

Meeting Minutes
South Dakota Real Estate Commission
via Zoom

221 W. Capitol Ave, Ste 101, Pierre, SD 57501
1-669-900-9128 Meeting ID: 989 0297 3470 Passcode: 531510
September 30, 2020 10:00 a.m. CDT

Chairman Carol Lawhun called the meeting to order at 10:01 a.m. A quorum was participating.

Members Present: Dave Bonde
Carol Lawhun
Mark Wahlstrom

Members Absent: Ryan Wordeman, Ken Cotton

Others Present: Melissa Miller, Executive Director, SDREC
Suzanne Wetz, Licensing Administrator, SDREC
Tim Bond, Compliance Officer, SDREC
Michelle Metzinger, Compliance Officer, SDREC
Graham Oey, Staff Attorney, SD Department of Labor and
Regulation
Lauren McMillon

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

Public Comment – No comments were made from the public.

Wahlstrom made motion to approve the July 15 and August 19, 2020 meeting minutes. Bonde seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Bonde – yea; Lawhun – yea; Wahlstrom – yea).

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

Tim Bond joined the meeting at 10:06 a.m.

Ken Cotton appeared to be on the call at 10:07 a.m., but he was experiencing technical difficulties and was not able to participate.

By consensus, no executive session was needed.

Complaint 2020-091

Bonde made motion to approve a letter of reprimand for Complaint 2020-091. Wahlstrom seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Bonde – yea; Lawhun – yea; Wahlstrom – yea).

Complaint 2020-094

Wahlstrom made motion to dismiss Complaint 2020-094. Bonde seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Bonde – yea; Lawhun – yea; Wahlstrom – yea).

Complaint 2020-095

Bonde made motion to dismiss Complaint 2020-095. Wahlstrom seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Bonde – yea; Lawhun – yea; Wahlstrom – yea).

Complaint 2020-096

Bonde made motion to dismiss Complaint 2020-096. Wahlstrom seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Bonde – yea; Lawhun – yea; Wahlstrom – yea).

Complaint 2021-002

Wahlstrom made motion to approve Complaint 2021-002. Bonde seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Bonde – yea; Lawhun – yea; Wahlstrom – yea).

By consensus, agenda items 7 - Discussion on Evaluations and BPOs and 8 - Discussion on Electronic Notary will be moved to the next agenda.

No other business.

Director Miller will contact other commissioners to decide on the next meeting date. Wahlstrom said November 19 would work best for him. Bonde and Lawhun were open both November 18 and 19.

Bonde made a motion to adjourn the meeting at 10:25 a.m. Wahlstrom seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Bonde – yea; Lawhun – yea; Wahlstrom – 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	286,885.71	DR	REAL ESTATE COMMISSION
6503	103700069902	1140000	102,444.92	DR	REAL ESTATE COMM RECOVERY FUND
COMPANY/SOURCE TOTAL 6503 699			389,330.63	DR *	
COMP/BUDG UNIT TOTAL 6503 1037			389,330.63	DR **	
BUDGET UNIT TOTAL 1037			389,330.63	DR ***	

BUDGET UNIT 1037

AS OF: 09/30/2020
FY YEAR REMAINING: 75.18
PAY DAYS REMAINING: 0

DATE 10/03/2020

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	0.00	0.00	9,977.36	100,182.27	518,038.37	389,330.63
BUDGETED TOT	628,198.00	0.00	0.00	9,977.36	100,182.27	518,038.37	
ALL COMP TOT	628,198.00	0.00	0.00	9,977.36	100,182.27	518,038.37	

TOTAL BUDGETED:

OBJECT OF EXPENDITURE	AMOUNT BUDGETED	COMMITMENTS YEAR-TO-DATE	ENCUMBRANCES YEAR-TO-DATE	MONTHLY EXPENDITURES	BUDGET AVAILABLE	PCT AVL
5101 EMPLOYEE SALARIES	296,336.00	0.00	0.00	20,484.30	62,571.18	78.9
5102 EMPLOYEE BENEFITS	96,133.00	0.00	0.00	7,361.41	22,318.36	76.8
5203 TRAVEL	40,407.00	0.00	0.00	0.00	604.51	98.5
5204 CONTRACTUAL SVCS	161,707.00	0.00	9,977.36	2,191.47	11,853.60	86.5
5205 SUPPLIES & MATRLS	31,300.00	0.00	0.00	471.95	2,370.62	92.4
5207 CAPITAL OUTLAY	2,315.00	0.00	0.00	0.00	464.00	80.0
TOTALS	628,198.00	0.00	9,977.36	30,509.13	100,182.27	82.5

BREAKOUT BY COMPANY:

COMPANY	6503-I	PROFESSIONAL & LICENSING BOARDS	TOT
5101000	EMPLOYEE SALARIES	296,336.00	296,336.00
5102000	EMPLOYEE BENEFITS	96,133.00	96,133.00
5203000	TRAVEL	40,407.00	40,407.00
5204000	CONTRACTUAL SVCS	161,707.00	161,707.00
5205000	SUPPLIES & MATRLS	31,300.00	31,300.00
5207000	CAPITAL OUTLAY	2,315.00	2,315.00
PS SUBTOTALS		392,469.00	392,469.00
OE SUBTOTALS		235,729.00	235,729.00
COMPANY 6503-I		628,198.00	628,198.00

STATE OF SOUTH DAKOTA
 REVENUE SUMMARY BY BUDGET UNIT
 FOR PERIOD ENDING: 09/30/2020

AGENCY BUDGET UNIT	10 1037	LABOR & REGULATION REAL ESTATE COMMISSION - INFO						
CENTER	COMP	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE			
COMPANY NO	6503	PROFESSIONAL & LICENSING BOARDS						
103700069901	6503	4293700	RESIDENT RENTAL AGENTS	180.00	375.00			
103700069901	6503	4293702	BROKER	6,300.00	19,350.00			
103700069901	6503	4293703	HOME INSPECTORS	.00	400.00			
103700069901	6503	4293704	PROPERTY MANAGER	.00	450.00			
103700069901	6503	4293707	FIRMS	1,600.00	2,900.00			
103700069901	6503	4293708	CONDOMINIUMS	462.00	6,137.00			
103700069901	6503	4293711	EDUCATIONAL COURSES	1,525.00	4,245.00			
103700069901	6503	4293712	ADDITIONAL LICENSES	150.00	420.00			
103700069901	6503	4293713	CHANGE OF ADDRESS	645.00	1,560.00			
103700069901	6503	4293714	CERTIFICATES OF LICENSURE	75.00	390.00			
103700069901	6503	4293715	LATE RENEWAL FEES	.00	980.00			
103700069901	6503	4293719	RENEWAL BROKER	.00	250.00			
103700069901	6503	4293720	HOME INSPECTION RENEWAL	.00	300.00			
103700069901	6503	4293722	RENEWAL SALES AGENTS	.00	125.00			
103700069901	6503	4293724	RENEWAL FIRMS	.00	125.00			
ACCT: 4293			BUSINESS & OCCUP LICENSING (NON-GOVERNMENTAL)	10,937.00	38,007.00			*
ACCT: 42			LICENSES, PERMITS & FEES	10,937.00	38,007.00			**
103700069901	6503	4393003	MISC FINES & PENALTIES	521.78	1,071.78			
ACCT: 4393			PENALTIES (NON-GOVERNMENTAL)	521.78	1,071.78			*
ACCT: 43			FINES, FORFEITS & PENALTIES	521.78	1,071.78			**
103700069901	6503	4596002	LICENSE LAW BOOKS SOLD	340.00	908.00			
103700069901	6503	4596003	DIRECTORIES/HOME BUYER GU	.00	1,615.00			
ACCT: 4596				340.00	2,523.00			*
ACCT: 45			CHARGES FOR SALES & SERVICES	340.00	2,523.00			**

