



BOARD OF DIRECTORS MEETING
Wednesday, March 31, 2021 ~ 2:00 p.m.
Zoom - Statewide

AGENDA

A. CALL TO ORDER – President Leighton

1. Inspirational Message – **Diane Marzonie, Tucson Association**
2. Pledge of Allegiance – **John Endres, Yuma Association**

B. ASSOCIATION REPORT – President Leighton

1. Director Responsibilities, Authority and Oath of Office – (attachment 01)
2. Approval of October 23, 2020 meeting minutes – (attachment 02)
3. Election of Year 2022 Officers – (attachment 03)
4. NAR Report – Scott Matthias, 2021 NAR Region XI RVP
5. Executive Committee Report - **President-elect Nelson** – (attachment 04 and 04a)
6. 2022 Leadership Appointments for Primary Committees and Local Association Executive – **MOTION** (attachment 05)
7. Treasurer’s Report – **Treasurer Ostrowski**
 - a. 2020 Audit Report – (attachment 06)
 - b. Allocation of 2020 Accumulated Operating Surplus– *Pending Executive Committee Approval: MOTION* (attachment 07)
 - c. 2021 Year-to-Date Financial Update – (attachment 08)
 - NAR Reach Ventures Investment Report – (attachment 08a)
 - d. 2021 Year-to-Date Capital Budget Update – (attachment 09)
8. Chief Executive Officer’s Report – **Michelle Lind, CEO** – (attachment 10)
 - a. Legal Update – **Scott Drucker, General Counsel**

C. PRIMARY COMMITTEE REPORTS

1. Professional & Business Development (**PBD**) – **Mandy Neat, Chair** – (attachment 11)
2. Business Services & Technology (**BST**) – **Gunner Mitchell, Chair** – (attachment 12)
3. Risk Management (**RM**) – **Laurie McDonnell, Chair** – (attachment 13)
4. Legislative & Political Affairs (**LPA**) – **Duane Washkowiak, Chair** – (attachment 14)

D. REAL ESTATE SPECIALTY REPORTS

1. CRS/RRC Update – **Ben Little** – 2021 Arizona RRC Representative
2. WCR Update – **Kay Carlson** – 2021 Arizona WCR President
3. Arizona CCIM Update – **Todd Hamilton**, Arizona CCIM

E. ASSOCIATION CONSIDERATIONS

F. ADJOURN

NEXT MEETING: October 2021

TBD – Phoenix/Scottsdale, Arizona



March 12, 2021

Dear Arizona REALTORS® Directors:

The Arizona REALTORS® Board of Directors meeting will be held on **Wednesday, March 31, 2021** via Zoom. The meeting will be preceded by **the Regional Caucuses beginning at 1:00 p.m. The Board of Directors meeting will begin at 2:00 p.m.** I strongly urge you to attend the Regional Caucuses, during which there is an opportunity for more informal discussions on current issues.

The major items of business during the March meeting will be the election of year 2022 Arizona REALTORS® officers, the Executive Committee Report, and information on the 2020 financial audit. There are only two opportunities for the directors to meet annually so it is important that we make use of this time to discuss real estate industry issues and/or trends with which you believe the association should consider for future action.

Agenda and Meeting Materials: I am enclosing the current agenda for the directors meeting. Meeting materials will be available on the Board of Directors webpage at: <https://www.aaronline.com/2021-board-of-directors-resource-page/> (password: BOD2021) for review prior to the meeting. If you would prefer to have the printed materials sent to you, please contact Christina at christinasmalls@aaronline.com. The materials will be available by March 15th along with an easily printable PDF version of all the materials.

Director Orientation Materials: On January 19th you were sent:

- Arizona REALTORS® [Board of Directors Position Description](#)
- Arizona REALTORS® [Board of Directors Orientation \(PowerPoint\)](#)
- [NAR Video – “Fiduciary Duties Owed by Directors of Associations](#)
- FAQs on [Serving the Arizona REALTORS® as an Officer or Director.](#)
- Arizona REALTORS® [Governing Documents](#)
- Board of Directors Roster the [2021 Board of Directors Members](#)

Please review the orientation materials prior to our meeting. All of this information and more is available on the Leadership and Volunteers page of the Arizona REALTORS® website:
<https://www.aaronline.com/about-us/leadership-and-volunteers>

Please contact us: If you have any questions or concerns regarding the information in this letter, or at any time during the year, please do not hesitate to contact Chief Executive Officer Michelle Lind at MichelleLind@aaronline.com or me at janleightonaz@gmail.com.

I look forward to seeing you at the Arizona REALTOR® Board of Directors meeting!

Very truly yours,


Jan Leighton
2021 Arizona REALTORS® President

Arizona Association of REALTORS®

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REALTOR® is a registered collective membership mark which may be used only by real estate professionals who are members of the NATIONAL ASSOCIATION OF REALTORS® and who subscribe to its strict Code of Ethics.

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 23, 2020

Zoom Platform ~ Statewide

DRAFT MINUTES

CALL TO ORDER

The regularly scheduled meeting was called to order at 10:45 a.m. by President Roberts. A quorum was present.

ASSOCIATION REPORT – President Roberts

Approval of Minutes – The April 16, 2020 meeting minutes were approved as delivered.

NAR Report – 2020 Region XI RVP Dave Tina gave the board an update on current NAR and Region XI issues.

Executive Committee Report – The actions of the Executive Committee since the April 16, 2020 Board of Directors' meeting, including those actions that were approved after the September mailing to the Directors, were presented by President-elect Leighton.

MOTION:

It was moved, seconded and carried to approve the proposed substantive changes to the 2021-2022 Legislative Program Policy Positions as amended to add: "To support and lobby legislation to ratify the Equal Rights Amendment as the 28th Amendment of the United States Constitution."

MOTION:

It was moved, seconded and carried to approve the addition of the following language to Arizona REALTORS® Policy Statement F.1 – Endorsements and Nominations of Candidates for NAR Positions: "If a NAR candidate is running unopposed, the AAR President shall have the authority to endorse said candidate on behalf of AAR without the need for a vote."

Treasurer's Report – Treasurer Gibbs provided a report on the 2020 year-to-date financials and the Capital Budget.

2021 Treasurer-elect Ostrowski presented the 2021 Proposed Operating/Capital Budget and Strategic Plan to the Board for approval.

MOTION:

It was moved and seconded to approve the proposed 2021 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/Assistant CEO Scott Drucker gave an update on the association’s legal activities.

PRIMARY COMMITTEE REPORTS

Professional and Business Development – Marci Slater, 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 – Steve Redmond, Chair of the Business Services and Technology Committee, provided a year-to-date report on the committee’s activities for the Directors.

Risk Management – Jim Durham, 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 – Annette Dalton, representative of the Arizona Chapter of Residential Real Estate Council gave an update to the Directors on chapter events.

Arizona Chapter of WCR – Elisabeth Ortega, 2020 President of the Arizona State Women’s Council of REALTORS® gave an update to the Directors on network events.

Arizona CCIM – Marina Hammersmith gave an update 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 12:10 p.m.

K. Michelle Lind, Recording Secretary

2022 Arizona REALTORS® Officer Candidates

PRESIDENT

GARY NELSON

Northern Arizona Assoc.

Realty Executives of Flagstaff

928-600-4279

Gary@GaryNelsonGroup.com

I am beyond honored to be considered as President 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®:

2021	President-Elect, AZ 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, 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®:

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

PRESIDENT-ELECT

ERIC GIBBS

Tucson Assoc.

Realty ONE Group Integrity

520-906-0769

eric@rogintegrity.com

I'm so honored to be considered for the President-elect 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®

2021-Current First Vice President
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

FIRST VICE PRESIDENT

SHELLEY OSTROWSKI, GRI, rCRMS

Yuma Assoc.

Realty One Group Gateway

928-580-3279

shelley@realtyonegroupgateway.com

I would like to thank you and say I am honored to be considered for First Vice President of the Arizona Association of REALTORS® for 2022. 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-Present	Board of Directors (Ex-Officio)
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 serving as Chair 2019, Chair 2020
2018	Arthur Crozier Distinguished Service Award recipient
2019	Star Award recipient
2020	Treasurer and Legislative Committee

NAR

2017-2019	State and Local Issues and Policy Committee
2020-2021	RPAC Participation Council

TREASURER

SINDY READY, ABR, CDPE, CRS, e-PRO, GRI, PMN, SRES

Scottsdale Area Assoc.

RE/MAX Excalibur Ready Team

602-478-4017

Sindy@AzGreatHomes.com

**It would be my honor to serve with you as your Arizona Association of REALTORS®
Treasurer! "Leadership is not just about what you do, but what you can inspire, encourage,
and empower others to do." - Jon Gordon**

Leadership is not about a title or a position we may have held or hold! It is about serving our MEMBERS! It would be an honor to serve on this great AZ leadership team! AAR continues to pivot to serve our members in our ever-changing business environment. I understand the importance of the Treasurer position and have served in this position locally and nationally.

Overview of My Leadership Experience and Service to our members and our Industry.

- **Arizona Association of REALTORS®:** 2015 Arizona Association of REALTORS® Ty Stout Vision Award Recipient. 2020 Business and Technology Committee member, 2019-2020 AZ Major Investor Council Representative, 2018-2020 RAPAC Trustee, Member Professional and Business Development Committee 2008-2011 and 2016-2020, 2019 PBD Chair, 2019 AAR Executive Committee. 2019 Graduate of AAR LTA program. 2008-2011: Winter Conference Committee. Chaired Winter Conference in 2009, 2010 and 2019. Chaired GRI work group in 2018.
- **Scottsdale Area Association of REALTORS® (SAAR):** 2020 President, 2019 President-elect, 2018 Treasurer, 2017 Board Director, 2015 SAAR REALTOR® of the Year.
Member of SAAR for 20 years involved in many Committees/task forces including: RAPAC-Chair in 2018, RPAC/RAPAC Major Investor, Golden R/President's Circle, 2013-2020, New Building Task Force (Analysis of Old Building 2012, 2018-20 Finance and Budget, HUTCH Fund Founding member, 2009 Graduate Leadership Academy Class 12.
- **Women's Council of REALTORS®:** National President in 2015 with approximately 11,000 members. This was a 10-year Journey starting locally at the Scottsdale Chapter, then to State, Regional Vice President in 2009 over 5 States, and then to National. First as a member of the National Executive Committee.
I was elected to 4 National Positions: National Financial Secretary (**Treasurer**), National Recording Secretary, President-Elect, which was an automatic transition to President. I have taught Nationally since 2008 on Leadership and Business topics.
- **National Association of REALTORS®:** Executive Committee 2016-2017. Board of Directors 2015-2017. RPAC Major Investor: Golden R/President's Circle. Committee service since 2015
- **RE/MAX Excalibur:** Team leader for Ready Callaghan Team since 2009. Full time REALTOR® since 1997.
- **Resort/Hotel Sales and Marketing:** 16 Years in the Scottsdale and USA Markets in Management: Corporate Sales, Catering, Convention Services, and Meeting Planning.

Truly, I believe in giving back to an Industry that has given me so much! It is an honor to serve our industry! **I am READY to Serve You and our Members! I am asking for your Vote for Treasurer! Thank You!**

REGION 1 VICE PRESIDENT

DIANA BINGHAM, AHWD, C2EX

Yuma Association

Realty Executives

928-920-1369

binghamdiana@gmail.com

I obtained my real estate sales license and began my real estate career with Realty Executives in Yuma, Arizona in 2005. In 2006 I began my journey of volunteering for my local association, the Yuma Association of REALTORS®.

NATIONAL

- National Association of REALTORS® ~ YAR Delegate and Representative
 - 2017, 2018 Mid-Year Legislative Meetings
 - 2017, 2018 NAR Convention and Expo
 - 2011, 2017 Leadership Summit
 - 2019 Completed C2EX and AHWD
- RPAC Major Investor

STATE – Arizona REALTORS®

- 2021 Legislative & Political Affairs Committee
- 2018, 2019, 2020 Professional and Business Development Committee
- 2020, 2021 Issues Mobilization Committee
- 2018, 2019 Risk Management Committee
- 2017 Leadership Training Academy Graduate
- 2011, 2012, 2017, 2018 Board of Directors

LOCAL – Yuma Association of REALTORS®

- 2012 and 2018 Association President,
- 2009 REALTOR® of the Year,
- 2010-2013; 2017-2019 Board of Directors
- 2016 YAR Multiple Listing Service Committee
- 2017 YAR Multiple Listing Service Committee Chair
- 2006-2011 YAR Education Committee/Professional Development Committee member
- 2008, 2009, 2010, 2014 YAR Education Committee/Professional Development Committee Chair
- 2006 YAR Education Committee/Professional Development Committee – Committee of the Year
- 2013 YAR Awards Committee Chair
- Other: YAR Budget & Finance Committee; Bylaw, Nominating Committee

REGION 3 VICE PRESIDENT

**Bryan Anderson, CRS, GRI, RSPS, ABR, AHWD, MRES, RENE
White Mountain Association**

Cedar Ridge Real Estate - Associate Broker 928-242-6465
pinetopbryan@gmail.com

Bryan has been a licensed real estate agent since 1987 and received his Broker's license in 1998. After serving clients in the Phoenix metro area for 19 years, he and his family made the move to the beautiful White Mountains in 2005. This move was an eye-opening experience in terms of the diverse types of properties and situations in regards to real estate transactions in a rural market.

Bryan has always placed a great emphasis on continuing education. He has achieved the following designations and certifications: Graduate, Realtor Institute; Accredited Buyer's Representative; Resort & Second-Home Property Specialist; Master of Real Estate Society; and the Real Estate Negotiating Expert Certification.

Bryan has served (and still serves) several terms on three separate Arizona Association of REALTOR's committees and has also served, and is serving on, National Association REALTORS® committees. Being active within the community and the White Mountain Association of REALTORS®, are also priorities for Bryan.

National Association/Arizona REALTORS®

- 2022:** NAR RPAC Hall of Fame Inductee
NAR Public Policy Coordinating Committee
AAR-RAPAC Trustees
- 2021:** NAR Public Policy Coordinating Committee
RAPAC Major Investor-Golden R
RPAC President's Circle
AAR-Legislative & Political Affairs Committee
AAR-Legislative Committee
AAR-RAPAC Trustees
- 2020:** Certified Residential Specialist-Arizona Chapter- State President
AZ State Women's Council of REALTORS-Chair Audit Committee
NAR REALTOR Party Member Involvement Committee-AZ Representative
AAR Legislative Committee
AAR Legislative & Political Affairs Committee
- 2019:** RAPAC Major Investor Golden R
RAPAC President's Circle
AAR Legislative Committee
AAR Legislative & Political Affairs Committee
AAR RAPAC Trustees
Certified Residential Specialist-Arizona Chapter- Finance Chair-Vice President
Certified Residential Specialist-Arizona Chapter- RAPAC Liaison
NAR REALTOR Party Member Involvement Committee-AZ Representative
- 2018:** NAR RPAC Participation Council
AAR RAPAC Trustees
AAR Legislative Committee
AAR Legislative & Political Affairs Committee

RAPAC Major Investor-Golden R
RPAC President's Circle
Certified Residential Specialist-Arizona Chapter- Communications Director

2017: AAR Legislative Committee
NAR RPAC Participation Council
RAPAC Major Investor
RPAC President's Circle

2016: AAR RAPAC Trustee
NAR Resort & Second Home Committee
RAPAC Major Investor
RAPAC President's Circle

2015: AAR RAPAC Trustee
RAPAC Major Investor

White Mountain Association (WMAR):

2017 - WMAR President
2013-2018 - WMAR Board of Directors
2020, 2019, 2018, 2016, 2015, 2014, 2012 -
WMAR RAPAC Chair

2011 - Women's Council of REALTORS Local Chapter President
7+ years as Show Low MLS Tour Director

REGION 5 VICE PRESIDENT

STEVE REDMOND

Tucson Assoc.

Associate Broker - Long Realty Foothills

520-548-2096

SteveR@LongRealty.com

Service to my Local Association

- 2020 President - Tucson REALTORS® Charitable Foundation
- 2020 T.A.R. Bylaws Committee – Chair
- 2020 Awarded 2019 REALTOR® of the Year
- 2017 Celebrated a Decade of Service to the Marketing and Home Tour Committee.
- 2015 Awarded Outstanding Service Award from Tucson Association
- 2014 C.E.O. Search Task Force-Chair
- 2014 President - Tucson Association of REALTORS®
- 2013 President-Elect - Tucson Association of REALTORS®
- 2012 Vice-President - Tucson Association of REALTORS®
- 2011-2012 Marketing and Home Tour Committee-Chair
- 2011 Elected to second 2-year term on Board of Directors
- 2010 Awarded Outstanding Service Award from Tucson Association
- 2009 Elected to first 2-year term on Board of Directors
- 2007 Marketing and Home Tour Committee-Founding Member

Service to my State Association

- 2021 Arizona REALTORS® Diversity-Inclusion Committee-Chair
- 2021 RAPAC Trustee
- 2020 Business Services & Technology-Chair
- 2020 RAPAC Trustee
- 2018-19 Member of REALTORS® Issues Mobilization Committee
- 2019 Communications Committee-Chair
- 2019 Business Services & Technology-Vice Chair
- 2010, 2012-2019 Professional Standards Committee-Member
- 2014, 2015, 2016 Business Services & Technology Committee-Member
- 2014 & 2015 Predictive Analytics Workgroup-Member
- 2015, 2016, 2017 Legislative Committee-Member

Service to the National Association

- Created Diversity Incubator Hub
- Created Charitable Foundation Hub
- 2020-2022 Strategic Thinking Advisory Committee-Member
- 2019-21 N.A.R. Director
- 2019 Leading Edge Advisory Board-Member
- 2018 Consumer Communications Committee-Member
- Selected to participate in the 2017 National Association's Leadership Academy
- Special Appointment by 2017 N.A.R. President Bill Brown to serve on 2017 Board of Directors representing all LBGTQ member community on the Board.
- 2014,2015, 2016, 2017 Diversity Committee-Member



“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 2020 Meeting

1. Approved 12 hearing panel decisions.
2. Approved the CEO job description as delivered.
3. Approved for release to Arizona MLSs on or about February 1, 2021 the new forms: (i) Residential Listing Contract Exclusive Right To Sell/Rent; (ii) Residential Listing Contract Exclusive Agency; And (iii) Listing Contract Addendum.
4. Approved the revisions to the Arizona REALTORS® adaptations to the NAR Code of Ethics and Arbitration Manual.
5. Approved the appointment of 2021 President Jan Leighton and President-elect Gary Nelson as Arizona’s Representatives on the Region XI Nominating Committee.

6. RECOMMEND APPROVAL OF THE FOLLOWING LEADERSHIP APPOINTMENTS FOR PRIMARY COMMITTEES AND LOCAL ASSOCIATION EXECUTIVE FOR 2022 TO THE BOARD OF DIRECTORS:

- Legislative and Political Affairs:
Susan Herber, Chair / Paul Baker, Vice Chair
- Business Services and Technology
Shane Cook, Chair / Nicole Cumbie, Vice Chair
- Risk Management
Mike Porter, Chair / Catherine Swann, Vice Chair
- Professional and Business Development
Barbara Wilson, Chair / Kathy Laswick, Vice Chair
- Local Association Executive appointment to Executive Committee
Jan Marie Ennenga, Yuma Association of REALTORS®

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 2022.

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 2022 TO THE BOARD OF DIRECTORS.

