



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/General Membership Meeting

September 16, 2021

Highlands Ballroom

Clubhouse Hotel

Pierre, SD

1:45 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 1:45pm and welcomed everyone. Per policy of no electronic devices, Jill Beck, Nancy Deichert, and Sarah Caldwell disclosed that they were keeping theirs with them.

President Mary welcomed Len Sarvela, RVP, early to speak and give NAR updates. Len shared that there is an overall positive outlook in the housing market, but warned that mortgages rates are expected to increase. He emphasized that NAR opposes any changes to 1031 like-kind exchanges and is doubling down on explaining the importance to policy makers. He encouraged members to contribute to the RRF’s 20th year anniversary campaign online. Len asked the BOD to educate members on housing discrimination and encouraged them to participate in programs like Fairhaven. Lastly, he shared information on the 3-year PAG on new governance policies and encouraged those present to watch an upcoming webinar that would answer questions.

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

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

1. Minutes from June 15, 2021 meeting (pg. 4-8)
2. Local Board Reports (pg. 9-12)
3. Calendar of Upcoming Events (pg. 13)
4. NDREC Update (pg. 14)
5. Legal Council Update – Casey Chapman (pg. 15)
6. Resolution of Appreciation to the Central SD Board of REALTORS® and SDAR (pg. 16)
7. RPAC Stats to Date - (pg.17)
8. Life Member Applications

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Jill Beck asked that item A be removed from the consent agenda. A motion was made to approve the agenda with item A removed for discussion. **M/S/C**

Jill Beck shared that on the top of page 5 in the previous meetings minutes, the hotel listed for the 2022 Convention of the Dakotas was incorrect and should be the Ramkota Hotel in Bismarck. A motion was made to update the minutes to reflect that the convention is being held at the Ramkota rather than the Radisson. **M/S/C**

Mary Shelkey-Miller gave the President's Report. She shared that membership in North Dakota continues to grow despite the pandemic, and that NDAR donated \$5,000 to the REALTOR® Relief Fund as part of the 20 year anniversary fundraiser. Mary shared that NDAR has a member running for 2023 NAR 1st Vice President, Daryl Braham from the Fargo-Moorhead Association. 2022 will have two mandatory classes for continuing education, Respect, Ethics & Professionalism and Fair Housing. Though the Fairhaven Challenge was complete, the C2EX Challenge continues through October, and Jill Lee interjected that points are awarded even if members simply log-on. Mary shared that the Safety Taskforce has been approved by NAR and the REC to teach real estate safety courses throughout the state, and dates for those have been set at all of the local boards. Finally, she shared that the Membership Talent & Benefits Workgroup has compiled a survey that will go out to members after convention.

Jill Beck then gave a financial report for the 2021 fiscal year. She shared that there is now a separate REAP LLP account, associated with the partnership with BMBOR that was created for the purchase of the new building, which does not appear on the balance sheet. She pointed out that certain areas of the budget compared to actual are abnormal this year due to the move and associated expenses, but that the Executive Committee and NDAR expected this with the move. Additionally, Jill shared that it will be hard to estimate where expenses will be moving forward with the work currently being done on the new building.

Jill Beck continued, pointing out that membership continues to grow and as a result dues are ahead of budget by 11%. In relation to Region 8 meetings – there will now be a joint fund created for the 5 states in Region 8, and North Dakota has been placed in charge of this account. The interest and miscellaneous income account includes C2EX grant money, the closing of the education account, and a local board donation to Daryl Braham's NAR campaign. Staff and leadership travel is down, and will continue to be low with minimal travel going on post pandemic. Building expenses will remain over budget with the building purchase, and the miscellaneous transfer fund includes earnest money from BMBOR for the building purchase.

Jill Beck then gave policy updates, including the Real Estate Commission recommendations that were made in regards to administrative rules. These recommendations were approved and the process can take 6-8 months, with a goal of having these in place by the end of 2022. Jill reiterated that there are 6 hours of required CE topics in 2022. The REC does CE compliance audits in the spring, and approved a new policy that if the licensee has not taken the CE, a complaint will be filed against the licensee and the broker. Jill reminded BOD members that the REC does offer a courtesy audit within the first 6 months to a year of a new company to confirm that the broker is doing what they should be, and there will not be official violations unless there is criminal activity. Jill also reminded BOD members that REC meetings are open to all members, and encouraged everyone to participate in them.

In relation to the REALTOR® Convention of the Dakotas, Jill Beck and Sarah Caldwell looked into old minutes and found the decision to hold a joint convention with South Dakota at a BOD meeting on October 12, 1971. The following year, 1972, was the first joint convention, making 2022 the 50th year that the two states have joined together for convention.

