

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

Agenda

Call to order by President, Tom Bloom

1. Consideration of: *(Approval)*

- a) Board of Directors November 15, 2018 Agenda
- b) Board of Directors October 18, 2018 Minutes

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

- a) October - Accounts Receivable, Balance Sheet, & Profit & Loss Statement
- b) '17-'18 Income-Expense Comparison

3. Director's report—Eric Hortness

- a) Briefing of Chamber activities, upcoming events, ED activity, and membership

4. Old Business

- a) Tiered Membership Update
- b) Inflatables
- c) 2019 Membership
- d) 2018 Annual Chamber Show & Sell
- e) Fall Member Appreciation Mixer
- f) Chamber Trick or Treat

5. New Business

- a) Bookkeeping Situation
- b) Leadership Madison Update
- c) MDHL Update
- d) Office Manager Update
- e) Handbook Changes
- f) December Office Schedule
- g) Staff Year-End Reviews
- h) Mad Money Holiday Promotion

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

Review of Committee Minutes: Community Promotions, Recreation & Tournament, Agriculture, Governmental Affairs, Education

7. Ex-Officio Reports:

- a) **Robert Thill** – *City of Madison*
- b) **Dr. Jose'-Marie Griffiths** – *Dakota State University*
- c) **Joel Jorgenson** – *Madison Central School District*

8. Newsletter submission for December edition: (bi-monthly BoD article included in each newsletter)

- a) **BoD Article** – Derek Dudley **Deadline:** November 16, 2018 **Publication Date:** December 14, 2018

9. Next Chamber Board of Directors Meeting: December 20, 2018

10. Adjournment

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

Minutes

Call to order by President, Tom Bloom at 7:04am

Members Present: Dan Buresh-Treasurer, Derek Dudley, Sharon Patch, Tom Bloom-President, Sara Wardner, Kevin Jaspers, Liz Avery, Stacy Krusemark, Sarah Cronin

Members Absent: Adam Shaw-Vice President

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

1. Consideration of: (Approval)

c) Board of Directors November 15, 2018 Agenda

Motion: Sara Wardner motioned to approve the agenda as presented and Kevin Jaspers seconded. **Motion carried.**

d) Board of Directors October 18, 2018 Minutes

Motion: Kevin Jaspers motioned to approve the minutes as presented and Sharon Patch seconded. **Motion carried.**

2. Financial Reports— (Discussion & Approval)

c) October - Accounts Receivable, Balance Sheet, & Profit & Loss Statement

- Tom, Kevin, and Adam sat down and went over. End of September we were looking at \$17,000 short versus the end of October we are looking at \$12,500 short.
- Month of November we have had \$1,330 Show and Sell Registrations come in. Down to \$11,200 Short without running the November Financials right now. Most of the revenue from Show and Sell is on the front page already.
- Membership Dues: \$103,556 almost identical to last year. This does include the \$3,748 outstanding that has already been invoiced out. Hortness feels this mostly collectible. One big one is Sportsman's \$700ish and Kyle is aware he needs to pay. Hillside is the other big one, and Nefu is aware they have received the benefits and need to pay. Schwenke's and Bob the Plumber are aware they need to pay up as well. Outerworld is one we are trading out window cling decals for the Depot in exchange for their 2018 Membership. We are still working with Brenda Hanley to do another presentation in 2019 for LM. Around \$620 will probably not be collected.
- Next year Hortness has a \$10,000 profit at the end of the year due to a \$10,000 profit from DownTown in MadTown and it will then go back into the 2020 event. No consultant fee @ \$12,500 in 2019.
- Perceived \$5,000-10,000 deficit at the end of the year for 2018.
- Leadership Madison was a flow through but normally showed a profit at the end of the year but would get spent in the first 3 months of the following year. When Leadership Madison was started the first year, there was probably an influx of money due to the program spanning over 2 calendar years.
- Promotional income- Area Guide is continuing to flourish and will probably increase again this year. Hortness feels website advertising will only continue to grow as well now that we have a full year of data to give out. With a Tiered Membership the Website advertising will grow too. Hortness feels this is something we should keep pushing.

d) '17-'18 Income-Expense Comparison

Motion: Kevin Jaspers motioned to approve the financials as presented and Derek Dudley seconded.

