



North Dakota Association of REALTORS®

To advocate for the success of our members in partnership with our local Associations and the National Association of REALTORS®

Minutes

Board of Directors Meeting

June 14, 2018 9:00 AM

Buchli/Dahl Room, Hilton Garden Inn
Grand Forks, ND

Present: Ben Schroeder, President; Amy Hullet, President-Elect; Jill Kjorstad, Vice President; Jamie McLean, Director-At-Large; Lyn Dwyer, Past President; Daryl Braham, NAR Director; Dewey Uhler, Region 8 VP; Nicole Schoeder; Mary Shelkey Miller; Desri Neether; Lore Schneider; Judy Maslowski; Tricia Schlosser; Shawn Ostlie; Jodi Tollefson; Vicky Matson; LuAnn White; Christine Feickert; Emily Johnson; Amber Carlton; Ruth Ann Halvorson; Lynda Hartmann; Austin Bauer; Shari Anhorn; Lisa Olson; Mitzi Bestall.

Absent with Prior Notice: Vicki Roller, NAR Director; Ryan Mullikin; Jodi Danzl

Staff: Jill Beck, Nancy R. Willis

1. **Call to Order** - Ben Schroeder called the meeting to order at 9:00 a.m.
2. **Welcome and Introductions** were made.
3. **Invocation, Pledge of Allegiance and REALTOR® Pledge** - Austin Bauer, President, Jamestown Board of REALTORS®, gave the invocation and led the Pledge of Allegiance and REALTOR® Pledge.
4. **Consent Agenda** containing the following was approved. **M/S/C**
 - a. Minutes from the March 15, 2018 meeting
 - b. Local Board Reports
 - c. NDREC Update
 - d. Legal Counsel Update from Casey Chapman, NDAR Legal Counsel
 - e. 2018 RPAC Board Investments to date
 - f. Calendar of upcoming events
 - g. Life Member Applications – Robert Erickson, Linda Jalbert, Bruce Walker
5. **President's Report** - Schroeder has traveled to Jamestown and Bismarck-Mandan and will be traveling again to Bismarck next week for their Leadership Lunch. He will be going to Badlands and then Williston and will be a speaker at Fargo's Awards Banquet and induction ceremony. He's working on travel to Grand Forks for one of their member luncheons. He attended the NAR Legislative Meetings in May and went to the board meeting where a dues increase was approved. Charlie Oppler was elected 2019 first vice president by a five vote margin over Sherry Meadows. He also had the opportunity of attending a White House meeting which was very interesting. Speakers explained that the Trump administration has a policy that for every regulation proposed, two current regulations must be removed, but so far they've removed 25 regulations for each regulation approved. They also said that 93% of Americans need help to do their taxes and they want to change that. Schroeder said the executive committee has started to meet prior to the quarterly meetings with AEs and Board Presidents to get a sense of what's happening statewide. The group encouraged the Board to explore statewide forms, so leadership will keep everyone updated on this effort. The Bismarck-Mandan market is going strong with a two-month absorption rate. Williston is in dire need of home builders and construction workers. Usually new construction takes 120 days, expect 6-9 months there. Oil is now at \$70-78 a barrel and the average home price is \$258,000. Absorption in Fargo-Moorhead is good but the surrounding

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rural areas are hurting. The average home price is \$234,000. In Minot the average home price is \$223,000 and like Fargo, outlying areas are struggling. Plus with left over problems from flooding there is a lack of inventory. Grand Forks has more inventory than last year and more buyers looking for houses under \$200,000. REALTORS® are seeing a lot of price reductions and 75 days on market. Houses priced from \$140 to \$180,000 are going more quickly, while those at \$210,000 and over are staying on the market. Jamestown is seeing a problem with comps for appraisals for higher end houses. The average home price in Bismarck-Mandan is \$278 to \$299,000 and entry level homes are hard to find.

6. **Staff Report** - Jill Beck said the Executive Committee will be on a call with the Bank of North Dakota and other bankers about housing status. NDAR is looking for a Program from BND and other banks which would provide loans for fixing up homes that won't meet FHA or VA requirements so buyers can get the house sold. **Financials** – Beck said dues income is over budget because it was based on 1600 members renewing and 125 throughout year but had 1700 renewals. We have not had the 2017 review from the accountants because they were bought out and have been busy interpreting the new tax bill. We will have a report in the future. Some adjusting entries need to be made so the bottom line is correct just not in the correct accounts. We have just over \$1 million in assets. Since the RVP is from ND we are responsible for the books this year and the state to state accounting is carried forward so we got Iowa's books. A change was made to Region 8 Bylaws by regional leadership to make one state responsible for bookkeeping with a maximum balance of \$7,000. NDAR was asked to be the first to work under this bylaws change. A reminder for convention that NDAR has reserved sleeping rooms for Board of Directors but you have to call and guarantee the reservation with your own credit card. Thank you to the Grand Forks Area Association of REALTORS® for the Chippers. In 2019 NDAR will be celebrating its 75th Anniversary. Amy Hullet will lead a PAG that will explore how to celebrate the milestone. We have not had any leadership training in ND for three to four years, so we are bringing the NAR 200-300 Leadership Series to Bismarck. Roger Turcotte from Connecticut will be the presenter.

