Call to Order
President Laurie Gill called the meeting to order at 8:04 a.m.

Determination of a Quorum

Members Present
Laurie Gill, Pierre; Steve Allender, Rapid City; Debbie Houseman, Lake Andes; Meri Jo Anderson, New Underwood; Carolynn Anderson, Wall; Anita Lowary, Groton; Fay Bueno, Sturgis; Becky Brunsing, Wagner; Christine Erickson, Sioux Falls; Pauline Sumption, Rapid City; Leland Treichel, Roscoe; Arnold Schott, McLaughlin; Karl Alberts, Aberdeen; Harry Weller, Kadoka; Mike Wendland, Baltic; Renae Phinney, Ree Heights; Amy Nelson, Yankton

Unable to attend were: Paullyn Carey, Huron; Mike Grosek, Webster

Others present: Yvonne Taylor, SDML Executive Director

SDML Staff Introductions
Staff members Sandi Larson, Lisa Nold, Carla McGregor, and Sara Rankin were introduced to the Board and discussed their duties.

Approval of the Minutes
It was moved by Weller, seconded by Treichel to approve the minutes of the February 6, 2017 Board meeting as presented. Upon unanimous vote, the motion was approved.

Approval of the Financial Statements
After discussion, it was moved by Sumption, seconded by Schott to approve the financial statements as presented. Upon unanimous vote, the motion was approved.

Audit Report
Audit Committee Chair Karl Alberts presented the draft audit report, noting it was a clean audit. After discussion, it was deferred to the next meeting when the report will be final before being accepted by the Board.

Reminder of 2017 Meeting Schedule
President Gill noted the 2017 meeting schedule and encouraged Board Members to plan to attend. Taylor was directed to discuss re-instating the joint meeting with the board of the County
Commissioners Association if such talks could take place in a more organized, productive manner. Taylor was directed to report back to the Board in October.

- October 3, 2017 – Sioux Falls (Annual Conference Meeting)
- December 13-14, 2017 - Pierre

**New Business**

**District Meeting Recap** Taylor presented the Board with statistics from the last several years, noting a slight increase in attendance in 2017.

**Approval of 2018 District Meeting Schedule** It was moved by Schott, seconded by Brunsing, to approve the 2018 District Meeting Schedule as presented. Upon unanimous vote, the motion was approved.

**Affirm Appointment to Task Force on Initiative and Referendum** It was moved by Meri Jo Anderson, seconded by Erickson, to affirm the appointment of Yvonne Taylor as the representative to the Task Force on Initiative and Referendum. Upon unanimous vote, the motion was approved.

**Appoint Municipal Representative to the SD Public Funds Investment Trust Board of Trustees** It was moved by Lowary, seconded by Bueno, to appoint Tom Huber, Assistant Director of Finance, Sioux Falls, to replace Anita Lowary as a municipal representative to the FIT Board of Trustees. Upon unanimous vote, the motion was approved.

**Membership Update** Taylor presented statistics on membership, noting the non-members were fairly regular at 12, and that 96.5% of municipalities are active members of the SDML.

**Consideration of Personnel Policy to Opt Out of SDML Health Plan** Taylor presented a draft policy to provide $300 to employees who opt out of the SDML Health Plan and provide proof of coverage elsewhere. Taylor was directed to research further the details of how such a policy would work, and report back in October for Board action.

**Conference Update** Taylor informed the Board that David Hancox would be speaking on municipal fraud and prevention, and that mobile workshops were being planned as part of the Thursday General Session. She further noted that a panel discussion on small cell technology was being planned for Friday morning’s general session and a comedian had been arranged for Thursday evening’s banquet entertainment.

**Building Loan and Payment Plan** Taylor explained that as a provision of the RDA loan for the SDML Office Building, some private financing had to be arranged. This was done through Dakota Prairie Bank. In time, the CD placed at the bank has exceeded the amount owed, and the financial staff recommended paying off the loan when the CD comes due in October. It was moved by Meri Jo Anderson, seconded by Sumption, to pay off the Dakota Prairie loan when the CD comes up for renewal, and to authorize Yvonne Taylor to receive all information and sign all documents necessary to accomplish this. Upon unanimous vote, the motion was approved.
Proposed By-Law Amendment Regarding Past Presidents Taylor presented the Board with proposed language to have the next most recent active past president serve in the occasion of a vacancy in the office of Past President. It was moved by Treichel, seconded by Carolynn Anderson to approve the language as presented, and to forward the language to the membership for adoption in October. Upon unanimous vote, the motion was approved.

Code Enforcement Update Taylor described conversations with IBTS (Institute for Building Technology and Safety), which is a partner program with the National League of Cities, as well as other state and local associations at the national level. IBTS offers a menu of services to municipalities, under a Master Agreement with a State Municipal League. In addition to a conversation with IBTS and SDML staff (Taylor and Martinec), a call was held with representatives of the SD Code Enforcement Association, SDML staff, and IBTS. It was the consensus of those participating in the calls to continue to explore working with IBTS and to begin negotiating a Master Agreement. Taylor noted that the SDML Board would need to meet via teleconference if a Master Agreement were to be presented and a program were to be introduced at the October Conference. It was moved by Brunsing, seconded by Schott, to authorize Taylor to continue exploring services offered by IBTS and to begin to negotiate a Master Agreement for the Board to consider. Upon unanimous vote, the motion was approved.

Board Member Items Anita Lowary announced her resignation from the Board, effective at the end of this meeting, as she will be retiring on June 30, 2017. The Board congratulated Lowary on 36 years of public service, and thanked her for her unfailing support of the SDML and its membership.

It was noted that President Gill had previously notified the Board that she would not be seeking another term as Mayor of Pierre, and that a new Mayor had been elected June 6, 2017. Gill thanked 1st Vice President Wendland for stepping into the position of President early. The Board expressed their thanks to Gill for her service, and Wendland presented Gill with the President’s Plaque.

Nelson stated that she had been contacted by other municipalities, echoing her concern over the decline in sales tax revenues. While many municipalities are experiencing this decline, Schott and Lowary said that new retail businesses had led to stronger sales tax performance in their municipalities.

Taylor was asked to report to the Board how the sales tax agreement with Amazon impacted municipal sales taxes.

It was noted that Wells Fargo Bank has announced some closings, and that the parent company of Maurice’s had announced the closure of more than 600 stores.

Erickson urged the Board to look at ways to coordinate with the Department of Revenue in locating businesses not legally licensed in SD, including businesses not paying sales taxes due on short term rental properties.
Board members discussed a new trend toward “Shop and Drink” events and the implications for legal alcohol licensing.

**Director’s Report**
Taylor updated the Board on progress with discussions involving Tax Increment Financing Districts; the Workforce Housing Summer Study Committee of the Legislature; the Initiative and Referendum Task Force; and a working group established by the Department of Revenue to work on revising liquor laws.

**Executive Session**
The Board entered into Executive Session at 10:24 a.m. The Board left Executive Session at 10:40 a.m.

There being no further business it was moved by Lowary, seconded by Weller to adjourn at 10:42 a.m. Upon unanimous vote, the motion was approved.