

October 23, 2008

Board of Director Minutes
Wilmington Regional Association of REALTORS®
1444 S. 17th Street

Attending	R. J. Alexoudis	Jonathan Barfield	Melanie Bertrand	Bryan Greene
	Bob Jamieson	Dan Kibler	Susan Lacy	Sharon Laney
	Mary Martin	Russ May	April McDavid	Bob McKoy
	Karen Parkin	Vance Young		
Absent:	Bryan Greene			
Guests:	Eugene Blake	Thomas Gale	Ashley Garner	Dennis Musser
	Louise Voelker			
Staff:	Jerry Panz			

President Susan Lacy called the meeting to order at 9:40AM. All members of the Board of Directors received notice of the meeting.

Susan Lacy, April McDavid, Mary Martin, Jonathan Barfield provided an update on the NCAR Convention including the appointment by NCAR President Wendell Bullard to look at structure issues. The CEO Report is attached.

The 2009 RCASENC President Dennis Musser spoke about their plans concerning Strategic Planning and their investigating on forming a different commercial structure such as a Commercial Overlay Board.

By Consent the following was approved:

- 1) The Consent Agenda (attached)
- 2) Consent Agenda
- 3) Recommending that **Article XI, Section 4 (b) Voting** be amended as follows: Voting for selection of nominees shall be by a secret ballot administered through an Internet voting program.~~cast in person at the annual meeting.~~ The ballot shall contain the names of all candidates and the offices for which they are nominated. The election of officers and directors shall be by plurality vote ~~of the REALTORS® present, however, on-line voting shall be permitted for elections of officers and directors.~~ On-line voting shall close just prior to the Annual Meeting. In case of a tie vote, the issue shall be determined by lot. The president shall inform the membership of the results of the balloting. (Amended 03-18-04)
- 4) Electing Sharon Laney as the NCAR Director.
- 5) Changes to Existing Policy Manual as attached (Conflict of Interest Policy, Service Statement) and the additions to the Policy Manual (Whistleblower Policy, Compliance Officer, Audit Committee)
- 6) Closing the office on Wednesday December 24th at noon, Thursday, December 25 and Friday, December 26.
- 7) Endorsing the Cape Fear Community College Bond as long the projected cost to retire the bonds does not increase the property tax rate to more than .52 cents per \$100 value.
- 8) The minutes of this meeting

There being no further business the meeting adjourned at 11:30 AM.

A handwritten signature in black ink that reads "Jerry S. Panz". The signature is written in a cursive, flowing style.

Jerry S. Panz, CAE, e-PRO, RCE
Secretary

NCAR Convention Report: Susan Lacy, April McDavid, Mary Martin, Jonathan Barfield (NCAR PAG [NCAR President Wendell Bullard]Appointed sent October 1; CEO Report attached)

Updates/Reports:

Update RCASENC..... Bryan Greene, Dennis Musser

Strategic Planning

Investigation on forming a different commercial structure: Commercial Overlay Board

Postponed Business

None

New Business: Action Items

- 1) Consent Agenda
- 2) Background Paper on Electronic Voting: **Possible Motion:** Recommending that **Article XI, Section 4 (b) Voting** be amended as follows: Voting for selection of nominees shall be by a secret ballot **administered through an Internet voting program, east in person at the annual meeting.** The ballot shall contain the names of all candidates and the offices for which they are nominated. The election of officers and directors shall be by plurality vote ~~of the REALTORS® present, however, on-line voting shall be permitted for elections of officers and directors.~~ On-line voting shall close just prior to the Annual Meeting. In case of a tie vote, the issue shall be determined by lot. The president shall inform the membership of the results of the balloting. (Amended 03-18-04)
- 3) Electing one NCAR Director (**Policy:** The order in which NCAR Directors will be selected is: WRAR President; MLS President; RCA President; MLS President-Elect; WRAR Past President **and such additional directors, if any, shall be elected by the Board of Directors.** (See BofD Minutes 7-22-04, 7-20-06 & 10-18-07). **2009 Directors** are: April McDavid, Mary Martin, Dennis Musser, Karen Parkin and Susan Lacy. George Laney is also a director by virtue of being the Regional Vice President from Region 2 but his position does not diminish the number of directors allocated by NCAR.
- 4) Discussion on IRS Form 990
 - a) Changes to Existing Policy Manual
 - i) Conflict of Interest Policy
 - ii) Service Statement
 - b) Additions to the Policy Manual
 - i) Whistleblower Policy
 - ii) Compliance Officer
 - iii) Audit Committee
- 5) Closing the office on Friday, December 26 (Policy: December 24-25 which would mean staff would be off on Wednesday, Thursday and return on Friday. The New Hanover County offices are closed [see NHC Scheduled sent with other attachments].)
- 6) Background Paper on Dues Billing

Update from Staff

- 1) GAD Report Kathleen Riely
- 2) Marketing/Communications Director: Broker Breeze, Open House billboard Brian Pilon

CONSENT AGENDA

October 23, 2008

Acknowledgement of:

1. Committee Reports
 - a. Professional Development
 - b. Equal Opportunity & Cultural Diversity
 - c. Partners for Affordable Homeownership
 - d. Past Presidents Luncheon Committee
 - e. Member Services
2. Financial Narratives for September 2008 (attached)
3. Membership Report (new, transfers, etc.)
4. CEO Report

Member Totals As of	Feb 19	Mar 14	Apr 9	June 13	July 12	Aug 9	Sept 13	Oct 10
Designated REALTORS®	472	475	466	470	464	457	454	454
Pending REALTORS®	2	3	3	5	5	0	0	
Subtotal	2,152	2,179	2,166	2,166	2,129	2,101	2,098	2,059
Non REALTOR® Licensees	35	36	39	40	40	40	47	47
Secondary REALTORS®	121	124	123	119	120	121	120	121
Allied	104	106	106	109	109	110	113	114
Total	2,412	2,445	2,434	2,434	2,398	2,372	2,378	2,341

Approval of:

1. Email funding request from REALTORS® Helping REALTORS®

WILMINGTON REGIONAL ASSOCIATION OF REALTORS®
PROFESSIONAL DEVELOPMENT COMMITTEE
October 2, 2008 – 10:30AM
MEETING REPORT

Chair – Wendy Shorter Bridges

Vice-Chair – Rebecca Lawson

The meeting began at 10:45 a.m.

Committee Members Present: El Brant, Carlos Braxton, Faye Brock, Rebecca Lawson, Kathy Kivett, Paul Dunwell and Wendy Shorter-Bridges.

Committee Member(s) Absent: Susan Lacy, Jan Justice, Vickie Osoria, Tom Locorriere, Russ May and Sonya Phillips

Staff Member Present: Dayma Edwards

Purpose of Committee

- *The Professional Development Committee wants to promote learning as a life-long habit for REALTORS®*
- *To continue providing our members with information on legal issues while keeping them current through the use of periodic legal updates*
- *To continue providing risk management/risk-shifting information for all members*

Welcome & Introductions:

2008 Schedule:

- **Legal Seminar:**
 - At all future forums - Place one or two microphones in the aisles to allow members to stand up and ask questions. This will help control the questions & answer time better
- **Thursday, October 23rd – ADVERTISING WRITING SEMINAR**
 - ✓ UNCW Executive Center
 - ✓ 8:30 to 9:00 Breakfast & Registration
 - ✓ 9:00 to 10:30 Seminar
 - ✓ Speaker – Tori Jones from Clove Marketing
 - ✓ Faye will contact Tori and ask about possible sponsors (Encore Magazine)
 - ✓ Need sponsor/s – Dayma will contact Pre-Paid Legal to sponsor
 - ✓ Have available public website link and information for all attendees
- **Wednesday, November 19th – GEN Y SEMINAR**
 - ✓ Holiday Inn Sunspree
 - ✓ 8:30 to 9:00 Breakfast & Registration

