

RECOMMENDATION to Board of Directors

FROM:

Aaron Pfeifer – 2019 Chair: Business Services & Technology (BS&T) and 2018 BS&T Committee

RECOMMENDATION:

To increase the BS&T budget (810-1770) by \$178, 007.65 to provide for zipForm® Mobile (\$2.00 per member) and MLS Connect (\$1.55 per member) and partially offset the increase by reducing the following expenses:

810-1710	Outsourced Consulting	\$20,000
810-1730	Managed Service Provider – Projects	\$40,000
810-1730	Network Vulnerability Scan	\$10,000
810-1770	Clickdimensions	<u>\$12,000</u>
		\$82,000

(See attached)

BACKGROUND:

The BS&T Committee voted to cancel zipForm® Mobile for 2019 with the understanding that zipForm® Plus, being written in HTML5, would be able to work on all devices. However, after completing the 2019 BS&T budget, the Committee learned that it would not, and to have a smooth transition for members, it will be necessary to contract with zipLogix® to provide zipForm® Mobile and MLS Connect for a one-year period. To cover these expenses, it becomes necessary to amend the budget.

BUDGET IMPACT:

\$96,007.65 decrease in net Operating Budget income from \$142,707.55 to \$46,699.90

MOTION:

To amend the 2019 Operating Budget to increase the BS&T budget (810-1770) by \$178, 007.65 to provide for zipForm® Mobile and MLS Connect and partially offset the increase by reducing the following expenses:

810-1710	Outsourced Consulting	\$20,000
810-1730	Managed Service Provider – Projects	\$40,000
810-1730	Network Vulnerability Scan	\$10,000
810-1770	Clickdimensions	\$12,000

FOR MORE INFORMATION CONTACT:

Aaron Pfeifer – (928) 486-9997 / aaronpfeifer@realtyexecutives.com

OR Nick Catanesi – (602) 248-7787 / nickcatanesi@aaronline.com



PROPOSED 2019 Operating Budget

2018 Budget	2018 Projections	Primary Committee	2019 Budget
\$ (864,916.94)	\$ (797,193.87)	Legislative & Political Affairs	\$ (906,495.94)
\$ (268,056.00)	\$ (269,182.93)	Risk Management	\$ (298,481.00)
\$ (1,529,834.63)	\$ (1,313,464.00)	Business Services & Technology	\$ (1,315,385.53)
\$ (321,827.00)	\$ (312,889.89)	Professional & Business Development	\$ (443,723.00)
\$ 3,058,497.94	\$ 3,708,642.46	Operations & Strategic Initiatives	\$ 3,106,793.02
\$73,863.37	\$ 1,015,911.77	* Net (Expense)/Income Totals *	\$ 142,707.55

(81,411,393.18)

= \$96,007.65

 \$ 46,699.90

BUSINESS SERVICES & TECHNOLOGY

2018 Approved	2018 Projections	Code	2019
PROJECTED INCOME			
\$ 24,000.00	\$ 31,000.00	433 FORMS LICENSING	\$ 48,000.00
\$ 7,200.00	\$ 8,400.00	466 COMMUNICATIONS	\$ 7,200.00
\$ 31,200.00	\$ 39,400.00	TOTAL PROJECTED INCOME	\$ 55,200.00
PROJECTED DIRECT (EXPENSES)			
\$ (9,000.00)	\$ (9,000.00)	540 STAFF DEVELOPMENT	\$ (9,000.00)
\$ (1,200.00)	\$ (1,100.00)	630 CATERING/HOTEL	\$ (1,200.00)
\$ (16,000.00)	\$ (16,000.00)	631 COMPUTER EXPENSE	\$ (16,000.00)
\$ (5,250.00)	\$ (5,250.00)	770 SUPPLIES	\$ (5,250.00)
\$ (250.00)	\$ (250.00)	780 POSTAGE	\$ (250.00)
\$ (28,500.00)	\$ (27,500.00)	781 PRINTING	\$ (28,500.00)
\$ (7,000.00)	\$ (7,000.00)	786 PROMOTION	\$ (7,000.00)
\$ (36,210.20)	\$ (27,233.00)	788 STAFF EXPENSE	\$ -
\$ (3,225.00)	\$ (3,125.00)	790 SUBSCRIPTIONS/REFERENCE	\$ (3,225.00)
\$ (1,451,864.43)	\$ (1,253,871.00)	810 PROFESSIONAL/CONTRACT FEES	\$ (1,271,754.68)
\$ -	\$ -	860 CONFERENCES	\$ (17,635.85)
\$ (2,535.00)	\$ (2,535.00)	867 TRAVEL	\$ (10,770.00)
\$ (1,561,034.63)	\$ (1,352,864.00)	TOTAL DIRECT (EXPENSES)	\$ (1,370,585.53)
\$ (1,529,834.63)	\$ (1,313,464.00)	TOTAL NET (EXPENSES)/INCOME	\$ (1,315,385.53)

