

MISSION STATEMENT: "To promote our members, the community, and economic development resulting in a better quality of life."

Minutes

Call to order at 7:02am by President, Adam Shaw

Members Present: Adam Shaw-President, Dan Buresh-Vice President, Stacy Krusemark-Treasurer, Derek Dudley, Sarah Cronin, Sara Wardner, Sharon Patch, Liz Avery, and Kevin Jaspers

Members Absent: Tom Bloom

Staff Present: Eric Hortness-Executive Director, Courtney Storm-Promotions & Committee Coordinator

1. **Consideration of:** *(Approval)*

a) Board of Directors January 24, 2019 Agenda

Motion: Wardner motioned to approve the January Agenda as presented and Jaspers seconded. **Motion carried.**

b) Board of Directors December 20, 2018 Minutes

Motion: Dudley motioned to approve the December Minutes as presented and Avery seconded. **Motion carried.**

2. **Financial Reports—** *(Discussion & Approval)*

a) December - Accounts Receivable, Balance Sheet, & Profit & Loss Statement

- a. With bonuses and payroll paid out-final numbers. Family Heritage will likely have to be written off as they are not returning phone calls or emails. Nefu at the Hillside stated his accountant sent a payment but we have not received anything so he will talk with the accountant again. They did get a new POS system and we will not contact EML for them to accept Mad Money until their membership is paid.
- b. Chamber Bucks account was closed out right after the first of the year. The remaining funds were transferred over to the gift card account. This will be shown on the January Financials at the February Board Meeting.
- c. Profit and Loss Summary: Jaspers pointed out that the last payroll from 2017 was actually paid in 2018 but wants the Board and Staff to remember that 2018 paid technically one full year and 2 weeks in payroll expenses. We also should be \$10,000 ahead in DownTown in MadTown without the consultant fee.

Motion: Jaspers motioned to approve the January Financial Reports as presented, Buresh seconded. **Motion carried.**

3. **Director's report—Eric Hortness**

a) Briefing of Chamber activities, upcoming events, ED activity, and 2018 Membership Review

- I. Since Christmas we haven't had a lot of actual activities.
- II. Upcoming events: Ag Committee Sale Barn Appreciation event and the Governmental Affairs Legislative Cracker Barrel on January 26th. Dealing with the Legislators and the Cracker Barrel has proven troublesome this year. Hortness stated: Youngberg was not excited about who the Committee decided on for the moderator, Cotton Koch who is the Chair of our GA Committee. Youngberg actually hung up on Hortness during a conversation about it. The process for the Cracker Barrel is as follows: Constituents fill out a note card with their question, the moderator then reads and those who want to respond can at that time. Later that week Youngberg texted Hortness asking about ways to submit an event to the Calendar on our website. Hortness explained the process and encouraged him to send a flyer so it could be promoted in the Monday Minute and on Social Media. Youngberg then responded with he was holding his own Legislative Update at the Library on January 26th at 11 am (the same date and time as the GA Committee). Hortness called Youngberg and offered to have the Chamber Committee take a step back and let the Legislators have their own Cracker Barrel. After that conversation, Youngberg agreed to attend the Chamber one. Jaspers also pointed out that Youngberg is delinquent from last year and has yet to pay his dues for 2019, so he's asking for things beyond what he's willing to give/do. This has created more work for us as Cotton will now be stepping down from the Committee.

- III. MDHL: 11:30 Photo and Q&A with Governor Noem, 12:15 Luncheon with Legislators, Reception 5-7pm. As of today, we are over 40 confirmed for the luncheon. MHS will have 17 out there. Several businesses will have booths at the reception.
- IV. Bowling for Business coming up at the end of January.
- V. Membership- 129 received and we have 5-10 per day average coming in
- VI. Mad Money for the year: an increase of \$3500 USED not purchased. Sunshine was the top business they were used at. They are also going to sponsor the next round of cards again. This time around it was the analytics that convinced them to re-sponsor. The first time around they were 23% of sales and this time they are at 30% of all gift card sales.
- VII. Hotel update: They have a GM Selected but he has to go through training before they can officially start booking rooms. Still planning a June opening.

