

# North Dakota Real Estate Commission Meeting Minutes -- FINAL 8:30 a.m., Thursday, August 21, 2025 1120 College Dr Ste 204, Bismarck, ND

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Present: Sandra Meyer, chair; Steven Bitz, vice chair; members: Steven Link, Tate Cymbaluk, Scott Breidenbach; staff: Jeanne Prom, executive director; Rob Yost, CPA/auditor; Candie Robinson and Cieana Schneider, licensing specialists; David Phillips, legal counsel. Members of the public also present.

- 1. Call to order, roll call and determination of quorum. Chair Ms. Sandra Meyer called the meeting to order at 8:30 a.m. Ms. Jeanne Prom, executive director, called the roll, with a quorum of all members present.
- 2. Review and approval of agenda. Mr. Steven Link moved to approve the agenda as presented. Mr. Scott Breidenbach seconded. Motion carried by unanimous voice vote. After a recess due to technical issues, Chair Meyer reconvened the meeting at 9:26 a.m.
- 3. Review of resident salesperson applicants

### A. Calum Kinstler

Mr. Tate Cymbaluk moved to deny Mr. Calum Kinstler's resident salesperson application. Mr. Steven Bitz seconded. Discussion: The Commission discussed Mr. Calum Kinstler's application with staff. Mr. Kinstler was not participating in the meeting at the time his application was discussed. Any denied applicant can appeal the denial. Roll call vote: ayes – Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer; nays - none. Motion carried unanimously.

### B. Trinda Storbakken

Mr. Link moved to approve Ms. Trinda Storbakken's resident salesperson application. Mr. Breidenbach seconded. Discussion: The Commission discussed Ms. Trinda Storbakken's application with staff and Ms. Storbakken. Roll call vote: ayes – Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer; nays – none. Motion carried unanimously.

## C. Joseph Larson II

Mr. Bitz moved the Commission waive the 2-year requirement to be a salesperson before obtaining a broker license and approve Mr. Joseph Larson II's resident broker application. Mr. Link seconded. Discussion: The Commission discussed Mr. Joseph Larson II's application and waiver request with staff and Mr. Larson. Roll call vote: ayes - Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer; nays - none. Motion carried unanimously.

#### 4. Update on complaints

### A. 2025-01 – Edwin Gerardo Aybar Lopez v. Nicholas Nymark

Mr. Bitz moved the Commission suspend 2025-01 – Edwin Gerardo Aybar Lopez v. Nicholas Nymark, until such time as Mr. Nymark may apply for a North Dakota real estate license in the future and this issue could be considered as part of the application. Mr. Cymbaluk seconded. Discussion: Mr. David Phillips, legal counsel, explained his efforts thus far to locate respondent Mr. Nicholas Nymark, and the Commission discussed options to continue trying to locate Mr. Nymark, or stay this matter. The complaint filing remains on the licensee's record in the database if the matter is stayed. and would be reviewed by the Commission if Mr. Nymark applies for a license in the future. Mr. Nymark has not been licensed in North Dakota since January 1, 2025. Roll

call vote: ayes – Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer; nays – none. Motion carried unanimously.

### B. 2025-02 - Lacey Williams v. Allie Lott and Sarah Claeys

Mr. Cymbaluk moved to dismiss 2025-02 – Lacey Williams v. Sarah Claeys. Mr. Bitz seconded. Discussion: Mr. Phillips discussed that Ms. Williams said she did not intend to file the complaint against Ms. Claeys. Roll call vote: ayes – Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer; nays – none. Motion carried unanimously. Mr. Link moved to dismiss 2025-02 – Lacey Williams v. Allie Lott. Mr. Bitz seconded. Discussion: Mr. Phillips and the Commission discussed Mr. Phillip's investigation and recommendation for this complaint. Roll call vote: ayes – Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer; nays – none. Motion carried unanimously.

## 5. Update from management

- A. <u>Administrative rules</u> -- The Commission discussed draft changes to administrative rules but took no formal action. The Commission agreed to continue discussion at a special virtual-only meeting at 8:30 a.m., Wednesday, September 17, 2025.
- B. Broker's place of business The Commission discussed applicable laws NDCC 34-23-12 and NDAC 70-02-01-12. A nonresident broker does not need a physical location in North Dakota, but a resident broker does. The physical location must be a formal, permanent office space exclusively for brokerage services where the broker would be working even if not meeting someone at an appointed time. A broker may use the broker's home as the place or business or may share office space with another broker. The Commission discussed NDCC 43-23-10. Nonresident brokers Reciprocity Consent to service. This requires nonresident brokers to file with the Commission a consent that suits and actions may be commenced against them in North Dakota courts, by the service of any process or pleading on any member of the Commission or the Executive Director. The Commission discussed but did not determine if this also applies to resident brokers.

Accountant/Auditor – Mr. Link moved that Ms. Prom to advertise and interview for an accountant/auditor with a proposed salary range of \$75,000 to \$95,000. Mr. Breidenbach seconded. Roll call vote: ayes – Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer; nays – none. Motion carried unanimously. To allow for training, the goal is to have the new accountant/auditor working with Rob Yost, current CPA/auditor, which will impact the salary originally budgeted for this position. The Commission will look at salary expenses later this fiscal year. Ms. Prom will consult the Commission when ready to offer the position.

