

CAR PROPOSED DUES INCREASE



Background information on the proposed CAR dues increase

In June the CAR Board of Directors will consider and vote on a proposed dues increase of the 2009 membership dues in the amount of \$20.00 annually. The current membership dues are \$110.00 and if approved, the new dues amount would be \$130.00 annually. This is the first proposed dues increase since 2004.

This proposal is a result of considerable effort on behalf of the CAR Finance Committee and the Executive Committee which determined that these additional funds are needed to ensure the future of CAR and to allow the association to continue to expand the value and benefit to the membership.

What programs, products and services is CAR currently providing to the members?

Currently CAR is providing a high level of services of valuable member benefits that enhance their ability to succeed in today's real estate market. The association remains flexible and ready to change to address the ever changing needs of our members.

- As the largest trade association in the state, CAR has positioned itself as a strong voice in the legislative/regulatory arena and represents the interests of the home buying and selling consumer as well as your rights as a REALTOR®.
- Professional development opportunities through our educational efforts which provide timely programs that keep the member on the cutting edge of the industry as well as state required educational needs.
- A state of the art website which offers the member the ability to obtain all vital information they may need, register for programs and events and basically access any and all resources of the association.
- Professional Standards efforts involving the Code of Ethics, Mediation and Arbitration services which remain the cornerstone of the REALTOR® organization.
- Our Public Awareness Program which is now in its 3rd year which provides positive and supportive advertising designed toward reinforcing the value of using a REALTOR®. In addition, this campaign is flexible to the market as displayed in our current program which states now is a good time to buy real estate.
- CAR continues to move towards becoming the preeminent "Voice for Real Estate in Colorado".
- The Legal Hotline and Technology Hotline which offer the members with the ability to receive legal guidance relating to many areas of the real estate transaction and highly skilled guidance on any and all technology related questions.
- The annual CAR Convention in October of each year provides a professional and exciting event for all. Nationally recognized speakers, networking opportunities and the largest real estate trade show in the state make this event the real estate event of the year.
- Dedicated volunteer leadership and administrative staff that is committed to ensure a strong value proposition to the members.

What will CAR do with the additional revenue if the dues increase is approved?

As in many businesses and associations additional funding is required to maintain current efforts and expand in to new and innovative areas. Question 6 in the Q and A section of this information piece addresses new service areas that are being considered. The additional funding will allow for future growth and expansion which will benefit the member.

Frequently asked questions . . .

1. What is the rationale behind the CAR proposed dues increase of \$20.00 per year beginning in 2009 (bringing the total to \$130.00 annually)? As many businesses and associations are seeing, the cost to operate an organization continues to increase. Operational costs such as building expenses, equipment costs and employee expenses continue to rise. The costs to continue the current level of programs and services continue to increase as well. In addition, the increased revenue will allow the association to pursue new and exciting strategies for future innovative programs and services for the membership.

2. When was the last dues increase and how much was it? CAR last increased the membership dues in 2004 (5 years ago) in the amount of \$10.00. The increase addressed many of the same needs as stated above.

3. The proposed dues increase comes at a time that some consider difficult, why now? Though we recognize that the market is less active than years past, CAR is committed to providing the members with excellent services and programs that will assist them in their quest to succeed in the real estate industry. The association will likely follow a pattern where a dues increase will be considered every 4 to 5 years. Now is the time to expand the benefits to the members. We are confident that through our continued efforts our members will be provided with valuable member benefits that will help them succeed in today's challenging market.

4. How does CAR compare to other state associations of similar size in the areas of budget, cost of dues, staff size, etc? Our research has found that our association operates very efficiently and our budget and administrative costs are less than most other state associations. Our dues, even with a \$20.00 increase will still be lower than 83% of the other state associations.

5. Do the current programs and services provided to the members address the member's needs? CAR is committed to providing superior programs and services that make a difference in the member's professional lives. Your leadership representatives, committee oversight structure and the CAR staff go to great lengths to investigate new and innovative ideas that will benefit the members. In addition, we are continually asking the members what they need and want from their state association. This is the role of the state association, the national association and the local associations.

6. What type of additional services can the members expect if the dues increase is approved? The additional funding will allow CAR to maintain the existing programs, products and services that we currently provide to the membership and local associations. In addition, it will allow us to pursue new and exciting opportunities for the future such as a full scale research and statistics program, increased efforts to assist the local associations in their public awareness efforts, implementation of programs currently addressed by the governmental affairs PAG report such as expanded assistance to the local associations in their PSF fundraising efforts, expansion of the local association Shared Governmental Affairs Programs to areas that are currently not able to provide this program, further enhancements to the CAR website as well as numerous new and innovative opportunities that are on the drawing table.

7. Why is CAR renovating the current headquarters in Englewood? Could that be delayed? Real estate professionals are the first to understand the need to maintain the Association's most valuable asset, our building. While the mortgage has been paid off for a few years the building is due for some vital maintenance and renovation to ensure that the value does not deteriorate. Your association leadership has been prudent in creating a designated building fund for this project and none of the potential new dues would be used for this project.

8. Why should I support this proposal? The proposed increase will provide for a revenue increase of approximately 10% to the annual CAR budget or approximately \$500,000. The last increase was five years ago meaning this increase represents about \$4.00 per year per member. We have heard some say "you need to cut costs"; however, we believe that maintaining the current level of services is critical and expanding in to new service areas is vital to the future of the association and the success of our members.

9. Who can I contact if I have other questions or would like further information? We encourage you to contact any member of the CAR Leadership Team or staff by calling the CAR offices at 303.790.7099 or you may email any of the following:

- **Robert Golden, CAR CEO – rgolden@coloradorealtors.com**
- **Scott Matthias, CAR Treasurer – smatthias@prestigerealtygroup.com**
- **Greg Zadel, President – greg@zadelrealty.com**
- **Amy Dorsey, President Elect – adorsey@slifer.net**