



BOARD OF DIRECTORS MEETING

Thursday, April 16, 2020 ~ 1:00 p.m.

Zoom Meeting Platform - Statewide

AGENDA

A. CALL TO ORDER – President Roberts

1. Inspirational Message – **Susan Nicolson** – West & Southeast REALTORS® of the Valley
2. Pledge of Allegiance – **Joan Wilson** – Southeast Arizona Association

B. ASSOCIATION REPORT – President Roberts

1. Director Responsibilities, Authority and Oath of Office – (attachment 01)
2. Approval of October 17, 2019 meeting minutes – (attachment 02)
3. Election of Year 2021 Officers – (attachment 03)
4. NAR Report - 2020 NAR Region XI RVP
5. Executive Committee Report – **President-elect Leighton** – (attachment 04 and Handout)
 - a. 2021 Leadership Appointments for Primary Committees and Local Association Executive – **MOTION** (attachment 05)
 - b. Bylaws Revisions/Code of Ethics – *Pending Executive Committee Approval: MOTION* (attachment 06)
 - c. Bylaws Revisions/Regions – *Pending Executive Committee Approval: MOTION* (attachment 07)
6. Treasurer’s Report – **Treasurer Gibbs**
 - a. 2019 Audit Report – (attachment 08)
 - b. Allocation of 2019 Accumulated Operating Surplus– *Pending Executive Committee Approval: MOTION* (attachment 09 and handout)
 - c. 2020 Year-to-Date Financial Update – (attachment 10)
 - d. 2020 Year-to-Date Capital Budget Update – (attachment 11)
7. Chief Executive Officer’s Report – **Michelle Lind, CEO** – (attachment 12)
 - a. Legal Update – **Scott Drucker, General Counsel**

C. PRIMARY COMMITTEE REPORTS

1. Professional & Business Development (PBD) – Marci Slater, Chair – (attachment 13)
2. Business Services & Technology (BST) – Steve Redmond, Chair – (attachment 14)
3. Risk Management (RM) – Jim Durham, Chair – (attachment 15)
4. Legislative & Political Affairs (LPA) – Shelley Ostrowski, Chair – (attachment 16)

D. REAL ESTATE SPECIALTY REPORTS

1. CRS/RRC Update – Ben Little – 2020 Arizona RRC Representative
2. WCR Update – Elisabeth Ortega – 2020 Arizona WCR President
3. Arizona CCIM Update – Marina Hammersmith, Arizona CCIM

E. ASSOCIATION CONSIDERATIONS

F. ADJOURN

NEXT MEETING: Friday, October 23, 2020

Renaissance Phoenix Glendale Hotel & Spa – Glendale, Arizona

SERVING THE ARIZONA REALTORS® AS AN OFFICER OR DIRECTOR

Updated December 2018

The Arizona REALTORS® (“the Association”) was incorporated in 1953 as a 501(c)(6) non-profit corporation. As a non-profit corporation, the Association is governed by its Articles of Incorporation, Bylaws, Policies and Official Statements and the Arizona Non-profit Corporation Act (“NCA”), A.R.S. §10-3101 *et. seq.* These governing documents and Arizona law define the scope of the duties and liabilities associated with serving as an Arizona REALTORS® officer or director.

Arizona REALTORS® Governing Documents

The Arizona REALTORS® Articles of Incorporation provide that:

- Management and control of the Association is vested in the Board of Directors.
- The directors and any person that serves on a board or council in an advisory capacity shall not be subject to suit for acts or omissions made in good faith within the scope of their official capacity.
- The directors and any person that serves on a board or council in an advisory capacity **shall not be subject to personal liability for breach of fiduciary duty** to the maximum extent provided by law.
- The Association shall indemnify any person who incurs expenses by reason of the fact that the person is or was acting in their capacity as an Association officer, director, employee or agent to the maximum extent provided by law.

The Arizona REALTORS® Bylaws provide that:

- The Association shall be managed by the Board of Directors and the Executive Committee. *(The Executive Committee officers are President, President-elect, First Vice President, Treasurer and five Regional Vice Presidents.)*
- Every officer shall be indemnified against all expenses and liabilities reasonably incurred in conjunction with any proceeding in which that officer is involved by reason of being or having been an Arizona REALTORS® officer, except in such cases wherein the officer is adjudged guilty of willful misfeasance or malfeasance in the performance of such officer’s duties or shall have acted in such a manner as has exceeded such officer’s authority so to act.

The Arizona REALTORS® Policies and Official Statements:

- Contain guidelines for internal Association operations.
- Require the Executive Committee to ensure that the Association is strategically focused, monitor but avoid conducting day-to-day Association operations, conduct business in a timely and honest fashion, and observe the internal and external chain-of-command.

The Arizona Non-profit Corporation Act (“NCA”)

The NCA sets forth the standards of conduct for officers and directors of a non-profit corporation. The NCA provides that an officer or director’s duties must be discharged:

- In good faith.
- With the care an ordinarily prudent person in a like position would exercise under similar circumstances.
- In a manner the director reasonably believes to be in the best interests of the corporation.

See, A.R.S. 10-3830 (directors); A.R.S. 10-3842 (officers).

In discharging these duties, an officer or director is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by:

- Officers or employees of the Association whom the officer or director reasonably believes are reliable and competent in the matters presented.
- Legal counsel, public accountants or other persons as to matters the officer or director reasonably believes are within the person's professional or expert competence.
- A committee of, or appointed by, the Board of Directors of which the director is not a member if the director reasonably believes the committee merits confidence.

The NCA also provides that a director is presumed in all cases to have acted, failed to act or otherwise discharged such director’s duties in good faith, with prudent care and in the corporation’s best interests. A person challenging a director’s action, failure to act or other discharge of duties has the burden to establish by clear and convincing evidence facts rebutting this presumption. *See*, A.R.S. 10-3830(D) (directors); A.R.S. 10-3842(D) (officers).

FREQUENTLY ASKED QUESTIONS

Q: Can I be held personally liable for actions taken as an Arizona REALTORS® officer or director?

A: Officers and directors are largely shielded from personal civil liability for actions taken as officers or directors provided that they act in good faith and within the scope of their official duties. However, an officer or director can be held personally liable in certain circumstances. For example, an officer or director may be held personally liable for directly injuring someone or intentionally taking a fraudulent or illegal action.

Q: If I am named in a lawsuit, will the Association reimburse me for my expenses?

A: As an officer or director, you have a right to be reimbursed for reasonable expenses arising because of a lawsuit. This obligation to reimburse you is referred to as “indemnification.” This indemnification is provided for through both the NCA and the Association governing documents. *See*, A.R.S. §10-3851 - A.R.S. §10-3852.

The NCA provides that a corporation may indemnify an individual made a party to a proceeding because the individual is or was an officer or director if:

- The individual's conduct was in good faith.
- The individual reasonably believed:
 - In the case of conduct in an official capacity with the corporation, that the conduct was in its best interests.
 - In all other cases, that the conduct was at least not opposed to its best interests.
 - In the case of any criminal proceedings, the individual had no reasonable cause to believe the conduct was unlawful.

Q: Are there any limits to the duty to reimburse me for expenses incurred in a lawsuit?

A: Yes. For example, the Association may not indemnify an officer or director:

- in connection with a proceeding in which the officer or director was adjudged liable to the corporation
- in connection with any other proceeding in which the officer or director was adjudged liable on the basis that the officer or director improperly received personal benefit
- in a case in which the officer or director is adjudged guilty of willful misfeasance or malfeasance
- in a case in which the officer or director exceeded their authority to act.

Q: Does the Association purchase E&O insurance?

A: Yes. The Association and its officers and directors are insured by the National Association of REALTORS® Association Professional Liability Insurance Policy. This policy generally covers claims relating to negligent acts, errors, omissions, misstatements, misleading statements or breaches of fiduciary duty, as described in the policy. The policy also includes a number of exceptions. You may want to explore whether an individual personal umbrella policy may provide additional protection.

Q: Does the National Association of REALTORS® Association Professional Liability Insurance Policy expressly cover breach of fiduciary duty claims asserted against officers and directors?

A: Yes. The Policy specifies that the insurance carrier will pay on behalf of the **Insured** all Loss on account of any covered **Claim** for a **Wrongful Act**.

- **Wrongful Act** is defined in part as “any negligent act, error, omission, misstatement, misleading statement or breach of fiduciary duty by the Association or **Insured Persons** in the discharge of their duties.”
- **Insured Person** is defined in part as “Any persons who were, now are, or shall be Directors or Officers of the Association.”
- **Claim** is defined in part as: (i) “a written demand against any Insured for monetary damage or non-monetary or injunctive relief”; and (ii) “a written demand served upon

the board of directors or the management of the Association to bring a civil proceeding against any of the directors and officers on behalf of the Association.”

Q: What should I do in the unlikely event that, in my capacity as an officer or director, I am threatened with litigation, or made aware of a problem which may escalate into a claim or lawsuit?

A: As soon as you become aware of a problem which may escalate into a claim or lawsuit, or are sued, immediately send written notice to the Arizona REALTORS® Chief Executive Officer, such as an email or letter sent by an overnight delivery service.

Q: Should I be concerned about conflicts of interest?

A: Conflicts of interest are addressed in the NCA (A.R.S. §10-3860) and in the Arizona REALTORS® Bylaws, Policies and Official Statements. Policy A.8 provides that the Association’s decision-making bodies, including officers and directors, should not use their position with the Association to further their private interests and should avoid placing themselves in situations where their personal interests may conflict with the interests of the association.

Officers and directors have a conflict of interest on an issue when:

- The issue involves a business providing products or services to the Association in which the officer or director or a member of an officer or director’s immediate family is a principal, partner or corporate officer.
- The issue is one in which that officer or director or a member of an officer or director’s immediate family has a financial interest involving money, employment, investments, credit or contractual rights.

Officers and directors have a conflict of interest in a transaction if they know at the time of commitment that they, or a related person:

- is a party to the transaction.
- has a beneficial interest in, or is so closely linked to, the transaction and of such financial significance to the director, officer or related person that the interest would reasonably be expected to exert an influence on the judgment of the director or officer if called to vote on the transaction.

Q: What should I do if I have a conflict of interest?

A: Arizona REALTORS® Policy requires that you immediately disclose the conflict at the outset of any discussions and not participate in the discussion relating to that issue other than to respond to questions. Further, you may not vote on the issue and should not be present when the vote on the issue is taken.

TIPS FOR ARIZONA REALTORS® OFFICERS AND DIRECTORS:

- Act in good faith and in the Association's best interests.
- Be prepared for meetings.
- Review advance materials.
- Ask questions and participate in discussions.
- Do not use your position to further private interests.
- Avoid conflicts of interest.

This article provides only an initial overview of a very complex subject. The information contained herein is of a general nature and may not be updated or revised for accuracy as statutory or case law changes following the date of first publication. Further, this article is not intended as definitive legal advice and you should not act upon it without seeking independent legal counsel.

Michelle Lind is Chief Executive Officer of the Arizona REALTORS® and a State Bar of Arizona board certified real estate specialist.

ⁱ The legal principles discussed herein are generally applicable to serving as an officer or director of a local association formed as a non-profit corporation.

ARIZONA REALTORS® DIRECTOR OATH OF OFFICE

AS DIRECTORS OF THE ARIZONA REALTORS® YOU SHARE A SENSE OF COMMON PURPOSE AND MUTUAL VISION. YOUR PRIMARY CONSIDERATIONS, WHEN MAKING DECISIONS, SHOULD BE:

- 1) THE MEMBERS WHO HAVE ENTRUSTED YOU TO LEAD THIS ORGANIZATION,
AND;
- 2) THE BEST INTERESTS OF THE ARIZONA REAL ESTATE INDUSTRY WHICH IS STATED IN THE ASSOCIATION'S VISION- REALTOR®...THE BEST PREPARED REAL ESTATE PRACTITIONER WITH THE HIGHEST STANDARDS.

DO EACH OF YOU SOLEMNLY PROMISE AND SWEAR THAT YOU WILL UPHOLD THE HIGHEST STANDARDS POSSIBLE BY:

- 1) SUPPORT OF THE REAL ESTATE COMMISSIONER'S RULES
- 2) ENFORCEMENT OF THE REALTOR® CODE OF ETHICS
- 3) ENFORCEMENT OF THE GOVERNING DOCUMENTS OF THE ARIZONA REALTORS®,
AND;
- 4) IN ALL YOUR ACTS, BE GOVERNED BY THE PRINCIPLES OF HONESTY AND JUSTICE?

IF YOU SO PLEDGE, PLEASE INDICATE BY SAYING I DO.

ARIZONA REALTORS®

BOARD OF DIRECTORS' MEETING

October 18, 2019

Embassy Suites ~ Phoenix, AZ

DRAFT MINUTES

CALL TO ORDER

The regularly scheduled meeting was called to order at 10:31 a.m. by President Lewis. A quorum was present.

Pledge of Allegiance – The pledge of allegiance was led by Ron Roberts.

Inspirational Message – The inspirational message was given by Jacki Tait.

ASSOCIATION REPORT – President Lewis

Approval of Minutes – The March 28, 2019 meeting minutes were approved as delivered.

Executive Committee Report – The actions of the Executive Committee since the March 28, 2019 Board of Directors' meeting, including those actions that were approved after the September mailing to the Directors, were presented by President-elect Roberts.

MOTION:

It was moved, seconded and carried to approve the technical and conforming changes, as well as the proposed substantive changes to the 2020-2021 Legislative Program Policy Positions.

MOTION:

It was moved, seconded and carried to approve amending the Arizona REALTORS® Policies B.6 – Operating and Reserve Funds Investment Policy to add a permitted investment of up to \$100,000 in the National Association of REALTORS® Second Century Ventures LLC.

MOTION:

It was moved, seconded and carried to approve a resolution to maintain the CEO and Assistant CEO as signers on all financial accounts, and add the incoming Arizona REALTORS® President as a signer to all financial accounts prior to the commencement of their term year, and remove the departing President at the end of their term.

Treasurer's Report – Treasurer Nelson provided a report on the 2019 year-to-date financials and the Capital Budget.

2020 Treasurer-elect Gibbs presented the 2020 Proposed Operating/Capital Budget and Strategic Plan to the Board for approval.

MOTION:

It was moved and seconded to approve the proposed 2020 Strategic Plan and Operating and Capital Budgets.

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

Legal Update – General Counsel Scott Drucker gave an update on the association’s legal activities.

PRIMARY COMMITTEE REPORTS

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

Business Services and Technology – Aaron Pfeifer, Chair of the Business Services and Technology Committee, provided a year-to-date report on the committee’s activities for the Directors.

Risk Management – Lisa Paffrath, Chair of the Risk Management Committee, provided a year-to-date report on the committee’s activities for the Directors.

Legislative and Political Affairs – Shelley Ostrowski, Chair of the Legislative and Political Affairs Committee, provided a year-to-date report on the committee’s activities.

REAL ESTATE SPECIALTY REPORTS

Arizona Chapter of the Residential Real Estate Council – Fred LaBell, 2019 President of the Arizona Chapter of Residential Real Estate Council, Bryan Anderson 2020 President of the Arizona Chapter of Residential Real Estate Council, and Ben Little, membership director of the Arizona Chapter of Residential Real Estate Council, gave an update to the Directors on chapter events.

Arizona Chapter of WCR – Yvonne Ahern, 2019 President of the Arizona State Women’s Council of REALTORS® gave on update to the Directors on chapter events.

Arizona CCIM – There was no update given to the Directors on statewide CCIM events.

ASSOCIATION CONSIDERATIONS

There were no issues up for consideration.

ADJOURN

There being no further business the meeting was adjourned at 11:55 a.m.

K. Michelle Lind, Recording Secretary

2021 Arizona REALTORS® Officer Candidates

PRESIDENT

JAN LEIGHTON, Associate Broker, REALTOR®, CRS, GRI, e-PRO
West & Southeast REALTORS® of the Valley

JD Campbell Realty, Inc.

602-432-2229

9098 W. Pinnacle Peak Road - Peoria, 85383

janleightonaz@gmail.com

It is a privilege and an honor to be serving as your President-Elect for 2020. I am excited for the year ahead.

AZ REALTORS have made the commitment to reach out to more members and encourage more participation. Your committees are working constantly to provide you with better tools for you and your business. SSO (single sign on) is being adopted by our Members, increasing use every day. You have access to Tech Hotline and standardized forms thru our new Member Benefit Transaction Desk and thru zipForms.

The politics of Real Estate exist in every facet of our world; Local, State and Federally. It is incredibly important for our business to stay ahead of the legislative attempts to infringe upon ours and our Clients' private property rights.

2020	AZ REALTORS® President-Elect
2019	AZ REALTORS® First Vice President
2018	AZ REALTORS® Treasurer
2017 to Current	Federal Political Coordinator for NAR, Congresswoman Debbie Lesko
2016	Recipient Arthur G. Crozier, Distinguished Service Award
2013 to 2017	Federal Political Coordinator for NAR, Congressman Trent Franks
2013 to Current	RPAC Major Investor, Presidents' Circle Golden "R"
2013 to 2016	AAR - Risk Management Committee, Member
2012	AAR - Risk Management Committee, Chair
2012	Recipient of WeMAR's George Watrous Association Leadership Award
2012	RPAC Major Investor, President's Circle Sterling "R"
2012 and 2006	AAR - Vacant Land Purchase Contract Revision Workgroup – Chair
2007 to 2011	RPAC Major Investor
2009 to 2012	AAR - Regional Vice President, Region 2
2010 to 2012	NAR - WeMAR, NAR Director
2008	WeMAR, President
2005 to 2006	WeMAR, Director and AAR Director as part of Glendale/Lake Pleasant BODs Merger
2002 to 2005	Glendale-West Maricopa County, Director
2002	AAR - Key Results Area – Industry issues
2007 - Current	ADRE Continuing Education Instructor

PRESIDENT-ELECT

GARY NELSON

Northern Arizona Assoc.

Realty Executives of Flagstaff
15 E. Cherry Ave., Suite 101- Flagstaff, 86001

928-600-4279

Gary@GaryNelsonGroup.com

I am beyond honored to be considered as President-elect of the Arizona REALTORS®. I began my career as a REALTOR® in 1994 and was lucky enough to get to know some phenomenal people that urged me to get involved as an association volunteer. In 2002, I started hanging on to their coat tails and I became more and more involved in AAR and NAR. It has been a long and very fulfilling road as I have been privileged to meet and work with the greats in Arizona REALTOR® leadership and volunteerism.

I look forward to continuing my service to AAR, NAR and all REALTORS® in Arizona. Together, we not only raise the bar in our State, but nationwide. Here is a brief synopsis of my REALTOR® volunteer experience:

Arizona REALTORS®:

2020	First Vice President, AZ REALTORS®
2019	Treasurer, AZ REALTORS®
2014	AAR Tyler Strout Vision Award
2018	Convention Planning Work Group
2018	AAR 2019 Planning Work Group
2018	Legislative and Political Affairs Committee
2017	Chair, Legislative and Political Affairs
2016	Chair, Convention Planning Work Group
2015	Leadership Training Academy, Graduate
2015	Chair, Professional Business Development
2014	Chair, GRI Oversight Committee
2013	Chair, GRI Oversight Committee
2009	Chair, Risk Management Committee
2008 - 2009	Region 3 Vice President
2007	Chair, Business Services and Technology Member, MRES Society

Northern Arizona Association of REALTORS®:

2019	Distinguished Service Award
2016, 2011, 2004	President's Award
2015 - 2016	Co-Chair, RAPAC Committee
2012	Loven Leadership Award
2001	President
2000	Distinguished Service Award
1998	NAMLS Chair

National Association of REALTORS®:

2017 - 2019	Federal Political Coordinator, Congressman Tom O'Halleran
2004 - 2007	Board of Directors
2006 - 2007	MLS Committee

FIRST VICE PRESIDENT

ERIC GIBBS

Tucson Assoc.

Realty ONE Group Integrity
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520-906-0769
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I'm so honored to be considered for the First Vice President of the Arizona Association of REALTORS®. I never imagined being in this position when I became a REALTOR® some 14 years ago. My passion for real estate and this industry is very much who I am. I'm committed to serving my fellow REALTORS® and ensuring their voices are continuing to be heard at all levels of our associations, National, State and Local. I want to continue moving our association forward and raising the bar by supporting our members, industry, communities, and consumers. Together, we can achieve greatness for ourselves and our communities. I look forward to serving you and the membership.

Experience:

National Association of REALTORS®

2019-Current Commitment to Excellence
2018-Current Governance Game Changer PAG
2017-2018 Executive Committee Member-at-Large

Arizona REALTORS®

2020-Current Treasurer
2018-2019 RVP Region 5
2018-2019 Liaison, Risk Management Committee
2018-Current Legislative Committee
2017-Current Legislative & Political Committee
2017 Chair, Legislative Committee
2017 Chair, Diversity Workgroup
2017 Convention Planning Work Group
2016 Professional & Business Development Committee
2016 Business Services & Technology Committee
2015-Current Board of Directors
2015 Leadership Training Academy, Graduate

Tucson Association of REALTORS®

2017 Immediate Past President, BOD
2016 President
2012 REALTOR® of the Year

TREASURER

SHELLEY OSTROWSKI

Yuma Assoc.

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Yuma, AZ 85364

928-580-3279

shelley@realtyonegroupgateway.com

I would like to thank you and say I am honored to be considered for Treasurer of the Arizona Association of REALTORS® for 2021. I have been blessed to have served with some of the best leaders in the state and can only aspire to continue and build on their ideas.

I have been a REALTOR® for 25 years. I started serving in my local association in 2004 and then moved on to the state and national committees.

I have always believed leadership is a privilege and you should lead by example. I believe we can build on the ideas of past and present leadership to move this association forward. We have a wealth of volunteer members who serve and contribute along with an amazing staff. I look forward to learning and building in the next year to ensure our members voices are heard.

Experience:

Yuma Association of REALTORS®

2004 - Present served on several committees including: Chair RAPAC, MLS and Luncheon
2006 and 2016 President
2003-2007 Board of Directors
2014-2017 Board of Directors
2018-2019 Board of Directors
2010 to Present Instructor of Ethics and MLS to new agents at orientation
REALTOR® of the year 2005, 2008 and 2016

Arizona REALTORS®

2014-2018 RAPAC Trustee Committee. Chair 2017
2017-Present Legislative and Political Affairs Committee Vice Chair 2019, Chair 2020
2018 Arthur Crozier Distinguished Service Award recipient
2019 Star Award recipient

NAR

2017-2019 State and Local Issues and Policy Committee
2020 RAPAC Participation Council

REGION 2 VICE PRESIDENT

DENA GREENAWALT, GRI, SRS, ABR, MCNE, CDPE

West & Southeast REALTORS® of the Valley

RE/MAX Alliance Group

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602-980-6001

denag@dmgazhomes.com

I am honored to be considered for Regional Vice President for our newly aligned region. I have been a REALTOR® for 10 years, all full-time. My focus has always been about being the best REALTOR® for my clients, my profession, and the communities in which I live and work. I have extensive business background having spent 20+ years in corporate management (mid-level to C-level). During that time, I sat on non-profit boards such as Red Cross & Homeward Bound. I feel this gives me a unique set of leadership skills to serve our associations (local & state).

I'm a strong believer in giving back to my community whether that is serving my community of REALTORS® or my son's school booster club while he was in high school. It has been my mission to serve as much as my schedule will allow at my local association by being a committee member, RAPAC champion and GRI class monitor from time-to-time. Other involvement includes volunteering as a club soccer manager and the fundraising chair for East Valley Women's League. I continue to find ways to give back and serve my clients. Every year for the past few years, we gather toys and supplies for the East Valley Child Crisis Center. We did this at my installation in January as well. My husband and I are in the process of establishing a scholarship foundation to provide scholarships to for all levels of post high school education (trades, universities and community colleges).

My real estate accomplishments are below.

WeSERV/SEVRAR:

2020	WeSERV President – 1 st of newly merged association
2020	WeSERV RAPAC Chair
2019	SEVRAR President Elect
2019	Completed AAR LTA Course
2016-2018	SEVRAR Board Member
2016	SEVRAR RAPAC Chair & Election Interview Panelist
2015-2019	Leadership Committee Member (serving on the interview panel multiple years)
2015	Professional Development Committee
2015-2020	RAPAC Committee

REGION 4 VICE PRESIDENT

DEB FISHER

Phoenix REALTORS®

Realty Executives Uptown
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It is truly an honor to be considered for the position of Regional Vice President (RVP) for Region 4. My passion for our industry is grounded in creating the ideal environment for our members to succeed. I see the RVP role as an important step in ensuring that happens.

