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June 16, 2016 8:00 A.M. Radisson Hotel Fargo The Loft 201 5th St N Fargo, ND 58102

Present: Jerry Youngberg/Chair, Jerry Schlosser/Vice Chair, Diane Louser/Member, Kris Sheridan/Member, Roger Cymbaluk/Member, Patricia M. Jergenson/Executive Director, Constance Hofland/Special Assistant Attorney General

- 1. <u>CALL MEETING TO ORDER.</u> Chair Youngberg called the meeting to order. Roll call was taken, all Commissioners were present in person. Newly appointed Commissioner Scott Breidenbach joined also.
- 2. <u>MINUTES OF MAY 11, 2016 MEETING</u>. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan to approve the May 11, 2016 minutes as presented. M/C
- 3. <u>FINANCIAL REPORTS: April 2016.</u> Executive Director Jergenson presented the financial report for April 2016. Commissioner Sheridan moved, seconded by Commissioner Louser to approve the April 2016 financial report as presented. M/C
- 4. <u>LEGAL UPDATE: SPECIAL ASSISTANT ATTORNEY GENERAL</u> CONSTANCE HOFFLAND:
 - a. Complaint #2015-17 Karissa & Shane Kautzman v Kathy J. Feist, Dale D. VanderVorst, Molly E. Backhouse, & Dee Kubik: Memorandum. Special Assistant Attorney General Connie Hofland presented the results of her investigation of this complaint and the parties wish to withdraw the complaint. Commission Cymbaluk moved, seconded by Commissioner Schlosser to accept counsel's recommendation and withdraw the complaint. M/C
 - b. Complaint #2016-01 Conrad & Jean Moe v Dorothy Pudwill:
 Stipulated Agreement. Special Assistant Attorney General
 Connie Hofland informed the Commission that Dorothy
 Pudwill agreed to the stipulated agreement and her license has
 been revoked effective May 23, 2016 the date the stipulated
 agreement was signed. Staff will prepare and send out a press
 release.
 - c. <u>Complaint #2016-03 NDREC v James D. Huskey:</u>
 <u>Memorandum.</u> Special Assistant Attorney General Constance
 Hofland informed the Commission that the complaint against
 James D. Huskey has been tabled until the next meeting.

- d. <u>Complaint #2016-04 NDREC v Lori J. Lingenfelter</u>. Special Assistant Attorney General Constance Hofland informed the Commission that the complaint against Lori J. Lingenfelter has been tabled until the next meeting.
- e. Complaint #2016-05 NDREC v Brenda M. Martinson: Stipulated Agreement. Special Assistant Attorney General Connie Hofland presented the signed Stipulation and Settlement Agreement from Brenda J. Martinson. Commissioner Schlosser moved, seconded by Commissioner Louser to approve the Stipulation and Settlement Agreement from Brenda J. Martinson in which she agrees to pay \$300 in fines and \$280 in legal and investigation costs as presented by Ms. Hofland. M/C
- f. Complaint #2016-06 NDREC v Marc C. Johnson: Stipulated Agreement. Special Assistant Attorney General Connie Hofland presented the signed Stipulation and Settlement Agreement from Marc C Johnson. Commissioner Louser moved, seconded by Commissioner Schlosser to approve the Stipulation and Settlement Agreement from Marc C. Johnson in which he agrees to pay \$300 in fines and \$280 in legal and investigation costs as presented by Ms. Hofland. M/C
- g. Complaint #2016-07 NDREC v Thomas N Anderson, Julie A Breidenbach, Derek O Christopherson and Kipp A. Harris. Special Assistant Attorney General Constance Hofland informed the Commission that the complaint against Thomas N Anderson, Julie A Breidenbach, Derek O Christopherson and Kipp A. Harris has been tabled until the next meeting.
- h. Complaint #2016-08 NDREC v Michael T. Bohrer. Special Assistant Attorney General Connie Hofland presented the signed Stipulation and Settlement Agreement from Michael T. Bohrer. Commissioner Schlosser moved, seconded by Commissioner Louser to approve the Stipulation and Settlement Agreement from Michael T. Bohrer in which he agrees to pay \$300 in fines and \$160 in legal and investigation costs and submit the missing continuing education hours as presented by Ms. Hofland. M/C
- i. Complaint #2016-09 NDREC v Dean A Rylander and Robert L Timm: Stipulated Agreement. Special Assistant Attorney General Connie Hofland presented the signed Stipulation and Settlement Agreements from both Dean A. Rylander and Robert L. Timm. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan to approve the Stipulation and Settlement Agreements from both Dean A Rylander and Robert L Timm in which each agrees to pay \$300 in fines and \$160 in legal and investigation costs and submit the missing continuing education hours as presented by Ms. Hofland. M/C
- j. Complaint #2016-10 NDREC v Trevor W. Sanders and Clyde Trautmann:

