

Meeting Minutes
SOUTH DAKOTA REAL ESTATE COMMISSION
Via Microsoft Teams
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Wednesday, May 12, 2021 at 9:30 a.m. CDT

Chairman Carol Lawhun called the meeting to order at 9:31 a.m. A quorum was participating.

Members Present: Dave Bonde
Carol Lawhun
Mark Wahlstrom
Ken Cotton (joined at 9:37 a.m.)

Others Present: Melissa Miller, Executive Director, SDREC
Graham Oey, Staff Attorney, SD Department of Labor and
Regulation,
Tim Bond, Compliance Officer, SDREC,
Michelle Metzinger, Compliance Officer, SDREC,
Daniel Moskowitz

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

Public Comment – No comments were made from the public.

Bonde made motion to approve the March 10, 2021 meeting minutes. Wahlstrom seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Bonde – yea; Wahlstrom – yea; Lawhun – yea).

Cotton joined the meeting at 9:37 a.m.

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

By consensus, no executive session was needed.

Complaint 2021-004

Bonde made motion to dismiss Complaint 2021-004. Cotton seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Bonde – yea; Wahlstrom – yea; Cotton – yea; Lawhun – yea).

Complaint 2021-010

Wahlstrom made motion to dismiss Complaint 2021-010. Cotton seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Bonde – yea; Wahlstrom – yea; Cotton – yea; Lawhun – yea).

Commissioner Wordeman sent an email prior to the meeting suggesting that we remove electronic notary from the agenda. If the market has enough interest in having it then they can submit something, and we can always support it if we think it is a good fit. Commissioners agreed.

There was a discussion on FSBOHomes in Sioux Falls. Commission members recommended an in-person meeting be scheduled for the July 14 meeting and to request FSBOHomes to attend in order to discuss FSBOHomes's business model.

Other Business

Carol asked about the document Graham put together titled Distinctions between Broker Price Opinions, Comparative Market Analyses, Evaluations, and Appraisals. She was wondering about it being added to our website. Director Miller told the commissioners it is being worked on and will be added to the website soon. Carol also asked about the Real Estate Transaction Forms review. Director Miller informed the commissioners that she had a meeting with Graham, Tim and Michelle to discuss each of them to see if there needs to be some updates. We have a request in with BIT to get us information on click through rates.

Next meeting is July 14, 2021.

Wahlstrom made a motion to adjourn the meeting at 10 a.m. Bonde seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Cotton – yea; Bonde – yea; Wahlstrom – yea; Lawhun – yea).

Meeting Adjourned.

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103700069901	1140000	427,420.98	DR	REAL ESTATE COMMISSION
6503	103700069902	1140000	102,444.92	DR	REAL ESTATE COMM RECOVERY FUND
COMPANY/SOURCE TOTAL 6503 699			529,865.90	DR *	
COMP/BUDG UNIT TOTAL 6503 1037			529,865.90	DR **	
BUDGET UNIT TOTAL 1037			529,865.90	DR ***	

BUDGET UNIT 1037

AVAILABLE FUNDS
AS OF: 05/31/2021
FY YEAR REMAINING: 8.5%
PAY DAYS REMAINING: 2

DATE 05/29/2021

CENTER NAME	REAL ESTATE COMMISSION - INFO	APPROPRIATION TRANSFERS	YEAR-TO-DATE COMMITMENTS	YEAR-TO-DATE ENCUMBRANCES	YEAR-TO-DATE EXPENDITURES	AVAILABLE APPROPRIATIONS	CASH BALANCE
6503-I	628,198.00	719.00	0.00	22,240.54	345,004.73	261,671.73	529,865.90
BUDGETED TOT	628,198.00	719.00	0.00	22,240.54	345,004.73	261,671.73	
ALL COMP TOT	628,198.00	719.00	0.00	22,240.54	345,004.73	261,671.73	

