

**Meeting Minutes**  
**SOUTH DAKOTA REAL ESTATE COMMISSION**  
217 West Missouri Ave., Pierre, SD 57501  
Wednesday, May 10, 2023, 9:30 a.m. CDT  
Via [Microsoft Teams](#)  
Or call 1-605-679-7263 / Meeting ID 944 359 249#

Vice Chairman Carol Lawhun called the meeting to order at 9:31 a.m. A quorum was present.

**Members Present:** Dave Bonde  
Carol Lawhun  
Mark Wahlstrom  
Ryan Wordeman

**Members Absent:** Ken Cotton

**Others Present:** Melissa Miller, Executive Director, SDREC, Tim Bond, Compliance Officer, SDREC, Michelle Metzinger, Compliance Officer, SDREC, and Ryan Paulus, CE Shop.

Wahlstrom made a motion to approve the agenda and to approve the correct agenda from the April 5, 2023, meeting. Bonde seconded the motion. Lawhun called for a vote. **MOTION PASSED.**

Public Comment – No comments were made by the public.

Summary of the financials for March and April 2023 was presented by Executive Director Miller. Wahlstrom made a motion to acknowledge receipt of the March and April 2023 financials and to file. Wordeman seconded the motion. Lawhun called for a vote. **MOTION PASSED.**

Bonde made a motion to go into executive session. Wahlstrom seconded the motion. Lawhun called for a vote. **MOTION PASSED.**

Commission entered executive session at 9:40 a.m.

Commission came out of executive session at 10:04 a.m.

Complaint 2022-085 Wordeman made motion to dismiss complaint 2022-085. Wahlstrom seconded the motion. Lawhun called for a vote. **MOTION PASSED**

Executive Director Miller discussed a proposed complaint plan for the commissioners to give her the authority to impose fines. Miller explained the since Jerry McCabe (legal counsel) was not able to attend this meeting it will be on the agenda for the next meeting.

The next meeting is scheduled for Wednesday, July 12, 2023.

Wahlstrom made a motion to adjourn at 10:10 a.m. Wordeman seconded the motion. **MOTION PASSED.**

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	10370006998A	1140000	12,939.91	CR	REAL ESTATE/COSMO/BARBER
6503	103700069901	1140000	642,359.40	DR	REAL ESTATE COMMISSION
6503	103700069902	1140000	100,883.51	DR	REAL ESTATE COMM RECOVERY FUND
COMPANY/SOURCE TOTAL 6503 699			730,303.00	DR *	
COMP/BUDG UNIT TOTAL 6503 1037			730,303.00	DR **	
BUDGET UNIT TOTAL 1037			730,303.00	DR ***	

AVAILABLE FUNDS  
AS OF: 05/31/2023  
FY YEAR REMAINING: 8.5%  
PAY DAYS REMAINING: 2

BUDGET UNIT 1037

DATE 06/03/2023

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	660,348.00	39,369.00-	0.00	2,525.66	330,667.72	287,785.62	743,242.91
BUDGETED TOT	660,348.00	39,369.00-	0.00	2,525.66	330,667.72	287,785.62	
ALL COMP TOT	660,348.00	39,369.00-	0.00	2,525.66	330,667.72	287,785.62	

TOTAL BUDGETED:

OBJECT OF EXPENDITURE	AMOUNT BUDGETED	COMMITMENTS YEAR-TO-DATE	ENCUMBRANCES YEAR-TO-DATE	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	BUDGET AVAILABLE	PCT AVL
5101 EMPLOYEE SALARIES	297,456.00	0.00	0.00	20,388.07	217,312.49	80,143.51	26.9
5102 EMPLOYEE BENEFITS	84,942.00	0.00	0.00	6,400.51	67,253.85	17,688.15	20.8
5203 TRAVEL	40,407.00	0.00	0.00	0.00	2,573.86	37,833.14	93.6
5204 CONTRACTUAL SVCS	169,359.00	0.00	2,525.66	995.32	38,030.68	128,802.66	76.1
5205 SUPPLIES & MATRLS	26,500.00	0.00	0.00	1,547.65-	2,911.15	23,588.85	89.0
5207 CAPITAL OUTLAY	2,315.00	0.00	0.00	2,797.77-	2,398.84	83.84-	0.0
5208 OTHER	0.00	0.00	0.00	0.00	186.85	186.85-	0.0
TOTALS	620,979.00	0.00	2,525.66	23,438.48	330,667.72	287,785.62	46.3