Jill then took time to thank Nancy Deichert for her all her help and time given to working with contractors and managing the move into the new building.

Finally, Jill Beck shared that the Wall Street Journal reached out to NDAR with interest in doing a story on the REALTOR® Relief Fund and flooding in North Dakota. They interviewed ND member Greg Larson and former member Mary Scherling on the flooding and what current efforts are still ongoing.

President Mary then welcome 2022 NAR President Leslie Rouda Smith to give an NAR Update. She opened by sharing that although she has traveled across the country for NAR, she has never been to North Dakota and hopes to attend next year's Convention of the Dakotas in Bismarck. She shared that the latest numbers from 9/15 show national membership at 1,546,138 members, adding 61,589 new members in the last 4 months. She thanked Shannon McGahn, NAR's Chief Lobbyist, for her work on fighting the eviction moratorium. NAR was successful in striking down the eviction moratorium and the US Supreme Court decision on this suit restores property rights to small business mom and pop property owners. In regards to the infrastructure bill, Congress is determining how to fund this bill and this could impact 1031 exchanges. NAR is sending a clear message that real estate and 1031 exchanges are essential to the US economy. One of the most critical policy issues right now is the inventory shortage, and Lawrence Yun has reported that more housing units would open availability for home owners and help the economy. There is a great need for equal rights, permanent flood insurance, greater broadband, and like-kind exchange security, and NAR is working to ensure we have this for full recovery post-pandemic. Leslie shared that NAR is working to clock and quantify member volunteer hours, and asked those present to go online to the REALTORS® Are Good Neighbors website to enter theirs. Leslie shared that NAR is not even considering canceling the national convention in San Diego, the only concern would be state and local restrictions in San Diego. Finally, Leslie spoke on the Governance PAG, which was created to review NAR's governance that has not been reviewed since the 1940s. The report which was created by this PAG is supported by NAR, and she shared that members can read the full report at govpag.realtor. She briefly shared that this would eliminate the delegate body, cap the BOD at 1,000 with new roles to focus on representation diversity, and implement a new state/local director allocation formula. It would also constitute a new executive committee that is smaller and only meets twice a year, establish an enhanced role for RVPs, and establish qualifications and performance expectations for all executive leaders with NAR. Leslie thanked everyone for their time and for their help moving NAR forward.

Jill Beck then came forward to speak on the 2022 NDAR Budget. She shared that the Executive Committee met last month and went through the budget line item by line item. Income: dues income is an always an estimate, and was increased in the budget by 50 members. Business partner dues were also increased, and non-members remains at 5. Management dues for RETA will be \$0 since this program is over as of August 1, 2021. There are no drastic changes to education and other income, and convention income is \$0 since this year's convention is hosted by South Dakota. Expenses: 2022 is not a legislative year, so that expense is lower, and the tech hotline is increasing with membership. Trust funds remains the same amount, although that may change based on upcoming meetings. Leadership travel will remain nearly the same, and Region 8 meetings expenses decreases since they are to be held in Rapid City rather than Duluth. State convention was decreased as it is to be held in Bismarck next year. In general and administrative expenses, building expenses have more than doubled as there are unsure expenses associated with building improvements in the next year. Communications has decreased since NDAR switched from Midco to Bek telephone with the REAP account. Compensation: the Executive Committee has approved the hiring of another staff person. There is currently a part time temporary employee, and with the approval of another full time employee the compensation line has increased. NDAR is currently at a \$14,000 budget deficit. Shawn Ostlie shared that this new building is challenging, and NDAR is working to lease the extra space as soon as possible. Mary Shelkey Miller shared that everyone should keep in mind that NDAR budgets numbers high to offer wiggle room. A motion was made to accept the proposed budget. **M/S/C**

At this time, Jill Beck recognized Brandon Deadloff from ND Housing. He thanked everyone for being there, and asked them to stop by his booth.

Phil Vanyo brought up the fact that the executive committee was not able to travel to any national conventions this past year due to COVID, and asked if it would be possible to allow those who were not able to travel a chance to in the future. Nancy Deichert shared that for the local Bismarck- Mandan Board, they have set aside funds for their local leadership to attend a national meeting in the future because they missed it. Gloria Palm Connor shared that perhaps funds not spent due to a lack of travel could be set aside for this use in the future. Amber Carlton suggested that a work group could be put together to look at these numbers and discuss what a reasonable amount would be. This workgroup would be Shawn Ostlie, Shane Cullen, Gloria Palm Connor, Phil Vanyo, and Chris Feickert.

