

SOUTH DAKOTA REAL ESTATE COMMISSION
KNEIP BUILDING
SEPTEMBER 24, 2014
700 GOVERNORS DR
PIERRE, SOUTH DAKOTA

The South Dakota Real Estate Commission convened at 8:00 a.m. on September 24, 2014. Present for the meeting were Chairman Matt Krogman and Commission members David Bonde and Paula Lewis. Commission member Mark Wahlstrom appeared telephonically. Commission member Ryan Wordeman was not present for the meeting. Also present were executive director Melissa Miller, licensing program administrator Norma Schilling, Department of Labor and Regulation legal counsel Aaron Arnold and compliance officers Brian Jackson and Michelle Metzinger.

Motion by Bonde, seconded by Wahlstrom, to approve the agenda as presented. Motion carried.

Motion by Wahlstrom, seconded by Bonde, to approve the minutes of the July 17, 2014 & August 12, 2014 meetings. Motion carried.

Motion by Bonde, seconded by Wahlstrom, to approve the financial reports for July & August 2014. Motion carried.

The hearing on the application appeal of Gabrielle McIntosh was convened at 8:18 a.m. with Hearing Examiner Hillary Brady of the Office of Hearing Examiners presiding. Present for the hearing were Chairman Matt Krogman and Commission members David Bonde, Paula Lewis and Mark Wahlstrom, Department of Labor and Regulation legal counsel Aaron Arnold, executive director Melissa Miller, licensing program administrator Norma Schilling, compliance officer Brian Jackson, Gabrielle McIntosh and Carol McIntosh. The hearing closed at 9:19 a.m.

Motion by Krogman, seconded by Lewis, to accept the consent agreement of Matt Larson in Complaint 2014-069 to the following:

- a. Mr. Larson shall pay an administrative fine in the amount of \$500.00 to the Commission by November 30, 2014; and
- b. Mr. Larson shall pay for, attend, and successfully complete the following Commission approved education courses in an in-classroom setting:
 1. Contracts – 6 hours.

Mr. Larson shall submit written proof of completing the required education by November 30, 2014. The required course work will not count toward Mr. Larson's continuing education requirements for maintaining his license.

- c. Mr. Larson agrees that if Mr. Larson fails to comply with sections 7(a) and 7(b) of this Consent Agreement, then Mr. Larson's license will be suspended immediately, beginning the first full day after the Commission is made aware of the failure to comply.

Motion carried.

Legal counsel briefed the Commission on the status of Complaint 2014-003. Legal counsel was instructed to continue to negotiate a consent agreement with the licensee.

Compliance officer Brian Jackson briefed the Commission on complaint on #2014-080.

Motion by Wahlstrom, seconded by Bonde, to enter into executive session at 10:22 a.m. pursuant to SDCL 1-25-2(3). Motion carried.

The Commission reconvened to regular session at 10.43 a.m.

Motion by Lewis, seconded by Bonde, to have legal counsel negotiate a consent agreement with the licensees named in complaint 2014-080. Motion carried. The Commission instructed the executive director to write a letter to the responsible broker.

Compliance officer Michelle Metzinger briefed the Commission on Complaint 2015-001. Motion by Wahlstrom, seconded by Lewis, to dismiss the complaint. Motion carried.

Compliance officer Michelle Metzinger briefed the Commission on Complaint 2015-002. Motion by Bonde, seconded by Lewis, to dismiss the complaint with a letter to the licensee. Motion carried.

Compliance officer Michelle Metzinger briefed the Commission on Complaint 2015-003. Motion by Lewis, seconded by Bonde, to dismiss the complaint. Motion carried.

Compliance officer Michelle Metzinger briefed the Commission on Complaint 2015-004.

Motion by Bonde, seconded by Lewis, to enter into executive session at 12:05 p.m. pursuant to SDCL 1-25-2(3). Motion carried.

The Commission reconvened to regular session at 12:15 p.m.

Motion by Lewis, seconded by Bonde, to have legal counsel amend the complaint and negotiate a consent agreement with the licensees in complaint 2015-004. Motion carried.

Compliance officer Brian Jackson briefed the Commission on Complaint 2015-005.

Motion by Bonde, seconded by Lewis, to dismiss Complaint 2015-005. Motion carried.

Motion by Wahlstrom, seconded by Bonde, to approve the application of applicant #1. Motion carried.

Motion by Bonde, seconded by Wahlstrom, to table the application of applicant #2 until the November 2014 meeting. Motion carried.

Motion by Lewis, seconded by Bonde, to deny the application of applicant #3. Motion carried.

Motion by Bonde, seconded by Lewis, to deny the application of applicant #5. Motion carried.

Motion by Wahlstrom, seconded by Lewis, to approve the application of applicant #6. Motion carried

Motion by Bonde, seconded by Lewis, to approve the application of applicant #7. Motion carried.

Discussion was held on licensees performing BPOs/Appraisals. The Commission discussed ways to educate licensees who perform these activities.

Discussion was held on the James Peterson Consent Agreement. Motion by Wahlstrom, seconded by Lewis, to deny the request to lift the suspension and send a letter to Mr. Peterson stating any further or current activity or listing will result in a complaint being filed. Motion carried.

Discussion was held on the change of association/buyout of a company.

Discussion was held on the current budget and projected budget.

Education director Karen Callahan joined the meeting at 2:15 p.m.

Discussion was held on forms. Motion by Lewis, seconded by Bonde, to make the prescribed forms that have been revised available to the licensees. Motion carried.

Discussion was held on legislation. Motion by Lewis, seconded by Wahlstrom, to hold a Rules Hearing to change the Administrative Rules regarding postlicensing education.

Karen Callahan left the meeting at 3:00 p.m.

Discussion was held on issues the compliance officers are encountering when conducting audits of real estate offices.

Michelle Metzinger left the meeting at 3:27 p.m.

Motion by Bonde, seconded by Wahlstrom, to approve the attendance of compliance officer Brian Jackson at the 2014 Investigator Workshop to be held October 28-30, 2014 in Columbus, OH.

The executive director handed out possible dates for the 2015 Commission meetings.

Commission member Paula Lewis gave an update on the 2014 Annual ARELLO Conference she attended in Philadelphia, PA.

The next regular meeting of the Commission will be held November 19-20, 2015 in Pierre.

There being no further business, motion by Bonde, seconded by Lewis, to adjourn at 3:35 p.m. Motion carried.

Minutes submitted by Norma Schilling

Matt Krogman, Chairman

Melissa Miller, Executive Director