STATE OF SOUTH DAKOTA
 REVENUE SUMMARY BY BUDGET UNIT
 FOR PERIOD ENDING: 09/30/2020

AGENCY BUDGET CENTER	UNIT	COMP	LABOR & REGULATION REAL ESTATE COMMISSION - INFO	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE	
103700069901	1037	6503	4910000	OPERATING TRANSFERS IN	.00	2,104.59	
ACCT:	4910			OPERATING TRANSFERS IN	.00	2,104.59	*
103700069901	1037	6503	4920045	NONOPERATING REVENUES	.00	8,187.25	
ACCT:	4920			NONOPERATING REVENUE	.00	8,187.25	*
ACCT:	49			OTHER REVENUE	.00	10,291.84	**
CNTR:	103700069901				11,798.78	51,893.62	***
103700069902	1037	6503	4920045	NONOPERATING REVENUES	.00	2,444.92	
ACCT:	4920			NONOPERATING REVENUE	.00	2,444.92	*
ACCT:	49			OTHER REVENUE	.00	2,444.92	**
CNTR:	103700069902				.00	2,444.92	***
COMP:	6503				11,798.78	54,338.54	****
B UNIT:	1037				11,798.78	54,338.54	*****

Revenue Report Ending 9/30/20

(Additional Report)

Description	Budgeted	Current	Rev. to be Rec	YTD	PCT Rec.
Residential Rental Agents	3,000	180	2,625	375	12
Broker	54,000	6,300	34,650	19,350	35
Home Inspectors	4,000	0	3,600	400	1
Property Manager	6,000	0	5,550	450	7
Sales Agents	4,000	0	4,000	0	
Timeshare Agents	1,000	0	1,000	0	
Firms	7,000	1,600	4,100	2,900	41
Condominiums	6,000	462	(137)	6,137	102
Timeshare Projects	4,000	0	4,000	0	
Educational Courses	14,000	1,525	9,755	4,245	30
Additional Licenses	4,000	150	3,580	420	10
Change of Address	7,000	645	5,440	1,560	22
Certificate of Licensure	2,500	75	2,110	390	15
Late Renewal Fees	12,000	0	11,020	980	8
Renewal Res Rental Agents	4,000	0	4,000	0	
Renewal Auctioneer	3,000	0	3,000	0	
Renewal Broker	180,000	0	179,750	250	
Home Inspection Renewal	7,000	0	6,700	300	4
Renewal Property Manager	12,000	0	12,000	0	
Renewal Sales Agents	14,000	0	13,875	125	
Renewal Timeshare Agents	1,000	0	1,000	0	
Renewal Firms	37,000	0	36,875	125	
Renewal Timeshare Project	6,500	0	6,500	0	
Renewal Additional Licenses	2,000	0	2,000	0	
Misc. Fines, Penalties and NO Rev	18,000	521.78	4,191.46	13,808.54	76
Interest Earned					
License Law Books Sold	900	340	(8)	908	100
Directories/Lists Sold	9,000	0	7,385	1,615	17
	422,900	11,798.78	368,706.46 (145)	54,338.54	12

STATE OF SOUTH DAKOTA
CASH CENTER BALANCES
AS OF: 10/31/2020

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103700069901	1140000	309,482.31	DR	REAL ESTATE COMMISSION
6503	103700069902	1140000	102,444.92	DR	REAL ESTATE COMM RECOVERY FUND
COMPANY/SOURCE TOTAL 6503 699			411,927.23	DR *	
COMP/BUDG UNIT TOTAL 6503 1037			411,927.23	DR **	
BUDGET UNIT TOTAL 1037			411,927.23	DR ***	

BUDGET UNIT 1037

AVAILABLE FUNDS AS OF: 10/31/2020
FY YEAR REMAINING: 66.7%
PAY DAYS REMAINING: 15

DATE 10/31/2020

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	0.00	0.00	19,616.82	146,830.52	461,750.66	411,927.23
BUDGETED TOT	628,198.00	0.00	0.00	19,616.82	146,830.52	461,750.66	
ALL COMP TOT	628,198.00	0.00	0.00	19,616.82	146,830.52	461,750.66	