 Memorandum. Special Assistant Attorney General Connie Hofland presented her results of the investigation of this complaint. Commissioner Louser moved, seconded by Commissioner Cymbaluk to dismiss this complaint. M/C
- k. Complaint #2016-11 NDREC v Kelly C Moreland, Lisa D. Spicer, and Laurel J. Haake: Memorandum. Special Assistant Attorney General Connie Hofland presented her results of the investigation of this complaint. Commissioner Sheridan moved, seconded by Commissioner Louser to dismiss this complaint. M/C

- 1. Complaint #2016-12 NDREC v Kristi M. Carlson: Memorandum. Special Assistant Attorney General Connie Hofland presented her results of the investigation of this complaint. Commissioner Cymbaluk moved, seconded by Commissioner Schlosser to dismiss this complaint. M/C
- m. Complaint #2016-13 NDREC v Thomas S. Kiewel and Barbara D. Grande:

 Memorandum. Special Assistant Attorney General Connie Hofland presented her results of the investigation of this complaint. Commissioner Schlosser moved, seconded by Commissioner Sheridan to dismiss this complaint. M/C
- n. Complaint #2016-14 NDREC v Daniel J. Pfau II and Jeremy J. Boyce:

 Memorandum. Special Assistant Attorney General Connie Hofland presented her results of the investigation of this complaint. Commissioner Cymbaluk moved, seconded by Commissioner Louser to dismiss this complaint. M/C
- o. Complaint #2016-15 NDREC v Amelita Elizan and Jeffrey J. Botnen: Stipulated Agreement. Commissioner Sheridan recused herself from the discussion and voting. Special Assistant Attorney General Connie Hofland presented the signed Stipulation and Settlement Agreements from both Amelita Elizan and Jeffrey J. Botnen. Commissioner Cymbaluk moved, seconded by Commissioner Louser to approve the Stipulation and Settlement Agreements from both Amelita Elizan and Jeffrey J. Botnen in which each agrees to pay \$300 in fines and \$160 in legal and investigation costs and submit the missing continuing education hours as presented by Ms. Hofland. M/C
- p. Complaint #2016-16 NDREC v Lori Lingenfelter: Stipulated Agreement.

 Special Assistant Attorney General Connie Hofland presented the signed Stipulation and Settlement Agreement from Lori J. Lingenfelter. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan to approve the Stipulation and Settlement Agreement from Lori J. Lingenfelter in which she agrees to pay \$300 in fines and \$160 in legal and investigation costs as presented by Ms. Hofland. M/C
- q. Complaint #2016-17 NDREC v Pamela J. Nester and Judson R. Seaman: Stipulated Agreement. Special Assistant Attorney General Connie Hofland presented the signed Stipulation and Settlement Agreements from both Pamela J. Nester and Judson R. Seaman. Commissioner Schlosser moved, seconded by Commissioner Louser to approve the Stipulation and Settlement Agreements from both Pamela J. Nester and Judson R. Seaman in which each agrees to pay \$300 in fines and \$160 in legal and investigation costs as presented by Ms. Hofland. M/C

5. REVIEW LICENSE APPLICATIONS:

- a. Commissioners reviewed the application of Nyap W. Akon for a salesperson license. Ms. Akon joined the meeting in person to discuss any questions the Commissioners might have. Commissioner Schlosser moved, seconded by Commissioner Cymbaluk to deny Ms. Akon's application due to issues on her credit report. M/C
- b. Commissioners reviewed the application of Tasheena J. Barrett for a salesperson license. Ms. Barrett joined the meeting by conference call to discuss any questions the Commissioners might have. Commissioner Cymbaluk moved, seconded by Commissioner Louser to deny Ms. Barrett's application due to issues on both her credit and background reports. M/C