Experience:

Phoenix REALTORS® volunteer roles:

2018-19	Executive Committee
2019	Immediate Past President
2018	President
2017	President-elect
2016	Vice President
2012-2015	Director

Arizona Association of REALTORS® volunteer roles:

2012-2020	Director
2019-2020	Strategic Planning Committee
2018	Buyer Contingency Addendum Committee
2007	Global Village Group

National Association of REALTORS® volunteer roles:

2017-2019	Director
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Again, thank you for your consideration.

Sincerely,
Deb Fisher



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

This report is intended to advise Arizona REALTORS® Board of Directors of the Executive Committee’s activities and actions. The structure approved in October 1993 included additional empowerment to the Executive Committee within parameters provided in the strategic plan, approved operating budget and Bylaws/Policies. These actions are presented for your information, except those contained in the ‘boxed-in’ area below which are actions requiring approval.

EXECUTIVE COMMITTEE REPORT TO THE BOARD OF DIRECTORS

Actions Since The October 2019 Meeting

1. Approved 27 hearing panel decisions.
2. Approved the CEO job description as delivered.
3. Approved for release on or about February 1, 2020 the revised Vacant Land/Lot Purchase Contract Buyer Attachment page.
4. Approved the appointment of 2020 President Mary Roberts and President-elect Jan Leighton as Arizona’s Representatives on the Region XI Nominating Committee.
5. Approved the appointment of 2020 President-elect Jan Leighton as Arizona’s representative on the Region XI Strategy Committee for the December 2019 – November 2022 term.
6. Approved up to \$10,000 from the Operating Reserve to file an amicus brief in the special action filed by the Attorney General at the Arizona Supreme Court to review and interpret Article IX, § 25 of the Arizona Constitution (Prop 126).

7. RECOMMEND APPROVAL OF THE FOLLOWING LEADERSHIP APPOINTMENTS FOR PRIMARY COMMITTEES AND LOCAL ASSOCIATION EXECUTIVE FOR 2021 TO THE BOARD OF DIRECTORS:

- Legislative and Political Affairs:
Duane Washkowiak, Chair / Susan Herber, Vice Chair
- Business Services and Technology
Gunner Mitchell, Chair / Shane Cook, Vice Chair
- Risk Management
Laurie McDonnell, Chair / Mike Porter, Vice Chair
- Professional and Business Development
Mandy Neat, Chair / Barbara Wilson, Vice Chair
- Local Association Executive appointment to Executive Committee
Roger Nelson, West and Southeast REALTORS® of the Valley

RECOMMENDATION TO THE BOARD OF DIRECTORS

FROM:

Executive Committee

RECOMMENDATION:

Approve the listed members to serve as Primary Committee Chairs/Vice-Chairs and Local Association Executive representative on the Executive Committee for 2021.

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.

BUDGET IMPACT:

None

MOTION:

TO RECOMMEND APPROVAL OF THE FOLLOWING LEADERSHIP APPOINTMENTS FOR PRIMARY COMMITTEES AND LOCAL ASSOCIATION EXECUTIVE FOR 2021 TO THE BOARD OF DIRECTORS.

- Legislative and Political Affairs:
Duane Washkowiak, Chair
Susan Herber, Vice Chair
- Business Services and Technology
Gunner Mitchell, Chair
Shane Cook, Vice Chair
- Risk Management
Laurie McDonnell, Chair
Mike Porter, Vice Chair
- Professional and Business Development
Mandy Neat, Chair
Barbara Wilson, Vice Chair
- Local Association Executive appointment to Executive Committee
Roger Nelson, West and SouthEast REALTORS® of the Valley

FOR MORE INFORMATION CONTACT:

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OR Gary Nelson – (928) 600-4279 / gary@garynelsongroup.com

Pending Executive Committee Approval on March 25, 2020
RECOMMENDATION TO THE BOARD OF DIRECTORS

FROM:

President Mary Roberts

RECOMMENDATION:

To amend the Arizona REALTORS® Bylaws at Article II, Section 4 (C) to require Code of Ethics Training every 3 years. This amendment is required by NAR.

BACKGROUND:

NAR amended the REALTOR® Code of Ethics Training requirements for 2020 and Associations are required to amend their bylaws as follows (underscoring indicates additions, strikethrough indicate deletion):

Continuing REALTOR® Code of Ethics Training

Effective January 1, 2019, through December 31, 2021 and for successive three ~~two~~ year periods thereafter, each REALTOR® member of the association (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete ethics training of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another REALTOR® association, the State Association of REALTORS®, or the NATIONAL ASSOCIATION OF REALTORS®, ~~or any other recognized educational institution or provider~~ which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any three year ~~two (2) year~~ cycle shall not be required to complete additional ethics training until a new three year ~~two (2) year~~ cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty. Failure to meet the requirement in any three year ~~two (2) year~~ cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any three year ~~two (2) year~~ cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

BUDGET IMPACT:

None

MOTION:

TO AMEND THE ARIZONA REALTORS® BYLAWS AT ARTICLE II, SECTION 4 (C) TO REQUIRE CODE OF ETHICS TRAINING EVERY 3 YEARS AS SET FORTH ABOVE.

FOR MORE INFORMATION CONTACT:

Michelle Lind - michellelind@aaronline.com

OR NAR's Member Experience Team - (312-329-8399 or narpolicyquestions@realtors.org)



ARIZONA
association of
REALTORS®

REAL SOLUTIONS. REALTOR® SUCCESS.

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

Bylaws, Policies and Official Statements

For Approval March 2020

“Provisional” membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other associations or where the applicant for membership has unsatisfied discipline pending in another association (except for code of ethics violations), provided all other qualifications for membership have been satisfied. AAR may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six (6) months from the date that provisional membership is approved. Provisional members shall be considered REALTOR® and shall be subject to all of the same privileges and obligations of REALTOR® membership. If a member resigns from another association with an ethics complaint or arbitration request pending, AAR may condition membership on the applicant’s certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel.

b. New Member *Code of Ethics* Orientation. Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete an orientation program on the *Code of Ethics* of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership is for one (1) year or less. Failure to satisfy this requirement within one hundred eighty (180) days of the date of application (or, alternatively, the date that provisional membership was granted), will result in denial of the membership application or termination of provisional membership.

c. Continuing REALTOR® Code of Ethics Training. Effective January 1, 2017 2019, through December 31, 2018 2021, and for successive two three year periods thereafter, each REALTOR® member of the association (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete ethics training of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another REALTOR® association, the State Association of REALTORS®, or the NATIONAL ASSOCIATION OF REALTORS®, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member *Code of Ethics* Orientation during any two (2) three year cycle shall not be required to complete additional ethics training until a new two (2) three year cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty. Failure to meet the requirement for in any two (2) three year cycle will result in suspension of membership for the first two (2) months (January and February) of the year following the end of any two (2) three year cycle or until the requirement is met, whichever occurs sooner. On March 1st of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

d. Pending Ethics Complaint/Obligation to Arbitrate or Mediate after Membership Termination. If a member resigns from the Board or otherwise causes membership to terminate with an ethics complaint pending, that Board of Directors may condition the right of the resigning member to reapply for membership upon the applicant’s certification that he/she will submit to the pending ethics proceeding and will abide by the decision of the hearing panel the complaint shall be processed until the decision of the association with respect to disposition of the complaint is final by this association (if respondent does not hold membership in any other association) or by any other association in which the respondent continues to hold membership. If an ethics respondent resigns or otherwise causes membership in all Boards to terminate before an ethics complaint is filed alleging unethical conduct occurred while the respondent was a REALTOR®, the complaint, once filed, shall be processed until the decision of the association with respect to disposition of the complaint is final. In any instance where an ethics hearing is held subsequent to an ethics respondent’s resignation or membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an association of REALTORS®.

If a member resigns or otherwise causes membership to terminate, the duty to submit to arbitration (or to mediation if required by the association) continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a REALTOR®.

Section 5. Institute Affiliate Members shall be individuals who hold a professional designation awarded by an Institute, Society or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® or REALTOR-ASSOCIATE® membership subject to payment of applicable dues for such membership.

Pending Executive Committee Approval on March 25, 2020
RECOMMENDATION TO THE BOARD OF DIRECTORS

FROM:

President Mary Roberts, President-Elect Jan Leighton and First Vice President Gary Nelson

RECOMMENDATION:

To revise the current Arizona REALTORS® Region 2 to include WESERV only and revise Region 4 to include the Scottsdale Area Association of REALTORS® and the Phoenix REALTORS®, effective immediately.

BACKGROUND:

The Bylaws at Article V, Section 3 states:

AAR shall be divided into five (5) Regions, as approved by the Board of Directors, with an RVP elected from each Region, pursuant to Article VII. The First Vice President shall be responsible for the coordination of the efforts and activities of the RVPs. The RVPs shall be AAR officers and shall be responsible for developing and maintaining effective communication and cooperation among the Member Boards in their Region and AAR.

A copy of the current Regional map and RVP Job Description are attached for your reference.

Given the merger of WEMAR into SEVRAR to form WESERV, Arizona REALTORS® Regions 2 and 4 need to be revised. The Leadership of all four affected local associations have met with Arizona REALTORS® Leadership and have agreed that Region 2 should be revised to include WESERV only and Region 4 should be revised to include the Scottsdale Area Association of REALTORS® and the Phoenix REALTORS®, effective immediately. The current Region 2 RVP is a WESERV member (KC Cyga) and the current Region 4 RVP is a Scottsdale Association member (Becca Linnig) so the transition should be seamless.

BUDGET IMPACT:

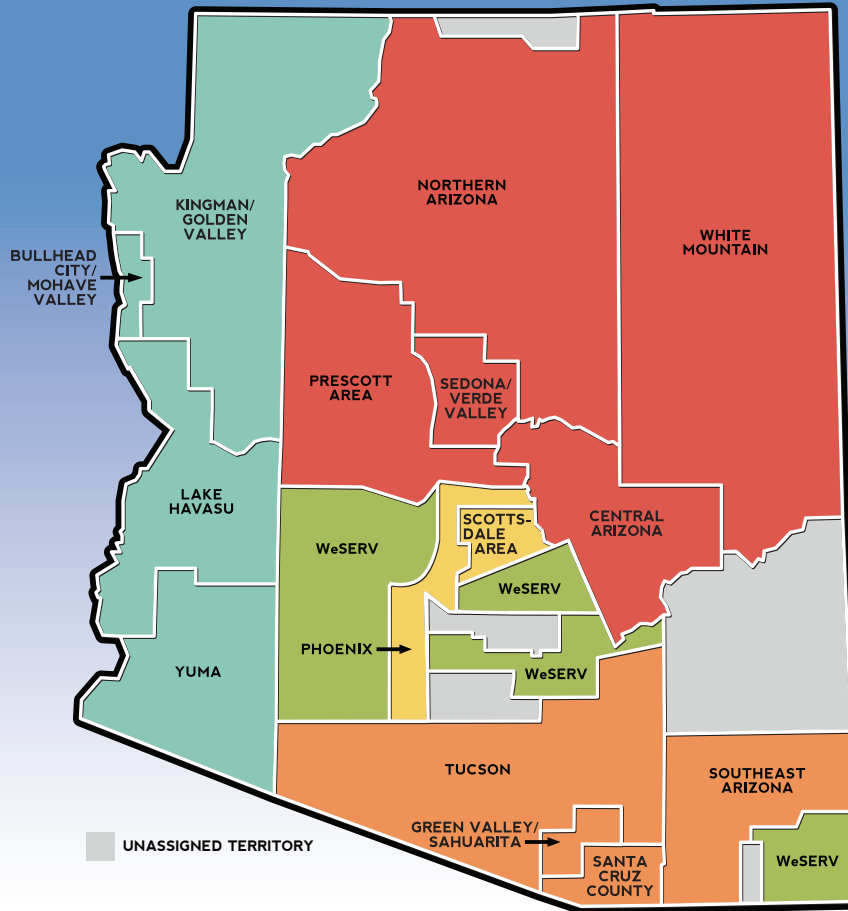
None

MOTION:

TO RECOMMEND TO THE BOARD OF DIRECTORS TO REVISE THE CURRENT ARIZONA REALTORS® REGION 2 TO INCLUDE WESERV ONLY AND REVISE REGION 4 TO INCLUDE THE SCOTTSDALE AREA ASSOCIATION OF REALTORS® AND THE PHOENIX REALTORS®, EFFECTIVE IMMEDIATELY.

FOR MORE INFORMATION CONTACT:

Mary Roberts - mary@havasurealestateblog.com; Jan Leighton – janleightonaz@gmail.com;
Gary Nelson – gary@garynelsongroup.com; **OR** Michelle Lind – michellelind@aaronline.com



ARIZONA STATE REGIONS & LOCAL ASSOCIATIONS

ARIZONA REALTORS®

REGION 1

Local Associations:

- BULLHEAD CITY/MOHAVE VALLEY ASSOCIATION OF REALTORS®
- KINGMAN/GOLDEN VALLEY ASSOCIATION OF REALTORS®
- LAKE HAVASU ASSOCIATION OF REALTORS®
- YUMA ASSOCIATION OF REALTORS®

REGION 2

Local Associations:

- WeSERV WEST & SOUTHEAST REALTORS® OF THE VALLEY

REGION 3

Local Associations:

- CENTRAL ARIZONA BOARD OF REALTORS®
- NORTHERN ARIZONA ASSOCIATION OF REALTORS®
- PRESCOTT AREA ASSOCIATION OF REALTORS®
- SEDONA/VERDE VALLEY ASSOCIATION OF REALTORS®
- WHITE MOUNTAIN ASSOCIATION OF REALTORS®

REGION 4

Local Associations:

- PHOENIX ASSOCIATION OF REALTORS®
- SCOTTSDALE AREA ASSOCIATION OF REALTORS®

REGION 5

Local Associations:

- GREEN VALLEY/SAHUARITA ASSOCIATION OF REALTORS®
- SANTA CRUZ COUNTY BOARD OF REALTORS®
- SOUTHEAST ARIZONA ASSOCIATION OF REALTORS®
- TUCSON ASSOCIATION OF REALTORS®



2019 AAR AUDIT DASHBOARD

The Executive Committee has reviewed the 2019 audit conducted by the accounting firm of Walker & Armstrong.

Financial Highlights:

The total assets for all funds (General Operating, Fixed Assets, Operating Reserve, Capital Reserve, Strategic Initiative Reserve, Issues Mobilization and Homeownership Alliance) are \$31,123,316 with total net assets of \$26,700,297. This represents an increase of \$5,561,701 in total net assets from 2018 audited figures due mainly to increases in member dues, a return of Issues Mobilization amounts, and a decrease in Issues Mobilization spending.

2019 activity closed with \$5,561,701 in income in excess of expenses. Depreciation for the year 2019 was \$259,128. As a reminder, our Bylaws require that we recognize an amount annually in the Operating Budget for depreciation payable to the Capital Reserve. The Board of Directors set depreciation funding in the Capital Reserve at \$300,912 for 2019.

Net Assets and Accumulated Operating Surplus:

At the end of 2019, there is an accumulated operating surplus of \$2,031,776. The surplus is comprised of (a) current assets *[after excluding cash equivalents and investments that are committed as designated or restricted funds]* (b) less current liabilities.

The Capital Purchases Reserve balance as of December 31, 2019 is \$4,788,905.

The Special Operating Reserve balance as of December 31, 2019 is \$8,956,145.

The Strategic Initiative Reserve balance as of December 31, 2019 is \$2,230,789.

The Arizona Homeownership Alliance as of December 31, 2019 is \$100,671.

Issues Mobilization Fund's balance, as of December 31, 2019 is \$6,345,486 of which \$698,163 is restricted for local association local issues requests.

Auditor Recommendations:

The audit firm of Walker and Armstrong had no reported material weaknesses or significant deficiencies with respect to the Association's financial process.

There are no irregularities reported. Copies of the 2019 AAR Audit are available at the check-in desk.



Communication with Those Charged with Governance During Planning

January 20, 2020

Board of Directors
Arizona Association of Realtors®
255 East Osborn Road, Suite 200
Phoenix, Arizona 85012

Dear Board Members:

We are engaged to audit the financial statements of Arizona Association of Realtors® (the Association) for the year ended December 31, 2019. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our 2019 engagement letter, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility for the schedules of other revenue and accumulated operating surplus accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

- 1) Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.
- 2) As part of our audit, we will consider the internal control of Arizona Association of Realtors®. Such considerations will be solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.
- 3) We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.
- 4) We are also responsible for communicating matters required by law, regulation, agreement, or other requirements applicable to the engagement.

We gave significant consideration to nonattest services expected to be provided including preparation of the Association's financial statements and related notes, fixed asset schedules, and tax return which may reasonably be thought to bear on independence, in reaching the conclusion that independence has not been impaired.

Planned Scope, Timing of the Audit, and Other

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the Association and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Association or to acts by management or employees acting on behalf of the Association. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

Jay Z. Parke is the engagement partner who will supervise the engagement and Steven L. Tait will provide the technical review and oversight and is responsible for signing the report or authorizing another individual to sign it. We expect to begin our audit the week of January 27, 2020, and to complete the audit engagement in accordance with our mutually agreed upon timeline.

This information is intended solely for the use of the board of directors and management of Arizona Association of Realtors® and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Handwritten signature in cursive script that reads "Walker & Armstrong, LLP".

Communication with Those Charged with Governance

March 18, 2020

To the Board of Directors
Arizona Association of REALTORS®, Inc.
Phoenix, Arizona

We have audited the financial statements of Arizona Association of REALTORS®, Inc. (the Association) for the year ended December 31, 2019, and have issued our report thereon dated March 18, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 20, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices - Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Arizona Association of REALTORS®, Inc. are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2019. We noted no transactions entered into by the Association during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates - Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive accounting estimates affecting the financial statements of the Association.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit - We encountered no difficulties in performing and completing our audit.

Corrected and Uncorrected Misstatements - Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The misstatements detected as a result of audit procedures were corrected by management and are presented in *Exhibit 1*.

Disagreements with Management - For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations - We have requested certain representations from management that are shown in the attached *Exhibit 2*.

Management Consultations with Other Independent Accountants - In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Association's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues - We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Association's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters - With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the board of directors and management of Arizona Association of REALTORS®, Inc. and is not intended to be, and should not be, used by anyone other than these specified parties.

Walker & Armstrong, LLP

Attachment

Client: ARIZONA ASSOCIATION OF REALTORS
Report: Adjusting journal entries
December 31, 2019

Account	Description	Debit	Credit	Net Income Effect
AJE01				
To correct beginning equity				
1500-640	Equipment Maintenance/Rental	413.54	-	
1600-640	Equipment Maintenance/Rental	5,082.08	-	
1700-640	Equipment Maintenance/Rental	244.00	-	
1800-640	Equipment Maintenance/Rental	8,357.72	-	
1900-640	Equipment Maintenance/Rental	537.40	-	
0000-3900	Unrestricted/Undesignated	-	14,634.74	
Total		<u>14,634.74</u>	<u>14,634.74</u>	<u>(14,634.74)</u>
GRAND TOTAL		<u>14,634.74</u>	<u>14,634.74</u>	<u>(14,634.74)</u>

Arizona Association REALTORS[®], Inc.
255 East Osborn Road, Suite 200
Phoenix, Arizona 85012

Walker & Armstrong LLP
3838 North Central Avenue, Suite 1700
Phoenix, Arizona 85012-1994

Exhibit 2

This representation letter is provided in connection with your audit of the financial statements of Arizona Association of REALTORS[®], Inc. (the Association), which comprise the statement of financial position as of December 31, 2019 and the related statements of activities and functional expenses, and cash flows for the year then ended, and the related notes to the financial statements with comparative information as of and for the year ended December 31, 2018, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.

We confirm, to the best of our knowledge and belief, as of the date listed below, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 20, 2020, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
9. Significant estimates and material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
10. Guarantees, whether written or oral, under which the Association is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.
11. We have reviewed and are in agreement with the journal entries in the attached *Exhibit 1* that you have recommended for the Association for the year ended December 31, 2019, and we will post all proposed adjusting journal entries to our accounting records.
12. We have reviewed the accuracy of the fixed assets/depreciation schedule of the Association for the year ended December 31, 2019, which was prepared by you based on information provided by us and is attached as *Exhibit 2*. We understand and agree that we are responsible for the completeness and accuracy of the information, classification of assets, methods of depreciation, and asset lives as reported on the schedule. In addition, we represent to you that the schedule includes all fixed assets of the Association and the schedule is accurate as to the classification of assets, methods of depreciation and asset lives.
13. In regard to the tax preparation and financial statement preparation services performed by you, we have:
 - Assumed all management responsibilities.
 - Designated individuals within senior management who have suitable skill, knowledge, or experience to oversee the services.
 - Evaluated the adequacy and results of the services performed.
 - Accepted responsibility for the results of the services.

Information Provided

14. We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the Association from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
15. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
16. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
17. We have no knowledge of any fraud or suspected fraud that affects the Association and involves:
 - a) Management
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
18. We have no knowledge of any allegations of fraud or suspected fraud affecting the Association's financial statements communicated by employees, former employees, grantors, regulators, or others.
19. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
20. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
21. We have disclosed to you the identity of the Association's related parties and all the related party relationships and transactions of which we are aware.
22. The Association has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
23. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.

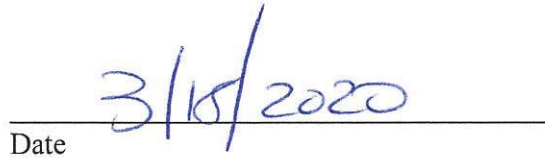
24. Arizona Association of REALTORS[®], Inc. is an exempt organization under section 501(c)(6) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Association's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.
25. We acknowledge our responsibility for presenting the Schedule of Other Revenue and Schedule of Accumulated Operating Surplus in accordance with U.S. GAAP, and we believe the Schedule of Other Revenue and Schedule of Accumulated Operating Surplus, including their form and content, are fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the Schedule of Other Revenue and Schedule of Accumulated Operating Surplus have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.



K. Michelle Lind, Chief Executive Officer



Kristen Page, Controller



Date

Pending Executive Committee Approval on March 25, 2020
RECOMMENDATION TO THE BOARD OF DIRECTORS

FROM:

Executive Committee

RECOMMENDATION:

Allocation of 2019 Accumulated Operating Surplus

BACKGROUND:

At the recommendation of the Arizona REALTORS® accounting firm and to preserve the Association's 501(c)(6) IRS exemption, any accumulated operating surplus beyond the amount required for cash flow purposes or projected needs has been allocated to the Arizona REALTORS® Reserve Accounts. Historically, \$100,000 - \$200,000 of the accumulated operating surplus is left for cash flow purposes and for immediate access if extra funds are required during the current operating year. Pursuant to the auditors, the accumulated operating surplus in 2019 was \$2,031,776.

This recommendation is to allocate these funds the five Arizona REALTORS® Reserve Accounts: (1) The Issues Mobilization Fund is a reserve fund to support or oppose federal, state and local issues that impact real property and real property owners and, pursuant to the Bylaws, has a ten million dollar cap and a five million dollar floor. (2) The Operating Reserve account allows the Association to sustain financial operations in the event of significant unbudgeted increases in operating expenses, legal expenses, or reductions of operating revenues. (3) The Capital Reserve allows for major repairs/improvements, furniture, fixtures, and equipment expenditures. (4) The Strategic Initiative Fund supports initiatives designed or dedicated to the support of our members' business practice, such as new member benefits, technology enhancements, communication enhancements, or other efforts that benefit the membership. (5) The Arizona Homeownership Alliance funds are used to support or oppose candidates running for elective office or as allowed by state law in corporate independent expenditures, polling and grassroots activities.