C. <u>2026 Mandatory CE</u> – Mr. Breidenbach moved that all continuing education for the November 16, 2025 through November 15, 2026 continuing education cycle will be elective hours, with no mandatory topics required. Mr. Cymbaluk seconded. Motion approved by unanimous voice vote.

# D. Policies/procedures

### Renewal dates

Mr. Bitz moved to set the following renewal dates to be in force until such time a formal motion of the commission sets different renewal dates: November 15 – on-time renewal deadline; November 16 through January 15 of the next year -- \$100/month/license late fee accrues; January 1 through January 15 – grace period during which non-renewed active and inactive licenses from previous year are not cancelled, but active licenses from the previous year are made inactive; January 16 – all non-renewed licenses are cancelled. Mr. Link seconded. Discussion: This motion was necessary since the 2025 Legislature

removed specific dates from NDCC 43-23-13.1. Roll call vote: ayes – Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer; nays – none. Motion carried unanimously.

<u>Organization tracking</u> – Mr. Bitz moved that future trust account audits include an audit of organization licenses in each firm, to achieve compliance, not penalties, similar to the approach with many other audit findings. Mr. Breidenbach seconded. Roll call vote: ayes – Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer; nays – none. Motion carried unanimously.

<u>Staff bonus policy</u> – The Commission discussed that the budget and performance should be considered as part of staff bonuses.

Education, Research, and Recovery Fund -- Mr. Link moved that staff direct up to \$10,000 this fiscal year from the Education, Research and Recovery Fund into the operations fund to cover education-related expenses including staff time spent on continuing education certification and a course on trust account management. Mr. Cymbaluk seconded. Roll call vote: ayes – Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Ms. Meyer; nays – Mr. Bitz. Motion carried 4-1.

<u>Licensee disciplinary records retention</u> – Mr. Bitz moved that disciplinary actions be expunged after 5 years. Mr. Bitz withdrew the motion without a second to the motion. After discussion, the Commission agreed by consensus to review at a future meeting possible policy and procedure options to expunge disciplinary records from licensee records. The Commission has a policy and procedure in place to consider requests from licensees to expunge letters of reprimand from their record, but not other disciplinary actions.

- E. <u>PSI exam fee</u> -- Mr. Breidenbach moved to amend the PSI contract per exam fee from \$131 to \$134 beginning October 1, 2025, with PSI then paying \$5 per exam to ARELLO. Mr. Link seconded. Discussion: The applicants, not the Commission, pay the full exam fee. Out of the full exam fee, PSI currently pays the Association of Real Estate License Law Officials (ARELLO) \$2 per exam, and ARELLO recently increased that fee to \$5/exam. Roll call vote: ayes Mr. Breidenbach, Mr. Link, Ms. Meyer; nays Mr. Bitz; absent and not voting Mr. Cymbaluk. Motion carried 3-1-1. Mr. Cymbaluk was out of the meeting room briefly during the discussion and voting and returned to the meeting.
- F. <u>Legislative changes audit of Commission option</u> The Commission discussed but took no action on 2025 legislation that now allows licensing boards with less than \$2 million in annual receipts to submit an annual financial review done by Commission staff in place of a comprehensive financial audit by an outside audit firm, starting with the fiscal year that began July 1, 2025. The Commission has an agreement with Brady Martz to conduct a financial audit for fiscal years ended June 30, 2025 and to end June 30, 2026 for a base cost of \$12,650. The audit for those 2 years likely would begin in the last half of calendar year 2026. Audits must be completed at least every 2 years. The Commission could continue with hiring auditors for a comprehensive audit and licensing boards are not required to submit the alternate annual financial review in place of an audit.
- G. <u>Other 2025-2026 priorities</u> The Commission discussed but took no action on other priorities.
- H. <u>Trust account waivers</u> The Commission reviewed recent waivers granted. Trust account audits -- Mr. Rob Yost, presented a report of trust account audits, which did not require any Commission action.
- I. License numbers The Commission reviewed license numbers but took no action.
- J. <u>2025-2026 meetings</u> -- The Commission reviewed upcoming meeting dates and agreed by consensus to change the October 16 meeting to 8:30 a.m., October 23, 2025.

- 6. <u>Fiscal reports year ended June 2025</u>. Mr. Breidenbach moved to approve the fiscal reports from the year ended June 2025 as presented. Mr. Link seconded. Discussion: 2024-2025 salesperson application numbers were lower than the past 3-year average, but renewals have the greatest fiscal impact. Consistently about 90% of all licensees renew annually and renewal information will be available by the end of the calendar year. Motion carried by unanimous voice vote.
- 7. <u>Minutes May 22, 2025</u>. Mr. Cymbaluk moved to approve minutes from May 22, 2025 meeting as presented. Mr. Bitz seconded. Motion carried by unanimous voice vote.
- 8. Other The Commission discussed the recent ARELLO decision to raise per exam fees for PSI.

Adjourn. Chair Meyer adjourned the meeting at 11:18 a.m.