BREAKOUT BY COMPANY:

COMPANY 6503-I PROFESSIONAL & LICENSING BOARDS

OBJECT OF EXPENDITURE	AMOUNT BUDGETED	COMMITMENTS YEAR-TO-DATE	ENCUMBRANCES YEAR-TO-DATE	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	BUDGET AVAILABLE	PCT AVL
5101000 EMPLOYEE SALARIES	297,456.00	0.00	0.00	20,388.07	217,312.49	80,143.51	26.9
5102000 EMPLOYEE BENEFITS	84,942.00	0.00	0.00	6,400.51	67,253.85	17,688.15	20.8
5203000 TRAVEL	40,407.00	0.00	0.00	0.00	2,573.86	37,833.14	93.6
5204000 CONTRACTUAL SVCS	169,359.00	0.00	2,525.66	995.32	38,030.68	128,802.66	76.1
5205000 SUPPLIES & MATRLS	26,500.00	0.00	0.00	1,547.65-	2,911.15	23,588.85	89.0
5207000 CAPITAL OUTLAY	2,315.00	0.00	0.00	2,797.77-	2,398.84	83.84-	0.0
5208000 OTHER	0.00	0.00	0.00	0.00	186.85	186.85-	0.0
PS SUBTOTALS	382,398.00	0.00	0.00	26,788.58	284,566.34	97,831.66	25.6
OE SUBTOTALS	238,581.00	0.00	2,525.66	3,350.10-	46,101.38	189,953.96	79.6
COMPANY 6503-I TOT	620,979.00	0.00	2,525.66	23,438.48	330,667.72	287,785.62	46.3

AGENCY	COMP	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE
BUDGET UNIT 10	LABOR & REGULATION				
BUDGET UNIT 1037	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	240.00	4,455.00
103700069901	6503	4293702	BROKER	9,600.00	55,275.00
103700069901	6503	4293703	HOME INSPECTORS	500.00	1,300.00
103700069901	6503	4293704	PROPERTY MANAGER	2,475.00	13,050.00
103700069901	6503	4293705	SALES AGENTS	450.00	6,525.00
103700069901	6503	4293707	FIRMS	1,625.00	14,950.00
103700069901	6503	4293708	CONDOMINIUMS	2,260.71	3,299.71
103700069901	6503	4293710	TIMESHARE PROJECTS	.00	7,350.00
103700069901	6503	4293711	EDUCATIONAL COURSES	2,385.00	15,690.00
103700069901	6503	4293712	ADDITIONAL LICENSES	30.00	2,340.00
103700069901	6503	4293713	CHANGE OF ADDRESS	645.00	9,735.00
103700069901	6503	4293714	CERTIFICATES OF LICENSURE	765.00	3,465.00
103700069901	6503	4293715	LATE RENEWAL FEES	520.00	18,940.00
103700069901	6503	4293717	RENEWAL RES RENTAL AGENTS	.00	3,150.00
103700069901	6503	4293718	RENEWAL AUCTIONEER	.00	2,375.00
103700069901	6503	4293719	RENEWAL BROKER	.00	190,375.00
103700069901	6503	4293720	HOME INSPECTION RENEWAL	.00	4,600.00
103700069901	6503	4293721	RENEWAL PROPERTY MANAGER	.00	11,875.00
103700069901	6503	4293722	RENEWAL SALES AGENTS	.00	14,125.00
103700069901	6503	4293723	RENEWAL TIMESHARE AGENTS	.00	80.00
103700069901	6503	4293724	RENEWAL FIRMS	.00	36,955.00
103700069901	6503	4293725	RENEWAL TIMESHARE PROJECT	.00	4,250.00
103700069901	6503	4293726	RENEWAL ADDITIONAL LICENS	90.00	4,440.00
ACCT: 4293			BUSINESS & OCCUP LICENSING (NON-GOVERNMENTAL)	21,585.71	428,599.71