- ✓ 9:00 to 11:30 Seminar
 - ✓ Speaker – Amy Lynch
 - ✓ Need sponsor/s – Dayma will contact Financial Freedom to sponsor
- **Thursday, February 5th – REALTOR ReCharge**
 - ✓ Blockade Runner – Wrightsville Beach
 - ✓ Speaker – Robert Morris
 - ✓ Dayma will contact Costco to get recycled bags donated for goodies
 - ✓ Sponsors/Booths –
 - All sponsors and information is to be turned in by January 1st
 - \$250 plus \$100 value gift (for raffle) by November 1st
 - Booth/Table
 - Recognition at event
 - Company logo/name on all event emails, posters etc.
 - Personal contact at event
 - Promotional items in the goodie bags
 - \$350 plus \$100 value gift (for raffle) after November 1st
 - Booth/Table
 - Recognition at event
 - Company logo/name on all event emails, posters etc.
 - Personal contact at event
 - Promotional items in the goodie bags
 - \$100 in-kind donation (for raffle) & items in goodie bag
 - Recognition at event during raffle
 - Promotional items in the goodie bags
 - Dayma will create a contract for sponsors to sign
 - Members agree on charity table for up to two charities to share
 - Dayma & members will discuss goodie bags with all possible sponsors (pens, pads etc.)
 - Dayma will talk to Jerry about getting an item from WRAR re: public website to place in goodie bag

Wrap up/Questions/Comments:

- Pre-Paid Legal & Financial Freedom need to sponsor an event to promote their products not hold a seminar
- Dayma will email new cost structure for ReCharge to committee members
- April – Appraisals & Measurements – with Tom Adam, Faye contacted Tom, he would love to do the class. (also include what adjustments are allowed)
- May – Property Insurance, Zoning & Additions – Jody will find the name of a possible speaker

Next Meeting:

*Thursday, November 6th
10:30 a.m.
WRAR office*

WILMINGTON REGIONAL ASSOCIATION OF REALTORS®
EQUAL OPPORTUNITY & CULTURAL DIVERSITY COMMITTEE
September 26, 2008 – 2:00PM
MEETING REPORT

Chair – Dana Scalici

Vice-Chair – Eliza Santos

The meeting began at 3:33p.m.

Committee Members Present: Susan Lacy, Amy Whetsel, Michelle Roberts and Dana Scalici

Staff Member(s) Present: Dayma Edwards

Welcome & Introductions:

Latino Festival:

- ❖ Committee members want to sponsor the **Latino Festival** on Saturday, November 8th at Hugh MacRae Park
- ❖ Dayma met with Lucy at Amigos Internacional to get all the sponsorship information and shared with committee members
- ❖ Consider sponsoring at the \$500 level which will give us booth space at the event and some media promotion
- ❖ The purpose for the booth is to promote WRAR and the new public MLS website

Vision Quest:

- ❖ Susan Lacy suggested giving a scholarship for someone to attend **Vision Quest** this year scheduled for December 8th and 9th
- ❖ The lucky person will be drawn from the Annual Meeting & Election attendees
- ❖ Dayma will contact Pam Haire at NCAR for all the details and cost.

Wilmington Minority Professional Networking Group:

- ❖ April contact Mr. Shann Coleman, developer of the WMPNG.
- ❖ Mr. Coleman would like for our committee to sponsor their next event at the 1st quarter of 2009
- ❖ Dayma will get all the information on what would entail in sponsoring

Wrap-up/Questions and Comments:

- ❖ Dayma will send out an email to all the committee members about volunteering for the **Oktoberfest** thru Habitat for Humanity scheduled for Friday, October 17th and Saturday, October 18th at the Independence Mall Parking Lot.
- ❖ Michelle spoke to JY Monk and they are willing to sponsor one person to attend a pre-licensing course
- ❖ Susan suggested that the committee members invite all the companies with real estate schools to do the same

Next Meeting:

When: ***Wednesday, October 22nd***

Where: ***WRAR Conference Room***

Time: ***3:30pm***



Wilmington Regional Association of REALTORS®
PARTNERS FOR AFFORDABLE HOMEOWNERSHIP
September 26, 2008
MEETING REPORT

Chair: Jody Wainio

Vice-Chair: Carlos Braxton

The meeting began at 8:40 AM

Members Present: Jody Wainio, David Flory, Glancy Thomas, Lisa Burton, Carlos Braxton, Joanne Galo, Lisa Mesler, Karen Parkin, Pam Rancke, Susan Walker and Leslie Hahn

Staff Members Present: Dayma Edwards

I. Welcome & Introductions

II. Update on Operation Home Sweet Home:

- ❖ Presentation has been ready
- ❖ David Flory and Jody will work on making the presentation up-to-date with the current market changes
- ❖ Consider putting the program and the local channel, podcast or just simply cd for easy access
- ❖ Karen Parkin wanted to know what happened to the Section 8 Rent to Own Program
- ❖ Port City Community Church offers classes to the members, Lisa will get contact information to see if our program could be given

III. Resource Guide:

- ❖ Jody gave all committee members a copy of the Resource Guide to make any necessary changes
- ❖ Must be completed by Friday, October 3rd

IV. Kay Hagan Visit:

- ❖ Lisa Burton and Jody Wainio were invited to meet with Kay Hagan, 2008 Democratic Candidate for US Senate
- ❖ Kay is collecting information on the North Carolina affordable housing challenges
- ❖ Jody and Lisa wanted to get input/questions to ask Kay Hagan such as:
 1. Down-payment Assistance Program
 2. Credit Counseling Education
 3. Homeowners that fall through the cracks

V. Questions & Comments:

VI. 2008 Committee Meeting Schedule

- *Thursday, October 23rd – 8:30*
- *Friday, November 21st – 8:30*
- *Friday, December 19th – 8:30*

VII. Next Meeting

Date – **Thursday, July 31st**
Time - **8:30 AM**
Place - **WRAR Conference Room**

WILMINGTON REGIONAL ASSOCIATION OF REALTORS®
PAST PRESIDENTS LUNCHEON COMMITTEE
September 19, 2007 – 12:00PM
MEETING AGENDA

Purpose of Committee

To plan and determine the frequency of the Past Presidents' Luncheon

Meeting began at 12:05PM

Luncheon

- The luncheon will be held on Wednesday, March 5th, 2009
 - Dayma will check availability of the Madeline Suite at UNCW
- Mention deaths of past Presidents that have occurred since the last luncheon
- Committee Members have decided not to have a speaker at this event
- A theme will be decided upon during the next meeting in November
- Menu choices will be made available during the next meeting in November
- Group photos will be taken and published at the next "Broker Briefing", photo will also be used as the gift for each past president
- Notification of Luncheon
 - Prior to the formal invitation a "Save the Date" flyer will be sent to all past Presidents
- The calling list will be distributed to the committee in January, past presidents will be called to confirm no later than 2 weeks prior to luncheon
- Committee Members have decided not to do pre-arranged seating
- Formal invitations will be mailed on or before February 7th or 14th
- This is an informal gathering to continue the idea/story sharing concept at the luncheons (8 top tables)
- Note on all printed information the transportation is available if needed
 - Committee members have volunteered to pick up past Presidents who may need a ride

Next Meeting

Date – Wednesday, November 14th

Time – 12:00PM

Place – WRAR Conference Room

Meeting adjourned at 12:30PM

WILMINGTON REGIONAL ASSOCIATION OF REALTORS®
MEMBER SERVICES COMMITTEE
October 10, 2008 – 9:30AM
MEETING REPORT

Chair – Sharon Laney

JD Terry

Co Chair –

The meeting began at 9:30a.m.

Committee Members Present: Sharon Laney, Gail West, Tina DeWitt, Terry Milam, Anna Penny and David Dougherty

Committee Members Absent: Jennifer Dauphinais, Susan Lacy, J. Marie Lewis, JD Terry, and Adell Bernard

Staff Member(s) Present: Dayma Edwards

I. Welcome & Introductions

New member, Anna Penny was introduced and welcomed

II. Annual Meeting & Election

- Survey Results: 41 responses, overall good results

III. 4th Quarterly Meeting & Holiday Luncheon:

- Date: ***Wednesday, December 3rd***
- Time: ***11:30 to 1:30***
- Venue: ***Holiday Inn Sunspree***
- Caterer: Holiday Inn Sunspree
- Menu: TBD
- Centerpieces: Use wrapped donations (in boxes) as centerpieces
- Entertainment: Do not have anyone or play any music, the meeting last year went really well without it
- Sponsors:
 - committee members will work on acquiring sponsors
 - Dayma will contact Motts Landing for possible sponsorship
- Donation: Committee members discussed several ideas and decided on purchasing items to donate to the Senior Center. Dayma will contact Faye Jacobs at the center for more information

IV. Installation Banquet:

- Date: ***Saturday, January 10th***
- Time: ***7:00 to 11:00***
- Venue: ***Marriott at Carolina Beach***

- Caterer: Marriott at Carolina Beach
 1. Dayma request a block of rooms to be reserved at a discounted price
- Entertainment: Mark Roberts & Breeze Band
- Centerpieces: TBD
- Sponsors:
 1. Cunningham & Associates

V. DR Orientation:

- Consider revamping the DR Orientation agenda
- Possibly look into changing it from a full day to a half-a-day orientation

VI. Wrap-up/Questions/Comments

VII. Next Meeting

- Monday, November 10th
- WRAR Conference Room
- Time – 9:30AM

**WRAR Financial Narrative
Month Ending September 2008**

Account Name	Monthly Narrative
Assets	
All Cash Accounts	All accounts are in balance except.
Liabilities	
NAR & NCAR Dues Payable	There is a \$98 invoice (not cash) imbalance for which staff has not yet found the answer. We will continue to work on this to resolve it with a journal entry after notification to the CPA.
Income	
Miscellaneous	Wrote off 4 \$100 charges placed on Designated REALTORS® who failed to return their DR Certification Form
REALTOR® Initiation Fees	We are behind budget by 46 new members
Expenses	
Committee Member Services	Over budget. The Committee will submit a request in November to detail additional funding request.
Committee Professional Development	Over budget. The Committee will submit a request in November to detail additional funding request.

