

**Meeting Minutes**  
**South Dakota Real Estate Commission**  
Telephonic Conference Call  
January 8, 2018 1 p.m. CST

Chairman Ken Cotton called the meeting to order via conference call at 1:02 p.m. A quorum was participating.

**Members Participating:** Ryan Wordeman  
David Bonde  
Mark Wahlstrom  
Matt Krogman

**Others Participating:** Melissa Miller, Executive Director, SDREC  
Brian Jackson, Compliance Officer, SDREC

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

Bonde made a motion to approve the November 8, 2017 meeting minutes. Krogman seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Summary of the financials for November 2017 and December 2017 was presented by Director Miller. Miller noted the online renewal went well with license renewal fees directly credited to the commission. Wahlstrom made a motion to accept the financial reports for filing. Bonde seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Applications were discussed and reviewed with the following action taken:

Applicant 1: Motion by Wahlstrom to approve the application. Wordeman seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Applicant 2: Motion by Wordeman to approve the application. Bonde seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Applicant 3: Applicant contacted Director Miller and withdrew the application. No action taken.

Applicant 4: Motion by Bonde to table the application. Wahlstrom seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Compliance Officer Michelle Metzinger joined the meeting at 1:41 p.m.

Complaint 2018-006: Motion by Bonde to table. Seconded by Krogman. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Complaint 2018-010: Consent agreement with Gregory Roth, license number 11199, Rapid City, SD, for violation of SDCL 36-21A-71(1) and SDCL 36-21A-71(22).

- a. Roth shall pay an administrative fine in the amount of \$250.00 to the Commission Office by February 9, 2018.
- b. Roth agrees that if he fails to fulfill the condition in (a) by the date set his license will be immediately suspended. The suspension will be in effect until Roth successfully completes the requirement.

Krogman made a motion to approve consent agreement 2018-010. Wordeman seconded the motion.

Wahlstrom made a substitute motion. Krogman seconded the substitute motion. Discussion was held and Wahlstrom withdrew the substitute motion.

Cotton called the roll. **MOTION PASSED** by unanimous vote.

Director Miller discussed credit checks on new applicants. No action was taken.

ARELLO Mid-Year Meeting will be held in New Orleans, LA, April 4-7, 2018. Wahlstrom motioned to approve attendance at the Mid-Year meeting for the Executive Director and a staff or commission member. Bonde seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

No other business was brought before the Commission.

Next meeting: March 15, 2018 in Pierre.

Wordeman made a motion to adjourn the meeting at 2:04 p.m. Seconded by Krogman. Cotton called the roll. **MOTION PASSED** by unanimous vote.

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			580,357.00	0.00	0.00	15,946.25	246,624.43	317,786.32	491,621.03
BUDGETED TOT			580,357.00	0.00	0.00	15,946.25	246,624.43	317,786.32	
ALL COMP TOT			580,357.00	0.00	0.00	15,946.25	246,624.43	317,786.32	

TOTAL BUDGETED:

OBJECT OF EXPENDITURE	AMOUNT BUDGETED	COMMITMENTS YEAR-TO-DATE	ENCUMBRANCES YEAR-TO-DATE	MONTHLY EXPENDITURES	BUDGET AVAILABLE	PCT AVL
5101 EMPLOYEE SALARIES	269,919.00	0.00	0.00	20,680.35	146,879.43	45.6
5102 EMPLOYEE BENEFITS	79,288.00	0.00	0.00	6,451.02	45,449.00	42.7
5203 TRAVEL	37,350.00	0.00	0.00	635.59	12,103.61	67.6
5204 CONTRACTUAL SVCS	160,185.00	0.00	15,946.25	4,011.46	32,750.46	69.6
5205 SUPPLIES & MATRLS	31,300.00	0.00	0.00	290.31	8,194.93	73.8
5207 CAPITAL OUTLAY	2,315.00	0.00	0.00	0.00	1,247.00	46.1
TOTALS	580,357.00	0.00	15,946.25	32,068.73	246,624.43	54.8

BREAKOUT BY COMPANY:

COMPANY	PROFESSIONAL & LICENSING BOARDS	AMOUNT BUDGETED	COMMITMENTS YEAR-TO-DATE	ENCUMBRANCES YEAR-TO-DATE	MONTHLY EXPENDITURES	BUDGET AVAILABLE	PCT AVL
5101000	EMPLOYEE SALARIES	269,919.00	0.00	0.00	20,680.35	146,879.43	45.6
5102000	EMPLOYEE BENEFITS	79,288.00	0.00	0.00	6,451.02	45,449.00	42.7
5203000	TRAVEL	37,350.00	0.00	0.00	635.59	12,103.61	67.6
5204000	CONTRACTUAL SVCS	160,185.00	0.00	15,946.25	4,011.46	32,750.46	69.6
5205000	SUPPLIES & MATRLS	31,300.00	0.00	0.00	290.31	8,194.93	73.8
5207000	CAPITAL OUTLAY	2,315.00	0.00	0.00	0.00	1,247.00	46.1
PS SUBTOTALS		349,207.00	0.00	0.00	27,131.37	192,328.43	44.9
OE SUBTOTALS		231,150.00	0.00	15,946.25	4,937.36	54,296.00	69.6
COMPANY 6503-I	TOT	580,357.00	0.00	15,946.25	32,068.73	246,624.43	54.8

STATE OF SOUTH DAKOTA  
CASH CENTER BALANCES  
AS OF: 01/31/2018

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103700069901	1140000	391,621.03	DR	REAL ESTATE COMMISSION
6503	103700069902	1140000	100,000.00	DR	REAL ESTATE COMM RECOVERY FUND
COMPANY/SOURCE TOTAL 6503 699			491,621.03	DR *	
COMP/BUDG UNIT TOTAL 6503 1037			491,621.03	DR **	
BUDGET UNIT TOTAL 1037			491,621.03	DR ***	

STATE OF SOUTH DAKOTA  
 REVENUE SUMMARY BY BUDGET UNIT  
 FOR PERIOD ENDING: 01/31/2018

AGENCY BUDGET UNIT	10 1037	LABOR & REGULATION REAL ESTATE COMMISSION					
CENTER	COMP	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE		
COMPANY NO	6503		PROFESSIONAL & LICENSING BOARDS				
COMPANY NAME							
103700069901	6503	4293700	RESIDENT RENTAL AGENTS	420.00	2,380.00		
103700069901	6503	4293702	BROKER	6,075.00	28,140.00		
103700069901	6503	4293703	HOME INSPECTORS	400.00	2,825.00		
103700069901	6503	4293704	PROPERTY MANAGER	450.00	2,700.00		
103700069901	6503	4293705	SALES AGENTS	450.00	1,350.00		
103700069901	6503	4293706	TIMESHARE AGENTS	450.00	900.00		
103700069901	6503	4293707	FIRMS	1,000.00	5,100.00		
103700069901	6503	4293708	CONDOMINIUMS	1,970.00	6,203.33		
103700069901	6503	4293710	TIMESHARE PROJECTS	.00	1,370.00		
103700069901	6503	4293711	EDUCATIONAL COURSES	2,575.00	9,450.00		
103700069901	6503	4293712	ADDITIONAL LICENSES	180.00	1,275.00		
103700069901	6503	4293713	CHANGE OF ADDRESS	765.00	4,545.00		
103700069901	6503	4293714	CERTIFICATES OF LICENSURE	225.00	1,545.00		
103700069901	6503	4293715	LATE RENEWAL FEES	7,340.00	7,480.00		
103700069901	6503	4293717	RENEWAL RES RENTAL AGENTS	900.00	3,000.00		
103700069901	6503	4293718	RENEWAL AUCTIONEER	2,000.00	6,000.00		
103700069901	6503	4293719	RENEWAL BROKER	95,250.00	177,000.00		
103700069901	6503	4293720	HOME INSPECTION RENEWAL	3,100.00	5,000.00		
103700069901	6503	4293721	RENEWAL PROPERTY MANAGER	4,875.00	10,500.00		
103700069901	6503	4293722	RENEWAL SALES AGENTS	10,250.00	17,000.00		
103700069901	6503	4293723	RENEWAL TIMESHARE AGENTS	625.00	1,125.00		
103700069901	6503	4293724	RENEWAL FIRMS	17,125.00	34,750.00		
103700069901	6503	4293725	RENEWAL TIMESHARE PROJECT	250.00	6,250.00		
103700069901	6503	4293726	RENEWAL ADDITIONAL LICENS	2,340.00	7,380.00		