\*

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

CENTER	COMP	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE	
ACCT: 42		LICENSES, PERMITS & FEES		21,585.71	428,599.71	**
103700069901	6503	4393003	MISC FINES & PENALTIES	29.04	4,812.53	*
ACCT: 4393		PENALTIES (NON-GOVERNMENTAL)		29.04	4,812.53	**
ACCT: 43		FINES, FORFEITS & PENALTIES		29.04	4,812.53	**
103700069901	6503	4596002	LICENSE LAW BOOKS SOLD	220.00	964.00	
103700069901	6503	4596003	DIRECTORIES/HOME BUYER GU	1,000.00	9,190.00	*
ACCT: 4596				1,220.00	10,154.00	**
ACCT: 45		CHARGES FOR SALES & SERVICES		1,220.00	10,154.00	**
103700069901	6503	4920045	NONOPERATING REVENUES	.00	3,903.38	*
ACCT: 4920		NONOPERATING REVENUE		.00	3,903.38	**
ACCT: 49		OTHER REVENUE		.00	3,903.38	***
CNTR: 103700069901				22,834.75	447,469.62	***
103700069902	6503	4920045	NONOPERATING REVENUES	.00	883.51	*
ACCT: 4920		NONOPERATING REVENUE		.00	883.51	**
ACCT: 49		OTHER REVENUE		.00	883.51	***
CNTR: 103700069902				.00	883.51	***
COMP: 6503				22,834.75	448,353.13	***
B UNIT: 1037				22,834.75	448,353.13	****

**Revenue Report Ending 05/31/23**

(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	3,000	240	(1,455)	4,455	148
Broker	62,000	9,600	6,725	55,275	89
Home Inspectors	4,000	500	2,700	1,300	32
Property Manager	9,000	2,475	(4,050)	13,050	145
Sales Agents	6,000	450	(525)	6,525	108
Firms	12,000	1,625	(2,950)	14,950	124
Condominiums	17,000	2,260.71	13,700.29	3,299.71	19
Timeshare Projects	5,000	0	(2,350)	7,350	147
Educational Courses	15,000	2,385	(690)	15,690	104
Additional Licenses	3,000	30	660	2,340	78
Change of Address	9,000	645	(735)	9,735	108
Certificate of Licensure	4,000	765	535	3,465	86
Late Renewal Fees	20,000	520	1,060	18,940	94
Renewal Res Rental Agents	3,500	0	350	3,150	90
Renewal Auctioneer	3,000	0	625	2,375	79
Renewal Broker	185,000	0	(5,375)	190,375	103
Home Inspection Renewal	6,000	0	1,400	4,600	76
Renewal Property Manager	12,000	0	125	11,875	99
Renewal Sales Agents	14,000	0	(125)	14,125	101
Renewal Timeshare Agents	500	0	420	80	16
Renewal Firms	45,000	0	8,045	36,955	82
Renewal Timeshare Project	6,500	0	2,250	4,250	65
Renewal Additional Licenses	3,500	90	(940)	4,440	126
Misc. Fines, Penalties and NO Rev	25,000	29.04	15,400.58	9,599.42	38
Interest Earned					
License Law Books Sold	2,000	220	1,036	964	48
Directories/Lists Sold	10,000	1,000	810	9,190	91
	485,000	22,834.75	55,841.87 (19,195)	448,353.13	92

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	1037000699BA	1140000	186.85	CR	REAL ESTATE/COSMO/BARBER
6503	103700069901	1140000	609,890.47	DR	REAL ESTATE COMMISSION
6503	103700069902	1140000	100,883.51	DR	REAL ESTATE COMM RECOVERY FUND
COMPANY/SOURCE TOTAL 6503 699			710,587.13	DR *	
COMP/BUDG UNIT TOTAL 6503 1037			710,587.13	DR **	
BUDGET UNIT TOTAL 1037			710,587.13	DR ***	

AVAILABLE FUNDS  
AS OF: 06/29/2023  
FY YEAR REMAINING: 0.5%  
PAY DAYS REMAINING: 0

BUDGET UNIT 1037

DATE 07/01/2023

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	660,348.00	39,369.00-	0.00	0.00	355,568.86	265,410.14	710,773.98

BUDGETED TOT	660,348.00	39,369.00-	0.00	0.00	355,568.86	265,410.14	
ALL COMP TOT	660,348.00	39,369.00-	0.00	0.00	355,568.86	265,410.14	

TOTAL BUDGETED:

OBJECT OF EXPENDITURE	AMOUNT BUDGETED	COMMITMENTS YEAR-TO-DATE	ENCUMBRANCES YEAR-TO-DATE	MONTHLY EXPENDITURES	EXPENDITURES YEAR-TO-DATE	BUDGET AVAILABLE	PCT AVL
5101 EMPLOYEE SALARIES	297,456.00	0.00	0.00	21,441.74	238,754.23	58,701.77	19.7
5102 EMPLOYEE BENEFITS	84,942.00	0.00	0.00	6,641.50	73,895.35	11,046.65	13.0
5203 TRAVEL	40,407.00	0.00	0.00	30.00	2,603.86	37,803.14	93.6
5204 CONTRACTUAL SVCS	169,359.00	0.00	0.00	3,300.51-	34,730.17	134,628.83	79.5
5205 SUPPLIES & MATRLS	26,500.00	0.00	0.00	1.58-	2,909.57	23,590.43	89.0
5207 CAPITAL OUTLAY	2,315.00	0.00	0.00	89.99	2,488.83	173.83-	0.0
5208 OTHER	0.00	0.00	0.00	0.00	186.85	186.85-	0.0
TOTALS	620,979.00	0.00	0.00	24,901.14	355,568.86	265,410.14	42.7

BREAKOUT BY COMPANY:

COMPANY 6503-I PROFESSIONAL & LICENSING BOARDS

5101000 EMPLOYEE SALARIES	297,456.00	0.00	0.00	21,441.74	238,754.23	58,701.77	19.7
5102000 EMPLOYEE BENEFITS	84,942.00	0.00	0.00	6,641.50	73,895.35	11,046.65	13.0
5203000 TRAVEL	40,407.00	0.00	0.00	30.00	2,603.86	37,803.14	93.6
5204000 CONTRACTUAL SVCS	169,359.00	0.00	0.00	3,300.51-	34,730.17	134,628.83	79.5
5205000 SUPPLIES & MATRLS	26,500.00	0.00	0.00	1.58-	2,909.57	23,590.43	89.0
5207000 CAPITAL OUTLAY	2,315.00	0.00	0.00	89.99	2,488.83	173.83-	0.0
5208000 OTHER	0.00	0.00	0.00	0.00	186.85	186.85-	0.0

PS SUBTOTALS

382,398.00

18.2

OE SUBTOTALS

238,581.00

82.0

COMPANY 6503-I TOT

620,979.00

42.7



AGENCY 10 LABOR & REGULATION  
BUDGET UNIT 1037 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	180.00	4,635.00
103700069901	6503	4293702	BROKER	2,375.00	57,650.00
103700069901	6503	4293703	HOME INSPECTORS	200.00	1,500.00
103700069901	6503	4293704	PROPERTY MANAGER	.00	13,050.00
103700069901	6503	4293705	SALES AGENTS	225.00	6,750.00
103700069901	6503	4293707	FIRMS	900.00	15,850.00
103700069901	6503	4293708	CONDOMINIUMS	.00	3,299.71
103700069901	6503	4293710	TIMESHARE PROJECTS	.00	7,350.00
103700069901	6503	4293711	EDUCATIONAL COURSES	375.00	16,065.00
103700069901	6503	4293712	ADDITIONAL LICENSES	45.00	2,385.00
103700069901	6503	4293713	CHANGE OF ADDRESS	540.00	10,275.00
103700069901	6503	4293714	CERTIFICATES OF LICENSURE	555.00	4,020.00
103700069901	6503	4293715	LATE RENEWAL FEES	500.00	19,440.00
103700069901	6503	4293717	RENEWAL RES RENTAL AGENTS	.00	3,150.00
103700069901	6503	4293718	RENEWAL AUCTIONEER	.00	2,375.00
103700069901	6503	4293719	RENEWAL BROKER	375.00	190,750.00
103700069901	6503	4293720	HOME INSPECTION RENEWAL	.00	4,600.00
103700069901	6503	4293721	RENEWAL PROPERTY MANAGER	.00	11,875.00
103700069901	6503	4293722	RENEWAL SALES AGENTS	.00	14,125.00
103700069901	6503	4293723	RENEWAL TIMESHARE AGENTS	.00	80.00
103700069901	6503	4293724	RENEWAL FIRMS	.00	36,955.00
103700069901	6503	4293725	RENEWAL TIMESHARE PROJECT	.00	4,250.00
103700069901	6503	4293726	RENEWAL ADDITIONAL LICENSES	60.00	4,500.00
ACCT:	4293		BUSINESS & OCCUP LICENSING (NON-GOVERNMENTAL)	6,330.00	434,929.71

