

2016 BOARD OF DIRECTORS

PRESIDENT
 Cindy Harvey, CRS, CRB, ABR, ePro

PRESIDENT ELECT
 Lyn Dwyer, GRI

VICE PRESIDENT
 Ben Schroeder

DIRECTOR AT LARGE
 Lorrie Nantt, ABR, SFR

PAST PRESIDENT
 Greg Larson, GRI

NATIONAL DIRECTORS
 Daryl Braham, CRB, GRI
 Dewey Uhlir, ABR, CRS, GRI

REGIONAL VICE PRESIDENT
 James Cormier

LOCAL BOARD REPS
Badlands:
 Shirley Dukart, CRS, GRI
 Ninetta Wandler, ABR, CRS, GRI

Bismarck-Mandan:
 Amy Hullet
 Kristin Oban, GRI, SFR
 Judy Maslowski
 Tricia Schlosser, CRB, GRI

Fargo-Moorhead:
 Kevin Fisher, CRS, GRI
 Peggy Isakson, ABR, CRS
 Shawn Ostlie, GRI
 Jodi Tollefson, GRI
 LuAnn White
 Christine Feickert, GRI

Grand Forks:
 David Blumkin, ABR, CRS, GRI
 Lynda Hartmann, GRI

Jamestown:
 Kristy Sagaser

Minot:
 Sue Heth
 Brad Livesay

Williston:
 Jill Kjorstad, GRI, SFR

STAFF:
 Jill Beck, *Chief Executive Officer*
jill@ndrealtors.com
 Jane Marum, *Admin/Membership Services Director*
jane@ndrealtors.com
 Robyn O'Gorman, *Admin Assistant*
robyn@ndrealtors.com

Nancy Willis, *Gov't Affairs Director*
nancy@ndrealtors.com



2016 Board Directors Meeting Thursday, September 15, 2016 2:15 p.m.

Holiday Inn, Fargo ND

Present: Brad Livesay, Jill Kjorstad, Amy Hullet, Peggy Isakson, Sue Heth, Lynda Hartmann, Kevin Fisher, Dave Blumkin, Shirley Dukart, Christine Feickert, Cindy Harvey, Lyn Dwyer, Ben Schroeder, Lorrie Nantt, Greg Larson, Daryl Braham, Dewey Uhlir, Judy Maslowski, Shawn Ostlie, Mary Shelkey-Miller (for Tricia Schlosser), Kristy Sagaser, Kristin Oban, Jodi Tollefson and Ninetta Wandler. (Jill Kjorstad and Jill Beck kept their phones.)

Absent with prior notice: Tricia Schlosser, LuAnn White

Guests: Chris Polychron, NAR Immediate Past President; Jim Cormier, NAR Region 8 RVP; John Colter, Marti Kaiser, Nancy Deichert, Barb Lupo, Casey Chapman. Al Jaeger, Brenda Martinson, Vicki Roller, Mary Splichal, Ron Volk, Arlene Volk, Amber Kraft, Amy Pederson, Jen Cook, Shari Anhorn, Brenda Schafer, Arnie Kosobod, Shane Cullen, Emily Johnson, Tamie Dunn, Diann Loper, Todd Anhorn, Roger Cymbaluk, Scott Breidenbach, Rita Schuster, David Lanpher, Kathy Hammer, Terri Benson-Holmstrom, Heidi Hilzendeger, Phyllis Rittenbach, Scott Louser, Jamie McLean, Vicky Matson, Jeff Botnen, Diane Duchscher, Sharon Lunski, Patsy Chapman, Clyde Thorne, Steve Lunde, Mitzi Bestall, Deborah Nichols, Cornelius Kooren, Cheryl Croonquist, Phil Vanyo, Karin Haskell and Larry Louser.

Staff: Jane Marum, Nancy Willis, Jill Beck

1. Cindy Harvey called the meeting to order.
2. Harvey welcomed all. In lieu of introductions, Harvey asked all from each Board to stand and be recognized: Badlands, Bismarck, Fargo, Grand Forks, Jamestown, Minot and Williston.
3. Al Jaeger gave the invocation.
4. Larry Louser led meeting attendees in the Pledge of Allegiance and the REALTOR® Pledge.
5. A motion and a second were made to approve the Consent Agenda which included the following. The motion passed. **M/S/C:**
 - a. Minutes from the June 9, 2016 meeting
 - b. Local Board Reports
 - c. REC Update
 - d. Calendar of Upcoming Events
 - e. NDAR Market Statistics
 - f. Life Member Applications – Bernard Pellenwessel-Minot; Edward Schnaible-Minot and Dean Nelson-Grand Forks
 - g. 2016 RPAC Fundraising Update

Chris Polychron, 2015 NAR President and Jim Cormier, NAR Region 8 RVP were invited to speak. (Moved to Board Meeting agenda from General Membership Meeting Agenda). Polychron thanked attendees for their RPAC investments and their dedication to the real estate industry. He said 37% of REALTORS® do not own homes and 32% are not invested in any property. Polychron shared incoming NAR President Steve Brown's goals for 2017 which are: improving the percentage of those owning homes; protecting the current status of home ownership by preserving the Mortgage Interest Deduction and the deduction for property taxes; preserving federal guarantee financing through GSE and initiating a course entitled, "Real Estate Investment-Building Wealth" to ensure REALTORS® are prepared for retirement by investing in their future.

