

Meeting Minutes
South Dakota Real Estate Commission
Telephonic Meeting (DDN)
February 11, 2020 12:00 p.m. CST

Chairman Ryan Wordeman called the meeting to order at 12:04 p.m. A quorum was participating.

Members Participating: Mark Wahlstrom
Ryan Wordeman
Ken Cotton
Carol Lawhun

Members Absent: Dave Bonde

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

Cotton made a motion to approve the agenda. Cotton seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Lawhun – yea; Cotton – yea; Wahlstrom – yea; Wordeman – yea)

Public Comment – None.

Wahlstrom made motion to approve the meeting minutes. Cotton seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Lawhun – yea; Cotton – yea; Wahlstrom – yea; Wordeman – yea)

Summary of the financials for November and December was presented by Director Miller. Wahlstrom made a motion to acknowledge receipt of financials and to file. Cotton seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Lawhun – yea; Cotton – yea; Wahlstrom – yea; Wordeman – yea)

Complaint 2019-113 / United Country Advantage Land Company/Hegerfeld

Lawhun made a motion to approve consent agreement 2019-113. Cotton seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Lawhun – yea; Cotton – yea; Wahlstrom – yea; Wordeman – yea)

Complaint 2020-003 / United Country Advantage Land Company/Hammond

Wahlstrom made a motion to approve consent agreement 2020-003. Lawhun seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Lawhun – yea; Cotton – yea; Wahlstrom – yea; Wordeman – yea)

Complaint 2020-009 / Pioneer Property Management/Gourley

Wahlstrom made a motion to approve consent agreement 2020-009. Cotton seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Lawhun – yea; Cotton – yea; Wahlstrom – yea; Wordeman – yea)

ARELLO Mid-Year Meeting – April 29-May 2, 2020 (Savannah, Georgia)

A discussion was held on 2020 legislation and rules.

Lawhun made a motion to approve travel and expense for staff and/or commissioner members to attend ARELLO Mid-year Conference. Cotton seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Lawhun – yea; Cotton – yea; Wahlstrom – yea; Wordeman – yea)

Other Business – Melissa said that she has hired Suzanne Wetz for the Senior Secretary position and that she will start on February 24.

The next meeting is scheduled for Wednesday, March 11, 2020.

Wahlstrom made a motion to adjourn the meeting at 12:46 p.m. Cotton seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Lawhun – yea; Cotton – yea; Wahlstrom – yea; Wordeman – yea)

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103700069901	1140000	420,079.30	DR	REAL ESTATE COMMISSION
6503	103700069902	1140000	102,104.59	DR	REAL ESTATE COMM RECOVERY FUND
COMPANY/SOURCE TOTAL 6503 699			522,183.89	DR *	
COMP/BUDG UNIT TOTAL 6503 1037			522,183.89	DR **	
BUDGET UNIT TOTAL 1037			522,183.89	DR ***	

BUDGET UNIT 1037

CENTER 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
6503-I	617,541.00	0.00	0.00	15,196.49	250,639.54	351,704.97	522,183.89
BUDGETED TOT	617,541.00	0.00	0.00	15,196.49	250,639.54	351,704.97	
ALL COMP TOT	617,541.00	0.00	0.00	15,196.49	250,639.54	351,704.97	

TOTAL BUDGETED:

OBJECT OF EXPENDITURE	AMOUNT BUDGETED	COMMITMENTS YEAR-TO-DATE	ENCUMBRANCES YEAR-TO-DATE	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	BUDGET AVAILABLE	PCT AVL
5101 EMPLOYEE SALARIES	290,435.00	0.00	0.00	31,564.07	149,681.74	140,753.26	48.5
5102 EMPLOYEE BENEFITS	91,836.00	0.00	0.00	10,786.37	52,447.40	39,388.60	42.9
5203 TRAVEL	40,407.00	0.00	0.00	916.45	8,359.09	32,047.91	79.3
5204 CONTRACTUAL SVCS	161,248.00	0.00	15,196.49	4,374.45	31,695.50	114,356.01	70.9
5205 SUPPLIES & MATRLS	31,300.00	0.00	0.00	281.29	8,455.81	22,844.19	73.0
5207 CAPITAL OUTLAY	2,315.00	0.00	0.00	0.00	0.00	2,315.00	100.0
TOTALS	617,541.00	0.00	15,196.49	47,922.63	250,639.54	351,704.97	57.0

BREAKOUT BY COMPANY:

COMPANY 6503-I PROFESSIONAL & LICENSING BOARDS

OBJECT OF EXPENDITURE	AMOUNT BUDGETED	COMMITMENTS YEAR-TO-DATE	ENCUMBRANCES YEAR-TO-DATE	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	BUDGET AVAILABLE	PCT AVL
5101000 EMPLOYEE SALARIES	290,435.00	0.00	0.00	31,564.07	149,681.74	140,753.26	48.5
5102000 EMPLOYEE BENEFITS	91,836.00	0.00	0.00	10,786.37	52,447.40	39,388.60	42.9
5203000 TRAVEL	40,407.00	0.00	0.00	916.45	8,359.09	32,047.91	79.3
5204000 CONTRACTUAL SVCS	161,248.00	0.00	15,196.49	4,374.45	31,695.50	114,356.01	70.9
5205000 SUPPLIES & MATRLS	31,300.00	0.00	0.00	281.29	8,455.81	22,844.19	73.0
5207000 CAPITAL OUTLAY	2,315.00	0.00	0.00	0.00	0.00	2,315.00	100.0
PS SUBTOTALS	382,271.00	0.00	0.00	42,350.44	202,129.14	180,141.86	47.1
OE SUBTOTALS	235,270.00	0.00	15,196.49	5,572.19	48,510.40	171,563.11	72.9
COMPANY 6503-I TOT	617,541.00	0.00	15,196.49	47,922.63	250,639.54	351,704.97	57.0

AGENCY 10 LABOR & REGULATION
BUDGET UNIT 1037 REAL ESTATE COMMISSION

CENTER	COMP	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE
COMPANY NO 6503					
COMPANY NAME PROFESSIONAL & LICENSING BOARDS					
103700069901	6503	4293700	RESIDENT RENTAL AGENTS	300.00	2,340.00
103700069901	6503	4293702	BROKER	3,825.00	33,975.00
103700069901	6503	4293703	HOME INSPECTORS	200.00	3,000.00
103700069901	6503	4293704	PROPERTY MANAGER	225.00	5,130.00
103700069901	6503	4293705	SALES AGENTS	225.00	2,925.00
103700069901	6503	4293707	FIRMS	1,100.00	6,300.00
103700069901	6503	4293708	CONDOMINIUMS	.00	1,886.67
103700069901	6503	4293710	TIMESHARE PROJECTS	.00	3,775.00
103700069901	6503	4293711	EDUCATIONAL COURSES	805.00	9,850.00
103700069901	6503	4293712	ADDITIONAL LICENSES	390.00	5,285.00
103700069901	6503	4293713	CHANGE OF ADDRESS	750.00	5,685.00
103700069901	6503	4293714	CERTIFICATES OF LICENSURE	150.00	1,590.00
103700069901	6503	4293715	LATE RENEWAL FEES	4,180.00	18,840.00
103700069901	6503	4293717	RENEWAL RES RENTAL AGENTS	50.00	3,450.00
103700069901	6503	4293718	RENEWAL AUCTIONEER	375.00	5,375.00
103700069901	6503	4293719	RENEWAL BROKER	7,875.00	186,870.00
103700069901	6503	4293720	HOME INSPECTION RENEWAL	200.00	5,100.00
103700069901	6503	4293721	RENEWAL PROPERTY MANAGER	250.00	11,500.00
103700069901	6503	4293722	RENEWAL SALES AGENTS	375.00	13,125.00
103700069901	6503	4293723	RENEWAL TIMESHARE AGENTS	.00	875.00
103700069901	6503	4293724	RENEWAL FIRMS	375.00	38,115.00
103700069901	6503	4293725	RENEWAL TIMESHARE PROJECT	.00	7,275.00
103700069901	6503	4293726	RENEWAL ADDITIONAL LICENS	.00	2,100.00
ACCT: 4293	BUSINESS & OCCUP LICENSING (NON-GOVERNMENTAL)			21,650.00	374,366.67

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STATE OF SOUTH DAKOTA
REVENUE SUMMARY BY BUDGET UNIT
FOR PERIOD ENDING: 02/29/2020