Wilmington Regional Association of REALTORS®		
Balance Sheet as of September 30, 2008 Without Audit or Review by CPA		
ASSETS		
Current Assets		
Petty Cash	68.03	
Operating Account	37,738.18	
RPAC Transmittal Account	114.87	
Merrill Lynch Cash/Money Accts	473,636.89	
Merrill Lynch Mutual Funds	167,372.64	
Accounts Receivable	9,015.70	
Accounts Receivable-Other	50.00	
Total Current Assets		687,996.31
Other Current Assets		
Investment in MLS	1,109,569.41	
Next Year's Prof Dev Comm Exp	1,200.00	
Total Other Assets		1,110,769.41
Designated Assets		
Build Rsrv[2008] (223,130.34)	223,130.34	
Equip Rsrv[2008] (9,523.00)	9,523.00	
Furnt/Fixt Rsv[2008](5,208.00)	5,208.00	
Oper Rsrv[2008] (249,635.43)	249,635.43	
Total Designated Assets		487,496.77
Property and Equipment		
Land	917,456.34	
Land Improvements	10,248.25	
Office Furniture & Equipment	51,911.82	
Carpet & Drapes	6,929.13	
Computer Equipment	51,883.31	
Buildings	360,036.35	
Building Improvements	5,007.50	
Accumulated Depreciation	(293,562.98)	
Accum. Depreciation-Buildings	(12,099.99)	
Accum. Depreciation-Bldg Imp	(6,780.00)	
Total Property and Equipment		1,091,029.73
Total Assets		3,377,292.22
LIABILITIES AND CAPITAL		
Current Liabilities		
NAR & NCAR Dues Payable	6,164.00	
Total Current Liabilities		6,164.00
Total Liabilities		6,164.00
Capital		
Members Equity	3,140,470.62	
Net Income	230,657.60	

Total Capital		3,371,128.22
Total Liabilities & Capital		3,377,292.22

Wilmington Regional Association of REALTORS®					
Income Statement as of September 30, 2008 Without Review or Audit by CPA					
	Current Month Actual	Current Month Budget	Year to Date Actual	YTD or Annual Budget	Variance YTD
Revenues					
Allied Dues	116.66	0.00	15,658.33	14,795.63	862.70
Allied Initiation Fee	250.00	0.00	1,000.00	1,625.00	(625.00)
Education Fees(CE-Net)	3,980.00	0.00	45,663.64	51,712.75	(6,049.11)
Investment Income **	4,579.36	4,597.07	24,659.51	41,373.63	(16,714.12)
Investment Value ML Funds	(7,386.57)	0.00	(12,956.65)	0.00	(12,956.65)
Lease Income **	4,584.29	4,584.29	41,258.61	41,258.61	0.00
Miscellaneous Income	(399.00)	0.00	4,210.15	1,000.00	3,210.15
Newsletter Income	75.00	0.00	1,625.00	1,000.00	625.00
NSF Fees	0.00	0.00	75.00	0.00	75.00
REALTOR Dues	1,291.39	0.00	424,332.64	379,015.65	45,316.99
REALTOR Initiation Fees **	4,840.00	9,060.83	62,390.00	81,547.47	(19,157.47)
Reinstatement Fees **	110.00	323.75	5,140.00	2,913.75	2,226.25
Room Rental	0.00	0.00	50.00	0.00	50.00
Transfer Fees **	1,265.00	715.00	14,465.00	6,435.00	8,030.00
Total Revenues	13,306.13	19,280.94	627,571.23	622,677.49	4,893.74
Expenses					
Accounting & Consulting-CPA	7.76	0.00	6,687.76	6,000.00	687.76
Advertising	12.01	0.00	12.01	500.00	(487.99)
Bank Service Charges **	387.83	1,598.25	6,043.09	14,384.25	(8,341.16)
Committee-Affordable Housing	36.80	0.00	732.65	500.00	232.65
Committee-Appraisal Council	0.00	0.00	528.97	1,450.00	(921.03)
Committee-Diversity	0.00	0.00	13.00	3,200.00	(3,187.00)
Committee-Executive Roundtable	0.00	0.00	3,942.53	7,800.00	(3,857.47)
Committee-Member Services	4,245.53	0.00	35,209.09	32,487.00	2,722.09
Committee-Prof Develop	177.30	0.00	20,634.54	19,550.00	1,084.54
Committee-Property Management	0.00	0.00	0.00	2,325.00	(2,325.00)
Committee: Recruiting/Certify	0.00	0.00	479.94	0.00	479.94
Committee-Cape Fear Indep Brok	64.08	0.00	215.42	2,700.00	(2,484.58)
Committee-Young Broker's Counc	0.00	0.00	2,167.36	3,000.00	(832.64)
Contingency	0.00	0.00	0.00	28,000.00	(28,000.00)
Deferred Compensation **	2,752.09	917.37	8,256.27	8,256.27	0.00
Depreciation Building **	1,145.33	1,145.33	10,307.97	10,307.97	0.00
Directors Meetings	0.00	0.00	343.74	800.00	(456.26)
Donations	0.00	0.00	1,000.00	0.00	1,000.00
Dues and Subscriptions	0.00	0.00	579.94	700.00	(120.06)
Entertainment	0.00	0.00	48.43	1,500.00	(1,451.57)
Equipment Purchase/Lease	0.00	0.00	403.52	0.00	403.52
Flowers & Remembrances	0.00	0.00	493.28	2,500.00	(2,006.72)
Goal 1 Prof. Conduct/Ethics	0.00	0.00	(282.16)	3,335.00	(3,617.16)
Goal 4 Leg/Reg and Advocacy **	111.66	829.17	(18,398.40)	7,462.53	(25,860.93)
Goal 5 Markt/Comm. Pub Image	1,450.00	0.00	10,921.67	10,156.00	765.67
Goal 6 Association Operations	135.64	0.00	675.87	12,500.00	(11,824.13)