- c. Commissioners reviewed the application of Dennis E. Danzl for a salesperson license. Mr. Danzl joined the meeting by conference call to discuss any questions the Commissioners might have. Commissioner Sheridan moved, seconded by Commissioner Schlosser to approve Mr. Danzl to sit for the salesperson license examination. M/C
- d. Commissioners reviewed the application of Jonathon W. Deitz for a salesperson license. Mr. Deitz joined the meeting in person to discuss any questions the Commissioners might have. Commissioner Sheridan moved, seconded by Commissioner Louser to approve Mr. Deitz to sit for the salesperson license examination. M/C
- e. Commissioners reviewed the application of Dane A. Fuglestad for a salesperson license. Mr. Fuglestad joined the meeting in person to discuss any questions the Commissioners might have. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan to approve Mr. Fuglestad to sit for the salesperson license examination. M/C
- f. Commissioners reviewed the application of Megan L. Goettl for a salesperson license. Ms. Goettl joined the meeting by conference call to discuss any questions the Commissioners might have. Commissioner Schlosser moved, seconded by Commissioner Louser to approve Ms. Goettl to sit for the salesperson license examination. M/C
- g. Commissioners reviewed the application of Arthur W. Goldhammer III for a salesperson license. Mr. Goldhammer III joined the meeting in person to discuss any questions the Commissioners might have. Commissioner Cymbaluk moved, seconded by Commissioner Louser to approve Mr. Goldhammer III to sit for the salesperson license examination. M/C
- h. Commissioners reviewed the application of Hunter D. Halvorson for a salesperson license. Mr. Halvorson joined the meeting by conference call to discuss any questions the Commissioners might have. Commissioner Schlosser moved, seconded by Commissioner Sheridan to approve Mr. Halvorson to sit for the salesperson license examination. M/C
- i. Commissioners reviewed the application of Harry W. Langston for a non-resident broker license. Commissioner Louser moved, seconded by Commissioner Sheridan to approve Mr. Langston to sit for the state portion of the broker license examination. M/C
- j. Commissioners reviewed the application of Tyler J. Lindell for a salesperson license. Mr. Lindell joined the meeting in person to discuss any questions the Commissioners might have. Commissioner Cymbaluk moved, seconded by Commissioner Louser to approve Mr. Lindell to sit for the salesperson license examination pending receipt of documentation by staff that the delinquency on his credit report has been paid. M/C
- k. Commissioners reviewed the application of Mary E. Nelson for a salesperson license. Commissioner Sheridan moved, seconded by Commissioner Schlosser to approve Ms. Nelson to sit for the salesperson license examination. M/C
- Commissioners reviewed the application of Thomas A. Nikolaisen Jr. for a salesperson license. Commissioner Sheridan moved, seconded by Commissioner Louser to approve Mr. Nikolaisen Jr. to sit for the salesperson license examination. M/C

- m. Commissioners reviewed the application of Richard D. Ohren for a reciprocal salesperson license. Mr. Ohren joined the meeting in person to discuss any questions the Commissioners might have. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan to approve issuing Mr. Ohren's reciprocal salesperson license. M/C
- n. Commissioners reviewed the application of Amanda N. Ruppert for a salesperson license. Ms. Ruppert joined the meeting in person to discuss any questions the Commissioners might have. Commissioner Schlosser moved, seconded by Commissioner Louser to table Ms. Ruppert's application until documentation showing that her probation has been completed has been provided to staff and documentation that the items in collection on her credit report have been taken care of. M/C

6. APPEAL OF DENIED SALESPERSON LICENSE APPLICATIONS:

- a. Kimberley S. Enlow's application for a salesperson license was denied at the May 11, 2016 Commission meeting. Ms. Enlow joined the meeting by conference call to appeal the denial of her application. Commissioner Sheridan moved, seconded by Commissioner Louser to approve Ms. Enlow to sit for the salesperson license examination pending receipt of documentation to staff that the tax lien on her credit report has been released. M/C
- b. Commissioner Louser recused herself from discussion and voting. Crystal Hoffert's application for a salesperson license was denied at the May 11, 2016 Commission meeting. Ms. Hoffert joined the meeting by conference call to appeal the denial of her application. Commissioner Cymbaluk moved, seconded by Commission Sheridan to table the appeal of the denial of Ms. Hoffert's salesperson license application until documentation is received and reviewed by the Commission. M/C
- 7. REVIEW TABLED RECIPROCAL BROKER LICENSE APPLICATION OF ROCHELLE L. ROESLER. Rochelle L. Roesler's application for a reciprocal broker license was tabled at the October 27, 2015 Commission meeting until Ms. Roesler provided proof that the items in collection on her credit report have been satisfied. Ms. Roesler provided the requested documentation to the Commission. Commissioner Sheridan moved, seconded by Commissioner Louser to approve issuing Ms. Roesler's reciprocal broker license. M/C
- 8. REVIEW TABLED SALESPERSON LICENSE APPLICATION OF ANGELA K.

