

SOUTH DAKOTA REAL ESTATE COMMISSION
AUGUST 4 & 5, 2008
HOLIDAY INN EXPRESS
110 EAST STANLEY ROAD
FORT PIERRE, SOUTH DAKOTA

The South Dakota Real Estate Commission convened at 1:00 p.m. on August 4, 2008 in Conference Room A of the Holiday Inn Express, Fort Pierre, South Dakota. Present for the meeting were Chairperson Eileen Fischer and commission members Dennis Eisnach, Brian Jackson, Charles Larkin and Paula Lewis. Also present were legal counsel Jim Robbennolt, executive director Dee Jones Noordermeer, licensing program administrator Norma Schilling and summer intern Shawn Ludemann.

The commission set dates for future Commission meetings.

Motion made and seconded to approve the minutes of the June 11 & 12, 2008 meeting. Motion carried.

Motion made and seconded to accept the financial report for June 2008. Motion carried.

Following review of the FY 2008 Annual report, motion made and seconded to accept the annual report for FY 2008. Motion carried.

Motion made and seconded to adopt the Findings of Fact, Conclusions of Law and Proposed Decision of Hearing Officer Leo Disburg on William Hone for discussion purposes.

Motion made and seconded to enter into executive session at 1:47 p.m. Motion carried.

Motion made and seconded to come out of executive session at 1:55 p.m. Motion carried.

Following discussion, motion made and seconded to amend the proposed decision of Hearing Officer Leo Disburg to a monetary penalty of \$2,500, reimbursement of costs and a suspension of the home inspector license of William Hone for one year with the suspension stayed on the condition of no license law violations for one year. Motion carried.

Compliance officer Michelle Metzinger joined the meeting at 2:00 p.m.

Hearing Officer Hillary Brady at 2:10 p.m. convened the formal hearing on complaint #2008-026, SDREC vs. Scott Lloyd. Present for the hearing in addition to the members of the commission were legal counsel Jim Robbennolt, executive director Dee Jones Noordermeer, licensing program administrator Norma Schilling, compliance officer Michelle Metzinger, summer intern Shawn Ludemann, court reporter Cheri Whittler, defendant Scott Lloyd and witnesses Jeffrey Iverson and Revenue Agent Jason Evans. The hearing closed at 3:43 p.m.

Motion made and seconded to uphold the summary suspension of the license of Scott Lloyd. Motion carried.

Michelle Metzinger left the meeting at 3:50 p.m.

The executive director informed the commission that she had received a request from Mark Johnsen, respondent in the complaint #2008-020, to appear for the informal consultation telephonically. Motion made and seconded to move to a formal hearing. Following discussion, second was withdrawn and a motion was made and seconded to hold the informal consultation in Sioux Falls at the October meeting. Motion carried.

August minutes, page 2

Motion made and seconded to enter into executive session at 4:10 p.m. to review complaints. Motion carried.

Motion made and seconded to come out of executive session at 4:25 p.m. Motion carried.

Complaint #2008-022, Clendening vs. Real Estate Advantage/Keil & The Real Estate Group of the Northern Hills/Bisgaard. Motion made and seconded to dismiss the complaint and have the executive director write a letter to the licensees reminding them of their duties to make sure the provisions of the purchase agreement are carried out. Motion carried.

Shawn Ludemann, summer intern with the Commission, addressed the commission on what he has gained in working for the Commission this summer. He informed the Commission as to what he had to do in order to obtain college credit for his summer intern position and also gave an update on his classes that he attends on Monday mornings with other summer interns.

Discussion was held on Initiated Measure 10 which involves open government and will be on the ballot this fall. The executive director was instructed to do more research on Initiated Measure 10.

The meeting recessed at 5:00 p.m. and reconvened at 8:30 a.m. on August 5, 2008.

Norma Schilling, licensing program administrator, gave an update on the REEA Conference that she and Karen Callahan, education program administrator, attended in Bonita Springs, FL in June.

Commission members Charles Larkin and Paula Lewis along with Dee Jones Noordermeer, the executive director, gave updates on the ARELLO District Conference which was held in Branson, MO in July.

Steve Willard joined the commission meeting at 9:00 a.m. to give the commission information he has obtained on Initiated Measure 10. Mr. Willard left the meeting at 9:45 a.m.

The executive director informed the commission on the Commissioner College and the ARELLO Annual Conference that will be held in Indianapolis, IN October 17-20, 2008. Motion made and seconded to request the attendance of five commission members and the executive director at the Commission College and the Annual ARELLO Conference. Motion carried.

The executive director informed the commission of the ARELLO Investigator Workshop that will be held September 3-5, 2008 in Baltimore, MD. Motion made and seconded to request the attendance of two staff members at the ARELLO Investigator Workshop. Motion carried.

The executive director briefed the commission on a request from some licensees requesting to form a corporation and then each licensee having a separate real estate company under that

corporation. The executive director was instructed to invite the licensees to the Commission meeting in Deadwood in September to explain their plan.

The executive director informed the commission that the compliance officers are revising the complaint form and the commission office will allow the complainants to email their complaint along with any documents pertaining to the complaint. The executive director stated the compliance officers will be asking for bank statements for one year and make sure that checks coincide when conducting audits. Discussion was held on how the compliance officers can handle irregularities.

August minutes, page 3

The executive director informed the commission that she is waiting to hear back from Secretary Kinsman on proposed legislation.

Discussion was held on the mediation statement on the purchase agreement and the fact that not all areas have a mediation board. The executive director was instructed to write an article for the Commission newsletter regarding the mediation statement on the purchase agreement.

The next meeting of the commission will be held September 8 & 9, 2008 in Deadwood.

There being no further business, motion made and seconded to adjourn at 11:30 p.m. Motion carried.

Eileen Fischer, Chairperson

Dee Jones Noordermeer, Executive Director

I, Dee Jones Noordermeer, hereby certify that the above is a true and correct copy of the minutes of the South Dakota Real Estate Commission meeting held on August 4 & 5, 2008.

Dee Jones Noordermeer, Executive Director