4. Old Business

a) Cell Phone Reimbursement/Allowance

- I. **Motion:** Krusemark motioned to take the Cell Phone Reimbursement off the table and allow the Board to discuss further after discussion with the accountant, Patch seconded. **Motion carried.**
- II. Katie's response via email: *As for the wording, I don't know that it is too important compared to how it is handled. An allowance would infer you are paying money to the employee to help pay for a certain cost, whereas a reimbursement would imply the employee has already spent the funds and is being compensated for it in lieu of a receipt that has been turned in. You are correct in that reimbursements typically aren't taxable, but the wording in an of itself isn't what makes it nontaxable. Allowances can be taxable, non-taxable or partially taxable depending upon the situation. Basically for it to not be taxable you need to be sure your allowance is being given for a legitimate business reason and not just for additional compensation. i.e. your employer requires you to be able to contact clients outside of the business office. There are other things that come into play but I think using the word allowance is fine.*
- III. Hortness reads it as it doesn't make a difference whether its an allowance or reimbursement.

Motion: Avery Motioned to change the wording in the handbook from Cell Phone Reimbursement to Cell Phone Allowance and to have it paid out in equal installments each pay period over the course of the year, Cronin seconded. **Motion carried.**

b) Office Manager Update

- I. As all have seen through Group Me, an offer was made and accepted. Danielle Lovro has been working at Prostrollo's as Accounts Recieveable/Title Clerk and will start February 4th. She is nervous and excited. She was looking for a better schedule and the pay grade is essentially the same. She will be able to be present at the "outside of normal business hours" events that the Office Manager is expected to be at.

c) Madison's Magical Christmas Income/Expense

- I. This will be sent out via email

d) Finalize Annual Member Recognition Mixer Date

- I. March 25th. Donna tentatively has us penciled in, Storm will let her know this has been selected.
- II. This will take the place of the March Meeting.

Motion: Wardner motioned to have March 25th be the date for the Annual member Recognition Mixer, Dudley seconded. **Motion carried.**

e) Inflatables Proposal

- I. Hortness received multiple different quotes and presented the most cost effective. He also presented a cost analysis for the price of inflatables and trailers. We are still waiting on insurance quotes from First Madison insurance. He also presented a fee schedule for what we could rent them out for. Options to look at would be all four, or just the 2 bouncy houses and see how it goes. We rent approximately \$600 for DownTown in MadTown each year, and Discovery Day is \$2000-3000 depending on which items are available. We will have to find a new rental place as Carolan Rentals went out of business and we had issues in 2018 for Discovery Day. Discussion was had about giving Chamber Members a discounted rate potentially for rented them. Will try to make a decision at the February Board Meeting.

f) Tiered Membership Update

- I. Hortness handed out a packet with Vermillion, Mobridge, and Brookings Tiered Membership Levels. Hortness also handed out a single sheet with a proposed starting point of GMACC's Tiered Membership Model. There will be things to add in. In 2018, we had 8 Members contribute \$800-899 in

Membership Dues and Sponsorship. This is not including any Advertising, Golf Teams, or Bowling Teams. Most Members fall in the \$0-400 range. Individuals fall around \$80, Non-Profit and Home-Direct are right around \$140. This will be a several month process. Hortness gave the board Homework for the month, pick apart the starting sheet and add in things they think for their businesses. We will focus on this in February.

- II. Hope to start talking about this at the Annual Member Recognition Mixer. Jaspers suggested bringing in some of the Members that would fall in various categories and get the business owners reactions to it to test it out of sorts. Hortness wants to do this once we have a more definitive plan for our levels.
 - III. When presenting this, it will be key to keep the positive aspects in the forefront to let members know that we are doing this for them.
 - IV. Board Members were encouraged to look at what they would want for their businesses as some may not be interested in the additional advertising so giving a choice of 2 different items.
- g) Endowed Scholarship Contribution
- I. \$2,000 check and letter provided to DSU Foundation for inclusion in the 2018-19 endowment cumulative contribution for scholarship calculations.

5. New Business

- a) New Board Initial Meeting Information & Assignments for 2019: Will be given at the February Board Meeting

- I. By-Laws
- II. Commitment Statement & Terms
- III. GMACC Policies
- IV. Board Expectations/Responsibilities
- V. Committee Assignment
- VI. Newsletter Assignment

- b) GMACC Board of Directors Meeting Dates, Day and Time (By-Laws require one meeting per month)

Motion: Patch motioned to keep the Board Meetings on the Third Thursday of the Month at 7am unless otherwise notated at a previous meeting, Cronin seconded. **Motion carried.**

- c) 2019 SD Tourism Conference Jan. 15-18 in Pierre – Review Storm

- I. Storm came home early Thursday evening and skipped the Gala due to the blizzard that hit. There was over 50 people at 11am on Thursday that also were not staying.
- II. SD Tourism as a whole are focusing on China. Chinese like the authentic American Experience. They stay an average of 18 days and spend \$44 per day per person. They are sending people to China to focus their efforts more.
- III. Hiring breakout session provided clarity to everyone in the room as to why we have higher turnover rates. Asking the hard questions of "What do you like the most about your job? What do you like the least?"
- IV. Brand USA and US Travel painted a clear picture of what would happen if the travel industry disappeared.
- V. Google breakout session left a lot of questions to follow up on as he used a lot of technical terms.

