

MINUTES OF MEETING

Kansas Real Estate Commission

June 13, 2013

The Kansas Real Estate Commission held its regular meeting on Thursday, June 13, 2013 at 9:00 a.m. at Three Townsite Plaza, Suite 200, 120 S.E. 6th Avenue, Topeka, Kansas.

Commissioners Present:

Errol Wuertz, Chairperson
Sue Wenger, Vice Chairperson
Marilyn Bittenbender, Member
Shirley Cook, Member
Joseph Vaught, Member

Staff Present:

Sherry Diel, Executive Director
Kelly White, Director of Licensing & Education
David Pierce, Director of Enforcement
Alexandra Blasi, Attorney
Laurel Lowrie, Legal Assistant

Kansas Real Estate Commission Legal Counsel Present:

Sarah Fertig, Assistant Attorney General

Members of the Pubic Present:

Chuck Cook

Call to Order

Mr. Wuertz called the meeting to order at 9:05 a.m.

Additions to the Agenda

Item No. 9 – Executive session to discuss an attorney-client privileged matter was deleted from the Agenda.

A request from Tod Emerson to open a company named Cornerstone Premier Real Estate LLC was added to the Agenda.

Welcome New Commissioners, Joseph Vaught and Sue Wenger

Commissioner Joseph Vaught was introduced. Mr. Vaught serves as the Member from the 3rd Congressional District. He is a commercial real estate broker with The Vaught Group. Commissioner Sue Wenger was introduced to the Commission. Ms. Wenger serves as the Member from the 4th Congressional District. She is a residential real estate broker with J.P. Weigand & Sons, Inc.

Reorganization of the Commission pursuant to K.S.A. 74-4202(a)

Motion was made by Ms. Bittenbender, seconded by Mr. Vaught, to appoint Mr. Wuertz as the Chairperson for the Kansas Real Estate Commission. Motion carried unanimously.

Motion was made by Ms. Bittenbender, seconded by Mr. Vaught, to appoint Ms. Wenger as the Vice-Chairperson for the Kansas Real Estate Commission. Motion carried unanimously.

Appointment of Commission Member and Public Member to the I-Team

Motion was made by Ms. Bittenbender, seconded by Mr. Vaught, to appoint Mr. Wuertz the Commission Member of the I-Team and to appoint Tim Holt as a Public Member at large of the I-Team. Mr. Wuertz will serve on a temporary basis for 90 to 120 days at which time Ms. Wenger will serve as the permanent Commission Member of the I-Team. Ms. Wenger may also serve in Mr. Wuertz's absence. Motion carried unanimously.

Approval of the March 14, April 18 and May 9, 2013 meetings.

Motion was made by Ms. Bittenbender, seconded by Ms. Cook to approve the Minutes of the March 14, 2013 meeting. Motion carried unanimously.

Motion was made by Ms. Bittenbender, seconded by Ms. Cook to approve the Minutes of the April 18, 2013 meeting. Motion carried unanimously.

Motion was made by Ms. Bittenbender, seconded by Ms. Cook to approve the Minutes of the May 9, 2013 meeting. Motion carried unanimously.

Commission Orientation

Ms. Diel, Ms. Blasi and Ms. Fertig presented the Commissioner Orientation.

Mr. Wuertz declared at 10 minute break at 10:54 a.m.

Mr. Wuertz reconvened the meeting at 11:06 a.m.

Commissioner Appreciation Luncheon

Mr. Wuertz recessed the meeting at 12:26 p.m. for the Commissioner Appreciation Luncheon from 12:30 p.m. to 2:00 p.m.

Mr. Wuertz reconvened the meeting at 2:00 p.m.

Applications for Salesperson's License

Chad Robinson

Applicant answered "Yes" to Question Nos. 5 & 6 on his application and self-reported criminal offenses. After review and discussion regarding the circumstances surrounding the offenses and the nature and severity of the conduct, motion was made by Ms. Cook, seconded by Ms. Wenger to approve Applicant's application for a salesperson's license. An amended motion was made by Ms. Bittenbender, seconded by Ms. Wenger to approve Applicant's application for a salesperson's license subject to the restriction that he work under the supervision of Vicki Bulkley (BR00049377), Heritage Realty (CO90017840), for a period of at least two years. If Applicant should want to change supervising brokers or lift the restriction, he must request approval from the Commission. Motion carried unanimously.

Applications for Broker's License

Derek Espeer

The application of Mr. Espeer was presented for review by the Commission. After review and discussion regarding the number of years Mr. Espeer had been licensed, his transaction experience, related experience and knowledge of Kansas brokerage relationships, motion was made by Ms. Bittenbender, seconded by Mr. Vaught to approve Mr. Espeer's application for a broker's license subject to the restriction that he work under the supervision of Jerry D. Reece (BR00003049), Reece & Nichols Realtors, Inc. (CO90022840), for a period of two years with such restriction to lift automatically. If Applicant should want to change supervising brokers, he must request approval from the Commission. Motion carried unanimously.

Staff Request regarding Guidance Documents

After review and discussion, motion was made by Ms. Bittenbender, seconded by Mr. Wuertz to approve Guidance Document 13-01, as amended, and Guidance Document 13-02. Motion carried unanimously.

State of the Commission Report

Ms. Diel gave a presentation regarding the State of the Commission.

Budget Report

The Budget Report was presented including Expenditures and Real Estate Receipts as of May 2013.

KREC's fee fund balance is \$344,000. The available cash balance is \$303,453 which is the Commission's current fee fund balance less encumbrances. Ms. Diel noted we are 92% through the year and expenditures are at 83%.

KREC has transferred 10% of receipts to the State General Fund from July 2012 – May 2013 or \$78,000 and kept 90% or \$702,700 for the KREC fee fund for the current fiscal year.

KREC collected \$112,000 in fines for FY 2013 for the State General Fund. The Revolving Recovery Fund balance is \$311,600.

In May 112 brokers and 309 salespersons renewed online.

Director's Report

The Commissioners received the Director's report and Ms. Diel noted that there are currently 13,658 licensees.

Ms. Diel informed the Commissioners that the U.S. Department of Housing and Urban Development had offered to provide fraud training to the Commissioners and staff. Ms. Diel asked if the Commissioners would like to offer an opportunity for licensees to attend the training. After discussion, the Commissioners directed Ms. Diel to inquire if the Kansas Association of Realtors® (KAR) would be interested in the fraud training conducted by HUD to be held in conjunction with either the KAR meeting held October 7-9 in Kansas City or the January meeting. If so, the Commission can change its meeting to coincide with those dates.

Staff Report on I-Team Statistics

Ms. Blasi presented the I-Team Statistics to the Commissioners.

Education Report

The Education Report was received by the Commissioners. Ms. Diel also presented the Commissioners with reports from Pearson VUE.

Public Comment

There was no public comment.

Adjournment

Mr. Wuertz adjourned the meeting at 3:50 p.m.