- Legislative and Political Affairs:
Susan Herber, Chair
Paul Baker, Vice Chair
- Business Services and Technology
Shane Cook, Chair
Nicole Cumbie, Vice Chair
- Risk Management
Mike Porter, Chair
Catherine Swann, Vice Chair
- Professional and Business Development
Barbara Wilson, Chair
Kathy Laswick, Vice Chair
- Local Association Executive appointment to Executive Committee
Jan Marie Ennenga, Yuma Association of REALTORS

FOR MORE INFORMATION CONTACT:

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

OR Eric Gibbs – (520) 906-0769 / broker@rogintegrity.com



2020 AAR AUDIT DASHBOARD

The Executive Committee has reviewed the 2020 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 \$36,963,945 with total net assets of \$31,755,157. This represents an increase of \$5,054,860 in total net assets from 2019 audited figures due mainly to increases in member dues, and a decrease in operating expenses, investment income and return of Issues Mobilization amounts.

2020 activity closed with \$5,054,860 in revenue in excess of expenses. Depreciation for the year 2020 was \$233,591. 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 \$276,760 for 2020.

Net Assets and Accumulated Operating Surplus:

At the end of 2020, there is an accumulated operating surplus of \$2,528,112. 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, 2020 is \$5,606,680.

The Special Operating Reserve balance as of December 31, 2020 is \$9,856,666.

The Strategic Initiative Reserve balance as of December 31, 2020 is \$2,420,923.

The Arizona Homeownership Alliance as of December 31, 2020 is \$100,593.

Issues Mobilization Fund's balance, as of December 31, 2020 is \$9,078,944 of which \$734,006 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 internal controls.

There are no irregularities reported. Copies of the 2020 AAR Audit are available at the check-in desk.



Arizona Association of REALTORS®

Presentation to the Executive Committee

Year Ended December 31, 2020

Summary of Audit Results

- 1) Unmodified “clean” opinion on the financial statements.
- 2) Audit and Accounting Highlights:
 - Increase in member dues revenues and service fees.
 - New revenue recognition rules increased documentation and disclosures, no number changes.
- 3) Key Financial Performance Measures:
 - Primary Realtor membership at 55,071 as of 12/31/2020, a 2.59% increase from the prior year.
 - Member dues rate remained consistent with 2019 and 2018 at \$190 per year.
 - Current ratio – 1.49 to 1.00 (2020) consistent with prior year of 1.47 to 1.00 (2019).
 - Return on assets – 14.8% (2020) versus 19.9 % (2019).
 - Cash flows from operations – Net cash provided by operations was \$5.5 million in 2020 compared to a net cash inflow from operations of \$5.7 million in 2019.
- 4) Internal control matters – No material weakness or significant deficiencies.
- 5) Required communications to the governing board.

Arizona Association of REALTORS®

Trend Analysis - Financial Position					
	<u>2020</u>	<u>Change</u>	<u>2019</u>	<u>Change</u>	<u>2018</u>
Cash and investments	\$ 7,593,561	\$ 1,357,632	\$ 6,235,929	\$ 1,055,990	\$ 5,179,939
Other current assets	103,191	(41,598)	144,789	100,530	44,259
Designated & restricted cash and investments	27,063,806	4,641,810	22,421,996	5,417,952	17,004,044
Property & equipment	<u>2,203,387</u>	<u>(117,215)</u>	<u>2,320,602</u>	<u>(182,974)</u>	<u>2,503,576</u>
Total assets	36,963,945	5,840,629	31,123,316	6,391,498	24,731,818
Current liabilities	5,168,640	819,698	4,348,942	860,970	3,487,972
Long-term liabilities	<u>40,148</u>	<u>(33,929)</u>	<u>74,077</u>	<u>(31,173)</u>	<u>105,250</u>
Total liabilities	<u>5,208,788</u>	<u>785,769</u>	<u>4,423,019</u>	<u>829,797</u>	<u>3,593,222</u>
Net assets	<u><u>\$31,755,157</u></u>	<u><u>\$ 5,054,860</u></u>	<u><u>\$26,700,297</u></u>	<u><u>\$ 5,561,701</u></u>	<u><u>\$21,138,596</u></u>

- **Cash and investments** – Increased due to an increase in deferred member dues (\$831K) and net income of \$5 million; offset by the increase in designations of \$4.6 million.
- **Designated & restricted cash and investments** – Increase is due to investment income and the board increasing designations.
- **Current liabilities** – Increase is due to the increase in deferred member dues of \$831K.

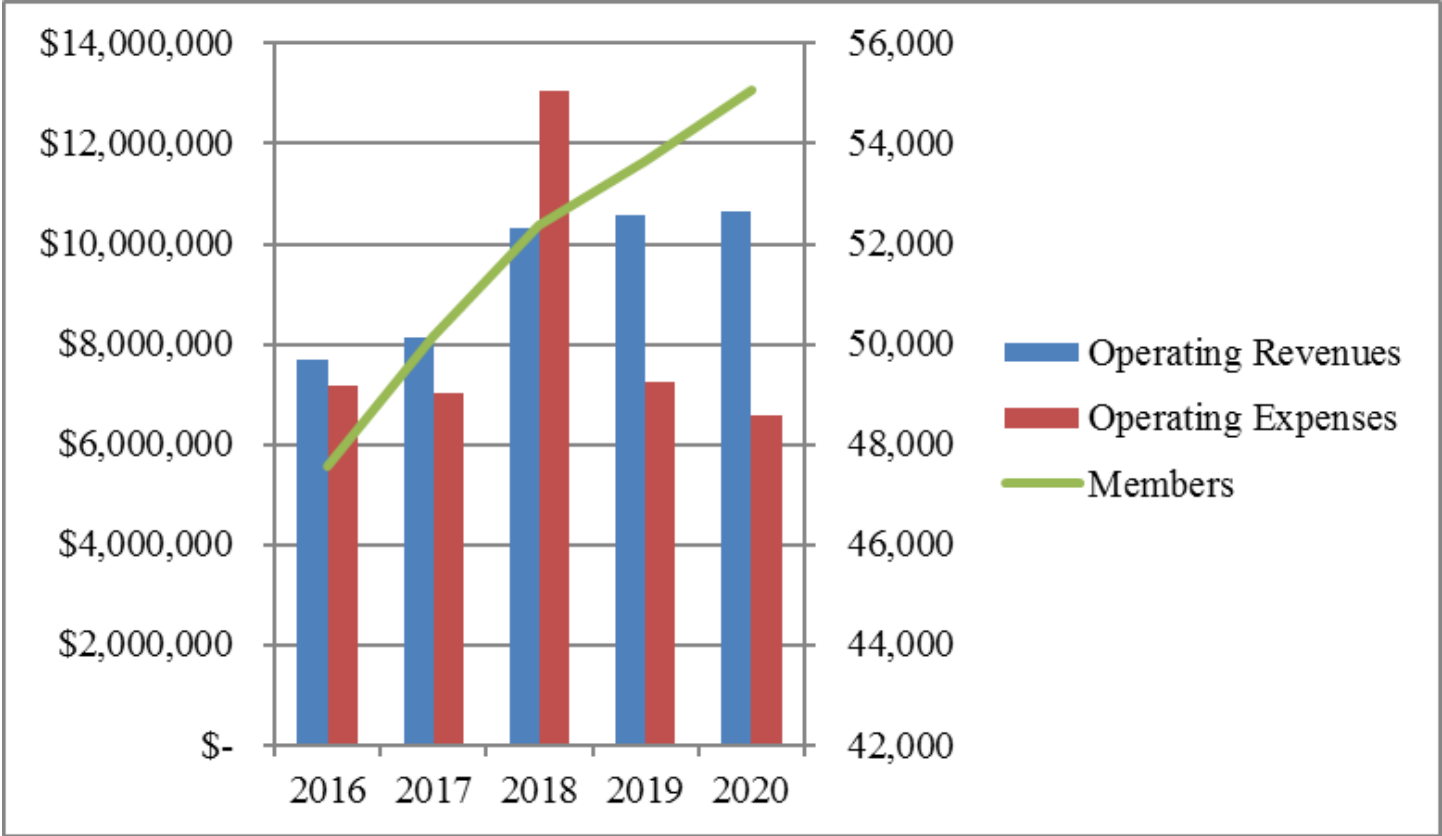
Arizona Association of REALTORS[®]

Trend Analysis - Revenues and Expenses					
	<u>2020</u>	<u>Change</u>	<u>2019</u>	<u>Change</u>	<u>2018</u>
Revenue	\$10,647,785	\$ (750,359)	\$11,398,144	\$ 1,079,614	\$10,318,530
Investment income	985,632	(416,768)	1,402,400	1,282,904	119,496
Expenses	<u>6,578,557</u>	<u>(660,286)</u>	<u>7,238,843</u>	<u>(6,670,792)</u>	<u>13,909,635</u>
Change in net assets	<u><u>\$ 5,054,860</u></u>	<u><u>\$ (506,841)</u></u>	<u><u>\$ 5,561,701</u></u>	<u><u>\$ 9,033,310</u></u>	<u><u>\$(3,471,609)</u></u>
Return on average investments	5.87%		10.39%		0.99%

- **Revenues** – Operating revenues increased by \$89,613. Overall revenues decreased because of the issues mobilization revenues totaling \$840K being returned to AAR in 2019.
- **Investment income** – Decreased \$417k due to market conditions during 2020.
- **Expenses** – Expenses decreased due to:
 - Contract fees decreased \$230K due to the change in vendors (Lone Wolf) that provide transaction desk
 - Travel, catering and hotels and staff expense decreased \$449K due to no convention and limited travel because of COVID in 2020.

Arizona Association of REALTORS®

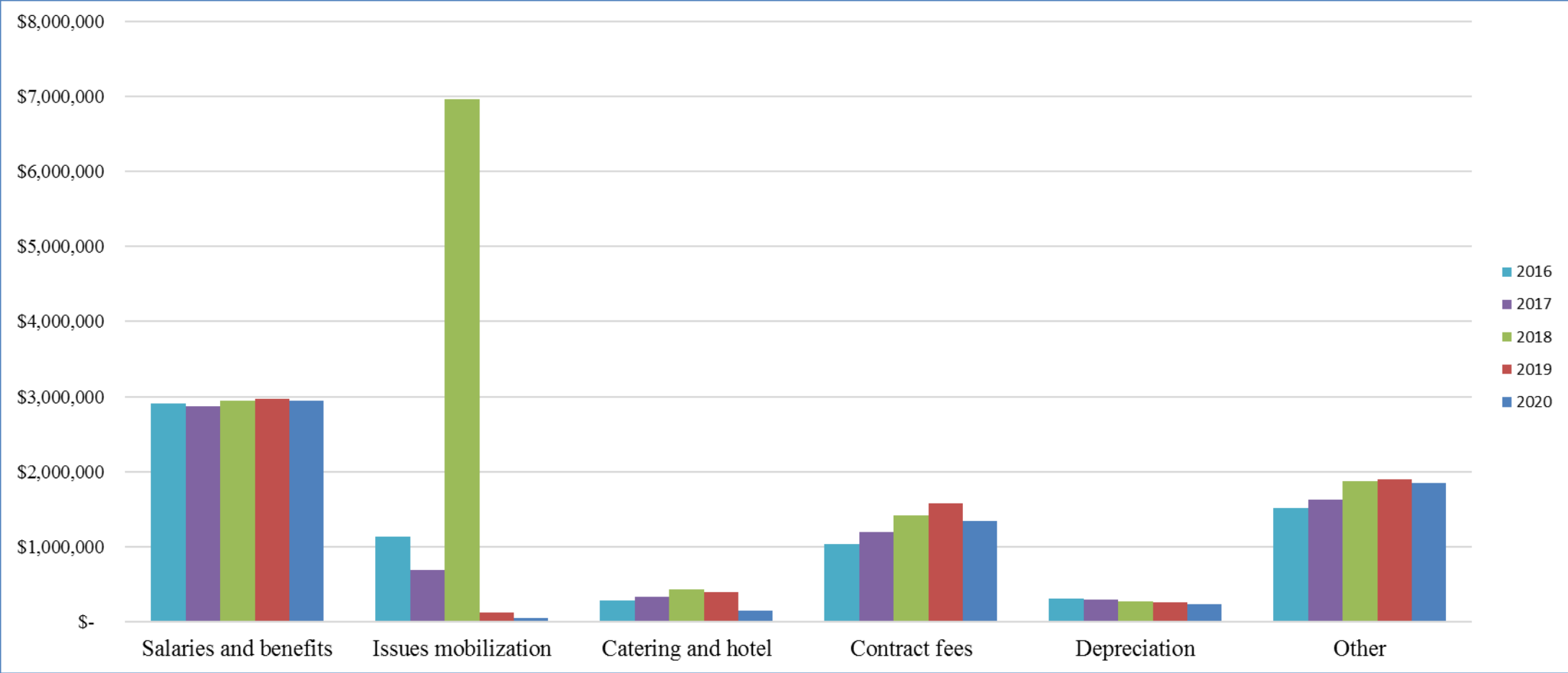
Operating Revenues and Expenses



	2016		2017		2018		2019		2020	
Revenues per member	\$	162	\$	162	\$	197	\$	197	\$	193
Expenses per member	\$	151	\$	140	\$	250	\$	135	\$	119

Arizona Association of REALTORS[®]

Expenses by Type



Arizona Association of REALTORS[®]

Restricted and Designated Net Assets			
	<u>2020</u>	<u>Change</u>	<u>2019</u>
Restricted:			
Issues Mobilization	\$ 734,006	\$ 35,843	\$ 698,163
Designated:			
Special Operating	9,856,666	900,521	8,956,145
Capital Purchases	5,606,680	817,775	4,788,905
Issues Mobilization	8,344,938	2,697,615	5,647,323
Strategic Initiative	2,420,923	190,134	2,230,789
Arizona Homeownership Alliance	100,593	(78)	100,671

Required Communications to the Governing Board

1. **Accounting policies** - See Note 1 to the financial statements.
2. **Difficulties encountered in performing the audit** - No difficulties in performing and completing the FY 2020 audit.
3. **Corrected and uncorrected misstatements** – No audit adjustments or passed adjustments.
4. **Management representations** - We will request certain representations from management that are included in the management representation letter.
5. **Management's consultation with other accountants** - We are not aware that other accountants were consulted regarding matters involving external financial reporting.

**THANK YOU MANAGEMENT AND
THE EXECUTIVE COMMITTEE**

Communication with Those Charged with Governance

March 12, 2021

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, 2020, and have issued our report thereon dated March 12, 2021. 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 February 1, 2021. 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. As described in Note 1, the Association changed accounting policies related to revenue recognition by adopting Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* in 2020. 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. There were no misstatements detected as a result of audit procedures.

Disagreements with Management - For purposes of this letter, a disagreement with management is a disagreement on 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 1*.

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

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

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, 2020 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the disclosures (collectively, the “financial statements”) with comparative information as of and for the year ended December 31, 2019, 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 disclosures and the tax returns. 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 disclosures.

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 February 1, 2021, 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.

Walker & Armstrong LLP

Page 2

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. Upon implementation of ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, revenue has been appropriately accounted for and disclosed in accordance with *FASB ASC 606, Revenue from Contracts with Customers*. All contracts underlying revenue recognized in the financial statements have commercial substance and have been approved by appropriate parties. We have considered side agreements, implied promises, and unstated customary business practices in identifying performance obligations in the contracts. We have sufficient and appropriate documentation supporting all estimates and judgments underlying the amount and timing of revenue recognized in the financial statements.
12. We have reviewed the accuracy of the fixed assets/depreciation schedule of the Association for the year ended December 31, 2020, which was prepared by you based on information provided by us and is attached as *Exhibit 1*. 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 Kristen Page who has 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.

Walker & Armstrong LLP
Page 3

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 (including information obtained from outside of the general and subsidiary ledgers), 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, including any side agreements.
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.

Walker & Armstrong LLP

Page 4

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.

DocuSigned by:
Michelle Lind
87F5C827FCAF4B8...

K. Michelle Lind, Chief Executive Officer

DocuSigned by:
Kristen Page
4CF978E96827476...

Kristen Page, Controller

3/12/2021

Date

**PENDING APPROVAL BY THE EXECUTIVE COMMITTEE ON MARCH 30, 2021
RECOMMENDATION TO THE BOARD OF DIRECTORS**

FROM:

Executive Committee

RECOMMENDATION:

Allocation of 2020 Accumulated Operating Surplus

BACKGROUND:

At the recommendation of the Arizona REALTORS® accounting firm and due to the Association's 501(c)(6) IRS exemption, any accumulated operating surplus beyond the amount required for cash flow purposes or projected needs is allocated to the Arizona REALTORS® Reserve Accounts. Pursuant to the auditors, the accumulated operating surplus in 2020 was \$2,528,112. This recommendation is to allocate these funds to four of the five Arizona REALTORS® Reserve Accounts:

(1) The REALTORS® Issues Mobilization Fund is a reserve fund to support or oppose federal, state and local issues that impact real property and real property owners. Pursuant to the Bylaws, "[a] per member amount of the annual dues may be placed in the fund as determined by the AAR Board of Directors. Said fund shall be placed at interest, with any interest earned credited to the fund. The amount established by the AAR Board of Directors shall be credited to the fund each year until the fund attains a total of ten million dollars (\$10,000,000). If the fund is depleted to less than five million dollars (\$5,000,000), the AAR Board of Directors shall reinstate a per member contribution amount to the fund at the inception of the next fiscal year. Additional contributions to the Issues Mobilization fund may be made from other sources such as operating surplus, at the discretion of the Board of Directors." The January balance is \$9,068,875 and additional funds are allocated in the 2021 Operating Budget for Issues Mobilization. As a result, we anticipate meeting or exceeding \$10,000,000 in the fund this year. Therefore, we do not recommend any accumulated operating surplus allocation to Issues Mobilization this year.

(2) The Operating Reserve account is for legal, special and unbudgeted operating purposes and allows the Association to sustain financial operations in the event of significant unbudgeted increases in operating expenses, legal expenses, or reductions of operating revenues. Pursuant to the Bylaws, "[t]he Board of Directors shall annually determine an allocation (the "Allocation") of the annual dues which shall be placed in the Operating Reserve. The Operating Reserve fund balance shall be placed at interest, with any interest earned thereon accruing to the Operating Reserve. The Allocation shall continue each year until the Operating Reserve fund balance exceeds an amount equal to the operating expenses from the previous fiscal year, at which time the Allocation shall cease. Additional contributions to the Operating Reserve may be made from other sources such as operating

surplus, at the discretion of the Board of Directors. If the fund is depleted to less than three million dollars (\$3,000,000), the Allocation shall be reinstated at the inception of the next fiscal year.” There is no Operating Reserve allocation in the 2021 Operating Budget and the January 2021 balance is \$9,851,323.

(3) The Capital Reserve is for capital expenditures including, but not limited to, major repairs, furniture, fixtures, equipment, real property debt retirement, acquisition/investment of real property assets, or major improvements to real property assets. Pursuant to the Bylaws, “AAR’s annual budget shall acknowledge depreciation per Generally Accepted Accounting Principles. The depreciation amount shall be considered as a cash expense credited to the Capital Reserve. Additional contributions to the Capital Reserve may be made from other sources such as operating surplus, at the discretion of the Board of Directors.” The depreciation allocated in the 2021 Operating budget is \$259,128. The January 2021 balance is \$5,600,349.

(4) The Strategic Initiative Fund supports initiatives designed or dedicated to the support of our members’ business practices, such as new member benefits, technology enhancements, communication enhancements, or other efforts that benefit the membership. Pursuant to the Bylaws, contributions to the Strategic Initiative Fund may only be made from the annual operating surplus at the discretion of the Board of Directors. The January 2021 balance is \$2,416,190.