Cormier thanked attendees for meeting NAR goals on a consistent basis in regards to Calls For Action; using the REALTOR® Party Mobile app and RPAC goals. He reminded everyone to attend the NAR National Convention in Orlando and presented the outgoing president gift, a Tiffany crystal vase, from Tom Solomone, 2016 NAR President, to NDAR outgoing president, Cindy Harvey.

6. Casey Chapman, NDAR Legal Counsel, gave the legal update. Chapman said everyone needs to think back to the 1980s when everyone represented the seller. He said calls to the Legal Hotline this year have been primarily about Agency and enforcement. Chapman said for the most part Brokers are demonstrating a good understanding of agency, so he encouraged them to take that knowledge and move it down to agents – especially young agents. Chapman suggested continuing to hold agency classes because of their importance. He also commented that he perceives a change in how the REC is handling rule violations, e.g. a more enhanced attitude of enforcement. In the REC newsletter, it is evident that the REC is sending out fewer warnings before disciplinary action is taken. Brokers need to make sure agents understand rules and regulations to avoid disciplinary action.
7. Harvey gave the President's Report. She thanked FMAAR for a wonderful convention and asked FMAAR staff and volunteers to stand to be appreciated. She also recognized Shari Anhorn for being awarded the NAR 30 under 30 Award.
8. Jill Beck thanked everyone for making Polychron feel welcomed and encouraged everyone to attend the Housing Finance town hall meetings where the results of the housing survey in the form of a Housing Report will be presented. Beck also gave the financial report:

On the dues side, dues' income is at 7% over budget for end of the year, which means membership is growing. NDAR now has 1762 members. One year is left on the Williston management agreement, which represents 75% of their management fees' budget. Education income is at only 5% of budget, but will be updated once registration fees from this year's caravan are transferred from the education account and upcoming October education is completed. Miscellaneous income is at 258% over budget, which is actually only \$315 and appears to be a large discrepancy, but it really represents income derived from NDAR's portion of Taxbot subscriptions. On the expense side, 5001-Committee Budget, is at 95.9% of budget. This represents the \$5,000 authorized for NDAR to be at the Golden "R" investor level. 5100-Leadership Travel, is low because of expenses that need to be turned in and because national convention expenses are still to come. Keep in mind that 16 members will be partly subsidized. 5201-State Convention is at 0 but expenses will be shown once this convention is over. So at this point in time the budget shows NDAR at 22% in the good, but as reported, other expenses are still to come. On the Balance Sheet, Line Item 1100-Money Market savings account, is at

\$400,000. This line item includes the Legal Defense, Vehicle Replacement, Equipment Replacement and Technology Replacement Funds. Our goal has been to have one year in reserves and we are about \$100,000 short of that. Total assets are at \$950,000 if the building is included.

9. Beck then reviewed the 2017 Budget. For income, membership is projected to increase by 25. Currently NDAR has 45 life members that don't pay state dues. The number of business partners and non-members are projected to slightly decrease partially as a result of Wahpeton joining the Fargo Board. Management fees are projected to increase slightly due to CRS fees increasing by 5%. The budget also shows a projected increase in income by \$5,000 for the Professional Development Committee as more classes are contemplated to be offered next year. Other income was decreased since next year's convention is in South Dakota. Overall income increased by almost \$9,500 from 2017. For expenses, 5000-Committee Expenses and 5100-Leadership Travel reflect slight increases. 5400-General and Admin Expenses show a projected increase of close to \$4,400 to reflect the loss of income from the rental unit due to the approved building remodel and the additional E-Commerce expenses for adding the ability for three boards to renew dues online. 5500-Payroll was adjusted to include salary adjustments, as well as possible increases due to the new IRS Overtime Rule set to take effect in December. 5600- Technology shows a decrease of \$900 for set aside. Overall expenses increased by \$9,104. The final proposed 2017 Budget shows income of \$446,600 and Expenses of \$445,454.

Harvey asked for acceptance of the Financial Report and approval of the 2017 proposed Budget. A motion and second were made to that effect. The motion was approved **M/S/C**

10. Lyn Dwyer, President-Elect, invited 2017 Board of Directors, Committee Chairs and Local Board Association Executives to the 2017 Leadership Retreat. The strategic planning session will be on Wednesday and Thursday October 5-6 in Fargo. Jodee Bock, will be the facilitator. Beck told those invited that an e-mail with details had gone out, including hotel room block information.
11. Cindy Harvey asked for approval to make a donation of \$5,000 to the Realtor Relief Fund to assist those dealing with flooding issues in the south. A motion and second to that effect were made. The motion was approved. **M/S/C**
12. There being no further business the meeting was adjourned.

Respectfully submitted,

Nancy R. Willis, GAD