BUDGET IMPACT: None to 2020 Operating

MOTION:

TO RECOMMEND APPROVAL ALLOCATING THE ACCUMULATED OPERATING SURPLUS OF \$\$2,031,776 AS FOLLOWS:

- 1. \$500,000 ALLOCATED TO THE ISSUES MOBILIZATION FUND**
- 2. \$700,000 ALLOCATED TO THE OPERATING RESERVE**
- 3. \$500,000 ALLOCATED TO CAPITAL RESERVE**
- 4. \$100,000 ALLOCATED TO THE STRATEGIC INITIATIVE FUND**
- 5. \$100,000 ALLOCATED TO THE ARIZONA HOMEOWNERSHIP ALLIANCE**

WHICH LEAVES \$131,776 IN UNALLOCATED STATUS FOR CASH FLOW PURPOSES.

FOR MORE INFORMATION CONTACT:

Eric Gibbs, Treasurer - eric@rogintegrity.com

OR Michelle Lind, CEO – michellelind@aaronline.com.



SEEING CLEARLY TOGETHER

JANUARY 2020 FINANCIALS

Mary Roberts, President

K. Michelle Lind, CEO

ARIZONA REALTORS®

MONTHLY FINANCIAL PACKAGE

January 2020

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SEEING CLEARLY TOGETHER

FINANCIAL SUMMARY



MONTHLY FINANCIAL NOTES

January 2020

Income/Expense Summary (Operating Budget vs. Actual)

	<u>2020 Y-T-D Actual</u>	<u>Budget</u>	<u>Variance</u>
Income			
Dues	\$ 8,210,475	\$ 7,900,000	\$ 310,475
Other	\$ 59,615	\$ 31,746	\$ 27,868
Total Income	\$ 8,270,090	\$ 7,931,746	\$ 338,343
Expenses	\$ 685,134	\$ 840,951	\$ (155,816)
Net Income (Loss)	\$ 7,584,955	\$ 7,090,795	\$ 494,160

Year-to-date income exceeds expense by \$7,584,955. This amount compares favorably with projected net income of \$7,090,795 for the reporting period, therefore, we have a positive year-to-date variance of \$494,160.

RESERVE FUNDS

Operating Reserve (Bylaw Article IV, Section 1; Policy B.6) - The balance as of January 1, 2020 was \$8,956,144 inclusive of UBS RMA and BlackRock Accounts. The current balance is \$8,984,329. There were no deposits or withdrawals this period. The fund has seen a change in value of \$28,184.

REALTORS® Issues Mobilization Fund (Bylaw Article IV, Section 3; Policy B.6 & RIMC Policies) - The balance as of January 1, 2020 was \$6,345,487 inclusive of the UBS RMA, Q-GARP, Dividend Ruler, Portfolio Management and BlackRock Accounts. The current balance is \$6,338,890. There were \$4,300 in deposits from contributions. These accounts have seen a change in value of (\$6,597).

Capital Reserve (Bylaw Article IV, Section 2; Policy B.6) - The balance as of January 1, 2020 was \$4,788,905 inclusive of the UBS RMA, Q-GARP, Dividend Ruler, Portfolio Management and BlackRock Accounts. The current balance is \$4,790,594. There were no deposits and \$5,929 in withdrawals for computer networking and equipment. These accounts have seen a change in value of \$1,689.

Strategic Initiatives Reserve (Bylaw Article IV, Section 4; Policy B.6) - The balance as of January 1, 2020 was \$2,230,790 inclusive of the MidFirst checking, UBS RMA, Q-GARP, Dividend Ruler, Portfolio Account Management and BlackRock Accounts. The current balance is \$2,234,741. There were no deposits or withdrawals this period. The fund has seen a change in value of \$3,951.

PRIMARY COMMITTEES

Note: Changes to the Generally Accepted Accounting Principles (GAAP) that became effective year ending December 31, 2018 require general building expenses (620) to be allocated to each department area in proportion to the total office space the area occupies and other overhead expenses (i.e., computer service(631), equipment maintenance (640), etc.) based upon staffing and past use. Therefore, the budget amounts for these categories reflect post journal entry estimates and will not be addressed in detail in these Financial Notes.

Page 24: LEGISLATIVE AND POLITICAL AFFAIRS

Expenses are **under** budget primarily due to: 1501 - *Government Area Support* is under budget due to building expenses being lower than budgeted; 1510 - *Legislative Advocacy* is under budget due to Greater Phoenix Chamber of Commerce dues not yet requested; 1545 - *Local Lobbying Support* is under budget due to no travel expenses incurred; 1550 - *Legislative Policy Development* is slightly under budget for costs to host REALTOR® Day at the Capitol; 1560 - *Fundraising Support* is under budget due to a change in Major Investor gifts and committee discussion that delayed order; 1575 - *Federal Liaison Support* is under budget due to a lack of events to date; 1585 - *Governmental Communication* is under budget due to REALTOR® Party video expenses less than budgeted and no printing necessary at this time; 1596 - *Political Research* is under budget due to no research conducted.

Overall the Legislative & Political Affairs Area has a positive net variance of \$64,950 Y-T-D.

Adjustments/Recommendations: *None at this time.*

Page 34: RISK MANAGEMENT

Expenses are **under** budget primarily due to: 1601 – *Risk Management Support*: Building Expenses and Equipment Maintenance/Rental are under budget and Conferences is under budget because registration for NAR midyear in D.C. took place in February, not January; 1602 – *Legal Support*: Contract Fees is under budget as we paid only \$414.52 to outside legal counsel in January and Subscriptions and Reference is under budget as State Bar Dues were previously paid; 1605 – *PS Enforcement*: Contract Fees are under budget because we had limited need for court reporters in January and income is more than estimated due to fines being paid from decisions rendered in the fourth quarter of 2019; 1610 – *PS Training*: Catering/Hotel is under budget because the Black Canyon Conference Center costs for the PS Workshop in February have not yet been paid and Speaker Fees are under budget because the February 2020 PS Workshop speaker was paid in February; 1618 – *Alt Dispute Resolution*: slightly under budget; 1625 – *Risk Management Publications*: Promotion is under budget because it has not yet been necessary for us to send out any ASAP text alerts; and 1650 – *Forms Development*: Contract Fees is under budget as some of the Spanish translation fees will not be paid until February; 1665 - *Legal Hotline*: slightly under budget. **Overall, the Risk Management Area has a positive net variance of \$35,204 Y-T-D.** Adjustments/Recommendations: *None*

Page 43: BUSINESS SERVICES AND TECHNOLOGY

Income is over budget due to DocuSign December and January invoice payment. Expenses are **under** budget primarily due to: 1701 - *Business Services & Tech Support*: building expense is under budget; 1730 - *IT Resource & Security Management*: under budget due to: less than expected contract fee costs associated to nVision Network managed service and less than expected contract fee costs associated Flexential Rack and Internal Chargers; 1770 - *Business Services Dept.*: charges for Real Estate Digital, Go Paperless are under budget as January billing reflects 2019 total users as the 2020 adjustment has not yet been calculated; 1780 - *Communications*: under budget due to less than anticipated costs for Website Maintenance Consultation. **Overall, the Business Services & Technology Area has a positive net variance of \$7,865 Y-T-D.** Adjustments/Recommendations: *None.*

Page 48: PROFESSIONAL AND BUSINESS DEVELOPMENT

Overall expenses are **under** budget. 1801 - *Professional Development Support*: building, copying, postage, and contract fees are under budget, Contract Fees are under budget resulting from event website expenses absorbed in the new registration platform, Promotion is under budget reflecting actual costs utilized for Facebook ads, Travel over budget due to 2019 travel expense not hitting credit card bill until January 2020; 1815 - *REALTOR® Institute* expenses under budget in promotion reflecting actual scholarship disbursements year to date; 1820 - *rCRMS*

expense in Speaker fee under budget due to timing of receipt of speaker invoices; 1825 - *CRPM* speaker fees over budget due to earlier than anticipated classes offered; 1855 - *MRES Society* income under budget based on application renewal timing; 1860 - *Spring Convention* expenses under budget for postage based on actual membership numbers for printed postcard mailing and over budget for printing, contract fees under budget reflecting timing for marketing/graphic expenses and change in online registration platform; 1870 - *Education Outreach*: is under budget overall; 1871 - *Education Development*: reflects income due to Paperless Agent and NAR payment for 4th quarter online revenue shares; 1872 - *Instructor Development*: Contract Fees over budget reflecting earlier than anticipated registration disbursement for the Bob Pike Train the Trainer Bootcamp scholarship; 1875 - *Broker University*: under budget due to no expenses. **Overall the Professional & Business Development Area has a positive net variance of \$38,952 Y-T-D.** Adjustments/Recommendations: None

Page 59: OPERATIONS AND STRATEGIC INITIATIVES

Income is **over** budget primarily due to higher than budgeted dues income, law book sales, and interest income offset by less than budgeted rental income. **There were 43,181 fully paid members for the reporting period. During the same period in 2019 there were 41,075 paid members. This represents a 5.1% increase in paid members for the same period in 2019.** (*Note: The 2020 budget was prepared anticipating an overall annual paid member increase of 2% from the 2019 budget projection.*) **Expenses were under budget overall** primarily due to: 1000 - *General Overhead* significantly less than budgeted Equipment Maintenance/Rental, Credit Card/EFT and contract fees; 1901 - *Operations Support* slightly less expenses than budgeted overall, primarily postage and promotion expenses; 1903 - *Association Relations* slightly less expenses than budgeted; 1905 - *National Meetings* slightly less than budgeted Region XI dues; 1920 - *ExCom & Director Support* slightly less than budgeted catering expenses and supplies; 1955 - *Public Relations* contract for PR firm less than budgeted; 1990 - *Personnel* less than budgeted; 6000 - *Building* expenses less than budgeted income due to past due rent from one tenant and less than budgeted building expenses for this period. **Overall, the Operations & Strategic Initiatives Area has a positive net variance of \$347,747 Y-T-D.** Adjustments/Recommendations: None.

**Arizona Association of REALTORS®
Summary Balance Sheet
January 2020**

	<u>1/31/2020</u>
ASSETS	
Current Assets	
Checking/Savings	32,122,558.59
Accounts Receivable	15,801.95
Other Current Assets	45,637.51
Total Current Assets	32,183,998.05
Fixed Assets	2,329,380.69
Other Assets	0.00
TOTAL ASSETS	34,513,378.74
 LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	23,415.21
Credit Cards	34,663.03
Other Current Liabilities	73,174.30
Total Current Liabilities	131,252.54
Long Term Liabilities	74,076.99
Total Liabilities	205,329.53
Equity	34,308,049.21
TOTAL LIABILITIES & EQUITY	34,513,378.74

Arizona Association of REALTORS®
Grouped Balance Sheet
January 2020

January 31, 2020

ASSETS

Current Assets

Checking/Savings

AAR General Accounts

Operating Account - MIDFIRST Checking	296,147.28		
AFLAC 125 Claims Reimb. MIDFIRST	13,240.86		
Operating Account - CHASE Checking	5,521.90	314,910.04	
AAR UBS RMA Money Market		9,337,041.72	
Combined AAR General Accounts			9,651,951.76

Capital Accounts

Capital Purchase - UBS Portfolio Mgmt.		268,184.33	
Capital Purchase - BlackRock		2,132,724.37	
Capital Reserve Fund - UBS Checking RMA		2,118,300.52	
Capital Reserve - Q-GARP		156,966.20	
Capital Reserve - Dividend Ruler		114,418.99	
Combined Capital Accounts			4,790,594.41

Operating Accounts

Operating Reserve - UBS Checking RMA		3,638,940.45	
Operating Reserve - BlackRock		5,345,388.90	
Combined Operating Accounts			8,984,329.35

Strategic Initiative

Strategic Initiative - UBS Portfolio Mgmt.		163,232.08	
Strategic Initiatives - BlackRock		1,030,158.07	
Strategic Initiative - UBS RMA		727,760.52	
Strategic Initiative Checking - MIDFIRST		88,389.45	
Strategic Initiative - Q_GARP		113,743.33	
Strategic Initiative - Dividend Ruler		111,457.92	
Combined Strategic Initiative Accounts			2,234,741.37

Issues Mobilization Accounts

Issues Mob - UBS RMA		3,845,683.06	
Issues Mob - Portfolio Management		1,027,464.41	
Issues Mob - BlackRock		418,840.37	
Issues Mob - Q_GARP		603,184.53	
Issues Mob - Dividend Ruler		443,717.75	
Combined Issues Mob Accounts			6,338,890.12

Arizona Homeownership Alliance - UBS RMA

		100,694.21	
			100,694.21

Political Survival Fund

		1,350.71	
			1,350.71

Property Management

Cash-AZ Bank & Trust - Preserve Property Management		20,006.66	

Arizona Association of REALTORS®
Grouped Balance Sheet
January 2020

January 31, 2020

		<u>32,122,558.59</u>
Total Checking/Savings		
Accounts Receivable		
A/R - Trade		15,801.95
A/R - Cvent	10,206.90	
Due From Region 11	0.00	
Due From PSF Fund to IM	0.00	
Total Accounts Receivable		<u>10,206.90</u>
Other Current Assets		
Prepaid Expenses and Deposits	37.60	
Monthly Prepays	35,393.01	
Total Prepaid Expenses and Deposits		<u>35,430.61</u>
Total Other Current Assets		<u>45,637.51</u>
Total Current Assets		<u>32,183,998.05</u>
Fixed Assets		
Property and Equipment		
151 · A/D - Furn & Equipment	-197,691.97	
157 · A/D - Computer	-611,275.16	
161 · A/D - Leashold Imprvments	-981,183.08	
165 · A/D - Building Osborn	-1,044,025.24	
167 · A/D - Tenant Improvements	-76,273.25	
Total Accumulated Depreciation		<u>-2,910,448.70</u>
150 · Furniture & Equipment	320,107.08	
156 · Computer	711,201.11	
160 · Leasehold Improvements	1,514,684.19	
163 · Land - Osborn	617,737.40	
164 · Building - Osborn	1,995,153.78	
166 · Tenant Improvements	80,945.83	
Total Property and Equipment		<u>5,239,829.39</u>
Total Fixed Assets		<u>2,329,380.69</u>
Other Assets		
Loan Cost / Leasing Commissions		
Note Receivable	0.00	
Total Other Assets		<u>0.00</u>
TOTAL ASSETS		<u><u>34,513,378.74</u></u>

**Arizona Association of REALTORS®
Grouped Balance Sheet
January 2020**

January 31, 2020

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

Accounts Payable

23,415.21

Total Accounts Payable

23,415.21

Credit Cards

MidFirst Business Visa

34,663.03

Total Credit Cards

34,663.03

Other Current Liabilities

Due to NAR

0.00

Due to Region 11

0.00

Sales Tax Payable

0.00

Combined Current Liabilities

0.00

Accrued Salaries & P/R Taxes

16,135.18

Total Accrued Salaries & P/R Taxes

16,135.18

Security Deposits Payable - Osborn

9,642.10

Deferred Dues Income

0.00

Deferred Income - Other

11,000.00

Deferred Income Issues Mob

0.00

Stale Dated Checks/Escheat

1,363.71

Arbitration Case Pending

3,860.13

Current portion of LTD

31,173.18

57,039.12

Total Other Current Liabilities

73,174.30

Total Current Liabilities

131,252.54

Long Term Liabilities

Capital Lease Payable

74,076.99

Total Long Term Liabilities

74,076.99

TOTAL LIABILITIES

205,329.53

Equity

Temporarily restricted

304 · Fund Balance - Issues Mobilization

698,163.00

Total Temporarily restricted

698,163.00

Unrestricted/Designated

302 · Fund Balance - Operating Reserve

8,956,145.00

303 · Fund Balance - Capital

4,788,905.00

305 · Fund Balance - Issues Mobilization

5,647,323.00

307 · Fund Balance - Strategic Initiative

2,230,789.00

308 Fund Balance - AZ Homeownership

100,671.00

Total Unrestricted/Designated

21,723,833.00

3900 · Unrestricted/Undesignated

4,273,778.83

Net Income

7,612,274.38

Total Equity

34,308,049.21

TOTAL LIABILITIES & EQUITY

34,513,378.74



SEEING CLEARLY TOGETHER

FINANCIAL DETAILS

Balance Sheet

As of January 31, 2020

03/03/20

Accrual Basis

	Jan 31, 20
ASSETS	
Current Assets	
Checking/Savings	
1000 · Combined Operating Cash Account	
100.3 · Operating Acc. - MidFirst 2997	296,147.28
100.4 · AFLAC 125 Claims - MidFirst	13,240.86
101.3 · Operating Account - CHASE 1442	5,521.90
101.5 · UBS - AAR Main RMA	9,337,041.72
Total 1000 · Combined Operating Cash Account	9,651,951.76
1005 · Q-GARP Portfolio - UBS	
1005.1 · Strategic Initiative Q-GARP	113,743.33
1005.2 · Capital Reserve Q-GARP	156,966.20
1005.3 · Issues Mob. Q-GARP	603,184.53
Total 1005 · Q-GARP Portfolio - UBS	873,894.06
1006 · Dividend Ruler Portfolio - UBS	
1006.1 · Strategic Initiative Div. Ruler	111,457.92
1006.2 · Capital Reserve Dividend Ruler	114,418.99
1006.3 · Issues Mob. Dividend Ruler	443,717.75
Total 1006 · Dividend Ruler Portfolio - UBS	669,594.66
1007 · Portfolio Management - UBS	
1007.1 · Strat Initiative Portfolio Mgmt	163,232.08
1007.2 · Capital Reserve Portfolio Mgmt	268,184.33
1007.3 · Issues Mob. Portfolio Mgmt	1,027,464.41
Total 1007 · Portfolio Management - UBS	1,458,880.82
10081 · BlackRock - UBS	
10081.1 · Capital Reserve - BlackRock	2,132,724.37
10081.2 · Operating Reserve - BlackRock	5,345,388.90
10081.3 · Issues Mobilization - BlackRock	418,840.37
10081.4 · Strategic Initiative - BlackRoc	1,030,158.07
Total 10081 · BlackRock - UBS	8,927,111.71
101.40 · Combined Strategic Initiative	
101.43 · Strategic Initiative - UBS	727,760.52
101.44 · Strategic Init Check - MidFirst	88,389.45
Total 101.40 · Combined Strategic Initiative	816,149.97
101.66 · Operating Reserve Net	
102 · Cash in Op Reserve - UBS	3,638,940.45
Total 101.66 · Operating Reserve Net	3,638,940.45
103 · Capital Reserve Checking RMA	2,118,300.52
104 · Issues Mob Accounts - UBS	
104.4 · Issues Mob Fund - UBS RMA	3,845,683.06
Total 104 · Issues Mob Accounts - UBS	3,845,683.06
105 · Cash-AZ Bank & Trust/Prop Mgmt	20,006.66
106.. · AZ Homeownership Alliance RMA	100,694.21
111. · PSF	
111 · Political Survival Fund	1,350.71
Total 111. · PSF	1,350.71
Total Checking/Savings	32,122,558.59
Accounts Receivable	
112 · A/R	15,801.95
Total Accounts Receivable	15,801.95
Other Current Assets	
Prepaid Expenses and Deposits	
123 · Monthly Prepaids	

Balance Sheet

As of January 31, 2020

	Jan 31, 20
123.008 · February Pre-Paid	-322.30
123.009 · March Pre-Paid	31,897.34
123.011 · May Pre-Paid	2,500.00
123.015 · September Pre-Paid	76.30
123.016 · October Pre-Paid	1,241.67
Total 123 · Monthly Prepays	35,393.01
124 · Prepaid Expenses	
124.2 · Prepaid Postage-Pitney Bowes	37.60
Total 124 · Prepaid Expenses	37.60
Total Prepaid Expenses and Deposits	35,430.61
112.110 · A/R Misc.	
113.10 · A/R - Regonline	10,206.90
Total 112.110 · A/R Misc.	10,206.90
Total Other Current Assets	45,637.51
Total Current Assets	32,183,998.05
Fixed Assets	
Property and Equipment	
Total Accumulated Depreciation	
151 · A/D - Furn & Equipment	-197,691.97
157 · A/D - Computer	-611,275.16
161 · A/D - Leasehold Imprvments	-981,183.08
165 · A/D - Building Osborn	-1,044,025.24
167 · A/D - Tenant Improvements	-76,273.25
Total Total Accumulated Depreciation	-2,910,448.70
150 · Furniture & Equipment	320,107.08
156 · Computer	711,201.11
160 · Leasehold Improvements	1,514,684.19
163 · Land - Osborn	617,737.40
164 · Building - Osborn	1,995,153.78
166 · Tenant Improvements	80,945.83
Total Property and Equipment	2,329,380.69
Total Fixed Assets	2,329,380.69
TOTAL ASSETS	34,513,378.74
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
200 · Accounts Payable	23,415.21
Total Accounts Payable	23,415.21
Credit Cards	
203.1 · MidFirst Business Credit Card	34,663.03
Total Credit Cards	34,663.03
Other Current Liabilities	
214 · Accrued Salaries & P/R Taxes	
2100 · Payroll Liabilities	11,277.02
214 · Accrued Salaries & P/R Taxes - Other	4,858.16
Total 214 · Accrued Salaries & P/R Taxes	16,135.18
215 · Security Deposits Payable - Osb	9,642.10
228 · Deferred Income	
232 · Deferred Income Other	11,000.00
Total 228 · Deferred Income	11,000.00
240 · Stale Dated Checks/Escheat	1,363.71
275 · Arbitration Case Pending	3,860.13

Balance Sheet

As of January 31, 2020

	Jan 31, 20
295 · Current portion of LTD	31,173.18
Total Other Current Liabilities	73,174.30
Total Current Liabilities	131,252.54
Long Term Liabilities	
285 · Capital Lease Payable	74,076.99
Total Long Term Liabilities	74,076.99
Total Liabilities	205,329.53
Equity	
Temporarily restricted	
304 · Fund Bal - Issues Mobilization	698,163.00
Total Temporarily restricted	698,163.00
Unrestricted/Designated	
302 · Fund Bal - Operating Reserve	8,956,145.00
303 · Fund Bal - Capital	4,788,905.00
305 · Fund Bal - Issues Mobilization	5,647,323.00
307 · Fund Bal - Strategic Initiative	2,230,789.00
308 · Fund Bal - AZ Homeownership	100,671.00
Total Unrestricted/Designated	21,723,833.00
3900 · Unrestricted/Undesignated	4,273,778.83
Net Income	7,612,274.38
Total Equity	34,308,049.21
TOTAL LIABILITIES & EQUITY	34,513,378.74

2020 Funds Analysis Operating Reserve

ACCOUNT	Acct. #	Balance Forward	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	NET
AAR Operating Reserve - RMA	UX66383	\$ 3,634,179.74													\$ 3,634,179.74
Dividend and Interest Income (including accrued)			\$4,760.71												\$4,760.71
Deposits															\$0.00
Withdrawals															\$0.00
Change in Market Value															\$0.00
Total															<u>\$ 3,638,940.45</u>
AAR Operating Reserve - BlackRock	UX17968	\$ 5,321,964.92													\$ 5,321,964.92
Dividend and Interest Income (including accrued)			11103.16												\$11,103.16
Deposits															\$0.00
Withdrawals															\$0.00
Change in Market Value			17613.65												\$17,613.65
Fees			-5292.83												(\$5,292.83)
Total															<u>\$ 5,345,386.90</u>
TOTAL		<u>\$ 8,956,144.66</u>													<u>\$ 8,984,329.35</u>
Year-to-Date Change in Value:		<u>\$ 28,184.69</u>													

*NOTE: The total in securities transferred out of Private Bank do not match the total in securities deposited to the RMA. This is due to a change in market value and accrued interest as we were transferring securities, not cash.