(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. Pursuant to the Bylaws, monies placed in this fund may come from a variety of sources including but not limited to AAR’s annual operating surplus, the National Association of REALTORS®, Arizona local associations of REALTORS®, AAR annual budget or by contribution. The January 2021 balance is \$100,594.

BUDGET IMPACT:

None to 2021 Operating

MOTION:

TO RECOMMEND APPROVAL ALLOCATING THE ACCUMULATED OPERATING SURPLUS OF \$2,528,112 AS FOLLOWS:

- 1. \$1,200,000 ALLOCATED TO THE OPERATING RESERVE**
- 2. \$ 500,000 ALLOCATED TO CAPITAL RESERVE**
- 3. \$ 500,000 ALLOCATED TO THE STRATEGIC INITIATIVE FUND**
- 4. \$ 100,000 ALLOCATED TO THE ARIZONA HOMEOWNERSHIP ALLIANCE**

WHICH LEAVES \$228,112 IN UNALLOCATED STATUS FOR CASH FLOW PURPOSES.

FOR MORE INFORMATION CONTACT:

Shelley Ostrowski, Treasurer - shelley@realtyonegroupgateway.com

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

2021

JANUARY FINANCIALS

CONNECTING

LEADERS

TOGETHER



Jan Leighton, President
K. Michelle Lind, CEO



ARIZONA REALTORS®
MONTHLY FINANCIAL PACKAGE
JANUARY 2021

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CONNECTING

LEADERS

TOGETHER

FINANCIAL SUMMARY





MONTHLY FINANCIAL NOTES

January 2021

Income/Expense Summary (Operating Budget vs. Actual)

	<u>2021 Y-T-D Actual</u>	<u>Budget</u>	<u>Variance</u>
Income			
Dues	\$ 8,821,505	\$ 8,449,840	\$ 371,665
Other	\$ 21,122	\$ 24,456	\$ (3,335)
Total Income	\$ 8,842,627	\$ 8,474,296	\$ 368,330
Expenses	\$ 579,164	\$ 612,407	\$ (33,242)
Net Income (Loss)	\$ 8,263,462	\$ 7,861,889	\$ 401,573

Year-to-date income exceeds expense by \$8,263,462. This amount compares favorably with the projected net income of \$7,861,889 for the reporting period; therefore, we have a positive year-to-date variance of \$401,573.

RESERVE FUNDS

Operating Reserve (Bylaw Article IV, Section 1; Policy B.6) - The balance as of January 1, 2021, was \$9,856,665 inclusive of UBS RMA and BlackRock Accounts. The current balance is \$9,851,323. There were no deposits and no withdrawals this period other than fees. The fund has seen a change in value of (\$5,342).

REALTORS® Issues Mobilization Fund (Bylaw Article IV, Section 3; Policy B.6 & RIMC Policies) - The balance as of January 1, 2021, was \$9,078,943 inclusive of the UBS RMA, Q-GARP, Dividend Ruler, Portfolio Management and BlackRock Accounts. The current balance is \$9,068,875. There were \$4,365 in deposits and no withdrawals this period other than fees. These accounts have seen a change in value of (\$10,068).

Capital Reserve (Bylaw Article IV, Section 2; Policy B.6) - The balance as of January 1, 2021, was \$5,606,679 inclusive of the UBS RMA, Q-GARP, Dividend Ruler, Portfolio Management and BlackRock Accounts. The current balance is \$5,600,349. There were no deposits and \$600 in withdrawals this period for computer expenses, plus fees. These accounts have seen a change in value of (\$6,329).

Strategic Initiatives Reserve (Bylaw Article IV, Section 4; Policy B.6) - The balance as of January 1, 2021, was \$2,420,922 inclusive of the MidFirst checking, UBS RMA, Q-GARP, Dividend Ruler, Portfolio Account Management and BlackRock Accounts. The current balance is \$2,416,190. There were no deposits and no withdrawals this period other than fees. The fund has seen a change in value of (\$4,731).

AZ Homeownership Alliance (Bylaw Article IV, Section 5) - The balance as of January 1, 2021, was \$100,593 inclusive of the UBS RMA. The current balance is \$100,594. There were no deposits and no withdrawals this period other than interest income. The fund has seen a change in value of \$1.

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 23: LEGISLATIVE AND POLITICAL AFFAIRS

Expenses are **under** budget primarily due to: 1501 - *Government Area Support* is under budget overall due to reduced building costs and reduced travel expenses from events being held virtually, but over budget in 810 due to ShareFile fees not being budgeted for; 1510 - *Legislative Advocacy* is under budget due to cancellation of travel related expenses and promotional activities; 1545 - *Local Lobbying Support* is under budget due to a lack of travel from COVID-19 and events being held virtually; 1550 - *Legislative Policy Development* as expected per budget; 1560 - *Fundraising Support* is under budget from lower than expected costs for major investor gifts; 1575 - *Federal Liaison Support* no charges occurred as expected per budget; 1585 - *Governmental Communication* no charges occurred as expected per budget; 1596 - *Political Research* no charges occurred as expected per budget. **Overall, the Legislative & Political Affairs Area has a positive net variance of \$12,016 Y-T-D.**

Adjustments/Recommendations: None

Page 29: RISK MANAGEMENT

Expenses are **under** budget primarily due to: 1601- *Risk Management Support* General expenses such as Building Expenses, Postage, Supplies and Computer Service and Expense were less than budgeted; 1602 - *Legal Support* Subscriptions and Reference is under budget as no CLEs were purchased in January; 1605 - *PS Enforcement* Postage is under budget because we primarily communicated with the parties and panelists via email, and Contract Fees are over budget due to Abacus invoicing us twice in January, once for December 2020 expenses and once for January 2021 expenses, and Income is more than estimated due to higher than expected retained fines and ethics administrative fees; 1610 - *PS Training* Catering/Hotel is under budget because Alice Martin was paid in February, not January, for teaching the Professional Standards Workshop; 1615 - *Alt Dispute Resolution* N/A; 1625 - *Risk Management Publications* Promotion is under budget because we did not send out any ASAP text alerts; 1650 - *Forms Development* N/A and 1665 - *Legal Hotline* is very slightly under budget as we incurred less copying costs than our contract with Manning & Kass allows for. **Overall, the Risk Management Area has a positive net variance of \$5,981 Y-T-D.** Adjustments/Recommendations: None

Page 36: BUSINESS SERVICES AND TECHNOLOGY

Overall expenses are **over** budget primarily due to 1701 - Building expenses were less than anticipated; 1730 - *IT Resource & Security Management* under budget mainly due to less than expected Computer Service and Expense not used as anticipated; 1770 - *Business Services Department* Contract Fees are over budget primarily due to greater than expected expenses occurring from Constellation 1 (AAR eSign) and Lone Wolf (Transaction Desk) due to increased membership; 1780 - *Communications* is under budget due to less than expected costs associated with website maintenance and consulting fees; 1781 - *Diversity Committee* slightly over budget primarily due to a speaker fee deposit being due earlier than originally anticipated. **Overall, the Business Services & Technology Area has a negative net variance of \$3,424 Y-T-D.** Adjustments/Recommendations: None

Page 42: PROFESSIONAL AND BUSINESS DEVELOPMENT

1801 - *Professional Development Support* Building, Copying, Postage, Equipment Maintenance/Rental, Supplies, and Telephone reflect actual expenses to date for building operations, Contract Fees are under budget year-to-date due to timing of anticipated expenses, Promotion is over budget year-to-date due to earlier than anticipated expenses; 1815 - *REALTOR® Institute* expenses under budget in Contract Fees due to disbursement timing for GRI class revenue shares, Promotion reflecting actual scholarship disbursements year-to-date; 1820 - *rCRMS* Income over year-to-date budget due to higher number of students and classes than anticipated, Speaker expenses over year-to-

date budget resulting from two-team instructor assignments; 1825 - CRPM Income over year-to-date budget due to higher number of students and classes than anticipated; Speaker expense under budget due to timing of instructor invoices; 1870 - *Education Outreach* Contract Fees under budget year-to-date due to timing of share revenue disbursements, Speaker fees under budget year-to-date due to timing of instructor invoices. **Overall, the Professional & Business Development Area has a positive net variance of \$4,619 Y-T-D.**

Adjustments/Recommendations: None

Page 49: OPERATIONS AND STRATEGIC INITIATIVES

Income is **over** budget primarily due to higher than budgeted dues income. **There were 46,408 fully paid members the reporting period. During the same period in 2020, there were 43,181 paid members. This represents a 7.4% increase in paid members for the same period in 2020.** (*Note: The 2021 budget was prepared anticipating no annual paid member increase from the 2020 budget projection.*) **Expenses were under budget overall.** 1000 - *General Overhead* Credit Card & ETF fees and other expenses were less than budgeted; 1901 - *Operations Support* less expenses than budgeted overall primarily due to no Promotion expenses; 1903 - *Association Relations* no activity; 1905 - *National Meetings* Region XI dues were more than budgeted due to membership increase and less than budgeted Conference and Travel expenses; 1920 - *ExCom & Director Support* no activity; 1955 - *Public Relations* expenses are as budgeted; 1990 - *Personnel* less than budgeted; 6000 - *Building* expenses less than budgeted. **Overall, the Operations & Strategic Initiatives Area has a positive net variance of \$382,381 Y-T-D.**

Adjustments/Recommendations: None.

**Arizona Association of REALTORS®
Summary Balance Sheet
January 2021**

	<u>01/31/2021</u>
ASSETS	
Current Assets	
Checking/Savings	37,850,157.97
Accounts Receivable	3,751.72
Other Current Assets	<u>110,808.69</u>
Total Current Assets	37,964,718.38
Fixed Assets	2,203,386.60
Other Assets	<u>0.00</u>
TOTAL ASSETS	<u><u>40,168,104.98</u></u>
 LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	37,855.31
Credit Cards	22,338.37
Other Current Liabilities	<u>78,837.11</u>
Total Current Liabilities	139,030.79
Long Term Liabilities	<u>40,148.38</u>
Total Liabilities	179,179.17
Equity	<u>39,988,925.81</u>
TOTAL LIABILITIES & EQUITY	<u><u>40,168,104.98</u></u>

**Arizona Association of REALTORS®
Grouped Balance Sheet
January 2021**

January 31, 2021

ASSETS

Current Assets

Checking/Savings

AAR General Accounts

Operating Account - MIDFIRST Checking	1,743,118.20	
AFLAC 125 Claims Reimb. MIDFIRST	5,572.18	
Operating Account - CHASE Checking	1,894.55	1,750,584.93
AAR UBS RMA Money Market		<u>9,040,119.13</u>
Combined AAR General Accounts		10,790,704.06

Capital Accounts

Capital Purchase - UBS Portfolio Mgmt.		342,502.78
Capital Purchase - BlackRock		2,179,836.39
Capital Reserve Fund - UBS Checking RMA		2,766,505.24
Capital Reserve - Q-GARP		192,367.34
Capital Reserve - Dividend Ruler		<u>119,137.99</u>
Combined Capital Accounts		5,600,349.74

Operating Accounts

Operating Reserve - UBS Checking RMA		4,387,997.17
Operating Reserve - BlackRock		<u>5,463,325.99</u>
Combined Operating Accounts		9,851,323.16

Strategic Initiative

Strategic Initiative - UBS Portfolio Mgmt.		208,305.80
Strategic Initiatives - BlackRock		1,054,019.55
Strategic Initiative - UBS RMA		833,804.78
Strategic Initiative Checking - MIDFIRST		65,439.45
Strategic Initiative - Q_GARP		138,337.01
Strategic Initiative - Dividend Ruler		<u>116,284.12</u>
Combined Strategic Initiative Accounts		2,416,190.71

Issues Mobilization Accounts

Issues Mob - UBS RMA		6,129,161.41
Issues Mob - Portfolio Management		1,312,317.80
Issues Mob - BlackRock		428,594.28
Issues Mob - Q_GARP		735,775.80
Issues Mob - Dividend Ruler		<u>463,026.01</u>
Combined Issues Mob Accounts		9,068,875.30

Arizona Homeownership Alliance - UBS RMA

100,594.50	<u>100,594.50</u>
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Political Survival Fund

17,424.24	<u>17,424.24</u>
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Property Management

Cash-AZ Bank & Trust - Preserve Property Management		<u>4,696.26</u>
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**Arizona Association of REALTORS®
Grouped Balance Sheet
January 2021**

January 31, 2021

	Total Checking/Savings	<u>37,850,157.97</u>
Accounts Receivable		
A/R - Trade		3,751.72
A/R - Cvent	0.00	
Due From Region 11	0.00	
Due From PSF Fund to IM	0.00	
	<u>Total Accounts Receivable</u>	0.00
REACH Ventures		100,000.00
Other Current Assets		
Prepaid Expenses and Deposits	395.45	
Monthly Prepays	10,413.24	
	<u>Total Prepaid Expenses and Deposits</u>	10,808.69
	<u>Total Other Current Assets</u>	10,808.69
Total Current Assets		<u>37,964,718.38</u>
Fixed Assets		
Property and Equipment		
151 · A/D - Furn & Equipment	-236,953.42	
157 · A/D - Computer	-634,581.66	
161 · A/D - Leashold Imprvments	-1,077,700.89	
165 · A/D - Building Osborn	-1,095,270.18	
167 · A/D - Tenant Improvements	-77,957.92	
	<u>Total Accumulated Depreciation</u>	-3,122,464.07
150 · Furniture & Equipment	324,450.58	
156 · Computer	689,454.27	
160 · Leasehold Improvements	1,618,108.81	
163 · Land - Osborn	617,737.40	
164 · Building - Osborn	1,995,153.78	
166 · Tenant Improvements	80,945.83	
	<u>Total Property and Equipment</u>	5,325,850.67
Total Fixed Assets		2,203,386.60
Other Assets		
Loan Cost / Leasing Commissions		
Note Receivable	0.00	
	<u>Total Other Assets</u>	0.00
TOTAL ASSETS		<u>40,168,104.98</u>

Arizona Association of REALTORS®
Grouped Balance Sheet
January 2021

January 31, 2021

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

Accounts Payable

37,855.31

Total Accounts Payable

37,855.31

Credit Cards

MidFirst Business Visa

22,338.37

Total Credit Cards

22,338.37

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

13,610.42

Total Accrued Salaries & P/R Taxes

13,610.42

Security Deposits Payable - Osborn

8,055.92

Deferred Dues Income

0.00

Deferred Income - Other

6,000.00

Deferred Income Issues Mob

0.00

Stale Dated Checks/Escheat

11,882.03

Arbitration Case Pending

5,360.13

Current portion of LTD

33,928.61

65,226.69

Total Other Current Liabilities

78,837.11

Total Current Liabilities

139,030.79

Long Term Liabilities

Capital Lease Payable

40,148.38

Total Long Term Liabilities

40,148.38

TOTAL LIABILITIES

179,179.17

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

9,333,160.79

Net Income

8,233,769.02

Total Equity

39,988,925.81

TOTAL LIABILITIES & EQUITY

40,168,104.98

CONNECTING

LEADERS

TOGETHER

FINANCIAL DETAILS



Balance Sheet

As of January 31, 2021

	Jan 31, 21
ASSETS	
Current Assets	
Checking/Savings	
1000 · Combined Operating Cash Account	
100.3 · Operating Acc. - MidFirst 2997	1,743,118.20
100.4 · AFLAC 125 Claims - MidFirst	5,572.18
101.3 · Operating Account - CHASE 1442	1,894.55
101.5 · UBS - AAR Main RMA	9,040,119.13
Total 1000 · Combined Operating Cash Account	10,790,704.06
1005 · Q-GARP Portfolio - UBS	
1005.1 · Strategic Initiative Q-GARP	138,337.01
1005.2 · Capital Reserve Q-GARP	192,367.34
1005.3 · Issues Mob. Q-GARP	735,775.80
Total 1005 · Q-GARP Portfolio - UBS	1,066,480.15
1006 · Dividend Ruler Portfolio - UBS	
1006.1 · Strategic Initiative Div. Ruler	116,284.12
1006.2 · Capital Reserve Dividend Ruler	119,137.99
1006.3 · Issues Mob. Dividend Ruler	463,026.01
Total 1006 · Dividend Ruler Portfolio - UBS	698,448.12
1007 · Portfolio Management - UBS	
1007.1 · Strat Initiative Portfolio Mgmt	208,305.80
1007.2 · Capital Reserve Portfolio Mgmt	342,502.78
1007.3 · Issues Mob. Portfolio Mgmt	1,312,317.80
Total 1007 · Portfolio Management - UBS	1,863,126.38
10081 · BlackRock - UBS	
10081.1 · Capital Reserve - BlackRock	2,179,836.39
10081.2 · Operating Reserve - BlackRock	5,463,325.99
10081.3 · Issues Mobilization - BlackRock	428,594.28
10081.4 · Strategic Initiative - BlackRoc	1,054,019.55
Total 10081 · BlackRock - UBS	9,125,776.21
101.40 · Combined Strategic Initiative	
101.43 · Strategic Initiative - UBS	833,804.78
101.44 · Strategic Init Check - MidFirst	65,439.45
Total 101.40 · Combined Strategic Initiative	899,244.23
101.66 · Operating Reserve Net	
102 · Cash in Op Reserve - UBS	4,387,997.17
Total 101.66 · Operating Reserve Net	4,387,997.17
103 · Capital Reserve Checking RMA	2,766,505.24
104 · Issues Mob Accounts - UBS	
104.4 · Issues Mob Fund - UBS RMA	6,129,161.41
Total 104 · Issues Mob Accounts - UBS	6,129,161.41
105 · Cash-AZ Bank & Trust/Prop Mgmnt	4,696.26
106. · AZ Homeownership Alliance RMA	100,594.50
111. · PSF	
111 · Political Survival Fund	17,424.24
Total 111. · PSF	17,424.24
Total Checking/Savings	37,850,157.97
Accounts Receivable	
112 · A/R	3,751.72
Total Accounts Receivable	3,751.72
Other Current Assets	
Prepaid Expenses and Deposits	
123 · Monthly Prepays	
123.008 · February Pre-Pays	5,413.24

Arizona Association of REALTORS®
Balance Sheet
 As of January 31, 2021

	Jan 31, 21
123.010 · April Pre-Paid	5,000.00
Total 123 · Monthly Prepays	10,413.24
124 · Prepaid Expenses	
124.2 · Prepaid Postage-Pitney Bowes	395.45
Total 124 · Prepaid Expenses	395.45
Total Prepaid Expenses and Deposits	10,808.69
115 · Reach Ventures	100,000.00
Total Other Current Assets	110,808.69
Total Current Assets	37,964,718.38
Fixed Assets	
Property and Equipment	
Total Accumulated Depreciation	
151 · A/D - Furn & Equipment	-236,953.42
157 · A/D - Computer	-634,581.66
161 · A/D - Leasehold Imprvments	-1,077,700.89
165 · A/D - Building Osborn	-1,095,270.18
167 · A/D - Tenant Improvements	-77,957.92
Total Total Accumulated Depreciation	-3,122,464.07
150 · Furniture & Equipment	324,450.58
156 · Computer	689,454.27
160 · Leasehold Improvements	1,618,108.81
163 · Land - Osborn	617,737.40
164 · Building - Osborn	1,995,153.78
166 · Tenant Improvements	80,945.83
Total Property and Equipment	2,203,386.60
Total Fixed Assets	2,203,386.60
TOTAL ASSETS	40,168,104.98
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
200 · Accounts Payable	37,855.31
Total Accounts Payable	37,855.31
Credit Cards	
203.1 · MidFirst Business Credit Card	22,338.37
Total Credit Cards	22,338.37
Other Current Liabilities	
214 · Accrued Salaries & P/R Taxes	
2100 · Payroll Liabilities	8,752.26
214 · Accrued Salaries & P/R Taxes - Other	4,858.16
Total 214 · Accrued Salaries & P/R Taxes	13,610.42
215 · Security Deposits Payable - Osb	8,055.92
228 · Deferred Income	
232 · Deferred Income Other	6,000.00
Total 228 · Deferred Income	6,000.00
240 · Stale Dated Checks/Escheat	11,882.03
275 · Arbitration Case Pending	5,360.13
295 · Current portion of LTD	33,928.61
Total Other Current Liabilities	78,837.11
Total Current Liabilities	139,030.79
Long Term Liabilities	

Arizona Association of REALTORS®
Balance Sheet
As of January 31, 2021

	<u>Jan 31, 21</u>
285 · Capital Lease Payable	40,148.38
Total Long Term Liabilities	40,148.38
Total Liabilities	179,179.17
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	9,333,160.79
Net Income	8,233,769.02
Total Equity	39,988,925.81
TOTAL LIABILITIES & EQUITY	40,168,104.98

2021 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	\$ 4,387,426.49													
Dividend and Interest Income (including accrued)			\$570.67												
Deposits															
Withdrawals															
Change in Market Value			\$0.01												
Total															\$ 4,387,997.17
AAR Operating Reserve - BlackRock	UX17988	\$ 5,469,239.37													
Dividend and Interest Income (including accrued)			8640.78												
Deposits															
Withdrawals															
Change in Market Value			-9157.78												
Fees			(\$5,396.38)												
Total															\$ 5,463,325.99
TOTAL		<u>\$ 9,856,665.86</u>													
Year-to-Date Change in Value:		<u>\$ (5,342.70)</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.