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	30,934.93	93,506.11	202,829.89	68.4
5102 EMPLOYEE BENEFITS	96,133.00	0.00	0.00	11,080.50	33,398.86	62,734.14	65.3
5203 TRAVEL	40,407.00	0.00	0.00	0.00	604.51	39,802.49	98.5
5204 CONTRACTUAL SVCS	161,707.00	0.00	19,616.82	3,694.46	15,548.06	126,542.12	78.3
5205 SUPPLIES & MATRLS	31,300.00	0.00	0.00	464.60	2,835.22	28,464.78	90.9
5207 CAPITAL OUTLAY	2,315.00	0.00	0.00	473.76	937.76	1,377.24	59.5
TOTALS	628,198.00	0.00	19,616.82	46,648.25	146,830.52	461,750.66	73.5

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	PROFESSIONAL & LICENSING BOARDS	296,336.00	0.00	0.00	30,934.93	93,506.11	202,829.89	68.4
5101000	EMPLOYEE SALARIES	296,336.00	0.00	0.00	30,934.93	93,506.11	202,829.89	68.4
5102000	EMPLOYEE BENEFITS	96,133.00	0.00	0.00	11,080.50	33,398.86	62,734.14	65.3
5203000	TRAVEL	40,407.00	0.00	0.00	0.00	604.51	39,802.49	98.5
5204000	CONTRACTUAL SVCS	161,707.00	0.00	19,616.82	3,694.46	15,548.06	126,542.12	78.3
5205000	SUPPLIES & MATRLS	31,300.00	0.00	0.00	464.60	2,835.22	28,464.78	90.9
5207000	CAPITAL OUTLAY	2,315.00	0.00	0.00	473.76	937.76	1,377.24	59.5
PS SUBTOTALS		392,469.00	0.00	0.00	42,015.43	126,904.97	265,564.03	67.7
OE SUBTOTALS		235,729.00	0.00	19,616.82	4,632.82	19,925.55	196,186.63	83.2
COMPANY 6503-I	TOT	628,198.00	0.00	19,616.82	46,648.25	146,830.52	461,750.66	73.5

STATE OF SOUTH DAKOTA
 REVENUE SUMMARY BY BUDGET UNIT
 FOR PERIOD ENDING: 10/31/2020

AGENCY BUDGET UNIT	10 1037	LABOR & REGULATION 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	480.00	855.00		
103700069901	6503	4293702	BROKER	10,500.00	29,850.00		
103700069901	6503	4293703	HOME INSPECTORS	400.00	800.00		
103700069901	6503	4293704	PROPERTY MANAGER	.00	450.00		
103700069901	6503	4293705	SALES AGENTS	225.00	225.00		
103700069901	6503	4293707	FIRMS	1,325.00	4,225.00		
103700069901	6503	4293708	CONDOMINIUMS	.00	6,137.00		
103700069901	6503	4293711	EDUCATIONAL COURSES	895.00	5,140.00		
103700069901	6503	4293712	ADDITIONAL LICENSES	630.00	1,050.00		
103700069901	6503	4293713	CHANGE OF ADDRESS	660.00	2,220.00		
103700069901	6503	4293714	CERTIFICATES OF LICENSURE	540.00	930.00		
103700069901	6503	4293715	LATE RENEWAL FEES	210.00	1,190.00		
103700069901	6503	4293717	RENEWAL RES RENTAL AGENTS	800.00	800.00		
103700069901	6503	4293718	RENEWAL AUCTIONEER	250.00	250.00		
103700069901	6503	4293719	RENEWAL BROKER	35,000.00	35,250.00		
103700069901	6503	4293720	HOME INSPECTION RENEWAL	1,200.00	1,500.00		
103700069901	6503	4293721	RENEWAL PROPERTY MANAGER	2,750.00	2,750.00		
103700069901	6503	4293722	RENEWAL SALES AGENTS	1,875.00	2,000.00		
103700069901	6503	4293724	RENEWAL FIRMS	11,555.00	11,680.00		
ACCT: 4293			BUSINESS & OCCUP LICENSING (NON-GOVERNMENTAL)	69,295.00	107,302.00		*
ACCT: 42			LICENSES, PERMITS & FEES	69,295.00	107,302.00		**
103700069901	6503	4393003	MISC FINES & PENALTIES	250.00	1,321.78		
ACCT: 4393			PENALTIES (NON-GOVERNMENTAL)	250.00	1,321.78		*
ACCT: 43			FINES, FORFEITS & PENALTIES	250.00	1,321.78		**

