

Meeting Minutes
South Dakota Real Estate Commission
711 East Wells Ave
July 12th, 2017 8:30 a.m. CDT

Chairman Ken Cotton called the meeting to order at 8:30 a.m. A quorum was participating.

Members Participating: Ryan Wordeman
Mark Wahlstrom
Ken Cotton
Matt Krogman

Members Absent: Dave Bonde

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

Request that a correction be made to the May 10th minutes on page one in regards to the spelling of Dave Bonde's name.

Wahlstrom made a motion to approve the March 23rd, 2017 meeting minutes with the correction. Krogman seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Summary of the financials for May and June 2017 was presented by Director Miller. Krogman made a motion to approve financial reports. Wahlstrom seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Discussion was held regarding the consent agreements. The agreements were mailed to the respondents for their review and acceptance or rejection. The approval is for respondents who had accepted the agreement by signing and returning them to the Executive Director.

Wahlstrom made a motion to approve the consent agreement 2017-106 with the correction of Stacy Schramm's name on page one paragraph one. Wordeman seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Krogman motioned to approve consent agreement 2017-107. Wahlstrom seconded the Motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Michelle Metzinger and Brian Jackson joined the meeting at 8:35 a.m.

Krogman motioned to table consent agreement 2017-108 until next commission meeting. Wahlstrom seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Wahlstrom motioned to retable consent agreement 2017-100 until next commission meeting. Krogman seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Discussion was held regarding application A. Wahlstrom motioned to deny application A. Wordeman seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Discussion was held regarding application B. Wordeman motioned to approve application B upon proof of all judgements being satisfied. Krogman seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Complaint 2017-007: David Shelton/Century 21 Advantage, Sioux Falls, SD.

Wahlstrom made a motion to dismiss complaint 2017-007. Wordeman seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Complaint 2017-095: Stephanie Severson/Century 21 Gustafson, Krogman & Associates, Brookings, SD for violation of SDCL 36-21A-71(21), (30), & (31), SDCL 36-21A-78, SDCL 36-21A-130, SDCL 36-21A-140 and 36-21A-147.

- a) SEVERSON shall pay an administrative fine in the amount of \$500.00 by August 31, 2017;
- b) SEVERSON shall pay for, attend, and successfully complete 6 hour agency course. The hours shall not be recognized as required continuing education hours and shall be taken in a classroom setting. Proof of the successful completion of the course shall be provided to the Commission by October 31, 2017; and
- c) SEVERSON shall pay for, attend, and successfully complete 6 hour contracts course. The hours shall not be recognized as required continuing education hours and shall be taken in a classroom setting. Proof of the successful completion of the course shall be provided to the Commission by October 31, 2017.

Matt Krogman requested to abstain from this consent agreement.

Wordeman motioned to approve consent agreement 2017-095. Wahlstrom seconded the motion. Cotton called the roll, 3-0 AYE (Cotton, Wahlstrom, Wordeman). **MOTION PASSED.**

Wahlstrom motioned for extension in regards to the contract course completion until December 31st, 2017. Wordeman seconded this motion. Cotton called the roll, 3-0 AYE (Cotton, Wahlstrom, Wordeman). **MOTION PASSED.**

Complaint 2017-098: James Tharp/Montgomery Agency Real Estate, Huron, SD for violation of SDCL 36-21A-128, SDCL 36-21A-129, SDCL 36-21A-147, SDCL 36-21A -130 and SDCL 36-21A-140(4).

- a) THARP shall pay an administrative fine in the amount of \$500.00 by August 31, 2017;
- b) THARP shall pay for, attend, and successfully complete 6 hour agency course. The hours shall not be recognized as required continuing education hours and **shall** be taken in a classroom setting. Proof of the successful completion of the course shall be provided to the Commission by October 31, 2017; and

- c) THARP shall pay for, attend, and successfully complete 6 hour contracts course. The hours shall not be recognized as required continuing education hours and shall be taken in a classroom setting. Proof of the successful completion of the course shall be provided to the Commission by October 31, 2017.

