

**SOUTH DAKOTA HABITAT CONSERVATION FUND BOARD
MATTHEWS TRAINING CENTER – FOSS BUILDING
PIERRE, SD
APRIL 5, 2016**

Board Members Present: Doug Balvin, Steve Halverson, Christine Hamilton, Delon Mork, Dick Muth, Larry Ness, Bob Roe, Jeff Scherschligt, Hunter Roberts and Cathy Petersen.

Members Absent: Tony Bour, Barry Dunn, Barry Grossenburg, Tim Kessler, Scott Lawrence, Les Lindskov, Jan Nicolay.

Others Present: Steve Donovan, Neal Feeken, Paul Lepisto and Buddy Seiner.

Staff Present: Kelly Hepler, Wayne Winter, Tom Kirschenmann, Tanna Zabel and Rachel Comes.

CALL TO ORDER

Board president Scherschligt called the meeting of the South Dakota Habitat Conservation Fund board to order at 9:00 AM. CT and declared a quorum.

Scherschligt called for conflicts of interest to be disclosed. No conflicts of interest were declared.

MINUTES

Hamilton moved to approve the minutes of the December 21, 2015 meeting. Seconded by Mork. Motion carried.

FINANCIAL REPORT

The board reviewed the financial report from the SD Community Foundation. Buddy Seiner explained how the spendable funds have a different administrative requirements and were charged a 1 percent fee upon deposit. Seiner further explained how endowed funds are charged approximately 1 percent on an annual basis with a payout of 4.5 percent that will be made available annually in January.

FUNDS DESIGNATED FOR ENDOWMENT

Winter requested the board override its motion approved at the December 21, 2015 board meeting to transfer \$36,750 from spendable accounts to the endowed fund. The SDCF accepted those funds as spendable. Winter noted that funds received from Tim Kessler are earmarked as endowed funds to be used as matching funds.

Hamilton moved to keep all spendable funds in the spendable accounts and not transfer funds approved at the December 2015 meeting. Seconded by Bavlin. Motion carried.

Roe moved to have board president Scherschligt sign the policy statement allowing the board the ability to enter into executive session when necessary. Seconded by Muth. Motion carried.

REQUESTS FOR CHANGES TO GRANTS

Winter introduced Tanna Zabel, GFP Grant and Loan specialist. Winter provided an overview of the requested grant changes specifically those of the small grant program.

Steve Donovan, Ducks Unlimited Conservation Programs Manager, provided additional details on the requested changes on specific project deadlines and funding through the Regional Conservation Partnership Program.

Halverson moved to approve the requested extensions for the Swan Lake Restoration, Mallard Dam Repair, Hyde County Right of Way, and Highway 37 Right of Way Habitat projects. Seconded by Bavlin. Motion carried.

DISTRIBUTIONS

Winter informed the board that with the approval of the projects final distribution of grant funds can be made for the first round of grants. Zabel noted that reporting requirements are specific to each project and are required annually. Zabel further noted that most reports will be due this fall at the completion of the projects.

DISCUSSION ON DIVERSIFYING THE FUND'S MISSION

The board discussed options to partner with the agriculture community and sportsman programs to create a revenue stream with 10 percent endowment and 90 percent spendable funds to complete projects and have funds for the long term.

FUNDRAISING

A Dedicated Revenue Subcommittee was created consisting of board members Muth, Hamilton, Halverson and GFP Commissioner Peterson. Seiner recommended each board member provide a list of 5 contacts who the board could partner with. These contacts would be presented to the group at the next meeting and the top ten would be selected by the board.

DRAFT ARTICLES OF INCORPORATION

Winter provided draft Articles of Incorporation fashioned after the original concept and the board's purpose per direction at the December 2015 meeting. Due to the need to have spendable funds (not endowed) one option would be to create a South Dakota corporation with nonprofit status and hire dedicated staff. This would allow spendable contributions to be controlled by the Fund board.

Hamilton motioned to have Winter redraft the Articles of Incorporation for the board's review and approval. Seconded by Roe. Motion carried.

BOARD MEMBERSHIP

The board discussed replacements for board member Barry Grossenburg who resigned. Ness recommended Jack Theeler. The board requested Ness reach out to Theeler.

NEXT MEETING DATE

The Board agreed to meet quarterly with the next meeting to be held in August..

ADJOURN

Nicolay moved to adjourn. Seconded by Roe. Motion carried.

Respectfully submitted,

Rachel Comes, Recording Secretary

Date

Approved by:

Jeff Scherschligt, President

Date