STATE OF SOUTH DAKOTA  
 REVENUE SUMMARY BY BUDGET UNIT  
 FOR PERIOD ENDING: 01/31/2018

AGENCY BUDGET UNIT	10 1037	TABOR & REGULATION REAL ESTATE COMMISSION						
CENTER	COMP	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE			
ACCT: 4293		BUSINESS & OCCUP LICENSING (NON-GOVERNMENTAL)		159,015.00	343,268.33	*		
ACCT: 42		LICENSES, PERMITS & FEES		159,015.00	343,268.33	**		
103700069901	6503	4393003	MISC FINES & PENALTIES	124.94	7,012.38	*		
ACCT: 4393		PENALTIES (NON-GOVERNMENTAL)		124.94	7,012.38	*		
ACCT: 43		FINES, FORFEITS & PENALTIES		124.94	7,012.38	**		
103700069901	6503	4596002	LICENSE LAW BOOKS SOLD	.00	96.00			
103700069901	6503	4596003	DIRECTORIES/HOME BUYER GU	950.00	6,700.00			
ACCT: 4596				950.00	6,796.00	*		
ACCT: 45		CHARGES FOR SALES & SERVICES		950.00	6,796.00	**		
103700069901	6503	4920045	NONOPERATING REVENUES	.00	5,250.40	*		
ACCT: 4920		NONOPERATING REVENUE		.00	5,250.40	*		
ACCT: 49		OTHER REVENUE		.00	5,250.40	**		
CNTR: 103700069901				160,089.94	362,327.11	***		
COMP: 6503				160,089.94	362,327.11	****		
B UNIT: 1037				160,089.94	362,327.11	*****		

## Revenue Report Ending 1/31/18

(Additional Report)

Description	Budgeted	Current	Rev. to be Rec	YTD	PCT Rec.
Residential Rental Agents	3,000	400	620	2,380	79
Auctioneer	450	0	450	0	
Broker	65,000	6,075	36,860	28,140	43
Home Inspectors	4,000	400	1,175	2,825	71
Property Manager	6,000	450	3,300	2,700	45
Sales Agents	2,000	450	650	1,350	68
Timeshare Agents	1,000	450	100	900	90
Firms	7,500	1,000	2,400	5,100	68
Condominiums	7,000	1,970	796.67	6,203.33	89
Timeshare Projects	6,000	0	4,630	1,370	23
Educational Courses	14,000	2,575	4,550	9,450	68
Additional Licenses	2,000	180	725	1,275	64
Change of Address	7,000	765	2,455	4,545	65
Certificate of Licensure	3,000	225	1,455	1,545	52
Late Renewal Fees	9,000	7,340	1,520	7,480	83
Renewal Res Rental Agents	3,000	900	0	3,000	100
Renewal Auctioneer	5,000	2,000	(1,000)	6,000	120
Renewal Broker	185,500	95,250	8,500	177,000	95
Home Inspection Renewal	5,000	3,100	0	5,000	100
Renewal Property Manager	9,000	4,875	(1,500)	10,500	117
Renewal Sales Agents	15,000	10,250	(2,000)	17,000	113
Renewal Timeshare Agents	1,000	625	(125)	1,125	113
Renewal Firms	38,000	17,125	3,250	34,750	91
Renewal Timeshare Project	7,000	250	750	6,250	89
Renewal Additional Licenses	4,000	2,340	(3,380)	7,380	185
Misc. Fines, Penalties and NO Rev	15,000	124.94	2,737.22	12,262.78	82
Interest Earned	7,350	0	7,350	0	
License Law Books Sold	1,500	0	1,404	96	6
Directories/Guide Sold	9,000	950	2,300	6,700	74
Mailing Labels Sold	5,500	0	5,500	0	
Investigation Reimbursement	2,000	0	2,000	0	
	449,800	160,089	87,472.89 (8,005)	362,327.11	81

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AVAILABLE FUNDS MONTHLY PAGE 172  
AS OF: 02/28/2018  
FY YEAR REMAINING: 33.7%  
PAY DAYS REMAINING: 8  
DATE 03/03/2018

BUDGET UNIT	1037	REAL ESTATE COMMISSION	APPROPRIATION TRANSFERS	YEAR-TO-DATE COMMITMENTS	YEAR-TO-DATE ENCUMBRANCES	YEAR-TO-DATE EXPENDITURES	AVAILABLE APPROPRIATIONS	CASH BALANCE
COMP 6503-I	580,357.00	0.00	0.00	14,673.00	285,662.46	280,021.54	474,415.91	
BUDGETED TOT	580,357.00	0.00	0.00	14,673.00	285,662.46	280,021.54		
ALL COMP TOT	580,357.00	0.00	0.00	14,673.00	285,662.46	280,021.54		