2020 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	<u>\$ 3,838,562.83</u>													
Dividend and Interest Income (including account)			\$2,820.22												\$ 3,838,562.83
Deposits			\$4,300.00												\$2,820.22
Withdrawals															\$4,300.00
Change in Market Value			\$0.01												\$0.01
Fees															\$0.00
Total															<u>\$ 3,845,683.06</u>
Realtors Issues Mob. - Q-GARP	UX52363	<u>\$ 592,799.75</u>													
Dividend and Interest Income (including account)			\$421.88												\$ 592,799.75
Deposits															\$421.88
Withdrawals															\$0.00
Change in Market Value			\$10,552.46												\$10,552.46
Fees			(\$589.56)												(\$589.56)
Total															<u>\$ 603,184.53</u>
Realtors Issues Mob. - Dividend Ruler	UX52365	<u>\$ 441,348.19</u>													
Dividend and Interest Income (including account)			\$366.07												\$ 441,348.19
Deposits															\$366.07
Withdrawals															\$0.00
Change in Market Value			\$2,442.43												\$2,442.43
Fees			(\$438.94)												(\$438.94)
Total															<u>\$ 443,717.75</u>
Realtors Issues Mob. - Portfolio Management	UX42722	<u>\$ 1,055,909.21</u>													
Dividend and Interest Income (including account)			\$1.48												\$ 1,055,909.21
Deposits															\$1.48
Withdrawals															\$0.00
Change in Market Value			(\$27,396.14)												(\$27,396.14)
Fees			(\$1,050.14)												(\$1,050.14)
Total															<u>\$ 1,027,464.41</u>
Realtors Issues Mob. - BlackRock	UX50021	<u>\$ 416,867.99</u>													
Dividend and Interest Income (including account)			881.07												\$ 416,867.99
Deposits															\$881.07
Withdrawals															\$0.00
Change in Market Value			1505.9												\$1,505.90
Fees			(\$414.59)												(\$414.59)
Total															<u>\$ 418,840.37</u>
TOTAL															<u>\$ 6,338,890.12</u>
Year-to-Date Change in Value:															<u>\$ (6,597.85)</u>

*NOTE: The total in securities transferred out of Private Bank do not match the total in securities deposited to the RMA. This is due to a change in market value and accrued interest as we were transferring securities, not cash.

2020 Funds Analysis
Capital Reserve

ACCOUNT	Acct. #	Balance Forward	Jan.	Feb.	Mar.	Apr.	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	NET
Capital Purchase - RMA	UX68672	\$ 2,121,835.37													
Dividend and Interest Income (including accrued)			\$2,394.71												\$ 2,121,835.37
Deposits															\$2,394.71
Withdrawals			(\$5,928.56)												\$0.00
Change in Market Value															(\$5,928.56)
Fees															\$0.00
Total															<u>\$0.00</u>
															<u>\$ 2,118,300.52</u>
Capital Purchase - Q-GARP	UX52366	\$ 154,222.11													
Dividend and Interest Income (including accrued)			\$110.42												\$ 154,222.11
Deposits															\$110.42
Withdrawals															\$0.00
Change in Market Value			\$2,787.05												\$2,787.05
Fees			(\$153.38)												(\$153.38)
Total															<u>(\$153.38)</u>
															<u>\$ 156,966.20</u>
Capital Purchase - Dividend Ruler	UX52368	\$ 113,775.12													
Dividend and Interest Income (including accrued)			\$95.57												\$ 113,775.12
Deposits															\$95.57
Withdrawals															\$0.00
Change in Market Value			\$661.45												\$661.45
Fees			(\$113.15)												(\$113.15)
Total															<u>(\$113.15)</u>
															<u>\$ 114,418.99</u>
Capital Purchase - Portfolio Management	UX42723	\$ 275,607.63													
Dividend and Interest Income (including accrued)			\$0.33												\$ 275,607.63
Deposits															\$0.33
Withdrawals															\$0.00
Change in Market Value			(\$7,149.53)												(\$7,149.53)
Fees			(\$274.10)												(\$274.10)
Total															<u>(\$274.10)</u>
															<u>\$ 268,184.33</u>
Capital Purchase - BlackRock	UX17969	\$ 2,123,464.85													
Dividend and Interest Income (including accrued)			\$4,410.51												\$ 2,123,464.85
Deposits															\$4,410.51
Withdrawals															\$0.00
Change in Market Value			\$6,960.85												\$6,960.85
Fees			(\$2,111.84)												(\$2,111.84)
Total															<u>(\$2,111.84)</u>
															<u>\$ 2,192,724.37</u>
TOTAL		\$ 4,788,905.08													<u>\$ 4,790,594.41</u>
Year-to-Date Change in Value:		\$ 1,669.33													<u>\$ 1,669.33</u>

*NOTE: The total in securities transferred out of Private Bank do not match the total in securities deposited to the RMA. This is due to a change in market value and accrued interest as we were transferring securities, not cash.

2020 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	\$ 88,389.45	\$0.00												\$ 88,389.45
Deposits															\$0.00
Withdrawals															\$0.00
Transfers															\$0.00
Total															\$ 88,389.45
Strategic Initiative - UBS RNA	UX27692	\$ 726,560.37	\$1,370.15												\$ 726,560.37
Dividend and Interest Income (excluding account)															1,370.15
Deposits															0.00
Withdrawals															0.00
Change in Market Value															170.00
Fees															0.00
Total															\$ 727,760.52
Strategic Initiative - Q-GARP	UX52369	\$ 111,811.14	\$78.57												\$ 111,811.14
Dividend and Interest Income (excluding account)															78.57
Deposits															0.00
Withdrawals															0.00
Change in Market Value															1,964.82
Fees															(\$111.20)
Total															\$ 113,743.33
Strategic Initiative - Dividend Ruler	UX52370	\$ 110,860.94	\$92.82												\$ 110,860.94
Dividend and Interest Income (excluding account)															92.82
Deposits															0.00
Withdrawals															0.00
Change in Market Value															614.42
Fees															(\$110.26)
Total															\$ 111,457.92
Strategic Initiative - Portfolio Management	UX42724	\$ 167,760.28	\$0.33												\$ 167,760.28
Dividend and Interest Income (excluding account)															0.33
Deposits															0.00
Withdrawals															0.00
Change in Market Value															4,361.69
Fees															(\$166.84)
Total															\$ 163,232.08
Strategic Initiative - BlackRock	UX53105	\$ 1,025,408.03	\$2,182.68												\$ 1,025,408.03
Dividend and Interest Income (excluding account)															2,182.68
Deposits															\$0.00
Withdrawals															\$0.00
Change in Market Value															\$3,587.15
Fees															(\$1,019.79)
Total															\$ 1,030,158.07
TOTAL		\$ 2,230,730.21													\$ 2,234,741.37
Year-to-Date Change in Value:		\$ 3,951.16													

2020 Funds Analysis AAR and RAPAC

ACCOUNT	Acct. #	Balance Forward	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	NET
AAR General Checking - CHASE	xx-1442	\$ 5,579.56													\$ 5,579.56
	Deposits														\$0.00
	Withdrawals														(\$57.66)
	Transfers														\$0.00
Total															<u>\$ 5,521.90</u>
AAR General Checking - MIDFIRST	xx-2997	\$ 452,852.41													\$ 452,852.41
	Deposits														\$3,965,095.17
	Withdrawals														(\$546,800.30)
	Transfers														(\$3,575,000.00)
Total															<u>\$ 286,147.28</u>
AAR Main RMA	UX66381	\$ 5,756,988.85													\$ 5,756,988.85
Dividend and Interest Income (including account)															\$5,477.87
Transfers															\$3,575,000.00
Withdrawals															\$0.00
Change in Market Value															(\$425.00)
Total															<u>\$ 9,337,041.72</u>
RAPAC - RMA	UX68862	\$ 907,432.62													\$ 907,432.62
Dividend and Interest Income (including account)															\$626.37
Deposits															\$0.00
Transfers															\$0.00
Withdrawals															\$0.00
Change in Market Value															\$0.00
Total															<u>\$ 908,058.99</u>
TOTAL															<u><u>\$ 7,122,853.44</u></u>

Arizona Association of REALTORS®
All Funds Budget vs. Actual
January 2020

	<u>Jan 20</u>
Ordinary Income/Expense	
Income	
410 · Interest Income	18,013.90
415 · Rental Income	6,507.90
417 · Gain on Investments	27,765.25
430 · Dues Income	8,210,475.00
433 · Forms Licensing	6,000.00
435 · Law Book	82.30
440 · Other Program Income	750.00
440.3 · Arbitration Deposits Retained	0.00
440.5 · Ethics Admin Fees	1,200.00
440.6 · Retained Fine	3,100.00
461 · Education Development	998.56
462 · Education Outreach	3,055.00
465 · MRE Society	150.00
466 · Member Communications	0.00
467 · REALTOR Institute	2,550.00
468 · rCRMS	6,404.00
469 · Spring Convention	22,517.00
472 · CRPM	1,248.00
491 · IM Contributions	5,507.00
Total Income	<u>8,316,323.91</u>
Gross Profit	8,316,323.91
Expense	
500 · Salaries/Benefits	226,174.40
540 · Staff Development	125.00
605 · Awards/Gifts	668.12
620 · Building Expense	9,478.77
630 · Catering/Hotel	86,097.87
631 · Computer Service and Expense	1,768.23
632 · Copying	0.00
633 · Furniture/Equipment Expense	1,532.02
639 · Dues & Commitments.	74,687.00
640 · Equipment Maintenance/Rental	3,778.39
6560 · Payroll Expenses	-0.01
660 · Management Fees	589.56
690 · Credit Card & EFT Fees/Misc.	94,857.95
693 · Investment Banking Fees	11,257.06
770 · Supplies	3,577.20
780 · Postage	12,392.33
781 · Printing	4,514.27
786 · Promotion	7,160.29
787 · Speaker Fees	1,916.80
790 · Subscriptions and Reference	7,244.71

Arizona Association of REALTORS®
All Funds Budget vs. Actual
January 2020

	<u>Jan 20</u>
810 · Contract Fees	143,155.40
850 · Telephone	3,482.90
860 · Conferences	529.80
867 · Travel	9,061.47
Total Expense	<u>704,049.53</u>
Net Ordinary Income	<u>7,612,274.38</u>
Net Income	<u><u>7,612,274.38</u></u>

Arizona Association of REALTORS®
Operating Budget vs. Actual
January 2020

03/03/20

Accrual Basis

	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	5,477.87	5,000.00	477.87	109.6%
415 · Rental Income	6,507.90	7,478.73	-970.83	87.0%
417 · Gain on Investments	-425.00			
430 · Dues Income	8,210,475.00	7,900,000.00	310,475.00	103.9%
433 · Forms Licensing	6,000.00	5,000.00	1,000.00	120.0%
435 · Law Book	82.30	75.00	7.30	109.7%
440 · Other Program Income	750.00			
440.3 · Arbitration Deposits Retained	0.00	1,000.00	-1,000.00	0.0%
440.5 · Ethics Admin Fees	1,200.00	900.00	300.00	133.3%
440.6 · Retained Fine	3,100.00	1,000.00	2,100.00	310.0%
461 · Education Development	998.56	95.00	903.56	1,051.1%
462 · Education Outreach	3,055.00	2,025.00	1,030.00	150.9%
465 · MRE Society	150.00	250.00	-100.00	60.0%
467 · REALTOR Institute	2,550.00	3,658.00	-1,108.00	69.7%
468 · rCRMS	6,404.00	4,515.00	1,889.00	141.8%
469 · Spring Convention	22,517.00	0.00	22,517.00	100.0%
472 · CRPM	1,248.00	750.00	498.00	166.4%
Total Income	8,270,090.63	7,931,746.73	338,343.90	104.3%
Gross Profit	8,270,090.63	7,931,746.73	338,343.90	104.3%
Expense				
500 · Salaries/Benefits	226,174.40	243,000.00	-16,825.60	93.1%
540 · Staff Development	125.00	275.00	-150.00	45.5%
605 · Awards/Gifts	668.12	27,728.00	-27,059.88	2.4%
620 · Building Expense	9,478.77	18,914.74	-9,435.97	50.1%
630 · Catering/Hotel	86,097.87	102,377.00	-16,279.13	84.1%
631 · Computer Service and Expense	198.15	1,400.00	-1,201.85	14.2%
632 · Copying	0.00	478.33	-478.33	0.0%
639 · Dues & Commitments.	74,687.00	77,995.00	-3,308.00	95.8%
640 · Equipment Maintenance/Rental	3,778.39	6,347.06	-2,568.67	59.5%
6560 · Payroll Expenses	-0.01			
690 · Credit Card & EFT Fees/Misc.	94,857.95	100,000.00	-5,142.05	94.9%
770 · Supplies	3,577.20	4,180.98	-603.78	85.6%
780 · Postage	12,392.33	17,033.83	-4,641.50	72.8%
781 · Printing	4,514.27	7,456.50	-2,942.23	60.5%
786 · Promotion	7,160.29	25,366.63	-18,206.34	28.2%
787 · Speaker Fees	1,916.80	5,900.00	-3,983.20	32.5%
790 · Subscriptions and Reference	7,244.71	10,803.82	-3,559.11	67.1%
810 · Contract Fees	139,222.60	172,247.91	-33,025.31	80.8%
850 · Telephone	3,482.90	3,973.04	-490.14	87.7%
860 · Conferences	529.80	2,079.00	-1,549.20	25.5%
867 · Travel	9,028.12	13,394.48	-4,366.36	67.4%
Total Expense	685,134.66	840,951.32	-155,816.66	81.5%
Net Ordinary Income	7,584,955.97	7,090,795.41	494,160.56	107.0%
Net Income	7,584,955.97	7,090,795.41	494,160.56	107.0%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	Total 1500 Legislative & Pol. Affairs			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	483.12	27,403.00	-26,919.88	1.8%
620 · Building Expense	234.69	1,574.99	-1,340.30	14.9%
630 · Catering/Hotel	75,447.77	75,315.00	132.77	100.2%
631 · Computer Service and Expense	0.00	250.00	-250.00	0.0%
632 · Copying	0.00	83.33	-83.33	0.0%
639 · Dues & Commitments.	23,650.00	26,850.00	-3,200.00	88.1%
640 · Equipment Maintenance/Rental	14.18	30.00	-15.82	47.3%
770 · Supplies	352.13	329.98	22.15	106.7%
780 · Postage	27.31	66.83	-39.52	40.9%
781 · Printing	431.45	4,225.00	-3,793.55	10.2%
786 · Promotion	2,000.00	15,941.63	-13,941.63	12.5%
790 · Subscriptions and Reference	4,533.00	5,876.32	-1,343.32	77.1%
810 · Contract Fees	10,814.65	24,194.58	-13,379.93	44.7%
850 · Telephone	450.13	458.33	-8.20	98.2%
860 · Conferences	529.80	0.00	529.80	100.0%
867 · Travel	0.00	1,319.48	-1,319.48	0.0%
Total Expense	118,968.23	183,918.47	-64,950.24	64.7%
Net Ordinary Income	-118,968.23	-183,918.47	64,950.24	64.7%
Net Income	-118,968.23	-183,918.47	64,950.24	64.7%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1501 Government Area Support (1500 Legislative & Pol. Affairs)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	0.00			
620 · Building Expense	234.69	1,574.99	-1,340.30	14.9%
630 · Catering/Hotel	1,029.89	315.00	714.89	326.9%
631 · Computer Service and Expense	0.00	250.00	-250.00	0.0%
632 · Copying	0.00	83.33	-83.33	0.0%
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	14.18	30.00	-15.82	47.3%
770 · Supplies	273.38	249.98	23.40	109.4%
780 · Postage	27.31	66.83	-39.52	40.9%
781 · Printing	431.45	225.00	206.45	191.8%
786 · Promotion	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	106.65	116.66	-10.01	91.4%
850 · Telephone	450.13	458.33	-8.20	98.2%
860 · Conferences	0.00	0.00	0.00	0.0%
867 · Travel	0.00	1,069.48	-1,069.48	0.0%
Total Expense	2,567.68	4,439.60	-1,871.92	57.8%
Net Ordinary Income	-2,567.68	-4,439.60	1,871.92	57.8%
Net Income	-2,567.68	-4,439.60	1,871.92	57.8%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1510 Legislative Advocacy (1500 Legislative & Pol. Affairs)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	13,650.00	16,600.00	-2,950.00	82.2%
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00	983.33	-983.33	0.0%
790 · Subscriptions and Reference	4,533.00	5,876.32	-1,343.32	77.1%
810 · Contract Fees	10,708.00	11,161.25	-453.25	95.9%
850 · Telephone	0.00			
860 · Conferences	529.80	0.00	529.80	100.0%
867 · Travel	0.00			
Total Expense	<u>29,420.80</u>	<u>34,620.90</u>	<u>-5,200.10</u>	<u>85.0%</u>
Net Ordinary Income	<u>-29,420.80</u>	<u>-34,620.90</u>	<u>5,200.10</u>	<u>85.0%</u>
Net Income	<u><u>-29,420.80</u></u>	<u><u>-34,620.90</u></u>	<u><u>5,200.10</u></u>	<u><u>85.0%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1545 Local Lobbying Support (1500 Legislative & Pol. Affairs)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00	250.00	-250.00	0.0%
Total Expense	<u>0.00</u>	<u>250.00</u>	<u>-250.00</u>	<u>0.0%</u>
Net Ordinary Income	<u>0.00</u>	<u>-250.00</u>	<u>250.00</u>	<u>0.0%</u>
Net Income	<u><u>0.00</u></u>	<u><u>-250.00</u></u>	<u><u>250.00</u></u>	<u><u>0.0%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1550 Legislative Policy Dev. (1500 Legislative & Pol. Affairs)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	74,417.88	75,000.00	-582.12	99.2%
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	78.75	80.00	-1.25	98.4%
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00	0.00	0.00	0.0%
Total Expense	<u>74,496.63</u>	<u>75,080.00</u>	<u>-583.37</u>	<u>99.2%</u>
Net Ordinary Income	<u>-74,496.63</u>	<u>-75,080.00</u>	<u>583.37</u>	<u>99.2%</u>
Net Income	<u><u>-74,496.63</u></u>	<u><u>-75,080.00</u></u>	<u><u>583.37</u></u>	<u><u>99.2%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1560 Fundraising Support (1500 Legislative & Pol. Affairs)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	483.12	27,403.00	-26,919.88	1.8%
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00	0.00	0.00	0.0%
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	10,000.00	10,250.00	-250.00	97.6%
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00	0.00	0.00	0.0%
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00	125.00	-125.00	0.0%
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00	7,916.67	-7,916.67	0.0%
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00			
Total Expense	10,483.12	45,694.67	-35,211.55	22.9%
Net Ordinary Income	-10,483.12	-45,694.67	35,211.55	22.9%
Net Income	-10,483.12	-45,694.67	35,211.55	22.9%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1575 Federal Liaison Support (1500 Legislative & Pol. Affairs)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
632 · Copying	0.00	0.00	0.00	0.0%
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00	6,000.00	-6,000.00	0.0%
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
860 · Conferences	0.00	0.00	0.00	0.0%
867 · Travel	0.00	0.00	0.00	0.0%
Total Expense	<u>0.00</u>	<u>6,000.00</u>	<u>-6,000.00</u>	<u>0.0%</u>
Net Ordinary Income	<u>0.00</u>	<u>-6,000.00</u>	<u>6,000.00</u>	<u>0.0%</u>
Net Income	<u><u>0.00</u></u>	<u><u>-6,000.00</u></u>	<u><u>6,000.00</u></u>	<u><u>0.0%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2020

	1580 - Election Year Activities (1500 Legislative & Pol. Affairs)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00			
Total Expense	0.00	0.00	0.00	0.0%
Net Ordinary Income	0.00	0.00	0.00	0.0%
Net Income	0.00	0.00	0.00	0.0%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2020

	1585 Governmental Communication (1500 Legislative & Pol. Affairs)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00	4,000.00	-4,000.00	0.0%
786 · Promotion	2,000.00	8,833.30	-6,833.30	22.6%
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00	0.00	0.00	0.0%
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00			
Total Expense	<u>2,000.00</u>	<u>12,833.30</u>	<u>-10,833.30</u>	<u>15.6%</u>
Net Ordinary Income	<u>-2,000.00</u>	<u>-12,833.30</u>	<u>10,833.30</u>	<u>15.6%</u>
Net Income	<u><u>-2,000.00</u></u>	<u><u>-12,833.30</u></u>	<u><u>10,833.30</u></u>	<u><u>15.6%</u></u>

**Arizona Association of REALTORS®
 Profit & Loss Budget vs. Actual
 January 2020**

	1596 Political Research (1500 Legislative & Pol. Affairs)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00	5,000.00	-5,000.00	0.0%
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00			
Total Expense	0.00	5,000.00	-5,000.00	0.0%
Net Ordinary Income	0.00	-5,000.00	5,000.00	0.0%
Net Income	0.00	-5,000.00	5,000.00	0.0%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	Total 1600 Risk Management			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
440 · Other Program Income	750.00			
440.3 · Arbitration Deposits Retained	0.00	1,000.00	-1,000.00	0.0%
440.5 · Ethics Admin Fees	1,200.00	900.00	300.00	133.3%
440.6 · Retained Fine	3,100.00	1,000.00	2,100.00	310.0%
Total Income	<u>5,050.00</u>	<u>2,900.00</u>	<u>2,150.00</u>	<u>174.1%</u>
Gross Profit	5,050.00	2,900.00	2,150.00	174.1%
Expense				
620 · Building Expense	349.17	800.00	-450.83	43.6%
630 · Catering/Hotel	656.06	15,410.00	-14,753.94	4.3%
631 · Computer Service and Expense	0.00	500.00	-500.00	0.0%
632 · Copying	0.00	250.00	-250.00	0.0%
640 · Equipment Maintenance/Rental	21.27	50.00	-28.73	42.5%
770 · Supplies	302.64	800.00	-497.36	37.8%
780 · Postage	639.42	1,390.00	-750.58	46.0%
781 · Printing	0.00	50.00	-50.00	0.0%
786 · Promotion	0.00	2,250.00	-2,250.00	0.0%
787 · Speaker Fees	0.00	2,750.00	-2,750.00	0.0%
790 · Subscriptions and Reference	2,707.40	4,877.50	-2,170.10	55.5%
810 · Contract Fees	18,158.06	23,208.00	-5,049.94	78.2%
850 · Telephone	675.20	665.00	10.20	101.5%
860 · Conferences	0.00	2,079.00	-2,079.00	0.0%
867 · Travel	1,990.49	3,475.00	-1,484.51	57.3%
Total Expense	<u>25,499.71</u>	<u>58,554.50</u>	<u>-33,054.79</u>	<u>43.5%</u>
Net Ordinary Income	<u>-20,449.71</u>	<u>-55,654.50</u>	<u>35,204.79</u>	<u>36.7%</u>
Net Income	<u><u>-20,449.71</u></u>	<u><u>-55,654.50</u></u>	<u><u>35,204.79</u></u>	<u><u>36.7%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1601 Risk Management Support (1600 Risk Management)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
440 · Other Program Income	0.00			
440.3 · Arbitration Deposits Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
Total Income	<u>0.00</u>			
Gross Profit	0.00			
Expense				
620 · Building Expense	349.17	800.00	-450.83	43.6%
630 · Catering/Hotel	400.23	600.00	-199.77	66.7%
631 · Computer Service and Expense	0.00	500.00	-500.00	0.0%
632 · Copying	0.00	250.00	-250.00	0.0%
640 · Equipment Maintenance/Rental	21.27	50.00	-28.73	42.5%
770 · Supplies	302.64	300.00	2.64	100.9%
780 · Postage	112.78	140.00	-27.22	80.6%
781 · Printing	0.00	0.00	0.00	0.0%
786 · Promotion	0.00	250.00	-250.00	0.0%
787 · Speaker Fees	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	151.47	721.00	-569.53	21.0%
850 · Telephone	675.20	665.00	10.20	101.5%
860 · Conferences	0.00	2,079.00	-2,079.00	0.0%
867 · Travel	131.10	1,000.00	-868.90	13.1%
Total Expense	<u>2,143.86</u>	<u>7,355.00</u>	<u>-5,211.14</u>	<u>29.1%</u>
Net Ordinary Income	<u>-2,143.86</u>	<u>-7,355.00</u>	<u>5,211.14</u>	<u>29.1%</u>
Net Income	<u><u>-2,143.86</u></u>	<u><u>-7,355.00</u></u>	<u><u>5,211.14</u></u>	<u><u>29.1%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1602 Legal Support (1600 Risk Management)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
440 · Other Program Income	0.00			
440.3 · Arbitration Deposits Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
Total Income	<u>0.00</u>			
Gross Profit	0.00			
Expense				
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
790 · Subscriptions and Reference	414.52	2,112.50	-1,697.98	19.6%
810 · Contract Fees	0.00	2,000.00	-2,000.00	0.0%
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00	500.00	-500.00	0.0%
Total Expense	<u>414.52</u>	<u>4,612.50</u>	<u>-4,197.98</u>	<u>9.0%</u>
Net Ordinary Income	<u>-414.52</u>	<u>-4,612.50</u>	<u>4,197.98</u>	<u>9.0%</u>
Net Income	<u><u>-414.52</u></u>	<u><u>-4,612.50</u></u>	<u><u>4,197.98</u></u>	<u><u>9.0%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1605 PS Enforcement (1600 Risk Management)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
440 · Other Program Income	0.00			
440.3 · Arbitration Deposits Retained	0.00	1,000.00	-1,000.00	0.0%
440.5 · Ethics Admin Fees	1,200.00	900.00	300.00	133.3%
440.6 · Retained Fine	3,100.00	1,000.00	2,100.00	310.0%
Total Income	<u>4,300.00</u>	<u>2,900.00</u>	<u>1,400.00</u>	<u>148.3%</u>
Gross Profit	4,300.00	2,900.00	1,400.00	148.3%
Expense				
620 · Building Expense	0.00			
630 · Catering/Hotel	255.83	190.00	65.83	134.6%
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00	250.00	-250.00	0.0%
780 · Postage	526.64	1,250.00	-723.36	42.1%
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
790 · Subscriptions and Reference	2,292.88	2,440.00	-147.12	94.0%
810 · Contract Fees	1,892.43	3,600.00	-1,707.57	52.6%
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	1,779.92	1,100.00	679.92	161.8%
Total Expense	<u>6,747.70</u>	<u>8,830.00</u>	<u>-2,082.30</u>	<u>76.4%</u>
Net Ordinary Income	<u>-2,447.70</u>	<u>-5,930.00</u>	<u>3,482.30</u>	<u>41.3%</u>
Net Income	<u><u>-2,447.70</u></u>	<u><u>-5,930.00</u></u>	<u><u>3,482.30</u></u>	<u><u>41.3%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1610 PS Training (1600 Risk Management)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
440 · Other Program Income	750.00			
440.3 · Arbitration Deposits Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
Total Income	<u>750.00</u>			
Gross Profit	750.00			
Expense				
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00	14,550.00	-14,550.00	0.0%
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00	250.00	-250.00	0.0%
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00	2,750.00	-2,750.00	0.0%
790 · Subscriptions and Reference	0.00	325.00	-325.00	0.0%
810 · Contract Fees	0.00	0.00	0.00	0.0%
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00	750.00	-750.00	0.0%
Total Expense	<u>0.00</u>	<u>18,625.00</u>	<u>-18,625.00</u>	<u>0.0%</u>
Net Ordinary Income	<u>750.00</u>	<u>-18,625.00</u>	<u>19,375.00</u>	<u>-4.0%</u>
Net Income	<u><u>750.00</u></u>	<u><u>-18,625.00</u></u>	<u><u>19,375.00</u></u>	<u><u>-4.0%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1615 Alt. Dispute Resolution (1600 Risk Management)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
440 · Other Program Income	0.00			
440.3 · Arbitration Deposits Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
Total Income	<u>0.00</u>			
Gross Profit	0.00			
Expense				
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00	0.00	0.00	0.0%
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00	0.00	0.00	0.0%
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00	0.00	0.00	0.0%
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	79.47	125.00	-45.53	63.6%
Total Expense	<u>79.47</u>	<u>125.00</u>	<u>-45.53</u>	<u>63.6%</u>
Net Ordinary Income	<u>-79.47</u>	<u>-125.00</u>	<u>45.53</u>	<u>63.6%</u>
Net Income	<u><u>-79.47</u></u>	<u><u>-125.00</u></u>	<u><u>45.53</u></u>	<u><u>63.6%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2020