2021 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>\$ 6,124,692.89</u>													
Dividend and Interest Income (including accrued)			\$103.51												\$ 6,124,692.89
Deposits			\$4,365.00												\$103.51
Withdrawals															\$0.00
Change in Market Value			\$0.01												\$0.01
Fees															\$0.00
Total															<u>\$ 6,129,161.41</u>
Realtors Issues Mob. - Q-GARP	UX52363	<u>\$ 751,649.27</u>													
Dividend and Interest Income (including accrued)			\$283.18												\$ 751,649.27
Deposits															\$283.18
Withdrawals															\$0.00
Change in Market Value			(\$15,384.51)												\$0.00
Fees			(\$772.14)												(\$15,384.51)
Total															<u>\$ 735,775.80</u>
Realtors Issues Mob. - Dividend Ruler	UX52365	<u>\$ 474,511.34</u>													
Dividend and Interest Income (including accrued)			\$443.73												\$ 474,511.34
Deposits															\$443.73
Withdrawals															\$0.00
Change in Market Value			(\$11,461.05)												\$0.00
Fees			(\$468.01)												(\$11,461.05)
Total															<u>\$ 463,026.01</u>
Realtors Issues Mob. - Portfolio Management	UX42722	<u>\$ 1,298,964.98</u>													
Dividend and Interest Income (including accrued)															\$ 1,298,964.98
Deposits															\$0.00
Withdrawals															\$0.00
Change in Market Value			\$14,750.00												\$14,750.00
Fees			(\$1,397.18)												(\$1,397.18)
Total															<u>\$ 1,312,317.80</u>
Realtors Issues Mob. - BlackRock	UX50021	<u>\$ 429,125.37</u>													
Dividend and Interest Income (including accrued)															\$ 429,125.37
Deposits															\$0.00
Withdrawals															\$0.00
Change in Market Value															(\$732.26)
Fees															(\$732.26)
Total															<u>\$ 428,594.28</u>
TOTAL															<u>\$ 9,068,875.30</u>
Year-to-Date Change in Value:															<u>\$ (10,068.55)</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.

2021 Funds Analysis
Capital Reserve

ACCOUNT	Acct. #	Balance Forward	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	NET
Capital Purchase - RMA	UX68872	\$ 2,766,821.05													
Dividend and Interest Income (including account)			\$284.20												\$ 2,766,821.05
Deposits															\$284.20
Withdrawals			(\$600.00)												\$0.00
Change in Market Value			(\$0.01)												(\$0.01)
Fees															\$0.00
Total															<u>\$ 2,766,505.24</u>
Capital Purchase - Q-GARP	UX52366	\$ 196,557.61													
Dividend and Interest Income (including account)			\$74.17												\$ 196,557.61
Deposits															\$74.17
Withdrawals															\$0.00
Change in Market Value			(\$4,070.57)												(\$0.00)
Fees			(\$193.87)												(\$193.87)
Total															<u>\$ 192,387.34</u>
Capital Purchase - Dividend Ruler	UX52368	\$ 122,094.16													
Dividend and Interest Income (including account)			\$113.72												\$ 122,094.16
Deposits															\$113.72
Withdrawals															\$0.00
Change in Market Value			(\$2,949.47)												(\$0.00)
Fees			(\$120.42)												(\$120.42)
Total															<u>\$ 119,137.99</u>
Capital Purchase - Portfolio Management	UX42723	\$ 339,020.22													
Dividend and Interest Income (including account)			\$3,432.16												\$ 339,020.22
Deposits															\$0.00
Withdrawals															\$0.00
Change in Market Value			\$3,847.20												\$3,847.20
Fees			(\$364.64)												(\$364.64)
Total															<u>\$ 342,502.78</u>
Capital Purchase - BlackRock	UX17869	\$ 2,182,186.63													
Dividend and Interest Income (including account)			\$3,432.16												\$ 2,182,186.63
Deposits															\$3,432.16
Withdrawals															\$0.00
Change in Market Value			(\$3,629.28)												(\$0.00)
Fees			(\$2,153.12)												(\$2,153.12)
Total															<u>\$ 2,179,856.39</u>
TOTAL		\$ 5,606,679.67													<u>\$ 5,600,349.74</u>
Year-to-Date Change in Value:		\$ (6,329.93)													<u>\$ (6,329.93)</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.

2021 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	\$ 65,439.45	\$0.00												\$ 65,439.45
	Deposits														\$0.00
	Withdrawals														\$0.00
	Transfers														\$0.00
	Total														<u>\$ 65,439.45</u>
Strategic Initiative - UBS RMA															
	UX27682	\$ 833,667.36	\$137.42												\$ 833,667.36
	Dividend and Interest Income (including account)														137.42
	Deposits														0.00
	Withdrawals														0.00
	Change in Market Value														0.00
	Fees														0.00
	Total														<u>\$ 833,804.78</u>
Strategic Initiative - Q-GARP															
	UX52369	\$ 141,318.85	\$52.71												\$ 141,318.85
	Dividend and Interest Income (including account)														52.71
	Deposits														0.00
	Withdrawals														0.00
	Change in Market Value														2,492.17
	Fees														(\$139.36)
	Total														<u>\$ 138,337.01</u>
Strategic Initiative - Dividend Ruler															
	UX52370	\$ 119,165.51	\$110.95												\$ 119,165.51
	Dividend and Interest Income (including account)														110.95
	Deposits														0.00
	Withdrawals														0.00
	Change in Market Value														2,874.81
	Fees														117.53
	Total														<u>\$ 116,204.12</u>
Strategic Initiative - Portfolio Management															
	UX52724	\$ 205,144.84	\$2,364.28												\$ 205,144.84
	Dividend and Interest Income (including account)														0.00
	Deposits														0.00
	Withdrawals														0.00
	Change in Market Value														2,364.28
	Fees														(\$503.52)
	Total														<u>\$ 206,305.60</u>
Strategic Initiative - BlackRock															
	UX53105	\$ 1,055,186.57	\$1,647.65												\$ 1,055,186.57
	Dividend and Interest Income (including account)														1,647.65
	Deposits														0.00
	Withdrawals														50.00
	Change in Market Value														(\$1,773.56)
	Fees														(\$7,041.11)
	Total														<u>\$ 1,054,019.55</u>
TOTAL															
		<u>\$ 2,420,922.58</u>													<u>\$ 2,416,190.71</u>
Year-to-Date Change in Value:															
		<u>\$ (4,731.87)</u>													<u>\$ (4,731.87)</u>

2021 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	\$ 1,952.53													
	Deposits														
	Withdrawals		(\$57.96)												
	Transfers														
Total															\$ 1,952.53
AAR General Checking - MIDFIRST															
	xx-2997	\$ 447,824.12													
	Deposits		\$3,737,007.58												
	Withdrawals		(\$441,713.50)												
	Transfers		(\$2,000,000.00)												
Total															\$ 447,824.12
AAR Main RMA															
	UX66381	\$ 7,039,934.47													
Dividend and Interest Income (including accrued)			\$184.66												
Transfers			\$2,000,000.00												
Withdrawals															
Change in Market Value															
Total															\$ 7,039,934.47
AZ Homeownership Alliance															
	UX45239	\$ 100,593.42													
Dividend and Interest Income (including accrued)			\$1.08												
Transfers															
Withdrawals															
Change in Market Value															
Total															\$ 100,593.42
RAPAC - RMA															
	UX68862	\$ 1,061,749.99													
Dividend and Interest Income (including accrued)			\$75.11												
Deposits															
Transfers															
Withdrawals															
Change in Market Value															
Total															\$ 1,061,749.99
TOTAL															\$ 11,947,551.48

**Arizona Association of REALTORS®
All Funds Budget vs. Actual
January 2021**

	<u>Jan 21</u>
Ordinary Income/Expense	
Income	
410 · Interest Income	2,360.00
415 · Rental Income	1,469.56
417 · Gain on Investments	-19,621.88
430 · Dues Income	8,821,505.00
433 · Forms Licensing	5,000.00
435 · Law Book	91.95
440 · Other Program Income	29.32
440.3 · Arbitration Deposits Retained	0.00
440.4 · Appeal Fees Retained	0.00
440.5 · Ethics Admin Fees	600.00
440.6 · Retained Fine	500.00
461 · Education Development	908.00
462 · Education Outreach	3,454.00
467 · REALTOR Institute	1,074.00
468 · rCRMS	5,361.00
472 · CRPM	2,450.00
491 · IM Contributions	2,265.00
Total Income	<u>8,827,445.95</u>
Gross Profit	8,827,445.95
Expense	
500 · Salaries/Benefits	239,855.24
540 · Staff Development	50.00
605 · Awards/Gifts	8,691.11
620 · Building Expense	11,122.55
630 · Catering/Hotel	200.00
631 · Computer Service and Expense	729.23
632 · Copying	0.00
633 · Furniture/Equipment Expense	1,121.98
639 · Dues & Commitments.	53,089.00
640 · Equipment Maintenance/Rental	3,957.58
660 · Management Fees	772.14
690 · Credit Card & EFT Fees/Misc.	93,183.31
693 · Investment Banking Fees	12,018.29
770 · Supplies	2,496.15
780 · Postage	-46.99
781 · Printing	0.00
786 · Promotion	4,099.72
787 · Speaker Fees	6,950.00
790 · Subscriptions and Reference	8,350.07
810 · Contract Fees	141,647.78
850 · Telephone	4,497.93
860 · Conferences	199.00
867 · Travel	692.84
Total Expense	<u>593,676.93</u>
Net Ordinary Income	<u>8,233,769.02</u>
Net Income	<u><u>8,233,769.02</u></u>

Operating Budget vs. Actual

January 2021

02/26/21

Accrual Basis

	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	184.66	500.00	-315.34	36.9%
415 · Rental Income	1,469.56	4,236.73	-2,767.17	34.7%
430 · Dues Income	8,821,505.00	8,449,840.00	371,665.00	104.4%
433 · Forms Licensing	5,000.00	5,000.00	0.00	100.0%
435 · Law Book	91.95	50.00	41.95	183.9%
440 · Other Program Income	29.32	0.00	29.32	100.0%
440.3 · Arbitration Deposits Retained	0.00	290.00	-290.00	0.0%
440.4 · Appeal Fees Retained	0.00	250.00	-250.00	0.0%
440.5 · Ethics Admin Fees	600.00	625.00	-25.00	96.0%
440.6 · Retained Fine	500.00	1,250.00	-750.00	40.0%
461 · Education Development	908.00	600.00	308.00	151.3%
462 · Education Outreach	3,454.00	4,100.00	-646.00	84.2%
467 · REALTOR Institute	1,074.00	1,525.00	-451.00	70.4%
468 · rCRMS	5,361.00	4,130.00	1,231.00	129.8%
472 · CRPM	2,450.00	1,900.00	550.00	128.9%
Total Income	8,842,627.49	8,474,296.73	368,330.76	104.3%
Gross Profit	8,842,627.49	8,474,296.73	368,330.76	104.3%
Expense				
500 · Salaries/Benefits	239,855.24	243,000.00	-3,144.76	98.7%
540 · Staff Development	50.00	0.00	50.00	100.0%
605 · Awards/Gifts	8,691.11	9,575.00	-883.89	90.8%
620 · Building Expense	11,122.55	18,107.79	-6,985.24	61.4%
630 · Catering/Hotel	200.00	295.00	-95.00	67.8%
631 · Computer Service and Expense	129.23	1,850.00	-1,720.77	7.0%
632 · Copying	0.00	395.00	-395.00	0.0%
639 · Dues & Commitments.	53,089.00	53,145.00	-56.00	99.9%
640 · Equipment Maintenance/Rental	3,957.58	5,792.06	-1,834.48	68.3%
690 · Credit Card & EFT Fees/Misc.	93,183.31	100,000.00	-6,816.69	93.2%
770 · Supplies	2,496.15	3,900.64	-1,404.49	64.0%
780 · Postage	-46.99	1,773.50	-1,820.49	-2.6%
781 · Printing	0.00	1,407.50	-1,407.50	0.0%
786 · Promotion	4,099.72	7,865.00	-3,765.28	52.1%
787 · Speaker Fees	6,950.00	7,900.00	-950.00	88.0%
790 · Subscriptions and Reference	8,350.07	9,826.29	-1,476.22	85.0%
810 · Contract Fees	141,647.78	140,534.04	1,113.74	100.8%
850 · Telephone	4,497.93	4,140.25	357.68	108.6%
860 · Conferences	199.00	1,650.00	-1,451.00	12.1%
867 · Travel	692.84	1,250.00	-557.16	55.4%
Total Expense	579,164.52	612,407.07	-33,242.55	94.6%
Net Ordinary Income	8,263,462.97	7,861,889.66	401,573.31	105.1%
Net Income	8,263,462.97	7,861,889.66	401,573.31	105.1%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2021

	Total 1500 Legislative & Pol. Affairs			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	8,172.88	9,050.00	-877.12	90.3%
620 · Building Expense	255.52	1,554.82	-1,299.30	16.4%
630 · Catering/Hotel	200.00	295.00	-95.00	67.8%
631 · Computer Service and Expense	0.00	225.00	-225.00	0.0%
639 · Dues & Commitments.	250.00	2,000.00	-1,750.00	12.5%
640 · Equipment Maintenance/Rental	14.20	1,530.00	-1,515.80	0.9%
770 · Supplies	98.68	583.34	-484.66	16.9%
780 · Postage	49.64	88.50	-38.86	56.1%
781 · Printing	0.00	675.00	-675.00	0.0%
786 · Promotion	82.49	2,565.00	-2,482.51	3.2%
790 · Subscriptions and Reference	5,252.06	6,201.29	-949.23	84.7%
810 · Contract Fees	10,811.46	10,919.84	-108.38	99.0%
850 · Telephone	618.61	634.00	-15.39	97.6%
860 · Conferences	0.00	1,250.00	-1,250.00	0.0%
867 · Travel	0.00	250.00	-250.00	0.0%
Total Expense	25,805.54	37,821.79	-12,016.25	68.2%
Net Ordinary Income	-25,805.54	-37,821.79	12,016.25	68.2%
Net Income	-25,805.54	-37,821.79	12,016.25	68.2%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2021

	1501 Government Area Support (1500 Legislative & Pol. Affairs)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	0.00			
620 · Building Expense	255.52	1,554.82	-1,299.30	16.4%
630 · Catering/Hotel	0.00	95.00	-95.00	0.0%
631 · Computer Service and Expense	0.00	225.00	-225.00	0.0%
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	14.20	1,530.00	-1,515.80	0.9%
770 · Supplies	98.68	583.34	-484.66	16.9%
780 · Postage	49.64	88.50	-38.86	56.1%
781 · Printing	0.00	675.00	-675.00	0.0%
786 · Promotion	0.00			
790 · Subscriptions and Reference	29.30	29.30	0.00	100.0%
810 · Contract Fees	103.46	86.50	16.96	119.6%
850 · Telephone	618.61	634.00	-15.39	97.6%
860 · Conferences	0.00	0.00	0.00	0.0%
867 · Travel	0.00	0.00	0.00	0.0%
Total Expense	<u>1,169.41</u>	<u>5,501.46</u>	<u>-4,332.05</u>	<u>21.3%</u>
Net Ordinary Income	<u>-1,169.41</u>	<u>-5,501.46</u>	<u>4,332.05</u>	<u>21.3%</u>
Net Income	<u><u>-1,169.41</u></u>	<u><u>-5,501.46</u></u>	<u><u>4,332.05</u></u>	<u><u>21.3%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2021

	1510 Legislative Advocacy (1500 Legislative & Pol. Affairs)			
	Jan 21	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			
639 · Dues & Commitments.	250.00	2,000.00	-1,750.00	12.5%
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
781 · Printing	0.00			
786 · Promotion	82.49	2,565.00	-2,482.51	3.2%
790 · Subscriptions and Reference	5,222.76	6,171.99	-949.23	84.6%
810 · Contract Fees	10,708.00	10,833.34	-125.34	98.8%
850 · Telephone	0.00			
860 · Conferences	0.00	1,250.00	-1,250.00	0.0%
867 · Travel	0.00			
Total Expense	16,263.25	22,820.33	-6,557.08	71.3%
Net Ordinary Income	-16,263.25	-22,820.33	6,557.08	71.3%
Net Income	-16,263.25	-22,820.33	6,557.08	71.3%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2021

	1545 Local Lobbying Support (1500 Legislative & Pol. Affairs)			
	Jan 21	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			
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	0.00	250.00	-250.00	0.0%
Net Ordinary Income	0.00	-250.00	250.00	0.0%
Net Income	0.00	-250.00	250.00	0.0%

Profit & Loss Budget vs. Actual

02/26/21

January 2021

Accrual Basis

	1550 Legislative Policy Dev. (1500 Legislative & Pol. Affairs)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
630 · Catering/Hotel	200.00	200.00	0.00	100.0%
631 · Computer Service and Expense	0.00			
639 · Dues & Commitments.	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			
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	0.00	0.00	0.0%
Total Expense	200.00	200.00	0.00	100.0%
Net Ordinary Income	-200.00	-200.00	0.00	100.0%
Net Income	-200.00	-200.00	0.00	100.0%

Profit & Loss Budget vs. Actual

02/26/21

January 2021

Accrual Basis

	1560 Fundraising Support (1500 Legislative & Pol. Affairs)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
605 · Awards/Gifts	8,172.88	9,050.00	-877.12	90.3%
620 · Building Expense	0.00			
630 · Catering/Hotel	0.00	0.00	0.00	0.0%
631 · Computer Service and Expense	0.00			
639 · Dues & Commitments.	0.00	0.00	0.00	0.0%
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	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	0.00			
Total Expense	8,172.88	9,050.00	-877.12	90.3%
Net Ordinary Income	-8,172.88	-9,050.00	877.12	90.3%
Net Income	-8,172.88	-9,050.00	877.12	90.3%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2021

