

Meeting Minutes
South Dakota Real Estate Commission
123 W. Missouri Ave.
March 23, 2017 8:30 a.m. CDT

Chairman Ryan Wordeman called the meeting to order at 8:30 a.m. A quorum was participating.

Members Participating: Ryan Wordeman
David Bonde
Mark Wahlstrom
Ken Cotton

Members Absent: Matt Krogman

Others Participating: Melissa Miller, Executive Director, SDREC
Brian Jackson, Compliance Officer, SDREC
Stephanie Howard, Licensing Program Administrator, SDREC
Graham Oey, Staff Attorney, South Dakota Department of Labor
and Regulation

Wordeman asked for a motion to approve the agenda as presented. Wahlstrom made a motion to approve the agenda. Cotton seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Wahlstrom made a motion to approve the January 10, 2017 meeting minutes. Bonde seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Summary of the financials for January and February 2017 was presented by Director Miller. Wahlstrom made a motion to approve financial reports. Cotton seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Discussion was held regarding the consent agreements. The agreements were mailed to the respondents for their review and acceptance or rejection. The approval is for respondents who had accepted the agreement by signing and returning them to the Executive Director. Bonde made a motion to approve the consent agreements. Cotton seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Discussion was held regarding application A. Wahlstrom made a motion to approve application A. Cotton seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Discussion was held regarding application B. Bonde made a motion to approve application B. Wahlstrom seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Discussion was held regarding application C. Wahlstrom made a motion to approve application C. Bonde seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Michelle Metzinger, Compliance Officer with the SDREC, entered the meeting at 8:52 a.m.

Attorney Oey presented the following consent agreements for review and approval:

Complaint 2017-069: SDREC vs Kevin McPherson.

McPherson signed a consent agreement agreeing to pay a \$500 fine to the Commission within ten days of receiving a signed copy of the consent agreement.

If McPherson fails to comply with the conditions of the agreement the Commission will proceed with formal disciplinary action.

Cotton made a motion to accept consent agreement 2017-069. Wahlstrom seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Complaint 2017-002: Hofer vs Reginald Kleinsasser/The Real Estate Connection, Huron, SD and Adam Rathjen/Rathjen Home Inspections, Huron, SD.

Kleinsasser signed a consent agreement agreeing to pay a \$250 fine to the Commission by July 1, 2017, and attend classroom education, which does not count toward continuing education hours, of three hours of contracts and six hours of agency. Kleinsasser agreed to complete the education and provide written proof of successful completion to the SDREC by August 31, 2017.

Kleinsasser further agrees if he fails to pay his fine by July 1, 2017, he shall pay an additional administrative penalty in the amount of \$1,000, totaling \$1,250 to the Commission by September 1, 2017.

Kleinsasser further agrees if he fails to comply with the in-classroom education requirements of the agreement by August 31, 2017, his license shall immediately be suspended starting September 1, 2017, until the education requirements are fulfilled.

No action was taken on Rathjen.

Bonde made a motion to accept consent agreement 2017-002 with Kleinsasser. Cotton seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Complaint 2017-096: SDREC vs Dawn Eining/The Real Estate Connection, Huron, SD.

Eining signed a consent agreement agreeing to pay a \$500 fine by July 1, 2017 and attend classroom education, which does not count toward continuing education hours, of three hours of contracts, three hours of agency, and three hours of license law. Eining agreed to complete the education and provide written proof of successful completion to the SDREC by August 31, 2017.

Eining further agrees if she fails to pay her fine by July 1, 2017, she shall pay an additional administrative penalty in the amount of \$1,000, totaling \$1,500 to the Commission by September 1, 2017.

Eining further agrees if she fails to comply with the in-classroom education requirements of the agreement by August 31, 2017, her license shall immediately be suspended starting September 1, 2017, until the education requirements are fulfilled.

Wahlstrom made a motion to accept consent agreement 2017-096. Wahlstrom seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Complaint 2017-097: SDREC vs Richard Shelton/The Real Estate Connection, Huron, SD.

Shelton signed a consent agreement agreeing to pay a \$500 fine by July 1, 2017 and attend classroom education, which does not count toward continuing education hours, of three hours of contracts and six hours of agency. Shelton agreed to complete the education and provide written proof of successful completion to the SDREC by August 31, 2017.

Shelton further agrees if he fails to pay his fine by July 1, 2017, he shall pay an additional administrative penalty in the amount of \$1,000, totaling \$1,500 to the Commission by September 1, 2017.

Shelton further agrees if he fails to comply with the in-classroom education requirements of the agreement by August 31, 2017, his license shall immediately be suspended starting September 1, 2017, until the education requirements are fulfilled.

Wahlstrom made a motion to accept consent agreement 2017-097. Bonde seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Complaint 2017-007: Harlan vs David Shelton/Century 21 Advantage, Sioux Falls, SD.

Bonde made a motion to table complaint 2017-007 until the next Commission meeting. Cotton seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Complaint 2017-008: Beebe vs Craig Fields/Hegg Realtors, Sioux Falls, SD and James Rezac/Hegg Realtors, Sioux Falls, SD.

