



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 15, 2021

Fort Abraham Lincoln State Park

Mandan, ND

1:00 PM (CT)

Members: Mary Shelkey Miller - President, Shawn Ostlie – President –Elect, Kevin Fisher – Vice President, Lorrie Nantt – Director At Large, Jill Lee – Past President, Len Sarvela – Regional Vice President, Daryl Braham, Vicki Roller, Tammie Braun, Lenae Bookhardt, Joy Nelson, Jamie McLean, Jeff White, Kristin Oban, Heidi Hilzendeger, Nick Olson, Dawn Chadwick, Claire Smith, Gloria Palm Connor, Chris Feickert, Shane Cullen, Amber Carlton, Vicky Matson, Ryan Mullikin, , Russel Crary, Phil Vanyo, Kimberly Efta, Loni Trapp, Tamie Dunn, Amber Kraft, Lisa Olson, JoAnn Callahan

Presiding: Mary Shelkey Miller, President

Staff: Jill Beck, Robyn O’Gorman, Sarah Caldwell

President Mary Shelkey Miller called the meeting to order at 1:05pm and welcomed everyone to NDAR’s first in person meeting post-COVID. Per policy of no electronic devices, Jill Beck, Jamie McLean, and Sarah Caldwell disclosed that they were keeping theirs with them.

Heidi Hilzendeger gave the inspirational message, then led the board in the Pledge of Allegiance and REALTOR® Pledge.

Introductions were then made, with each board member sharing a story about their most memorable sale.

President Mary then called for the Consent Agenda to be approved:

1. Minutes from February 10 & March 2
2. Local Board Reports
3. Calendar of Events
4. NDREC Update
5. Member Stats & Dues Renewal

A motion was made to approve the agenda as such. **M/S/C**

Abigail Martwick from Haga Kommer gave a review of the 2020 year end financial review. She shared that there was a minor error in the original 2019 report resulting from dues being recorded in 2019 rather than 2020. This error was corrected and elaborated on in the report notes. A motion was made to accept the 2020 financial review. **M/S/C**

NDAR CEO Jill Beck reviewed the financial statements for the 2021 fiscal year to date. She specifically pointed out an increase in dues revenue as a result of increased membership, and an increase in building expenses as a result of the recent building purchase. Additionally, she shared that legal expenses are currently overbudget as a result of extensive legal assistance relating to the legislative session.

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President Mary shared that the state association requested the dates of the 2022 Convention of the Dakotas change from Sept. 14-16 to Sept. 12-14. The original hotel location in Dickinson was foreclosed on by the bank, so the location was changed to Bismarck and the only availability possible is at the Radisson in Bismarck on Sept. 12-14. A motion was made to ratify the changes of the convention dates. **M/S/C**

President Mary then shared that the Real Estate Association Partners, LLP Partnership Agreement needed to be ratified by the board. Daryl Braham voiced concern about what would happen in the event that there was a disagreement between the partners. Jill Beck shared that she believes updates were made to the agreement and an old version of the agreement was included in the packet. A motion was made to ratify the Real Estate Association Partners, LLP, as long as there is a stipulation included concerning what would happen in the event that there is a disagreement. **M/S/C**

Daryl Braham gave an update on his run for NAR 1st Vice President. He shared his experiences that led to this point, as well as where the campaign currently sits. Jill Beck emphasized that he cannot accept pledges to contribute or contributions until he is named an Eligible Candidate on August 2nd.

Forms Work Group Chair Amber Carlton gave an update on her work group, beginning by virtually welcoming guests Victor Lund and David Grugger from WAV Group for their scheduled presentation. WAV Group then gave a presentation on their intentions to consolidate local board forms into statewide forms. Their strategy is to take the forms which were submitted and workshop them with a group from local associations designated by NDAR. Once the workshops have consensus on the final versions of the forms, they will be reviewed by an attorney. The proposed timeline for this process is approximately 10 weeks with a fee of \$6000. Victor shared that if additional forms were to be added, those forms would cost \$800 each. The board thanked Victor and David for their time, and WAV Group left the call.