	Total 1600 Risk Management			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
440 · Other Program Income	29.32	0.00	29.32	100.0%
440.3 · Arbitration Deposits Retained	0.00	290.00	-290.00	0.0%
440.4 · Appeal Fees Retained	0.00	250.00	-250.00	0.0%
440.5 · Ethics Admin Fees	600.00	625.00	-25.00	96.0%
440.6 · Retained Fine	500.00	1,250.00	-750.00	40.0%
Total Income	<u>1,129.32</u>	<u>2,415.00</u>	<u>-1,285.68</u>	<u>46.8%</u>
Gross Profit	1,129.32	2,415.00	-1,285.68	46.8%
Expense				
620 · Building Expense	456.58	1,088.22	-631.64	42.0%
631 · Computer Service and Expense	0.00	625.00	-625.00	0.0%
632 · Copying	0.00	250.00	-250.00	0.0%
640 · Equipment Maintenance/Rental	21.28	50.00	-28.72	42.6%
770 · Supplies	210.67	840.00	-629.33	25.1%
780 · Postage	96.47	1,295.00	-1,198.53	7.4%
781 · Printing	0.00	250.00	-250.00	0.0%
786 · Promotion	0.00	1,000.00	-1,000.00	0.0%
787 · Speaker Fees	0.00	2,500.00	-2,500.00	0.0%
790 · Subscriptions and Reference	3,098.01	3,590.00	-491.99	86.3%
810 · Contract Fees	18,189.93	17,779.00	410.93	102.3%
850 · Telephone	927.50	1,000.00	-72.50	92.8%
Total Expense	<u>23,000.44</u>	<u>30,267.22</u>	<u>-7,266.78</u>	<u>76.0%</u>
Net Ordinary Income	<u>-21,871.12</u>	<u>-27,852.22</u>	<u>5,981.10</u>	<u>78.5%</u>
Net Income	<u><u>-21,871.12</u></u>	<u><u>-27,852.22</u></u>	<u><u>5,981.10</u></u>	<u><u>78.5%</u></u>

Profit & Loss Budget vs. Actual

January 2021

	1601 Risk Management Support (1600 Risk Management)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
440 · Other Program Income	0.00			
440.3 · Arbitration Deposits Retained	0.00			
440.4 · Appeal Fees Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
Total Income	<u>0.00</u>			
Gross Profit	0.00			
Expense				
620 · Building Expense	456.58	1,088.22	-631.64	42.0%
631 · Computer Service and Expense	0.00	625.00	-625.00	0.0%
632 · Copying	0.00	250.00	-250.00	0.0%
640 · Equipment Maintenance/Rental	21.28	50.00	-28.72	42.6%
770 · Supplies	136.36	340.00	-203.64	40.1%
780 · Postage	69.33	420.00	-350.67	16.5%
781 · Printing	0.00	250.00	-250.00	0.0%
786 · Promotion	0.00	0.00	0.00	0.0%
787 · Speaker Fees	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	150.51	179.00	-28.49	84.1%
850 · Telephone	927.50	1,000.00	-72.50	92.8%
Total Expense	<u>1,761.56</u>	<u>4,202.22</u>	<u>-2,440.66</u>	<u>41.9%</u>
Net Ordinary Income	<u>-1,761.56</u>	<u>-4,202.22</u>	<u>2,440.66</u>	<u>41.9%</u>
Net Income	<u><u>-1,761.56</u></u>	<u><u>-4,202.22</u></u>	<u><u>2,440.66</u></u>	<u><u>41.9%</u></u>

**Arizona Association of REALTORS®
 Profit & Loss Budget vs. Actual
 January 2021**

	1602 Legal Support (1600 Risk Management)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
440 · Other Program Income	0.00			
440.3 · Arbitration Deposits Retained	0.00			
440.4 · Appeal Fees Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
Total Income	<u>0.00</u>			
Gross Profit	0.00			
Expense				
620 · Building Expense	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	435.25	700.00	-264.75	62.2%
810 · Contract Fees	0.00	0.00	0.00	0.0%
850 · Telephone	0.00			
Total Expense	<u>435.25</u>	<u>700.00</u>	<u>-264.75</u>	<u>62.2%</u>
Net Ordinary Income	<u>-435.25</u>	<u>-700.00</u>	<u>264.75</u>	<u>62.2%</u>
Net Income	<u><u>-435.25</u></u>	<u><u>-700.00</u></u>	<u><u>264.75</u></u>	<u><u>62.2%</u></u>

**Arizona Association of REALTORS®
 Profit & Loss Budget vs. Actual
 January 2021**

	1605 PS Enforcement (1600 Risk Management)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
440 · Other Program Income	0.00			
440.3 · Arbitration Deposits Retained	0.00	290.00	-290.00	0.0%
440.4 · Appeal Fees Retained	0.00	250.00	-250.00	0.0%
440.5 · Ethics Admin Fees	600.00	625.00	-25.00	96.0%
440.6 · Retained Fine	500.00	1,250.00	-750.00	40.0%
Total Income	1,100.00	2,415.00	-1,315.00	45.5%
Gross Profit	1,100.00	2,415.00	-1,315.00	45.5%
Expense				
620 · Building Expense	0.00			
631 · Computer Service and Expense	0.00			
632 · Copying	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	74.31	250.00	-175.69	29.7%
780 · Postage	27.14	875.00	-847.86	3.1%
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
790 · Subscriptions and Reference	2,662.76	2,540.00	122.76	104.8%
810 · Contract Fees	1,648.94	1,200.00	448.94	137.4%
850 · Telephone	0.00			
Total Expense	4,413.15	4,865.00	-451.85	90.7%
Net Ordinary Income	-3,313.15	-2,450.00	-863.15	135.2%
Net Income	-3,313.15	-2,450.00	-863.15	135.2%

**Arizona Association of REALTORS®
 Profit & Loss Budget vs. Actual
 January 2021**

	1610 PS Training (1600 Risk Management)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
440 · Other Program Income	29.32	0.00	29.32	100.0%
440.3 · Arbitration Deposits Retained	0.00			
440.4 · Appeal Fees Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
Total Income	<u>29.32</u>	<u>0.00</u>	<u>29.32</u>	<u>100.0%</u>
Gross Profit	29.32	0.00	29.32	100.0%
Expense				
620 · Building Expense	0.00			
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	2,500.00	-2,500.00	0.0%
790 · Subscriptions and Reference	0.00	350.00	-350.00	0.0%
810 · Contract Fees	0.00	0.00	0.00	0.0%
850 · Telephone	0.00			
Total Expense	<u>0.00</u>	<u>3,100.00</u>	<u>-3,100.00</u>	<u>0.0%</u>
Net Ordinary Income	<u>29.32</u>	<u>-3,100.00</u>	<u>3,129.32</u>	<u>-0.9%</u>
Net Income	<u><u>29.32</u></u>	<u><u>-3,100.00</u></u>	<u><u>3,129.32</u></u>	<u><u>-0.9%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2021

	1625 Risk Management Publicatns (1600 Risk Management)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
440 · Other Program Income	0.00			
440.3 · Arbitration Deposits Retained	0.00			
440.4 · Appeal Fees Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
Total Income	<u>0.00</u>			
Gross Profit	0.00			
Expense				
620 · Building Expense	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	1,000.00	-1,000.00	0.0%
787 · Speaker Fees	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
Total Expense	<u>0.00</u>	<u>1,000.00</u>	<u>-1,000.00</u>	<u>0.0%</u>
Net Ordinary Income	<u>0.00</u>	<u>-1,000.00</u>	<u>1,000.00</u>	<u>0.0%</u>
Net Income	<u><u>0.00</u></u>	<u><u>-1,000.00</u></u>	<u><u>1,000.00</u></u>	<u><u>0.0%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2021

	1665 Legal Hotline (1600 Risk Management)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
440 · Other Program Income	0.00			
440.3 · Arbitration Deposits Retained	0.00			
440.4 · Appeal Fees Retained	0.00			
440.5 · Ethics Admin Fees	0.00			
440.6 · Retained Fine	0.00			
Total Income	<u>0.00</u>			
Gross Profit	0.00			
Expense				
620 · Building Expense	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	0.00	0.00	0.0%
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	16,390.48	16,400.00	-9.52	99.9%
850 · Telephone	0.00			
Total Expense	<u>16,390.48</u>	<u>16,400.00</u>	<u>-9.52</u>	<u>99.9%</u>
Net Ordinary Income	<u>-16,390.48</u>	<u>-16,400.00</u>	<u>9.52</u>	<u>99.9%</u>
Net Income	<u><u>-16,390.48</u></u>	<u><u>-16,400.00</u></u>	<u><u>9.52</u></u>	<u><u>99.9%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2021

	Total 1700 Business Services & Tech.			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
433 · Forms Licensing	5,000.00	5,000.00	0.00	100.0%
Total Income	<u>5,000.00</u>	<u>5,000.00</u>	<u>0.00</u>	<u>100.0%</u>
Gross Profit	5,000.00	5,000.00	0.00	100.0%
Expense				
620 · Building Expense	544.54	2,000.00	-1,455.46	27.2%
631 · Computer Service and Expense	129.23	1,000.00	-870.77	12.9%
640 · Equipment Maintenance/Rental	24.83	25.00	-0.17	99.3%
770 · Supplies	213.26	300.00	-86.74	71.1%
780 · Postage	42.33	100.00	-57.67	42.3%
781 · Printing	0.00	320.00	-320.00	0.0%
786 · Promotion	174.00	0.00	174.00	100.0%
787 · Speaker Fees	1,750.00	0.00	1,750.00	100.0%
790 · Subscriptions and Reference	0.00	35.00	-35.00	0.0%
810 · Contract Fees	105,551.86	101,457.28	4,094.58	104.0%
850 · Telephone	1,163.76	931.54	232.22	124.9%
Total Expense	<u>109,593.81</u>	<u>106,168.82</u>	<u>3,424.99</u>	<u>103.2%</u>
Net Ordinary Income	<u>-104,593.81</u>	<u>-101,168.82</u>	<u>-3,424.99</u>	<u>103.4%</u>
Net Income	<u><u>-104,593.81</u></u>	<u><u>-101,168.82</u></u>	<u><u>-3,424.99</u></u>	<u><u>103.4%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2021

	1701 Bus Services & Tech Suppt (1700 Business Services & Tech.)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
433 · Forms Licensing	0.00			
Total Income	0.00			
Gross Profit	0.00			
Expense				
620 · Building Expense	544.54	2,000.00	-1,455.46	27.2%
631 · Computer Service and Expense	0.00			
640 · Equipment Maintenance/Rental	24.83	25.00	-0.17	99.3%
770 · Supplies	213.26	300.00	-86.74	71.1%
780 · Postage	42.33	100.00	-57.67	42.3%
781 · Printing	0.00	320.00	-320.00	0.0%
786 · Promotion	0.00			
787 · Speaker Fees	0.00			
790 · Subscriptions and Reference	0.00	35.00	-35.00	0.0%
810 · Contract Fees	183.25	210.00	-26.75	87.3%
850 · Telephone	1,163.76	931.54	232.22	124.9%
Total Expense	2,171.97	3,921.54	-1,749.57	55.4%
Net Ordinary Income	-2,171.97	-3,921.54	1,749.57	55.4%
Net Income	-2,171.97	-3,921.54	1,749.57	55.4%

**Arizona Association of REALTORS®
 Profit & Loss Budget vs. Actual
 January 2021**

	1730 IT Resource/Security Mgmt. (1700 Business Services & Tech.)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
433 · Forms Licensing	0.00			
Total Income	0.00			
Gross Profit	0.00			
Expense				
620 · Building Expense	0.00			
631 · Computer Service and Expense	129.23	1,000.00	-870.77	12.9%
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	12,243.40	12,500.00	-256.60	97.9%
850 · Telephone	0.00			
Total Expense	12,372.63	13,500.00	-1,127.37	91.6%
Net Ordinary Income	-12,372.63	-13,500.00	1,127.37	91.6%
Net Income	-12,372.63	-13,500.00	1,127.37	91.6%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2021

	1770 Business Services Dept. (1700 Business Services & Tech.)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
433 · Forms Licensing	5,000.00	5,000.00	0.00	100.0%
Total Income	<u>5,000.00</u>	<u>5,000.00</u>	<u>0.00</u>	<u>100.0%</u>
Gross Profit	5,000.00	5,000.00	0.00	100.0%
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			
781 · Printing	0.00			
786 · Promotion	0.00	0.00	0.00	0.0%
787 · Speaker Fees	0.00			
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	88,120.70	81,412.28	6,708.42	108.2%
850 · Telephone	0.00			
Total Expense	<u>88,120.70</u>	<u>81,412.28</u>	<u>6,708.42</u>	<u>108.2%</u>
Net Ordinary Income	<u>-83,120.70</u>	<u>-76,412.28</u>	<u>-6,708.42</u>	<u>108.8%</u>
Net Income	<u><u>-83,120.70</u></u>	<u><u>-76,412.28</u></u>	<u><u>-6,708.42</u></u>	<u><u>108.8%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
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	1780 Communications (1700 Business Services & Tech.)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
433 · Forms Licensing	0.00			
Total Income	0.00	0.00	0.00	0.0%
Gross Profit	0.00	0.00	0.00	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	0.00	0.00	0.0%
780 · Postage	0.00			
781 · Printing	0.00	0.00	0.00	0.0%
786 · Promotion	0.00	0.00	0.00	0.0%
787 · Speaker Fees	0.00			
790 · Subscriptions and Reference	0.00	0.00	0.00	0.0%
810 · Contract Fees	5,004.51	7,335.00	-2,330.49	68.2%
850 · Telephone	0.00			
Total Expense	5,004.51	7,335.00	-2,330.49	68.2%
Net Ordinary Income	-5,004.51	-7,335.00	2,330.49	68.2%
Net Income	-5,004.51	-7,335.00	2,330.49	68.2%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2021

	1781 Diversity Committee (1700 Business Services & Tech.)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
433 · Forms Licensing	0.00			
Total Income	0.00			
Gross Profit	0.00			
Expense				
620 · Building Expense	0.00			
631 · Computer Service and Expense	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	174.00	0.00	174.00	100.0%
787 · Speaker Fees	1,750.00	0.00	1,750.00	100.0%
790 · Subscriptions and Reference	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
Total Expense	1,924.00	0.00	1,924.00	100.0%
Net Ordinary Income	-1,924.00	0.00	-1,924.00	100.0%
Net Income	-1,924.00	0.00	-1,924.00	100.0%

**Arizona Association of REALTORS®
 Profit & Loss Budget vs. Actual
 January 2021**

	Total 1800 Professional & Bus.Develop			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	908.00	600.00	308.00	151.3%
462 · Education Outreach	3,454.00	4,100.00	-646.00	84.2%
467 · REALTOR Institute	1,074.00	1,525.00	-451.00	70.4%
468 · rCRMS	5,361.00	4,130.00	1,231.00	129.8%
472 · CRPM	2,450.00	1,900.00	550.00	128.9%
Total Income	13,247.00	12,255.00	992.00	108.1%
Gross Profit	13,247.00	12,255.00	992.00	108.1%
Expense				
540 · Staff Development	50.00	0.00	50.00	100.0%
620 · Building Expense	356.04	839.75	-483.71	42.4%
632 · Copying	0.00	145.00	-145.00	0.0%
639 · Dues & Commitments.	95.00	0.00	95.00	100.0%
640 · Equipment Maintenance/Rental	17.74	7.06	10.68	251.3%
770 · Supplies	134.81	177.30	-42.49	76.0%
780 · Postage	96.09	90.00	6.09	106.8%
781 · Printing	0.00	162.50	-162.50	0.0%
786 · Promotion	843.23	1,300.00	-456.77	64.9%
787 · Speaker Fees	5,200.00	5,400.00	-200.00	96.3%
810 · Contract Fees	2,067.90	4,796.25	-2,728.35	43.1%
850 · Telephone	804.66	374.71	429.95	214.7%
Total Expense	9,665.47	13,292.57	-3,627.10	72.7%
Net Ordinary Income	3,581.53	-1,037.57	4,619.10	-345.2%
Net Income	3,581.53	-1,037.57	4,619.10	-345.2%

**Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2021**

	1801 Prof Dev Support (1800 Professional & Bus.Develop)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
472 · CRPM	0.00			
Total Income	0.00			
Gross Profit	0.00			
Expense				
540 · Staff Development	50.00	0.00	50.00	100.0%
620 · Building Expense	356.04	839.75	-483.71	42.4%
632 · Copying	0.00	145.00	-145.00	0.0%
639 · Dues & Commitments.	95.00	0.00	95.00	100.0%
640 · Equipment Maintenance/Rental	17.74	7.06	10.68	251.3%
770 · Supplies	134.81	177.30	-42.49	76.0%
780 · Postage	60.09	90.00	-29.91	66.8%
781 · Printing	0.00	162.50	-162.50	0.0%
786 · Promotion	121.39	50.00	71.39	242.8%
787 · Speaker Fees	0.00			
810 · Contract Fees	347.90	978.25	-630.35	35.6%
850 · Telephone	804.66	374.71	429.95	214.7%
Total Expense	1,987.63	2,824.57	-836.94	70.4%
Net Ordinary Income	-1,987.63	-2,824.57	836.94	70.4%
Net Income	-1,987.63	-2,824.57	836.94	70.4%

**Arizona Association of REALTORS®
 Profit & Loss Budget vs. Actual
 January 2021**

	1815 REALTOR Institute (1800 Professional & Bus.Develop)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
467 · REALTOR Institute	1,074.00	1,525.00	-451.00	70.4%
468 · rCRMS	0.00			
472 · CRPM	0.00			
Total Income	<u>1,074.00</u>	<u>1,525.00</u>	<u>-451.00</u>	<u>70.4%</u>
Gross Profit	1,074.00	1,525.00	-451.00	70.4%
Expense				
540 · Staff Development	0.00			
620 · Building Expense	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	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	721.84	1,250.00	-528.16	57.7%
787 · Speaker Fees	0.00	0.00	0.00	0.0%
810 · Contract Fees	640.00	938.00	-298.00	68.2%
850 · Telephone	0.00			
Total Expense	<u>1,361.84</u>	<u>2,188.00</u>	<u>-826.16</u>	<u>62.2%</u>
Net Ordinary Income	<u>-287.84</u>	<u>-663.00</u>	<u>375.16</u>	<u>43.4%</u>
Net Income	<u><u>-287.84</u></u>	<u><u>-663.00</u></u>	<u><u>375.16</u></u>	<u><u>43.4%</u></u>

**Arizona Association of REALTORS®
 Profit & Loss Budget vs. Actual
 January 2021**

	1820 rCRMS (1800 Professional & Bus.Develop)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	5,361.00	4,130.00	1,231.00	129.8%
472 · CRPM	0.00			
Total Income	5,361.00	4,130.00	1,231.00	129.8%
Gross Profit	5,361.00	4,130.00	1,231.00	129.8%
Expense				
540 · Staff Development	0.00			
620 · Building Expense	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00	0.00	0.00	0.0%
780 · Postage	21.15	0.00	21.15	100.0%
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	3,600.00	2,250.00	1,350.00	160.0%
810 · Contract Fees	0.00	0.00	0.00	0.0%
850 · Telephone	0.00			
Total Expense	3,621.15	2,250.00	1,371.15	160.9%
Net Ordinary Income	1,739.85	1,880.00	-140.15	92.5%
Net Income	1,739.85	1,880.00	-140.15	92.5%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2021