Schroeder thanked Beck for her report and announced that Nancy Willis, GAD, has given notice of her retirement. Schroeder thanked Willis for her work on behalf of the Association and wished her well. Willis was presented with a bouquet of flowers and given a standing ovation by board members. Schroeder invited everyone to stay for cupcakes after the meeting. Willis thanked everyone and said it has been a pleasure to work for NDAR and she will miss everyone.

7. **Region 8 Update** – Dewey Uhler, RVP, said he is pleased that the new NAR CEO, Bob Goldberg, has a policy of transparency and this is obvious from the changes that are occurring at NAR. He said we are very fortunate to have a member from our region, John Smaby, becoming the 2019 NAR President. He thanked Beck for her assistance in planning for and carrying out the regional retreat, regional caucus and regional luncheon. He said he is humbled to have been elected RVP and much work still needs to be done. He said NAR did a terrific job in the budget construction process. Again, he mentioned the transparency with which everything was communicated, especially in relation to the dues increase. He said future NAR officers have expressed a desire to continue the "Own It" theme that was established this year for continuity. He thanked everyone for their support.

8. **NDAR Committee Reports**

- a. **Nominating Committee** – Lyn Dwyer, chair, said the Nominating Committee had met and they were recommending the following slate of officers to go forward: Amy Hullet for President; Jill Kjorstad for President-Elect, Jamie McLean and Mary Shelkey-Miller for Vice President. A motion was made to accept the slate of officers. **M/S/C**
Policy Update Recommendation: A motion was made to remove the language under criteria "Free from license law violations indicative of moral turpitude" **M/S/C**

Policy addition Recommendation: A motion was made to add “Any member of the Executive Committee cannot publicly endorse or campaign for a candidate running for NDAR elected office. **M/S/C**

- b. Technology Committee** – Dave Lanpher, chair, said the text messaging service was approved but legally we need to ensure that members opt in in order to use. The committee will be getting help from staff to figure out how to get consent from members. The committee received an update on traffic to the website and discussed how to drive traffic to the website. That task force will be meeting again and task force chair, Nick Leavy, will be looking for ways to share information about the website at orientations. A technology survey to members will go out in July to determine what members would like to see for technology education in 2019. Amber Carlton’s video platform task force was dissolved as no organization-wide platform was found to be used as non-dues income.
- c. Government Affairs Committee** – Dave Lanpher, vice-chair, said the committee reviewed First Time Home Buyer Savings Accounts sample legislation. The committee found that the legislation could use some revisions, mainly they would like to see a greater incentive for others besides the beneficiary to contribute into the beneficiaries’ account. Staff will pursue changes. The Teams Task Force provided an update on current status of recommendations they are proposing should be made to rules. The task force will meet one more time to discuss appointed vs dual agency. The committee received a federal update from our NAR liaison and there will be a Call For Action starting next week on reauthorization of the National Flood Insurance Program.
- d. Executive Committee** – Beck reported that NDAR has had issues with their current bank and so they contacted five banks in Bismarck for bids and have narrowed it down to two options. Beck said they wanted a local bank because of the issues they have had with the current bank. Schroeder asked for a motion to authorize the Executive committee to move forward in selecting a bank and moving accounts after some clarification on a few items from both banks. In response to a question, Beck said the two banks are First International and BlackRidge Bank. In response to a question about the items to be clarified Beck said those would be interest rates and whether what was proposed was open to negotiation and automatic payroll which we currently have and pay for. One was willing to waive the fee and the other was not. A motion was made and approved for the Executive committee to move forward. **M/S/C**
- e. Member Involvement** – Shane Cullen, Chair, said the NDAR REALTOR® Reference Guide is finished and was sent to the committee members for review. He said initial feedback is that with the exception of a few changes it looks splendid. He asked for a round of applause for Lorrie Nantt, even though she was not present, for all the work she did on the Guide and also thanked the task force members. The North Dakota Real Estate Commission has approved TrustFunds and Williston and Bismarck are looking into it. ApplyConnect is now on NDAR’s website home page so anyone can use, which should generate more revenue for NDAR. Taxbot now has 20 subscribers and \$1,285 in non-dues income has been generated so far this year. If you choose to adopt, be sure to obtain it via NDAR’s home page to get the discount. Hotel Storm also is on the website and we have heard that members are using it and saving money, but do not have any official user totals available. Cullen said Beck has found that the closer to the date you need it that you make the reservation, the greater the discount may be. Be sure to go through the NDAR website portal for the discount. This year is the 50th Anniversary of the Fair Housing Act and the Governor signed a proclamation making April Fair Housing Month in ND. The Fair Housing logo also was added to the NDAR website and to the newsletter. The video platform task force was dissolved as a universal platform did not make sense. If everyone recalls, after the school shooting in

