

CHAPTER 20:69:14
PROPERTY MANAGERS

Section

20:69:14:01 Property manager license.

20:69:14:02 Persons to whom license law applicable.

20:69:14:02.01 Qualifications of applicants.

20:69:14:03 Exemptions from examination.

20:69:14:04 Trust account requirements.

20:69:14:05 Auditing.

20:69:14:06 Contracts to be in writing.

20:69:14:07 Full disclosure required.

20:69:14:08 Real estate law applicable.

20:69:14:09 Powers of commission in disciplinary matters.

20:69:14:10 Broker subject to chapter.

20:69:14:11 Financial obligations and records.

20:69:14:12 Property management accounting.

20:69:14:13 Required continuing education during initial biennial licensing cycle.

20:69:14:13. Required continuing education during initial biennial licensing cycle.

Any property manager licensed after January 1, 2019 shall provide to the commission proof of participation in not less than 30 hours of approved continuing education in the initial licensing cycle. Continuing education hours shall be in subject areas under § 20:69:11:01.05. Property managers who have completed the initial licensing cycle continuing education shall be subject to continuing education requirements as defined in 20:69:11:02.

Source:

General Authority: SDCL 36-21A-89.

Law Implemented: SDCL 36-21A-47, 36-21A-62.

20:69:14.01:10. Biennial proof by residential rental agent of continuing education. A residential rental agent shall provide to the commission proof of participation in not less than 12 hours of approved continuing education in the preceding two-year period. The 12 hours of continuing education shall include study in the areas of property management, fair housing, lease of real property, real estate contracts, ~~and~~ or real estate license law. Continuing education hours shall include both required subject areas under § 20:69:11:01.05 and elective subject areas under § 20:69:11:01.06.

Source: 27 SDR 7, effective August 3, 2000.

General Authority: SDCL 36-21A-12.1.

Law Implemented: SDCL 36-21A-12.1.

Meeting Minutes
South Dakota Real Estate Commission

July 19, 2018 1:00 p.m. CDT

Chairman Ken Cotton called the meeting to order at 1:00 p.m. A quorum was participating.

Members Participating: Ryan Wordeman
David Bonde
Mark Wahlstrom (telephonically)
Ken Cotton

Members Absent: Carol Lawhun (replacing Mathew Krogman)

Others Participating: Melissa Miller, Executive Director, SDREC
Michelle Metzinger, Compliance Officer, SDREC
Tim Bond, Compliance Officer, SDREC
Cindy Nickels, Licensing Program Administrator, SDREC
Graham Oey, Staff Attorney, South Dakota Department of Labor
and Regulation
Sherry Bren, Executive Director, Appraiser Certification Program

Cotton asked for a motion to approve the agenda as presented. Wordeman made a motion to approve the agenda. Bonde seconded the motion. Cotton called the roll. **MOTION PASSED.** (Bonde-yea; Wahlstrom-yea; Wordeman-yea; Cotton-yea)

Michelle Metzinger, Compliance Officer with the SDREC, entered the meeting at 1:11 p.m.

Cotton asked for a motion to approve the May 9th, 2018 meeting minutes. Wordeman made motion to approve the agenda. Bonde seconded the motion. Cotton called the roll. **MOTION PASSED.** (Bonde-yea; Wahlstrom-yea; Wordeman-yea; Cotton-yea)

Summary of the financials for March and April 2017 was presented by Director Miller. Wordeman recommended for filing. Bonde seconded the motion. Cotton called the roll. **MOTION PASSED.** (Bonde-yea; Wahlstrom-yea; Wordeman-yea; Cotton-yea)

Discussion was held regarding 2018-085 consent agreement. Wahlstrom made a motion to approve the consent. Cotton seconded the motion. Cotton called the roll. **MOTION PASSED.** (Bonde-yea; Wahlstrom-yea; Wordeman-yea; Cotton-yea)

Discussion was held regarding 2018-087 consent agreement. Wordeman made a motion to approve the consent. Bonde seconded the motion. Cotton called the roll. **MOTION PASSED.** (Bonde-yea; Wahlstrom-yea; Wordeman-yea; Cotton-yea)

Wordeman made a motion to enter into Executive Session to consult with legal counsel per SDCL 1-25-2 (3). Wahlstrom seconded the motion. Cotton called for a vote. **MOTION PASSED.** (Bonde-yea; Wahlstrom-yea; Wordeman-yea; Cotton-yea)

The commission entered into executive session at 1:12 p.m.

Metzinger, Nickels, Bond, and Bren left the meeting at 1:12 p.m.

Cotton called the commission out of executive session at 1:30 p.m.

Metzinger, Nickels, Bond, and Bren rejoined the meeting at 1:30 p.m.

