

Meeting Minutes
South Dakota Real Estate Commission
Telephonic Conference Call
January 10, 2017 8:30 a.m. CST

Chairman Ryan Wordeman called the meeting to order via conference call at 8:34 a.m. A quorum was participating.

Members Participating: Ryan Wordeman
David Bonde
Mark Wahlstrom
Matt Krogman

Members Absent: Ken Cotton

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

Wordeman asked for a motion to approve the agenda as presented. Director Miller asked to amend the agenda with item 7 moved prior to item 6. Bonde made a motion to amend the agenda and approve the agenda as amended. Krogman seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Krogman made a motion to approve the November 8, 2016 meeting minutes. Wahlstrom seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Summary of the financials for November and December 2016 was presented by Director Miller. Director Miller noted the licensing administrator was still finalizing renewals and she would be working on consent agreements for licensees for non-renewal and/or errors and omissions insurance violations. Finalizing the renewals and processing the receipt of consent agreement fines should be reflected in the financials reviewed at the next meeting. Krogman made a motion to approve financial reports. Wahlstrom seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Application review. Wahlstrom made a motion to table the application and have applicant provide more specific information. Krogman seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Attorney Oey provided a summary of the proposed complaint process. The process would involve a committee made up of the Executive Director, a commission investigator, and a Department of Labor and Regulation staff attorney to review each complaint, response and investigator report. The DLR staff attorney would advise the commission of the committee recommendation for action on the complaint. The commission members would vote to accept, reject, or modify the recommendation. The purpose of the proposed changes to the complaint process would be to reduce the amount of non-pertinent information reviewed review by the commission members. Another goal would be a more efficient complaint process to help reduce the length of commission meetings.

Commission member Ken Cotton joined the meeting at 9:17 a.m. during Oey's summary.

Discussion was held on the proposed complaint process. Wahlstrom made a motion to table complaints 2016-091 and 2017-002 listed as item 6 on the agenda until the next commission meeting in order to test and evaluate the proposed complaint processes. Cotton seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Director Miller requested attendance and travel approval for any commission staff or commissioner wanting to attend the ARELLO Mid-Year Meeting being held April 26-29, 2017, in Louisville, KY. Krogman made a motion to approve the attendance and travel to the mid-year meeting for staff and commissioners for those wishing to attend. Cotton seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Director Miller informed the commission the annual chili/oyster feed, which is partially sponsored by the South Dakota Association of Realtors, will be held on Wednesday, February 1st.

The next meeting will be scheduled for March 23rd, 2017, in Pierre.

Under other business the commission had a short discussion on licensees including commission negotiations in the purchase agreement. The general consensus was the purchase agreement is a contract between a buyer and an owner (seller) and commission splits or negotiations between licensees does not pertain to the buyer and seller and should not be part of a purchase contract.

There was no other business to discuss. Bonde made a motion to adjourn the meeting at 9:46 a.m. Wahlstrom seconded the motion. Wordeman called the roll. **MOTION PASSED** by unanimous vote.

Minutes submitted by Brian Jackson