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	296,336.00	0.00	0.00	10,367.39	215,189.32	81,146.68	27.4
5102 EMPLOYEE BENEFITS	96,133.00	0.00	0.00	3,679.32	74,985.62	21,147.38	22.0
5203 TRAVEL	40,407.00	0.00	0.00	0.00	765.87	39,641.13	98.1
5204 CONTRACTUAL SVCS	162,426.00	0.00	22,240.54	1,707.31	45,485.16	94,700.30	58.3
5205 SUPPLIES & MATRIS	31,300.00	0.00	0.00	50.26	6,284.79	25,015.21	79.9
5207 CAPITAL OUTLAY	2,315.00	0.00	0.00	0.00	2,293.97	21.03	0.9
TOTALS	628,917.00	0.00	22,240.54	15,804.28	345,004.73	261,671.73	41.6

BREAKOUT BY COMPANY:

COMPANY	PROFESSIONAL & LICENSING BOARDS	AMOUNT BUDGETED	COMMITMENTS YEAR-TO-DATE	ENCUMBRANCES YEAR-TO-DATE	MONTHLY EXPENDITURES	YEAR-TO-DATE	BUDGET AVAILABLE	PCT AVL
COMPANY 6503-I	EMPLOYEE SALARIES	296,336.00	0.00	0.00	10,367.39	215,189.32	81,146.68	27.4
	EMPLOYEE BENEFITS	96,133.00	0.00	0.00	3,679.32	74,985.62	21,147.38	22.0
	TRAVEL	40,407.00	0.00	0.00	0.00	765.87	39,641.13	98.1
	CONTRACTUAL SVCS	162,426.00	0.00	22,240.54	1,707.31	45,485.16	94,700.30	58.3
	SUPPLIES & MATRIS	31,300.00	0.00	0.00	50.26	6,284.79	25,015.21	79.9
	CAPITAL OUTLAY	2,315.00	0.00	0.00	0.00	2,293.97	21.03	0.9
	PS SUBTOTALS	392,469.00	0.00	0.00	14,046.71	290,174.94	102,294.06	26.1
	OE SUBTOTALS	236,448.00	0.00	22,240.54	1,757.57	54,829.79	159,377.67	67.4
COMPANY 6503-I	TOT	628,917.00	0.00	22,240.54	15,804.28	345,004.73	261,671.73	41.6

STATE OF SOUTH DAKOTA
REVENUE SUMMARY BY BUDGET UNIT
FOR PERIOD ENDING: 05/31/2021

AGENCY BUDGET CENTER	UNIT	10 1037	LABOR & REGULATION REAL ESTATE COMMISSION - INFO	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE
COMPANY NO		6503	PROFESSIONAL & LICENSING BOARDS			
COMPANY NAME						
103700069901	6503	4293700	RESIDENT RENTAL AGENTS	60.00	2,775.00	
103700069901	6503	4293702	BROKER	6,175.00	77,200.00	
103700069901	6503	4293703	HOME INSPECTORS	400.00	5,025.00	
103700069901	6503	4293704	PROPERTY MANAGER	225.00	5,850.00	
103700069901	6503	4293705	SALES AGENTS	675.00	3,375.00	
103700069901	6503	4293707	FIRMS	700.00	12,435.00	
103700069901	6503	4293708	CONDOMINIUMS	.00	15,477.33	
103700069901	6503	4293710	TIMESHARE PROJECTS	.00	1,426.00	
103700069901	6503	4293711	EDUCATIONAL COURSES	1,400.00	14,890.00	
103700069901	6503	4293712	ADDITIONAL LICENSES	30.00	1,740.00	
103700069901	6503	4293713	CHANGE OF ADDRESS	570.00	6,670.00	
103700069901	6503	4293714	CERTIFICATES OF LICENSURE	585.00	3,140.00	
103700069901	6503	4293715	LATE RENEWAL FEES	3,200.00	17,950.00	
103700069901	6503	4293717	RENEWAL RES RENTAL AGENTS	50.00	2,950.00	
103700069901	6503	4293718	RENEWAL AUCTIONEER	.00	2,375.00	
103700069901	6503	4293719	RENEWAL BROKER	2,750.00	172,500.00	
103700069901	6503	4293720	HOME INSPECTION RENEWAL	300.00	5,100.00	
103700069901	6503	4293721	RENEWAL PROPERTY MANAGER	500.00	10,875.00	
103700069901	6503	4293722	RENEWAL SALES AGENTS	125.00	11,875.00	
103700069901	6503	4293723	RENEWAL TIMESHARE AGENTS	.00	125.00	
103700069901	6503	4293724	RENEWAL FIRMS	125.00	33,210.00	
103700069901	6503	4293725	RENEWAL TIMESHARE PROJECT	.00	7,000.00	
103700069901	6503	4293726	RENEWAL ADDITIONAL LICENS	.00	2,880.00	
ACCT: 4293		BUSINESS & OCCUP LICENSING (NON-GOVERNMENTAL)		17,870.00	416,843.33	