STATE OF SOUTH DAKOTA
 REVENUE SUMMARY BY BUDGET UNIT
 FOR PERIOD ENDING: 10/31/2020

AGENCY BUDGET UNIT	10 1037	LABOR & REGULATION REAL ESTATE COMMISSION - INFO				
CENTER	COMP	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE	
103700069901	6503	4596002	LICENSE LAW BOOKS SOLD	80.00	988.00	
103700069901	6503	4596003	DIRECTORIES/HOME BUYER GU	1,030.00	2,645.00	*
ACCT: 4596				1,110.00	3,633.00	**
ACCT: 45		CHARGES FOR SALES & SERVICES		1,110.00	3,633.00	**
103700069901	6503	4910000	OPERATING TRANSFERS IN	.00	2,104.59	*
ACCT: 4910		OPERATING TRANSFERS IN		.00	2,104.59	*
103700069901	6503	4920045	NONOPERATING REVENUES	.00	8,187.25	**
ACCT: 4920		NONOPERATING REVENUE		.00	8,187.25	**
ACCT: 49		OTHER REVENUE		.00	10,291.84	**
CNTR: 103700069901				70,655.00	122,548.62	***
103700069902	6503	4920045	NONOPERATING REVENUES	.00	2,444.92	*
ACCT: 4920		NONOPERATING REVENUE		.00	2,444.92	*
ACCT: 49		OTHER REVENUE		.00	2,444.92	**
CNTR: 103700069902				.00	2,444.92	***
COMP: 6503				70,655.00	124,993.54	****
B UNIT: 1037				70,655.00	124,993.54	*****

Revenue Report Ending 10/31/20

(Additional Report)

Description	Budgeted	Current	Rev. to be Rec	YTD	PCT Rec.
Residential Rental Agents	3,000	480	2,145	855	28
Broker	54,000	10,500	24,150	29,850	55
Home Inspectors	4,000	400	3,200	800	2
Property Manager	6,000	0	5,550	450	7
Sales Agents	4,000	225	3,775	225	5
Timeshare Agents	1,000	0	1,000	0	
Firms	7,000	1,325	2,775	4,225	60
Condominiums	6,000	0	(137)	6,137	102
Timeshare Projects	4,000	0	4,000	0	
Educational Courses	14,000	895	8,860	5,140	36
Additional Licenses	4,000	630	2,950	1,050	26
Change of Address	7,000	660	4,780	2,220	31
Certificate of Licensure	2,500	540	1,570	930	37
Late Renewal Fees	12,000	210	10,810	1,190	9
Renewal Res Rental Agents	4,000	800	3,200	800	2
Renewal Auctioneer	3,000	250	2,750	250	8
Renewal Broker	180,000	35,000	144,750	35,250	19
Home Inspection Renewal	7,000	1,200	5,500	1,500	21
Renewal Property Manager	12,000	2,750	9,250	2,750	22
Renewal Sales Agents	14,000	1,875	12,000	2,000	14
Renewal Timeshare Agents	1,000	0	1,000	0	
Renewal Firms	37,000	11,555	25,320	11,680	31
Renewal Timeshare Project	6,500	0	6,500	0	
Renewal Additional Licenses	2,000	0	2,000	0	
Misc. Fines, Penalties and NO Rev	18,000	250	3,941.46	14,058.54	78
Interest Earned					
License Law Books Sold	900	80	(88)	988	109
Directories/Lists Sold	9,000	1,030	6,355	2,645	29
	422,900	70,655	297,906.46 (225)	124,993.54	29

2021 Commission Meeting Dates

January 6-7

March 10-11

May 12-13

July 14-15

September 8-9

November 10-11

Events:

ARELLO Mid-Year Meeting – San Antonio, TX, April 14–17

ND/SD Convention – Pierre, SD, September 15-17

ARELLO Annual Meeting – Orlando, FL, September 15–19