Motion carried.

3. Director's report—Eric Hortness

b) Briefing of Chamber activities, upcoming events, ED activity, and membership

- Right after the October Board Meeting Mitchell brought their Tour Bus to Madison. The Leader texted Eric and said everyone had a great time and many were going to come back.
- Candidate Forum went very well. Didn't get to all of the questions but had a good variety.
- Special Trick or Treat for Gabe Gitzen DownTown-30+ businesses downtown that participated and was a great event.

- DownTown Trick or Treat- Over a thousand kids were downtown. A lot of positive feedback on crossing guards.
- Fall Mixer- Always hard this time of year to pick a good date but a very good turnout. Still surprises us how many people who are employed by a Chamber Member but don't know that they're a Chamber Member. Office will look at promoting more in 2019 to get the word out. Avery mentioned going out to the larger employers and presenting that information. Hortness stated he will try to mention at one of the HR leaders meeting.
- Show and Sell-129 booths in 2017, 113 in 2018 but fees have increased. Looking for help with set-up from Board Members as we no longer have an active Diplomats Committee and the Basketball Teams from DSU are not around. Tear down is covered with Girls Basketball. Hortness to send out a Group Me reminder to the group.
- Jeff Dittman asked that Hortness mention DSU is hosting an indoor Track Meet in Brookings and seeking volunteers to help out-February 28th and March 1st.

4. Old Business

g) Tiered Membership Update

- 2020-but everyone who has moved to a tiered membership has seen an increase in revenue.
- If someone has a tough year financially, they have options to drop down a tier rather than dropping membership completely.
- This will need approved by May or June of 2019
- Hortness handed out Mobridge Chamber Tiered Membership.
- Hortness' plan for December is to combine certain models (Mobridge and Brookings) and tailor to our Chamber Members. Goal would be by March of 2019 to have the 2020 model complete.

h) Inflatables

- Will not be buying any in 2018. Hortness followed up with a few people in town and DSU spends \$1500 on just the football games. DeLon spends \$400 for Miracle Treat Day-Children's Miracle Network pays for that. There is a place where you get 4 total-2 bouncy castles and 2 bigger ones for \$7500. Hortness feels this is something to pursue in 2019 with a contract and protocol for damage etc.
- The biggest obstacle at this time would be Liability Insurance and who that falls on us or the renter.
- Bloom suggested a loan interest 3-year loan with paying what we make off them a year. Potentially looking into one of the banks here in town versus using the financing through the inflatable company.
- Wardner suggested looking into borrowing against our CD so we would be earning while paying. Best collateral there is from a banking standpoint.
- Storage: options would be putting them in a storage unit or an enclosed trailer. Group feels a trailer would be best and that could be used for potential marketing/sponsorships.
- Bring business plan to December Meeting

i) 2019 Membership

- Tuesday, November 13th all Membership Packets were mailed out.
- Also, on Tuesday, November 13th Ruud's Construction joined as a member-Individual contractor near Chester. Used to work in Watertown.
- Automated Dairy: Permit hearing allowed a family from Washington State to bring an automated robotics Dairy Farm to the Madison Area. Highly engaged people and Jaspers perceived they will be Chamber Members. 3500 Jersey Herd that could grow to 5000. This would be the first robotic state of the art high tech dairy in the area. Southwest of Madison in the Orland Area.

j) 2018 Annual Chamber Show & Sell

- Covered in the Director Report

k) Fall Member Appreciation Mixer

- Covered in Director Report

l) Chamber Trick or Treat

- Covered in Director Report

m) DownTown in MadTown

- Jaspers mentioned with all of the time the Chamber puts into the event, taking \$2,000-3,000 back from the event for staff time and resources.
- Storm mentioned coming up with a percentage of the profits going back to the Chamber for time and resources.

