

North Dakota Real Estate Commission  
September 24, 2003  
Lewis and Clark Room  
State Capitol Building  
9:00 AM

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

The meeting began immediately following the Rules Hearing.

1. Chair Roger Cymbaluk called the meeting to order.
2. APPROVE MINUTES OF THE PREVIOUS MEETING. Commissioner Youngberg moved, seconded by Commissioner Louser to approve the minutes of the previous meeting. M/C
3. FINANCIAL REPORT. The financial report for August 2003 was reviewed. Rhonda Mahlum, of Senger Mahlum & Goodhart, shared some accounting points with the Commissioners and answered questions regarding the set up of the accounting for the Commission. Commissioner Youngberg moved, seconded by Commissioner Louser to approve the August 2003 financial report. M/C
4. REVIEW FORMAL COMPLAINTS. Legal Counsel David Reich had no report on complaints under investigation at this time. The status of the tabled complaints was discussed.
  - A memo from Casey Chapman regarding appointed agency procedures was discussed. It was the consensus of those present that since an open house is not the first substantive contact, an agent hosting an open house for the appointed agent need not make any disclosure – this situation is no different than a floor call.
  - A copy of an ad that the Grand Forks Herald is running for marketing to For Sale By Owners was discussed. Commissioner Youngberg moved, seconded by Commissioner Schlosser to have our legal counsel request information from the Grand Forks Herald and review the information once received. M/C
5. REVIEW APPLICATIONS FOR SALESPERSON LICENSE.
  - \* Commissioners reviewed the application for a salesperson license from Jackie Hawkinson. Commissioners had asked Ms Hawkinson to provide a current credit report, which they reviewed. Commissioner Sheridan moved, seconded by Commissioner Schlosser to deny Ms Hawkinson the opportunity

to sit for the license exam based on the fact that the credit report shows poor fiscal responsibility. M/C

\* Commissioners reviewed the application for a salesperson license from Jody Kuntz. Commissioners reviewed Ms. Kuntz application and the report from BCI. The report from BCI showed a NSF charge on 9/03/02 that was not provided by Ms. Kuntz on her application. Commissioner Sheridan moved, seconded by Commissioner Louser to deny MS Kuntz the opportunity to sit for the license exam based on the fact that she did not provide complete information regarding the NSF charges she has had filed against her. M/C

\* Commissioners reviewed the application for a salesperson license from Richard P. Rietze. Commissioner Youngberg moved, seconded by Commissioner Louser to request more detailed information from Mr. Rietze regarding the misdemeanor on his application. M/C

\* Commissioners reviewed the application for a salesperson license from Jennifer L. Thompson. Commissioner Schlosser moved, seconded by Commissioner Sheridan to approve Ms. Thompson to sit for the examination. M/C

6. REVIEW APPLICATION FOR BROKER'S LICENSE. Commissioners reviewed the application for a broker license from Leslie P. Roos. Commissioner Youngberg moved, seconded by Commissioner Sheridan to approve Mr. Roos to sit for the broker's examination. M/C
7. DISCUSS FORMS OF EDUCATION APPROVED TO FULFILL REQUIREMENT FOR BROKER LICENSE. Commissioners discussed the availability of broker level courses for applicants as currently required and the possibility of allowing segments of less than 30 hours to be approved. Claus Lembke volunteered to provide information to the Commission on CRB courses. Commissioner Youngberg moved, seconded by Commissioner Sheridan to consider segmented courses of less than 30 hours for broker level education with the requirement to remain as 90 hours before an applicant may be approved to take the broker examination. M/C
8. REVIEW ERRORS AND OMISSIONS CLAIMS REPORT. RISC provided information that the denied claims that appeared on the June 30, 2003 report were incidents that occurred prior to coverage.
9. REVIEW PROPOSED JOB DESCRIPTIONS FOR AUDITOR AND ADMINISTRATIVE ASSISTANT.
  - \* Commissioners discussed the proposed administrative assistant job description. Commissioner Sheridan moved, seconded by Commissioner Schlosser to approve the administrative assistant job description minus item #6 and bullet #12 with the understanding that this job description is a work in progress. M/C
  - \* Commissioners discussed the proposed auditor job description. Commissioner Sheridan moved, seconded by Commissioner Schlosser to approve the job description for auditor with the understanding that this job description is a work in progress. M/C
10. DISCUSS OFFICE LEASE. Secretary Treasurer Jergenson informed the Commission that the office lease has been negotiated to expire on December 31, 2003 and will go month to month after that.

11. REVIEW MEMO FROM IRS. The memo from the IRS will be enclosed with the broker license renewals.

12. OTHER BUSINESS:

- a.) Commissioners were updated on the OCC Preemption Rule Proposal.
- b.) NDAR Leadership Summit is scheduled for October 29<sup>th</sup> and 30<sup>th</sup> – two Commissioners will be able to participate in a panel discussion at this event.
- c.) South Dakota Real Estate Commission Executive Director Larry Lyngstad will be honored with a retirement party in Pierre, SD on September 28, 2003. Commissioner Sheridan moved, seconded by Commissioner Youngberg to pay out of pocket expenses for Commissioners and staff who attend the NDAR Leadership Summit and the retirement party for Mr. Lyngstad and to purchase a gift for Mr. Lyngstad in recognition of his years of service. M/C
- d.) Claus Lembke, NDAR Executive Vice President, volunteered to provide the Commission with information on the federal Do Not Call List regulations.
- e.) 2004 license renewals will be sent out by mid-October
- f.) Claus Lembke, NDAR Executive Vice President, asked the Commission to consider a 3 to 4 hour course on risk reduction (i.e. handling multiple offers, contracts, contingency clauses, backup/counter offers, disclosure laws, best practices, etc.) as the mandatory course for the 2004/05 continuing education cycle. Commissioner Sheridan moved, seconded by Commissioner Schlosser to approve the suggestion for the next mandatory course to be on risk reduction. M/C
- g.) Commissioners discussed compiling a list of priorities that each would like to see the Real Estate Commission accomplish in the next year for the next meeting.

Commissioner Sheridan moved, seconded by Commissioner Louser to adjourn the meeting. M/C

Respectfully submitted,

Patricia M. Jergenson  
Secretary Treasurer