Rezac signed a consent agreement agreeing to pay a \$250 fine by June 30, 2017 and successfully complete a three hours ethics course, which does not count toward continuing education hours. The course may be taken in a classroom setting or as an online course. If an online course is taken Rezac must submit an affidavit signed by Rezac and Rezac's responsible broker stating Rezac solely participated and satisfied the course. All signatures shall be notarized. Rezac agreed to complete the education and provide written proof of successful completion to the SDREC by June 30, 2017.

Rezac further agrees if he fails to pay his fine by June 30, 2017, he shall pay an additional administrative penalty in the amount of \$1,000, totaling \$1,250 to the Commission by August 1, 2017.

Rezac further agrees if he fails to comply with the education requirements of the agreement by June 30, 2017, his license shall immediately be suspended starting July 1, 2017, until the education requirements are fulfilled.

No action was taken on Fields.

Wahlstrom made a motion to accept consent agreement 2017-008 with Rezac. Cotton seconded. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

The Commission recessed at 9:07 a.m. for a short break and reconvened at 9:16 a.m.

Discussion was held regarding the complaint review process and use of an investigative committee. Wahlstrom made a motion to continue to use the investigative committee as counsel reviews options and drafts language to add a commission member to the committee. Cotton seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Director Miller informed the Commission of the ARELLO District 2 & 3 meeting which is being held in Charleston, West Virginia, June 8-10, 2017.

Under other business the commission discussed HB 1078 which had been offered during the 2017 South Dakota Legislative session. The bill was an industry proposed bill. The purpose of the bill was to provide for the regulation of teams and team leaders regarding real estate transactions. The bill was ultimately deferred to the 41st day of the Legislative Session by the Commerce and Energy Committee. There was no action to be taken.

The next meeting will be scheduled for May 10, 2017, in Pierre.

Bonde made a motion to adjourn the meeting at 10:21 a.m. Wahlstrom seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Minutes submitted by Brian Jackson

STATE OF SOUTH DAKOTA
CASH CENTER BALANCES
AS OF: 03/31/2017

AGENCY: 10 LABOR & REGULATION
BUDGET UNIT: 1037 REAL ESTATE COMMISSION

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103700069901	1140000	328,321.11	DR	REAL ESTATE COMMISSION
6503	103700069902	1140000	100,000.00	DR	REAL ESTATE COMM RECOVERY FUND
COMPANY/SOURCE TOTAL 6503 699			428,321.11	DR *	
COMP/BUDG UNIT TOTAL 6503 1037			428,321.11	DR **	
BUDGET UNIT TOTAL 1037			428,321.11	DR ***	

BUDGET UNIT 1037

AVAILABLE FUNDS
AS OF: 03/31/2017
FY YEAR REMAINING: 25.2%
PAY DAYS REMAINING: 5

DATE 04/01/2017

BUDGET UNIT NAME REAL ESTATE COMMISSION

COMP	ORIGINAL APPROPRIATION	APPROPRIATION TRANSFERS	YEAR-TO-DATE COMMITMENTS	YEAR-TO-DATE ENCUMBRANCES	YEAR-TO-DATE EXPENDITURES	AVAILABLE APPROPRIATIONS	CASH BALANCE	PCF AVL
6503-I	579,988.00	0.00	0.00	66,113.97	358,556.07	155,317.96	428,321.11	
BUDGETED TOT	579,988.00	0.00	0.00	66,113.97	358,556.07	155,317.96		
ALL COMP TOT	579,988.00	0.00	0.00	66,113.97	358,556.07	155,317.96		

TOTAL BUDGETED :

OBJECT OF EXPENDITURE	AMOUNT BUDGETED	COMMITMENTS YEAR-TO-DATE	ENCUMBRANCES YEAR-TO-DATE	MONTHLY EXPENDITURES	YEAR-TO-DATE	BUDGET AVAILTABLE	PCF AVL
5101 EMPLOYEE SALARIES	269,656.00	0.00	0.00	29,378.34	211,034.59	58,621.41	21.7
5102 EMPLOYEE BENEFITS	79,121.00	0.00	0.00	9,337.09	61,003.75	18,117.25	22.9
5203 TRAVEL	34,730.00	0.00	0.00	600.79	7,734.48	26,995.52	77.7
5204 CONTRACTUAL SVCS	164,781.00	0.00	66,113.97	4,578.63	63,799.18	34,867.85	21.2
5205 SUPPLIES & MATRIS	29,700.00	0.00	0.00	279.60	14,778.95	14,921.05	50.2
5207 CAPITAL OUTLAY	2,000.00	0.00	0.00	0.00	205.12	1,794.88	89.7
TOTALS	579,988.00	0.00	66,113.97	44,174.45	358,556.07	155,317.96	26.8

BREAKOUT BY COMPANY:

COMPANY	6503-I	PROFESSIONAL & LICENSING BOARDS	AMOUNT BUDGETED	COMMITMENTS YEAR-TO-DATE	ENCUMBRANCES YEAR-TO-DATE	MONTHLY EXPENDITURES	YEAR-TO-DATE	BUDGET AVAILTABLE	PCF AVL
5101000	EMPLOYEE SALARIES		269,656.00	0.00	0.00	29,378.34	211,034.59	58,621.41	21.7
5102000	EMPLOYEE BENEFITS		79,121.00	0.00	0.00	9,337.09	61,003.75	18,117.25	22.9
5203000	TRAVEL		34,730.00	0.00	0.00	600.79	7,734.48	26,995.52	77.7
5204000	CONTRACTUAL SVCS		164,781.00	0.00	66,113.97	4,578.63	63,799.18	34,867.85	21.2
5205000	SUPPLIES & MATRIS		29,700.00	0.00	0.00	279.60	14,778.95	14,921.05	50.2
5207000	CAPITAL OUTLAY		2,000.00	0.00	0.00	0.00	205.12	1,794.88	89.7
PS SUBTOTALS			348,777.00	0.00	0.00	38,715.43	272,038.34	76,738.66	22.0
OE SUBTOTALS			231,211.00	0.00	66,113.97	5,459.02	86,517.73	78,579.30	34.0
COMPANY 6503-I	TOT		579,988.00	0.00	66,113.97	44,174.45	358,556.07	155,317.96	26.8

STATE OF SOUTH DAKOTA
 REVENUE SUMMARY BY BUDGET UNIT
 FOR PERIOD ENDING: 03/31/2017

AGENCY BUDGET CENTER	UNIT	COMP	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE
LABOR & REGULATION REAL ESTATE COMMISSION						
COMPANY NO 1037 6503 PROFESSIONAL & LICENSING BOARDS						
103700069901	6503	4293700		RESIDENT RENTAL AGENTS	660.00	2,640.00
103700069901	6503	4293702		BROKER	6,075.00	42,487.00
103700069901	6503	4293703		HOME INSPECTORS	400.00	1,800.00
103700069901	6503	4293704		PROPERTY MANAGER	450.00	4,500.00
103700069901	6503	4293705		SALES AGENTS	.00	900.00
103700069901	6503	4293707		FIRMS	600.00	5,080.00
103700069901	6503	4293708		CONDOMINIUMS	.00	1,585.33
103700069901	6503	4293710		TIMESHARE PROJECTS	.00	5,333.33
103700069901	6503	4293711		EDUCATIONAL COURSES	870.00	9,795.00
103700069901	6503	4293712		ADDITIONAL LICENSES	210.00	1,050.00
103700069901	6503	4293713		CHANGE OF ADDRESS	360.00	4,845.00
103700069901	6503	4293714		CERTIFICATES OF LICENSURE	90.00	2,175.00
103700069901	6503	4293715		LATE RENEWAL FEES	375.00	5,835.00
103700069901	6503	4293717		RENEWAL RES RENTAL AGENTS	.00	3,150.00
103700069901	6503	4293718		RENEWAL AUCTIONEER	125.00	3,000.00
103700069901	6503	4293719		RENEWAL BROKER	250.00	163,575.00
103700069901	6503	4293720		HOME INSPECTION RENEWAL	100.00	5,045.00
103700069901	6503	4293721		RENEWAL PROPERTY MANAGER	125.00	9,500.00
103700069901	6503	4293723		RENEWAL TIMESHARE AGENTS	.00	1,375.00
103700069901	6503	4293724		RENEWAL FIRMS	.00	27,805.00
103700069901	6503	4293725		RENEWAL TIMESHARE PROJECT	.00	8,050.00
103700069901	6503	4293726		RENEWAL ADDITIONAL LICENS	.00	1,770.00
ACCT: 4293				BUSINESS & OCCUP LICENSING (NON-GOVERNMENTAL)	10,690.00	311,295.66
ACCT: 42				LICENSES, PERMITS & FEES	10,690.00	311,295.66

**

STATE OF SOUTH DAKOTA
 REVENUE SUMMARY BY BUDGET UNIT
 FOR PERIOD ENDING: 03/31/2017

AGENCY BUDGET CENTER	UNIT	COMP	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE
103700069901	1037	6503	4393003	MISC FINES & PENALTIES	200.00	12,908.80
ACCT: 4393				PENALTIES (NON-GOVERNMENTAL)	200.00	12,908.80
ACCT: 43				FINES, FORFEITS & PENALTIES	200.00	12,908.80
103700069901	6503	4596002		LICENSE LAW BOOKS SOLD	800.00	1,088.00
103700069901	6503	4596003		DIRECTORIES/HOME BUYER GU	1,000.00	5,500.00
103700069901	6503	4596004		MAILING LABELS	.00	1,550.00
ACCT: 4596					1,800.00	8,138.00
ACCT: 45				CHARGES FOR SALES & SERVICES	1,800.00	8,138.00
103700069901	6503	4896004		COS-EDUCATION COURSE COST	.00	25,610.00
ACCT: 4896					.00	25,610.00
ACCT: 48				OTHER REVENUE	.00	25,610.00
103700069901	6503	4920045		NONOPERATING REVENUES	.00	6,773.25
ACCT: 4920				NONOPERATING REVENUE	.00	6,773.25
ACCT: 49				OTHER REVENUE	.00	6,773.25
CNTR: 103700069901					12,690.00	364,725.71
COMP: 6503					12,690.00	364,725.71
B UNIT: 1037					12,690.00	364,725.71