Being no further business, the Board of Directors meeting adjourned at 3:15pm.

President Mary Shelkey Miller called the General Membership Meeting to order at 3:21pm.

Minutes from the General Membership Meeting on September 17, 2020, were reviewed. A motion was made to accept the minutes. **M/S/C**

Amy Hullet, the Nominating Committee Chair, came to the front of the room for the election of officers. She moved to approve the ballot of the NDAR election of officers, with Kevin Fisher for President Elect, Nick Olson for Vice President, and Shawn Ostlie for President, per bylaws. With no contesting opponents, she moved to make a motion for a unanimous vote. **M/S/C**

A motion was then made to make the bylaws change a verbal vote rather than a secret ballot vote. **M/S/C**

A motion was made to approve the recommended bylaws change as proposed. **M/S/C**

Flash updates were then given by various members.

First, Shawn Ostlie gave an update on the Health Care Program. He shared that it has been a difficult task with healthcare restrictions, but there is currently one possible through Decisely that the Georgia Association uses. The Executive Committee and the Healthcare Task Force met with the company virtually and learned about the program they offer. There is a similar meeting coming up with the whole Board of Directors on October 5 at 10:00am-11:00am. This program is not currently 100% self-funded, there would be a one-time \$5,000 expense to NDAR to set this program up. Georgia REALTORS® worked on this program for many years and Shawn has never been more optimistic, he encouraged all BOD members to attend the upcoming call.

Shawn then continued and gave an update on the 2022 Convention of the Dakotas. He shared that the 2022 Convention will be held in Bismarck, ND, on September 12-14, 2022. He and Jill Beck asked those present to offer any feedback or ideas they had going forward in order to help the committees as they plan for next year's convention.

Kevin Fisher then gave an update on RPAC. He shared that NDAR is currently \$18,000 short of their state goal, but even since the spreadsheet had been updated more money has come in. Jill Beck shared that for next year, members from ND and SD will be required to have invested \$250 to attend the reception. At this time, Kevin recognized everyone who is a major investor for 2021 and asked them to

stand. He then recognized the 8 new members of North Dakota's RPAC Hall of Fame, and had them come to the front of the room for a photo.

Tricia Schlosser then gave an update on the Great North MLS (Regional MLS). She stated that this MLS has been a vision and a project among the local boards for a long time. At this time, there is a name, bylaws, rules and regulations, and the group meets weekly to review different data fields. The MLS' Board of Directors is made up of members from all participating boards, along with help from local AEs and Heather Haadem. They are planning on launching the MLS in February of 2022. They are currently under budget and ahead of schedule, and Tricia shared that the three boards currently involved would be more than happy to welcome other boards to the MLS.

Amber Carlton then gave an update on Statewide Forms. She shared that there is currently a group with representation from all 7 boards working with WAV Group to push through the process of creating these statewide forms. Amber let the BOD members know that there is currently a 10-week schedule to splice and combine the forms, review and give feedback, have Casey Chapman review them as a legal consultant, and finally be reviewed again before publishing. JoAnn Callahan asked if these forms would be required, and Amber shared that the intent is not to make these forms required at this time.

Jamie McLean then gave a Building Update, sharing that this taskforce has been working on finding a new building since 2013. Both boards needed more space, and when the former Lutheran Social Services building became available the taskforce was immediately interested. In February, they received approval from both NDAR and BMBOR to make an offer on the building and beat 6 competing offers. The building was purchased for 1.52 million and closed on April 30, 2021. An LLP, REAP LLP, was formed to purchase and own the building. It is a good building, but work needed to be done including a new HVAC system, which we were aware of before the purchase. Work on the HVAC system is already complete, and lighting has been replaced, sidewalk repairs have been done, walls were painted, landscaping was done, a security system is being put in, and signage is being created. They are currently working on getting the lease space ready. Jamie asked the taskforce members to stand and be recognized, and Jill Beck thanks Jamie, Kristin, and Darren for all their work. The new address is 1616 Capitol Way, Bismarck, ND 58501.

Chris Feickert shared that the Fairhaven Challenge is now over, and it was now time to randomly select two members who would win the \$250 gift cards which were generously contributed by FM Title in Fargo and Quality Title in Jamestown. Sarah Caldwell spun a digital wheel to select the members, and the two winners were Katie Johansen and Jeannie Weismann.

Mary Shelkey Miller reminded those present that NDAR was hosting education classes in October and encouraged everyone to sign up.

Being no further business, the meeting was adjourned at 4:12pm.

Respectfully Submitted,
Sarah Caldwell, NDAR Staff