	1825 Cert. Res. Prop. Manager (1800 Professional & Bus.Develop)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	0.00			
462 · Education Outreach	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
472 · CRPM	2,450.00	1,900.00	550.00	128.9%
Total Income	<u>2,450.00</u>	<u>1,900.00</u>	<u>550.00</u>	<u>128.9%</u>
Gross Profit	2,450.00	1,900.00	550.00	128.9%
Expense				
540 · Staff Development	0.00			
620 · Building Expense	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	0.00	0.00	0.00	0.0%
640 · Equipment Maintenance/Rental	0.00			
770 · Supplies	0.00	0.00	0.00	0.0%
780 · Postage	14.85	0.00	14.85	100.0%
781 · Printing	0.00			
786 · Promotion	0.00			
787 · Speaker Fees	475.00	1,125.00	-650.00	42.2%
810 · Contract Fees	0.00	0.00	0.00	0.0%
850 · Telephone	0.00			
Total Expense	<u>489.85</u>	<u>1,125.00</u>	<u>-635.15</u>	<u>43.5%</u>
Net Ordinary Income	<u>1,960.15</u>	<u>775.00</u>	<u>1,185.15</u>	<u>252.9%</u>
Net Income	<u><u>1,960.15</u></u>	<u><u>775.00</u></u>	<u><u>1,185.15</u></u>	<u><u>252.9%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2021

	1870 Education Outreach (1800 Professional & Bus.Develop)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	0.00			
462 · Education Outreach	3,454.00	4,100.00	-646.00	84.2%
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
472 · CRPM	0.00			
Total Income	<u>3,454.00</u>	<u>4,100.00</u>	<u>-646.00</u>	<u>84.2%</u>
Gross Profit	3,454.00	4,100.00	-646.00	84.2%
Expense				
540 · Staff Development	0.00			
620 · Building Expense	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	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	1,125.00	2,025.00	-900.00	55.6%
810 · Contract Fees	1,080.00	2,880.00	-1,800.00	37.5%
850 · Telephoning	0.00			
Total Expense	<u>2,205.00</u>	<u>4,905.00</u>	<u>-2,700.00</u>	<u>45.0%</u>
Net Ordinary Income	<u>1,249.00</u>	<u>-805.00</u>	<u>2,054.00</u>	<u>-155.2%</u>
Net Income	<u><u>1,249.00</u></u>	<u><u>-805.00</u></u>	<u><u>2,054.00</u></u>	<u><u>-155.2%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2021

	1871 Education Development (1800 Professional & Bus.Develop)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
461 · Education Development	908.00	600.00	308.00	151.3%
462 · Education Outreach	0.00			
467 · REALTOR Institute	0.00			
468 · rCRMS	0.00			
472 · CRPM	0.00			
Total Income	<u>908.00</u>	<u>600.00</u>	<u>308.00</u>	<u>151.3%</u>
Gross Profit	908.00	600.00	308.00	151.3%
Expense				
540 · Staff Development	0.00	0.00	0.00	0.0%
620 · Building Expense	0.00			
632 · Copying	0.00			
639 · Dues & Commitments.	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			
Total Expense	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.0%</u>
Net Ordinary Income	<u>908.00</u>	<u>600.00</u>	<u>308.00</u>	<u>151.3%</u>
Net Income	<u><u>908.00</u></u>	<u><u>600.00</u></u>	<u><u>308.00</u></u>	<u><u>151.3%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2021

02/26/21

Accrual Basis

	Total 1900 Operations			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	184.66	500.00	-315.34	36.9%
415 · Rental Income	1,469.56	4,236.73	-2,767.17	34.7%
430 · Dues Income	8,821,505.00	8,449,840.00	371,665.00	104.4%
435 · Law Book	91.95	50.00	41.95	183.9%
Total Income	<u>8,823,251.17</u>	<u>8,454,626.73</u>	<u>368,624.44</u>	<u>104.4%</u>
Gross Profit	8,823,251.17	8,454,626.73	368,624.44	104.4%
Expense				
500 · Salaries/Benefits	239,855.24	243,000.00	-3,144.76	98.7%
605 · Awards/Gifts	518.23	525.00	-6.77	98.7%
620 · Building Expense	9,509.87	12,625.00	-3,115.13	75.3%
639 · Dues & Commitments.	52,744.00	51,145.00	1,599.00	103.1%
640 · Equipment Maintenance/Rental	3,879.53	4,180.00	-300.47	92.8%
690 · Credit Card & EFT Fees/Misc.	93,183.31	100,000.00	-6,816.69	93.2%
770 · Supplies	1,838.73	2,000.00	-161.27	91.9%
780 · Postage	-331.52	200.00	-531.52	-165.8%
786 · Promotion	3,000.00	3,000.00	0.00	100.0%
810 · Contract Fees	5,026.63	5,581.67	-555.04	90.1%
850 · Telephone	983.40	1,200.00	-216.60	82.0%
860 · Conferences	199.00	400.00	-201.00	49.8%
867 · Travel	692.84	1,000.00	-307.16	69.3%
Total Expense	<u>411,099.26</u>	<u>424,856.67</u>	<u>-13,757.41</u>	<u>96.8%</u>
Net Ordinary Income	<u>8,412,151.91</u>	<u>8,029,770.06</u>	<u>382,381.85</u>	<u>104.8%</u>
Net Income	<u><u>8,412,151.91</u></u>	<u><u>8,029,770.06</u></u>	<u><u>382,381.85</u></u>	<u><u>104.8%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2021

02/26/21

Accrual Basis

	1000 General Overhead (1900 Operations)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	184.66	500.00	-315.34	36.9%
415 · Rental Income	0.00			
430 · Dues Income	0.00			
435 · Law Book	91.95	50.00	41.95	183.9%
Total Income	<u>276.61</u>	<u>550.00</u>	<u>-273.39</u>	<u>50.3%</u>
Gross Profit	276.61	550.00	-273.39	50.3%
Expense				
500 · Salaries/Benefits	0.00			
605 · Awards/Gifts	518.23	525.00	-6.77	98.7%
620 · Building Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	3,879.53	4,180.00	-300.47	92.8%
690 · Credit Card & EFT Fees/Misc.	93,183.31	100,000.00	-6,816.69	93.2%
770 · Supplies	1,838.73	2,000.00	-161.27	91.9%
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	629.68	1,000.00	-370.32	63.0%
850 · Telephone	983.40	1,200.00	-216.60	82.0%
860 · Conferences	0.00			
867 · Travel	0.00			
Total Expense	<u>101,032.88</u>	<u>108,905.00</u>	<u>-7,872.12</u>	<u>92.8%</u>
Net Ordinary Income	<u>-100,756.27</u>	<u>-108,355.00</u>	<u>7,598.73</u>	<u>93.0%</u>
Net Income	<u><u>-100,756.27</u></u>	<u><u>-108,355.00</u></u>	<u><u>7,598.73</u></u>	<u><u>93.0%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2021

	1402 Individual Dues (1400 Dues)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	0.00			
415 · Rental Income	0.00			
430 · Dues Income	12,070.00			
435 · Law Book	0.00			
Total Income	<u>12,070.00</u>			
Gross Profit	12,070.00			
Expense				
500 · Salaries/Benefits	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00			
Total Expense	<u>0.00</u>			
Net Ordinary Income	<u>12,070.00</u>			
Net Income	<u><u>12,070.00</u></u>			

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2021

	1404 NAR Institute Affiliates (1400 Dues)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	0.00			
415 · Rental Income	0.00			
430 · Dues Income	3,220.00			
435 · Law Book	0.00			
Total Income	<u>3,220.00</u>			
Gross Profit	3,220.00			
Expense				
500 · Salaries/Benefits	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00			
Total Expense	<u>0.00</u>			
Net Ordinary Income	<u>3,220.00</u>			
Net Income	<u><u>3,220.00</u></u>			

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2021

02/26/21

Accrual Basis

	1400 Dues - Other (1400 Dues)			% of Budget
	Jan 21	Budget	\$ Over Budget	
Ordinary Income/Expense				
Income				
410 · Interest Income	0.00			
415 · Rental Income	0.00			
430 · Dues Income	8,806,215.00	8,449,840.00	356,375.00	104.2%
435 · Law Book	0.00			
Total Income	<u>8,806,215.00</u>	<u>8,449,840.00</u>	<u>356,375.00</u>	<u>104.2%</u>
Gross Profit	8,806,215.00	8,449,840.00	356,375.00	104.2%
Expense				
500 · Salaries/Benefits	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00			
Total Expense	<u>0.00</u>			
Net Ordinary Income	<u>8,806,215.00</u>	<u>8,449,840.00</u>	<u>356,375.00</u>	<u>104.2%</u>
Net Income	<u><u>8,806,215.00</u></u>	<u><u>8,449,840.00</u></u>	<u><u>356,375.00</u></u>	<u><u>104.2%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2021

	Total 1400 Dues (1900 Operations)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	0.00			
415 · Rental Income	0.00			
430 · Dues Income	8,821,505.00	8,449,840.00	371,665.00	104.4%
435 · Law Book	0.00			
Total Income	<u>8,821,505.00</u>	<u>8,449,840.00</u>	<u>371,665.00</u>	<u>104.4%</u>
Gross Profit	8,821,505.00	8,449,840.00	371,665.00	104.4%
Expense				
500 · Salaries/Benefits	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00			
Total Expense	<u>0.00</u>			
Net Ordinary Income	<u>8,821,505.00</u>	<u>8,449,840.00</u>	<u>371,665.00</u>	<u>104.4%</u>
Net Income	<u><u>8,821,505.00</u></u>	<u><u>8,449,840.00</u></u>	<u><u>371,665.00</u></u>	<u><u>104.4%</u></u>

Profit & Loss Budget vs. Actual

January 2021

02/26/21

Accrual Basis

	1901 Operations & Strategic Sup (1900 Operations)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	0.00			
415 · Rental Income	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			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	-331.52	200.00	-531.52	-165.8%
786 · Promotion	3,000.00	3,000.00	0.00	100.0%
810 · Contract Fees	855.75	1,000.00	-144.25	85.6%
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00			
Total Expense	3,524.23	4,200.00	-675.77	83.9%
Net Ordinary Income	-3,524.23	-4,200.00	675.77	83.9%
Net Income	-3,524.23	-4,200.00	675.77	83.9%

Profit & Loss Budget vs. Actual

January 2021

02/26/21

Accrual Basis

	1905 National Meetings (1900 Operations)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	0.00			
415 · Rental Income	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			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
639 · Dues & Commitments.	52,744.00	51,145.00	1,599.00	103.1%
640 · Equipment Maintenance/Rental	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			
860 · Conferences	199.00	400.00	-201.00	49.8%
867 · Travel	692.84	1,000.00	-307.16	69.3%
Total Expense	53,635.84	52,545.00	1,090.84	102.1%
Net Ordinary Income	-53,635.84	-52,545.00	-1,090.84	102.1%
Net Income	-53,635.84	-52,545.00	-1,090.84	102.1%

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
January 2021

02/26/21

Accrual Basis

	1955 Public Relations (1900 Operations)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	0.00			
415 · Rental Income	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			
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	3,000.00	3,000.00	0.00	100.0%
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00			
Total Expense	<u>3,000.00</u>	<u>3,000.00</u>	<u>0.00</u>	<u>100.0%</u>
Net Ordinary Income	<u>-3,000.00</u>	<u>-3,000.00</u>	<u>0.00</u>	<u>100.0%</u>
Net Income	<u><u>-3,000.00</u></u>	<u><u>-3,000.00</u></u>	<u><u>0.00</u></u>	<u><u>100.0%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2021

	1990 Personnel (1900 Operations)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	0.00			
415 · Rental Income	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	239,855.24	243,000.00	-3,144.76	98.7%
605 · Awards/Gifts	0.00			
620 · Building Expense	0.00			
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	0.00			
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00			
Total Expense	<u>239,855.24</u>	<u>243,000.00</u>	<u>-3,144.76</u>	<u>98.7%</u>
Net Ordinary Income	<u>-239,855.24</u>	<u>-243,000.00</u>	<u>3,144.76</u>	<u>98.7%</u>
Net Income	<u><u>-239,855.24</u></u>	<u><u>-243,000.00</u></u>	<u><u>3,144.76</u></u>	<u><u>98.7%</u></u>

Arizona Association of REALTORS®
Profit & Loss Budget vs. Actual
 January 2021

	6000 Building (1900 Operations)			
	Jan 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
410 · Interest Income	0.00			
415 · Rental Income	1,469.56	4,236.73	-2,767.17	34.7%
430 · Dues Income	0.00			
435 · Law Book	0.00			
Total Income	<u>1,469.56</u>	<u>4,236.73</u>	<u>-2,767.17</u>	<u>34.7%</u>
Gross Profit	1,469.56	4,236.73	-2,767.17	34.7%
Expense				
500 · Salaries/Benefits	0.00			
605 · Awards/Gifts	0.00			
620 · Building Expense	9,509.87	12,625.00	-3,115.13	75.3%
639 · Dues & Commitments.	0.00			
640 · Equipment Maintenance/Rental	0.00			
690 · Credit Card & EFT Fees/Misc.	0.00			
770 · Supplies	0.00			
780 · Postage	0.00			
786 · Promotion	0.00			
810 · Contract Fees	541.20	581.67	-40.47	93.0%
850 · Telephone	0.00			
860 · Conferences	0.00			
867 · Travel	0.00			
Total Expense	<u>10,051.07</u>	<u>13,206.67</u>	<u>-3,155.60</u>	<u>76.1%</u>
Net Ordinary Income	<u>-8,581.51</u>	<u>-8,969.94</u>	<u>388.43</u>	<u>95.7%</u>
Net Income	<u><u>-8,581.51</u></u>	<u><u>-8,969.94</u></u>	<u><u>388.43</u></u>	<u><u>95.7%</u></u>



INVESTOR REPORT

December 31, 2020

REACH Ventures 2019 LP

430 N Michigan Ave
Chicago, IL 60611

Information contained in this report is confidential and may not be shared without written permission

REACH
NATIONAL ASSOCIATION OF REALTORS®

2020 Year End Review

To paraphrase Dickens - it has been the best of times, it has been the worst of times. And history will prove 2020 to be a pivotal year. A year where the unexpected replaced the norm. A year of evolving circumstances. A year where bold decisions will shape not just the future of the industries we serve, but humanity as a whole. But it is not the circumstances that make the times good or bad, rather our reactions to these circumstances. That is our responsibility - to chart our path. To direct our reactions.

Our team made the decision early to respond to this year's circumstances with vigor, an open mind, and a spirit of helpfulness to our families and friends in need. With this as a foundation, coupled with the need to promote healthy, safe work environments, we dramatically evolved our programs and offerings to better serve our community and the practitioners under the real estate umbrella. We advanced and improved the lenses by which we view investment opportunities. We are including broader, diverse perspectives from entrepreneurs in new regions around the globe that are tackling the biggest problems in an industry that impacts us all.

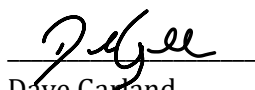
"Place" has taken on new meaning in this era of social distancing. Where we choose to live, to work, and to play has never been highlighted as prominently on a global scale. And the technologies that serve these decisions, and how we interact with the built world have evolved in dramatic fashion. We are proud to be supporting the growth of entrepreneurs paving the way for a new generation of technologies impacting places around the world.

As REACH continues to expand globally and vertically, the exposure to groundbreaking ideas that serve the practitioner and their clients will be enhanced exponentially. And as our portfolio of top-notch entrepreneurs expands, so too does the opportunity for collaboration and partnership among our Second Century Ventures community.

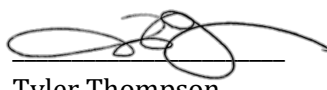
While many are eager to leave 2020 behind and move forward, we do want to take a moment and express our gratitude for those who have supported our team and our network of companies around the globe through these turbulent and challenging times.

We look forward to a new era of SCV and REACH in 2021 and beyond. There will be new faces. There will be enhanced programs and opportunities. We want to reiterate our intent to serve you and the real estate community and look forward to seeing each and every one of you in person again soon.

Sincerely,



Dave Garland
Partner



Tyler Thompson
Partner

REACH Ventures 2019 *At a Glance*

+19.16%
SINCE INCEPTION

14
PORTFOLIO COMPANIES

100%
STILL ACTIVE

50%
FEMALE FOUNDERS

TOTAL ROUNDS OF FINANCING
32

TOTAL FUNDING SINCE REACH
55.65M USD

twofold

evocalize

kleard

CRESimple

curbio
Renovate Now, Pay When You Sell

Trove

Amarki
MARKETING INTELLIGENCE

biproxi

PROPY

LulaFit

STAGING & DESIGN
NETWORK
SHARE. GROW. INSPIRE.

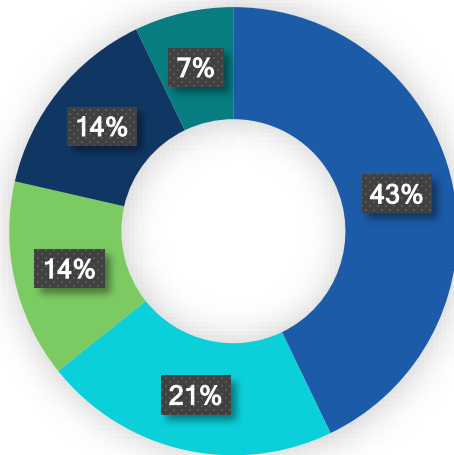
reConsortia

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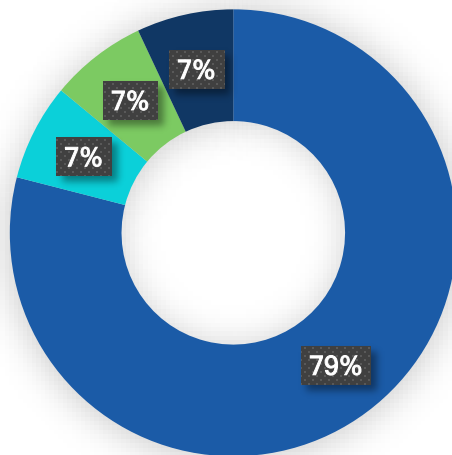
Portfolio Overview

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 C
- 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 Real Estate Winner](#)

[Amarki Announces New CEO](#)

[BOSS Capital Partners Raises Follow-On Seed Funding for Amarki](#)



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 Announces Partnership With FRE, Expanding Broker Services Into Auction](#)

[biproxi Acquires Commercial Real Estate Listing Site OfficeSpace.com](#)



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 Enables Brokers and Companies to Tour Commercial Real Estate Remotely](#)



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's Software Accelerates Growth with Over \\$1B in Managed Deals, Increased Broker User Adoption, and New Product Offerings](#)



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 rolls out campaign to help realtors adjust to COVID-19](#)

[Real estate startup Curbio expands to Seattle, aims to speed up home renovation projects](#)

[Curbio Raises \\$25M in Funding](#)

Top Portfolio News



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

[Evocalize Adds Google Display Network \(GDN\) to Embedded Digital Marketing Infrastructure](#)

[2020 Facebook Advertising Report](#)



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 Partners with Kangaroo to Bring Simple, Affordable, DIY Home Security to the Real Estate Industry](#)

[2020 HW Tech100 Real Estate Winner](#)



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

Recent Events

[CRE Future Leaders: Maggie McDaris](#)

[LulaFit adjusts to coronavirus crisis by shifting to virtual amenities programs](#)

Lulafit closes funding round led by ACP, joined by SCV.