~~\$ 82,000~~
~~\$ 1,178,001.65~~
\$ (1,411,393.18)

BUSINESS SERVICES, COMMUNICATIONS and TECHNOLOGY

A	B	C	D	E	F	G	H	I	J	K	L
55											
56											
57	631	Computer Service & Expense	\$ (1,000.00)	\$ (1,000.00)	\$ (1,000.00)	total	1	total	1	yearly	\$ (1,000.00)
58	810	Professional/Contract Fees	\$ (2,000.00)	\$ (2,000.00)	\$ (2,000.00)	renewal	1	license	1	yearly	\$ (2,000.00)
59			\$ (1,188.00)	\$ (1,188.00)	\$ (1,188.00)	renewal	1	license	1	yearly	\$ (1,188.00)
60			\$ (150.00)	\$ (150.00)	\$ (150.00)	renewal	1	license	1	yearly	\$ (150.00)
61			\$ (1,795.00)	\$ (1,795.00)	\$ (1,795.00)	renewal	1	license	1	yearly	\$ (1,795.00)
62			\$ (1,000.00)	\$ (1,000.00)	\$ (1,000.00)	consulting	1	license	1	yearly	\$ (1,000.00)
63			\$ (20,000.00)	\$ (20,000.00)	\$ (20,000.00)	protection	1	license	1	yearly	\$ (20,000.00)
64			\$ (10,000.00)	\$ (10,000.00)	\$ (10,000.00)	total	1	total	1	yearly	\$ (10,000.00)
65			\$ (870.33)	\$ (870.33)	\$ (870.33)						\$ (870.33)
66			\$ (38,003.33)	\$ (35,683.00)	\$ (35,683.00)						\$ (38,003.33)
67											
68											
69											
70	631	Computer Expense	\$ (15,000.00)	\$ (15,000.00)	\$ (15,000.00)						\$ (15,000.00)
71	810	Professional/Contract Fees	\$ (1,250.00)	\$ (1,250.00)	\$ (1,250.00)	renewal	1	license	1	yearly	\$ (1,250.00)
72			\$ (1,500.00)	\$ (1,500.00)	\$ (1,500.00)	renewal	1	license	1	yearly	\$ (1,500.00)
73			\$ (3,000.00)	\$ (3,000.00)	\$ (3,000.00)	renewal	1	license	1	yearly	\$ (3,000.00)
74			\$ (70.00)	\$ (70.00)	\$ (70.00)	service	1	license	1	yearly	\$ (70.00)
75			\$ (1,500.00)	\$ (1,500.00)	\$ (1,500.00)	service	12	months	1	yearly	\$ (1,500.00)
76			\$ (99.00)	\$ (99.00)	\$ (99.00)	per month	12	months	1	yearly	\$ (99.00)
77			\$ (12,500.00)	\$ (12,500.00)	\$ (12,500.00)	per month	12	months	1	yearly	\$ (12,500.00)
78			\$ (60,000.00)	\$ (60,000.00)	\$ (60,000.00)	per month	12	months	1	yearly	\$ (60,000.00)
79			\$ (40,000.00)	\$ (40,000.00)	\$ (40,000.00)	per month	12	months	1	yearly	\$ (40,000.00)
80			\$ (54,000.00)	\$ (54,000.00)	\$ (54,000.00)	per month	12	months	1	yearly	\$ (54,000.00)
81			\$ (5,000.00)	\$ (5,000.00)	\$ (5,000.00)	fee	1	license	1	yearly	\$ (5,000.00)
82			\$ (10,000.00)	\$ (10,000.00)	\$ (10,000.00)	license	1	license	1	yearly	\$ (10,000.00)
83			\$ (15,000.00)	\$ (15,000.00)	\$ (15,000.00)	license	1	license	1	yearly	\$ (15,000.00)
84			\$ (5,000.00)	\$ (5,000.00)	\$ (5,000.00)	license	1	license	1	yearly	\$ (5,000.00)