AGENCY BUDGET UNIT	10 1037	LABOR & REGULATION REAL ESTATE COMMISSION	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE	
CENTER	COMP						
ACCT:	42		LICENSES, PERMITS & FEES		21,650.00	374,366.67	**
103700069901	6503	4393003	MISC FINES & PENALTIES		3,100.00	6,821.90	
ACCT:	4393		PENALTIES (NON-GOVERNMENTAL)		3,100.00	6,821.90	*
ACCT:	43		FINES, FORFEITS & PENALTIES		3,100.00	6,821.90	**
103700069901	6503	4596002	LICENSE LAW BOOKS SOLD		328.00	336.00	
103700069901	6503	4596003	DIRECTORIES/HOME BUYER GU		575.00	7,905.00	
ACCT:	4596				903.00	8,241.00	*
ACCT:	45		CHARGES FOR SALES & SERVICES		903.00	8,241.00	**
103700069901	6503	4920045	NONOPERATING REVENUES		.00	7,799.89	
ACCT:	4920		NONOPERATING REVENUE		.00	7,799.89	*
ACCT:	49		OTHER REVENUE		.00	7,799.89	**
CNTR:	103700069901				25,653.00	397,229.46	***
103700069902	6503	4920045	NONOPERATING REVENUES		.00	899.75	
ACCT:	4920		NONOPERATING REVENUE		.00	899.75	*
ACCT:	49		OTHER REVENUE		.00	899.75	**
CNTR:	103700069902				.00	899.75	***
COMP:	6503				25,653.00	398,129.21	****
B UNIT:	1037				25,653.00	398,129.21	*****

Revenue Report Ending 02/29/20

(Additional Report)

Description	Budgeted	Current	Rev. to be Rec	YTD	PCT Rec.
Residential Rental Agents	4,000	300	1,660	2,340	59
Auctioneer	250	0	250	0	
Broker	63,000	3,825	29,025	33,975	54
Home Inspectors	4,000	200	1,000	3,000	75
Property Manager	7,000	225	1,870	5,130	73
Sales Agents	6,000	225	3,075	2,925	49
Timeshare Agents	1,000	0	1,000	0	
Firms	7,000	1,100	700	6,300	90
Condominiums	8,000	0	6,113.33	1,886.67	24
Timeshare Projects	5,000	0	1,225	3,775	76
Educational Courses	15,000	805	5,150	9,850	66
Additional Licenses	3,000	390	(2,285)	5,285	176
Change of Address	8,000	750	2,315	5,685	71
Certificate of Licensure	3,000	150	1,410	1,590	53
Late Renewal Fees	11,000	4,100	(7,840)	18,840	171
Renewal Res Rental Agents	6,000	50	2,550	3,450	58
Renewal Auctioneer	5,000	375	(375)	5,375	108
Renewal Broker	190,000	7,875	3,130	186,870	98
Home Inspection Renewal	6,000	200	900	5,100	85
Renewal Property Manager	12,000	250	500	11,500	96
Renewal Sales Agents	15,000	375	1,875	13,125	88
Renewal Timeshare Agents	1,500	0	625	875	58
Renewal Firms	40,000	375	1,885	38,115	95
Renewal Timeshare Project	7,000	0	(275)	7,275	104
Renewal Additional Licenses	5,000	0	2,900	2,100	42
Misc. Fines, Penalties and NO Rev	21,000				
Interest Earned		3,100	5,478.46	15,521.54	74
License Law Books Sold	300	328	(36)	336	
Directories/Lists Sold	9,000	575	1,095	7,905	88
	463,050	25,653	75,731.79 (10,811)	398,129.21	86

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103700069901	1140000	412,148.77	DR	REAL ESTATE COMMISSION
6503	103700069902	1140000	102,104.59	DR	REAL ESTATE COMM RECOVERY FUND
COMPANY/SOURCE TOTAL 6503 699			514,253.36	DR *	
COMP/BUDG UNIT TOTAL 6503 1037			514,253.36	DR **	
BUDGET UNIT TOTAL 1037			514,253.36	DR ***	

AVAILABLE FUNDS
AS OF: 02/29/2020
FY YEAR REMAINING: 33.6%
PAY DAYS REMAINING: 7

BUDGET UNIT 1037

DATE 02/29/2020

CENTER NAME REAL ESTATE COMMISSION

COMP	ORIGINAL APPROPRIATION	APPROPRIATION TRANSFERS	YEAR-TO-DATE COMMITMENTS	YEAR-TO-DATE ENCUMBRANCES	MONTHLY EXPENDITURES	YEAR-TO-DATE APPROPRIATIONS	CASH BALANCE
6503-I	617,541.00	0.00	0.00	13,757.69	282,126.72	321,656.59	514,253.36
BUDGETED TOT	617,541.00	0.00	0.00	13,757.69	282,126.72	321,656.59	
ALL COMP TOT	617,541.00	0.00	0.00	13,757.69	282,126.72	321,656.59	

TOTAL BUDGETED:

OBJECT OF EXPENDITURE	AMOUNT BUDGETED	COMMITMENTS YEAR-TO-DATE	ENCUMBRANCES YEAR-TO-DATE	MONTHLY EXPENDITURES	YEAR-TO-DATE	BUDGET AVAILABLE	PCT AVL
5101 EMPLOYEE SALARIES	290,435.00	0.00	0.00	18,108.03	167,789.77	122,645.23	42.2
5102 EMPLOYEE BENEFITS	91,836.00	0.00	0.00	5,932.76	58,380.16	33,455.84	36.4
5203 TRAVEL	40,407.00	0.00	0.00	162.95	8,522.04	31,884.96	78.9
5204 CONTRACTUAL SVCS	161,248.00	0.00	13,757.69	6,552.21	38,247.71	109,242.60	67.7
5205 SUPPLIES & MATRLS	31,300.00	0.00	0.00	731.23	9,187.04	22,112.96	70.6
5207 CAPITAL OUTLAY	2,315.00	0.00	0.00	0.00	0.00	2,315.00	100.0
TOTALS	617,541.00	0.00	13,757.69	31,487.18	282,126.72	321,656.59	52.1

BREAKOUT BY COMPANY:

COMPANY 6503-I PROFESSIONAL & LICENSING BOARDS

OBJECT OF EXPENDITURE	AMOUNT BUDGETED	COMMITMENTS YEAR-TO-DATE	ENCUMBRANCES YEAR-TO-DATE	MONTHLY EXPENDITURES	YEAR-TO-DATE	BUDGET AVAILABLE	PCT AVL
5101000 EMPLOYEE SALARIES	290,435.00	0.00	0.00	18,108.03	167,789.77	122,645.23	42.2
5102000 EMPLOYEE BENEFITS	91,836.00	0.00	0.00	5,932.76	58,380.16	33,455.84	36.4
5203000 TRAVEL	40,407.00	0.00	0.00	162.95	8,522.04	31,884.96	78.9
5204000 CONTRACTUAL SVCS	161,248.00	0.00	13,757.69	6,552.21	38,247.71	109,242.60	67.7
5205000 SUPPLIES & MATRLS	31,300.00	0.00	0.00	731.23	9,187.04	22,112.96	70.6
5207000 CAPITAL OUTLAY	2,315.00	0.00	0.00	0.00	0.00	2,315.00	100.0
PS SUBTOTALS	382,271.00	0.00	0.00	24,040.79	226,169.93	156,101.07	40.8
OE SUBTOTALS	235,270.00	0.00	13,757.69	7,446.39	55,956.79	165,555.52	70.4
COMPANY 6503-I TOT	617,541.00	0.00	13,757.69	31,487.18	282,126.72	321,656.59	52.1

AGENCY BUDGET UNIT	10 1037	LABOR & REGULATION REAL ESTATE COMMISSION	COMP	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE
COMPANY NO 6503							
COMPANY NAME PROFESSIONAL & LICENSING BOARDS							
103700069901	6503	4293700			RESIDENT RENTAL AGENTS	180.00	2,040.00
103700069901	6503	4293702			BROKER	5,175.00	30,150.00
103700069901	6503	4293703			HOME INSPECTORS	200.00	2,800.00
103700069901	6503	4293704			PROPERTY MANAGER	900.00	4,905.00
103700069901	6503	4293705			SALES AGENTS	450.00	2,700.00
103700069901	6503	4293707			FIRMS	1,300.00	5,200.00
103700069901	6503	4293708			CONDOMINIUMS	.00	1,886.67
103700069901	6503	4293710			TIMESHARE PROJECTS	1,000.00	3,775.00
103700069901	6503	4293711			EDUCATIONAL COURSES	1,210.00	9,045.00
103700069901	6503	4293712			ADDITIONAL LICENSES	630.00	4,895.00
103700069901	6503	4293713			CHANGE OF ADDRESS	870.00	4,935.00
103700069901	6503	4293714			CERTIFICATES OF LICENSURE	180.00	1,440.00
103700069901	6503	4293715			LATE RENEWAL FEES	8,340.00	14,660.00
103700069901	6503	4293717			RENEWAL RES RENTAL AGENTS	50.00	3,400.00
103700069901	6503	4293718			RENEWAL AUCTIONEER	1,125.00	5,000.00
103700069901	6503	4293719			RENEWAL BROKER	31,250.00	178,995.00
103700069901	6503	4293720			HOME INSPECTION RENEWAL	900.00	4,900.00
103700069901	6503	4293721			RENEWAL PROPERTY MANAGER	1,000.00	11,250.00
103700069901	6503	4293722			RENEWAL SALES AGENTS	1,250.00	12,750.00
103700069901	6503	4293723			RENEWAL TIMESHARE AGENTS	.00	875.00
103700069901	6503	4293724			RENEWAL FIRMS	4,500.00	37,740.00
103700069901	6503	4293725			RENEWAL TIMESHARE PROJECT	750.00	7,275.00
103700069901	6503	4293726			RENEWAL ADDITIONAL LICENS	.00	2,100.00
ACCT: 4293					BUSINESS & OCCUP LICENSING (NON-GOVERNMENTAL)	61,260.00	352,716.67