- This is an event that can only grow with time

5. New Business

i) Bookkeeping Situation

- Group Me Update-Everyone's working
- Situation with WRC is Marlene retired so we ended up with Sara from Yankton. It took her quite a bit longer which was expected due to her being new to our accounts. However, it took much longer than expected. Now Sara is no longer with the company so they have two separate people trying to reconcile our accounts and doing payroll all remotely causing issue.
- Bills with Marlene -\$150-\$170 per month | Last few months- \$370 per month
- Tough part is if they have a question, they are not here to talk about it.
- Other businesses have been running into the same issue. Hortness talked with Dick Ellis at WRC and not confident the problem will get any better.
- Couple of people suggested Katie Nelson through Group Me. She lives in Madison and is fine with coming to the office just like Marlene did. Her price is \$300 per month for 5 hours a month. We would typically use her 4-5 hours. Anything over 5 hours she charges \$75/hr.
- Budgeted for 2019 \$4500 annually or \$375/month

Motion: Liz Avery motioned to use Katie Nelson as our Bookkeeper effective December 1st and Sharon Patch seconded. **Motion carried.**

j) Leadership Madison Update

- Potential coming changes: If you're a sponsor, you won't automatically get a free participant. Sponsors will now be required to pay for their participants. We are also changing the format to 8:30-11:30 so participants will have time to get lunch on their own.
- Our last Committee Meeting was the most productive we've ever had. A lot of good ideas.
- Bloom asked who was all on the Committee: Stacy Krusemark, Adam Shaw, Nick Podhradsky, Laurie Bunker, Donna Fawbush, Mandy Parpart, Dennis Slaughter. Brenda Strom used to be but heard through the grapevine she is now working in Brookings.

k) MDHL Update

- With no Leadership Madison, no High School Students this year
- Current discussion is combining the reception with Yankton and split the cost. Trying to get Freeman and Salem involved and do a Highway 81 SESD Roadshow. Yankton provides a block of rooms as they got rid of their bus 4-5 years ago and saw an increase in participation.
- Governmental Affairs Committee will be discussing how to change our plan for this year as we had things geared more for Leadership Madison.

l) Office Manager Update

- How are things going with Megan being gone?
- Hortness and Storm have had a couple of weeks to let this set in. We initially had a discussion on a part-time person for 2019, however both have decided a full-time person is necessary. Storm will be having a baby in June and will be on maternity leave for a period of time in the summer. Things will need to be spread out a little bit more. Storm feels after learning a lot of what the Office Manager did, it is pertinent to have a third full-time person. That person handles everything office-wise: phones, walk-ins, etc. Having someone to take care of those things helps out a ton in allowing Hortness and Storm to get things accomplished.
- Storm is looking at 4 straight weeks and then coming back part-time for awhile after that. A lot will depend on when baby comes and daycare things too.
- Bloom had a bunch of people come up to him and compliment him on the active Chamber and appreciative for everything the Chamber does. The board feels this is something important to keep promoting.
- Avery mentioned that a couple of years ago the reason for added Storm's position was to increase visibility and to alleviate some of the added stress in the office. She agrees we need to keep a third full-time person to not roll backwards.
- Hortness explained in the budget for 2019 it was budgeted to have Megan still working at the Chamber. There are always ways to cut \$500 here and there to help the budget as well. Never going to find a big item, it's the little things you can chip away at and they add up in the end. We are planning right around \$30,000 annually. Eric budgeted \$163,000 for all 3 employees. Hortness feels we should end right around 0 with 3 full-time people.

- Hortness feels we need to move forward with advertising and interviewing so we need to have a decision made today as people look for FT vs PT.
- Wardner mentioned that we budgeted for a third full-time person and we were not going to reduce Megan's hours. She also mentioned that Storm's pregnancy should not be a factor as we don't want to stress our staff and be back in the same situation as 2 years ago.