	1625 Risk Management Publicatns (1600 Risk Management)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
440 · Other Program Income	0.00			
440.3 · Arbitration Deposits Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
Total Income	0.00			
Gross Profit	0.00			
Expense				
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00	2,000.00	-2,000.00	0.0%
787 · Speaker Fees	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00			
Total Expense	0.00	2,000.00	-2,000.00	0.0%
Net Ordinary Income	0.00	-2,000.00	2,000.00	0.0%
Net Income	0.00	-2,000.00	2,000.00	0.0%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	Total 1650 Forms Development and Sale (1600 Risk Management)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
440 · Other Program Income	0.00			
440.3 · Arbitration Deposits Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
Total Income	<u>0.00</u>			
Gross Profit	0.00			
Expense				
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00	70.00	-70.00	0.0%
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	256.83	1,000.00	-743.17	25.7%
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00			
Total Expense	<u>256.83</u>	<u>1,070.00</u>	<u>-813.17</u>	<u>24.0%</u>
Net Ordinary Income	<u>-256.83</u>	<u>-1,070.00</u>	<u>813.17</u>	<u>24.0%</u>
Net Income	<u><u>-256.83</u></u>	<u><u>-1,070.00</u></u>	<u><u>813.17</u></u>	<u><u>24.0%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1665 Legal Hotline (1600 Risk Management)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
440 · Other Program Income	0.00			
440.3 · Arbitration Deposits Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
Total Income	<u>0.00</u>			
Gross Profit	0.00			
Expense				
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00	50.00	-50.00	0.0%
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	15,857.33	15,887.00	-29.67	99.8%
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00			
Total Expense	<u>15,857.33</u>	<u>15,937.00</u>	<u>-79.67</u>	<u>99.5%</u>
Net Ordinary Income	<u>-15,857.33</u>	<u>-15,937.00</u>	<u>79.67</u>	<u>99.5%</u>
Net Income	<u><u>-15,857.33</u></u>	<u><u>-15,937.00</u></u>	<u><u>79.67</u></u>	<u><u>99.5%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	Total 1700 Business Services & Tech.			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
433 · Forms Licensing	6,000.00	5,000.00	1,000.00	120.0%
466 · Member Communications	0.00	600.00	-600.00	0.0%
Total Income	<u>6,000.00</u>	<u>5,600.00</u>	<u>400.00</u>	<u>107.1%</u>
Gross Profit	6,000.00	5,600.00	400.00	107.1%
Expense				
620 · Building Expense	417.87	1,150.00	-732.13	36.3%
631 · Computer Service and Expense	133.49	400.00	-266.51	33.4%
640 · Equipment Maintenance/Rental	24.91	150.00	-125.09	16.6%
770 · Supplies	499.94	575.00	-75.06	86.9%
780 · Postage	97.82	110.00	-12.18	88.9%
790 · Subscriptions and Reference	4.31	50.00	-45.69	8.6%
810 · Contract Fees	103,957.03	109,850.00	-5,892.97	94.6%
850 · Telephone	872.16	975.00	-102.84	89.5%
867 · Travel	262.21	475.00	-212.79	55.2%
Total Expense	<u>106,269.74</u>	<u>113,735.00</u>	<u>-7,465.26</u>	<u>93.4%</u>
Net Ordinary Income	<u>-100,269.74</u>	<u>-108,135.00</u>	<u>7,865.26</u>	<u>92.7%</u>
Net Income	<u><u>-100,269.74</u></u>	<u><u>-108,135.00</u></u>	<u><u>7,865.26</u></u>	<u><u>92.7%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1701 Bus Services & Tech Suppt (1700 Business Services & Tech.)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
433 · Forms Licensing	0.00			
466 · Member Communications	0.00			
Total Income	<u>0.00</u>			
Gross Profit	0.00			
Expense				
620 · Building Expense	417.87	1,150.00	-732.13	36.3%
631 · Computer Service and Expense	0.00			
640 · Equipment Maintenance/Rental	24.91	150.00	-125.09	16.6%
770 · Supplies	499.94	575.00	-75.06	86.9%
780 · Postage	97.82	110.00	-12.18	88.9%
790 · Subscriptions and Reference	4.31	50.00	-45.69	8.6%
810 · Contract Fees	208.03	350.00	-141.97	59.4%
850 · Telephone	872.16	975.00	-102.84	89.5%
867 · Travel	0.00			
Total Expense	<u>2,125.04</u>	<u>3,360.00</u>	<u>-1,234.96</u>	<u>63.2%</u>
Net Ordinary Income	<u>-2,125.04</u>	<u>-3,360.00</u>	<u>1,234.96</u>	<u>63.2%</u>
Net Income	<u><u>-2,125.04</u></u>	<u><u>-3,360.00</u></u>	<u><u>1,234.96</u></u>	<u><u>63.2%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2020

	1730 IT Resource/Security Mgmt. (1700 Business Services & Tech.)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
433 · Forms Licensing	0.00			
466 · Member Communications	0.00			
Total Income	<u>0.00</u>			
Gross Profit	0.00			
Expense				
620 · Building Expense	0.00			
631 · Computer Service and Expense	133.49	400.00	-266.51	33.4%
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	12,415.14	15,000.00	-2,584.86	82.8%
850 · Telephone	0.00			
867 · Travel	0.00			
Total Expense	<u>12,548.63</u>	<u>15,400.00</u>	<u>-2,851.37</u>	<u>81.5%</u>
Net Ordinary Income	<u>-12,548.63</u>	<u>-15,400.00</u>	<u>2,851.37</u>	<u>81.5%</u>
Net Income	<u><u>-12,548.63</u></u>	<u><u>-15,400.00</u></u>	<u><u>2,851.37</u></u>	<u><u>81.5%</u></u>

**Arizona Association of REALTORS®
 Profit & Loss Budget vs. Actual
 January 2020**

	1770 Business Services Dept. (1700 Business Services & Tech.)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
433 · Forms Licensing	6,000.00	5,000.00	1,000.00	120.0%
466 · Member Communications	0.00			
Total Income	<u>6,000.00</u>	<u>5,000.00</u>	<u>1,000.00</u>	<u>120.0%</u>
Gross Profit	6,000.00	5,000.00	1,000.00	120.0%
Expense				
620 · Building Expense	0.00			
631 · Computer Service and Expense	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	87,401.06	89,500.00	-2,098.94	97.7%
850 · Telephone	0.00			
867 · Travel	228.86	350.00	-121.14	65.4%
Total Expense	<u>87,629.92</u>	<u>89,850.00</u>	<u>-2,220.08</u>	<u>97.5%</u>
Net Ordinary Income	<u>-81,629.92</u>	<u>-84,850.00</u>	<u>3,220.08</u>	<u>96.2%</u>
Net Income	<u><u>-81,629.92</u></u>	<u><u>-84,850.00</u></u>	<u><u>3,220.08</u></u>	<u><u>96.2%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1780 Communications (1700 Business Services & Tech.)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
433 · Forms Licensing	0.00			
466 · Member Communications	0.00	600.00	-600.00	0.0%
Total Income	0.00	600.00	-600.00	0.0%
Gross Profit	0.00	600.00	-600.00	0.0%
Expense				
620 · Building Expense	0.00			
631 · Computer Service and Expense	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	3,932.80	5,000.00	-1,067.20	78.7%
850 · Telephone	0.00			
867 · Travel	33.35	125.00	-91.65	26.7%
Total Expense	3,966.15	5,125.00	-1,158.85	77.4%
Net Ordinary Income	-3,966.15	-4,525.00	558.85	87.6%
Net Income	-3,966.15	-4,525.00	558.85	87.6%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	Total 1800 Professional & Bus.Develop			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	998.56	95.00	903.56	1,051.1%
462 · Education Outreach	3,055.00	2,025.00	1,030.00	150.9%
465 · MRE Society	150.00	250.00	-100.00	60.0%
467 · REALTOR Institute	2,550.00	3,658.00	-1,108.00	69.7%
468 · rCRMS	6,404.00	4,515.00	1,889.00	141.8%
469 · Spring Convention	22,517.00	0.00	22,517.00	100.0%
472 · CRPM	1,248.00	750.00	498.00	166.4%
Total Income	<u>36,922.56</u>	<u>11,293.00</u>	<u>25,629.56</u>	<u>327.0%</u>
Gross Profit	36,922.56	11,293.00	25,629.56	327.0%
Expense				
620 · Building Expense	188.90	839.75	-650.85	22.5%
630 · Catering/Hotel	420.68	652.00	-231.32	64.5%
631 · Computer Service and Expense	64.66	50.00	14.66	129.3%
632 · Copying	0.00	145.00	-145.00	0.0%
640 · Equipment Maintenance/Rental	14.18	7.06	7.12	200.8%
770 · Supplies	823.11	626.00	197.11	131.5%
780 · Postage	11,587.22	15,167.00	-3,579.78	76.4%
781 · Printing	4,082.82	3,181.50	901.32	128.3%
786 · Promotion	658.99	2,175.00	-1,516.01	30.3%
787 · Speaker Fees	1,916.80	3,150.00	-1,233.20	60.9%
810 · Contract Fees	3,077.50	10,615.33	-7,537.83	29.0%
850 · Telephone	522.29	374.71	147.58	139.4%
867 · Travel	553.64	250.00	303.64	221.5%
Total Expense	<u>23,910.79</u>	<u>37,233.35</u>	<u>-13,322.56</u>	<u>64.2%</u>
Net Ordinary Income	<u>13,011.77</u>	<u>-25,940.35</u>	<u>38,952.12</u>	<u>-50.2%</u>
Net Income	<u><u>13,011.77</u></u>	<u><u>-25,940.35</u></u>	<u><u>38,952.12</u></u>	<u><u>-50.2%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1801 Prof Dev Support (1800 Professional & Bus.Develop)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	0.00			
462 · Education Outreach	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			
Total Income	<u>0.00</u>			
Gross Profit	0.00			
Expense				
620 · Building Expense	188.90	839.75	-650.85	22.5%
630 · Catering/Hotel	390.70	400.00	-9.30	97.7%
631 · Computer Service and Expense	64.66	50.00	14.66	129.3%
632 · Copying	0.00	145.00	-145.00	0.0%
640 · Equipment Maintenance/Rental	14.18	7.06	7.12	200.8%
770 · Supplies	259.66	276.00	-16.34	94.1%
780 · Postage	27.31	90.00	-62.69	30.3%
781 · Printing	30.78	162.50	-131.72	18.9%
786 · Promotion	35.99	425.00	-389.01	8.5%
787 · Speaker Fees	0.00			
810 · Contract Fees	412.40	3,478.33	-3,065.93	11.9%
850 · Telephone	522.29	374.71	147.58	139.4%
867 · Travel	553.64	250.00	303.64	221.5%
Total Expense	<u>2,500.51</u>	<u>6,498.35</u>	<u>-3,997.84</u>	<u>38.5%</u>
Net Ordinary Income	<u>-2,500.51</u>	<u>-6,498.35</u>	<u>3,997.84</u>	<u>38.5%</u>
Net Income	<u><u>-2,500.51</u></u>	<u><u>-6,498.35</u></u>	<u><u>3,997.84</u></u>	<u><u>38.5%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1815 REALTOR Institute (1800 Professional & Bus.Develop)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
465 · MRE Society	0.00			
467 · REALTOR Institute	2,550.00	3,658.00	-1,108.00	69.7%
468 · rCRMS	0.00			
469 · Spring Convention	0.00			
472 · CRPM	0.00			
Total Income	<u>2,550.00</u>	<u>3,658.00</u>	<u>-1,108.00</u>	<u>69.7%</u>
Gross Profit	2,550.00	3,658.00	-1,108.00	69.7%
Expense				
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00	150.00	-150.00	0.0%
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	563.45	350.00	213.45	161.0%
780 · Postage	0.00	0.00	0.00	0.0%
781 · Printing	0.00	0.00	0.00	0.0%
786 · Promotion	623.00	1,250.00	-627.00	49.8%
787 · Speaker Fees	0.00	0.00	0.00	0.0%
810 · Contract Fees	960.00	937.00	23.00	102.5%
850 · Telephone	0.00			
867 · Travel	0.00	0.00	0.00	0.0%
Total Expense	<u>2,146.45</u>	<u>2,687.00</u>	<u>-540.55</u>	<u>79.9%</u>
Net Ordinary Income	<u>403.55</u>	<u>971.00</u>	<u>-567.45</u>	<u>41.6%</u>
Net Income	<u><u>403.55</u></u>	<u><u>971.00</u></u>	<u><u>-567.45</u></u>	<u><u>41.6%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1820 rCRMS (1800 Professional & Bus.Develop)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
465 · MRE Society	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	6,404.00	4,515.00	1,889.00	141.8%
469 · Spring Convention	0.00			
472 · CRPM	0.00			
Total Income	<u>6,404.00</u>	<u>4,515.00</u>	<u>1,889.00</u>	<u>141.8%</u>
Gross Profit	6,404.00	4,515.00	1,889.00	141.8%
Expense				
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00	62.00	-62.00	0.0%
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00	0.00	0.00	0.0%
780 · Postage	42.05	111.00	-68.95	37.9%
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00	2,250.00	-2,250.00	0.0%
810 · Contract Fees	0.00	0.00	0.00	0.0%
850 · Telephone	0.00			
867 · Travel	0.00			
Total Expense	<u>42.05</u>	<u>2,423.00</u>	<u>-2,380.95</u>	<u>1.7%</u>
Net Ordinary Income	<u>6,361.95</u>	<u>2,092.00</u>	<u>4,269.95</u>	<u>304.1%</u>
Net Income	<u><u>6,361.95</u></u>	<u><u>2,092.00</u></u>	<u><u>4,269.95</u></u>	<u><u>304.1%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1825 Cert. Res. Prop. Manager (1800 Professional & Bus.Develop)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
465 · MRE Society	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
469 · Spring Convention	0.00			
472 · CRPM	1,248.00	750.00	498.00	166.4%
Total Income	<u>1,248.00</u>	<u>750.00</u>	<u>498.00</u>	<u>166.4%</u>
Gross Profit	1,248.00	750.00	498.00	166.4%
Expense				
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00	0.00	0.00	0.0%
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00	0.00	0.00	0.0%
780 · Postage	24.90	16.00	8.90	155.6%
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	1,016.80	0.00	1,016.80	100.0%
810 · Contract Fees	0.00	0.00	0.00	0.0%
850 · Telephone	0.00			
867 · Travel	0.00			
Total Expense	<u>1,041.70</u>	<u>16.00</u>	<u>1,025.70</u>	<u>6,510.6%</u>
Net Ordinary Income	<u>206.30</u>	<u>734.00</u>	<u>-527.70</u>	<u>28.1%</u>
Net Income	<u><u>206.30</u></u>	<u><u>734.00</u></u>	<u><u>-527.70</u></u>	<u><u>28.1%</u></u>

**Arizona Association of REALTORS®
 Profit & Loss Budget vs. Actual
 January 2020**

	Total 1855 MRE Society (1800 Professional & Bus.Develop)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
465 · MRE Society	150.00	250.00	-100.00	60.0%
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
469 · Spring Convention	0.00			
472 · CRPM	0.00			
Total Income	150.00	250.00	-100.00	60.0%
Gross Profit	150.00	250.00	-100.00	60.0%
Expense				
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00	0.00	0.00	0.0%
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	0.00			
Total Expense	0.00	0.00	0.00	0.0%
Net Ordinary Income	150.00	250.00	-100.00	60.0%
Net Income	150.00	250.00	-100.00	60.0%

**Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020**

	1860 Spring Convention (1800 Professional & Bus.Develop)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
465 · MRE Society	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
469 · Spring Convention	22,517.00	0.00	22,517.00	100.0%
472 · CRPM	0.00			
Total Income	<u>22,517.00</u>	<u>0.00</u>	<u>22,517.00</u>	<u>100.0%</u>
Gross Profit	22,517.00	0.00	22,517.00	100.0%
Expense				
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00	0.00	0.00	0.0%
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00	0.00	0.00	0.0%
780 · Postage	11,398.99	14,850.00	-3,451.01	76.8%
781 · Printing	4,052.04	3,019.00	1,033.04	134.2%
786 · Promotion	0.00	500.00	-500.00	0.0%
787 · Speaker Fees	0.00	0.00	0.00	0.0%
810 · Contract Fees	310.10	6,000.00	-5,689.90	5.2%
850 · Telephone	0.00			
867 · Travel	0.00	0.00	0.00	0.0%
Total Expense	<u>15,761.13</u>	<u>24,369.00</u>	<u>-8,607.87</u>	<u>64.7%</u>
Net Ordinary Income	<u>6,755.87</u>	<u>-24,369.00</u>	<u>31,124.87</u>	<u>-27.7%</u>
Net Income	<u><u>6,755.87</u></u>	<u><u>-24,369.00</u></u>	<u><u>31,124.87</u></u>	<u><u>-27.7%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1870 Education Outreach (1800 Professional & Bus.Develop)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	50.00			
462 · Education Outreach	3,055.00	2,025.00	1,030.00	150.9%
465 · MRE Society	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
469 · Spring Convention	0.00			
472 · CRPM	0.00			
Total Income	<u>3,105.00</u>	<u>2,025.00</u>	<u>1,080.00</u>	<u>153.3%</u>
Gross Profit	3,105.00	2,025.00	1,080.00	153.3%
Expense				
620 · Building Expense	0.00			
630 · Catering/Hotel	29.98	40.00	-10.02	75.0%
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00	0.00	0.00	0.0%
780 · Postage	93.97	100.00	-6.03	94.0%
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	900.00	900.00	0.00	100.0%
810 · Contract Fees	0.00	0.00	0.00	0.0%
850 · Telephone	0.00			
867 · Travel	0.00	0.00	0.00	0.0%
Total Expense	<u>1,023.95</u>	<u>1,040.00</u>	<u>-16.05</u>	<u>98.5%</u>
Net Ordinary Income	<u>2,081.05</u>	<u>985.00</u>	<u>1,096.05</u>	<u>211.3%</u>
Net Income	<u><u>2,081.05</u></u>	<u><u>985.00</u></u>	<u><u>1,096.05</u></u>	<u><u>211.3%</u></u>

**Arizona Association of REALTORS®
 Profit & Loss Budget vs. Actual
 January 2020**

	1871 Education Development (1800 Professional & Bus.Develop)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	948.56	95.00	853.56	998.5%
462 · Education Outreach	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			
Total Income	<u>948.56</u>	<u>95.00</u>	<u>853.56</u>	<u>998.5%</u>
Gross Profit	948.56	95.00	853.56	998.5%
Expense				
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00	0.00	0.00	0.0%
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
810 · Contract Fees	0.00	0.00	0.00	0.0%
850 · Telephone	0.00			
867 · Travel	0.00			
Total Expense	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.0%</u>
Net Ordinary Income	<u>948.56</u>	<u>95.00</u>	<u>853.56</u>	<u>998.5%</u>
Net Income	<u><u>948.56</u></u>	<u><u>95.00</u></u>	<u><u>853.56</u></u>	<u><u>998.5%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2020

