

**Meeting Minutes**  
**SOUTH DAKOTA REAL ESTATE COMMISSION**  
123 West Missouri Ave., Pierre, SD 57501  
Or Call +1 605.679.7263 Conference ID: 857 132 09#  
Wednesday, July 14, 2021 at 9:00 a.m. CDT

Chairman Carol Lawhun called the meeting to order at 9:02 a.m. A quorum was participating.

**Members Present:** Dave Bonde  
Carol Lawhun  
Mark Wahlstrom  
Ken Cotton (joined at 9:10 a.m.)

**Members Absent:** Ryan Wordeman

**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,  
Melissa Jelen, Attorney for FSBOHomes Sioux Falls  
Mitch Klien, FSBOHomes Sioux Falls  
George Gasaway, FSBOHomes  
Chad Boge, FSBOHomes  
Rush Nigut, Attorney for FSBOHomes  
Sonya Swink, Argus Leader

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 May 12, 2021 meeting minutes. Wahlstrom seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Bonde – yea; Wahlstrom – yea; Lawhun – yea).

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

Cotton joined the meeting at 9:10 a.m.

Mitch Klein and Melissa Jelen gave a summary of what FSBO offers to sellers, the platform they use and the services they provide. Commission members asked them several questions about the FSBO Homes business model. Agreed on consensus that it should be placed as an agenda item for the next meeting.

**Complaint 2021-091**

Wahlstrom made motion to dismiss Complaint 2021-091 with a letter giving guidance from the Executive Director. Cotton seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Bonde – yea; Wahlstrom – yea; Cotton – yea; Lawhun – yea).

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

Bonde made a motion to nominate Cotton as Vice Chair. Wahlstrom seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Bonde – yea; Wahlstrom – yea; Cotton – yea; Lawhun – yea).

Bonde congratulate Lawhun on what a great job she did as Chair.

Oey discussed some cleanup on language in 36-21-52 regarding physical location where files are kept. He also discussed changes in rule to 20:69:05.

Next meeting is Thursday, September 16, 2021.

Wahlstrom made a motion to adjourn the meeting at 10:30 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	379,895.01	DR	REAL ESTATE COMMISSION
6503	103700069902	1140000	100,000.00	DR	REAL ESTATE COMM RECOVERY FUND
COMPANY/SOURCE TOTAL 6503 699			479,895.01	DR *	
COMP/BUDG UNIT TOTAL 6503 1037			479,895.01	DR **	
BUDGET UNIT TOTAL 1037			479,895.01	DR ***	

AVAILABLE FUNDS AS OF: 07/31/2021  
FY YEAR REMAINING: 91.8%  
PAY DAYS REMAINING: 0

DATE 07/31/2021

CENTER NAME	REAL ESTATE COMMISSION - INFO	MONTHLY	MONTHLY
COMP	ORIGINAL APPROPRIATION	APPROPRIATION TRANSFERS	CASH BALANCE
6503-I	638,289.00	0.00	479,895.01
BUDGETED TOT	638,289.00	0.00	
ALL COMP TOT	638,289.00	0.00	

TOTAL BUDGETED:

OBJECT OF EXPENDITURE	AMOUNT BUDGETED	COMMITMENTS YEAR-TO-DATE	ENCUMBRANCES YEAR-TO-DATE	MONTHLY EXPENDITURES YEAR-TO-DATE	BUDGET AVAIL	PCT AVL
5101 EMPLOYEE SALARIES	307,911.00	0.00	0.00	32,356.27	275,554.73	89.5
5102 EMPLOYEE BENEFITS	93,557.00	0.00	0.00	10,574.53	82,982.47	88.7
5203 TRAVEL	40,407.00	0.00	0.00	0.00	40,407.00	100.0
5204 CONTRACTUAL SVCS	162,799.00	0.00	15,328.50	5,562.84	141,907.66	87.2
5205 SUPPLIES & MATRIS	31,300.00	0.00	0.00	1,882.68	29,417.32	94.0
5207 CAPITAL OUTLAY	2,315.00	0.00	0.00	0.00	2,315.00	100.0
TOTALS	638,289.00	0.00	15,328.50	50,376.32	572,584.18	89.7

BREAKOUT BY COMPANY:

COMPANY	PROFESSIONAL & LICENSING BOARDS	PS SUBTOTALS	OE SUBTOTALS	COMPANY 6503-I TOT
5101000	EMPLOYEE SALARIES	401,468.00	236,821.00	638,289.00
5102000	EMPLOYEE BENEFITS	0.00	0.00	
5203000	TRAVEL	0.00	15,328.50	
5204000	CONTRACTUAL SVCS	0.00	7,445.52	
5205000	SUPPLIES & MATRIS	0.00	50,376.32	
5207000	CAPITAL OUTLAY	0.00	0.00	
	PS SUBTOTALS	401,468.00	236,821.00	638,289.00
	OE SUBTOTALS	0.00	15,328.50	15,328.50
	COMPANY 6503-I TOT	0.00	0.00	0.00

