

# ARIZONA REALTORS®

## EXECUTIVE COMMITTEE MEETING

March 29, 2022

Embassy Suites Phoenix/Scottsdale ~ Phoenix, Arizona

### DRAFT MINUTES

#### CALL TO ORDER

The meeting was called to order at 2:01 p.m. by President Nelson. A quorum was present.

#### Present

Gary Nelson	Eric Gibbs	Shelley Ostrowski	Sindy Ready
Jan Leighton	Jan Marie Ennenga	Mike Porter	Shane Cook
Susan Herber	Diana Bingham	Dena Greenawalt	Bryan Anderson
Deb Fisher	Steve Redmond		

#### Absent

Barbara Wilson

#### Staff

Michelle Lind	Scott Drucker	Christina Smalls	Monica Schulik
Barb Freestone	Dan Pemberton	Matthew Contorelli	Nikki Salgat

#### Guests

Ryan Moore, UBS

#### PRESIDENT'S REPORT – President Nelson

**Approval of Meeting Minutes** – The minutes from the January 12, 2022, meeting were approved as delivered.

**Executive Committee Report to the Board of Directors** – President Nelson reviewed the update from previous meetings for the Board of Directors.

#### TREASURER'S REPORT – Treasurer Sindy Ready

**2021 Audit Report** – Treasurer Ready gave an update on the 2021 audit.

#### Allocation of 2021 Accumulated Operating Surplus –

- 1. MOTION: IT WAS MOVED, SECONDED AND CARRIED TO RECOMMEND APPROVAL TO THE BOARD OF DIRECTORS ALLOCATING THE ACCUMULATED OPERATING SURPLUS OF \$2,859,528 AS FOLLOWS:**
  - 1. \$1,000,000 ALLOCATED TO THE OPERATING RESERVE**
  - 2. \$ 500,000 ALLOCATED TO CAPITAL RESERVE**
  - 3. \$ 800,000 ALLOCATED TO THE STRATEGIC INITIATIVE FUND**
  - 4. \$ 300,000 ALLOCATED TO THE ARIZONA HOMEOWNERSHIP ALLIANCE WHICH LEAVES \$259,528 IN UNALLOCATED STATUS FOR CASH FLOW PURPOSES.**

**2022 Year-to-Date Financials** – Treasurer Ready gave an update on the 2022 financials.

**2022 Capital Budget Update** – Treasurer Ready gave an update on the 2022 Capital Budget.

**Capital Budget Account Reallocation** –

**MOTION: IT WAS MOVED, SECONDED AND CARRIED TO APPROVE THE REVISION OF ACCOUNT 160-3100 IN THE CAPITAL BUDGET TO STATE: “CREATION OF TWO OFFICES IN SUITE 203; AND CEILING TILES FOR SUITE #200 & #203.**

**NAR REACH Ventures Investor Report** – Treasurer Ready gave an update on the NAR REACH Ventures Investor Report.

**Arizona REALTORS® Investment/Reserve Accounts Review** – Ryan Moore from UBS gave the committee an overview of the association’s investment and reserve accounts.

**Equity Investments** –

**MOTION: IT WAS MOVED, SECONDED AND CARRIED TO APPROVE INVESTING \$500,000 OF THE CAPITAL RESERVE AND \$75,000 OF THE STRATEGIC INITIATIVES RESERVE IN THE ARIZONA REALTORS® EQUITY ACCOUNTS (PORTFOLIO MANAGEMENT PROGRAM (PMP), KAR, Q\_GARP AND/OR DIVIDEND RULER) USING DOLLAR COST AVERAGING AS DETERMINED BY THE ASSOCIATION’S INVESTMENT ADVISORS, UBS.**

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

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

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

**PRIMARY COMMITTEE REPORTS**

**Professional and Business Development** – PBD Staff Liaison Barb Freestone gave an update on the PBD area’s activities year-to-date in Chair Barbara Wilson’s absence.

**Business Technology & Communications** – Chair Shane Cook gave an update on the progress of the BTC committee’s year-to-date activities.

**MOTION: IT WAS MOVED, SECONDED AND CARRIED TO APPROVE UP TO \$8,100 FROM THE OPERATING RESERVES TO COVER IMPLEMENTING THE NAR PHOTOFY APP AT THE STATE LEVEL TO PROVIDE FULL ACCESS TO ALL MEMBERS IN ARIZONA.**

**Risk Management -**

**In Executive session:** Adoption of Hearing Panel Decisions – Eight (8) ethics hearing panel decisions were adopted as submitted.

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

**MOTION: IT WAS MOVED, SECONDED AND CARRIED TO APPROVE REVISIONS TO ARIZONA REALTORS® ADAPTATIONS TO THE NAR CODE OF ETHICS AND ARBITRATION MANUAL.**

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

**MOTION: IT WAS MOVED, SECONDED AND CARRIED TO RECOMMEND THAT THE BOARD OF DIRECTORS APPROVE THE POLICY CHANGES TO THE REALTORS® OF ARIZONA POLITICAL ACTION COMMITTEE BYLAWS.**

**REGION VICE PRESIDENTS' REPORTS**

**AE Representative** – Association Executive Representative Jan Marie Ennenga provided a brief report.

**Region 1** – Vice President Diana Bingham gave an update on region activities.

**Region 2** – Vice President Dena Greenawalt gave an update on the region activities.

**Region 3** – Vice President Bryan Anderson gave an update on the region activities.

**Region 4** – Vice President Deb Fisher gave an update on the region activities.

**Region 5** – Vice President Steve Redmond gave an update on the region activities.

**NEW BUSINESS**

**Arizona REALTORS® NAR Directors Bylaw Revision** –

**MOTION: IT WAS MOVED, SECONDED AND CARRIED TO RECOMMEND THAT THE BOARD OF DIRECTORS APPROVE AMENDING THE ARIZONA REALTORS® BYLAWS AT ARTICLE VII AS SET FORTH IN THE ATTACHED REDLINED DOCUMENT TO PROVIDE FOR THE APPOINTMENT/ELECTION OF ADDITIONAL ARIZONA REALTORS® NAR DIRECTORS AS A RESULT OF NAR’S CHANGES TO THE COMPOSITION OF AND QUALIFICATIONS FOR THE 2023 NAR BOARD OF DIRECTORS.**

**2023 Arizona REALTORS® Election** – President Nelson gave a brief overview of the candidates for the 2023 Election.

**Next Meeting** – The next meeting will be held at 10:00 a.m. on Friday, June 3, 2022, at the Arizona REALTORS® building.

**ADJOURN**

There being no further business, the meeting was adjourned at 3:57 p.m.

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**Scott Drucker, Recording Secretary**

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On April 26, 2022, an email vote was sent to the Executive Committee for the following motion:

**MOTION:  
TO APPROVE FOR RELEASE ON OR ABOUT JUNE 1, 2022, THE REVISED  
ADDITIONAL CLAUSE ADDENDUM.**

On April 26, 2022, there was a unanimous vote to approve the motion.