\*

STATE OF SOUTH DAKOTA  
 REVENUE SUMMARY BY BUDGET UNIT  
 FOR PERIOD ENDING: 06/30/2023

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

CENTER	COMP	ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR-TO-DATE	
ACCT: 42		LICENSES, PERMITS & FEES		6,330.00	434,929.71	**
103700069901	6503	4393003	MISC FINES & PENALTIES	.00	4,812.53	
ACCT: 4393		PENALTIES (NON-GOVERNMENTAL)		.00	4,812.53	*
ACCT: 43		FINES, FORFEITS & PENALTIES		.00	4,812.53	**
103700069901	6503	4596002	LICENSE LAW BOOKS SOLD	.00	964.00	
103700069901	6503	4596003	DIRECTORIES/HOME BUYER GU	.00	9,190.00	
ACCT: 4596				.00	10,154.00	*
ACCT: 45		CHARGES FOR SALES & SERVICES		.00	10,154.00	**
103700069901	6503	4920045	NONOPERATING REVENUES	.00	3,903.38	
ACCT: 4920		NONOPERATING REVENUE		.00	3,903.38	*
ACCT: 49		OTHER REVENUE		.00	3,903.38	**
CNTR: 103700069901				6,330.00	453,799.62	***
103700069902	6503	4920045	NONOPERATING REVENUES	.00	883.51	
ACCT: 4920		NONOPERATING REVENUE		.00	883.51	*
ACCT: 49		OTHER REVENUE		.00	883.51	**
CNTR: 103700069902				.00	883.51	***
COMP: 6503				6,330.00	454,683.13	****
B UNIT: 1037				6,330.00	454,683.13	*****

**Revenue Report Ending 06/30/23**

(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	3,000	180	(1,635)	4,635	154
Broker	62,000	2,375	4,350	57,650	92
Home Inspectors	4,000	200	2,500	1,500	37
Property Manager	9,000	0	(4,050)	13,050	145
Sales Agents	6,000	225	(750)	6,750	112
Firms	12,000	900	(3,850)	15,850	132
Condominiums	17,000	0	13,700.29	3,299.71	19
Timeshare Projects	5,000	0	(2,350)	7,350	147
Educational Courses	15,000	375	(1,065)	16,065	107
Additional Licenses	3,000	45	615	2,385	79
Change of Address	9,000	540	(1,275)	10,275	114
Certificate of Licensure	4,000	555	(20)	4,020	100
Late Renewal Fees	20,000	500	560	19,440	97
Renewal Res Rental Agents	3,500	0	350	3,150	90
Renewal Auctioneer	3,000	0	625	2,375	79
Renewal Broker	185,000	365	(5,750)	190,750	103
Home Inspection Renewal	6,000	0	1,400	4,600	76
Renewal Property Manager	12,000	0	125	11,875	99
Renewal Sales Agents	14,000	0	(125)	14,125	101
Renewal Timeshare Agents	500	0	420	80	16
Renewal Firms	45,000	0	8,045	36,955	82
Renewal Timeshare Project	6,500	0	2,250	4,250	65
Renewal Additional Licenses	3,500	60	(1,000)	4,500	128
Misc. Fines, Penalties and NO Rev	25,000	0	15,400.58	9,599.42	38
Interest Earned					
License Law Books Sold	2,000	0	1,036	964	48
Directories/Lists Sold	10,000	0	810	9,190	91
	485,000	6,330	52,186.87 (21,870)	454,683.13	93

# **SOUTH DAKOTA REAL ESTATE COMMISSION**

## **Executive Director Administrative Fine Policy**

The executive director of the Real Estate Commission is authorized by this policy to issue administrative fines, consistent with SDCL 36-1C-5. The executive director is authorized to issue fines for any of the following violations:

Performing real estate brokerage activity beyond the month in which a license lapses for non-payment of renewal fees, and not filing/completing the required continuing education (DCL 36-21A-61, 36-21A-62, 36-21A-64).

Failure to renew errors and omissions insurance in a timely manner, maintain errors and omissions insurance or provide proper notification to the commission of errors and omissions insurance (SDCL 36-21A-119).

Failure to register a trust account with the commission / placing funds required to be held in trust in an unregistered account (SDCL 36-21A-80, 36-21A-82).

Failure to maintain individual ledger sheets, deposit slips, check registers or bank statements of any trust account. (SDCL 36-21A-82).

Failure to reconcile a trust account at least monthly (SDCL 36-21A-80).

Failure to register a place of business or failure to report a change of location of a business (SDCL 36-21A-52).

Failure to register a branch office with the Commission (SDCL 36-21A-53).

Failure to report a change of association to the commission (SDCL 36-21A-56).

Failure to include the name of the firm in an advertisement (SDCL 36-21A-72).