STATE OF SOUTH DAKOTA  
REVENUE SUMMARY BY BUDGET UNIT  
FOR PERIOD ENDING: 07/31/2021

AGENCY BUDGET UNIT	10 1037	NEED TO UPDATE REAL ESTATE COMMISSION - INFO					
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	300.00	*	
103700069901	6503	4293702	BROKER	2,925.00	2,925.00	**	
103700069901	6503	4293704	PROPERTY MANAGER	675.00	675.00	**	
103700069901	6503	4293705	SALES AGENTS	225.00	225.00	*	
103700069901	6503	4293707	FIRMS	900.00	900.00	*	
103700069901	6503	4293708	CONDOMINIUMS	3,198.00	3,198.00	*	
103700069901	6503	4293711	EDUCATIONAL COURSES	1,015.00	1,015.00	*	
103700069901	6503	4293712	ADDITIONAL LICENSES	30.00	30.00	**	
103700069901	6503	4293713	CHANGE OF ADDRESS	210.00	210.00	**	
103700069901	6503	4293714	CERTIFICATES OF LICENSURE	180.00	180.00	**	
103700069901	6503	4293715	LATE RENEWAL FEES	280.00	280.00	**	
103700069901	6503	4293719	RENEWAL BROKER	125.00	125.00	**	
103700069901	6503	4293722	RENEWAL SALES AGENTS	250.00	250.00	**	
103700069901	6503	4293724	RENEWAL FIRMS	125.00-	125.00-	*	
ACCT: 4293			BUSINESS & OCCUP LICENSING (NON-GOVERNMENTAL)	10,188.00	10,188.00	*	
ACCT: 42			LICENSES, PERMITS & FEES	10,188.00	10,188.00	**	
103700069901	6503	4596002	LICENSE LAW BOOKS SOLD	10.00	10.00	**	
103700069901	6503	4596003	DIRECTORIES/HOME BUYER GU	1,112.00	1,112.00	**	
ACCT: 4596				1,122.00	1,122.00	*	
ACCT: 45			CHARGES FOR SALES & SERVICES	1,122.00	1,122.00	**	
CNTR: 103700069901				11,310.00	11,310.00	***	
COMP: 6503				11,310.00	11,310.00	****	
B UNIT: 1037				11,310.00	11,310.00	*****	

Revenue Report Ending 7/31/21

(Additional Report)	Description	Budgeted	Current	Rev. to be Rec	YTD	PCT Rec.
	Residential Rental Agents	3,500	300	3,200	300	8
	Broker	58,000	2,925	55,075	2,925	5
	Home Inspectors	5,000	0	5,000	0	
	Property Manager	7,000	675	6,325	675	9
	Sales Agents	4,000	225	3,775	225	
	Firms	10,000	900	9,100	900	9
	Condominiums	14,000	3,198	10,802	3,198	22
	Timeshare Projects	3,000	0	3,000	0	
	Educational Courses	15,000	1,015	13,985	1,015	6
	Additional Licenses	3,000	30	2,970	30	1
	Change of Address	8,000	210	7,790	210	2
	Certificate of Licensure	3,000	180	2,820	180	6
	Late Renewal Fees	20,000	280	19,720	280	1
	Renewal Res Rental Agents	4,000	0	4,000	0	
	Renewal Auctioneer	3,000	0	3,000	0	
	Renewal Broker	175,000	125	174,875	125	
	Home Inspection Renewal	6,500	0	6,500	0	
	Renewal Property Manager	12,000	0	12,000	0	
	Renewal Sales Agents	14,000	250	13,750	250	1
	Renewal Timeshare Agents	1,000	0	1,000	0	
	Renewal Firms	35,000	-125	35,125	-125	
	Renewal Timeshare Project	6,500	0	6,500	0	
	Renewal Additional Licenses	3,000	0	3,000	0	
	Misc. Fines, Penalties and NO Rev	20,000	0	20,000	0	
	Interest Earned	2,000	10	1,990	10	
	License Law Books Sold	10,000	1,112	8,888	1,112	11
	Directorates/Lists Sold					
		445,500	11,310.00	434,190	11,310.00	2

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	1037000699BA	1140000	2,407.11	CR	REAL ESTATE/COSMO/BARBER
6503	103700069901	1140000	383,801.19	DR	REAL ESTATE COMMISSION
6503	103700069902	1140000	101,582.39	DR	REAL ESTATE COMM RECOVERY FUND
COMPANY/SOURCE TOTAL 6503 699			482,976.47	DR *	
COMP/BUDG UNIT TOTAL 6503 1037			482,976.47	DR **	
BUDGET UNIT TOTAL 1037			482,976.47	DR ***	