Florida, staff was asked to contact school officials in ND to see if there was anything NDAR could do. Both Willis and Beck contacted officials and were told that there was no need for assistance at present but thanked NDAR and will contact us if anything comes up in the future. Members heard a presentation the day before by Jim Casper from Asset Management Group, Inc. about self-funded health insurance trusts, which is a way to establish an association health plan. The ability to do so is contingent on the federal rules we are waiting to hear about related to association health plans.

Good Neighbor Task Force – Cullen said the task force changed the name of the form from “entry form” to “nomination form.” They also changed the committee’s members’ designation of “judges” to “selection” committee. “Judges” implies that nominees are being evaluated. The task force also is suggesting sending letters to brokers and increasing the award amount and changing the award presentation from the membership meeting to the ROTY lunch for better recognition. Cullen said the task force also is proposing changing the selection process as follows: After 2018 the Good Neighbor Committee will consist of the five (5) most recent recipients along with the NDAR Membership Chair and Vice Chair serving on this committee. The longest standing recipient of the award shall be the chair. The most current recipient shall present the next award. Schroeder asked for a motion to approve the changes recommended by the committee. **M/S/C**

- f. **RPAC Update** – Willis directed everyone to the 2018 Board Investments handout. To date we have 23 Major Investors (38%). On board, Williston, has met its total investment goal. Three boards, Williston, Jamestown and Bismarck-Mandan, have met the 65% participation goal. Total investments to date are \$93,839 (55%). For Triple Crown we have met NAR’s Fair Share Goal, Major Investor Goal, President’s Circle Goal and Participation Goal. The goal left to be met is our total fundraising goal. For President’s Cup we have met NAR’s RPMA Text Subscriber Goal and REALTOR® Voter Registration requirement. The goals left to be met are our total fundraising goal (\$170,000), to host a Broker Meeting (scheduled for 8/28/18 in Fargo and 8/29/18 in Bismarck) and to have at least a 20% response rate for Calls for Action. Willis said a Call for Action will begin the following week on reauthorization of the NFIP and urged everyone to participate in order to meet the 20% threshold.

9. Other Business

- a. **2018 REALTOR® Convention of the Dakotas – Minot** - Clyde Thorne reported that so far only 200 people are registered. John Smaby will be the speaker for the installation dinner. The Golf Tournament will be at the new country club designed by the same designer as Bully Pulpit in Medora so it should be challenging. Thorne made some suggestions for improvement for planning for future conventions. Daryl Braham asked Thorne to forward those suggestions in writing to staff and Thorne said he would.
- b. **NAR Legislative Meetings** – Beck said reports are in everyone’s packets.
- c. **Statewide Forms Task Force** - Nancy Deichert, chair, said each board had two representatives on the task force. They were asked to come to the first meeting with questions, discussion issues and their board’s feelings about statewide forms. She said some of the concerns were that it is a change; timeliness of making revisions; that each area is unique; fear of including Minnesota language in forms; how different markets handle different issues; how training would be provided; what would the benefit be; the issue of mineral rights in the west and whether or not forms would be required or volunteer. Deichert said that NAR says forms cannot be required. On the pro side change is for the better; there would be less liability on local boards; it would be easier to serve clients; there would be consistency for clients; it would enhance

professionalism; it would allow for networking among boards; it would be a first step toward a statewide MLS; it would create efficiencies in revisions and updates and it would allow for education on contracts. The task force did approve a recommendation to continue to pursue. All wanted to start with the purchase agreement and listing agreement. Schroeder said the executive committee had discussed the task force's recommendation and also believes statewide forms should be pursued. Leadership felt that the way to move forward would be to gather up all forms and give them to an attorney and allow the attorney to take the best of everything and draft a statewide form for all to review. Various board members agreed saying that this would be more efficient than to waste a lot of time on wordsmithing. Schroeder asked for a motion to pursue statewide forms. **M/S/C** Schroeder said staff will move forward to find an attorney willing to take on this project.

- d. **2018 NAR Annual Convention – Boston** – Schroeder encouraged everyone to sign up for the convention in November and asked for a show of hands for those going and those participating in the 5-K and a majority raised their hands. Beck said the executive committee is exploring t-shirt options for NDAR participants.

Schroeder encouraged everyone to sign up for the convention in Minot and said he would see everyone in Minot in September. There being no further business, the meeting was adjourned.

Respectfully submitted,

Nancy R. Willis, GAD