

Meeting Minutes
South Dakota Real Estate Commission
123 W Missouri Ave
September 7, 2017 8:45 a.m. CDT

Chairman Ken Cotton called the meeting to order at 8:45 a.m. A quorum was participating.

Members Participating: Ryan Wordeman
Mark Wahlstrom
Ken Cotton
Matt Krogman
Dave Bonde

Members Absent:

Others Participating: Melissa Miller, Executive Director, SDREC
Brian Jackson, Compliance Officer, SDREC
Michelle Metzinger, Compliance Officer, SDREC
Stephanie Howard, Licensing Program Administrator, SDREC
Graham Oey, Staff Attorney, South Dakota Department of Labor
and Regulation

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

The hearing on the application of Jennifer Stone was convened at 8:45 a.m.

Jennifer Stone and her attorney Cory Bruning joined the meeting telephonically at 8:45 a.m.

Krogman motioned to approve Jennifer Stone's application A. Wordeman seconded the motion. Cotton called the roll. **MOTION PASSED.**

Wahlstrom made a motion to approve the July 12th, 2017 meeting minutes with spelling corrections. Wordeman seconded the motion. Cotton called the roll. **MOTION PASSED.**

Summary of the financials for July and August 2017 was presented by Director Miller. Wahlstrom made a motion to approve financial reports with the agreement the financials will be noted and filed with the commission records. Wordeman seconded the motion. Cotton called the roll. **MOTION PASSED.**

Discussion was held regarding an application. Krogman motioned to approve application pending specific verification from the applicant. Wahlstrom seconded the motion. Cotton called the roll. **MOTION PASSED.**

Complaint 2016-091 & 2017-094: Trisha Martinell/Innovative Property Management, LLC., Sioux Falls, SD for violation of SDCL 36-21A-28, SDCL 36-21A-71(1), (4), (5), (7), (9), (12), (15), (30), (31), (32), SDCL 36-21A-80, SDCL 36-21A-82, SDCL 36-21A-83, SDCL 36-21A-130, SDCL 36-21A-132, ARSD CHAPTER 20:96:14, and ARSD 20:69:14.01:02.

- a. MARTINELL agrees to pay a \$2,500.00 monetary penalty per case for a total of \$5,000.00, due within 6 months of the Consent Agreement being signed by the Commission;
- b. MARTINELL agrees to her license will be revoked by the Commission and will not be able to apply for any commission licenses for a period of 5 years;
 - i. The revocation will go into effect 45 days after this Consent Agreement is signed by the Commission;
- c. IMP and Martinell must send certified letters to all of IPM's clients informing them of the closure and instructing them where they may obtain all QuickBook records, tenant list, and any other owner files. Letters must be sent within 14 days of the Consent Agreement being signed by the Commission.
 - i. Martinell shall submit all copies of the letters sent, Certified Mail Receipt, and Domestic Return Receipt to the Commission Office by October 29, 2017.

Wordeman made a motion to approve Consent Agreements 2016-097 and 2017-094. Wahlstrom seconded the motion. Cotton called roll. **MOTION PASSED.**

Complaint 2017-099: No action was taken.

Complaint & Consent Agreement 2017-100: John Maurer/Meritus Group Real Estate LLC., Sioux Falls, SD for violation of SDCL 36-21A-71, SDCL 36-21A-82, SDCL 36-21A-80,

- a. The respondent will provide to the South Dakota Real Estate Commission.
- b. Respondent will pay an administrative fine in the amount of \$100 the South Dakota Real Estate.

Krogman made a motion to approve Consent Agreement 2017-099. Wordeman seconded the motion. Cotton called roll. **MOTION PASSED.**

Consent Agreement 2017-104: R. Russel Rearick/Coldwell Banker Lewis-Kirkeby-Hall Real Estate, Inc., Rapid City, SD for violation of SDCL 36-21A-71(5).

- a. Rearick shall pay an administrative fine in the amount of \$250.00 to the Commission by October 7, 2017.

Bonde made a motion to approve Consent Agreements 2017-104. Wahlstrom seconded the motion. Cotton called roll. **MOTION PASSED.**

Consent Agreement 2018-004: Lori Rearick/Coldwell Banker Lewis-Kirkeby-Hall Real Estate, Inc., Rapid City, SD for violation of SDCL 36-21A-71(5).

- a. Rearick shall pay an administrative fine in the amount of \$250.00 to the Commission by October 7, 2017.

Krogman made a motion to approve Consent Agreements 2018-004. Wahlstrom seconded the motion. Cotton called roll. **MOTION PASSED.**

Consent Agreement 2018-005: Bo Hauer/Coldwell Banker Lewis-Kirkeby-Hall Real Estate, Inc., Rapid City, SD for violation of SDCL 36-21A-71(5) and SDCL 36-21A-79.

- a. Hauer shall pay an administrative fine in the amount of \$500.00 to the Commission by October 7, 2017.

Wordeman made a motion to approve Consent Agreements 2018-004. Bonde seconded the motion. Cotton called roll. **MOTION PASSED.**

Commission took a break at 10:15 A.M.

Commission reconvened at 10:25 A.M.

Complaint & Consent Agreement 2017-108: Rodger Chase/Coldwell Banker Action Realty, Huron, SD for violation of SDCL 36-21A-71, (1), SDCL 36-21A-82 and SDCL 36-21A-80.

- a. Respondent will create a ledger and provide to the commission a copy of the monthly reconciliation, as required by SDCL 36-21A-80, to include a copy of the ledger, check register, and bank statements for May, June and July 2017.
- b. Respondent will pay an administrative fine in the amount of \$100 to the South Dakota Real Estate Commission within 15 days of receipt of a dinged copy of this newsletter.

Wordeman made a motion to reject Consent Agreements 2017-108. Bonde seconded the motion. Cotton called roll. **MOTION PASSED.**

Krogman made a motion to dismiss Complaint 2017-110. Wordeman seconded the motion. Cotton called roll. **MOTION PASSED.**

Complaint and Consent Agreement 2018-003: Allen Burgard/Century 21 Investments REALTORS, Aberdeen, SD for violation of SDCL 36-21A-80, SDCL 36-21A-82 and SDCL 36-21A-71.

- a. Respondent will pay an administrative fine in the amount of \$500 to the South Dakota Real Estate Commission within 15 days of receipt of a signed copy of this Consent Agreement.
- b. Respondent will attend an in-classroom trust accounting course prior to December 31, 2017. The course shall not count no be applied as continuing education hours and shall be no less than three classroom hours pursuant to ARSD 20:69:11:03. Respondent will provide the Commission with proof of completion of the course within 10 days of the course completion.
- c. Respondent shall provide the Commission's Executive Director written confirmation the trust account discrepancy has been identified and corrected or documented by December 31, 2017.

Wordeman made a motion to approve Consent Agreement 2018-003. Krogman seconded the motion. Cotton called roll. **MOTION PASSED.**

Team legislation was discussed.

Wordeman made a motion to update SDCL 36-21A-55, SDCL 36-21A-19 & SDCL 36-21A-29(8). Bonde seconded the motion. Cotton called roll. **MOTION PASSED.**

Next Meeting will take place November 8th, 2017.

Meeting was adjourned at 11:44 AM.