STATE OF SOUTH DAKOTA  
REVENUE SUMMARY BY BUDGET UNIT  
FOR PERIOD ENDING: 08/31/2021

AGENCY BUDGET CENTER	UNIT	COMP	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE
10	1037	6503		LABOR & REGULATION REAL ESTATE COMMISSION - INFO		
COMPANY NO 6503 COMPANY NAME PROFESSIONAL & LICENSING BOARDS						
103700069901	6503	4293700		RESIDENT RENTAL AGENTS	240.00	540.00
103700069901	6503	4293702		BROKER	9,000.00	11,925.00
103700069901	6503	4293703		HOME INSPECTORS	200.00	200.00
103700069901	6503	4293704		PROPERTY MANAGER	450.00	1,125.00
103700069901	6503	4293705		SALES AGENTS	900.00	1,125.00
103700069901	6503	4293707		FIRMS	1,700.00	2,600.00
103700069901	6503	4293708		CONDOMINIUMS	1,600.33	4,798.33
103700069901	6503	4293710		TIMESHARE PROJECTS	1,000.00	1,000.00
103700069901	6503	4293711		EDUCATIONAL COURSES	1,490.00	2,505.00
103700069901	6503	4293712		ADDITIONAL LICENSES	240.00	270.00
103700069901	6503	4293713		CHANGE OF ADDRESS	645.00	855.00
103700069901	6503	4293714		CERTIFICATES OF LICENSURE	435.00	615.00
103700069901	6503	4293715		LATE RENEWAL FEES	.00	280.00
103700069901	6503	4293719		RENEWAL BROKER	.00	125.00
103700069901	6503	4293722		RENEWAL SALES AGENTS	.00	250.00
103700069901	6503	4293724		RENEWAL FIRMS	.00	125.00-
ACCT: 4293				BUSINESS & OCCUP LICENSING (NON-GOVERNMENTAL)	17,900.33	28,088.33
ACCT: 42				LICENSES, PERMITS & FEES	17,900.33	28,088.33
103700069901	6503	4596002		LICENSE LAW BOOKS SOLD	10.00	20.00
103700069901	6503	4596003		DIRECTORIES/HOME BUYER GT	1,250.00	2,362.00
ACCT: 4596					1,260.00	2,382.00
ACCT: 45				CHARGES FOR SALES & SERVICES	1,260.00	2,382.00
103700069901	6503	4920045		NONOPERATING REVENUES	5,832.50	5,832.50
ACCT: 4920				NONOPERATING REVENUE	5,832.50	5,832.50

STATE OF SOUTH DAKOTA  
 REVENUE SUMMARY BY BUDGET UNIT  
 FOR PERIOD ENDING: 08/31/2021

AGENCY BUDGET UNIT	10 1037	LABOR & REGULATION REAL ESTATE COMMISSION - INFO				
CENTER	COMP	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE	
ACCT: 49		OTHER REVENUE		5,832.50	5,832.50	**
CNTR: 103700069901				24,992.83	36,302.83	***
103700069902	6503	4920045	NONOPERATING REVENUES	1,582.39	1,582.39	*
ACCT: 4920		NONOPERATING REVENUE		1,582.39	1,582.39	**
ACCT: 49		OTHER REVENUE		1,582.39	1,582.39	**
CNTR: 103700069902				1,582.39	1,582.39	***
COMP: 6503				26,575.22	37,885.22	****
B UNIT: 1037				26,575.22	37,885.22	*****

**Revenue Report Ending 8/31/21**

(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	3,500	240	2,960	540	15
Broker	58,000	9,000	46,075	11,925	20
Home Inspectors	5,000	200	4,800	200	4
Property Manager	7,000	450	5,875	1,125	16
Sales Agents	4,000	900	2,875	1,125	28
Firms	10,000	1,700	7,400	2,600	26
Condominiums	14,000	1,600.33	9,201.67	4,798.33	34
Timeshare Projects	3,000	1,000	2,000	1,000	33
Educational Courses	15,000	1,490	12,495	2,505	16
Additional Licenses	3,000	240	2,730	270	9
Change of Address	8,000	645	7,145	855	10
Certificate of Licensure	3,000	435	2,385	615	20
Late Renewal Fees	20,000	0	19,720	280	1
Renewal Res Rental Agents	4,000	0	4,000	0	
Renewal Auctioneer	3,000	0	3,000	0	
Renewal Broker	175,000	0	174,875	125	
Home Inspection Renewal	6,500	0	6,500	0	
Renewal Property Manager	12,000	0	12,000	0	
Renewal Sales Agents	14,000	0	13,750	250	1
Renewal Timeshare Agents	1,000	0	1,000	0	
Renewal Firms	35,000	0	35,125	-125	
Renewal Timeshare Project	6,500	0	6,500	0	
Renewal Additional Licenses	3,000	0	3,000	0	
Misc. Fines, Penalties and NO Rev	20,000	7,414.89	12,585.11	7,414.89	37
Interest Earned					
License Law Books Sold	2,000	10	1,980	20	
Directories/Lists Sold	10,000	1,250	7,638	2,362	23
	445,500	26,575.22	407,614.78	37,885.22	8