Complaint 2019-006: AVC

Bonde made a motion to approve Assurance of Voluntary Compliance 2019-006. Wahlstrom seconded the motion. Cotton called for a vote. **MOTION PASSED.** (Bonde-yea; Wahlstrom-yea; Wordeman-abstained; Cotton-yea)

Complaint 2018-082 : Ashley vs Linn Real Estate, Holden, Pierre, SD

Wahlstrom made a motion to approve complaint 2018-082. Wordeman seconded the motion. Cotton called the roll. **MOTION PASSED.** (Bonde-yea; Wahlstrom-yea; Wordeman-yea; Cotton-yea)

Complaint 2018-086: Woehl vs Vision Real Estate, Specht/Cooke, Yankton, SD

Wordeman made a motion to dismiss complaint 2018-086. Bonde seconded the motion. Cotton called the roll. **MOTION PASSED.** (Bonde-yea; Wahlstrom-yea; Wordeman-yea; Cotton-yea)

Investigator Workshop — October 23-25 (San Antonio, TX). Bonde made a motion for two staff members to attend Investigator Workshop. Wordeman seconded the motion. Cotton called the roll. **MOTION PASSED.** (Bonde-yea; Wahlstrom-yea; Wordeman-yea; Cotton-yea)

Discussion was held on market analysis or BPO (using the word value) vs appraisal. Sherry Bren presented materials on definitions.

Wordeman made a motion for Wahlstrom to replace Ken Cotton as Chairman. Bonde seconded the motion. Cotton called the roll. **MOTION PASSED.** (Bonde-yea; Wahlstrom-yea; Wordeman-yea; Cotton-yea)

Wahlstrom made a motion for Ryan Wordeman to replace as Mark Wahlstrom Vice Chairman. Bonde made a motion to cease nominations and cast a unanimous ballot for Wahlstrom as Chairman and Wordeman as Vice Chairman. Cotton seconded the motion. Cotton called the roll. **MOTION PASSED.** (Bonde-yea; Wahlstrom-yea; Wordeman-yea; Cotton-yea)

The next meeting will be scheduled for either September 5 or 6th.

Wordeman made a motion to adjourn the meeting at 2:20 p.m. Bonde seconded the motion. Cotton called the roll. **MOTION PASSED.** (Bonde-yea; Wahlstrom-yea; Wordeman-yea; Cotton-yea)

Meeting adjourned.

BUDGET UNIT 1037

FY YEAR REMAINING: 91.8%
PAY DAYS REMAINING: 22

DATE 08/04/2018

BUDGET UNIT 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	596,084.00	0.00	0.00	31,191.37	30,694.97	534,197.66	392,884.92
BUDGETED TOT	596,084.00	0.00	0.00	31,191.37	30,694.97	534,197.66	
ALL COMP TOT	596,084.00	0.00	0.00	31,191.37	30,694.97	534,197.66	

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	282,475.00	0.00	0.00	18,923.33	18,923.33	263,551.67	93.3
5102 EMPLOYEE BENEFITS	82,173.00	0.00	0.00	6,006.99	6,006.99	76,166.01	92.7
5203 TRAVEL	37,350.00	0.00	0.00	542.09	542.09	36,807.91	98.5
5204 CONTRACTUAL SVCS	160,471.00	0.00	31,191.37	4,966.70	4,966.70	124,312.93	77.5
5205 SUPPLIES & MATERIALS	31,300.00	0.00	0.00	255.86	255.86	31,044.14	99.2
5207 CAPITAL OUTLAY	2,315.00	0.00	0.00	0.00	0.00	2,315.00	100.0
TOTALS	596,084.00	0.00	31,191.37	30,694.97	30,694.97	534,197.66	89.6

BREAKOUT BY COMPANY:

COMPANY	6503-I	TOT
COMPANY 6503-I	596,084.00	596,084.00
PS SUBTOTALS	364,648.00	364,648.00
OE SUBTOTALS	231,436.00	231,436.00
COMPANY 6503-I	596,084.00	596,084.00

COMPANY	6503-I	TOT
5101000 EMPLOYEE SALARIES	282,475.00	282,475.00
5102000 EMPLOYEE BENEFITS	82,173.00	82,173.00
5203000 TRAVEL	37,350.00	37,350.00
5204000 CONTRACTUAL SVCS	160,471.00	160,471.00
5205000 SUPPLIES & MATERIALS	31,300.00	31,300.00
5207000 CAPITAL OUTLAY	2,315.00	2,315.00
PS SUBTOTALS	364,648.00	364,648.00
OE SUBTOTALS	231,436.00	231,436.00
COMPANY 6503-I	596,084.00	596,084.00