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STATE OF SOUTH DAKOTA
 REVENUE SUMMARY BY BUDGET UNIT
 FOR PERIOD ENDING: 05/31/2021

AGENCY BUDGET CENTER	UNIT	1037	LABOR & REGULATION REAL ESTATE COMMISSION - INFO	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE	
ACCT:	42	6503	4393003	LICENSES, PERMITS & FEES	17,870.00	416,843.33	**
				MISC FINES & PENALTIES	.00	9,758.90	*
ACCT:	4393	6503		PENALTIES (NON-GOVERNMENTAL)	.00	9,758.90	*
ACCT:	43	6503		FINES, FORFEITS & PENALTIES	.00	9,758.90	**
				LICENSE LAW BOOKS SOLD	296.00	2,228.00	
				DIRECTORIES/HOME BUYER GU	1,057.00	9,197.00	
ACCT:	4596	6503	4596003		1,353.00	11,425.00	*
ACCT:	45	6503		CHARGES FOR SALES & SERVICES	1,353.00	11,425.00	**
				OPERATING TRANSFERS IN	.00	2,104.59	*
ACCT:	4910	6503		OPERATING TRANSFERS IN	.00	2,104.59	*
				NONOPERATING REVENUES	.00	8,187.25	*
ACCT:	4920	6503	4920045		.00	8,187.25	*
ACCT:	49	6503		OTHER REVENUE	.00	10,291.84	**
CNTR:	103700069901	6503			19,223.00	448,319.07	***
				NONOPERATING REVENUES	.00	2,444.92	*
ACCT:	4920	6503		NONOPERATING REVENUE	.00	2,444.92	*
ACCT:	49	6503		OTHER REVENUE	.00	2,444.92	**
CNTR:	103700069902	6503			19,223.00	450,763.99	****
COMP:	6503				19,223.00	450,763.99	****
B UNIT:	1037				19,223.00	450,763.99	*****

Revenue Report Ending 05/31/21

(Additional Report)

