

July 22, 2005
10:30 AM Conference Call
North Dakota Real Estate Commission Office
200 E Main Ave Suite 204
Bismarck, ND

Present: Jerry Youngberg/Chair, Jerry Schlosser/Vice Chair, Diane Louser/Member, Roger Cymbaluk/Member, Kris Sheridan/Member, David Reich/Legal Counsel, Patricia M. Jergenson/Secretary Treasurer

1. CALL TO ORDER. Chair Jerry Youngberg called the meeting to order. Roll call was held.
2. DISCUSS PROPOSED RULES CHANGES. Commissioners discussed the proposed rules amendments as follows: (complete proposed amendments are attached to these minutes).
 - a. Proposed amendment to Chapter 70-02-05-10: Commissioner Sheridan moved, seconded by Commissioner Louser to approve the proposed amendment. M/C
 - b. Proposed amendment to Chapter 70-02-01-02: Commissioner Schlosser moved, seconded by Commissioner Sheridan to approve the proposed amendment. M/C
 - c. Proposed amendment to Chapter 70-02-04-01: Commissioner Sheridan moved, seconded by Commissioner Schlosser to include agency representation and contracts as additional subject matter, add “but not limited too” to the first line of paragraph 2 and approve the proposed amendment with changes. M/C
 - d. Proposed amendment to Chapter 70-02-04-05: Commissioner Schlosser moved, seconded by Commissioner Sheridan to delete line 6 of the amendment. M/C
 - e. Proposed amendment to Chapter 70-02-04-21: Commissioner Sheridan moved, seconded by Commissioner Cymbaluk to remove language as indicated. M/C
 - f. Proposed amendment to Chapter 70-02-02-02: Commissioner Sheridan moved, seconded by Commissioner Cymbaluk to approve proposed amendment. M/C
 - g. Proposed amendment to Chapter 70-02-02-04: Commissioner Cymbaluk moved, seconded by Commissioner Sheridan to approve proposed amendment as revised. M/C
 - h. Proposed amendment to Chapter 70-02-02-07: Commissioner Sheridan moved, seconded by Commissioner Schlosser to approve proposed amendment. M/C

3. REQUESTS FOR REVIEW OF ADDITIONAL INFORMATION ON DENIED APPLICATIONS:
 - a. Commissioners reviewed additional information provided by Shannon Barnum as requested. Commissioner Sheridan moved, seconded by Commissioner Cymbaluk to allow Shannon Barnum to receive her license. M/C
 - b. Commissioners discussed the request by Tamara Hennessey to allow her to sit for the salesperson exam but not issue her real estate license until the offer of compromise with the IRS has been accepted. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan to allow Ms Hennessey to take the real estate examination but prior to the issuing of her real estate license Ms Hennessey must provide a copy of the accepted offer of compromise and a letter from her attorney stating that the issue has been resolved to the Commission with the knowledge that this is not a guarantee that she will be issued a license. M/C
4. REVIEW APPLICATIONS FOR SALESPERSON LICENSE.
 - a. Commissioners reviewed the application for a salesperson license from Michael D. Cariveau. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan to deny the application of Mr. Cariveau due to the list of misdemeanors listed on his application. M/C
 - b. Commissioners reviewed the application for a salesperson license from Niki Nixdorf-Mitchell. Commissioner Louser moved, seconded by Commissioner Schlosser to approve Ms. Nixdorf-Mitchell to sit for the real estate exam. M/C
 - c. Commissioners reviewed the application for a salesperson license from Kalee Odegaard. Commissioner Louser moved, seconded by Commissioner Cymbaluk to approve Ms Odegaard to sit for the real estate exam. M/C
5. REQUEST FOR WAIVER FROM VERNETTA CHRISTIANSON. Commissioners discussed the request from Ms Christianson to waive the 2 year experience requirement and allow her to sit for the broker exam. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan to deny the request until a broker application has been submitted and review at that time. Discussion. Motion and second withdrawn. Commissioner Sheridan moved, seconded by Commissioner Louser to deny Ms Christianson's request for a waiver of the 2 years of experience as a salesperson. M/C
6. REVIEW REQUESTS FOR TRUST ACCOUNT WAIVERS. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan to approve the requests for trust account waivers as attached to these minutes. M/C
7. DATABASE SOFTWARE UPDATE. Secretary Treasurer Jergenson informed the Commission that the software has been installed and staff is verifying the data and adding to the database. Possible designs for the real estate licenses were discussed. Commissioner Sheridan moved, seconded by Commissioner Cymbaluk to change the size of the real estate licenses to 5½ by 8½ and if a problem arises the issue will be revisited. M/C
8. FTC BUSINESS ALERT RELATING TO THE DISPOSAL OF CONSUMER INFORMATION. A FTC business alert describing the appropriate measures of disposing of consumer report information was distributed.
9. SET NEXT COMMISSION MEETING DATE. Commissioners set the next Commission meeting in conjunction with the Rules hearing on September 26, 2005.

10. OTHER BUSINESS.

- a. Legal Counsel David Reich discussed the complaints pending before the Commission.
 - Kathryn Grady-Thurston has been found guilty of gross misdemeanor attempted theft. Commissioner Cymbaluk moved, seconded by Commissioner Louser to have Mr. Reich offer a stipulated agreement to Ms Grady-Thurston requiring the return of her real estate license and the full recovery of legal and investigative costs not to exceed \$1000 without further review. M/C
 - Discussion was opened regarding a complaint to be filed by the Commission against Michael Puklich for trust account violations and other broker responsibility issues. Commissioner Sheridan moved, seconded by Commissioner Louser to offer a stipulated agreement in which Mr. Puklich would return his license, pay a fine of \$2500.00 and investigative/legal costs. M/C (4 ayes. 1 nay Commissioner Cymbaluk)
- b. Staff asked if the Commission office had the power to freeze a trust account if the auditors find a potentially serious situation. It was the consensus of the Commissioners that the Secretary Treasurer did not have the power to freeze the trust account – staff should set a date with the auditors to review the trust account in question and then bring the information to the Commission.

There being no further business Chair Youngberg adjourned the meeting.

Respectfully submitted,

Patricia M. Jergenson
Secretary Treasurer