Goal 8 Community Involvement	0.00	0.00	863.71	17,650.00	(16,786.29)
Goal 9 Market Ownership	10,355.83	0.00	23,344.03	59,710.00	(36,365.97)
Insurance: D&O/E&O Excess	0.00	0.00	2,581.01	3,050.00	(468.99)
Insurance-Health **	7,128.00	2,376.00	21,384.00	21,384.00	0.00
Insurance-Property/Liability	0.00	0.00	5,782.00	6,500.00	(718.00)
	Current Month Actual	Current Month Budget	Year to Date Actual	YTD or Annual Budget	Variance YTD
Insurance-Workman's Comp.	0.00	0.00	994.27	994.27	0.00
Janitorial Services **	800.00	666.67	5,460.00	6,000.03	(540.03)
Legal Fees	0.00	0.00	4,146.23	2,500.00	1,646.23
Library	0.00	0.00	173.78	300.00	(126.22)
Maintenance-Building Grnds **	653.41	1,351.58	10,605.50	12,164.22	(1,558.72)
Miscellaneous Expenses	100.00	0.00	441.49	300.00	141.49
NAR Travel	653.28	0.00	13,921.76	23,599.00	(9,677.24)
NCAR Convention Expense	225.00	0.00	475.00	500.00	(25.00)
NCAR Travel	1,484.07	0.00	8,051.17	27,611.90	(19,560.73)
Office Supplies	0.00	0.00	652.57	5,200.00	(4,547.43)
Pins & Plaques	77.50	0.00	900.56	2,700.00	(1,799.44)
Postage & Shipping	0.00	0.00	2,100.00	2,100.00	0.00
REALTORS Helping REALTORS	0.00	0.00	750.00	750.00	0.00
Strategic Planning	0.00	0.00	1,856.41	2,000.00	(143.59)
Taxes-FICA **	2,435.38	1,336.46	12,028.14	12,028.14	0.00
Taxes-Employment Security-NC**	546.41	114.58	828.51	1,031.22	(202.71)
Taxes-Property	0.00	0.00	0.00	11,808.00	(11,808.00)
Taxes - FUTA **	0.00	32.67	392.04	294.03	98.01
Technical Services **	4,204.94	1,401.65	12,614.82	12,614.83	(0.01)
Telephone Expense **	1,311.00	437.00	3,933.00	3,933.00	0.00
Travel & Educ.-EVP	251.54	0.00	1,160.36	7,000.00	(5,839.64)
Staff Development & Travel	374.61	0.00	4,119.80	11,754.00	(7,634.20)
Utilities **	703.61	833.33	6,862.89	7,499.97	(637.08)
Wages Expense **	53,158.03	17,719.35	159,474.09	159,474.09	0.00
Total Expenses	94,988.64	30,759.41	396,913.63	601,864.72	(204,951.09)
Net Income	(81,682.51)	(11,478.47)	230,657.60	20,812.77	209,844.83

September 15 – October 11, 2008 Board of Directors (BOD)

DESIGNATED REALTORS®

Kristen Dunn, Carolina Residential Realty
Shannon Friedrichs, Dunes Properties Inc
Danielle Houfek, Exit Homeplace Realty
Anna Marie Konetes, Anna Marie Konetes Properties Inc
Pamela Knowles, Property Plus Carolina
Dale Myrick, Nemesis Investments, LLC
Nathan Page, Coastal Waterway Realty
Elanor Rimassa, Elanor C. Rimassa

ALLIED MEMBERS

Suzanne Harper, BB&T Mortgage

NEW REALTOR® MEMBERS

Heidi Alleman, Nemesis Investments, LLC
John Avera, Pointe South Realty, LLC
Elaine Bowen, The Carter Realty Group
Preston Burris, Cape Fear Sotheby's International Realty
Jeffrey Harris, Cape Fear Real Estate Solutions
Mark Henderson, Coldwell Banker Sea Coast
Sherri Ingle, Intracoastal Realty Corp.
Myra Parry, Prudential Burroughs & Chapin Realty
Ian Rosenbaum, Coldwell Banker Sea Coast Realty
Anthony Slater, Coldwell Banker Sea Coast Realty
Billy Smith, Exit Homeplace Realty
Steve Smith, Intracoastal Realty Corp.
Logan Sullivan, Intracoastal Realty Corp.
James T. Waddill IV, Waddill Real Estate
Deborah Walker, Keller Williams Realty
Stacy Walsh, Acreage Brokers INC.

RESIGNATIONS

Pierce Barden, Coldwell Banker Sea Coast Realty
William Bell, Prudential Burroughs & Chapin
Henry Brasser, Henry J. Brasser, Jr. Inc
Michael Kurtis Bullard, Coldwell Banker Sea Coast Realty
Tamara Cairns, Intracoastal Realty Corp.
Rose Clark, Century 21 Sweyer & Associates
Margaret Collins, Intracoastal Realty Corp.
Amber Cox, Live Oak Real Estate
Christopher Cunningham, Coldwell Banker Sea Coast Realty & Neighborhood Properties
Stephen Dalton, Network Real Estate
Linda Dennis, Re/Max Coastal Properties
Terry Espy, Momentum Group, Interior Options LLC
Kenneth Fitzgerald, Cornerstone Properties
Samuel Gardner, Coldwell Banker Sea Coast Realty

Staci Gardner, Century 21 Sweyer & Associates
Dawn Glover, Intracoastal Realty Corp.
Sommer Grant, Realty World Cape Fear
Jeremy Hardison, Wilkinson & Associates
Paul Jones, Wilmington Commercial Real Estate
Sondra Judd, Atlantic Shores Real Estate
Patricia Lake, Wilkinson & Associates
Edward Lewis, Showcase Communities Realty
Tommy Lovett Jr, Century 21 Pro Realty
Tara Lynch, Surfside Brokerage LLC
Clay McCall, Laney Real Estate Co.
John Mcleod, Intracoastal Realty Corp.
Art Minchew, Tregembo & Associates
Hilary Nixon, Intracoastal Realty Corp.
Richard Pittman, Coldwell Banker Sea Coast Realty
Martie Rice, Intracoastal Realty Corp.
Chris Robert, Envirian of Wilmington
Michelle Roberts, to Exit Homeplace Realty
Deborah Faye Rose, Keller Williams Realty
Bobby Rudder, Perfection Real Estate
Patricia Satira-Jones, Prudential CRES Commercial Real Estate
Ryan Schumacher, Blue Marlin Properties LLC
Maria Sharpe, Century 21 Brock & Associates
Louise Shrum, Exit Homeplace Realty
Gethyn Soderman, Exit Homeplace Realty
Peter Soderman, Exit Homeplace Realty
Michelle Stellaccio, Intracoastal Realty Corp.
Wanda Underwood, Coldwell Banker Sea Coast Realty
Hanh M. Van, Cornerstone Properties
Palmer Watkins, Borden SouthStar Properties, LLC
Robert Wilkerson, Prudential Burroughs & Chapin Realty
Johnathan Williams, Spyglass Realty Group
Stephen Williams, Coldwell Banker Sea Coast Realty
Linda Williamson, The Premier Group
Beverley Woods, Keller Williams
Ziad Yusuf, Century 21 Brock & Associates

NEW OFFICE

Anna Marie Konetes Properties Inc
Coastal Waterway Realty
Elanor C. Rimassa
Dunes Properties Inc
Nemesis Investments, LLC
Property Plus Carolina

TRANSFERS

NOTE: Network Leland Office Closed, All agents transferred to Network South College Office

Dennis Barrow, Coldwell Banker Sea Coast Realty
Kenison Billings to Pointe South Realty, LLC
Eric Boneske, Cape Fear Real Estate Solutions
John Bright, to Keller Williams Realty
Jo Anne Britt, to Pointe South Realty
June Brown, Network Real Estate
Charles Dunn, Carolina Residential Realty
Basil Todd Garrett, to Pointe South Realty, LLC
Rosemary Glinski, Exit Homeplace Realty
Doc Hamm, Wilkinson & Associates
Al Hardison, to Network Real Estate
Sheila Hill to Hanover Realty
Jamie Hughes, to Century 21 Sweyer & Associates
Kevin Lavalley, to Laney Real Estate Co.
Joan Lopez to Live Oak Real Estate
Patricia Lyerly, Andeim Real Estate Company
Jessica Marsh, Intracoastal Realty Corp. – New Homes
Jack McCaig, to Keller Williams Realty
Trudy McCarter, to Network Real Estate
Theresa Mortley to Fusion Real Estate
Nancy Nipper to Coldwell Banker Sea Coast Realty
Lori Preble, Laney Real Estate
Bryon Robinson to Coldwell Banker Sea Coast Realty
Meredith Rouse, to Intracoastal Realty – New Homes
Eyvonne Willetts, Coldwell Banker Sea Coast Realty

REINSTATEMENTS

Rasa Cunningham, Network Real Estate
David Motte Jr, Intracoastal Realty - Rentals
Robert Parga, Active Real Estate, LLC
Norman Teachey, Ken Teachey Realty

TERMINATIONS

Jenifer Tucker

CEO Report: NCAR Convention

The NC Association of REALTORS® meeting was held in Charlotte from Sunday, October 5-Wednesday, October 8. I attended the following meetings:

