health—Your plan liaison

---

We can help you manage day-to-day provider issues

- Assist in obtaining fee and expense information
- Assist you when negotiating fees and services
- Identify potential service enhancements
- Help resolve issues

# Retirement readiness—Addressing employee concerns

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“**When** will I be able to retire?”

“**How much** should I contribute?”

“**What** funds are available to me?”

“**How** do I make sense of the markets?”

# Retirement readiness—Education is key

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Strategic planning and consultation on your education program



## Assess

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- Current participant education strategy
- Provider education services
- Plan demographics and participant educational needs



## Deliver

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- Customized participant education strategy
- Education through workplace seminars
- Ongoing financial education



## Resources

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- Newsletters
- Brochures and worksheets
- Educational seminars

# Retirement readiness—Education is key

UBS Financial Wellness Center—for retirement plan participants

[www.ubs.com/financialwellness](http://www.ubs.com/financialwellness)

- An online resource available through your Retirement Plan Consultant
- Curated by UBS wealth management professionals
- A multimedia experience with videos, podcasts, tutorials, articles and worksheets
- Information and insights for every life stage and major life events—starting out, managing priorities, nearing retirement
- Empower employees to make smarter financial decisions
- Improve retirement readiness and overall financial wellness

UBS

UBS Financial Wellness Center

Home Starting out Managing your priorities Nearing retirement Life events UBS insights

It's your future, plan for it your way

Valuable knowledge for retirement plan participants

With some thoughtful planning and a little bit of discipline, you can create a brighter financial future for you and your family. Your employer, along with UBS, is providing you this educational resource to help you do just that. Use it to help improve your financial wellness and make knowledgeable decisions for your future.

If you were directed to this site by your employer and need more information about the content here, please contact your Human Resources representative. To learn more about UBS, visit [ubs.com/nb](http://ubs.com/nb).

Trending conversations

**Reality check: The true costs of long-term care**  
The good news is we're living longer. The bad news is many of us are in denial about how much we'll need to take care of ourselves as we age. Listen now to this podcast and learn how to prepare.

Starting out  
Plan now for the future you want.

**The importance of starting early**  
• Watch the video [🎥](#)  
• More about planning for your future

**Living on a budget: One of the keys to a better financial future**  
• Read the article [📄](#)  
• More about budgets, credit and debt

**Smart saving ideas: 10 easy strategies to spend less and save more**  
• Read the article [📄](#)  
• More about saving strategies

Managing your priorities  
Bring some balance to your complex life.

**Catch-up strategies**  
• Watch the video [🎥](#)  
• More about retirement readiness

**Mid life investing: Making the most of your asset-building years**  
• Read the article [📄](#)  
• More about building your savings

**A smarter way to save for education**  
• Read the article [📄](#)  
• More about education funding

# Retirement readiness—Financial Planning Resources



## 3 simple questions. The one answer you need.

Find out if you have a **retirement income gap** with iRetire®

What's your age?

What are your current retirement savings?

How much income would you like in retirement?

Answer these three questions and your UBS Financial Advisor can estimate where you stand—and illustrate a way that may help you get closer to the number that's really important: the income you want once you retire. You can even choose a solution right then to help close the gap between today and retirement.

It's simple. And it's important.

We believe having enough for retirement is one of the biggest concerns investors have today. So many factors beyond your control can affect how much you'll need, such as: spending more time in retirement, helping out aging parents and kids well into adulthood, and facing rising healthcare costs.

iRetire® by BlackRock®

<p><b>See</b> where you stand today based on:</p> <ul style="list-style-type: none"> <li>• your age</li> <li>• your savings to date</li> <li>• your ideal income</li> </ul>	<p><b>Explore</b> what you can do differently:</p> <ul style="list-style-type: none"> <li>• work longer</li> <li>• save more</li> <li>• invest differently</li> </ul>	<p><b>Choose</b> a UBS Managed Portfolio of Funds <i>House View</i> Strategy portfolio to help put the iRetire® approach into action*</p>	<p><b>Boost</b> your confidence about having what you need in retirement</p>
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Go a step further and get a roadmap to all your financial goals

Retirement is only part of your financial picture. Education, philanthropy, your mortgage, even banking and insurance play an important role in how you plan for your future. Find out how you can see your overall net worth in one place, so you and your Financial Advisor have broader insight into how to plan for your future.