	1872 Instructor Development (1800 Professional & Bus.Develop)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	0.00			
462 · Education Outreach	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			
Total Income	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.0%</u>
Gross Profit	0.00	0.00	0.00	0.0%
Expense				
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00	0.00	0.00	0.0%
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00	0.00	0.00	0.0%
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00	0.00	0.00	0.0%
810 · Contract Fees	1,395.00	0.00	1,395.00	100.0%
850 · Telephone	0.00			
867 · Travel	0.00			
Total Expense	<u>1,395.00</u>	<u>0.00</u>	<u>1,395.00</u>	<u>100.0%</u>
Net Ordinary Income	<u>-1,395.00</u>	<u>0.00</u>	<u>-1,395.00</u>	<u>100.0%</u>
Net Income	<u><u>-1,395.00</u></u>	<u><u>0.00</u></u>	<u><u>-1,395.00</u></u>	<u><u>100.0%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1875 Broker University (1800 Professional & Bus.Develop)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	0.00			
462 · Education Outreach	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			
Total Income	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.0%</u>
Gross Profit	0.00	0.00	0.00	0.0%
Expense				
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00	0.00	0.00	0.0%
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00	0.00	0.00	0.0%
780 · Postage	0.00	0.00	0.00	0.0%
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00	0.00	0.00	0.0%
810 · Contract Fees	0.00	200.00	-200.00	0.0%
850 · Telephone	0.00			
867 · Travel	0.00			
Total Expense	<u>0.00</u>	<u>200.00</u>	<u>-200.00</u>	<u>0.0%</u>
Net Ordinary Income	<u>0.00</u>	<u>-200.00</u>	<u>200.00</u>	<u>0.0%</u>
Net Income	<u><u>0.00</u></u>	<u><u>-200.00</u></u>	<u><u>200.00</u></u>	<u><u>0.0%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	Total 1900 Operations			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	5,477.87	5,000.00	477.87	109.6%
415 · Rental Income	6,507.90	7,478.73	-970.83	87.0%
417 · Gain on Investments	-425.00			
430 · Dues Income	8,210,475.00	7,900,000.00	310,475.00	103.9%
435 · Law Book	82.30	75.00	7.30	109.7%
Total Income	<u>8,222,118.07</u>	<u>7,912,553.73</u>	<u>309,564.34</u>	<u>103.9%</u>
Gross Profit	8,222,118.07	7,912,553.73	309,564.34	103.9%
Expense				
500 · Salaries/Benefits	226,174.40	243,000.00	-16,825.60	93.1%
540 · Staff Development	125.00	275.00	-150.00	45.5%
605 · Awards/Gifts	185.00	325.00	-140.00	56.9%
620 · Building Expense	8,288.14	14,550.00	-6,261.86	57.0%
630 · Catering/Hotel	9,573.36	11,000.00	-1,426.64	87.0%
631 · Computer Service and Expense	0.00	200.00	-200.00	0.0%
639 · Dues & Commitments.	51,037.00	51,145.00	-108.00	99.8%
640 · Equipment Maintenance/Rental	3,703.85	6,110.00	-2,406.15	60.6%
6560 · Payroll Expenses	-0.01			
690 · Credit Card & EFT Fees/Misc.	94,857.95	100,000.00	-5,142.05	94.9%
770 · Supplies	1,599.38	1,850.00	-250.62	86.5%
780 · Postage	40.56	300.00	-259.44	13.5%
786 · Promotion	4,501.30	5,000.00	-498.70	90.0%
810 · Contract Fees	7,148.16	9,380.00	-2,231.84	76.2%
850 · Telephone	963.12	1,500.00	-536.88	64.2%
867 · Travel	6,255.13	8,000.00	-1,744.87	78.2%
Total Expense	<u>414,452.34</u>	<u>452,635.00</u>	<u>-38,182.66</u>	<u>91.6%</u>
Net Ordinary Income	<u>7,807,665.73</u>	<u>7,459,918.73</u>	<u>347,747.00</u>	<u>104.7%</u>
Net Income	<u><u>7,807,665.73</u></u>	<u><u>7,459,918.73</u></u>	<u><u>347,747.00</u></u>	<u><u>104.7%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1000 General Overhead (1900 Operations)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	5,477.87	5,000.00	477.87	109.6%
415 · Rental Income	0.00			
417 · Gain on Investments	-425.00			
430 · Dues Income	0.00			
435 · Law Book	82.30	75.00	7.30	109.7%
Total Income	<u>5,135.17</u>	<u>5,075.00</u>	<u>60.17</u>	<u>101.2%</u>
Gross Profit	5,135.17	5,075.00	60.17	101.2%
Expense				
500 · Salaries/Benefits	0.00			
540 · Staff Development	125.00	275.00	-150.00	45.5%
605 · Awards/Gifts	185.00	325.00	-140.00	56.9%
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00	200.00	-200.00	0.0%
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	3,703.85	6,110.00	-2,406.15	60.6%
6560 · Payroll Expenses	0.00			
690 · Credit Card & EFT Fees/Misc.	94,857.95	100,000.00	-5,142.05	94.9%
770 · Supplies	1,416.00	1,550.00	-134.00	91.4%
780 · Postage	-7.00			
786 · Promotion	0.00			
810 · Contract Fees	934.70	2,000.00	-1,065.30	46.7%
850 · Telephone	963.12	1,500.00	-536.88	64.2%
867 · Travel	0.00			
Total Expense	<u>102,178.62</u>	<u>111,960.00</u>	<u>-9,781.38</u>	<u>91.3%</u>
Net Ordinary Income	<u>-97,043.45</u>	<u>-106,885.00</u>	<u>9,841.55</u>	<u>90.8%</u>
Net Income	<u><u>-97,043.45</u></u>	<u><u>-106,885.00</u></u>	<u><u>9,841.55</u></u>	<u><u>90.8%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1402 Individual Dues (1400 Dues)			
	Jan 20	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	14,995.00			
435 · Law Book	0.00			
Total Income	<u>14,995.00</u>			
Gross Profit	14,995.00			
Expense				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
6560 · Payroll Expenses	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	0.00			
Total Expense	<u>0.00</u>			
Net Ordinary Income	<u>14,995.00</u>			
Net Income	<u><u>14,995.00</u></u>			

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1404 NAR Institute Affiliates (1400 Dues)			
	Jan 20	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	4,200.00			
435 · Law Book	0.00			
Total Income	<u>4,200.00</u>			
Gross Profit	4,200.00			
Expense				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
6560 · Payroll Expenses	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	0.00			
Total Expense	<u>0.00</u>			
Net Ordinary Income	<u>4,200.00</u>			
Net Income	<u><u>4,200.00</u></u>			

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1400 Dues - Other (1400 Dues)			
	Jan 20	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	8,191,280.00	7,900,000.00	291,280.00	103.7%
435 · Law Book	0.00			
Total Income	<u>8,191,280.00</u>	<u>7,900,000.00</u>	<u>291,280.00</u>	<u>103.7%</u>
Gross Profit	8,191,280.00	7,900,000.00	291,280.00	103.7%
Expense				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
6560 · Payroll Expenses	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	0.00			
Total Expense	<u>0.00</u>			
Net Ordinary Income	<u>8,191,280.00</u>	<u>7,900,000.00</u>	<u>291,280.00</u>	<u>103.7%</u>
Net Income	<u><u>8,191,280.00</u></u>	<u><u>7,900,000.00</u></u>	<u><u>291,280.00</u></u>	<u><u>103.7%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	Total 1400 Dues (1900 Operations)			
	Jan 20	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	8,210,475.00	7,900,000.00	310,475.00	103.9%
435 · Law Book	0.00			
Total Income	<u>8,210,475.00</u>	<u>7,900,000.00</u>	<u>310,475.00</u>	<u>103.9%</u>
Gross Profit	8,210,475.00	7,900,000.00	310,475.00	103.9%
Expense				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
6560 · Payroll Expenses	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	0.00			
Total Expense	<u>0.00</u>			
Net Ordinary Income	<u>8,210,475.00</u>	<u>7,900,000.00</u>	<u>310,475.00</u>	<u>103.9%</u>
Net Income	<u><u>8,210,475.00</u></u>	<u><u>7,900,000.00</u></u>	<u><u>310,475.00</u></u>	<u><u>103.9%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1901 Operations & Strategic Sup (1900 Operations)			
	Jan 20	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			
Total Income	<u>0.00</u>			
Gross Profit	0.00			
Expense				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	1,865.00	2,000.00	-135.00	93.3%
631 · Computer Service and Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
6560 · Payroll Expenses	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	47.56	300.00	-252.44	15.9%
786 · Promotion	4,501.30	5,000.00	-498.70	90.0%
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	0.00			
Total Expense	<u>6,413.86</u>	<u>7,300.00</u>	<u>-886.14</u>	<u>87.9%</u>
Net Ordinary Income	<u>-6,413.86</u>	<u>-7,300.00</u>	<u>886.14</u>	<u>87.9%</u>
Net Income	<u><u>-6,413.86</u></u>	<u><u>-7,300.00</u></u>	<u><u>886.14</u></u>	<u><u>87.9%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1903 Association Relations (1900 Operations)			
	Jan 20	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			
Total Income	0.00			
Gross Profit	0.00			
Expense				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	7,073.22	8,000.00	-926.78	88.4%
631 · Computer Service and Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
6560 · Payroll Expenses	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	0.00			
Total Expense	7,073.22	8,000.00	-926.78	88.4%
Net Ordinary Income	-7,073.22	-8,000.00	926.78	88.4%
Net Income	-7,073.22	-8,000.00	926.78	88.4%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1905 National Meetings (1900 Operations)			
	Jan 20	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			
Total Income	<u>0.00</u>			
Gross Profit	0.00			
Expense				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
639 · Dues & Commitments.	51,037.00	51,145.00	-108.00	99.8%
640 · Equipment Maintenance/Rental	0.00			
6560 · Payroll Expenses	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	1,456.11	2,000.00	-543.89	72.8%
Total Expense	<u>52,493.11</u>	<u>53,145.00</u>	<u>-651.89</u>	<u>98.8%</u>
Net Ordinary Income	<u>-52,493.11</u>	<u>-53,145.00</u>	<u>651.89</u>	<u>98.8%</u>
Net Income	<u><u>-52,493.11</u></u>	<u><u>-53,145.00</u></u>	<u><u>651.89</u></u>	<u><u>98.8%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1920 EXCOM & Director Support (1900 Operations)			
	Jan 20	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			
Total Income	<u>0.00</u>			
Gross Profit	0.00			
Expense				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	635.14	1,000.00	-364.86	63.5%
631 · Computer Service and Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
6560 · Payroll Expenses	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	183.38	300.00	-116.62	61.1%
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	4,799.02	6,000.00	-1,200.98	80.0%
Total Expense	<u>5,617.54</u>	<u>7,300.00</u>	<u>-1,682.46</u>	<u>77.0%</u>
Net Ordinary Income	<u>-5,617.54</u>	<u>-7,300.00</u>	<u>1,682.46</u>	<u>77.0%</u>
Net Income	<u><u>-5,617.54</u></u>	<u><u>-7,300.00</u></u>	<u><u>1,682.46</u></u>	<u><u>77.0%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1955 Public Relations (1900 Operations)			
	Jan 20	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			
Total Income	0.00			
Gross Profit	0.00			
Expense				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
6560 · Payroll Expenses	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	5,699.54	6,500.00	-800.46	87.7%
850 · Telephone	0.00			
867 · Travel	0.00			
Total Expense	5,699.54	6,500.00	-800.46	87.7%
Net Ordinary Income	-5,699.54	-6,500.00	800.46	87.7%
Net Income	-5,699.54	-6,500.00	800.46	87.7%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	1990 Personnel (1900 Operations)			
	Jan 20	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			
Total Income	<u>0.00</u>			
Gross Profit	0.00			
Expense				
500 · Salaries/Benefits	226,174.40	243,000.00	-16,825.60	93.1%
540 · Staff Development	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
6560 · Payroll Expenses	-0.01			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
867 · Travel	0.00			
Total Expense	<u>226,174.39</u>	<u>243,000.00</u>	<u>-16,825.61</u>	<u>93.1%</u>
Net Ordinary Income	<u>-226,174.39</u>	<u>-243,000.00</u>	<u>16,825.61</u>	<u>93.1%</u>
Net Income	<u><u>-226,174.39</u></u>	<u><u>-243,000.00</u></u>	<u><u>16,825.61</u></u>	<u><u>93.1%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2020

	6000 Building (1900 Operations)			
	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	0.00			
415 · Rental Income	6,507.90	7,478.73	-970.83	87.0%
417 · Gain on Investments	0.00			
430 · Dues Income	0.00			
435 · Law Book	0.00			
Total Income	<u>6,507.90</u>	<u>7,478.73</u>	<u>-970.83</u>	<u>87.0%</u>
Gross Profit	6,507.90	7,478.73	-970.83	87.0%
Expense				
500 · Salaries/Benefits	0.00			
540 · Staff Development	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	8,288.14	14,550.00	-6,261.86	57.0%
630 · Catering/Hotel	0.00			
631 · Computer Service and Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
6560 · Payroll Expenses	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	513.92	880.00	-366.08	58.4%
850 · Telephone	0.00			
867 · Travel	0.00			
Total Expense	<u>8,802.06</u>	<u>15,430.00</u>	<u>-6,627.94</u>	<u>57.0%</u>
Net Ordinary Income	<u>-2,294.16</u>	<u>-7,951.27</u>	<u>5,657.11</u>	<u>28.9%</u>
Net Income	<u><u>-2,294.16</u></u>	<u><u>-7,951.27</u></u>	<u><u>5,657.11</u></u>	<u><u>28.9%</u></u>

Arizona REALTORS® 2020 CAPITAL BUDGET

January 2020

	<u>Budget</u>	<u>Actual</u>
<u>Computer</u>		
1 Network Infrastructure: Replacements & Upgrades	\$0	\$0
2 Network Infrastructure: General	\$0	\$0
3 Network Infrastructure: Security	\$25,000	\$4,408
4 ExCom Tablet Reimbursements	\$4,800	\$1,144
5 Website, Software, and Hardware Upgrades	\$10,000	\$0
6 New and Replacement Workstations/Laptops	\$33,000	\$426
	<hr/>	<hr/>
	\$72,800	\$5,978
<u>Furniture & Equipment</u>		
7 Audio/Video	\$47,000	\$0
8 Replacement Desk & Office Furniture	\$16,000	\$5,904
9 Miscellaneous	\$0	\$0
	<hr/>	<hr/>
	\$63,000	\$5,904
<u>Building</u>		
11 HVAC	\$20,780	\$0
12 Meeting Center	\$135,000	\$0
13 Interior Repairs & Improvements	\$15,000	\$0
14 Exterior Repairs & Improvements	\$0	\$0
	<hr/>	<hr/>
	\$170,780	\$0
16 ExCom Motion	\$ -	\$ -
	<hr/>	<hr/>
Total Yr. 2020	\$306,580	\$11,882

**Arizona REALTORS®
OPERATIONS AND STRATEGIC INITIATIVES
2020 Business Plan**

FROM: Operations & Strategic Initiatives
Chair: Eric Gibbs, Treasurer
Staff Liaison : K. Michelle Lind, Esq., CEO
DATE: March 2020

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

CURRENT TOP PRIORITIES

- Governance Presidential Advisory Group
- 2021 Strategic Planning Session
- Completing Association financial audits

RECOMMENDATIONS

- 2021-2022 Leadership Appointments
- Bylaw Amendment/Code of Ethics
- Bylaw Amendment/Regions
- Allocation of Operating Surplus

GROUPS FORMED

- Governance Presidential Advisory Group
- 2021 Strategic Planning Session

BOARD OF DIRECTORS

The Arizona REALTORS® is an effective member directed, fiscally responsible, non-profit corporation. Arizona REALTORS® 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 2021 Board of Directors based on 12/31/19 membership numbers.	Letters mailed to brokers January 7th
Establish recommendations for allocation of surplus from 2019 operating budget for Board of Directors approval.	Audit meeting held March 2nd. Motion on March meeting agendas
Begin 2021 officer election process. Announce deadline and application submission dates. Submit 2021 candidate statements for Board of Directors vote.	2021 Candidate Deadline was January 26, 2020. Application deadline was announced in the REALTOR®

	Voice throughout 2019, with the last posted on November 26, 2019. Candidate statements submitted
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
Evaluate the need for additional bylaws and policies, including those that define success/behaviors/standards for association primary committees and implement as advisable.	<ul style="list-style-type: none"> • Primary Committee Communication Guidelines distributed to each Primary Committee. • Motion on the March meeting to amend Bylaws to conform with NAR Mandatory Provisions. • Motion on the March meeting to amend Bylaws to revise Regions • Governance PAG formed, research undertaken, and meetings underway.
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"> • <u> </u> % - March meeting • <u> </u> % - October meeting

EXECUTIVE COMMITTEE

The Arizona REALTORS® is an effective member directed, fiscally responsible, non-profit corporation. Arizona REALTORS® 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 2021 to be approved by Executive Committee in January and Board of Directors at the March meeting.	Motion approved in the January 15 meeting. Motion on the March 26th BOD agenda for approval.
Assist President-elect in identifying members, scheduling and organizing planning session for 2021. Coordinate Planning Session outcomes, distribute Strategic Plan to attendees for comment. Distribute Strategic final plan for implementation in business plans and budget.	Scheduled for April 6-7 at the Hassayampa Inn in Prescott. Attendees identified and invited. Planning Session organization underway.

Update the Arizona REALTORS® officer position description and activity checklists. Distribute job descriptions and budgeted expense and reimbursement expectations to line officers and executive committee members.	Descriptions included in Reference Materials – sent December 29, 2019. Budgeted expenses reviewed with committee.
Develop and deliver monthly “talking points” on association activities to association Region Vice Presidents and leadership.	Talking points are compiled and posted in Sharefile and on the association website. January/February talking points sent on January 27th
Develop more structures tools and procedures for Region Vice Presidents’ communications and reports.	RVP Position Description, Position/Nomination/Election Process, Caucus Procedures, and Association Report forms distributed to RVPs and discussed during Executive Committee orientation.
Continue to proactively research and review options for a member Association Health Plan.	On-going
Continue to review options for retirement/financial planning tools for members.	On-going
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 2020 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"> • 93 % - January meeting • ___ % - March meeting. • ___% - June meeting • ___% - 2019 Budget meeting • ___% - October meeting

ASSOCIATION RELATIONS

The Arizona REALTORS® partners with and collaborates with local member associations, Multiple Listing Services and other industry partners to accomplish mutual goals. Arizona REALTORS® leadership engages with local association leadership to strengthen the strategic partnership.

Measurable Objectives	Status
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Complete the NAR Mandatory Core Standards Compliance form for Arizona REALTORS® and submit as required by NAR.	Arizona REALTORS® compliance application submitted on December 10th for 2019. 16 local associations certified.
Assist and certify local associations in NAR mandatory core standards compliance.	2019 Completed.
Plan and conduct annual Arizona association executives Workshop.	2020 workshop to be held in July/August.
Deliver timely information and updates to local association executives on Arizona REALTORS® activities.	On-going via Basecamp and email.
Coordinate with local associations regarding NAR's Association Executive Institute.	"State Night Out" planning underway
Figure 2021 director entitlements for local associations using 12/31/19 membership report.	Completed
Determine which Arizona association executives are eligible to serve on 2021 Board of Directors.	Completed
Provide local associations with orientation resources to include Arizona REALTORS® as needed.	2019 Member Resource Guides distributed in October.
Increase the number of opportunities for local association executives to meet and network.	AEI, Convention, Summer Workshop, and Leadership Conference meeting plans underway.
Provide tools and be a resource to local associations to help communicate their relevance to members and encourage communication and collaboration between associations and Multiple Listing Services regarding the member experience.	Resources to be shared regularly on Basecamp. Conference call held in February on MLS rule changes.
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.	REALTOR® Party Grant list and related information distributed in February 2020.
Maintain a collaborative working relationship with the Arizona Department of Real Estate.	On-going
Arizona REALTORS® cultivates strategic alliances and partners with Multiple Listing Services, institutes, societies, councils, and other homeownership entities on endeavors that benefit the membership. (CCIM/IREM, VAREP)	Keynote Sponsors for the 2020 IREM/CCIM Economic Forecast on January 17, 2020.
Maintain Multiple Listing Service regional consolidation resources for local associations.	Available via Basecamp
Influence members to utilize REALTOR® brands (products and services).	On-going

CONSUMER OUTREACH

The Arizona REALTORS® will demonstrate engagement in not less than four meaningful consumer engagement activities annually.

Measurable Objectives	Status
Respond to media requests for interviews and information.	14 earned media spots between October 29, 2019 and February 11, 2020. See: www.aaronline.com/press/
Promote the value proposition of using a REALTOR® and/or engaging in community activities which enhance the image of REALTORS®.	On-going Arizona Housing Fund promotion continued regularly.
Promote the value and the “why” of the REALTOR® brand to our members and consumers.	On-going via The Voice and social media.
Promote REALTORS® as professionals.	On-going
Engage the public in legislative/political issues that impact real estate and related issues.	On-going
Organize human resources or fundraising for the benefit of charitable/community organizations.	Arizona Housing Fund promotion continued regularly. Plans to continue Totes for Hope program.
Establish Arizona REALTORS® as a source of credible information about Arizona real estate issues.	On-going

NATIONAL ASSOCIATION

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

Measurable Objectives	Status
Make recommendations to NAR for committee/officer positions.	
Coordinate NAR meeting calendar with line officers and communicate expectations effectively, through preferred methods.	On-going
Coordinate attendance at NAR Legislative meetings	Registrations completed February 12th.
Coordinate attendance at NAR Expo/Conference	

REGION 11

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

Measurable Objectives	Status
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Remain active in all NAR Region 11 activities (Caucus, Nominating Committee, and Strategic Planning Committee).	On-going Nominating Committee and Strategic Planning Committee appointees approved.
Coordinate attendance at Region 11 Conference.	Conference will be held April 15-17 in Las Vegas.

DUES/FINANCIAL

The Arizona REALTORS® is an effective member directed, fiscally responsible, non-profit corporation. Annual dues collected by the Arizona 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.	On-going
Evaluate annual budget to ensure that dues are properly allocated to Arizona REALTORS®'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.	On-going
Continue to proactively research and review options for Arizona REALTORS® efficiency.	On-going
Prepare suggested budget adjustments, if necessary, for Executive Committee consideration.	
Monitor: <ul style="list-style-type: none"> • Capital Reserve fund account balances • Operating and Strategic Initiative Reserve accounts • RAPAC and Issues Mobilization accounts and ensure adherence to bylaws and investment policy.	Completed monthly Reserve account/investment meeting with UBS held March 2nd. UBS to report at the March ExCom meeting.
Reconcile all Arizona REALTORS® checking accounts monthly (Arizona REALTORS®, ARDAF, ARFHCO, PSF, RAPAC, Issues Mob, etc).	Completed monthly
Establish recommendations for allocation of surplus from previous year's operating budget for Executive Committee approval.	Motion on the March meeting agendas.
Assist with the annual audits (Arizona REALTORS®, ARDAF, ARFHCO, RAPAC).	Association audit underway and meeting scheduled for March 2nd. ARDAF, ARFHCO, RAPAC audits scheduled for April.
Prepare and finalize 2021 Operating and Capital budget with the 2021 Executive Committee and Board of Directors.	

BUILDING

The Arizona REALTORS®'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 the Executive Committee.	On-going
Assist property manager in working with tenants to maintain lease agreements.	1st floor 100% leased. Vacant suite upstairs listed for lease with 2 space options.
Conduct thorough review of Arizona REALTORS® building infrastructure and make recommendations for needed improvements in the 2021 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. The Arizona REALTORS® 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
Maintain a staff succession plan.	On-going

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.	
Provide in-kind staff time to effectively manage 501(C)(3) per its bylaws.	On-going
Prepare and distribute local association funds and reports.	

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

The Foundation is a separate 501(c)(3) corporation. The Foundation provides education opportunities to ARIZONA REALTORS® members as well as an Employer Assisted Housing program to state and local association employees.

Measurable Objectives	Status
Promote awareness and utility of financial literacy education in Arizona high schools.	
Coordinate annual audit.	
Provide in-kind staff time to effectively manage 501(C)(3) per its bylaws.	On-going

2020 PBD Measurable Objective Update

From: Professional and Business Development (PBD) Committee
Chair: Marci Slater
Staff Liaison: Barb Freestone
Date: February 26, 2020

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

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

Current Top Priorities

- Convention –Marketing
- Education Outreach program implementation
- GRI – new course development on Negotiation
- LTA - implementation

Recommendations

- None at this time

Groups Formed

- GRI Oversight Workgroup – Mandy Neat
- Convention Planning – Mandy Neat
- Broker Workgroup – Serena Jones
- Leadership Journey Task Force

BROKER UNIVERSITY

This plan provides for the development and/or delivery of education programs/resources designed specifically for brokers and managers on how to efficiently and effectively run a brokerage firm, stay informed of emerging trends and regulations, and create a sense that the Arizona REALTORS® is a trusted source of educational resources and opportunities for their agents.

Measurable Objectives	Status
Offer a small broker, medium broker and large broker forum	Workgroup

Communicate programs or information to the brokerage community that focus on operational issues and available resources	
Maintain an 80% student satisfaction in all classes.	
Provide information quarterly to brokers about Arizona REALTORS education programs and resources available to their agents.	
Offer a minimum of two Broker Management Clinics that incorporate practical based content.	Scheduled for: <ul style="list-style-type: none"> • Convention (Advanced BMC1 and 2) • August (live streaming) (Advanced BMC 1, 2 and 3)
Produce and distribute webinars focusing on issues important to brokers as needed.	
Identify content and structure for a Broker Tab on AARonline.com and work with Risk Management and BS&T to implement	Workgroup agenda item
Continue to produce and distribute Mack In A Minute videos series and Contract Conversation video series.	Replacing Mack In a Minute videos with 2020 with Scott's Legal Scoop monthly videos rolling out in February Current Contract Conversation Videos: <ul style="list-style-type: none"> • Residential Resale Real Estate Purchase Contract • READE • BINSR • Buyer Contingency • Cure Notice • Vacant Land/Lot Purchase Contract Contract Conversation Videos to be produced in 2020: <ul style="list-style-type: none"> • Limited Representation • Notice Form • HOA Addendum

rCRMS (Certified Risk Management Specialist)

This plan provides for an education certification program that is designed to enhance member's knowledge on how to manage and minimize member's liability. The rCRMS program is the only state-specific risk management program available to the Arizona REALTORS® members.