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103700069901	1140000	292,884.92	DR	REAL ESTATE COMMISSION
6503	103700069902	1140000	100,000.00	DR	REAL ESTATE COMM RECOVERY FUND
COMPANY/SOURCE TOTAL 6503 699			392,884.92	DR *	
COMP/BUDG UNIT TOTAL 6503 1037			392,884.92	DR **	
BUDGET UNIT TOTAL 1037			392,884.92	DR ***	

STATE OF SOUTH DAKOTA
REVENUE SUMMARY BY BUDGET UNIT
FOR PERIOD ENDING: 07/31/2018

AGENCY BUDGET UNIT	COMP	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE
10 1037	LABOR & REGULATION REAL ESTATE COMMISSION				
103700069901	6503	PROFESSIONAL & LICENSING BOARDS	RESIDENT RENTAL AGENTS	180.00	180.00
103700069901	6503	4293702	BROKER	3,600.00	3,600.00
103700069901	6503	4293703	HOME INSPECTORS	628.10	628.10
103700069901	6503	4293705	SALES AGENTS	225.00	225.00
103700069901	6503	4293707	FTRMS	500.00	500.00
103700069901	6503	4293710	TIMESHARE PROJECTS	1,000.00	1,000.00
103700069901	6503	4293711	EDUCATIONAL COURSES	1,375.00	1,375.00
103700069901	6503	4293712	ADDITIONAL LICENSES	15.00	15.00
103700069901	6503	4293713	CHANGE OF ADDRESS	210.00	210.00
103700069901	6503	4293714	CERTIFICATES OF LICENSURE	195.00	195.00
103700069901	6503	4293715	LATE RENEWAL FEES	280.00	280.00
103700069901	6503	4293719	RENEWAL BROKER	250.00	250.00
ACCT: 4293		BUSINESS & OCCUP LICENSING (NON-GOVERNMENTAL)		8,458.10	8,458.10
ACCT: 42		LICENSES, PERMITS & FEES		8,458.10	8,458.10
103700069901	6503	4393003	MISC FINES & PENALTIES	1,250.00	1,250.00
ACCT: 4393		PENALTIES (NON-GOVERNMENTAL)		1,250.00	1,250.00
ACCT: 43		FINES, FORFEITS & PENALTIES		1,250.00	1,250.00
103700069901	6503	4596003	DIRECTORIES/HOME BUYER GU	1,030.00	1,030.00
ACCT: 4596				1,030.00	1,030.00
ACCT: 45		CHARGES FOR SALES & SERVICES		1,030.00	1,030.00
CNTR: 103700069901				10,738.10	10,738.10
COMP: 6503				10,738.10	10,738.10
B UNIT: 1037				10,738.10	10,738.10

28.10

Revenue Report Ending 7/31/18

(Additional Report)

Description	Budgeted	Current	Rev. to be Rec	YTD	PCT Rec.
Residential Rental Agents	3,000	180	2,820	180	6
Auctioneer	450	0	450	0	0
Broker	60,000	3,600	56,400	3,600	6
Home Inspectors	4,000	600	3,372	600	15
Property Manager	6,000	0	6,000	0	0
Sales Agents	2,000	225	1,775	225	11
Timeshare Agents	1,500	0	1,500	0	0
Firms	7,500	500	7,000	500	7
Condominiums	7,000	0	7,000	0	0
Timeshare Projects	3,000	1,000	2,000	1,000	33
Educational Courses	15,000	1,375	13,625	1,375	9
Additional Licenses	2,000	15	1,985	15	1
Change of Address	7,000	210	6,790	210	3
Certificate of Licensure	2,500	195	2,305	195	8
Late Renewal Fees	9,000	280	8,720	280	3
Renewal Res Rental Agents	4,000	0	4,000	0	0
Renewal Auctioneer	6,000	0	6,000	0	0
Renewal Broker	176,550	250	176,300	250	0
Home Inspection Renewal	6,000	0	6,000	0	0
Renewal Property Manager	9,000	0	9,000	0	0
Renewal Sales Agents	11,000	0	11,000	0	0
Renewal Timeshare Agents	1,000	0	1,000	0	0
Renewal Firms	35,000	0	35,000	0	0
Renewal Timeshare Project	6,000	0	6,000	0	0
Renewal Additional Licenses	4,000	0	4,000	0	0
Misc. Fines, Penalties and NO Rev	18,000	1,278.10	16,271.90	1,278.10	7
Interest Earned	4,000	0	4,000	0	0
License Law Books Sold	500	0	500	0	0
Directories/Lists Sold	9,000	1,030	7,970	1,030	11
	420,000	10,738.10	409,261.90	10,738.10	3