1. **Association Executives:** Discussed dues assessment issues including the number who had not paid; budgeting on percentage drop in members; including whether the dues assessment had been paid when members transfer between associations; recommended Susan Pike and Toni Parker to NCAR Leadership as a vice chair for 2009.
2. **RPAC:** Heard information from NAR RPAC Trustee Guy McCook; listened to report that RPAC is short of its goal by 29% (\$204,533); requested contacting those who had contributed less this year than last year: NOTE: Asked Mary Catherine Green for a copy of the list for Wilmington but have not yet received it.
3. **Regional Caucus:** George Laney, Region 2 RVP spoke about “what” was happening in regard to appointment of PAG.
4. **Membership Meeting:** Les Brown and election results announced: **Mary Edna Williams**, Raleigh, elected as 2010 President.
5. **Opening Reception:** Charlotte went all out with this convention. The food and the entertainment was the best in recent memory.
6. **Monday morning:** Worked;
 - a. Attended afternoon session: Technology Trends and Association Practices – an excellent presentation discussing where Gen X&Y were heading; new websites that are in use and which ones are becoming passé.
 - b. Board of Directors’ meeting:
 - i. Approved Bylaw and Policy change to remove people who miss Executive Committee and Board of Directors’ meetings.
 - ii. Changed Policy Manual on Issues Mobilization Committee and Fund
 - c. Approved Myrtle Beach as the 2010 Convention location (will immediately follow South Carolina reducing vendor expenses)
 - d. Approved 2008 Budget Revisions: new PAG and other expenses: This was revenue neutral as money was allocated from other line items.
 - e. Approved 2009 Capital Budget: Note: \$50,000 this year and another \$50,000 next year for computers and software!
 - f. Approved Audit: Note: Audit showed deficiencies among them “Both lines of credit (\$2,000,000 [NCAR building] and \$450,000 [RealFast] are subject to certain restrictive covenants. Both NCAR and RealFast, Inc., were not in compliance with these covenants at December 31, 2007.”
 - g. Announced that Polk and Tyrell counties had a land transfer referendum on the ballot. The money spent for Issues Mobilization has waved NC homeowners over \$55 million in taxes.
 - h. NCREEF: Attendance is down at CRS and GRI.
 - i. Elections: Patrice Willetts was elected as RPAC Trustee for Region 2 (three year term); Bill Baugh and Jerry Panz elected to the NCAR Service Corporation (three year term).
7. Enjoyed an evening reception at the not quite finished Wachovia Epicenter (soon to be the Wells Fargo Epicenter???)
8. **Wednesday:**

- a. Met with leadership and staff of the largest associations to discuss Wendell Bullard's letter dated September 12, which provided most of the information requested. A consensus was reached to send information directly to the PAG. The NCDS Agreement was also executed at the meeting.
- b. Equal Opportunity and Cultural Diversity Forum: April McDavid was a featured speaker and did a wonderful job!
- c. Susan Lacy drove me home taking us on the scenic route through rural NC. We stopped at produce stands. Learned how to grill okra (yummy! Wash, place in plastic bag with a little olive oil and kosher salt. Let marinate, then grill.) **We worked!** She drove, we talked, I typed and got caught up on all of the issues.

NOTE: RCA meetings were cancelled except for education day. Nate did not attend. Requested refund but have not yet heard.

Background Paper on Electronic Voting

THE ISSUE

How can we most effectively address voting for officers and directors?

WHAT DO WE KNOW ABOUT OUR MEMBERS NEEDS, WANTS, PREFERENCES THAT IS RELEVANT TO THIS DECISION?

The Staff Knows...	Board Members Know...
No survey conducted for empirical data	

WHAT DO WE KNOW ABOUT THE CURRENT REALTIES AND EVOLVING DYNAMICS OF OUR ENVIRONMENT THAT IS RELEVANT TO THIS DECISION?

The Staff Knows...	Board Members Know...
Fact about this election cycle: 2,098 eligible to vote 696 online voters (33.17% -excellent) 6 people voted in-person (.0029%)	

WHAT DO WE KNOW ABOUT THE “CAPACITY” AND “STRATEGIC POSITION” OF OUR ORGANIZATION THAT IS RELEVANT TO THIS DECISION?

The Staff Knows...	Board Members Know...
<p>You can continue to do both. However to accommodate the paper ballots takes approximately 2.25 hours (1 hour just at the Annual meeting. The RCA commitment in time is similar).</p> <p>Must produce a list of voters, non voters, voters who attempted to vote but did not complete steps and merge them. Must produce paper ballots (cut paper in half to save money) and check people as they arrive.</p> <p>Would require a Bylaw change by a majority of the REALTOR® members voting. Article XI, 4(b)</p> <p>Voting for selection of nominees shall be by <u>online voting</u> secret ballot east in person at the annual meeting. The ballot shall contain the names of all candidates and the offices for which they are nominated. The election of officers and directors shall be by plurality vote. of the REALTORS® present, however, on line voting shall be permitted for elections of officers and directors. On-line voting shall close just prior to the Annual Meeting. In case of a tie vote, the issue shall be determined by lot. The president shall inform</p>	

the membership of the results of the balloting.	
ARE THERE ETHICAL CONSIDERATIONS TO CONSIDER?	
The Staff Knows...	Board Members Know...
None	

Changes to the Existing Policy Manual

Conflict of Interests and Confidentiality

Employees shall not engage in any activity that conflicts with their employment by the corporations. Prior to taking another job, employees must discuss the employment with the CEO. Employees who accept jobs that would negatively impact the image of the corporations may face termination. Corporation business is strictly confidential and shall not be discussed except as necessary to further corporate business.

Employees must disclose their interest in any entity in which the corporations are doing or are considering doing business. The disclosure must be made timely. Timely means that when the employee learns of the possibility of doing business or when not known, as soon as they do or reasonably should have known. This policy is focused upon material financial interest of, or benefit to such person.

The disclosure must be made to the CEO or, if the CEO, to the President. For each such disclosure, the CEO or President, as applicable, will determine whether to:

- (a) **take no action;**
- (b) **assure full disclosure to the Board of Directors;**
- (c) **ask the person to recuse themselves from participation in related discussions or decisions within the corporation; or**
- (d) **ask the person to resign from his or her position in the corporation or, if the person refuses to resign, become subject to possible removal in accordance with the corporation's removal procedures.**

The CEO or President will monitor proposed or ongoing transactions for conflicts of interest and disclose them to the to the Board of Directors in order to deal with potential or actual conflicts, whether discovered before or after the transaction has occurred.

LEADERSHIP VOLUNTEER POLICIES **CONFLICT OF INTEREST**

INTRODUCTION

Service as a **leader volunteer** for the corporations gives rise to certain legal obligations to the corporations. One of your obligations is the fiduciary duty owed to the corporations. It requires the exercise of reasonable care in performing functions including exhibiting honesty and good

faith and encompasses the responsibilities of both care and loyalty. The duty of loyalty requires the **corporations' leader volunteer** to avoid conflicts of interest and be looking out for the corporations' best interests, not your own, nor your company's best interests.

A conflict of interest may exist when one participates in the decision-making process on an issue for the corporations while concurrently having other business, professional or personal interests that could tend one toward bias or predisposition on the issue. The fiduciary duty of a **leader volunteer** also requires a **leader volunteer** to avoid the appropriation of programs and activities, particularly business prospects that properly belong to the corporations. The **corporations' leader volunteer** must also maintain the confidentiality of corporations' information. These obligations run from the **corporations' leader volunteer** to the corporations as a whole.

Even where the **corporations' leader volunteer** might be appointed or elected because of membership on the Executive Roundtable or the RCA-SENC, **the obligations of the corporations' leader volunteer is to the corporations as an organization, not to the corporations' leader volunteer's constituency**. The following policies apply to all **leader volunteers**, including but not limited to officers, directors, committees, task forces, advisory groups, councils, divisions and members of all corporations' decision-making bodies.

CONFLICT OF INTEREST POLICY

According to Black's Law Dictionary a conflict of interest is defined as, "A term used in connection with public officials and fiduciaries and their relationship to matters of private interest or gain to them."

This policy is focused upon material financial interest of, or benefit to any volunteer. Any **leader volunteer** will be considered to have a conflict of interest whenever that **leader volunteer**:

1. is a principal, partner, officer, director, member, manager or has a greater than one percent owner of a business ("the Business") providing products or services to or competing with the corporations;
2. is a principal, partner, officer, director, member, manager or has a greater than one percent owner of the Business being considered as a provider of products or services to or competing with the corporations; or
3. holds any unique position and/or substantial interest in the Business, financial, managerial, or otherwise, such as a familial, personal, employer-employee, contractor-contractee, shareholder or governance relationship with the business.

Anyone who has a conflict of interest or who is concerned that another **leader volunteer** may have a conflict of interest must immediately disclose that interest at the outset of any discussions by a decision-making body pertaining to the corporations or any of its products or services or professional standards matters or potential referrals to the Grievance Committee. This list is not all inclusive and **leaders volunteers** should err on the side of disclosing rather than remaining silent.

