

AABOR/SCAR Consolidation Questions from our Memberships

What are the Akron Area Board and Stark County Association of REALTORS® considering?

A consolidation. Throughout our discussions, we mistakenly have used the term “merger.” Legally, and by design, we actually are proposing a consolidation. A consolidation results in equal authority in governance and operations of a new association.

What will this new association be like?

That is the exciting part! Leadership of both organizations wants to build this REALTOR® association to reflect the wants and needs of its membership. If you were charged with creating this new association - what would it look like? A workgroup comprised of members from both leadership teams will be developing the products and services based upon feedback from the membership.

If approved, what will the new association be named?

That still is to be determined. A “Name that Association” contest will allow members to submit their ideas! NAR Guidelines for use of the term REALTOR®, along with other naming restrictions, will be published. Watch for details!

Will our dues increase?

It is not possible to predict what the dues amount will be until the products, services, location and staffing of the new association have been determined. The Akron Area Board of REALTORS® has been subsidizing membership dues using its reserves for a few years as a member benefit so a dues increase for AABOR is inevitable at some point - even without a consolidation.

The Consolidation Workgroups will be conducting town hall meetings and surveys to determine what types of services members want and need, then a finance committee will put together a budget.

Doesn't a consolidation of two organizations into one imply a dues DECREASE?

Not right away - and perhaps not at all. While there will be some duplication of expenses that eventually would be eliminated (one location versus two, etc.), to merge successfully, our transition needs to be seamless for the members. That means no interruption in current services, while also planning and implementing the new organization. Once we have fully integrated into one organization, then all variables including products, services, number of members, inflation, etc. will determine the fair, appropriate dues for the new association.

Why haven't we heard about this before now?

SCAR ANSWER: Information regarding the consolidation was included in the membership survey, at the General Membership Meeting on May 1, at the Smart Member Forum on May 27 and in the September newsletter. Members of the Board of Directors have been discussing it in their respective offices and/or in the committee meetings they attend. In addition, it was discussed extensively in the Nominating, Past Presidents and Strategic Planning Committees.

AKRON ANSWER: Information has been included in President's Pen columns in April and September, 2009, at our Annual Membership Meeting on July 11, at our Past President's luncheon on July 29. In

addition, it has been shared at office sales meetings presented by our CEO and has been discussed at several Boards of Directors meeting since September 2008. Membership has been urged to contact Officers and Directors with questions and concerns.

Will our membership(s) get to vote on this consolidation?

In order to comply with Ohio Law and the National Association of REALTORS®, a consolidation agreement must be approved by our respective Boards of Directors followed by a vote of the general membership at a special meeting called for that purpose. The bylaws of both AABOR and SCAR identify primary and secondary REALTOR® members as those authorized to vote at general membership meetings.

Where would the new association be located?

Eventually the new association would most likely be located near the Stark/Summit county line, off I-77 for easy access. The Board of Directors of the new association would make that decision based on sound financial planning.

Will our current leadership and staff of both associations be involved in the new association?

All duly elected officers of AABOR and SCAR will all serve on the transitional leadership team until their terms expire. New directors and officers then will be elected for the new association based upon the bylaws approved by the general membership. Staffing already is lean and mean at both associations. Between offering members the products and services they need to be successful AND coordinating a successful transition into one new association, there will be plenty of work for all. Staffing is regularly monitored and evaluated by the CEO to make certain the right job is being performed well by the right person.

Is there a financial crisis that is driving this consolidation?

No. Both associations are fiscally sound. Both have been operating lean and mean budgets and staff. AABOR recently sold its building and has strong reserves. SCAR has a strong asset in their building.

How was the date for consolidation selected?

July 1, 2010, was the most logical date to select as a target. That provides the time needed to fully develop a business plan, consolidation agreement, gather feedback from members, develop the products and services, etc. Plus there are NAR deadlines we must adhere to as well as legal notification requirements. July 1 was selected because it gives enough lead time to properly prepare for the next year's dues billing. Also, summer months typically are slower in terms of association business.

Why consolidate? Why Now?

Declining membership is driving Boards of REALTORS® across the nation to look at better ways to continue serving our members. The best opportunity for making such an event a success is to consider it as a sound business strategy before the need arises. We're proven business partners. We have jointly owned and operated a subsidiary company called CAS “CRIS Administrative Services” for 13 years. CAS provides the staffing that runs the CRIS MLS.