Motion: Liz Avery motioned to approve the a 3rd full-time Staff Member for an Office Manager and Sara Wardner seconded. **Motion carried**

m) Handbook Changes

- PTO payout: Hortness mentioned this was only brought up because Megan left. The way our PTO Payout works now is if you're at the Chamber for a month, you earn PTO and if you leave it still gets paid out. Hortness would like a change in the Handbook to put a time stipulation how long you have to be here before your PTO is paid out.
- To give everyone an idea: Megan was paid out for 66 Hours in the amount of \$957 after only being here 8.5 months.
- After one year you accrue 120 hours. Depending how much you used the Chamber could be paying out up to 120 hours at the employee hourly rate. For your first 2 years of employment, you earn 5 hours every pay period or 10 hours per month. Avery mentioned this is Vacation and Sick Pay as we only offer the one.
- Hortness asked if any employers do a percentage system with payout. East River and Farm Credit do not pay out Sick Leave. DSU- you cannot use PTO for the first 6 months.
- Avery suggested a 50% at 6 months and 100% after a year.
- Hortness and Storm would prefer you have to be here a year or you get none of it as this is a higher turnover office and it takes a lot of time and effort to train someone for this position.
- Avery mentioned your highest percentage of turnover is in the first 6 months and then 6-12 months. Typically, if they are there a year, they are going to stay at least 2 years.
- Bloom suggested earning 60 hours your first year and 120 your 2nd year.
- We do not have a policy that states they cannot take PTO after putting in their notice. Avery stated you do not have to give them that time. It is discretionary on whether they are allowed to use it.
- Hortness will draw up the motion stating you can use PTO after 3 months but it will not be paid out until after the 1-year anniversary. Will approve in December.

n) December Office Schedule

- Storm took the 26-28th off back in February.
- Hortness would like to have the office closed on Friday, December 28th and possibly Thursday, December 27th at noon. His son will be playing Friday and Saturday out in Rapid City. He is willing to keep the office open on Thursday, December 27th and drive out to Rapid after 5pm that day.
- Storm mentioned that the office typically has not been busy between Christmas and New Year's.
- The board decided the office closed on December 28th.

o) Staff Year-End Reviews

- Last year Hortness completed Manthey and Storm's reviews and will complete Storm's again.
- 2017 Bloom and Wardner sat down with Hortness and went over board comments. Bloom will send out to the Board again and get feedback then sit down with Hortness to go over it.

p) Mad Money Holiday Promotion

- November 26th through a maximum of \$10,000. Buy \$100 and receive an additional \$15 free with a max of \$300 per person/business.
- Update on Mad Money: a little over \$6,000 above 2017 used in 2018 already.

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

Review of Committee Minutes: Community Promotions, Recreation & Tournament, Agriculture, Governmental Affairs, Education

Motion: Sara Wardner motioned to approve the standing committee minutes as presented and Sharon Patch seconded. **Motion carried.**

7. Ex-Officio Reports:

d) **Robert Thill** – City of Madison

e) **Dr. Jose'-Marie Griffiths** – Dakota State University

- Stacy believes Dr. Griffiths is still in California. University closed on the parish property across the street from St. Thomas School and hope to have open for fall of 2019 as a Residence Hall. They are looking

to build a new residence hall and meeting with an architect to bring to Board of Regents in December or January. MadLabs building is nearly enclosed. Discussions of businesses that will be in MadLabs or the Heartland Tech Center. 3 companies have called and want to rent out space without being sought after. Hopefully will have it filled within the next year or so. Housing is a huge issue for DSU and when the new MadLabs building opens there will be an influx in high paying jobs out of the gate. Krusemark is unsure where the University Daycare discussion ended up.

- Avery inquired about who is taking the lead on these issues in town. Hortness stated LAIC is taking the lead on the housing situation and working diligently to get something figured out. He is unsure who will take the lead on Daycare as there are a lot of rules and regulations preventing people from opening it in already existing structures. Avery mentioned reaching out to the established centers in Sioux Falls to see if they would bring a branch to Madison. Hortness will bring up to LAIC as he has been under the impression that LAIC brings things to town and the Chamber promotes what is here.

f) **Joel Jorgenson** – *Madison Central School District*

8. Newsletter submission for December edition: (bi-monthly BoD article included in each newsletter)

a) **BoD Article** – Derek Dudley **Deadline:** November 16, 2018 **Publication Date:** December 14, 2018

9. Next Chamber Board of Directors Meeting: December 20, 2018

10. Adjournment 8:55 am

*Liz Avery motioned to adjourn the meeting and Stacy Krusemark seconded. **Motion carried.***