Description	Budgeted	Current	Rev. to be Rec	YTD	PCT Rec.
Residential Rental Agents	3,000	60	225	2,775	92
Broker	54,000	6,175	(23,200)	77,200	142
Home Inspectors	4,000	400	(1,025)	5,025	125
Property Manager	6,000	225	150	5,850	97
Sales Agents	4,000	675	625	3,375	84
Timeshare Agents	1,000	0	1,000	0	
Firms	7,000	700	(5,435)	12,435	177
Condominiums	6,000	0	(9,477.33)	15,477.33	257
Timeshare Projects	4,000	0	2,574	1,426	35
Educational Courses	14,000	1,400	(890)	14,890	106
Additional Licenses	4,000	30	2,260	1,740	43
Change of Address	7,000	570	330	6,670	95
Certificate of Licensure	2,500	585	(640)	3,140	125
Late Renewal Fees	12,000	3,200	(5,950)	17,950	149
Renewal Res Rental Agents	4,000	50	1,050	2,950	73
Renewal Auctioneer	3,000	0	625	2,375	79
Renewal Broker	180,000	2,750	7,500	172,500	95
Home Inspection Renewal	7,000	300	1,900	5,100	72
Renewal Property Manager	12,000	500	1,125	10,875	90
Renewal Sales Agents	14,000	125	2,125	11,875	84
Renewal Timeshare Agents	1,000	0	875	125	12
Renewal Firms	37,000	125	3,790	33,210	89
Renewal Timeshare Project	6,500	0	(500)	7,000	107
Renewal Additional Licenses	2,000	0	(880)	2,880	144
Misc. Fines, Penalties and NO Rev	18,000	0	(4,495.66)	22,495.66	124
Interest Earned					
License Law Books Sold	900	296	(1,328)	2,228	247
Directories/Lists Sold	9,000	1,057	(197)	9,197	102
	422,900	19,223	26,154 (54,017.99)	450,763.99 (27,863.99)	106

BAL409R1

STATE OF SOUTH DAKOTA
CASH CENTER BALANCES
AS OF: 06/29/2021

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	1037000069901	1140000	406,674.63	DR	REAL ESTATE COMMISSION
6503	1037000069902	1140000	102,444.92	DR	REAL ESTATE COMM RECOVERY FUND
COMPANY/SOURCE TOTAL			509,119.55	DR *	
COMP/BUDG UNIT TOTAL			509,119.55	DR **	
BUDGET UNIT TOTAL			509,119.55	DR ***	

BUDGET UNIT 1037

AS OF: 06/29/2021
 FY YEAR REMAINING: 0.58
 PAY DAYS REMAINING: 0

DATE 07/03/2021

CENTER NAME REAL ESTATE COMMISSION - INFO

COMP	ORIGINAL APPROPRIATION	APPROPRIATION TRANSFERS	YEAR-TO-DATE COMMITMENTS	YEAR-TO-DATE ENCUMBRANCES	YEAR-TO-DATE EXPENDITURES	AVAILABLE APPROPRIATIONS	CASH BALANCE
6503-I	628,198.00	719.00	0.00	0.00	382,300.32	246,616.68	517,791.33
BUDGETED TOT	628,198.00	719.00	0.00	0.00	382,300.32	246,616.68	
ALL COMP TOT	628,198.00	719.00	0.00	0.00	382,300.32	246,616.68	

TOTAL BUDGETED:

OBJECT OF EXPENDITURE	AMOUNT BUDGETED	COMMITMENTS YEAR-TO-DATE	ENCUMBRANCES YEAR-TO-DATE	MONTHLY EXPENDITURES	YEAR-TO-DATE APPROPRIATIONS	BUDGET AVAILABLE	PCT AVL
5101 EMPLOYEE SALARIES	296,336.00	0.00	0.00	21,150.03	236,339.35	59,996.65	20.2
5102 EMPLOYEE BENEFITS	96,133.00	0.00	0.00	7,491.50	82,477.12	13,655.88	14.2
5203 TRAVEL	40,407.00	0.00	0.00	142.08	907.95	39,499.05	97.8
5204 CONTRACTUAL SVCS	162,426.00	0.00	0.00	6,545.74	52,030.90	110,395.10	68.0
5205 SUPPLIES & MATERIALS	31,300.00	0.00	0.00	1,966.24	8,251.03	23,048.97	73.6
5207 CAPITAL OUTLAY	2,315.00	0.00	0.00	0.00	2,293.97	21.03	0.9
TOTALS	628,917.00	0.00	0.00	37,295.59	382,300.32	246,616.68	39.2

BREAKOUT BY COMPANY:

COMPANY	PROFESSIONAL & LICENSING BOARDS	AMOUNT BUDGETED	COMMITMENTS YEAR-TO-DATE	ENCUMBRANCES YEAR-TO-DATE	MONTHLY EXPENDITURES	YEAR-TO-DATE APPROPRIATIONS	BUDGET AVAILABLE	PCT AVL
5101000	EMPLOYEE SALARIES	296,336.00	0.00	0.00	21,150.03	236,339.35	59,996.65	20.2
5102000	EMPLOYEE BENEFITS	96,133.00	0.00	0.00	7,491.50	82,477.12	13,655.88	14.2
5203000	TRAVEL	40,407.00	0.00	0.00	142.08	907.95	39,499.05	97.8
5204000	CONTRACTUAL SVCS	162,426.00	0.00	0.00	6,545.74	52,030.90	110,395.10	68.0
5205000	SUPPLIES & MATERIALS	31,300.00	0.00	0.00	1,966.24	8,251.03	23,048.97	73.6
5207000	CAPITAL OUTLAY	2,315.00	0.00	0.00	0.00	2,293.97	21.03	0.9
PS SUBTOTALS		392,469.00	0.00	0.00	28,641.53	318,816.47	73,652.53	18.8
OE SUBTOTALS		236,448.00	0.00	0.00	8,654.06	63,483.85	172,964.15	73.2
COMPANY 6503-I	TOT	628,917.00	0.00	0.00	37,295.59	382,300.32	246,616.68	39.2

STATE OF SOUTH DAKOTA
 REVENUE SUMMARY BY BUDGET UNIT
 FOR PERIOD ENDING: 06/29/2021

AGENCY BUDGET CENTER	UNIT	10	LABOR & REGULATION REAL ESTATE COMMISSION - INFO	COMP	6503	PROFESSIONAL & LICENSING BOARDS	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE
103700069901	6503	4293700	RESIDENT RENTAL AGENTS						420.00	3,195.00
103700069901	6503	4293702	BROKER						8,100.00	85,300.00
103700069901	6503	4293703	HOME INSPECTORS						600.00	5,625.00
103700069901	6503	4293704	PROPERTY MANAGER						900.00	6,750.00
103700069901	6503	4293705	SALES AGENTS						900.00	4,275.00
103700069901	6503	4293707	FIRMS						600.00	13,035.00
103700069901	6503	4293708	CONDOMINIUMS						.00	15,477.33
103700069901	6503	4293710	TIMESHARE PROJECTS						1,000.00	2,426.00
103700069901	6503	4293711	EDUCATIONAL COURSES						750.00	15,640.00
103700069901	6503	4293712	ADDITIONAL LICENSES						60.00	1,800.00
103700069901	6503	4293713	CHANGE OF ADDRESS						510.00	7,180.00
103700069901	6503	4293714	CERTIFICATES OF LICENSURE						645.00	3,785.00
103700069901	6503	4293715	LATE RENEWAL FEES						1,660.00	19,610.00
103700069901	6503	4293717	RENEWAL RES RENTAL AGENTS						.00	2,950.00
103700069901	6503	4293718	RENEWAL AUCTIONEER						.00	2,375.00
103700069901	6503	4293719	RENEWAL BROKER						375.00	172,875.00
103700069901	6503	4293720	HOME INSPECTION RENEWAL						300.00	5,400.00
103700069901	6503	4293721	RENEWAL PROPERTY MANAGER						250.00	11,125.00
103700069901	6503	4293722	RENEWAL SALES AGENTS						.00	11,875.00
103700069901	6503	4293723	RENEWAL TIMESHARE AGENTS						.00	125.00
103700069901	6503	4293724	RENEWAL FIRMS						625.00	33,835.00
103700069901	6503	4293725	RENEWAL TIMESHARE PROJECT						.00	7,000.00
103700069901	6503	4293726	RENEWAL ADDITIONAL LICENS						.00	2,880.00
ACCT: 4293			BUSINESS & OCCUP LICENSING (NON-GOVERNMENTAL)						17,695.00	434,538.33