Amber Carlton shared that forms were submitted from every local board except for Grand Forks and Minot. Russel Crary asked if these forms would be mandatory, and Amber shared that it is possible in the future they may be, but presently that is not the intention. Tammie Braun voiced concern that statewide forms would not include area specific aspects, such as mineral rights. Daryl Braham shared that in Florida, which uses statewide forms, they have separate addendums that address those region-specific topics. Amber stressed that local associations who submitted their forms for the purpose of the estimate did not explicitly agree to participate in statewide forms by doing so, and can withdraw their forms if they so choose.

A motion was made to hire WAV Group for consolidation of our forms as initially proposed, giving the executive committee authority to add forms as they see fit, and the cost will be provided for by the state. **M/S/C**

Jamie McLean then gave an update on the Great North MLS as he had to leave early. He shared that each of the local associations who have decided to join the MLS – Jamestown, Williston, and Bismarck-Mandan – have appointed representatives, and staggered terms were finalized. Shareholders have been established, and the group has been working with FBS to consolidate fields. The bylaws have already been completed, and the expected implementation date is February 2022.

President Mary pointed out the Strategic Plan on pages 33-42 of the packet, and asked if there were any questions. Being none, the board moved forward to the next topic.

NDAR Committee Reports and Misc. Reports:

Lobbyist Lisa Feldner gave a government affairs update. She shared that this past legislative session was a busy but successful session, with strong focuses on the Real Estate Commission Bill (HB 1258), the Property Disclosure Bill (SB 2247), and the COVID Liability Bill (HB 1175). Lisa is in the process of making score cards on the voting records for the legislators who received RPAC funding, and shared that there was already evidence of improvement. Once the scorecards are approved by the Government Affairs Committee, Lisa will make them public. She shared that the interim committee begins in July, and will focus on redistricting. Additionally, the legislative ethics policy has changed and you can now make a purchase for legislators up to \$10. Finally, there was significant positive feedback from NDAR's Legislative Event and the legislators voiced a strong appreciation that it was held.

Daryl Braham and Vicki Roller gave the NAR Directors Update. Vicki shared that the NAR summary included in the packet provided clearly spells out any updates. Vicki voiced an appreciation for the virtual BOD meetings, which have cut down on response time and made the BOD more efficient, but shared that there was an almost unanimous vote in favor of moving BOD meetings in person.

President Mary gave an Executive Committee update. She shared that the committee has been very busy with the building purchase, and that NDAR has been having a lot of inquiries nationwide about links/advertisements on its website. The executive committee has discussed creating a PAG in order to create a policy regarding this topic.

Shawn Ostlie shared that the executive committee recommends an addition to the bylaws in order to provide more clarity regarding the business that NDAR conducts electronically. Jill Beck shared that this had been discussed with both Attorney Casey Chapman and Secretary of State Al Jaeger's office. A motion was made: "To the fullest extent permitted by the law, the Association may conduct its business by electronic means." **M/S/C** This motion will go on the ballot as a bylaws change recommendation.

A motion was made to add Sarah Caldwell to all NDAR business banking accounts for signing purposes. **M/S/C**

Jill Lee gave an update on the Nominating Taskforce. The taskforce met on May 28 and set the application deadline to June 21. Applicant interviews will occur on the afternoon of June 23. The Taskforce's findings will be brought before the Board of Directors to ratify the slate of candidates.