Talk to your UBS Financial Advisor today.

\* Only the UBS Managed Portfolio of Funds *House View* Strategies are identified in the tool, and they do not represent the full universe of investments that could compose a portfolio or help you reach your retirement income goals.



## A plan for your financial life

Finding the right path to **pursue your goals**

Financial Goal Analysis with UBS

At UBS, the Financial Goal Analysis is our written financial plan that uses sophisticated analytics to help you evaluate whether you are on a path toward achieving your personal financial goals. When you incorporate a financial plan as part of our overall wealth management process, you'll have a clearer vision of what steps to take along the way.

### Our wealth management process

**Discover.** This is where we gain vital information about your goals and resources. We'll discuss the most important aspects of your financial life so that we can assess your current situation and uncover unmet needs. We can analyze both sides of your personal balance sheet—your assets, real estate, insurance, annuities and any windfalls that might come your way. We can also review your liabilities, tax situation and expenses. Your Financial Advisor will ask questions about your larger life—your priorities, life goals, causes you're passionate about, your needs, wants and wishes. We'll also learn about your time horizon for saving and overall risk tolerance.

**Create.** The next step includes creating your comprehensive written financial plan. Based on knowledge gained during the discovery phase, your

Financial Advisor will develop a strategic approach for your specific needs. The written plan will include an executive summary with clear action steps for you to consider, as well as "what-if" scenarios that let you evaluate alternative planning strategies and their possibilities. (See Exhibit 1).

**Agree and understand.** Once all your priorities have been identified, and you understand and agree on the plan, it's time to implement it.

**Implement.** Outside of your financial plan, we also offer a variety of products and services that can help you put the full range of strategies into action—from banking services to life insurance and more. And because you and your Financial Advisor have had comprehensive discussions about your goals, you'll be in a better position to determine which of these services complement your overall strategy.



**Current situation:** If you make no changes to your current situation, you have a 45% probability of success.



**"What if" scenario:** We'll help you see how different actions can improve the probability of success.

This scenario illustrates the impact of:

- Retiring later
- Reducing spending
- Increasing savings
- Adjusting the portfolio allocation

For illustrative purposes only. Results vary for every client. The FGA report is based on various assumptions including financial information, personal preferences and other information provided by the client. The report details the assumptions upon which the plan is based. **Important:** The projections or other information generated by the FGA regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results.

Advice. Beyond investing. plan access save borrow grow protect give

# Our insights. Your advantage.

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We're ready to put our strengths to work for you



**Fiduciary  
governance**

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To help you manage your  
**fiduciary responsibilities**



**Plan health**

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Applying **new strategies** to  
**optimize** your plan



**Retirement  
readiness**

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To help participants make more  
**informed** financial decisions



Section 5

# Fee Comparison Examples

# MEP & 401(k) Plan Comparisons - Small Company

<b>Example #1: 10 Employees \$100,000 Assets</b>		
	<b>Current Estimate</b>	<b>MEP Estimate</b>
<b>Participant Fees:</b>	\$ -	\$ -
<b>Advisor:</b>	1.18%	0.25%
<b>Recordkeeping:</b>	2.25%	0.65%
<b>Average Investment Cost:</b>	0.56%	0.32%
<b>Total Costs</b>		
\$	\$ 3,990	\$ 1,220
%	3.99%	1.22%

\* Current estimates based on data in the 401k Averages Book, 17th Edition.

- Estimated costs savings of \$2,770 or 69% annually
- Fiduciary responsibilities significantly reduced with the inclusion of ERISA 3(38), 3(21) & 3(16) fiduciaries to the MEP
- Access to institutional class investment funds with zero revenue share
- Total Cost can be reduced to 1.05% or lower thru the use of index funds ranging from 0.04% - 0.15%.