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STATE OF SOUTH DAKOTA
 REVENUE SUMMARY BY BUDGET UNIT
 FOR PERIOD ENDING: 06/29/2021

AGENCY BUDGET CENTER	UNIT	1037	LABOR & REGULATION REAL ESTATE COMMISSION - INFO	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE	
ACCT:	42	6503	4393003	LICENSES, PERMITS & FEES	17,695.00	434,538.33	**
				MISC FINES & PENALTIES	.00	9,758.90	*
ACCT:	4393			PENALTIES (NON-GOVERNMENTAL)	.00	9,758.90	*
ACCT:	43			FINES, FORFEITS & PENALTIES	.00	9,758.90	**
				LICENSE LAW BOOKS SOLD	120.00	2,348.00	
				DIRECTORIES/HOME BUYER GU	890.00	10,087.00	
ACCT:	4596				1,010.00	12,435.00	*
ACCT:	45			CHARGES FOR SALES & SERVICES	1,010.00	12,435.00	**
				OPERATING TRANSFERS IN	.00	2,104.59	*
				NONOPERATING REVENUES	.00	8,187.25	*
ACCT:	4920			NONOPERATING REVENUE	.00	8,187.25	*
ACCT:	49			OTHER REVENUE	.00	10,291.84	**
CNTR:	103700069901	6503	492045		18,705.00	467,024.07	***
				NONOPERATING REVENUES	.00	2,444.92	*
ACCT:	4920			NONOPERATING REVENUE	.00	2,444.92	*
ACCT:	49			OTHER REVENUE	.00	2,444.92	**
CNTR:	103700069902	6503			.00	2,444.92	***
COMP:	6503				18,705.00	469,468.99	****
B UNIT:	1037				18,705.00	469,468.99	*****

Revenue Report Ending 06/30/21

(Additional Report)

Description	Budgeted	Current	Rev. to be Rec	YTD	PCT Rec.
Residential Rental Agents	3,000	420	(195)	3,195	106
Broker	54,000	8,100	(31,300)	85,300	157
Home Inspectors	4,000	600	(1,625)	5,625	140
Property Manager	6,000	900	(750)	6,750	112
Sales Agents	4,000	900	(275)	4,275	106
Timeshare Agents	1,000	0	1,000	0	
Firms	7,000	600	(6,035)	13,035	186
Condominiums	6,000	0	(9,477.33)	15,477.33	257
Timeshare Projects	4,000	1,000	1,574	2,426	60
Educational Courses	14,000	750	(1,640)	15,640	111
Additional Licenses	4,000	60	2,200	1,800	45
Change of Address	7,000	510	(180)	7,180	102
Certificate of Licensure	2,500	645	(1,285)	3,785	151
Late Renewal Fees	12,000	1,660	(7,610)	19,610	163
Renewal Res Rental Agents	4,000	0	1,050	2,950	73
Renewal Auctioneer	3,000	0	625	2,375	79
Renewal Broker	180,000	375	7,125	172,875	96
Home Inspection Renewal	7,000	300	1,600	5,400	77
Renewal Property Manager	12,000	250	875	11,125	92
Renewal Sales Agents	14,000	0	2,125	11,875	84
Renewal Timeshare Agents	1,000	0	875	125	12
Renewal Firms	37,000	625	3,165	33,835	91
Renewal Timeshare Project	6,500	0	(500)	7,000	107
Renewal Additional Licenses	2,000	0	(880)	2,880	144
Misc. Fines, Penalties and NO Rev	18,000	0	(4,495.66)	22,495.66	124
Interest Earned					
License Law Books Sold	900	120	(1,448)	2,348	260
Directories/Lists Sold	9,000	890	(1,087)	10,087	112
	422,900	18,705	22,324 (68,782.99)	469,468.99 (46,568.99)	111