Shane Cullen, Co-Chair of the Health Coverage Taskforce, reported that he would like the board to offer a recommendation for next steps. The taskforce has met with multiple insurance providers to determine the best course of action for the group, and has run into challenges in determining next steps. Shane provided the board with a chart that compared the different health coverage options the taskforce has evaluated. Based on this chart, multiple board members voiced interest in pursuing the Georgia REALTORS® option, and Jill Beck shared that Georgia has worked on this option for 5 years. Jill also shared that there is a possibility of doing a joint group with the South Dakota Association. A motion was made to have the Georgia REALTORS® Healthcare Provider put on a presentation for the Board of Directors whenever it can be arranged. **M/S/C**

Chair Chris Feickert gave an update on the Professional Development Work Group. She shared that they met the previous week and discussed Fair Haven and Mandatory Education, but decided to discuss Diversity at its own work group meeting later. The work group decided that Respect, Ethics, and Professionalism was the most relevant topic. A motion was made to recommend to the Real Estate Commission that Respect, Ethics, and Professionalism be the mandatory topic for 2022. **M/S/C**

Chris then shared that the work group is putting forth a challenge for 100% Fair Haven participation from the state and local boards, and that any board member who has not completed Fair Haven by the next

meeting with be charged with bringing treats. She also shared that there will be two gift cards raffled off to those members who complete Fairhaven by the state convention.

Jill Beck shared that the Safety, C2EX, and Member Talent & Benefits Work Groups have not met yet.

The Board then reviewed the proposed Admin. Rule Change in regards to the Advertising Rule. Jeanne Prom, REC Executive Director, was welcomed virtually to speak to these changes. She and the REC wanted the Board's feedback on what wording to use. A motion was made to recommend the REC change the wording in 70-02-03-02.1, section 2, from "must be prominently displayed" to "must be equal to or greater than, in size and visibility, the name of any salesperson, associate broker, team or group on the advertising." **M/S/C**

Added 7/21/22 -- The wording officially submitted to the REC on 7/20/21:

"Advertising must be done in the real estate brokerage agency's trade name as licensed with the commission and the trade name must be ~~prominently displayed~~. ~~"Prominently displayed means the trade name of the brokerage must be equal to or greater than,~~ in size and visibility, the name of any salesperson, associate broker, team or group on the advertising.

The Board then discussed Admin. Rules in regards to Teams. Jill Beck shared that the REC needs NDAR's input on this language by August. There was consensus that the definitions which are currently up-to-date should be sent to the Commission. A motion was made that NDAR forward definitions for Team, Tracking Teams, Broker/Team Relationship, and Advertising/Promotion/Marketing to the REC, with the word "prominently" removed from the definition for Advertising/Promotion/Marketing. **M/S/C**

Added 7/21/22 -- The definitions officially submitted to the REC on 7/20/21:

- **Definition of Team -**

A team consists of two or more persons licensed by the real estate commission who (a) work for the same brokerage under the supervision of the designated broker, (b) work together on real estate transactions to provide real estate brokerage services, (c) represent themselves to the public as being part of a team, and (d) are designated by a team name. (All of the above criteria must be met to be considered a team.)

- **Tracking Teams -**

The designated broker shall maintain a record of all team members under his/her supervision. The records shall note the dates team members are added or dropped from the team to enable the broker or the real estate commission to determine team membership at any point in time and to facilitate making team records available to the real estate commission upon request.

- **Broker/Team Relationship -**

The designated broker is responsible for supervising the team and all of its licensed members. The broker's written policy must address the team relationships in which the associated licensees may engage.

- **Advertising/Promotion/Marketing:**

When advertising, a team must comply with all requirements of N.D.A.C. 70-02-03-02.1. As with individual licensees, the brokerage name is to be displayed in a way that is conspicuous, discernable and easily identifiable to the public. Where a team name is used in advertising, the

name of the brokerage must be displayed per advertising rules. Teams may not advertise in any manner which suggests a team is an independent real estate brokerage firm.

Jill Beck gave a building update. The new building at 1616 Capitol Way has been purchased and electrical and HVAC work is being done. NDAR and BMBOR must be completely moved out of the old building at 318 W Apollo Ave by Tuesday, 6/22. Until the new building is move-in ready, staff will be working from home.

Other Business: President Mary encouraged board members to sign up for the REALTOR® Convention of the Dakotas. She also encouraged board members to follow the website link provided and attend the NAR Annual Convention, which will be live in San Diego this year.

The meeting was adjourned at 4:39 p.m.

Respectfully Submitted,
Sarah Caldwell, NDAR Staff