Revenue Report Ending 3/31/17

(Additional Report)

Description	Budgeted	Current	Rev. to be Rec	YTD	PCT Rec.
Residential Rental Agents	2,000	660	(640)	2,640	132
Auctioneer	450	0	450	0	0
Broker	50,000	6,075	7,513	42,487	85
Home Inspectors	4,000	400	2,200	1,800	45
Property Manager	5,000	450	500	4,500	90
Sales Agents	3,000	0	2,100	900	30
Timeshare Agents	1,000	0	1,000	0	0
Firms	7,000	600	1,920	5,080	73
Condominiums	7,000	0	5,414.67	1,585.33	23
Timeshare Projects	6,000	0	666.67	5,333.33	89
Educational Courses	14,000	870	4,205	9,795	70
Additional Licenses	2,000	210	950	1,050	53
Change of Address	7,000	360	2,155	4,845	69
Certificate of Licensure	2,500	90	325	2,175	87
Late Renewal Fees	9,000	375	3,165	5,835	65
Renewal Res Rental Agents	2,500	0	(650)	3,150	126
Renewal Auctioneer	4,000	125	1,000	3,000	75
Renewal Broker	155,000	250	(8,575)	163,575	106
Home Inspection Renewal	5,000	100	(45)	5,045	101
Renewal Property Manager	9,000	125	(500)	9,500	106
Renewal Sales Agents	12,000	0	12,000	0	0
Renewal Timeshare Agents	1,000	0	(375)	1,375	138
Renewal Firms	36,000	0	8,195	27,805	77
Renewal Timeshare Project	5,000	0	(3,050)	8,050	161
Renewal Additional Licenses	4,000	0	2,230	1,770	44
Misc. Fines and Penalties	12,000	200	(908.80)	12,908.80	108
Interest Earned	6,500	0	(273.25)	6,773.25	104
License Law Books Sold	1,500	800	412	1,088	73
Directories/Guide Sold	4,000	1,000	(1,500)	5,500	138
Mailing Labels Sold	5,500	0	3,950	1,550	28
Seminar / Education Costs	31,000	0	5,390	25,610	83
Investigation Reimbursement	2,000	0	2,000	0	0
	415,950	12,690	67,741.34 (16,517.05)	364,725.71	88%

STATE OF SOUTH DAKOTA
CASH CENTER BALANCES
AS OF: 04/30/2017

AGENCY: 10 LABOR & REGULATION
BUDGET UNIT: 1037 REAL ESTATE COMMISSION

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103700069901	1140000	312,793.33	DR	REAL ESTATE COMMISSION
6503	103700069902	1140000	100,000.00	DR	REAL ESTATE COMM RECOVERY FUND
COMPANY/SOURCE TOTAL 6503 699			412,793.33	DR *	
COMP/BUDG UNIT TOTAL 6503 1037			412,793.33	DR **	
BUDGET UNIT TOTAL 1037			412,793.33	DR ***	

BUDGET UNIT NAME	REAL ESTATE COMMISSION	COMP	ORIGINAL APPROPRIATION	APPROPRIATION TRANSFERS	YEAR-TO-DATE COMMITMENTS	YEAR-TO-DATE ENCUMBRANCES	YEAR-TO-DATE EXPENDITURES	AVAILABLE APPROPRIATIONS	CASH BALANCE	PCT AVL
6503-I			579,988.00	0.00	0.00	62,985.72	379,272.90	137,729.38	412,793.33	
BUDGETED TOT			579,988.00	0.00	0.00	62,985.72	379,272.90	137,729.38		
ALL COMP TOT			579,988.00	0.00	0.00	62,985.72	379,272.90	137,729.38		

TOTAL BUDGETED:

OBJECT OF EXPENDITURE	AMOUNT BUDGETED	COMMITMENTS YEAR-TO-DATE	ENCUMBRANCES YEAR-TO-DATE	MONTHLY EXPENDITURES	YEAR-TO-DATE APPROPRIATIONS	BUDGET AVAILABLE	PCT AVL
5101 EMPLOYEE SALARIES	269,656.00	0.00	0.00	9,959.38	220,993.97	48,662.03	18.0
5102 EMPLOYEE BENEFITS	79,121.00	0.00	0.00	3,116.20	64,119.95	15,001.05	19.0
5203 TRAVEL	34,730.00	0.00	0.00	1,254.73	8,989.21	25,740.79	74.1
5204 CONTRACTUAL SVCS	164,781.00	0.00	62,985.72	6,172.06	69,971.24	31,824.04	19.3
5205 SUPPLIES & MATRIS	29,700.00	0.00	0.00	214.46	14,993.41	14,706.59	49.5
5207 CAPITAL OUTLAY	2,000.00	0.00	0.00	0.00	205.12	1,794.88	89.7
TOTALS	579,988.00	0.00	62,985.72	20,716.83	379,272.90	137,729.38	23.7

BREAKOUT BY COMPANY:

COMPANY	6503-I	PROFESSIONAL & LICENSING BOARDS	TOT						
5101000	EMPLOYEE SALARIES	269,656.00	0.00	0.00	0.00	9,959.38	220,993.97	48,662.03	18.0
5102000	EMPLOYEE BENEFITS	79,121.00	0.00	0.00	0.00	3,116.20	64,119.95	15,001.05	19.0
5203000	TRAVEL	34,730.00	0.00	0.00	0.00	1,254.73	8,989.21	25,740.79	74.1
5204000	CONTRACTUAL SVCS	164,781.00	0.00	0.00	62,985.72	6,172.06	69,971.24	31,824.04	19.3
5205000	SUPPLIES & MATRIS	29,700.00	0.00	0.00	0.00	214.46	14,993.41	14,706.59	49.5
5207000	CAPITAL OUTLAY	2,000.00	0.00	0.00	0.00	0.00	205.12	1,794.88	89.7
	PS SUBTOTALS	348,777.00	0.00	0.00	0.00	13,075.58	285,113.92	63,663.08	18.3
	OE SUBTOTALS	231,211.00	0.00	0.00	62,985.72	7,641.25	94,158.98	74,066.30	32.0
	COMPANY 6503-I	TOT	579,988.00	0.00	62,985.72	20,716.83	379,272.90	137,729.38	23.7

STATE OF SOUTH DAKOTA
 REVENUE SUMMARY BY BUDGET UNIT
 FOR PERIOD ENDING: 04/30/2017

AGENCY BUDGET UNIT	COMP	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE
10 1037	10	LABOR & REGULATION REAL ESTATE COMMISSION			
COMPANY NO 6503 COMPANY NAME PROFESSIONAL & LICENSING BOARDS					
103700069901	6503	4293700	RESIDENT RENTAL AGENTS	120.00	2,760.00
103700069901	6503	4293702	BROKER	4,275.00	46,762.00
103700069901	6503	4293703	HOME INSPECTORS	200.00	2,000.00
103700069901	6503	4293704	PROPERTY MANAGER	450.00	4,950.00
103700069901	6503	4293705	SALES AGENTS	.00	900.00
103700069901	6503	4293707	FIRMS	600.00	5,680.00
103700069901	6503	4293708	CONDOMINIUMS	.00	1,585.33
103700069901	6503	4293710	TIMESHARE PROJECTS	.00	5,333.33
103700069901	6503	4293711	EDUCATIONAL COURSES	320.00	10,115.00
103700069901	6503	4293712	ADDITIONAL LICENSES	240.00	1,290.00
103700069901	6503	4293713	CHANGE OF ADDRESS	165.00	5,010.00
103700069901	6503	4293714	CERTIFICATES OF LICENSURE	60.00	2,235.00
103700069901	6503	4293715	LATE RENEWAL FEES	200.00	6,035.00
103700069901	6503	4293717	RENEWAL RES RENTAL AGENTS	.00	3,150.00
103700069901	6503	4293718	RENEWAL AUCTIONEER	.00	3,000.00
103700069901	6503	4293719	RENEWAL BROKER	.00	163,575.00
103700069901	6503	4293720	HOME INSPECTION RENEWAL	.00	5,045.00
103700069901	6503	4293721	RENEWAL PROPERTY MANAGER	.00	9,500.00
103700069901	6503	4293723	RENEWAL TIMESHARE AGENTS	.00	1,375.00
103700069901	6503	4293724	RENEWAL FIRMS	250.00	28,055.00
103700069901	6503	4293725	RENEWAL TIMESHARE PROJECT	.00	8,050.00
103700069901	6503	4293726	RENEWAL ADDITIONAL LICENS	.00	1,770.00
ACCT: 4293		BUSINESS & OCCUP LICENSING (NON-GOVERNMENTAL)		6,880.00	318,175.66
ACCT: 42		LICENSES, PERMITS & FEES		6,880.00	318,175.66

**

STATE OF SOUTH DAKOTA
 REVENUE SUMMARY BY BUDGET UNIT
 FOR PERIOD ENDING: 04/30/2017

AGENCY BUDGET CENTER	UNIT	1037	LABOR & REGULATION REAL ESTATE COMMISSION	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE
103700069901	6503	4393003	MISC FINES & PENALTIES	.00	12,908.80	
ACCT: 4393			PENALTIES (NON-GOVERNMENTAL)	.00	12,908.80	*
ACCT: 43			FINES, FORFEITS & PENALTIES	.00	12,908.80	**
103700069901	6503	4596002	LICENSE LAW BOOKS SOLD	.00	1,088.00	
103700069901	6503	4596003	DIRECTORIES/HOME BUYER GU	330.00	5,830.00	
103700069901	6503	4596004	MAILING TABLES	.00	1,550.00	
ACCT: 4596				330.00	8,468.00	*
ACCT: 45			CHARGES FOR SALES & SERVICES	330.00	8,468.00	**
103700069901	6503	4896004	COS-EDUCATION COURSE COST	.00	25,610.00	
ACCT: 4896				.00	25,610.00	*
ACCT: 48			OTHER REVENUE	.00	25,610.00	**
103700069901	6503	4920045	NONOPERATING REVENUES	.00	6,773.25	
ACCT: 4920			NONOPERATING REVENUE	.00	6,773.25	*
ACCT: 49			OTHER REVENUE	.00	6,773.25	**
CNTR: 103700069901				7,210.00	371,935.71	***
COMP: 6503				7,210.00	371,935.71	****
B UNIT: 1037				7,210.00	371,935.71	*****