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

[2020 HW Tech100 Real Estate Winner](#)

[Propy, a blockchain-verified platform for selling houses, raises funding from Tim Draper](#)

Top Portfolio News



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

[RateMyAgent Closes Funding Round](#)

[Bill Risser Joins RateMyAgent](#)

[RateMyAgent Gains Traction in U.S. Market](#)

[2020 HW Tech100 Real Estate Winner](#)



reConsortia (reconsortia.com) 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 Real Estate Winner](#)

[US Capital Global Securities Engaged by Consortia to Facilitate \\$2M Capital Formation](#)



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

Recent Events

No recent events



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 (twofoldspaces.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	\$131,988	\$31,988	62,500	1.320%	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	\$175,919	\$75,919	48,391	0.231%	Preferred Shares
Evocalize	\$100,000	\$125,000	\$25,000	n/a	n/a	SAFE
Kleard	\$100,000	\$100,000	-	n/a	n/a	SAFE
Lulafit	\$100,000	\$140,923	\$40,923	170	0.780%	Preferred Shares
Propy	\$100,000	\$124,999	\$24,999	123,711	1.084%	Preferred Shares
RateMyAgent	\$99,602	\$134,608	\$35,006	632,469	0.154%	Common Stock
reConsortia	\$100,000	\$100,000	-	n/a	n/a	SAFE
Staging & Design Network	\$100,000	\$125,000	\$25,000	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
<i>Add: Cash</i>	\$498	\$498	-			
Total	\$1,400,099	\$1,668,391¹	\$268,292²			

Arizona REALTORS® 2021 CAPITAL BUDGET

January 2021

	<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	\$0	\$0
4 ExCom Tablet Reimbursements	\$5,400	\$600
5 Website, Software, and Hardware Upgrades	\$25,000	\$0
6 New and Replacement Workstations/Laptops	\$30,000	\$0
	<u>\$60,400</u>	<u>\$600</u>
<u>Furniture & Equipment</u>		
7 Audio/Video	\$15,000	\$0
8 Replacement Desk & Office Furniture	\$20,200	\$1,122
9 Miscellaneous	\$0	\$0
	<u>\$35,200</u>	<u>\$1,122</u>
<u>Building</u>		
11 HVAC	\$30,780	\$0
12 Meeting Center	\$0	\$0
13 Interior Repairs & Improvements	\$1,600	\$0
14 Exterior Repairs & Improvements	\$0	\$0
	<u>\$32,380</u>	<u>\$0</u>
16 ExCom Motion	\$ -	\$ -
Total Yr. 2021	<u><u>\$127,980</u></u>	<u><u>\$1,722</u></u>

Arizona REALTORS®
OPERATIONS AND STRATEGIC INITIATIVES
2021 Business Plan

FROM: Operations & Strategic Initiatives
Chair: Shelley Ostrowski, Treasurer
Staff Liaison: K. Michelle Lind, Esq., CEO
DATE: March 2021

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

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

CURRENT TOP PRIORITIES

- 2022 Strategic Planning Session
- 2020 Audit

RECOMMENDATIONS

-

GROUPS FORMED

-

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 2022 Board of Directors based on 12/31/20 membership numbers.	Letters mailed to brokers on January 5, 2021
Establish recommendations for allocation of surplus from 2020 operating budget for Board of Directors approval.	Audit Meeting held March 8th Motion on March meeting agendas
Begin 2022 officer election process. Announce deadline and application submission dates. Submit 2022 candidate statements for Board of Directors vote.	In process. 2022 candidate deadline was January 30, 2021. Candidate statements submitted. Announced election throughout 2020 in the Voice.
Operate in compliance with bylaws, policies and applicable laws.	On-going
Communicate upcoming meeting times and agendas effectively.	On-going

Utilize emerging technologies for meetings and communications to reduce unnecessary travel while maintaining effective governance.	Utilizing the Zoom platform for meetings.
Evaluate and/or approve funds for innovative programs, products and/or services as submitted.	On-going
Evaluate the need for additional bylaws and policies that define success/behaviors/standards for association primary committees and implement as advisable.	On-going. Research regarding email voting completed.
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"> • ___ % - March meeting • ___ % - 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. Zoom meeting scheduled for February 10th
Assist President-elect and First Vice President with selecting primary committee chairs, vice chairs and association executive representative for 2022 to be approved by Executive Committee in January and Board of Directors at the March meeting.	Motion approved in the January 14, 2021 meeting. Motion on the March 31 BOD agenda for approval.
Assist President-elect in identifying members, scheduling and organizing planning session for 2022. Coordinate Planning Session outcomes and distribute Strategic Plan to attendees for comment. Distribute Strategic final plan for implementation in business plans and budget.	Planning in process and Facilitator selected Currently assessing COVID-19 numbers to determine if session will be held live or virtually. Attendees identified and invited.
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.	Job descriptions and expense reimbursement information included in the January 14, 2021 meeting materials.
Continue to provide monthly “talking points” on association activities to association Region Vice Presidents and leadership.	Talking Points are compiled monthly and posted on the ExCom webpage and in Sharefile. January/February talking points sent on January 12, 2021.
Continue to proactively research and review options for a member Association Health Plan.	No viable options identified

Continue to review options for retirement/financial planning tools for members.	On-going. NAR resources shared via Voice.
Empower leadership with the tools to communicate with members.	Zoom platform working well.
Continue to review options to assist members in the evolving economy.	On-going
Utilize emerging technologies for meetings and communications to reduce travel while maintaining effective governance.	Utilized the Zoom platform for the April, June, September (2021 budget meeting) and October 2020 meetings. January meeting hosted on Zoom.
Operate in compliance with bylaws, policies and applicable laws.	On-going
Communicate upcoming meeting times and agendas effectively.	Updated meetings/events calendar included in the January and March 2021 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"> • <u>93</u> % - January meeting • ___ % - March meeting. • ___ % - June meeting • ___ % - 2022 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
Complete the NAR Mandatory Core Standards Compliance form for Arizona REALTORS® and submit as required by NAR.	2020 Compliance form submitted and accepted by NAR.
Assist and certify local associations in NAR mandatory core standards compliance.	2020 certification of all Local Associations completed by December 31, 2020.
Plan and conduct annual Arizona Association Executives Workshop.	Underway
Deliver timely information and updates to local association executives on Arizona REALTORS® activities.	On-going via Basecamp, email and Zoom meetings: 1/25, 2/16. Regular communications as issues arise.

Coordinate with local associations regarding NAR's Association Executive Institute.	Virtual meetings scheduled 3/22-3/24
Figure 2022 director entitlements for local associations using 12/31/20 membership report.	
Determine which Arizona association executives are eligible to serve on 2022 Board of Directors.	
Provide local associations with orientation resources to include Arizona REALTORS® as needed.	New Member Benefits brochure completed and will be distributed.
Continue opportunities for local association executives to meet and network.	On-going
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.	Local Association representatives invited to participate on Communication Committee. Attendance and participation in local association events as requested.
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.	On-going via LPA area.
Maintain a collaborative working relationship with the Arizona Department of Real Estate.	On-going. An Association representative attends each ADRE meeting.
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 2021 IREM/CCIM Economic Forecast on March 26, 2021. General Counsel serves on ARMLS Strategic Steering Committee. Statewide MLS listing form developed as requested by state MLSs. Attendance and participation at Arizona Chamber of Commerce events and meetings – CEO serves on Chamber BOD.
Influence members to utilize REALTOR® brands (products and services).	On-going via Voice and Social Media.

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.	<p>55+ earned media spots between 11/1/2019 and 12/1/2020</p> <p>7 earned media spots between 12/3/2020 and 1/29/2021</p> <p>See: https://www.aaronline.com/media-contacts-coverage/</p>
Promote the value proposition of using a REALTOR® and/or engaging in community activities which enhance the image of REALTORS®.	<p>On-going</p> <p>CEO serves on Arizona Housing Fund Advisory Board.</p> <p>Arizona Housing Fund video completed and published.</p> <p>Arizona Housing Fund article posted in February 2nd issue of The Voice, webinar held on February 23rd</p>
Promote the value and the “why” of the REALTOR® brand to our members and consumers.	On-going via Voice and Social Media
Promote REALTORS® as professionals.	On-going via PR efforts
Maintain a qualified agency to act as the Arizona REALTORS® representative in the Arizona media market.	HMA Public Relations firm retained in May 2020. Regular meetings held to discuss opportunities.
Take advantage of all opportunities to promote the Association as the Voice for Real Estate in Arizona to consumers.	On-going – see above
Engage the public in legislative/political issues that impact real estate and related issues.	On-going as appropriate – see above
Organize human resources or fundraising for the benefit of charitable/community organizations.	<p>On-going promotion of the Arizona Housing Fund and Totes for Hope.</p> <p>Donations made to “Forgotten Angels” Christmas program and the Human Services Campus in December 2020.</p> <p>Promotion and donations to Arizona Housing Fund.</p>

Establish Arizona REALTORS® as a source of credible information about Arizona real estate issues.	On-going
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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.	Completed for 2021
Coordinate NAR meeting calendar with line officers and communicate expectations effectively, through preferred methods.	On-going REALTOR® Party Training registration for January completed. CEO attends regularly scheduled NAR State AE meetings with NAR leadership and staff.
Coordinate attendance at NAR Legislative meetings	Virtual Meetings
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
Remain active in all NAR Region 11 activities (Caucus, Nominating Committee, and Strategic Planning Committee).	On-going. Nominating Committee appointees approved during the January 2021 meeting. Strategic Planning Committee appointments filled. RVP Vote distributed Attended conference calls with region leadership.
Assist in coordinating and attending Region 11 Conference.	Promoted regularly via Voice and Social Media. Conference will be held July 7-9

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 Received deferred 2021 dues beginning October 2020 - reconciliations and reports conducted monthly.
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 Financials completed monthly and distributed via email to Line Officers and via ShareFile for Executive Committee.
Continue to proactively research and review options for Arizona REALTORS® efficiency.	On-going Researching new credit card company.
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 meetings with UBS held February 9th and March 8th. UBS to give report at the March ExCom meeting.
Reconcile all Arizona REALTORS® checking accounts monthly (Arizona REALTORS®, ARDAF, ARFHCO, PSF, RAPAC, Issues Mobilization, 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).	Audits to begin in mid-January/preparations underway. Responsive to auditor requests for information. Audit meeting held March 8th.

	ARDAF, ARFHCO, RAPAC audits to be scheduled in the Spring.
Prepare and finalize 2022 Operating and Capital budget with the 2022 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 Construction to divide office in Business Services area completed. Meeting Room technology upgrade completed. 2nd floor emergency door installation and carpet replacement completed.
Assist property manager in working with tenants to maintain lease agreements.	4 vacant suites listed for lease by property manager and showings as requested.
Conduct thorough review of Arizona REALTORS® building infrastructure and make recommendations for needed improvements in the 2022 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.	Fully Staffed
Maintain positive staff response to member needs.	On-going
Maintain a staff succession plan.	Completed and updated regularly.

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.	Prepared quarterly
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**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

2021 PBD Measurable Objective Update

From: Professional and Business Development (PBD) Committee
Chair: Mandy Neat
Staff Liaison: Barb Freestone
Date: February 26, 2021

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

- 2021 Education Calendar
- Education class re-conversation protocols in preparation for Direct to Classroom delivery starting 2nd quarter 2021
- LTA program – finalize updating content/delivery
- Professionalism Campaign – roll out
- MRES Society Task Force, Professionalism Certification Task Force and New Member Education Program Task Force – begin
- Monthly GRI Scholarship announcements

Recommendations

- None at this time

Groups Formed

- GRI Oversight Workgroup – Barbara Wilson
- Broker Workgroup – Serena Jones
- CRPM Advisory Board – Sue Flucke
- Professionalism Certification Task Force
- New Member Education Program Task Force

BROKER UNIVERSITY

This plan provides for the development delivery or promotion of education programs/resources designed specifically for brokers and managers on how to efficiently and effectively run a brokerage firm, stay informed of emerging legal issues, trends and regulations.

Measurable Objectives	
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Offer programs designed to keep brokers educated and updated on issues and trends.	Monthly virtual broker forums
Investigate and offer, if feasible, CRB classes virtually.	
Provide a packet of Arizona REALTORS education program overview to brokers.	
Work with BS&T to recognize branch manager roles into membership database.	Done

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	
Partnership opportunities are available to local associations and firms for live and virtual offerings.	Done
Monitor attendee feedback to update curriculum as needed.	On-going – student evaluations after each class
Maintain a cadre of qualified instructors.	On-going Beth Adams has been added to the instructor cadre
Maintain a dedicated instructor page to house course materials.	On-going
Provide competitive and affordable registration fees including a discounted registration fees for rCRMS holders.	Registration fees Member: \$59/\$79 (one-day class) \$89/\$99 (two-day class) rCRMS holders receive \$19 discount
Recognize newly certified members on the Arizona REALTORS® social media	On-going

EDUCATION OUTREACH

The Arizona REALTORS® provides comprehensive, reliable, and accessible professional development that is learner-centered to REALTOR® members. This program establishes an overall structure for partnership opportunities with local associations, brokerages and allied industries to deliver education programs at competitive and affordable fees through live classroom and live streaming classes. This program also includes an

annual Trends Summit to prepare members for changing trends and business practices in the industry.

Measurable Objectives	
Maintain and grow a cadre of qualified instructors	On-going Beth Adams and Fletcher Wilcox will join the cadre in 2021
Provide partnership opportunities for direct offerings and revenue share opportunities for live streaming classes for education related classes in the PBD business plan.	On-going
Maintain an 80% student satisfaction level in all classes offered relating to relevancy, engagement and application.	On-going
Assist partners in marketing AAR-sponsored education classes.	On-going
Provide local associations with an annual education catalog.	
Deliver an Annual program featuring national speakers for changing trends and business practices in the industry.	Insights-2021 virtual event held January 7, 2021
Investigate the feasibility of developing or offering a professionalism program or certification.	Task Force appointed
Investigate the desirability to develop, partner or deliver an education program designed to help new members grow a successful and professional business, incorporating resources and tools available through the REALTOR® associations.	Task Force appointed
Offer an annual Education Workshop for local association education staff/chairs.	July
Connect with local association Education Chairs/Staff for information sharing/help where needed.	

EDUCATION DEVELOPMENT

This plan sets the foundation that raises the bar in the quality of online and live education in content design. Education program development provides direction and structure to be learner focused and contain engagement and application activities that position the REALTOR® member to grow and succeed.

Measurable Objectives	
Maintain and update education platform license.	On-going – Learning Library
Monitor and enhance live streaming platform to ensure it provides an effective learning experience.	On-going
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.	
Produce a minimum of 3 Contract Conversation videos.	Recording timeframe: Spring 2021

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	
Provide Instructor Development Workshop(s) focusing on modern teaching techniques that adapt to the modern learner.	
Provide opportunities for instructors to network and share teaching strategies, engagement activities and technology tools with each other.	
Develop and offer incentives for instructors to participate and engage in AAR approved/sponsored activities/programs focused on elevated instructor practices.	
Provide training and resources to instructors who teach the association’s live streaming classes.	Bob Pike Custom Workshop for AAR) Virtual Instructional Design Crash Course – February 3

Continue to proactively monitor and share emerging trends in instructor skills which can aid instructors in enhancing their skills.	On-going
Provide information to 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.	Budgeted
Recognize an exceptional instructor through Excellence in Education Award.	Awarded at Leadership Conference Nominations submitted by local associations in September-early October

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.	

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	
Offer an annual conference for incoming leadership and members who wish to become leaders.	October 13-15, 2021 (Embassy Suites, Phoenix-Scottsdale)
Offer a leadership development program (LTA) specifically for incoming local association presidents-elect.	Done (LTA1 and 2 will be virtual / LTA3 and 4 planned for live in-person) Virtual Meet N Greet: February 25, 4:00 – 5:15ish LTA1 (3 segments) (The Leader Within You) March 10, 1:00 – 5:00 LTA1a

	<p>March 11: 9:00 – Noon LTAb March 24, 1:00 – 5:00 LTA1c</p> <p>LTA2 (3 segments) (Effective Leadership) April 14, 1:00 – 5:00 LTA2a April 15, 9:00 – Noon LTA2b May 26, 9:00 – 1:30 LTA2c</p> <p>LTA3 (Your Leadership Role) July 28-29 9:00 -4:00 LTA3 (in-person)</p> <p>LTA 4 (The Business of the REALTOR Association) September 2 – 9:00 – 4:00 LTA4 (in-person after Convention)</p>
Develop and/or partner to provide opportunities to enhance leadership skills and pathway to Leadership.	<p>September Leadership Week Parliamentary Procedures Workshop with Sindy Ready – March 3rd Digital Leadership Webinar – Brian Copeland</p>
Provide resources addressing “how to be a leader – where do I start?”	

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	
Recognize members’ life-long learning commitment through a membership-based program connected to educational accomplishments.	On-hold – Task force re-evaluating
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.	
Annual survey to MRES members to evaluate membership value.	August
Co-host a quarterly annual webinar with the GRI program to provide a special educational webinar week.	February 24: Brian Copeland (The Automation Effect)

	May 19: Monica Neubauer (Multiple Offer Strategies)
Investigate virtual opportunities for MRES members to network with each other.	

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	
Partnership opportunities are available to local associations and firms for live and virtual offerings.	Done – on-going
Maintain a cadre of qualified instructors.	
Offer a Summit and or webinars that addresses property management issues and topics.	Summit date: December 9, 2021 Quarterly virtual Property Management Forums
Announce and maintain a list of members who earned the CRPM certification on Facebook and to local associations.	

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	
The GRI program is available and accessible to members throughout the state through partnerships and live streaming.	Done – on-going
Co-host a quarterly_webinar week with the MRES Society program to provide a special educational webinar week.	
Maintain and enhance the GRI website as needed.	On-going
Evaluate the program annually.	September

Survey designees to measure how and what they implemented into their business practice as a result of what they learned in the GRI Program.	September-October
Maintain, monitor and grow a cadre of qualified instructors.	On-going
Update and maintain the Online Business Planning course.	In process
Pre-announce scholarship entry dates to brokers with a reminder of the value of GRI to their agent's success.	Done - On-going
Provide GRI Administration orientation to new education staff.	As Needed
Recognize new designees through social media and announcements and provide resources to help them promote their accomplishment.	Monthly
Provide a financial scholarship program to members.	\$15,000 dedicated in the budget Scholarships will be awarded monthly January: 12 scholarships awarded. February: 36 scholarships awarded
Monitor national trends in the GRI programs to keep the Arizona REALTORS® GRI program growing and evolving.	On-going
Compile and monitor student demographics.	Timeframe: Fall for demographic updates

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	
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	August 31-September 1 (following REALTOR Caucus (Scottsdale Plaza Resort))

as well as energizing networking opportunities.	
Feature national speakers to provide a broad scope in national business practices, trends and techniques.	
Utilize a variety of marketing efforts to inform members of the convention and its value, promote date and location one year in advance.	
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 and implement, if feasible, virtual delivery option.	
Identify facility for 2022-2023 conventions	
Promote convention one year in advance.	
Develop talking points and distribute to Region Vice Presidents, officers and PBD committee members.	