A leader shall be excused from such discussions unless otherwise requested by the Board of Directors and shall respond to any questions asked of them. Furthermore, no **leader volunteer**

with a conflict of interest may vote on any matter in which the **leader volunteer** has a conflict of interest, including votes to block or alter the actions of the decision-making body in order to benefit the business in which they have any interest. Minutes of appropriate meetings shall reflect that such disclosure was made, and that the **leader volunteer** recused him/herself from the discussion of the pros and cons and vote on the matter.

FINANCIAL/OWNERSHIP DISCLOSURE POLICY

If the corporation's **leader volunteer** has personal knowledge that the corporation is considering doing business with an entity in which the **corporation's leader volunteer** has any financial or ownership interest, then such **corporation's leader volunteer** must disclose the existence of his or her financial or ownership interest.

If the **corporation's leader volunteer** has a financial or ownership interest in an entity that the **corporation's leader volunteer** knows is offering competing products and services as those offered by the corporation, then such **corporation's leader volunteer** must disclose the existence of his or her financial or ownership interest.

leader Volunteers with a financial or ownership interest must disclose their interest at the outset of any discussion by a decision-making body pertaining to the corporation or any of its products or services. The **leader volunteer** shall be recused from such discussion unless otherwise requested by the Board of Directors and shall respond to any questions asked of them. Furthermore, no **leader volunteer** with a financial or ownership interest may vote on any matter in which the corporation's **leader volunteer** has a financial or ownership interest, including votes to block or alter the actions of the decision-making body in order to benefit the corporation in which they have an interest. Minutes of appropriate meetings shall reflect that such disclosure was made, and that the leader recused himself or herself from the discussion of the pros and cons and vote on the matter.

CORPORATE OPPORTUNITIES POLICY

Any **leader volunteer** who learns of a business opening, investment, project, or program through his or her service to the corporation may not pursue that opportunity outside of the corporation without first offering it to the corporation. Only if the corporation decides not to proceed (i.e., abandons the corporate opportunity) may he or she proceed independently of the corporation. **NOTE:** No **leader volunteer** is prohibited from engaging in conduct in the same general line of commerce as the corporation, but he or she must conduct his or her own activities in good faith and without injury to the corporations. For example¹, assume that part of your service on a committee entails development of an educational course to be delivered to the corporation's members. It would be a violation of this Policy to take the work of the committee and use it to create an educational course for your personal financial gain.

CONFIDENTIAL INFORMATION POLICY

¹ Any examples given within these various policies are for illustrative purposes only and are not exclusive in nature.

All **leader volunteers** must

- (a) maintain in confidence and not disclose or cause to be disclosed to anyone, other than the corporation, any information designated as confidential at the corporations' sole discretion; prior to or during deliberation by the corporations. All information in Board of Director and committee and other groups' packets is deemed confidential;
- (b) keep all materials physical and digital containing confidential information in a safe and secure place to protect against inadvertent disclosure; and
- (c) preserve confidential information indefinitely, even after expiration of the **leader volunteer's** service.

Upon expiration of the **leader volunteer's** service, the **leader volunteer** must promptly **destroy or** return to the corporations' staff, upon request, any materials containing confidential information sent to or acquired by the **leader volunteer** relating to the **leader volunteer's** work for the corporations.

SERVICE STATEMENT

Any person serving the corporations in an elected or appointed position must sign a service statement (attached) in a form designated by the corporations prior to serving.

RECRUITING/CERTIFYING COMMITTEE

No member appointed to the Recruiting/Certifying Committee may run for an elective office; however, if during the course of the interviews a committee member decides to run, they must resign immediately but no later than the last meeting where a final vote is taken by the committee placing the ballot before the members. Further, a member is disqualified from serving when related by blood, marriage, or is a companion to an applicant (See BofD Minutes 7-20-06).

SERVICE STATEMENT

Dear Volunteer:

As a volunteer member of the Board of Directors, REALTORS® Commercial Alliance of Southeastern North Carolina (RCASENC), council, committee, task force, advisory group or other similar body for the Wilmington Regional Association of REALTORS® (WRAR), or the Multiple Listing Service of the Wilmington Regional Association of REALTORS® (MLS) assisting in WRAR's mission *"To support and enhance the individual and corporate careers of our members."* you also may be exposed to certain confidential information related to WRAR and/or MLS. Therefore, it is important that you agree to the following (examples, where indicated, are illustrative and not exclusive):

1. You will maintain in confidence and not disclose or cause to be disclosed to anyone, other than WRAR and/or MLS, any information designated prior to or during deliberation as confidential by WRAR and/or MLS in WRAR and/or MLS's sole discretion. You will keep any materials containing confidential information in a safe and secure place to protect against inadvertent disclosure. You will preserve confidential information indefinitely, even after expiration of your service. Upon expiration of your service, you will promptly return to WRAR and/or MLS's staff, upon request, any materials containing confidential information that you have been sent or acquired relating to your work for WRAR and/or MLS. **You should assume that all communications are confidential and if you have any concerns about making a disclosure ask staff or the President for clarification.**
2. Any material developed by any group on which you serve will be the property of WRAR and/or MLS, and you hereby assign to WRAR and/or MLS all right in and to any such material, including copyrights and other proprietary interests. For example, assume that part of your service on a committee entails development of an educational course to be delivered to the Association members. It would be a violation of this Policy to take the work of the committee and use it to create an educational course for yourself or others.

Please sign the enclosed copy of this letter and send it back to the undersigned in the envelope provided to confirm your acceptance of these conditions. Thank you very much for your cooperation and your continuing work and devotion to WRAR and/or MLS.

Sincerely,

President

Signature evidencing
agreement:

Print Your Name:

Date:

Fax To: **762-9860**

Compliance Officer * Audit Committee * Whistleblower Policy

The Wilmington Regional Association of REALTORS®, the Multiple Listing Service of the Wilmington Regional Association of REALTORS® and the REALTORS® Commercial Alliance of Southeastern North Carolina (“*Organizations*”) require directors, officers, members and employees (“*All*”) to observe high standards of business, personal ethics in the conduct of their duties and responsibilities and adherence to the spirit of the *Code of Ethics* of the National Association of REALTORS®. *All* must practice honesty and integrity in fulfilling responsibilities. *All* must comply with all applicable laws, regulations, Bylaws and the policies adopted by the Board (“*Governing Documents*”).

Reporting Responsibility

All must comply with the *Governing Documents* and must report violations or suspected violations in accordance with the procedures below.

No Retaliation

No one who, in good faith, reports a violation of *Governing Documents* shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment.

A member who retaliates against someone who reports a violation, in good faith, is subject to discipline and fines as determined by a hearing panel of the Professional Standards Committee and as ratified by the Board of Directors including suspension of membership for a term not more than six months nor less than one month. The *Organizations* encourage anyone to raise serious concerns within the *Organizations* prior to seeking resolution outside the *Organizations*.

Encouragement of Reporting Violations

The *Organizations* encourage employees to share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, the employee’s supervisor is in the best position to address an area of concern. Your concern is important and will be investigated. However, if you are not comfortable speaking with your supervisor or if you are not satisfied with your supervisor’s response, you are encouraged to speak with another supervisor (CEO, COO, CTO, GAD, etc.) or the Compliance Officer, the one with whom you are most comfortable in approaching. Supervisors are required to report suspected violations to the CEO unless the CEO is the subject of the issue, in which case report to the Compliance Officer.

The *Organization* encourages members to share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, to the CEO unless the CEO is the subject of the issue, in which case, address the issue with the Compliance Officer. Your concern is important and will be investigated.

Compliance Officer

The *Organizations’* Compliance Officer will be anyone who is not on the Board of Directors. The WRAR President must appoint the Compliance Officer annually only after seeking the

advice and consent of the Board of Directors. S/he is responsible for investigating and resolving all reported complaints and allegations. At the Compliance Officer's sole discretion, s/he may advise the CEO, but must when it is a monetary issue, contact the CPA and the Audit Committee. If the issue is a legal one, the Compliance Officer must notify the Association's legal counsel. The Compliance Officer is authorized to contact and to incur expenses up to \$1,000 as necessary with the CPA and/or Association's legal counsel. All additional funding must be approved by a majority vote of the Board of Directors.