Revenue Report Ending 4/30/17

(Additional Report)

Description	Budgeted	Current	Rev. to be Rec	YTD	PCT Rec.
Residential Rental Agents	2,000	120	(760)	2,760	138
Auctioneer	450	0	450	0	0
Broker	50,000	4,275	3,238	46,762	94
Home Inspectors	4,000	200	2,000	2,000	50
Property Manager	5,000	450	50	4,950	99
Sales Agents	3,000	0	2,100	900	30
Timeshare Agents	1,000	0	1,000	0	0
Firms	7,000	600	1,320	5,680	81
Condominiums	7,000	0	5,414.67	1,585.33	23
Timeshare Projects	6,000	0	666.67	5,333.33	89
Educational Courses	14,000	320	3,885	10,115	72
Additional Licenses	2,000	240	710	1,290	65
Change of Address	7,000	165	1,990	5,010	72
Certificate of Licensure	2,500	60	265	2,235	89
Late Renewal Fees	9,000	375	2,965	6,035	67
Renewal Res Rental Agents	2,500	0	(650)	3,150	126
Renewal Auctioneer	4,000	0	1,000	3,000	75
Renewal Broker	155,000	0	2,675	152,325	
Home Inspection Renewal	5,000	0	(45)	5,045	101
Renewal Property Manager	9,000	0	(500)	9,500	106
Renewal Sales Agents	12,000	11,250	750	11,250	
Renewal Timeshare Agents	1,000	0	(375)	1,375	138
Renewal Firms	36,000	250	7,945	28,055	78
Renewal Timeshare Project	5,000	0	(3,050)	8,050	161
Renewal Additional Licenses	4,000	0	2,230	1,770	44
Misc. Fines and Penalties	12,000	0	(908.80)	12,908.80	108
Interest Earned	6,500	0	(273.25)	6,773.25	104
License Law Books Sold	1,500	0	412	1,088	73
Directories/Guide Sold	4,000	330	(1,830)	5,830	146
Mailing Labels Sold	5,500	0	3,950	1,550	28
Seminar / Education Costs	31,000	0	5,390	25,610	83
Investigation Reimbursement	2,000	0	2,000	0	0
	415,950	7,210	52,406.34	371,935.71	90%
			(8,392.05)		

CITATION PROGRAM ADOPTED BY COMMISSION

Effective January 8, 2014, the South Dakota Real Estate Commission has revised its citation program. The goal of this program is to diminish the number of violations, to decrease the time currently required to bring licensees into compliance when necessary, and to recover some of the costs involved when action is required.

The commission has identified a number of license law violations that will be included in the program of citations. Violations included in the citation program are as follows:

Failure to register a trust account with the commission / placing funds required to be held in trust in an unregistered account (SDCL 36-21A-80, 36-21A-82);

Failure to register a place of business or failure to report a change of location of a business (SDCL 36-21A-52);

Failure to report a change of association to the commission (SDCL 36-21A-56);

Failure to renew errors and omissions insurance in a timely manner, maintain errors and omissions insurance or provide proper notification to the commission of errors and omissions insurance (SDCL 36-21A-119, ARSD 20:69:15:02, 20:69:15:06, 20:69:15:08.01);

Performing real estate brokerage activity beyond the month in which a license lapses for non-payment of renewal fees, and not filing/completing the required continuing education (SDCL 36-21A-61, 36-21A-62, 36-21A-64);

Failure to reconcile a trust account at least monthly (SDCL 36-21A-80);

Failure to include the name of the firm in an advertisement (SDCL 36-21A-72);

Performing the services of a real estate broker or broker as a corporation, association, partnership, L.L.C. or L.L.P. without a firm license for that entity (SDCL 36-21A-37);

Advertising a "commission only" corporation or limited liability company (SDCL 36-21A-46.1(2));

Failure to maintain individual ledger sheets, deposit slips, check registers or bank statements of any trust account. (SDCL 36-21A-82);

Failure to register a branch office with the Commission (SDCL 36-21A-53);

Failure to surrender license when licensee receives notice of being placed on inactive status for not providing proof of errors and omissions insurance (ARSD 20:69:15:08.01);

Failure to immediately report a lost, misplaced, stolen or destroyed license to the Commission; (ARSD 20:69:03:20); and

Failure to bring into compliance audit exceptions that include but not limited to SDCL, 36-21A-71(14) (failure by a broker to date and sign a closing statement) 36-21A-74 (trust account bank statements, agency agreements, offers to purchase, closing statements and other transaction records not on file), 36-21A-80 (trust account not in balance / monies not deposited within next legal banking day after acceptance of contract), 36-21A-82 (all deposit slips for trust accounts not on file / ledger sheets not used on each owner), 36-21A-130 (agency agreements not completed correctly / real estate relationships disclosure not on file), 36-21A-147 (written office policy not on file), 44-4-44 (seller's property condition disclosure statement not on file), ARSD 20:69:06:05 (not complying with auction listing requirements), 20:69:06:06 (auction advertising that does not disclose the names and types of licenses held by all licensees involved in the auction), 20:69:06:08 (failing to maintain auction records pertinent to any transactions), 20:69:14:12 (ledger sheets not used for tenant deposits or not keeping a separate balance in owner ledger for tenant deposits / pre-numbered receipts not used for currency received, 20:69:15:02 (licensees not covered by errors and omissions insurance) and failure to comply with lead-base paint disclosure requirements.