Measurable Objectives	Status
Offer rCRMS classes through association partnerships and live streaming at a competitive and affordable price.	Done - ongoing
Monitor attendee feedback to update curriculum as needed.	Ongoing
Maintain a cadre of qualified instructors who meet the Arizona REALTORS® adopted Instructor Standards and bring practical experience to the program.	Marge Lindsay Kathy Laswick Mary Frances Coleman Jesi Wolnik Rick Mack
Maintain a dedicated instructor page to house course materials.	Done – ongoing maintenance
Offer rCRMS certification holders discounted class registration fees.	Done
Maintain an 80% student satisfaction in all classes.	On-going
Recognize newly certified members on the Arizona REALTORS® Facebook page and announced to local associations.	Monthly

EDUCATION OUTREACH

This program provides partnership opportunities with local associations, the brokerage communities and allied industries to deliver education programs that provide comprehensive, reliable, and accessible professional development programs that focus on building member success. This program also offers an annual Trends Summit to prepare members for changing trends and business practices in the industry.

Measurable Objectives	Status
Maintain and grow a cadre of qualified instructors who meet the Arizona REALTORS® adopted Instructor Standards.	Beth Adams added to cadre Fletcher Wilcox (pending)
Offer, through partnership and revenue share opportunities with local associations and brokerages, c/e, designation and certification courses, delivered live and live streamed.	On-going
Maintain an 80% student satisfaction in all classes.	On-going
Assist partners in marketing AAR-sponsored education classes.	Course eblasts using 3 touch approach:

	1 st email: members in class location and surrounding areas 2 nd email: members who have attended similar course in the past 3 rd email: members who have opened either email 1 or email 2
Provide local associations with an annual education reference guide.	
Deliver an Annual program featuring national speakers for changing trends and business practices in the industry.	Early December
Monitor and engage, when feasible, in opportunities or partnerships to provide new agent resources/training opportunities.	
Offer an annual Education Workshop for local association education staff/chairs.	Tentatively planned for July Education Workshop will be held in conjunction with Instructor Forum

EDUCATION DEVELOPMENT

This plan provides for the development of education programs that focus on member competencies and address current issues and trends that position the REALTOR® member to grow and succeed. This plan also sets the foundation that raises the bar in the effectiveness of online education in both content and delivery through development and/or partner with online course providers.

Measurable Objectives	Status
Maintain and update learning management platform license.	Ongoing
Monitor and enhance live streaming platform to ensure it provides an effective learning experience.	Ongoing Feedback reviewed from evaluations, monitors and staff
Continue to investigate and implement new education platforms that allow us to reach our members as well as engage them interactively in a learning environment.	
Curriculum development and delivery resources are available to develop quality programs.	
All course curricula include practical experience and student engagement and shall be learner-focused.	

Produce a minimum of 3 Contract Conversation videos.	
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INSTRUCTOR DEVELOPMENT

This plan provides resources, tools and growth opportunities to ensure the Arizona REALTORS® attracts, retains and develops instructors who have exceptional skills and embrace modern teaching techniques. Investing in instructor growth is a critical to the Arizona REALTORS® efforts in providing quality education programs.

Measurable Objectives	Status
Provide a minimum of one Instructor Development Workshop focusing on modern teaching techniques that adapt to the modern learner.	November 4, 2020
Offer an Instructor Forum to give Arizona REALTORS instructors an opportunity to network and share teaching strategies, engagement activities and technology tools with each other.	July 15 (will be held in conjunction with Education Leadership Workshop)
Develop and offer incentives for instructors to participate and engage in AAR approved/sponsored activities/programs focused on elevated instructor practices.	Task force will discuss and submit recommendations
Provide training and resources to instructors who teach the association's live streaming classes.	
Monitor and share emerging trends in instructor skills which can aid instructors in enhancing their skills.	Ongoing Facebook group posts February 7 PowerPoint Workshop
Encourage instructors to promote C2EX information in all AAR sponsored classes.	
Provide one scholarship to the Bob Pike "Train the Trainer" for one new Arizona REALTORS® instructor who would benefit from the program.	Recipient: Keri Means

INDUSTRY PARTNERS CONFERENCE

This plan affords the Arizona REALTORS® an opportunity to partner with the Arizona Mortgage Lenders Association and Arizona State Escrow Association to offer a one-day

program bringing REALTORS®, lenders and escrow reps together to learn from each other.

Measurable Objectives	Status
Participate as a partner with the Arizona Mortgage Lenders Association and Arizona State Escrow Association, to offer a program designed to help members understand each other's role in the real estate transaction.	August 25 (Desert Willow Conference Center, Phoenix)

LEADERSHIP TRAINING & DEVELOPMENT

This plan provides leadership training programs to develop REALTOR® and member leaders and a conference for on-going development leaders.

Measurable Objectives	Status
Offer an annual conference for incoming leadership and members who wish to become leaders.	October 21-23, 2020 (Renaissance Glendale Hotel & Spa)
Offer a leadership development program (LTA) specifically for incoming local association presidents-elect.	LTA1: March 3-4 LTA2: April 28-29 LTA3: June 9-10 LTA4: August 27-28 (14 presidents-elect attending in 2020)
Develop and/or partner to provide opportunities to enhance leadership skills and pathway to Leadership.	
Provide resources addressing "how to be a leader – where do I start?"	Task Force to develop April-May

MRES SOCIETY

This plan provides a recognition and marketing vehicle for members to assist in positioning themselves as trusted, knowledgeable and skilled professionals as well as growth resources for new agents who strive to succeed.

Measurable Objectives	Status
Recognize members' life-long learning commitment through a membership-based program connected to educational accomplishments.	
Distribute MRES Society information	

through targeted eblasts, rCRMS/GRI classes and social media channels.	
Increase MRES Society membership by 10%.	
Monitor and promote NAR's Commitment to Excellence program.	Banner and badge ribbons at convention Pins to be distributed to endorsed members throughout the year (including those that received endorsement in 2019)
Annual survey to MRES members to evaluate membership value.	September
Co-host an annual webinar week with the GRI program to provide a special educational webinar week.	September

PROPERTY MANAGEMENT CERTIFICATION

This plan provides for an education certification program (CRPM) that is designed to enhance member's skills and knowledge in the property management field. The CRPM program is the only state-specific residential property management program available to the Arizona REALTORS® members.

Measurable Objectives	Status
Offer <u>CRPM classes</u> at a competitive and affordable fee through partnership with local associations, firms and NARPM.	56 earned certification in 2019 289 members currently hold the rCRMS
Maintain a cadre of qualified instructors who meet the Arizona REALTORS® adopted Instructor Standards and bring practical experience to the program.	
Maintain an 80% student satisfaction in all classes.	
Offer timely webinars focusing on property management issues.	
Offer a Summit that addresses property management issues and topics.	December 6, 2020 (Venue 8600)
Announce and maintain a list of members who earned the CRPM certification on Facebook and to local associations.	Monthly or as needed

REALTOR® INSTITUTE: GRI DESIGNATION

This plan provides for a comprehensive training program for the member at large delivering specific how-to and best practices training in all aspects of residential real estate in the current marketplace. Additionally, this plan provides the administrative resources to ensure that the GRI Designation offers unsurpassed post licensing curriculum.

Measurable Objectives	Status
The GRI program is available and accessible to members throughout the state through partnerships and live streaming.	Done 45 courses scheduled to date 5 local associations offering GRI classes 1 firm offering GRI classes
Co-host an annual webinar week with the MRES Society program to provide a special educational webinar week.	September
Maintain and enhance the GRI website as needed.	On-going
Evaluate the program annually to ensure it is responsive to the changing industry.	
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.	
Maintain, monitor and grow a cadre of qualified instructors who meet the established GRI instructor criteria, the Arizona REALTORS® instructor standards and embrace learner-centered teaching styles.	On-going
Update and maintain the Online Business Planning course.	June-August
Utilize marketing messages that focus on the value/benefits - connection to building a successful career.	
Communicate quarterly with brokers to emphasize the value the program brings to their agents' business success and available scholarships.	
Provide GRI Administrative Guide to course providers.	Posted on the GRI website-Admin portal
Recognize new designees through social media and announcements and provide resources to help them promote their accomplishment.	

Provide a financial scholarship program to members.	\$15,000 budgeted for 2020
Monitor national trends in the GRI programs to keep the Arizona REALTORS® GRI program growing and evolving.	
Compile and monitor student demographics.	

REALTOR® CONVENTION

This plan offers a premier annual REALTOR® event that: (1) energizes members and leaves them full of passion for the real estate industry and their business; (2) provides an opportunity for members to build their networks; (3) provides an opportunity to discover best practices; and (4) helps members understand the Arizona REALTORS® value proposition and also includes the Arizona REALTORS® business meetings (Executive Committee, Regional Caucuses and the Board of Directors Meeting). Conference format varies from year to year.

Measurable Objectives	Status
Offer a statewide convention 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 energizing networking opportunities.	
Feature national speakers to provide a broad scope in national business practices, trends and techniques.	Walter Bond, Leigh Brown, Marki Lemons, Amy Broghamer
Utilize a variety of marketing efforts to inform members of the convention and its value, promote date and location one year in advance.	E-blast, facebook ads/boosted posts, ad in BMQ quarterly (1 st quarter), flyers at events, marketing toolkit provided to AE's and AAR leadership
Provide sessions that assist members in enhancing their business and in understanding the Arizona REALTORS® value proposition and benefits.	
Investigate partnership/promotion opportunities with brokerages, builders and other real estate related organizations.	
Investigate third party marketing with Requests for Proposals and retain if advisable.	
Identify facility for 2021-2023 conventions	
Promote convention one year in advance.	

Develop talking points and distribute to Region Vice Presidents, officers and PBD committee members.	Done (Marketing Toolkit)
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SUPPORT & RESOURCES

This is a support budget for services and resources that contribute to the development, administration and offering of the Arizona REALTORS® educational programs and products that provide high-level skill based and risk management programs that focus on member competencies and set the standard in quality and meaningful education that positions the REALTOR® member to succeed. The ultimate goal of all programs and activities ultimately lead to a culture of lifelong learning.

Measurable Objectives	Status
Appropriate groups are formed and kept updated throughout the year.	Ongoing
Provide the necessary equipment, supplies, subscriptions, licenses and tools to implement the business plans, host/house online program and registration functions.	
Focus program and class messages to connect with members' success/transaction solutions.	
Print and/or distribute collateral at the Arizona REALTORS® and/or local events.	
Work through appropriate committees to influence ADRE to permit continuing education credit for business-skill related topics.	
Monitor and maintain the use of the Reteach.us site.	Ongoing
Employ technologies and resources to create and retain a state-of-the-art learning environment available to members.	
Maintain a monthly calendar for the Arizona REALTORS® education and events and monitor its open/action rates.	Done - ongoing
Provide resources for staff attendance at the Arizona REALTORS®, NAR and Education-related conferences/forums.	Done via budget
Utilize eblast target marketing for education programs using the 3-touch approach as well as social media vehicles.	Facebook ads for CRPM, rCRMS, GRI, MRES Society, programs

Monitor program marketing efforts/results.	
Identify and monitor student demographics for each of the Arizona REALTORS® education programs and utilize in target marketing efforts.	

**Arizona REALTORS®
BUSINESS SERVICES & TECHNOLOGY
2020 Business Plan**

From: Business Services and Technology
Chair: Steve Redmond
Staff Liaison: Dan Pemberton
Date: March 2020

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

CURRENT TOP PRIORITIES

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RECOMMENDATIONS

-

GROUPS FORMED

-

BUSINESS SERVICES

Arizona REALTORS® provides technology tools other than forms delivery as a member benefit only if Arizona REALTORS® 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 Arizona REALTORS® vision. Arizona REALTORS® explores, identifies and recruits members who are technologically adept to enhance the goals of the committee. (Strategic Objectives 5.B and 5.F)

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.	The Transaction Management Matrix has been updated for brokers to “shop” for the best transaction management system for their needs.
Create a mechanism for consistent member generated content regarding technology related issues and practices.	Pending
Create pre-formatted graphics & content for local associations to populate their websites and distribute as needed.	Pending - Communications
Collaborate with real estate schools in the state.	Pending
Provide grants to locals to promote and train.	Pending

Tech Helpline®

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

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

Forms

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

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

Arizona REALTORS® eSign

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

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

Arizona REALTORS® Single Sign-On

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

Measurable Objectives	Status
Usage statistics are compiled and shared monthly.	Ongoing
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	Generally overall member response has been mixed. Working with SSO team to make positive member benefiting updates to increase member engagement and usefulness.

SOFTWARE DEVELOPMENT

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

Measurable Objectives	Status
Develop and maintain data and access to data for Arizona REALTORS® purposes.	Non-Member Report is generated monthly and distributed to local associations. Member out of compliance report is currently being updated to provide a more accurate summary of licensees out of compliance with active membership requirements.

Enhanced Member Profile

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

Measurable Objectives	Status
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

Arizona REALTORS® will develop and monitor software that will help members’ access to Arizona REALTORS® 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 Arizona REALTORS® programs and services (SP: 5.E).

Measurable Objectives	Status
Data and voice systems uptime is better than 99%, excluding planned maintenance periods	Ongoing, 24/7 Monitoring daily via email reporting and reporting via nVision
Security exploits conducted against Arizona REALTORS® receive urgent attention and appropriate measure taken to prevent reoccurrence	Ongoing, 24/7 Monitoring daily via email reporting and reporting via nVision
Build an effective disaster recovery infrastructure to allow immediate phone and email recovery	Ongoing, 24/7 Monitoring daily via email reporting and reporting via nVision

Phone

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

Measurable Objectives	Status
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.	Ongoing

Network

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

Measurable Objectives	Status
Establish disaster recovery infrastructure to maintain phone system in event of local physical failure	Meeting objectives
Maintain the network to ensure it remains secure and reliable	Meeting objectives
Conduct vulnerability study and remediation by June 2019	Scheduled for January 2020, post network re-design. Rescheduled for June. Update, study completed (2/20), nVision is working on correcting all issues discovered.

BUSINESS SERVICES AND TECHNOLOGY SUPPORT

Arizona REALTORS® Business Services and Technology area will provide top notch technical and customer support to its members.

Measurable Objectives	Status
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

Arizona REALTORS® 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 Arizona REALTORS® efforts to inform, engage and reach out to the membership.

Measurable Objectives	Status
The Arizona REALTORS® promotes real estate as a first-time profession to high schools, junior colleges and colleges.	
Disseminate pertinent, relevant and timely industry and association information, (i.e.; social networks, website, video, newsletters, etc.).	Stats are distributed monthly.
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.	PR Firm, Big Yam, provides regular updates on media efforts.
Customize website content for individual users based on user-selected topics and actual use of the site.	Website updated daily.

Print and digital collateral adheres to the Arizona REALTORS® brand and is member centric and speaks to Arizona REALTORS® value proposition.	Value Proposition project is in progress & social media is branded.
Communication statistics are compiled and shared monthly.	On-going
Organize information on the website for easy search and access by members.	On-going
Implement a system to determine the preferred communications methods of our members and communicate with our members via segmented content by May 2019.	Completed
Provide a consistent voice at Arizona REALTORS® 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 www.HomeOwnershipMatters.com/Arizona .	Web address changed to: homeownershipmatters.realtor/states/arizona/ Investigating options for posts.
Solicit community outreach efforts conducted by REALTOR® members and recognize them through an annual award.	
Promote the value and the “why” of the REALTOR® brand to our members by conducting a statewide consumer-directed event.	
Social media channels are managed and monitored to ensure a steady rise in engagement and alternate sources for members to receive information.	Reviewed weekly Stats are collected and distributed monthly.
Develop a system to foster discussions with member association for the purpose of delivering timely and relevant content.	Editions of The Voice are being segmented with content unique to each local area.
Engage in regular outreach to members to elicit discussions by posing monthly questions on social media.	
Meet or exceed real estate industry email open and click-through rates with The Voice.	Meeting industry open rates.
Conduct member and consumer research as needed to provide information to decision makers by fielding at least two email surveys.	
Communicate the value and success of REALTOR® associations throughout the state by placing at least ten mentions in print or broadcast media in 2019.	14 earned media spots between October 29, 2019 and February 11, 2020. See: www.aaronline.com/press/
Investigate strategies for member communications via the Single Sign-On platform using pop-up messaging based on criteria from the enhanced member profile data within RAMCO.	
Consider creating a “What do you want to hear about?” input field for member suggestions in the Arizona REALTOR VOICE.	Posted in The Voice: January 7, Scheduled for: March 10, June 2 and August 25.
Consider creating pop-up box to chat on website.	Pending
Send a traditional postcard mailing reminding members of the Arizona REALTOR VOICE.	

Arizona REALTORS®
RISK MANAGEMENT COMMITTEE
2020 Business Plan

FROM: Risk Management Committee (RMC)
Chairman: Jim Durham
Vice Chairman: Laurie McDonnell
RMC Liaison: Scott M. Drucker
DATE: March 25, 2020

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

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
 - Professional Standards Newsletter – 12/2/19
- **Enhance dispute resolution services**
 - Administer the Buyer/Seller Dispute Resolution Program
 - Administer the Mediation and Ombudsman Programs
 - Professional Standards Workshop – 2/18/20
 - Professional Standards Mediator and Ombudsman training - 10/23/19
- **Forms**
 - Draft statewide ER and EA Listing Contracts
- **Legal Hotline Support**
 - Continue promotion efforts
- **Regulatory Issues**
 - Continue to work with ADRE
 - ADRE Advisory Board meetings - met on 1/15/20
 - ADRE Partner's meetings – met on 1/10/20
 - ADRE Real Estate Teams Workgroup – subgroup met on 1/24/20
- **Risk management education and information**
 - AZ REALTOR® Voice articles
 - Arizona REALTORS® website articles and blogs
 - Scams & Frauds, Short Sales
 - Arizona Broker/Manager Quarterly – 11/25/19
 - Update Advisories – Revised Buyer Advisory – 8/19

RECOMMENDATIONS

- **Approve for release in June 2020 a revised Counter Offer**

GROUPS FORMED

- **Statewide ER/EA Listing Contract Workgroup**

PROFESSIONAL STANDARDS

Professional Standards is what sets REALTORS® apart from other licensees and is a real solution to enforcing the highest standards. Professional Standards is of critical importance to those aspiring to the Arizona REALTORS® Purpose.

PROFESSIONAL STANDARDS ADMINISTRATION

This program processes 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 Objectives	Status
GVC: Prompt review of complaints	4th Quarter 2019 Filings Ethics = 23 Arbitration = 5
PSC: Complete ethics cases promptly	4th Quarter 2019 Ethics Hearings Held = 18
PSC: Complete arbitrations promptly	4th Quarter 2019 Arbitration Hearings Held = 1
Update PS policy adaptations as necessary	On-Going
Reinforce, on a continuing basis PS benefits and results.	On-Going
Implement procedures to expedite the hearing process and evaluate whether additional resources are needed to accomplish this.	On-Going
Educate members about the PS enforcement process.	On-Going

MEDIATION PROGRAM

This program involves facilitating mediations to resolve ethics complaints and arbitration requests. The mediation program is a real solution for members involved in a dispute. Early dispute resolution is of critical importance to those aspiring to the Arizona REALTORS® Purpose.

Measurable Objectives	Status
Facilitate mediation requests on a timely basis	4th Quarter 2019 Mediations Requested = 19 Held = 5 Successful = 5
Receive positive feedback from mediation evaluations	On-Going
Maintain list of qualified mediators	21 mediators for 4th Quarter 2019
Update mediation policies and procedures as necessary	On-Going

OMBUDSMAN PROGRAM

This program involves taking complaint calls/emails and facilitating Ombudsman contact to attempt resolution. The Ombudsman Program is a real solution for the public when members are involved in a dispute or miscommunication. Early dispute resolution is of critical importance to those aspiring to the Arizona REALTORS® Purpose.

Measurable Objectives	Status
Facilitate ombudsman requests on a timely basis	4th Quarter 2019 Ombudsman requests Filed = 16 In Scope = 12 Unsuccessful = 2 Successful = 10
Receive positive feedback from ombudsman evaluations	On-Going
Maintain list of qualified ombudsmen	13 Ombudsman for 4th Quarter 2019
Update PS policy adaptations as necessary	On-Going

PROFESSIONAL STANDARDS, MEDIATION, AND OMBUDSMAN EDUCATION AND TRAINING

This program includes training for members of Grievance and Professional Standards Committees and the Arizona REALTORS® Mediators and Ombudsmen. Professional Standards is a real solution for members and is critical to achieving the highest standards. Professional Standards, Mediation and Ombudsman training is of critical importance to those aspiring to the Arizona REALTORS® Purpose.

Measurable Objectives	Status
Offer PS Training for GVC and PS Committee	Annual Professional Standards Workshop held on February 18, 2020
PS Policy & Training Workgroup meeting	April 24, 2019
Offer Mediator training	October 23, 2019
Offer Ombudsman training	October 23, 2019
Offer hearing panel chair training	August 12, 2019
Publish PS, Mediation and Ombudsman information	Quarterly Newsletter sent December 2, 2019. Website updated quarterly.
PS outreach to members	On-Going

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 Arizona REALTORS® purchase contract. The Buyer-Seller Dispute Resolution program is a real solution that provides buyers and sellers an effective and affordable means to resolve their disputes outside of the court system. Providing buyers and sellers with a way to resolve their disputes is pivotal to our members' real estate practice.

Measurable Objectives	Status
Offer an effective Buyer-Seller Dispute Resolution program.	On-Going
Recruit effective Buyer-Seller Dispute Resolution providers.	On-Going
Ensure compliance of Buyer-Seller Dispute providers with program's directives.	On-Going
Receive positive feedback from Buyer-Seller Dispute Resolution program evaluations.	On-Going

RISK MANAGEMENT

The contracts, addenda and related forms are the core of the member's business and a real solution to the issues that arise in a real estate transaction. The contracts, addenda and related forms are critical to our members' real estate practice.

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 Objectives	Status
Workgroups formed as necessary.	EA/ER Workgroup
Protect our forms copyright.	On-Going - Lawsuit settled and we have now received the last settlement check from Defendants
Forms drafted or revised for introduction in February, June and October.	February 2020 - Residential Resale Real Estate Purchase Contract - Commercial Property Owner's Association Addendum - Vacant Land/Lot Purchase Contract Buyer Attachment Page
Deliver timely forms information/education.	Post articles on aaronline.com, AAR Blog and The Voice, maintain Short Sale webpage and maintain Scams and Frauds webpage
Promote and update the educational tool kit for teams and brokers on best practices and guidelines for management of teams.	On-Going
Promote and update a webpage that includes safety education, incident recordation and contemporaneous incident notification via a REALTOR® text alert system (ASAP).	On-Going
Direct agents to their brokers and aaronline.com for relevant risk management resources.	On-Going

LEGAL HOTLINE

The Hotline is a real solution to provide needed guidance to members on specific situations or transactions. Timely legal guidance is crucial to the members. 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 Objectives	Status
Promote Hotline usage.	On-Going
Hotline to prepare ten Q&As on current issues/current "hot topics" six times per year for the Arizona REALTOR® Voice and the Arizona REALTORS® website.	On-Going
Hotline to maintain statistics on number and types of calls in cooperation with the Arizona REALTORS® staff.	On-Going
Hotline attorney to attend the Arizona REALTORS® Risk Management Committee or Workgroup meetings as requested.	On-Going

Hotline attorney to review new or revised Arizona REALTORS® forms and notify the Arizona REALTORS® of any legal concerns or recommendations.	On-Going
Hotline attorney to consult with the Arizona REALTORS® General Counsel on legal issues as requested.	On-Going
Evaluate Hotline program by surveying members.	Completed 7/19
Form Hotline Workgroup to evaluate program.	Risk Management Committee to serve in this role

INDUSTRY ISSUES

This program involves addressing current industry issues. Addressing industry issues as they arise is a real solution to provide needed guidance to members on specific situations or transactions. Guidance on industry issues as they arise is crucial to the members.