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STATE OF SOUTH DAKOTA
REVENUE SUMMARY BY BUDGET UNIT
FOR PERIOD ENDING: 01/31/2020

AGENCY 10 LABOR & REGULATION
BUDGET UNIT 1037 REAL ESTATE COMMISSION

CENTER	COMP	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE	
ACCT: 42		LICENSES, PERMITS & FEES		61,260.00	352,716.67	**
103700069901	6503	4393003	MISC FINES & PENALTIES	1,500.00	3,721.90	
ACCT: 4393		PENALTIES (NON-GOVERNMENTAL)		1,500.00	3,721.90	*
ACCT: 43		FINES, FORFEITS & PENALTIES		1,500.00	3,721.90	**
103700069901	6503	4596002	LICENSE LAW BOOKS SOLD	.00	8.00	
103700069901	6503	4596003	DIRECTORIES/HOME BUYER GU	1,090.00	7,330.00	
ACCT: 4596				1,090.00	7,338.00	*
ACCT: 45		CHARGES FOR SALES & SERVICES		1,090.00	7,338.00	**
103700069901	6503	4920045	NONOPERATING REVENUES	.00	7,799.89	
ACCT: 4920		NONOPERATING REVENUE		.00	7,799.89	*
ACCT: 49		OTHER REVENUE		.00	7,799.89	**
CNTR: 103700069901				63,850.00	371,576.46	***
103700069902	6503	4920045	NONOPERATING REVENUES	.00	899.75	
ACCT: 4920		NONOPERATING REVENUE		.00	899.75	*
ACCT: 49		OTHER REVENUE		.00	899.75	**
CNTR: 103700069902				.00	899.75	***
COMP: 6503				63,850.00	372,476.21	****
B UNIT: 1037				63,850.00	372,476.21	*****

Revenue Report Ending 01/31/20

(Additional Report)

Description	Budgeted	Current	Rev. to be Rec	YTD	PCT Rec.
Residential Rental Agents	4,000	180	1,960	2,040	51
Auctioneer	250	0	250	0	
Broker	63,000	5,175	32,850	30,150	48
Home Inspectors	4,000	200	1,200	2,800	70
Property Manager	7,000	900	2,095	4,905	70
Sales Agents	6,000	450	3,300	2,700	45
Timeshare Agents	1,000	0	1,000	0	
Firms	7,000	1,300	1,800	5,200	74
Condominiums	8,000	0	6,113.33	1,886.67	24
Timeshare Projects	5,000	1,000	1,225	3,775	76
Educational Courses	15,000	1,210	5,955	9,045	60
Additional Licenses	3,000	630	(1,895)	4,895	163
Change of Address	8,000	870	3,065	4,935	62
Certificate of Licensure	3,000	180	1,560	1,440	48
Late Renewal Fees	11,000	8,340	(3,660)	14,660	133
Renewal Res Rental Agents	6,000	50	2,600	3,400	57
Renewal Auctioneer	5,000	1,125	0	5,000	100
Renewal Broker	190,000	31,250	11,005	178,995	94
Home Inspection Renewal	6,000	900	1,100	4,900	82
Renewal Property Manager	12,000	1,000	750	11,250	94
Renewal Sales Agents	15,000	1,250	2,250	12,750	85
Renewal Timeshare Agents	1,500	0	625	875	58
Renewal Firms	40,000	4,500	2,260	37,740	94
Renewal Timeshare Project	7,000	750	(275)	7,275	104
Renewal Additional Licenses	5,000	0	2,900	2,100	42
Misc. Fines, Penalties and NO Rev	21,000				
Interest Earned		1,500	8,578.46	12,421.54	59
License Law Books Sold	300	0	292	8	
Directories/Lists Sold	9,000	1,090	1,670	7,330	81
	463,050	63,850	90,373.79 (5,830)	372,476.21	80