A violation of one of these requirements, excluding the failure to bring audit exceptions into compliance, will result in the filing of a complaint and an offer to enter into a Consent Agreement. Each Consent Agreement will include no less than a \$100.00 penalty and a specified time to comply with the requirement. A broker who fails to bring audit exceptions into compliance may result in the filing of a complaint and an offer to enter into a Consent Agreement to include a no less than a \$100.00 penalty and a specified time to comply with the requirement. Those licensees agreeing to a Consent Agreement will also have to acknowledge that the action will be published in the Commission's newsletter. If the Commission feels the violation has grounds for formal action, it will forego the offering of a Stipulation.



EVENTS

2017 District 2 & 3 Meeting/Charleston,WV

2017 Annual Conference/Honolulu

2017 Investigator Workshop/Portland

2018 Mid-Year Meeting/New Orleans

District Conferences

Commissioner College

Future Events

My Registrations

2017 Annual Conference/Honolulu

Honolulu, Hawaii September 20–24, 2017

The Final Schedule, which will include the details on the General Sessions, is in process. In the meantime, the schedule below is intended to give our members the details needed to begin their plans to attend.

[Schedule](#) [Sponsors](#) [Accommodations](#) [Additional Info](#) [Register](#) [Roster](#)

Schedule

Wednesday September 20	
1:00 pm	Registration Desk Open
1:00–4:00 pm	District 1 Meeting
4:00–5:30 pm	New Member Orientation / First-Time Attendee Reception
5:30–7:30 pm	Welcome Reception
Thursday September 21	
6:30 am	Registration Desk Open
7:00–8:00 am	Welcome Breakfast
8:15–8:45 am	District 1 Caucus
8:15–8:45 am	District 2 Caucus
8:15–8:45 am	District 3 Caucus
8:15–8:45 am	District 4 Caucus
8:15–8:45 am	District 5 Caucus
9:00–10:30 am	Membership Committee Meeting
9:00–10:30 am	Exam Accreditation Committee Meeting - OPEN SESSION
9:00–10:30 am	Law & Regulation Committee Meeting
9:00–10:30 am	IT/Communications Committee Meeting
9:00–10:30 am	Timeshare Committee Meeting
10:30–10:45 am	Break
10:45 am–12:15 pm	Administrator Round Table
10:45 am–12:15 pm	Program Committee Meeting
10:45 am–12:15 pm	Investigator/Auditor Resource Committee Meeting
10:45 am–12:15 pm	Commissioners Round Table
10:45 am–12:15 pm	Exam Accreditation Committee Meeting - CLOSED SESSION
12:15–1:30 pm	Lunch on Your Own
12:15–1:30 pm	ARELLO® Foundation Working Lunch
1:30–3:00 pm	Commissioner Resource Committee Meeting
1:30–3:00 pm	Education Certification Committee Meeting
1:30–3:00 pm	Fair Housing Committee Meeting
1:30–3:00 pm	Nominating Committee Meeting
3:00–3:15 pm	Break
3:15–4:45 pm	Finance Committee Meeting
3:15–4:45 pm	Affiliate Round Table
3:15–4:45 pm	Governance Review Committee Meeting
3:15–4:45 pm	Real Estate Best Practices Round Table
Friday September 22	
7:00 am	Registration Desk Open
8:00–10:00 am	General Session - TBD
10:00–10:15 am	Break
10:15 am–12:00 pm	Keynote Speaker: Thinking Nui-Ka'ala Souza
12:00–1:30 pm	Lunch on Your Own



PROGRAMS MEMBERSHIP RESOURCES

12:00-1:30 pm	Executive Committee Working Lunch	About Contact Us Store Join
1:30-3:00 pm	Award Winning Ideas	
3:00-3:15 pm	Break	Login: <input type="text" value="email address"/> <input type="text" value="password"/> LOGIN Forgot password?
3:15-4:30 pm	Education Issues Round Table	
		MEMBER & SUBSCRIBER LOGIN
EVENTS ARELLO* FOUNDATION ABOUT CONTACT		
Saturday September 23		
8:00 am	Registration Desk Open	
8:30-10:30 am	Case Law Update	
10:30-10:45 am	Break	
10:45 am-12:15 pm	General Session - TBD	
12:15-1:30 pm	Lunch on Your Own	
1:30-4:00 pm	General Assembly / Board of Directors Meeting	
5:30-6:30 pm	Installation Reception	
6:30-9:00 pm	Installation Dinner	
Sunday September 24		
8:30-9:00 am	Commissioner College Registration Desk Open	
9:00 am-4:00 pm	Commissioner College 101 - SEPARATE REGISTRATION	

Please note that registration fees for guests are set to ensure ARELLO's costs are covered including the hotel/venue service charges and state and local taxes. Every effort is made to make these reasonable and affordable for our members.