85			\$ (3,000.00)	\$ (3,000.00)	\$ (3,000.00)	license	1	license	1	yearly	\$ (3,000.00)
86			\$ (10,000.00)	\$ (10,000.00)	\$ (10,000.00)	license	1	license	1	yearly	\$ (10,000.00)
87			\$ (3,000.00)	\$ (3,000.00)	\$ (3,000.00)	license	1	license	1	yearly	\$ (3,000.00)
88			\$ (3,000.00)	\$ (3,000.00)	\$ (3,000.00)	license	1	license	1	yearly	\$ (3,000.00)
89			\$ (1,500.00)	\$ (1,500.00)	\$ (1,500.00)	license	1	license	1	yearly	\$ (1,500.00)
90			\$ (750.00)	\$ (750.00)	\$ (750.00)	license	1	license	1	yearly	\$ (750.00)
91			\$ (3,000.00)	\$ (3,000.00)	\$ (3,000.00)	license	1	license	1	yearly	\$ (3,000.00)
92			\$ (3,000.00)	\$ (3,000.00)	\$ (3,000.00)	license	1	license	1	yearly	\$ (3,000.00)
93			\$ (2,400.00)	\$ (2,400.00)	\$ (2,400.00)	license	1	license	1	yearly	\$ (2,400.00)
94			\$ (3,000.00)	\$ (3,000.00)	\$ (3,000.00)	license	1	license	1	yearly	\$ (3,000.00)
95			\$ (500.00)	\$ (500.00)	\$ (500.00)	license	1	license	1	yearly	\$ (500.00)
96			\$ (295.00)	\$ (295.00)	\$ (295.00)	license	1	license	1	yearly	\$ (295.00)
97			\$ (120.00)	\$ (120.00)	\$ (120.00)	license	1	license	1	yearly	\$ (120.00)
98			\$ (60.00)	\$ (60.00)	\$ (60.00)	license	1	license	1	yearly	\$ (60.00)
99			\$ (125.00)	\$ (125.00)	\$ (125.00)	license	1	license	1	yearly	\$ (125.00)
100			\$ (72.00)	\$ (72.00)	\$ (72.00)	license	1	license	1	yearly	\$ (72.00)
101			\$ (150.00)	\$ (150.00)	\$ (150.00)	license	1	license	1	yearly	\$ (150.00)
102			\$ (240.00)	\$ (240.00)	\$ (240.00)	license	1	license	1	yearly	\$ (240.00)
103			\$ (900.00)	\$ (900.00)	\$ (900.00)	license	1	license	1	yearly	\$ (900.00)
104			\$ (4,800.00)	\$ (4,800.00)	\$ (4,800.00)	license	1	license	1	yearly	\$ (4,800.00)
105			\$ (24,000.00)	\$ (24,000.00)	\$ (24,000.00)	license	1	license	1	yearly	\$ (24,000.00)
106			\$ (20,000.00)	\$ (20,000.00)	\$ (20,000.00)	license	1	license	1	yearly	\$ (20,000.00)
107			\$ (750.00)	\$ (750.00)	\$ (750.00)	license	1	license	1	yearly	\$ (750.00)
108			\$ (3,000.00)	\$ (3,000.00)	\$ (3,000.00)	license	1	license	1	yearly	\$ (3,000.00)
109			\$ (2,900.00)	\$ (2,900.00)	\$ (2,900.00)	license	1	license	1	yearly	\$ (2,900.00)
110			\$ (1,300.00)	\$ (1,300.00)	\$ (1,300.00)	license	1	license	1	yearly	\$ (1,300.00)
111			\$ (10,000.00)	\$ (10,000.00)	\$ (10,000.00)	license	1	license	1	yearly	\$ (10,000.00)
112			\$ (10,000.00)	\$ (10,000.00)	\$ (10,000.00)	license	1	license	1	yearly	\$ (10,000.00)
113			\$ (333,881.00)	\$ (297,681.00)	\$ (297,681.00)	license	1	license	1	yearly	\$ (333,881.00)