Wordeman motioned to approve consent agreement 2017-098. Wahlstrom seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Complaint 2017-101: Halli Holden/Lee Real Estate, Pierre, SD for violation of SDCL 36-21A-71(1), SDCL 36-21A-78 and SDCL 36-21A-132(2).

- a) HOLDEN shall pay an administrative fine in the amount of \$1,000.00 by August 31, 2017;
- b) HOLDEN shall pay for, attend, and successfully complete 6 hour agency course. The hours shall not be recognized as required continuing education hours and shall be taken in a classroom setting. Proof of the successful completion of the course shall be provided to the Commission by October 31, 2017; and
- c) HOLDEN shall pay for, attend, and successfully complete 6 hour contracts course. The hours shall not be recognized as required continuing education hours and shall be taken in a classroom setting. Proof of the successful completion of the course shall be provided to the Commission by October 31, 2017.

Krogman motioned to approve consent agreement 2017-101. Wahlstrom seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Complaint 2017-103: Troy Bowers/Dakota Prairie Real Estate, Pierre, SD.

Krogman motioned to dismiss complaint 2017-103. Wordeman seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Complaint 2017-105: Ryan Krogman/Century 21 Gustafson, Krogman & Associates, Brookings, SD for violation of SDCL 36-21A-71(21), (30), & (31), SDCL 36-21A-78 and SDCL 36-21A-79.

1. KROGMAN agrees, in lieu of contesting this matter formally, to voluntarily accept the following terms and conditions for entry of this Consent Agreement:
 - a) KROGMAN shall pay an administrative fine in the amount of \$500.00 by August 31, 2017;
 - b) KROGMAN shall pay for, attend, and successfully complete 6 hour agency course. The hours shall not be recognized as required continuing education hours and shall be taken in a classroom setting. Proof of the successful completion of the course shall be provided to the Commission by October 31, 2017; and
 - c) KROGMAN shall pay for, attend, and successfully complete 6 hour contracts course. The hours shall not be recognized as required continuing education hours and shall be taken in a classroom setting. Proof of the successful completion of the course shall be provided to the Commission by October 31, 2017.

Matt Krogman requested to abstain from this consent agreement.

Wahlstrom motioned to approve consent agreement 2017-105. Wordeman seconded this motion. Cotton called the roll, 3-0 AYE (Cotton, Wahlstrom, Wordeman). **MOTION PASSED.**

Wahlstrom motioned for extension in regards to the contract course completion to December 31st, 2017. Wordeman seconded this motion. Cotton called the roll, 3-0 AYE (Cotton, Wahlstrom, Wordeman). **MOTION PASSED.**

Complaint 2017-111: Meredith Lee/Lee Real Estate, Pierre, SD for violation of SDCL 36-21A-71(1), SDCL 36-21A-78, SDCL 36-21A-79 and SDCL 36-21A-132(2).

- a) LEE shall pay an administrative fine in the amount of \$1,000.00 by August 31, 2017;
- b) LEE shall pay for, attend, and successfully complete 6 hour agency course. The hours shall not be recognized as required continuing education hours and shall be taken in a classroom setting. Proof of the successful completion of the course shall be provided to the Commission by October 31, 2017; and
- c) LEE shall pay for, attend, and successfully complete 6 hour contracts course. The hours shall not be recognized as required continuing education hours and shall be taken in a classroom setting. Proof of the successful completion of the course shall be provided to the Commission by October 31, 2017.

Wahlstrom motions to approve consent agreement 2017-111. Wordeman seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Extension Request for licensees, Dawn Eining, Richard Shelton and Reg Keilsasser in regards to completion of contract education course due to lack of available classes. Krogman motioned to grant this extension until September 30th, 2017. Wordeman seconded the motioned. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Commission meeting took a break at 9:40 a.m.

Commission meeting reconvened at 9:54 a.m.

Michelle Kleven entered the meeting at 9:54 a.m.

Team legislation discussion was held.

Krogman motions to approve the rule changes under chapter 20:69:05 presented by Graham Oey. Wahlstrom seconded the motion. Cotton called the roll. **MOTION PASSED** by unanimous vote.

Next Meeting: September 7th, 2017

Meeting Adjourned: 11:40 a.m.