Sponsorship of activities by vendors or regulated entities at this conference or meeting shall not be construed as an endorsement by ARELLO* of the sponsoring entity or of the products, services, policies or positions. The sponsorship is not intended by the vendor or regulated entity, nor should it be construed by anyone, to influence the decisions of ARELLO* and its representatives.

PROGRAMS

- Distance Education
- Certification
- Investigator/Auditor Resources
- Commissioner Colleges
- Disciplinary Action Database
- Examination Accreditation
- License Verification
- Timeshare Registry

MEMBERSHIP

RESOURCES

- Publications
- Subscriptions
- Regulatory Agencies
- News Outlet
- ARELLO* Store

EVENTS

- 2017 District 2 & 3 Meeting/Charleston,WV
- 2017 Annual Conference/Honolulu
- 2017 Investigator Workshop/Portland
- 2018 Mid-Year Meeting/New Orleans
- District Conferences
- Commissioner College
- Future Events
- My Registrations

ARELLO* FOUNDATION

- Board of Trustees
- Bylaws
- Robert W. Semenow
- Real Estate Policy
- Resource Endowment Fund
- Grant Applications
- Donate Now
- Generous Donors

ABOUT

- What's New
- Vision, Mission, Purpose and Values
- HISTORY OF ARELLO*
- President
- Officers and Directors
- Member List
- Dues
- Job Openings

CONTACT

© 2017

Association of Real Estate License Law Officials
 150 North Wacker Drive, Suite 920
 Chicago, Illinois 60606
Phone:+1 312-300-4800



[About](#) [Contact Us](#) [Store](#) [Join](#)

Login: [LOGIN](#) [Forgot password?](#)

[PROGRAMS](#) [MEMBERSHIP](#) [RESOURCES](#) [EVENTS](#) [ARELLO* FOUNDATION](#) [ABOUT](#) [CONTACT](#) [MEMBER & SUBSCRIBER LOGIN](#)

EVENTS

- [2017 District 2 & 3 Meeting/Charleston,WV](#)
- [2017 Annual Conference/Honolulu](#)
- [2017 Investigator Workshop/Portland](#)
- [2018 Mid-Year Meeting/New Orleans](#)
- [District Conferences](#)
- [Commissioner College](#)
- [Future Events](#)
- [My Registrations](#)

2017 Investigator Workshop/Portland

Portland, Oregon October 17-19, 2017

The 2017 Investigator Workshop is presented by the ARELLO* Investigator/Auditor Resource Committee and is designed by and for investigators and auditors. The personalized setting of the Workshop provides an invaluable opportunity to interact with speakers, share experiences and exchange ideas with colleagues.

[Schedule](#) [Sponsors](#) [Accommodations](#) [Register](#) [Roster](#)

Schedule

(No scheduled items have been created for this event).

Please note that registration fees for guests are set to ensure ARELLO's costs are covered including the hotel/venue service charges and state and local taxes. Every effort is made to make these reasonable and affordable for our members.

Sponsorship of activities by vendors or regulated entities at this conference or meeting shall not be construed as an endorsement by ARELLO* of the sponsoring entity or of the products, services, policies or positions. The sponsorship is not intended by the vendor or regulated entity, nor should it be construed by anyone, to influence the decisions of ARELLO* and its representatives.

PROGRAMS

- [Distance Education Certification](#)
- [Investigator/Auditor Resources](#)
- [Commissioner Colleges](#)
- [Disciplinary Action Database](#)
- [Examination Accreditation](#)
- [License Verification](#)
- [Timeshare Registry](#)

MEMBERSHIP

RESOURCES

- [Publications](#)
- [Subscriptions](#)
- [Regulatory Agencies](#)
- [News Outlet](#)
- [ARELLO* Store](#)

EVENTS

- [2017 District 2 & 3 Meeting/Charleston,WV](#)
- [2017 Annual Conference/Honolulu](#)
- [2017 Investigator Workshop/Portland](#)
- [2018 Mid-Year Meeting/New Orleans](#)
- [District Conferences](#)
- [Commissioner College](#)
- [Future Events](#)
- [My Registrations](#)

ARELLO* FOUNDATION

- [Board of Trustees](#)
- [Bylaws](#)
- [Robert W. Semenow](#)
- [Real Estate Policy](#)
- [Resource Endowment Fund](#)
- [Grant Applications](#)
- [Donate Now](#)
- [Generous Donors](#)

ABOUT

- [What's New](#)
- [Vision, Mission, Purpose and Values](#)
- [HISTORY OF ARELLO*](#)
- [President](#)
- [Officers and Directors](#)
- [Member List](#)
- [Dues](#)
- [Job Openings](#)

CONTACT

© 2017

Association of Real Estate License Law Officials
150 North Wacker Drive, Suite 920
Chicago, Illinois 60606
Phone:+1 312-300-4800