# MEP & 401(k) Plan Comparisons - Larger Company

<b>Example #2: 50 Employees \$2,500,000 Assets</b>		
	<b>Current Estimate</b>	<b>MEP Estimate</b>
<b>Participant Fees:</b>	\$ -	\$ -
<b>Advisor:</b>	0.50%	0.19%
<b>Recordkeeping:</b>	0.33%	0.35%
<b>Average Investment Cost:</b>	0.56%	0.32%
<b>Total Costs</b>		
\$	\$ 34,750	\$ 21,500
%	1.39%	0.86%

\* Current estimates based on data in the 401k Averages Book, 17th Edition.

- Estimated costs savings of \$13,250 or 38% annually
- Access to institutional class investment funds with zero revenue share
- Fiduciary responsibilities significantly reduced with the inclusion of ERISA 3(38), 3(21) & 3(16) fiduciaries to the MEP
- Company administrative duties significantly reduced as investment reviews and participant notices are now handled by the MEP

<sup>1</sup> Manganaro, John. "Tibble v. Edison Case Heard by U.S. Supreme Court." *planadviser.com*. 2/24/2015. Web (12/18/2015).

<sup>2</sup> Randazzo, Sara. "Plaintiffs' Lawyer Takes On Retirement Plans." *wsj.com*. 8/25/2015. Web (12/18/2015).

<sup>3</sup> Bradford, Hazel. "DOL Moving Forward on New Fiduciary Standard." *pionline.com*. 8/24/2015. Web (12/18/2015).

<sup>4</sup> Editors, *Consumer Reports*. "Does Your 401K Plan Need a Makeover?" *consumerreports.org*. 8/27/2015. Web (12/18/2015).

<sup>5</sup> Wasik, John F. "Finding, and Battling, Hidden Costs of 401k Plans." *nytimes.com*. 11/7/2014. Web (12/18/2015).

<sup>6</sup> Source: The Scorpio Partnership Global Private Banking Benchmark 2015. The Scorpio Partnership Global Private Banking Benchmark is the leading analysis of the international wealth management market from strategists Scorpio Partnership. The 2015 report includes data based on results from 203 private banks around the world with total assets under management of USD 16.4 trillion. The report includes more than 2,000 data points on the private banking industry's key performance indicators: business model analysis, regional analysis, assets under management, market share, net new money, income breakdown, expenses breakdown, cost income ratios and gross margins. The benchmark seeks data relating to the firm's actively managed high net worth private client assets, including discretionary portfolio management, advisory portfolio management, securities or brokerage accounts, own mutual funds, term deposits, fiduciary deposits, savings accounts and managed trust assets.

UBS does not provide legal, tax or actuarial advice. You will be responsible for ensuring that your investment policy statement and other plan documents comply with ERISA, state or local laws, or other regulations or other requirements that apply to you. You should consult with your legal and tax advisors regarding those matters.

Our services do not include a review of the performance or recommendations regarding whether a plan should offer or continue to offer employer securities as an investment option under the plan. If our fees are based on the value of the assets in your plan, we will not include the value of the employer securities when we calculate the RPCS Program Fee.

Our investment searches will not include UBS affiliated/proprietary mutual or sub-advised funds. Inclusion of affiliated or proprietary mutual or sub-advised funds in our investment searches raises a conflict of interest as purchasing those funds will result in increased compensation to UBS and/or a member of the UBS organization.

While we can identify investment funds from an extensive list of options, our investment searches are limited to those which are offered by the Firm or for which the Firm has conducted a review and are available on the plan's record keeper platform.

UBS Retirement Plan Consulting Services is an investment advisory program. Details regarding the program including fees, services, features and suitability are provided in the ADV Disclosure.

#### **Important information about advisory and brokerage services**

As a firm providing wealth management services to clients, we offer both investment advisory and brokerage services. These services are separate and distinct, differ in material ways and are governed by different laws and separate contracts. For more information on the distinctions between our brokerage and investment advisory services, please speak with your Financial Advisor or visit our website at [ubs.com/workingwithus](http://ubs.com/workingwithus).