Audit Committee

The WRAR President must appoint the Audit Committee annually only after seeking the advice and consent of the Board of Directors. The Organization's Compliance Officer shall be the chair of the Audit Committee. The Audit Committee will meet at least annually with the CPA.

The Audit Committee must address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Compliance Officer shall immediately notify the Audit Committee of any such complaint and work with the committee until the matter is resolved. The resolution shall be reported to the Board of Directors.

Acting in Good Faith

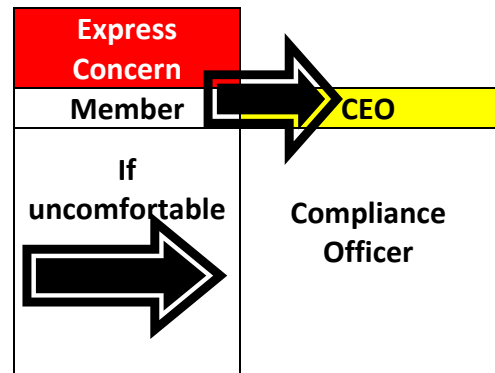
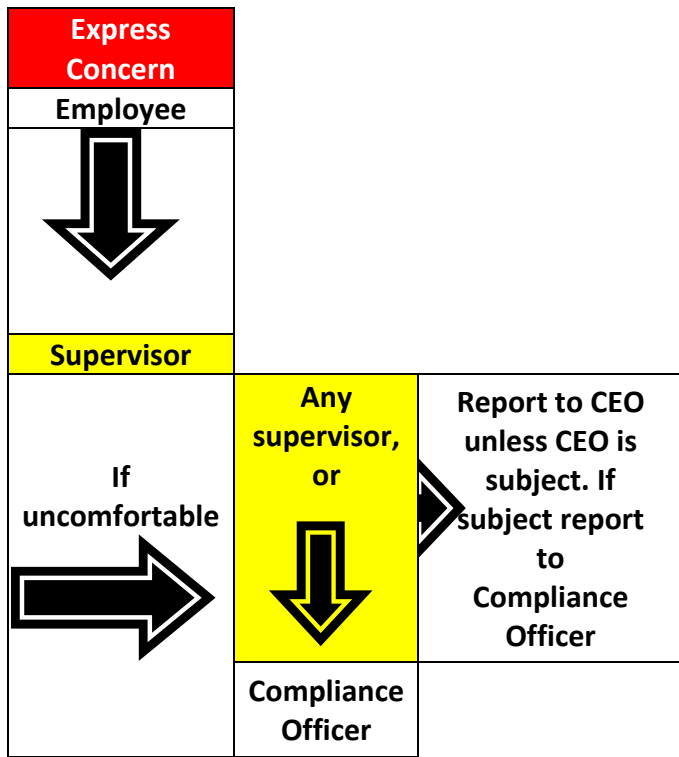
Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegation that proves not to be substantiated and if proven to have been made maliciously, or knowingly to be false, will be viewed as a serious disciplinary offense.

Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the whistleblower. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation. Insofar as possible, the confidentiality of the whistleblower will be maintained. However, the identity may have to be disclosed to conduct a thorough investigation, to comply with the law or to provide the accused individuals their legal rights of defense. The *Organizations* will not retaliate against anyone who refuses to participate in an activity that would result in a violation of state or federal law. This includes, but is not limited to, protection from retaliation in the form of an adverse employment action such as termination, compensation decreases, or poor work assignments and threats of physical harm. Any employee who believes he/she is being retaliated against must contact the CEO or, if the CEO is the person who is allegedly retaliating, to the Compliance Officer. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated, or disclosures that would constitute a violation of the attorney-client privilege.

Handling of Reported Violations

The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.



Background Paper on Dues Billing

THE ISSUE

What should our role be in helping members with their annual dues payments?

WHAT DO WE KNOW ABOUT OUR MEMBERS NEEDS, WANTS, PREFERENCES THAT IS RELEVANT TO THIS DECISION?

The Staff Knows...	Board Members Know...
<p>Staff periodically receives requests for alternative ways to pay their dues. The dues for WRAR, NCAR and NAR, including assessments, are billed on October 1 of every year and payable by December 31.</p> <p>NCAR and NAR will <u>not</u> accept monthly dues payments. Their dues must be paid in full.</p> <ol style="list-style-type: none"> 1. NAR dues are set during the May Midyear Meeting. 2. NCAR dues are set during the Annual Meeting which is held in either September or October. This year 	

WHAT DO WE KNOW ABOUT THE CURRENT REALTIES AND EVOLVING DYNAMICS OF OUR ENVIRONMENT THAT IS RELEVANT TO THIS DECISION?

The Staff Knows...	Board Members Know...
<p>Staff created a survey in Broker Briefing and the following, while not statistically valid due to the small response (69 members), does provide a snapshot of these members' opinions.</p> <p>Question: I would prefer monthly billing for local dues - Billing would occur on first day of the month; payment due by last day. NAR dues billed June 1. NCAR dues billed October 1.</p> <p>First Choice: 23.19% Second Choice: 36.23% Total: 59.42%</p>	

WHAT DO WE KNOW ABOUT THE "CAPACITY" AND "STRATEGIC POSITION" OF OUR ORGANIZATION THAT IS RELEVANT TO THIS DECISION?

The Staff Knows...	Board Members Know...
<p>The accounting system creates invoices based upon the member's bill-type code. The staff inserts the amount of the charge in the table for bill-type code and every member with that code is billed. It takes less than one minute to add charges to the bill-type code table.</p>	

ARE THERE ETHICAL CONSIDERATIONS TO CONSIDER?

The Staff Knows...	Board Members Know...
None	

Recommendation: New members would be required to pay monthly effective January 1, 2009. Current members **may opt-in** by paying a pro rata amount for the preceding months. WRAR dues would be billed monthly; NAR dues would be billed June 1; NCAR dues would be billed October 1.

Example: A current member wishes to opt-in effective June 1. The member would be charged WRAR dues for January –May. On June 1, the member would receive 1/12 of the estimated WRAR dues and the “normal” NAR dues bill, too.

This matter requires a change to Bylaws, Article, X, Section 3 and 4 as follows:

Section 3. Dues Payable

- a) Dues for all Members **who join prior to December 31, 2008** shall be payable annually in advance on the first day of November. Dues for new members shall be computed from the date of application and granting of provisional membership and shall be prorated for the remainder of the year except as applicable to those whose membership is terminated under Section 3(b) below. If dues are not received in the Association office before January 1, the non-paying member is automatically terminated from membership effective December 31.
- b) **Dues for Members who join on or after January 1, 2009, shall be computed from the date of application and granting of provisional membership and shall be prorated for the remainder of the year except as applicable to those whose membership is terminated under Section 3(b) below. Dues for the following year shall be prorated and collected for the months between January and date of the granting of provisional members. Thereafter, dues shall be prorated monthly. Members who joined prior to December 31, 2008, may opt-in to this billing arrangement.**

Section 4. Nonpayment of Financial Obligations If **dues invoiced under section 3 (b) above**, charges, fees, fines, or other assessments including amounts owed to the Association, the Association’s Multiple Listing Service or any other of its divisions or subsidiaries are not paid within one (1) month after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. Forty-five (45) days after the due date, the membership of the nonpaying Member may be terminated at the discretion of the Board of Directors. Sixty (60) days after the due date, membership of the nonpaying Member shall automatically terminate unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a Member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former Member who has had his membership terminated for nonpayment of charges, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of the MLS and/or RCA-SENC/MLS Rules and Regulations may reinstate by paying a reinstatement fee and making payment in full of all accounts due as of the date of termination if application is made within sixty (60) days of termination; after sixty (60) days all other who apply for reinstatement must do so in a manner prescribed for new applicants for membership, after making payment in full of all

accounts due as of the date of termination. ~~Note: For nonpayment of dues, see Section 3(b) above.~~

The 2009 NCAR Strategic Plan fulfills the request from our membership for more transparency within our association. We are going to step back and examine our internal operations, which include subsidiaries, community-based initiatives, political efforts, regulatory entities, and for-profit endeavors. Our goal is to provide research, information and evaluations that will shape our future.

To that end, a Presidential Advisory Group (PAG) has been formed to accomplish these tasks. NCAR past presidents Cindy Chandler and Vic Knight have agreed to co-chair the group. In addition, the following have been asked and agreed to participate as members: Lou Baldwin, Mike Barr, Bill Bass, Eddie Brown, Dede Carney, Bob de Camara, Lynn Harris, Tom Heffner, Tommy Lawing, John Newman, Stephanie Walker, Kent Wood and Mark Zimmerman. The PAG will engage an independent facilitator to assist in the process.

