

Home Builders Association of the Sioux Empire Board of Directors Meeting Minutes

July 21, 2010

HBASE Office, Sioux Falls

Present: Alan Amdahl, Chuck Wiseman, Susan Hilmoe, Kim Hefner, Mike Hoffman, Todd Boots, Ray Brooks, Bill Carney, Mike Hartman, Tobias Konechne, Cindy Monnin, Jarrod Smart, Kevin Zomermaand Paul Fick, Marci Pirlet, Del Waltner, Mike Metzger, Mel Zelmer, Charlie Beatch, Randy Bruner, Tim Miller, Kurt Hanson, Paul Nelsen, Mark Peterson, Terry Konechne, Jim Lowe, Duane Bickett, and Julie Terrell.

Absent: Daryl Christensen, Dudley Deffenbaugh, Russ Pies, Mark Promes, Gary Harr, Scott Hjellming, Steve Van Buskirk, and Dick Davis.

It was determined that a quorum was present and First Vice-President Amdahl called the meeting to order.

A motion was made, seconded and carried to approve the Consent Agenda.

Committee reports were given as follows:

Executive Committee – Vice-President Amdahl brought to final vote the by-law change published in the June newsletter stating: “The Association at its Annual Meeting shall elect the necessary number of Local Directors, a majority of which shall be Builder members. The Board shall determine the number of members comprising the Board of Directors, but in no event shall the Board consist of less than eight (8) nor more than eighteen (18) members.” This amendment to the By-Laws would be effective for the 2011 calendar year. The motion was made, seconded and carried to approve the by-law change.

Vice-President Amdahl informed the Board that Michele Rislov of First National Bank in Sioux Falls has agreed to be treasurer for HBASE. Michele is an active member of the Associate’s Committee. Michele will be approved to the Board this winter and will begin her six month training period in January. Kim has agreed to resume the treasurer position until Michele is trained.

Julie Terrell reported that the Finance Committee reviewed the audit earlier in the week and Nordell Griebel, CPA reported to the group that HBA’s financial status looks healthy. Three findings were reported on the letter of significant deficiencies and material weaknesses. These findings included: 1) HBASE does not have a CPA on the Board 2) SEFAH does not have the appropriate filings made for their political activities 3) the annual filing with the IRS is made using the cash basis of accounting while all financial statements are prepared using the accrual basis of accounting. Management is actively involved in making changes to issues two and three.

Public Relations Committee – Del Waltner updated the Board on the television campaign. To date twenty members have signed up with contracts being accepted through July 23. The committee selected KDLT for the twelve month campaign at \$100 per month for the member. The ads will begin airing in August.

Local Government Affairs – Cindy Monnin reported that the Local Government Affairs Committee had a meeting with Mayor Huether and Public Works Director Mike Cotter on July 14 discussing items such as the Arterial Road Fund being restored. Mayor Huether told the committee he would like to replenish the money taken from the fund to repair existing roads once sales tax revenue starts to increase. Though he would ear-mark some of that increased earnings for a new events center. The dialogue will continue with Mayor Huether. The committee plans to try to have meetings with the Mayor every couple months.

Legislative Committee – Mark Peterson reported that the Gubernatorial Candidates, Dennis Daugaard and Scott Heidepriem, spoke at the Summer SDHBA meeting in Watertown. In addition, the SDHBA 2011 budget does not include payment for lobbyist Tim Dougherty. This may need to be an expenditure of HBASE but will be brought up at the next SDHBA meeting.

The SD PAC has approved a \$1,000 contribution to Jason Gant. A check presentation is being scheduled. Before the August 18th Board Meeting is being considered as a possible time. The Board will be informed when the date is set.

Care Foundation – Randy Bruner reported that the Foundation received its first donation from a golf event on Wednesday, July 14th. Qwest, Mahlander's, and Stencil Construction decided to sell optional mulligans to the golfers with the proceeds benefiting the Care Foundation. Over \$200 was raised.

Mr Bruner ended his report encouraging everyone to get their Brule Tickets for the October concert.

Home Ideas Magazine – Chuck Wiseman informed the Board that the first meeting of the auditor and Steve Michels was last week and the process has begun to complete the audit of Home Ideas Magazine. After the audit is complete, Steve Michels and Jim Lather have agreed to come to the HBASE Board Meetings quarterly to give updates and answer any questions.

Finance Committee – Treasurer Kim Hefner presented the June financial statements, giving updates on a number of accounts. A motion was made to approve the financial statements as presented, seconded and carried.

Treasurer Hefner presented the mid-year budget projections for review by the Board. It is projected that \$42,795.31 will be taken from reserves this year. A motion was made, seconded and carried to approve the mid-year budget projections with additional expenses of \$1,000 for membership committee; \$3,950 for Building and Grounds; and \$1,000 for maintenance and repairs. These mid-year budget projections will be inputted into the financial software to show on next month's financial statements.

Building and Grounds – A motion was made, seconded and carried to approve an expenditure of \$3,950 in capital improvements for a server costing \$2,000; a laptop costing \$1,500 and an office chair costing \$450. A motion was made, seconded and carried to approve \$1,000 for unforeseen repairs in building and maintenance.

Membership Committee – Jim Lowe reported that the committee is continuing to make retention and recruitment calls while starting plans for membership drive week. Currently retention is down nine percent.

The Membership Committee recently learned that NAHB has discontinued the membership folders used by HBASE at no cost. Due to NAHB discontinuing the folder, HBASE must purchase their own. A motion was made, seconded and carried to approve \$1,000 toward the purchase of folders to be used for all HBASE activities.

SDHBA Board Update – SD HBA President Mel Zelmer reported that the Summer State Board Meeting was held July 8 and 9 in Watertown. During that time the Board heard from Dennis Dugguard, Scott Heideprim and Kristi Noem.

SD HBA is focusing on using technology and cutting costs through an electronic newsletter and selling website links and banner ads. More information will be coming from Dwight at the state office.

The SD PAC has acquired approval from NAHB to state a television giveaway for contributions. For each \$20 contribution to the SD PAC one entry will be placed in the giveaway. This is for any gifts after June 1 and goes through the Fall State Convention in November.

SDHBA has sent a letter to NAHB expressing their concern over the proposed dues increase and NAHB spending.

NAHB – SD HBA State Representative Duane Bickett updated the Board on a report entitled, "The Report of the Task Force Positioning NAHB for the Future" received by National Directors and Executive Officers earlier this summer. This report proposes changes to the committee, sub-committee, board and networking structure of the HBA. The HBASE National Directors do not view this report of proposed changes or the proposed dues increase in the best interest of the HBASE and will be working in New York and through email to encourage other cost cutting measures instead.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Susan Hilmoe,
Secretary