#### **For plan sponsor use only. Not for participant distribution.**

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# INTRODUCING THE ARIZONA ASSOCIATION OF REALTORS RETIREMENT PLAN

**By joining the AZ Association of Realtors Retirement Plan, you can save money, reduce your fiduciary liability and spend less time on administrative tasks.**

## The AZ Association of Realtors Retirement Plan

### Member Benefits

- No Annual Audit
- Cost savings on the investments
- No individual Form 5500 reporting
- Minimal plan maintenance
- Flexible plan features, including safe harbor, Roth and profit sharing
- Customizable 401(k) plan design options involving eligibility, matches, vesting schedules and more
- Reduce your fiduciary responsibilities

### How?

The AZ Association of Realtors Retirement Plan is a Multiple Employer Plan. From a government reporting standpoint, it is treated like one large plan. The end result for you is a retirement plan with competitive investments, outstanding service, and someone else taking the fiduciary responsibilities of the day to day operations of the plan.

### Strength in Numbers

When you utilize the AZ Association of Realtors Retirement Plan, you have all the advantages and flexibility of a stand-alone plan sponsor, but avoid the expenses, fiduciary liabilities and administrative headaches of managing it yourself.

### Let us handle the paperwork for you

By participating in the AZ Association of Realtors Retirement Plan, virtually all administrative tasks can be offloaded from you to Slavic 401(k) and UBS Financial Services, Inc.

Tasks that can be shifted may include:

- Administrative responsibilities
- Employee eligibility tracking
- Distribution
- Processing
- Plan compliance
- Non-discrimination testing
- Annual reporting
- Participant education/enrollment

**The result is more time for you to focus on running your business!**

### FOR FURTHER INFORMATION:

Please contact the financial advisor for the AZ Association of Realtors Retirement Plan below:

**Michael DiGrazia, CIMA<sup>®</sup>, CFP<sup>®</sup>**  
Institutional Consultant  
Senior Retirement Plan Consultant  
UBS Institutional Consulting Group

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## Investment Options

**Open architecture mutual fund platform**

- BlackRock
- Vanguard

- American Funds
- PIMCO

- Delaware Investments
- Columbia

- Institutional Share Class funds
  - Active & Passive Investment Options Available
  - Email Express - Participant acct balances emailed weekly
- 3(21) Fiduciary Investment Advice
  - On-line Access to Performance & Prospectuses
  - Daily Valuation

## Absolute Fee Transparency

The participant fees are disclosed as a line item on the participant's statement. Fees are not "hidden" in the investment returns. 12b-1 fees paid to Slavic401k.com are credited back to the individual participants that own the fund. This ensures absolute objectivity in fund recommendations.

## Comprehensive Administration

- Plan Design and Set-up Consultation
  - Eligible Participant Notification
  - Sponsor Express - plan testing summary e-mailed to the sponsor monthly
- Non-discrimination testing
  - Loan and Distribution Processing
  - Trustee Services
- 5500 preparation included as part of the Multiple Employer Plan
  - Outsourced 3(16) Administrative duties

## Company Costs

Set-up (one time cost)	\$0
Old Plan Takeover (one time cost)	\$0 (less than 10 participants)
Old Plan Takeover (one time cost)	\$300 (10-100 participants)
Old Plan Takeover (one time cost)	\$500 (more than 100 participants)
Annual Fee	\$0

## Participant Costs

One-time loan set-up fee	\$150 plus \$50 annual loan maintenance
Distributions	\$40

## Asset Expenses

Average Mutual Fund Expense Ratio	0.31%
QDIA - BlackRock LifePath Target Date Funds	0.12%

Adopting Plan Size*	Blended Asset Based Fee
\$500,000 & below	0.90%
\$1,000,000	0.80%
\$2,000,000	0.60%
\$5,000,000	0.40%
\$10,000,000	0.30%
\$20,000,000	0.20%

\*Tiered asset based fee between break points noted above.