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	269,919.00	0.00	0.00	21,657.40	168,536.83	101,382.17
5102 EMPLOYEE BENEFITS	79,288.00	0.00	0.00	6,637.31	52,086.31	27,201.69
5203 TRAVEL	37,350.00	0.00	0.00	330.31	12,433.92	24,916.08
5204 CONTRACTUAL SVCS	160,185.00	0.00	14,673.00	5,260.96	38,011.42	107,500.58
5205 SUPPLIES & MATERIALS	31,300.00	0.00	0.00	5,152.05	13,346.98	17,953.02
5207 CAPITAL OUTLAY	2,315.00	0.00	0.00	0.00	1,247.00	1,068.00
TOTALS	580,357.00	0.00	14,673.00	39,038.03	285,662.46	280,021.54

BREAKOUT BY COMPANY:

COMPANY 6503-I	PROFESSIONAL & LICENSING BOARDS	TOT
PS SUBTOTALS	349,207.00	0.00
OE SUBTOTALS	231,150.00	0.00
COMPANY 6503-I	580,357.00	0.00

EMPLOYEE SALARIES	EMPLOYEE BENEFITS	TRAVEL	CONTRACTUAL SVCS	SUPPLIES & MATERIALS	CAPITAL OUTLAY	PS SUBTOTALS	OE SUBTOTALS	COMPANY 6503-I	TOT
269,919.00	79,288.00	37,350.00	160,185.00	31,300.00	2,315.00	349,207.00	231,150.00	580,357.00	580,357.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	14,673.00	0.00	0.00	0.00	14,673.00	14,673.00	14,673.00
21,657.40	6,637.31	330.31	5,260.96	5,152.05	0.00	28,294.71	10,743.32	39,038.03	39,038.03
168,536.83	52,086.31	12,433.92	38,011.42	13,346.98	1,247.00	220,623.14	65,039.32	285,662.46	285,662.46
101,382.17	27,201.69	24,916.08	107,500.58	17,953.02	1,068.00	128,583.86	151,437.68	280,021.54	280,021.54
37.6	34.3	66.7	67.1	57.4	46.1	36.8	65.5	48.2	48.2

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STATE OF SOUTH DAKOTA  
CASH CENTER BALANCES  
AS OF: 02/28/2018

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103700069901	1140000	374,415.91	DR	REAL ESTATE COMMISSION
6503	103700069902	1140000	100,000.00	DR	REAL ESTATE COMM RECOVERY FUND
COMPANY/SOURCE TOTAL 6503 699			474,415.91	DR *	
COMP/BUDG UNIT TOTAL 6503 1037			474,415.91	DR **	
BUDGET UNIT TOTAL 1037			474,415.91	DR ***	

STATE OF SOUTH DAKOTA  
 REVENUE SUMMARY BY BUDGET UNIT  
 FOR PERIOD ENDING: 02/28/2018

AGENCY BUDGET UNIT	COMP	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE
10 1037	LABOR & REGULATION REAL ESTATE COMMISSION				
COMPANY NO 6503 COMPANY NAME PROFESSIONAL & LICENSING BOARDS					
103700069901	6503	4293700	RESIDENT RENTAL AGENTS	600.00	2,980.00
103700069901	6503	4293702	BROKER	6,075.00	34,215.00
103700069901	6503	4293703	HOME INSPECTORS	400.00	3,225.00
103700069901	6503	4293704	PROPERTY MANAGER	900.00	3,600.00
103700069901	6503	4293705	SALES AGENTS	225.00	1,575.00
103700069901	6503	4293706	TIMESHARE AGENTS	225.00	1,125.00
103700069901	6503	4293707	FIRMS	1,115.00	6,215.00
103700069901	6503	4293708	CONDOMINIUMS	.00	6,203.33
103700069901	6503	4293710	TIMESHARE PROJECTS	.00	1,370.00
103700069901	6503	4293711	EDUCATIONAL COURSES	1,450.00	10,900.00
103700069901	6503	4293712	ADDITIONAL LICENSES	360.00	1,635.00
103700069901	6503	4293713	CHANGE OF ADDRESS	915.00	5,460.00
103700069901	6503	4293714	CERTIFICATES OF LICENSURE	195.00	1,740.00
103700069901	6503	4293715	LATE RENEWAL FEES	1,380.00	8,860.00
103700069901	6503	4293717	RENEWAL RES RENTAL AGENTS	50.00	3,050.00
103700069901	6503	4293718	RENEWAL ADCTIONEER	500.00	6,500.00
103700069901	6503	4293719	RENEWAL BROKER	2,500.00	179,500.00
103700069901	6503	4293720	HOME INSPECTION RENEWAL	200.00	5,200.00
103700069901	6503	4293721	RENEWAL PROPERTY MANAGER	250.00	10,750.00
103700069901	6503	4293722	RENEWAL SALES AGENTS	250.00	17,250.00
103700069901	6503	4293723	RENEWAL TIMESHARE AGENTS	.00	1,125.00
103700069901	6503	4293724	RENEWAL FIRMS	375.00	35,125.00
103700069901	6503	4293725	RENEWAL TIMESHARE PROJECT	.00	6,250.00
103700069901	6503	4293726	RENEWAL ADDITIONAL LICENS	.00	7,380.00