Measurable Objectives	Status
Maintain claims statistics to identify liability trends.	On-Going
Foster alliances with defense attorneys and E&O carriers and mediators.	On-Going
Monitor marijuana legal conflicts, solar, marketing service agreements, and comfort animals - Keep members informed as these issues evolve.	On-Going
Educate agents on potential ethical and legal liabilities associated with off-market listings, fix and flips and REALTOR® as principal transactions.	On-Going
Share with agents the dangers posed by social media.	On-Going
Increase promotion and education of federal regulatory changes and enforcement; respond to changes and monitor.	On-Going
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.	On-Going <ul style="list-style-type: none"> - Cyber Security Task Force formed - Wire Fraud Advisory drafted and released - Cyber Security Broker Policies and Procedures drafted and released - Flyer on steps to take if a victim of wire transfer fraud drafted and released - Cyber Insurance Guide drafted and released - Purchase Contract Flash Page and Vacant Land/Lot Purchase Contract Flash Page revised to address wire transfer fraud - Wire Fraud warnings inserted in Buyer Advisory and Tenant Advisory
Monitor the Americans with Disabilities Act website accessibility issues and keep members informed as the issue evolves.	On-Going

Collaborate with local associations, regional vice presidents and multiple listing services to identify risk management needs for members, associations and regions.	On-Going - Feedback solicited from RVPs via monthly “Talking Points” sent to all ExCom members. - Numerous speaking engagements
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LEGAL & INDUSTRY PUBLICATIONS

Our members need current, accurate, and timely legal, legislative, and risk management updates and information to reduce liability and insure their business success. These publications are a real solution that assists our members in achieving the Arizona REALTORS® Vision. Current, accurate, and timely legal, legislative and risk management updates and information are of critical importance to our members. This program includes:

- Risk Management articles for The Arizona REALTORS® publications, ASREB Journal and other publications
- Articles on emerging legal issues for The Arizona REALTORS® 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 Objectives	Status
Distribution of time sensitive legal and risk management information and articles.	Articles recently published on: - Assistive Service Animals - Commercial Property Owner’s Association Addendum - Residential Purchase Contract Revisions - Reporting Fraudulent Emails - Hearing Panelists Tips - Mediator Tips - Anticipatory Breach
Deliver Arizona Broker/Manager Quarterly.	Delivered 11/25/19
Maintain advisories as necessary: Buyer Advisory, Short Sale Seller Advisory, Lease Owners Advisory, Tenant Advisory.	On-Going
Maintain and update legal, risk management, fair housing, and international real estate content on the Arizona REALTORS® website and in publications, as necessary.	On-Going
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.)	On-Going
Direct agents to their brokers.	On-Going
Direct members to aaronline.com for relevant risk management resources.	On-Going

LEGAL AND LEGISLATIVE OUTREACH AND EDUCATION

This plan provides a real solution for delivering timely Arizona-specific legal, legislative, and risk management information and education to members. To succeed in real estate and attain the Arizona REALTORS® Purpose, it is essential that our members have access to timely Arizona-specific legal, legislative, and risk management information 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 Objectives	Status
Participation in legal and legislative programs.	On-Going

LEGISLATIVE SUPPORT

Representation on legislative issues that affect the Arizona REALTORS® member’s livelihood and success is a real solution for members striving to achieve the Arizona REALTORS® Purpose. Protecting members’ legislative interests is key to allowing members the ability to achieve the Arizona REALTORS® Purpose. This program includes:

- Provide input on industry issues
- Assist the Arizona REALTORS® 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 Objectives	Status
Successful outcome in legislation supported and successful defeat of legislation opposed.	Advise on legislation pertaining to: <ul style="list-style-type: none"> - Collection of rent by unlicensed individuals - Tax law effects of Prop 126 - HOA licensing and related HOA issues - Short-term rentals - Department of Revenue Electronic Signatures - Residency and State Exam Requirements for RE License via Reciprocity Law
Promote laws (legislative and case law), regulations, and standards of practice that reduce member liability.	On-Going

REGULATORY ISSUES

Representation on regulatory issues that affect the Arizona REALTORS® members’ livelihood and success is a real solution for members achieving the Arizona REALTORS® Purpose. Protecting the Arizona REALTORS® and its members’ regulatory interests are fundamental to allowing members the ability to achieve the Arizona REALTORS® Purpose. 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 the Arizona REALTORS® CEO and lobbyist in drafting and testifying on proposed Rules.

Measurable Objectives	Status
Negotiation of reasonable regulatory rules and policies that are acceptable to the Arizona REALTORS® members and do not hinder their success.	- Met with ADRE on 10/22/19 to discuss 2020 legislative agenda - Appointed to assist ADRE in drafting Substantive Policy Statement on Teams
Maintain contact with ADRE Advisory Board.	Met on 1/15/20

GENERAL PROGRAMS

SUPPORT

Provide critical support to accomplish the goals of this Committee's programs and services. The support services and resources allow the committee to provide the Arizona REALTORS® Members with the most up-to-date information on Professional Standards, legal, legislative, regulatory and industry issues. 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 Objectives	Status
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.	On-Going

RELATED ACTIVITIES WITHOUT DIRECT COMMITTEE OVERSIGHT

LEGAL COUNSEL

A real solution to leadership, CEO, committees, and local associations in developing programs with legal implications and effectively leading the association. Allows the association to provide programs to assist members to be the best prepared with the highest standards. This program includes:

- 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 Objectives	Status
CEO, state leadership, committees, and local association executives are informed on legal issues and questions satisfactorily answered.	On-Going

LITIGATION SUPPORT

Representation on legal issues that affect the Arizona REALTORS® member's livelihood and success is a real solution that leads to more members living the Arizona REALTORS® purpose. Protecting the Arizona REALTORS® and its members' legal interests are key to allowing members the ability to achieve the Arizona REALTORS® Purpose. Related activities without direct committee oversight:

- Draft Amicus Briefs and monitor litigation and potential litigation or disputes in which the Arizona REALTORS® 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 the Arizona REALTORS® on any claims or issues

Measurable Objectives	Status
Successful outcome in litigation and dispute resolution.	On-Going <ul style="list-style-type: none"> - Filed Amicus Brief in <i>State of Arizona v. City of Phoenix</i> (regarding application of Prop 126) - Monitor <i>Moehl v. NAR, et al.</i> - Joined amicus brief in <i>State of New York v. US Dept. of Labor</i>

Arizona REALTORS®
LEGISLATIVE AND POLITICAL AFFAIRS
2020 Business Plan

Committee: Legislative and Political Affairs
Chair: Shelley Ostrowski
Staff Liaison: Matthew Contorelli
DATE: March 2020

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

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

CURRENT TOP PRIORITIES

Legislative Session

RECOMMENDATIONS

None

GROUPS FORMED

Annual Participation Workgroup
Short-Term Rental Study Workgroup

Governmental Area Support - 1501

The Arizona REALTORS® 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®.

Measurable Objective	Target Date	Status
Assign tasks to all governmental area workgroups within approved budget parameters.	12/20	Ongoing
Continue with a "Thank You" lunch for each of the four government affairs committees.	Annually	Scheduled as last committee meeting

Legislative Advocacy - 1510

The Arizona REALTORS® 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®. Arizona REALTORS® advocates and capitalizes on the REALTOR® Party. Arizona REALTORS® leverages and maintains influential relationships.

Measurable Objective	Target Date	Status
Activate broad-based Arizona REALTORS® membership representation in lobbying activities through legislative	12/20	Legislative Committee had the first meeting on December 13,

committee appointments and related committee activities.		2019 and has begun reviewing legislation.
Encourage application to state boards and commissions.	12/20	
Strengthen and maintain relationships with Arizona statewide officeholders and agency department heads.	12/20	
Strengthen and maintain relationships with housing industry partners through ongoing communications.	12/20	
Achieve an 85% success rate on Arizona REALTORS® legislative policy priorities.	6/20	
Conduct daily monitoring of legislation and recommend positions to the Legislative Committee in conjunction with the approved Legislative Policy Statements.	6/20	Ongoing
Monitor member involvement in political campaigns.	12/20	
Finalize 2021 legislative policies list by October 2020.	10/20	Will be determined at Caucus. Policies approved by the Board of Directors during the October 2020 meeting.
Evaluate state-level candidates on Arizona REALTORS® legislative policies and voting record to receive funds.	8/20	

Local Lobbying Support - 1545

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

Measurable Objective	Target Date	Status
Assist local associations in their lobbying efforts as issues arise.	12/20	Ongoing
Encourage local associations to establish an advocacy program and provide assistance as requested.	12/20	Ongoing

Legislative Policy Development - 1550

The Arizona REALTORS® is the most powerful and influential political force in Arizona. Arizona REALTORS® proactively advocates and protects private property rights and real property ownership. Arizona REALTORS® advocates and capitalizes on the REALTOR® Party. Maintain and promote a mechanism by which members can relay, on a year-round basis, legislative comments and proposals.

Measurable Objective	Target Date	Status
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Poll members for their opinions through use of formal and informal methods.	12/20	
Continue to involve stakeholders on real estate related issues.	12/20	
Encourage proportional regional representation at the REALTOR® Caucus.	9/20	
Forward all legislative recommendations to the Legislative and Political Affairs Committee for review and appropriate action.	9/20	
Host 2020 REALTOR® Day Luncheon.	Completed	Event held January 14, 2020.
Identify for participation in, or host, a second legislator event.	12/20	
Achieve attendance of 65% of legislators at legislative events.	6/20	
Identify attendees for legislative events through political involvement and leadership activity.	12/20	

Fundraising/Grassroots Support - 1560

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

Measurable Objective	Target Date	Status
Finalize the political activities fundraising plan by December 31st by the previous plan year.	12/20	
Identify members to participate in the annual REALTOR® Party training.	6/20	
Provide fundraising tips, tools and promotional materials for local associations.	9/20	Ongoing.
Distribute REALTOR® Party updates with local associations and provide Statewide RAPAC graphs.	Monthly	Ongoing.
Visit, at a minimum of one time annually, with each local association to promote fundraising activities.	10/20	
Utilize the NAR RAPAC Grant stipend for promotion of RAPAC.	12/20	\$9,000 grant has been approved for the silent auction and raffle at the Spring Convention

Utilize the Major Investor Program NAR stipend to host an Arizona REALTORS® Major Investor Event.	12/20	
Achieve participation of local associations in Major Investor Events.	12/20	
Achieve 100% level of RAPAC participation from state and NAR directors, AEs, Presidents, Presidents-elect, RVPs, RIMC, LPAC, Legislative Committee, RAPAC Trustees, FPCs, EXCOM, BOD, and local RAPAC Chairs.	12/20	NAR Directors – 81.81% AEs – 31.25% 2020 Presidents – 75% RVPs – 100% RIMC Committee – 76.92% LPAC – 93.75% Legislative Committee – 91.30% RAPAC Committee – 92.85% FPCs – 77.78% EXCOM – 86.67% BODs – 74.10%
Achieve 100% or NAR Major Investor Goal for 2020. Benchmarks: 50% of goal by April; 75% of goal by June; 100% by September 30.	12/20	As of 02/29/2019: 59 Major Investors 88 Installment Plans
Recognize Major Investors with gift.	12/20	MI Jackets have been ordered
Recognize President Circle members with gift.	12/20	New gift for 2020 is being selected
Recognize Hall of Fame members with gift.	12/20	A gift is being selected
Communicate state and federal election law requirements to local associations in order for RAPAC to remain in compliance at the state and federal level.	12/20	Ongoing
Host a fundraising event at the Spring Conference/Convention.	4/20	Auction and Raffle planned- Currently obtaining items
Secure a vendor for conducting online fundraising auctions.	4/20	After consideration, no vendor is needed.
Host a fundraising event at the Leadership Conference.	10/20	
Recognize RAPAC Major Investors on aaronline.com.	Monthly	Updated through January 31, 2020
Recognize RAPAC Major Investors with special recognition at REALTOR® Day at the Capitol.	Completed	Major Investor names were in pamphlet and MI's were acknowledged by the speaker and with MI ribbons and seat backs.
Recognize RAPAC Major Investors with special recognition at REALTOR® Caucus.	9/20	
Plan and host a 2-day, 1-night Major Investor Motorecycle, Convertible, and Classic Car Rally Ride road trip.	10/8	A new event needs to be selected and planned

Maintain Leadership Appreciation Program to connect Arizona REALTORS® leaders with Major Investors for recognition of investment.	12/20	Thank-you cards being sent from Leadership to Major Investors-Ongoing
Increase use of NAR grant programs by 50% over 2019 utilization by local associations.	12/20	

Federal Liaison Support - 1575

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

Measurable Objective	Target Date	Status
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	NAR Political Director, Jack Greacen will be attending March RAPAC meeting
Register all FPCs with NAR's REALTOR® Action Center.	1/20	
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	
Ensure FPCs attend required Mid-Year meetings.	5/20	RSVP's have been sent out; FPC still needed for Rep. Gallego
Ensure compliance that all FPCs attend required NAR training session on their roles and responsibilities.	2/20	
Oversee that each FPC team will hold one meeting locally or attend a fundraiser with their congressman/senator or their staff during the year.	12/20	
Maintain strong communication with Congressional staff through ongoing contacts on issues important to Arizona.	12/20	
Attendance at meetings with Members of Congress during the NAR Mid-Year Hill Visits is by invitation only.	5/20	
Ensure compliance that FPCs meet any NAR requirements.	12/20	
Establish a Hill Visit Reception for all Arizona members who attend NAR Mid-Year and invite each MOC.	5/20	The reception is scheduled for March 14th at Charlie Palmers Steak House (5PM-7PM)

Establish funds for FPC in-district meetings/receptions.	12/20	
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Election Year Activities - 1580

The Arizona REALTORS® is the most powerful and influential political force in Arizona. Arizona REALTORS® leverages and maintains influential relationships.

Measurable Objective	Target Date	Status
Encourage members to register to vote.	12/20	Efforts executed via social media
Establish protocol for a “Get Out the Vote” campaign for use in 2020 election cycle.	11/20	
Create and distribute Voter Guides with information on REALTOR® endorsed candidates, with special focus on how and why they are REALTOR® Champions.	8/20	
Tie endorsed candidates into the REALTOR® Party for full circle education of the importance of legislative work and protections offered by the REALTOR® Party.		

Governmental Communications - 1585

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

Measurable Objective	Target Date	Status
Provide REALTOR® Party updates and legislative updates to the Business Services and Technology Department for use in the REALTOR® Voice, Arizona REALTORS® blog and alternative forms of media distribution.	12/20	
Produce REALTOR® Party video annually with focus on legislative successes and what that means for their industry/ business/ clients.	4/20	Video was completed November 2019 – Need to start planning the next video.
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	

Work with REALTOR® Party Plus to increase opt-in for text response Calls for Action.	12/20	
Utilize digital advertising and technologies to push federal CFAs to members.	As Required	
Maintain current information on each governmental program at aaronline.com.	12/20	
Communicate with Big Yam for press releases when large successes occur, or the consumer needs to be educated on the associations wins.	12/20	
Communicate how Issues Mobilization and RAPAC reserves can enhance local association political objectives.	12/20	
Communicate the importance of the Arizona REALTORS® legislative/political successes to members.	12/20	
Continue to communicate the mechanism by which members can relay, on a year-round basis, legislative comments and proposals.	12/20	
Utilize the broker involvement program/stipend to enroll local brokers for participation in NAR's BIP to increase response rates to calls for action.	12/20	
Work with REALTOR® Party Plus to identify a predictive model to target members for increased activism on legislative issues and advocacy initiatives.	12/20	
Implement the use of geofencing, beacon and direct one-to-one digital advertising technologies for concentrated message delivery during a Call for Action.	As Required	

Political Research - 1596

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

Measurable Objective	Target Date	Status
Conduct research as needed.	12/20	
Work with REALTOR® Party Plus to utilize predictive models to obtain comprehensive analysis of membership as well as election data.	12/20	



INVESTOR REPORT

2019

REACH Ventures 2019 LP

430 N Michigan Ave
Chicago, IL 60611

REACH
NATIONAL ASSOCIATION OF REALTORS®

Industry Outlook

Dear Investor,

We are excited about the upcoming year in the property technology sector. Below are some highlights of what we witnessed in 2019 both domestically and internationally;

- Global Funding up 39% to a record high \$27.2B in 2019
- Funding into the sector has increased 4 years in a row
- Nearly 90% of funding comes from the Americas or Asia
- Funding in U.S. PropTech grew 69% YoY to \$9B in 2019
- 324 Total US PropTech deals
- 78% over \$20MM, a 105% increase over 2018
- Average deal value: \$21.4MM
- Sentiment for continued PropTech investment and M&A in 2020 remains strong with 80% of investors expecting either an increase or the same amount of M&A activity in the next twelve months
- 45% of investors plan to make more investments in 2020
- Significant M&A deals with 104 PropTech deals in 2019

We appreciate your continued support of REACH as we expand our operations across verticals and internationally. We will keep you posted on the performance of our invested capital, and as our team expands its efforts to ensure we invest in technologies that support the growth of our industry.

Sincerely,
The REACH Management Team

REACH Ventures 2019 *At a Glance*

+6.43% SINCE INCEPTION

380 TOTAL EMPLOYEES

14 PORTFOLIO COMPANIES

50% FEMALE FOUNDERS

100% PORTFOLIO COMPANIES STILL ACTIVE

12 YEAR AVERAGE FOUNDERS EXPERIENCE IN REAL ESTATE

TOTAL ROUNDS OF FINANCING **26**

TOTAL FUNDING DURING/SINCE REACH **22.3M USD**

twofold

evocalize

klearn

CRESimple

curbio
Renovate Now, Pay When You Sell

Trove

Amarki
MARKETING INTELLIGENCE

biproxi

PROPY

LulaFit

STAGING & DESIGN
NETWORK
SHARE. GROW. INSPIRE.

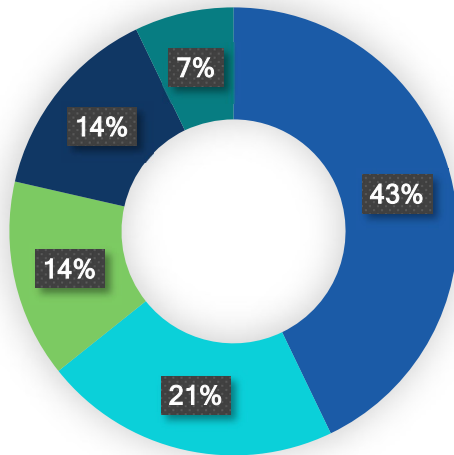
reConsortia

ratemyagent

COEO

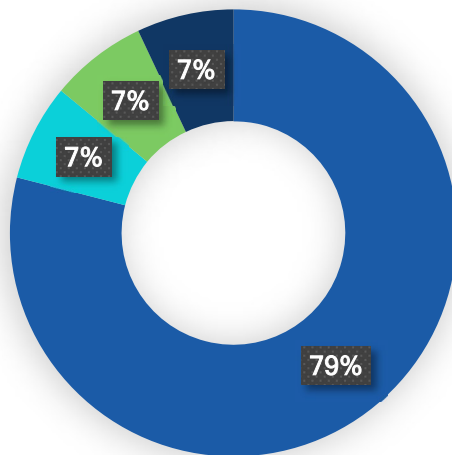
Portfolio Overview

Portfolio Breakdown by PropTech Sector
As a % of total investments



- Marketing & Communications
- Lending, Title & Transaction Management
- Consumer Centric
- Lead Gen & Conversion
- Agent & Broker Tools

Portfolio Breakdown by Operating Stage
As a % of total investments



- Seed
- Series A
- Pre-Seed
- Public

Top Portfolio News



Amarki (amarki.com) is a seamless, automated marketing platform for real estate professionals that unifies their favorite systems in one place.

Recent Events

[2020 HW Tech100](#)



Biproxi (biproxi.com) is an end to end CRE platform committed to providing the best tools, data, and applications to empower brokers to sell intelligently, and buyers to invest confidently.

Recent Events

[Biproxi Aims to Transform CRE with Algorithmic Data Platform](#)



Coeo (coeospace.com) is a revolutionary open data technology platform that uses scientific algorithms to match brokers and users to the perfect space in seconds.

Recent Events

[Coeo Space Expands With Unfinished and New Construction Commercial Property](#)



CRE Simple (cresimple.com) is a financial services company built on an intelligent lending platform that is reinventing commercial real estate financing.

Recent Events

[CRE Simple Raises Seed Funding](#)



Curbio (curbio.com) is completely changing the way real estate agents and their clients approach home sales. Its tech-driven renovation process allows home sellers to "flip their own home" and keep the profit for themselves.

Recent Events

[Curbio Accelerates National Expansion to Meet Strong Demand in Chicago and South Florida](#)

[Curbio Raises \\$7m in Series A](#)



Evocalize (evocalize.com) deeply connects all levels of a business to the marketing ecosystem and simplifies the efficient generation of demand when and where it's needed.

Recent Events

No recent events

Top Portfolio News



Kleard (kleard.com) is an open house and showing app for real estate agents that includes robust safety features, real-time contact verification, and its own CRM.

Recent Events

[Kleard and Adwerx announce integration, bringing next-level automation to real estate agents](#)
[2020 HW Tech100](#)



Lulafit (lulafit.com) is a luxury amenities management firm working in Class A+ multifamily and commercial office spaces.

Recent Events

[Jeremy Werner and Nick Anthony join amenities management company, LulaFit](#)



Propy (propy.com) is an end-to-end real estate transaction management platform that facilitates safe, fast & simple real estate transactions entirely online.

Recent Events

[Propy Partners With Leading Japanese Escrow Company EAJ](#)



RateMyAgent (ratemyagent.com | ASX:RMY) is a digital marketing business that helps real estate agents collect share and promote their best customer feedback.

Recent Events

[2020 HW Tech100](#)



reConsortia (consortia.realestate) is blockchain for real estate referral tracking. The blockchain builds transparency between stakeholders, enhances professionalism and provides a better customer experience.

Recent Events

[2020 HW Tech100](#)



Staging & Design Network (staginganddesignnetwork.com) has developed proprietary technology that drives the first member-based shared rental pool for home furnishings.

Recent Events

[Shared economy home staging business opens in Phoenix](#)

Trove

Trove (discovertrove.com) is a boutique vacation rental service delivering exceptional consumer experiences and maximum value for property owners.

Recent Events

No recent events

twofold

Twofold (twofold.com) is converting idle areas into productive, flexible workspaces. Twofold's products can improve efficiency by 25% or more, thereby increasing the capacity of smaller floor plans, or enabling greater density in existing spaces.

Recent Events

No recent events

REACH Ventures 2019 LP has not yet had an official first close. Below is an overview of the estimated portfolio value and current holdings;

REACH VENTURES 2019 LP HOLDINGS						
Company	Original Investment	Est. Current Value	Gain/(Loss)	Number of Shares	Approx. Ownership	Security Type
Amarki	\$100,000	\$100,000	-	62,500	1.431%	Preferred Shares
biproxi	\$100,000	\$100,000	-	74,074	0.336%	Preferred Shares
Coeo	\$100,000	\$100,000	-	n/a	n/a	SAFE
CRE Simple	\$100,000	\$100,000	-	198,400	0.750%	Preferred Shares
Curbio	\$100,000	\$125,000	\$25,000	48,391	0.266%	Preferred Shares
Evocalize	\$100,000	\$100,000	-	n/a	n/a	SAFE
Kleard	\$100,000	\$100,000	-	n/a	n/a	SAFE
Lulafit	\$100,000	\$100,119	\$119	170	0.870%	Preferred Shares
Propy	\$100,000	\$100,000	-	n/a	n/a	SAFE
RateMyAgent	\$99,602	\$164,442	\$64,840	632,469	0.154%	Common Stock
reConsortia	\$100,000	\$100,000	-	n/a	n/a	SAFE
Staging & Design Network	\$100,000	\$100,000	-	n/a	n/a	SAFE
Trove	\$100,000	\$100,000	-	n/a	n/a	SAFE
Twofold	\$100,000	\$100,000	-	n/a	n/a	SAFE
Add: Cash	\$398	\$398	-			
Total	\$1,399,999	\$1,489,958¹	\$89,959²			

1: Portfolio value is unaudited and subject to change

2: Portfolio gains are unrealized and subject to change