SOFTWARE DEVELOPMENT - 1710

IT RESOURCES AND SECURITY MANAGEMENT - 1730

254,281.00

18,003.33

BUSINESS SERVICES, COMMUNICATIONS and TECHNOLOGY

A	B	C	D	E	F	G	H	I	J	K	L
BUSINESS SERVICES DEPARTMENT - 1770											
INCOME											
117	433	Forms Licensing	\$ 12,000.00	Forms Licensing - Dolt-loop	\$ 1,000.00	license	1	license	12 months	\$ 12,000.00	
118				Forms Licensing - Brokemint	\$ 1,000.00	license	1	license	12 months	\$ 12,000.00	
119				Forms Licensing - Instant Solutions	\$ 1,000.00	license	1	license	12 months	\$ 12,000.00	
120				Forms Licensing - Reesio	\$ 1,000.00	license	1	license	12 months	\$ 12,000.00	
121				1770 INCOME						\$ 48,000.00	
122											
123											
EXPENSE											
124	630	Catering/Hotel	\$ (1,200.00)	Catering	\$ (1,200.00)	session	1	session	1 time	\$ (1,200.00)	
125	786	Promotion	\$ (5,000.00)	Promotional Expense	\$ (5,000.00)	promotion	1			\$ (5,000.00)	
127	788	Staff Expense	\$ (500.00)	Miscellaneous Travel	\$ -	travel	1			\$ -	
128				Mileage	\$ -	miles	5000	miles	1 annual	\$ -	
129				Daily Expense	\$ -	per diem	20	days	1 staff	\$ -	
130				Auto Rental	\$ -	rental	4	rentals	1 staff	\$ -	
131				Hotel/Lodging	\$ -	night	20	nights	1 staff	\$ -	
132	810	Professional/Contract Fees	\$ (204,468.60)	Hotel/Lodging	\$ (4.20)	\$/Yr/Member	1	annual	50143 members	\$ (210,600.60)	
133				zipForm Fees (Standard Mobile) & MLS Canceled \$ 3.55	\$ (323,393.75)	\$/Yr/Member	1	annual	50143 members	\$ 118,007.65	
134				zipForm Form Change Fees	\$ (5,000.00)	per page	1	pages	1 annual	\$ -	
135				Forms Provider	\$ (323,393.75)	5 Million Emails	1	annual	1 annual	\$ (323,393.75)	
136				ClickDimensions	\$ (50,000.00)	3 Yr Renew	1	annual	12 months	\$ (50,000.00)	
137				Abacus Law	\$ (1,125.00)	\$/Yr/Member	1	annual	50143 members	\$ (13,500.00)	
138				Technical Support	\$ (2.00)		1	one-time	1 annual	\$ (88,000.00)	
139				Clarely SSO Implementation	\$ -	travel	1	annual	1 annual	\$ -	
140				Clarely SSO	\$ (185,000.00)	travel	1	annual	1 annual	\$ (185,000.00)	
141	867.2	Staff Travel	\$ (173,000.00)	Miscellaneous Travel	\$ (1,000.00)	miles	5000	miles	1 annual	\$ (1,000.00)	
142				Mileage	\$ (0.55)	per diem	20	days	1 staff	\$ (1,300.00)	
143				Daily Expense	\$ (65.00)	rental	4	rentals	1 staff	\$ (900.00)	
144				Auto Rental	\$ (225.00)	night	20	nights	1 staff	\$ (2,300.00)	
145				Hotel/Lodging	\$ (115.00)					\$ -	
146				1770 Expense						\$ (884,919.35)	
147				1770 Net						\$ (836,919.35)	
148											
149											
150											
COMMUNICATIONS - 1780											
INCOME											
151	466.2	Advertising Income	\$ 7,200.00	Ads (AAR Email Biasis)	\$ 7,200.00		1		1	\$ 7,200.00	
152	466.3	Income	\$ -	Website Banner Ads	\$ -					\$ -	
153				1780 INCOME						\$ 7,200.00	
154											
155											
EXPENSE											
156	540	Staff Development	\$ (4,000.00)	Training/Seminars	\$ (2,000.00)		1		2	\$ (4,000.00)	
157	770	Supplies	\$ (750.00)	Miscellaneous Art Supplies	\$ (750.00)		1		1	\$ (750.00)	
158				Recording Studio Supplies	\$ (2,500.00)		1		1	\$ (2,500.00)	
159				President's Scrapbook	\$ (500.00)		1		1	\$ (500.00)	
160				Promotional Materials - Member Booklets	\$ (26,000.00)		1		1	\$ (26,000.00)	
161	781	Printing	\$ (26,000.00)	Contest Prizes	\$ (2,000.00)		1		1	\$ (2,000.00)	
162	788	Promotion	\$ (1,600.00)	NAR EXPO - (San Francisco, CA) - Hotel	\$ -	night	5	nights	1 staff	\$ -	
163				NAR EXPO - (San Francisco, CA) - Daily Expense	\$ -	per diem	6	days	1 staff	\$ -	
164				NAR EXPO - (San Francisco, CA) - Airfare	\$ -	airfare	1	time	1 staff	\$ -	
165				NAR EXPO - (San Francisco, CA) - Registration	\$ -	registration	1	time	1 staff	\$ -	
166				NAR Comm. Director Institute - Travel	\$ -	night	1	time	1 staff	\$ -	
167				NAR Comm. Director Institute - Daily Exp	\$ -	night	4	days	1 staff	\$ -	
168				NAR Comm. Director Institute - Hotel	\$ -	night	3	nights	1 staff	\$ -	
169				NAR Comm. Director Institute - Reg	\$ -	night	1	time	1 staff	\$ -	
170				NAREE Comm. Director - Travel	\$ -	night	1	time	1 staff	\$ -	
171				NAREE Comm. Director - Daily Exp.	\$ -	night	1	time	1 staff	\$ -	
172				NAREE Comm. Director - Hotel	\$ -	night	3	nights	1 staff	\$ -	
173											

61,050,927
 (836,919.35)
 60,214,007.65
 38,000