STATE OF SOUTH DAKOTA  
 REVENUE SUMMARY BY BUDGET UNIT  
 FOR PERIOD ENDING: 02/28/2018

AGENCY BUDGET CENTER	UNIT	COMP	LABOR & REGULATION REAL ESTATE COMMISSION	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE	
ACCT: 4293	10			BUSINESS & OCCUP LICENSING (NON-GOVERNMENTAL)	17,965.00	361,233.33	*	
ACCT: 42	1037			LICENSES, PERMITS & FEES	17,965.00	361,233.33	**	
103700069901	6503			MISC FINES & PENALTIES	5,500.00	12,512.38	*	
ACCT: 4393				PENALTIES (NON-GOVERNMENTAL)	5,500.00	12,512.38	*	
ACCT: 43				FINES, FORFEITS & PENALTIES	5,500.00	12,512.38	**	
103700069901	6503			LICENSE LAW BOOKS SOLD	.00	96.00		
103700069901	6503			DIRECTORIES/HOME BUYER GU	255.00	6,955.00		
ACCT: 4596					255.00	7,051.00	*	
ACCT: 45				CHARGES FOR SALES & SERVICES	255.00	7,051.00	**	
103700069901	6503			NONOPERATING REVENUES	.00	5,250.40	*	
ACCT: 4920				NONOPERATING REVENUE	.00	5,250.40	*	
ACCT: 49				OTHER REVENUE	.00	5,250.40	**	
CNTR: 103700069901					23,720.00	386,047.11	***	
COMP: 6503					23,720.00	386,047.11	****	
B UNIT: 1037					23,720.00	386,047.11	*****	

**Revenue Report Ending 2/28/18**

(Additional Report)

<b>Description</b>	<b>Budgeted</b>	<b>Current</b>	<b>Rev. to be Rec</b>	<b>YTD</b>	<b>PCT Rec.</b>
Residential Rental Agents	3,000	600	20	2,980	99
Auctioneer	450	0	450	0	
Broker	65,000	6,075	30,785	34,215	53
Home Inspectors	4,000	400	775	3,225	81
Property Manager	6,000	900	2,400	3,600	60
Sales Agents	2,000	225	425	1,575	79
Timeshare Agents	1,000	225	(125)	1,125	113
Firms	7,500	1,115	1,285	6,215	83
Condominiums	7,000	0	796.67	6,203.33	89
Timeshare Projects	6,000	0	4,630	1,370	23
Educational Courses	14,000	1,450	3,100	10,900	78
Additional Licenses	2,000	360	365	1,635	82
Change of Address	7,000	915	1,540	5,460	79
Certificate of Licensure	3,000	195	1,260	1,740	58
Late Renewal Fees	9,000	1,380	140	8,860	98
Renewal Res Rental Agents	3,000	50	(50)	3,050	102
Renewal Auctioneer	5,000	500	(1,500)	6,500	130
Renewal Broker	185,500	2,500	6,000	179,500	97
Home Inspection Renewal	5,000	200	(200)	5,200	104
Renewal Property Manager	9,000	250	(1,750)	10,750	119
Renewal Sales Agents	15,000	250	(2,250)	17,250	115
Renewal Timeshare Agents	1,000	0	(125)	1,125	113
Renewal Firms	38,000	375	2,875	35,125	92
Renewal Timeshare Project	7,000	0	750	6,250	89
Renewal Additional Licenses	4,000	0	(3,380)	7,380	185
Misc. Fines, Penalties and NO Rev	15,000	5,500	(2,762.78)	17,762.78	118
Interest Earned	7,350	0	7,350	0	
License Law Books Sold	1,500	0	1,404	96	6
Directories/Guide Sold	9,000	255	2,045	6,955	77
Mailing Labels Sold	5,500	0	5,500	0	
Investigation Reimbursement	2,000	0	2,000	0	
	449,800	23,720	75,995.67	386,047.11	86
			(12,142.78)		