- d) 2019 Media Annual Contracts

- I. KJAM Radio
 - o Same price, but we are limiting our radio ads and upping our presence with Geo Fencing. We will have 100 ads per month instead of unlimited and then we will get 300,000 impressions in digital targeting. This will allow us to cover more of the demographics in our advertising.
- II. Madison Daily Leader
 - o Nothing changed. \$4500 to get our discounted rates. We have cut what we spend drastically.

Motion: Jaspers motioned to approve the KJAM and Madison Daily Leader Contracts as presented, Patch seconded. **Motion carried.**

- e) 2019 Madison/DSU Hosts the Legislature – January 29

- I. Went over in the Director Report
- II. Jaspers asked who is attending. Hortness and Storm will both be attending.

- f) Tru Shrimp Update

- I. Casey Crabtree presented a power point regarding the proposed plans for the Tru Shrimp Facility in Madison. Hortness asked Crabtree to attend as people know who is on the Chamber Board and this will give everyone the knowledge to answer questions that are getting asked.
- II. Crabtree's presentation highlighted the US Shrimp Market and most comes from SE Asia. Tru Shrimp is using Aqua Culture. They will also have the ability to track food quality based on which basin and date harvested based on the QR Code on the package. Currently based out of Balatan, MN and ¼ of the size of the proposed facility in Madison, started as the pilot project. They have different channels they plan to sell through. There will be a big processing center somewhere, not located in Madison. However, the state of South Dakota is trying to get it somewhere in the state. We will see a lot of increase in Construction Worker traffic as well as local contractors. Starting pay range will likely be around \$15.50-\$18/hr at a competitive rate in this area. Tru Shrimp will be planning to have Community Based Informational Meetings to dispel any negative thoughts and worries.

6. Consideration of standing committee meeting minutes: *(Discussion & Approval)*

Review of Committee Minutes: Ag, Education, Community Promotions

Motion: Wardner motioned to approve the Standing Committee Minutes as presented, Dudley seconded.

Motion carried.

7. Ex-Officio Reports:

- a) Robert Thill – City of Madison
- b) Dr. José-Marie Griffiths – Dakota State University
 - a. Krusemark stated they are presenting to the Appropriations Committee on January 29th as well.
 - b. They are in the process of hiring a Community Center Director with the City. 4-person Committee: Mayor, Jen Eimers, Dr. Griffiths, and Stacy Krusemark.
- c) Joel Jorgenson – Madison Central School District
 - a. New Phone App-ready and out there. The Website will be launched within the week.
 - b. Governor Noem presented 2.5% of the budget for schools. 2/10 above previous years.
 - c. SRO will eventually evolve to 60% paid by the school and 40% paid by the city.
 - d. Rules for the Opportunity Scholarship could be changing. Homeschool students have different requirements than K-12. Governor Noem also talked about removing the requirement from Homeschool students having to take the standardized tests. There is a bill in circulation for OT, PT, ST services potentially having to go out into students' homes for Homeschool students rather than having them come into the schools. This is creating a time constraint and additional expense to the Special Education Department Costs.
 - e. Bill was dropped to require a half credit of civics and if you add another requirement it takes away from CTE participation. It sounds like this could be tabled for now until another look can be taken.
 - f. Early Retirement: Kim Sietz-30 years of service and will retire at the end of the school year.
 - g. Looking at a possibility for a facility study as the elementary is growing exponentially and they currently do not have a spare room in the elementary.
 - h. Hired another ESL teacher as there has been an influx of students in the middle school and high school that do not speak a word of English. Half of their day is spent in ESL and the other half is spent in skills type classes. Currently at 1.5 staff and could see it rising to 2 full time staff. 2 years ago 7, last year 15, and this year over 30.
 - i. Kindergarten survey takes place at the end of February.
 - j. Finally found a plumber to come in and place additional water fountains throughout the Middle School and High School. Basketball Hoops will be having safety straps put on. Curtain in the Middle School Gym will be replaced at the same time.

8. Newsletter submission for Quarter 2: (BoD article included in each newsletter)

a) **BoD Article – Sara Wardner**

Deadline: March 15, 2019

Publication Date: April 12, 2019

9. Next Chamber Board of Directors Meeting: Thursday, February 21, 2019

10. Adjournment: Patch motioned to adjourn the meeting at 9:03am, Cronin seconded. **Motion carried.**