CALIFORNIA ASSOCIATION OF REALTORS®

Minutes

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September 21, 2010

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CALIFORNIA ASSOCIATION OF REALTORS® EXECUTIVE COMMITTEE
Los Angeles Airport Hilton Hotel
Los Angeles, California

CALL TO ORDER

The meeting was called to order by President Steve Goddard at 10:00 a.m. on September 21, 2010.

ATTENDANCE

Members Present: President Steve Goddard, President-Elect Beth L. Peerce, Treasurer Don Faught, Darnella Barnes, Sharon Bowler, Patricia Hicks, Mickey Knickerbocker, James Liptak, Allen Okamoto, Mark Peterson, Mary Rovarino, Joel Singer (Ex-Officio), Judy Zeigler

Members Excused: Eva Garcia, Ed Herold, Vince Malta, Jared Martin

Also Present: 2010 Regional Chairs Melanie Barker, Becky Bowles, Leannah Hunt, Pauline Knight, Karen Nelson, Stephen Pearson, Don Readinger, Sharon Telles, Lyn Tong, 2010 Committee Liaison to Strategic Planning and Finance Jim Hamilton, Strategic Planning and Finance Committee Vice Chair Jeff Barnett

Guests Present: 2011 President-Elect LeFrancis Arnold, Assistant Regional Chair Bob Hartman, Treasurer Candidate Chris Kutzkey, Assistant Regional Chair Mark Marquez

Staff Present: Leslie Appleton-Young, Iqbal Bholat, Shui Yin Cheung, Don Flynn, Robert Kleinhenz, Helen Parrino, Rick Shumacher

Strategic Plan and Budget

Treasurer Don Faught, Chair of the Strategic Planning and Finance Committee, presented the 2011 - 2013 Strategic Plan and the 2011 Annual Budget, including the proposed program augmentations.

Proposed Program Augmentations
--eSignature Member Benefit
--Electronic Document Retention Member Benefit
--Political Activities Fund Field Program
--File Compliance Checker
--Smart Phone App for Member Mobilization
--Young Professionals Network
--Social Media Boot Camp
--Statewide Ombudsman Hotline
--AORNTouch™ Mobile Application

It was Moved by Don Faught, Seconded and CARRIED, to approve a 2011-2013 strategic plan and 2011 budget with the following criteria:

a. C.A.R. Operating Revenue: $25,069,100
   C.A.R. Operating Cost: $26,240,700
   Net Deficit (Before Investment Income)*: $1,171,600
b. Political Activities Fund Revenue: $1,550,000.
c. Issues Action Fund Revenue: $1,550,000.
   Issues Action Fund Transfer to IMPAC: $862,900
d. REALTOR® Action Assessment: $7,596,000
e. 122.5 budgeted C.A.R. staff positions.
f. Membership dues, including $115 for operating programs, $10 for the Political Activities Fund, $10 for the Issues Action Fund, and $49 for the REALTOR® Action Assessment are set at a total of $184 per member (predicated on 2011 year end membership of 168,000).
g. New member fee set at $30 per new member.
h. A 2011 Capital Budget (funded with Association reserves) totaling $850,000.

** Note: Due to the variability of Investment returns, no projection has been included for this item. However, projected Investment Income for 2010 is $1.1 million, an average return of 3 percent. In 2011, the portion of the reserves subject to investment returns will be increased by both this year's addition to reserves and actual returns.*

Action of Directors: Pending

It was Moved by Don Faught, Seconded, and CARRIED, to approve for members in areas not serviced by local associations an additional $30 in membership dues. This amount would be in excess of the dues approved for members coming through the local associations.

Action of Directors: Pending

It was Moved by Don Faught, Seconded and CARRIED, that $194,000 be approved for an additional two percent pension contribution to the C.A.R. and REBS employee pension plan for 2010, augmenting the previously approved budget of ten percent.

Action of Directors: Pending

It was Moved by Don Faught, Seconded and CARRIED, that an additional $15,000 be allocated from the 2010 budget to provide REALTORS® with a voluntary customer satisfaction system, augmenting the previously approved budget of $35,000.

Action of Directors: Pending

It was Moved by Don Faught, Seconded and CARRIED, that an additional $96,100 augmentation be added to the 2010 capital budget, which will be funded with Association reserves.

Action of Directors: Pending

ADJOURNMENT

There being no further business, the meeting was adjourned at 12:05 p.m.