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	
Appropriate groups are formed and kept updated throughout the year.	On-going
Provide the necessary equipment, supplies, subscriptions, licenses and tools to implement the business plans, host/house online program and registration functions.	On-going
Focus program and class messages to connect with members' success/transaction solutions.	
Participate in firm and local events when available to promote education programs.	As available/needed

Work through appropriate committees to influence ADRE to permit continuing education credit for business-skill related topics.	
Evaluate the feasibility of an education app which could house the education calendar, class evaluations and registration information and how the Reteach site could be incorporated.	
Appropriate technologies and resources are available and utilized to create and retain a state-of-the-art learning environment available to members.	Learning Library-online GRI class Zoom platform – live streaming direct to member and direct to local classroom
Maintain a monthly calendar for the Arizona REALTORS® education and events and monitor its open/action rates.	On-going
Appropriate resources are available for staff attendance at the Arizona REALTORS®, NAR and Education-related conferences/forums.	Staff attended February Training Magazine Conference Staff attended CANVA training Staff attended Bob Pike Making Zoom Interactive Crash Course Staff attended Bob Pike Checklist for Kick-Ass Virtual Training Staff attended Highly Engaging Activities for Virtual Training Webinar Staff attended various Bob Pike training webinars Staff attended Masterclass for Zoom Staff attended a Zoom Masterclass Staff earned the Cvent certification
Utilize eblast target marketing for education programs using the 3-touch approach as well as social media vehicles.	1 st email to all members in class area, 2 nd email to past students, 3 rd email to members who opened either of the first two emails.
Targeted marketing methods are utilized to promote education offerings.	Eblast targets include members in class location, past students and members who opened previous emails
Identify and monitor student demographics for each of the Arizona REALTORS® education programs and utilize in target marketing efforts.	Target Fall for demographic updates

**Arizona REALTORS®
BUSINESS SERVICES & TECHNOLOGY
2021 Business Plan**

From: Business Services and Technology
Chair: Gunner Mitchell
Staff Liaison: Dan Pemberton
Date: 2021

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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 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® 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 Marketed quarterly via the Voice.
Market for member awareness and increased use	Marketing via the Voice quarterly.
Pursue partnership and collaboration opportunities to the members how to use business technologies.	Created Facebook page to address how to use business technologies and new ideas.
Create a mechanism for member generated content regarding technology related issues and practices.	Tech Marketplace provides members the options for the technologies that make sense for their individual needs.
Create pre-formatted graphics & content for local associations to populate their websites and distribute as needed.	Completed, added tool to AAR website.

Tech Helpline®

Arizona REALTORS® provides technology tools, 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 and market those offerings. (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 as a member benefit. Arizona REALTORS® negotiates discounts for products and services that benefit members and market those offerings. (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 – Member benefit until April 2021

Arizona REALTORS® provides technology tools, 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 and market those offerings. (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	Questions answered by support
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 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 and market those offerings. (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	Mini Trainings/Questions answered by support
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, but leaning more positive as more members get acquainted with the product

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.	Member out of compliance report is currently being updated to provide a more accurate summary of licensees out of compliance with active membership requirements. (completed 6/20) A project was completed on 2/19/2021 to identify branch managers in RAMCO. Marketing and reports specific to that group can now be accessed.

Enhanced Member Profile

Arizona REALTORS® develops and maintains data, 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. Currently have access to Voter Data and email opens
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 GMI
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 GMI
Build an effective disaster recovery infrastructure to allow immediate phone and email recovery	Ongoing, 24/7 Monitoring daily via email reporting and reporting via GMI

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). Nextiva is our new phone web based phone service provider effective 12/2020.

Measurable Objectives	Status
Enhance disaster recovery infrastructure to maintain phone system in event of local physical failure	Completed
Maintain a secure and reliable phone system	Meeting objectives
Troubleshoot problems in a quick and efficient manner.	On-going

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	Completed

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

Christina Smalls, Staff Liaison

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
Promotes real estate as a first-time profession to high schools, junior colleges and colleges.	
Disseminate pertinent, relevant and timely industry and association information through social media, aaronline.com, videos, and newsletters.	On-going
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.	On-going Working with PR firm, HMA PR, as of May 4, 2020.
Print and digital collateral adheres to the Arizona REALTORS® brand and is member centric and speaks to Arizona REALTORS® value proposition.	On-going
Communication statistics are compiled and shared monthly.	On-going
Organize information on the website for easy search and access by members.	On-going
Conduct research on the preferred communications methods of our members and communicate with our members through those methods.	
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.realtor/states/Arizona	
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.	On-going
Deliver timely and relevant content through social media.	On-going
Engage in regular outreach to members to elicit discussions by posing monthly questions on social media.	First question posted in February 9th issue of The Voice.
Meet or exceed real estate industry email open and click-through rates with The Voice.	
Conduct member and consumer research as needed to provide information to decision makers by fielding at least two email surveys.	
Communicate the value and successes of REALTOR® associations throughout the state by placing at least ten mentions in print or broadcast media in 2021.	_11_ earned media spots between November 1, 2020 and December 5, 2020. See: https://www.aaronline.com/media-contacts-coverage/
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.	Completed in 2020. Popup message system is in place.
Communicate the association’s initiatives, and work in progress to members.	On-going
Research the creation of a pop-up box to chat on website.	
Mail a traditional postcard reminding members of the Arizona REALTOR® VOICE.	The 2020 Communications Workgroup voted not to mail a postcard, and to only provide a flyer to local associations to use during orientation sessions.
Form a Diversity Committee to aid in increasing awareness of the association’s membership diversity, promote real estate as an inclusive profession, and other diversity initiatives in partnership with NAR.	Diversity Committee formed in 2020. Four meetings have been held: September 9, November 4, December 3, February 3. Two statewide presentations scheduled for 2021: February 11 th – the History of Fair Housing with Dr. Leonard Moore – University of Texas at Austin April 22nd - “Long Island Divided/Testing the Divide” Fair Housing Presentation with Bill Dedman
Promote advocacy efforts with a focus on consumer outreach and education to the public and members.	
Retain a third-party marketing firm to assist in identifying, defining, creating and accomplishing measurable member communication efforts.	

Engage in four consumer outreach activities each year and promote community involvement activities of members.	
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Arizona REALTORS®
RISK MANAGEMENT COMMITTEE
2021 Business Plan

FROM: Risk Management Committee (RMC)
Chairman: Laurie McDonnell
Vice Chairman: Mike Porter
RMC Liaison: Scott M. Drucker
DATE: March 30, 2021

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

CURRENT TOP PRIORITIES

- **Continue Grievance Committee and Professional Standards support**
 - Maintain and enhance Ethics hearing and Arbitration hearing process
 - Professional Standards Newsletter – 12/16/20
- **Enhance dispute resolution services**
 - Administer the Buyer/Seller Dispute Resolution Program
 - Administer the Mediation and Ombudsman Programs
 - Professional Standards Workshop – 2/10/21
 - Professional Standards Mediator and Ombudsman training - 10/15/20 and 10/28/20
- **Forms**
 - Revise Vacant Land/Lot Seller's Property Disclosure Statement
 - Revise Residential Buyer's Inspection Notice and Seller's Response
 - Revise Counter Offer
- **Legal Hotline Support**
 - Continue promotion efforts
- **Regulatory Issues**
 - Continue to work with ADRE
 - ADRE Advisory Board meetings - met on 1/13/21
 - ADRE Partner's meetings – met on 8/27/20
- **Risk management education and information**
 - AZ REALTOR® Voice articles and Risk Management Videos
 - Arizona REALTORS® website articles and blogs
 - Scams & Frauds, Short Sales
 - Arizona Broker/Manager Quarterly – 11/23/20
 - Update Advisories – Revised Buyer Advisory – 7/20

RECOMMENDATIONS

- **TO APPROVE FOR RELEASE ON OR ABOUT JUNE 1, 2021, A REVISED COUNTER OFFER.**

GROUPS FORMED

- Vacant Land/Lot Seller's Property Disclosure Statement Workgroup
- Residential Buyer's Inspection Notice and Seller's Response 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 2020 Filings Ethics = 23 Arbitration= 5
PSC: Complete ethics cases promptly	4th Quarter 2020 Ethics Hearings Held = 16
PSC: Complete arbitrations promptly	4th Quarter 2020 Arbitration Hearings Held = 2
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
Train Professional Standards Committee members to perform their roles across different platforms to promote efficiency and reduce travel time and travel related expenses.	On-Going; Zoom training conducted for all mediators on 10/15/20

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 2020 Mediations Requested = 11 Held = 7 Successful = 6
Receive positive feedback from mediation evaluations	On-Going
Maintain list of qualified mediators	21 Mediators for 4th Quarter 2020
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 2020 Ombudsman requests Filed = 9 In Scope = 8 Unsuccessful = 1 Successful = 7
Receive positive feedback from ombudsman evaluations	On-Going
Maintain list of qualified ombudsmen	13 Ombudsman for 4th Quarter 2020
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 2/10/21
PS Policy & Training Workgroup meeting	As needed basis
Offer Mediator training	10/15/20
Offer Ombudsman training	10/28/20
Offer hearing panel chair training	2/18/20
Publish PS, Mediation and Ombudsman information	Quarterly Newsletter sent December, 2020. 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.	Residential BINSR Vacant Land/Lot SPDS
Protect our forms copyright.	On-Going
Forms drafted or revised for introduction in February, June and October.	February 2021 <ul style="list-style-type: none"> - Buyer Broker Exclusive Employment Agreement - Residential Listing Contract Exclusive Right to Sell/Rent - Residential Listing Contract Exclusive Right to Sell/Rent Listing Contract Addendum
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 serves 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, marketing service agreements, class-action antitrust lawsuits 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
Advise members of the legal risks associated with the use of audio and video surveillance devices.	On-Going - Language added to first page of the Buyer Advisory
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 - 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
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 <ul style="list-style-type: none"> - Feedback solicited from RVPs via monthly “Talking Points” sent to all ExCom members. - Numerous speaking engagements

LEGAL & INDUSTRY PUBLICATIONS

Our members need current, accurate, and timely legal, legislative, and risk management updates and information to reduce liability and ensure 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: <ul style="list-style-type: none"> - ER/EA Release and FAQs - Revised BBEEA and FAQs - NAR/DOJ Rule Release Timing - Analysis of Impediments to Fair Housing - Code of Ethics Applies to Discriminatory Speech and Conduct - A Look on the Bright Side; 2020 Summary
Deliver Arizona Broker/Manager Quarterly.	Delivered 11/23/20
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	On-Going

value to the public, agents, and the real estate industry (i.e. risk management, legal hotline, etc.)	
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"> - Licensed transaction coordinators working for multiple brokerages - Collection of rent by unlicensed individuals - HOA licensing and related HOA issues - Short-term rentals - Cap on Rental Assistance by DES - COVID-19 Liability Protection
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.	- Correspond with ADRE on 2/5/21 to discuss placement of mandatory language required by A.A.C. R4-28-803
Maintain contact with ADRE Advisory Board.	Met on 1/13/21

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 inquires 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.	<p>On-Going</p> <ul style="list-style-type: none"> - Funded Supreme Court Special Action Petition to Declare Executive Order 2020-49 Unconstitutional; <i>Arizona Multihousing Association, et al v. Fritz, et al.</i> - Filed Amicus Brief in <i>Arizona Multihousing Association, et al v. Fritz, et al.</i> - 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
2021 Business Plan

Committee: Legislative and Political Affairs
Chair: Duane Washkowiak
Staff Liaison : Matthew Contorelli
DATE: 2021

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

2021 Legislative Session
Increasing Major Investors in 2021

RECOMMENDATIONS

GROUPS FORMED

Issues Mobilization Local Study Group

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.	12/21	
Continue with a "Thank You" lunch for each of the four government affairs committees.	Annually	Tentatively 10/21

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
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Activate broad-based Arizona REALTORS® membership representation in lobbying activities through legislative committee appointments and related committee activities.	12/21	
Encourage application to state boards and commissions.	12/21	
Strengthen and maintain relationships with Arizona statewide officeholders and agency department heads.	12/21	Ongoing
Develop ambassador program with ambassador events to connect elected officials with REALTORS® that live and work in their communities.	06/21	
Strengthen and maintain relationships with housing industry partners through ongoing communications.	12/21	Ongoing work with groups like ADRE,
Achieve an 85% success rate on Arizona REALTORS® legislative policy priorities.	6/21	
Conduct daily monitoring of legislation and recommend positions to the Legislative Committee in conjunction with the approved Legislative Policy Statements.	6/21	Ongoing
Monitor member involvement in political campaigns.	12/21	
Finalize 2022 legislative policies list by October 2021.	10/21	
Evaluate state-level candidates on Arizona REALTORS® legislative policies and voting record to receive funds.	8/21	

Local Lobbying Support - 1545

Measurable Objective	Target Date	Status
Assist local associations in their lobbying efforts as issues arise.	12/21	Working with TAR, the REALTORS® urged Sen. Leach to file a 1487 Rule Violation after the Pima County Board of Supervisors voted to expand the federal eviction moratorium - the motion has since been reconsidered and failed to pass.
Encourage local associations to establish an advocacy program and provide assistance as requested.	12/21	

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
Poll members for their opinions through use of formal and informal methods.	12/21	
Continue to involve stakeholders on real estate related issues.	12/21	
Encourage proportional regional representation at the REALTOR® Caucus.	9/21	
Forward all legislative recommendations to the Legislative and Political Affairs Committee for review and appropriate action.	9/21	Ongoing
Host 2021 REALTOR® Day Luncheon or other event if large gatherings are prohibited.	05/21	REALTOR® Day at the Capitol has been cancelled.
Identify for participation in, or host, a second legislator event.	12/21	A virtual event is being scheduled in lieu of REALTOR® Day at the Capitol being cancelled. A second event will be scheduled later this year.
Achieve attendance of 65% of legislators at legislative events.	6/21	
Identify attendees for legislative events through political involvement and leadership activity.	12/21	No in-

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.	12/21	
Identify members to participate in the annual REALTOR® Party training.	6/21	

Provide fundraising tips, tools and promotional materials for local associations.	9/21	
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.	10/21	
Utilize the NAR RAPAC Grant stipend for promotion of RAPAC.	12/21	
Utilize the Major Investor Program NAR stipend to host an Arizona REALTORS® Major Investor Event.	12/21	
Achieve participation of local associations in Major Investor Events.	12/21	Ongoing
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.	12/21	NAR Directors – 84.61% AEs – 14.29% 2021 Presidents – 75% RVPs – 80% RIMC Committee – 66.67% LPAC – 88.89% Legislative Committee – 84% RAPAC Committee – 80% FPCs – 81.81% EXCOM – 87.5% BODs – 72.56%
Achieve 100% or NAR Major Investor Goal for 2021. Benchmarks: 50% of goal by April; 75% of goal by June; 100% by September 30.	12/21	As of 02/21/2021: 41 Major Investors 29 Installment Plans
Recognize Major Investors with gift.	12/21	Ongoing – Jackets & Note Books
Recognize President Circle members with gift.	12/21	Ongoing
Recognize Hall of Fame members with gift.	12/21	Planning a Wall of Fame and dedicated webpage on the Arizona REALTORS® website.
Communicate state and federal election law requirements to local associations in order for RAPAC to remain in compliance at the state and federal level.	12/21	Ongoing.
Host a fundraising event at the Spring Conference/Convention.	4/21	Spring Conference was moved to September. Hosting an online auction in its place 03/29-04/02
Host a fundraising event at the Leadership Conference.	10/21	The Spring convention has moved to September to occur

		in conjunction with REALTOR® Party Training and REALTOR® Caucus
Recognize RAPAC Major Investors on aaronline.com.	Monthly	Ongoing updated through February 15th.
Recognize RAPAC Major Investors with special recognition at REALTOR® Day at the Capitol.	05/21	Will recognize MI's at virtual event.
Recognize RAPAC Major Investors with special recognition at REALTOR® Caucus.	9/21	
Plan and host a 2-day, 1-night Major Investor Event.	10/21	
Maintain Leadership Appreciation Program to connect Arizona REALTORS® leaders with Major Investors for recognition of investment.	12/21	
Increase use of NAR grant programs by 50% over 2019 utilization by local associations.	12/21	
Continue to maintain regular communication and support to local association Government Affairs Directors, attending events and providing updates and presentations as feasible.	12/21	
Maintain current calendar of local association events and encourage attendance.	12/21	

Federal Liaison Support - 1575

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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	Ongoing communication with Jack Greacen on Federal Issues.
Register all FPCs with NAR's REALTOR® Action Center.	1/21	Completed.
Oversee the FPCs quality contact with their representative or their staff within D.C. or Arizona, ensuring attendance at	Quarterly	Ongoing.

required meetings, training sessions and fundraisers.		
Ensure FPCs attend required Mid-Year meetings.	5/21	
Ensure compliance that all FPCs attend required NAR training session on their roles and responsibilities.	2/21	All FPC's attended the 1/21 January training.
Oversee that each FPC team will hold one meeting locally or attend a fundraiser with their congressman/senator or their staff during the year.	12/21	Meetings are being scheduled.
Maintain strong communication with Congressional staff through ongoing contacts on issues important to Arizona.	12/21	
Attendance at meetings with Members of Congress during the NAR Mid-Year Hill Visits is by invitation only.	5/21	
Ensure compliance that FPCs meet any NAR requirements.	12/21	
Establish a Hill Visit Reception for all Arizona members who attend NAR Mid-Year and invite each MOC.	5/21	Planning virtual meetings.
Establish funds for FPC in-district meetings/receptions.	12/21	

Governmental Communications - 1585

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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.	12/21	Ongoing Voice additions, presentations in Broker forums, and established a monthly department dashboard to consolidate and track progress.
Produce REALTOR® Party video annually with focus on legislative successes and what that means for their industry/ business/ clients.	5/21	
Provide Calls to Action responses, when necessary, for targeted and effective immediate member communication with	As Required	

Arizona legislators and Members of Congress on critical issues.		
Work with REALTOR® Party Plus to increase opt-in for text response Calls for Action.	12/21	
Utilize digital advertising and technologies to push federal CFAs to members.	As Required	
Maintain current information on each governmental program at aaronline.com.	12/21	
Communicate with HMS Public Relations for press releases when large successes occur, or the consumer needs to be educated on the association's wins.	12/21	
Communicate how Issues Mobilization and RAPAC reserves can enhance local association political objectives.	12/21	
Communicate the importance of the Arizona REALTORS® legislative/political successes to members.	12/21	REALTORS® Legislative Outlook Presentation-1/07 Broker to Broker Forum- 1/20
Continue to communicate the mechanism by which members can relay, on a year-round basis, legislative comments and proposals.	12/21	
Utilize the broker involvement program/stipend to enroll local brokers for participation in NAR's BIP to increase response rates to calls for action.	12/21	
Work with REALTOR® Party Plus to identify a predictive model to target members for increased activism on legislative issues and advocacy initiatives.	12/21	
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

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Measurable Objective	Target Date	Status
Conduct research as needed.	12/21	
Work with REALTOR® Party Plus to utilize predictive models to obtain comprehensive analysis of membership as well as election data.	12/21	



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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.

ADD-ON REPORT TO THE BOARD OF DIRECTORS

Actions Taken During The March 30, 2021 Executive Committee Meeting

1. Approved 7 ethics decisions.
2. In the Professional and Business Development area, approved a re-allocation up to \$9,000 from Catering expenses (630-1840) to Speaker expenses (787-1840) and Supplies (770-1840) to cover development, guest speakers and platform activity expenses.
3. Approved for release on or about June 1, 2021, the revised counter offer.

4. TO APPROVE CHANGING THE NAME OF THE BUSINESS SERVICES AND TECHNOLOGY COMMITTEE TO “*BUSINESS TECHNOLOGY AND COMMUNICATIONS*” WHICH AMENDS THE AAR BYLAWS, ARTICLE X, SECTION 2.

5. TO APPROVE ALLOCATING THE ACCUMULATED OPERATING SURPLUS OF \$2,528,112 AS FOLLOWS:

1. \$1,200,000 ALLOCATED TO THE OPERATING RESERVE
2. \$ 500,000 ALLOCATED TO CAPITAL RESERVE
3. \$ 500,000 ALLOCATED TO THE STRATEGIC INITIATIVE FUND
4. \$ 100,000 ALLOCATED TO THE ARIZONA HOMEOWNERSHIP ALLIANCE

WHICH LEAVES \$228,112 IN UNALLOCATED STATUS FOR CASH FLOW PURPOSES.