Your input regarding how best to educate our membership as to the role of NCAR, its policies, bylaws, authority, leadership, accountability and reporting systems is greatly appreciated. Members of the PAG represent a cross-section of NCAR's statewide membership, and we ask that you share your thoughts with these individuals. A charge to the PAG is attached for your reference.

Lastly, we ask for your support and patience while the PAG begins this in-depth examination. The target dates of reporting recommendations to the Executive Committee and Board of Directors are in the March-April 2009 timeframe.

Sincerely,

Wendell Bullard, President
Sandra O'Connor, President Elect

PRESIDENTIAL ADVISORY GROUP: NCAR STRUCTURE

NCAR has grown in membership, size, budget and structure. It is now necessary to benchmark our status and plan for future growth. Therefore, a complete internal review of our existing structure, reporting mechanisms and responsibilities need to be analyzed so that we are able to make effective changes and plan responsibly for our future.

The charge of this PAG is:

- Review current reporting structures within NCAR to understand and suggest what financial oversight is necessary for effective operation and responsible stewardship.
- Define responsibilities, reach and fiduciary responsibility of the Budget and Finance Committee, especially regarding any entities, subsidiaries or non-subsidiaries that have a relationship with NCAR.

- Examine current structure of NCAR among and/or between all entities, subsidiaries and non-subsidiaries. Determine if their status as subsidiary or non-subsidiary is accurately identified. Determine if there are appropriate reporting mechanisms in place. Recommend modifications where necessary. Examine and define financial authority of subsidiaries to themselves and subsidiaries and nonsubsidiaries to each other and to NCAR. Define the chain of command when a subsidiary or non-subsidiary obligates NCAR to actions of the subsidiary or non-subsidiary.
 - Where, when, how and to whom do subsidiaries or nonsubsidiaries report?
 - What is the makeup of the subsidiaries, BOD, mix of volunteers, Leadership Team and staff, length of term served and required rotation?
 - Does any one subsidiary BOD vary significantly from the others so that it is distinct and sufficiently independent in character?
 - Cite what relationships non-subsidiaries have that directly impact NCAR.
 - Is each subsidiary under the most effective and appropriate umbrella: Service Corp. or Management Corp.?
4. How should for-profit subsidiaries pass revenue efficiently and appropriately back to NCAR? Are there any nonsubsidiaries that pass revenue to NCAR, and if so, is it efficient and appropriate? Is this the most effective means? How are they held accountable?
 5. Recommend a means for ongoing financial support of any charitable arms/foundations of NCAR and define ways to structure their accountability.
 6. Review internal structure to ensure that appropriate policies and by-laws are in place to promote effective operation of NCAR and its subsidiaries. Recommend and suggest, as necessary, changes in policy or bylaws. Make recommendations for how information should flow, authority for reporting, confidentiality requirements, suggested conflict of interest policies, etc. Include or exclude any groups not described but related to NCAR and judged to be worthy of consideration by the PAG.
 7. Review make up and structure of administrative types of committees (Administration, Investment, Policy, etc.) to ensure that their structure, authority and reporting mechanisms are effective for the Association's success.

PAG members will be appointed by President Bullard and President-Elect O'Connor. Current leadership, active members of subsidiaries and staff may be invited by the PAG to participate on a limited basis. All PAG members and any participants invited by the PAG understand and agree to sign an NCAR Confidentiality Agreement in advance of participation on this NCAR Presidential Advisory Committee. PAG will begin work no later than September 2008 and

submit final report no later than March-April 2009. It may be necessary to engage the use of independent facilitator or other third parties in the process. (August 28, 2008)

August 14, 2008
Minutes of the Board of Directors
REALTORS® Commercial Alliance of Southeastern North Carolina
WRAR Conference Room
Wilmington, NC

Attending: Cliff Ray Bryan Greene Thomas Wolfe Amy Spicuzza
 Robert Graves Dennis Musser Jeremy Phillips

Absent: Grayson Powell Alpha Ward Burns Susan Lacy

Staff: Nathan Graham Jerry Panz

President Bryan Greene called the meeting to order at 12:45p.m. All members of the Board of Directors received notice of the meeting.

By consent the following were approved:

1. Approval of the minutes from the June 24, 2008 meeting.
2. Approval of the addition to MLS Rule 6.1. (*see below*)
3. Notice of MLS Committee Structure approve via email. *07/22/08*
4. Notice of board approval to waive Augusts' MLS fee. *07/31/08*
5. Notice of board approval to increase the membership meeting budget for the next meeting. *08/05/08*

Gov. Affairs Update:

1. The new Governmental Affairs Director, Kathleen Riely, introduced herself to the board members.

RCASENC Reports:

1. Tom Wolfe provided a positive financial report to the board, adding that he and staff were going to research new investment opportunities.
2. Bryan Greene provided a report on the principal's advisory meeting on June 15, 2008.
3. Nathan Graham provided a report on the MLS meeting on August 12, 2008.
4. Nathan Graham provided an update on the Rock the Dock RCASENC social on August 28.

With discussion the following were approved:

1. Asking Brian Eckel to serve as the RCASENC legislative representative for NCAR.
2. Having staff contact Duke Kuehn and others, for proposals on the cost for them to advise the board on what is the best organizational structure for the RCASENC.
3. Not adding a section in the Weekly Updates for members to list marketing events for their properties.
4. Appointing Robert Graves to serve as the RCASENC representative at the Cape Fear Public Utilities Authority ordinance review meeting. The board has also asked for staff to see if Teresa Huffmon could attend as a RCASENC representative as well.
5. Bronze level sponsorship of \$500 for the Stewardship Development Awards Program.

6. Appointing to the RCASENC / WRAR joint legislative committee, the current Past President and one board member to be appointed by the current President. The remaining chairs will be determined by Bryan Greene, Robert Graves and Dennis Musser.

The Board discussed:

1. Having a strategic planning session for the 2009 year. Staff has been asked to research strategic planning consultants for the next board of directors meeting.

President Bryan Greene called the meeting to an end at 2:17

Service Charges

Section 6.1 Service Fees and Charges: The following service charges for operation of the RCASENC//MLS are in effect to defray the costs of the Service and are subject to change from time to time in the manner prescribed.

i) The costs for security devices (tokens) shall be:

(a) Actual cost plus 20% to cover the cost of sales tax and shipping (Example: token – (\$25 + tax) x 120%=33.30 - \$33)

(b) A charge of actual cost plus \$15 for a lost token. When the lost token is returned Staff shall credit the member's account in an amount equal to the invoice of the actual cost of the token.

(c) Nothing if the token is assigned to a licensed or unlicensed clerical staff working for the firm.

September 23, 2008

Minutes of the Board of Directors
REALTORS® Commercial Alliance of Southeastern North Carolina
UNCW Executive Center

Attending: Susan Lacy Bryan Greene Thomas Wolfe Alpha Ward-Burns
 Robert Graves Dennis Musser Jeremy Phillips

Absent: Cliff Ray Amy Spicuzza Grayson Powell

Staff: Nathan Graham

President Elect Dennis Musser called the meeting to order at 11:50p.m. All members of the Board of Directors received notice of the meeting.

Quorum was not established at the beginning of the meeting; however the members in attendance recommend the approval of the following:

1. Approval of the minutes from the August 14, 2008 meeting.
2. Notice of sponsorship approval for WDI event of \$1,000 09/04/08
3. Notice of annual sponsorship for UNCW Economic Conference to be held on Oct. 07.

Gov. Affairs Update:

1. A discussion was held about the Cape Fear Public Utility Authorities ordinances.

RCASENC Reports:

1. Tom Wolfe provided a positive financial report to the board.
2. Nathan Graham provided a report on the MLS Committee progress.
 - a. Continue training at offices
 - b. Continue investigating future CIE/MLS options.

Quorum was reached and the following were approved:

1. Hiring Duke Koehn to lead our strategic planning session.
2. Paying for Dennis, Bryan and Nate to attend the RCA Networking Breakfast.
3. Purchasing up to 16 additional tickets to the Wilmington Downtown Event for BOD members and a guest.
4. Following the RCASENC policy in regards to Dan Kibler's request to be excused for missing the RCASENC Orientation.

The meeting was called to an end at 12:40.