 WITTE. Angela K. Witte's application for a salesperson license was tabled at the May 11, 2016 Commission meeting until Ms. Witte provided proof that the judgements and tax liens were paid and the delinquency on her credit report was brought up to date. Ms. Witte provided the requested documentation to the Commission. Ms. Witte joined the meeting in person to discuss any questions the Commissioners might have. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan to approve Ms. Witte to sit for the salesperson license examination. M/C
- 9. <u>REVIEW POSSIBLE ADVERTISING VIOLATION</u>. Executive Director Jergenson provided information to the Commission showing the possible advertising violation of Joseph R. Kachuroi. Commissioner Sheridan moved, seconded by Commissioner Louser to file a complaint against Joseph R. Kachuroi for advertising violation. M/C

- 10. REVIEW POLICY REGARDING ITEMS THAT APPEAR ON BACKGROUND REPORTS THAT DO NOT REQUIRE APPLICANT TO APPEAR BEFORE THE COMMISSION. Executive Director Jergenson presented to the Commission items that appear on applicant background reports that wouldn't require the applicant to appear before the Commission. Commissioner Sheridan moved, seconded by Commissioner Cymbaluk to set a policy that applicants with the following background report issues can be approved by staff and aren't required to appear before the Commission:
 - Minor in Possession or Minor in Consumption
 - NSF Checks
 - DUIs that occurred over 10 years ago
 - Issues from over 20 years ago that have a clear report or have not reoffended
 - Issues that are disclosed on the application that do not show up on the background report

Issues that the applicant does not disclose on their application but show on their background report or issues that staff does not feel comfortable approving can be brought before the Commission for approval. M/C

- 11. <u>REVIEW DOCUMENTATION PROVIDED REGARDING NSF CHECK FROM MEAGAN R. BAUER.</u> Commissioners reviewed the documentation provided regarding the NSF check from Meagan R. Bauer. No action was taken.
- 12. REVIEW REQUEST FOR WAIVER OF BROKER LICENSE EDUCATION AND TWO YEAR ACTIVE EXPERIENCE AS A SALESPERSON FROM CHARLES W. KNAPP. Commissioners reviewed the application of Charles W. Knapp for a waiver of the broker license education and the two year active experience as a salesperson. Commissioner Cymbaluk moved, seconded by Commissioner Louser to approve Mr. Knapp's request for a waiver of the two year active experience as a salesperson, and that Mr. Knapp sit for the broker simulation examination pending the completion of the sixty hours of broker level education. M/C
- 13. <u>DISCUSSION ON REQUESTS FOR BROKER ASSESSMENT FORMS WITH LAURIE TWETEN.</u> Ms. Tweten joined the meeting by conference call to discuss her concern regarding broker assessment forms with the Commission.
- 14. PROPOSAL FROM SPECIAL ASSISTANT ATTORNEY GENERAL CONSTANCE HOFLAND FOR LEGAL FEES EFFECTIVE JULY 1, 2016. Commissioners reviewed the proposal from Special Assistant Attorney General Constance Hofland for an increase in legal fees effective July 1, 2016. Commissioner Sheridan moved, seconded by Commissioner Louser to approve Ms. Hofland's proposal for an increase in legal fees effective July 1, 2016. M/C
- 15. PROPOSAL FROM MAHLUM GOODHART PC TO CONDUCT ANNUAL AUDIT. Commissioners reviewed the proposal from Mahlum Goodhart PC to conduct the annual audit. Commissioner Schlosser moved, seconded by Commissioner Cymbaluk to approve the proposal from Mahlum Goodhart PC to conduct the annual audit. M/C
- 16. PROPOSAL FROM MAHLUM GOODHART PC TO CONDUCT TRUST ACCOUNT AUDITS FOR 2016-2018. Commissioners reviewed the proposal from Mahlum Goodhart PC to conduct trust account audits for 2016-2018. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan to approve the proposal from Mahlum Goodhart PC to conduct trust account audits for 2016-2018. M/C

- 17. <u>PROPOSAL FOR LICENSE DATABASE</u>. Commissioner reviewed the proposal for a new license database. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan to approve staff to move forward with the new database. M/C
- 18. <u>REVIEW 2016/17 PROPOSED BUDGET.</u> Executive Director Jergenson presented the proposed budget for July 1, 2016 through June 30, 2017. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan approve the proposed budget as presented. M/C
- 19. <u>ELECTION OF OFFICERS FOR 2016/17.</u> Commissioner Cymbaluk nominated Commissioner Jerry Schlosser for Chair and Commissioner Diane Louser for Vice Chair for the fiscal year July 1, 2016 through June 30, 2017. Motion was seconded by Commissioner Sheridan. M/C
- 20. <u>ARELLO MID-YEAR CONFERENCE REPORTS: COMMISSIONERS CYMBALUK AND YOUNGBERG.</u> Commissioner Cymbaluk and Commissioner Youngberg both submitted a written report.
- 21. <u>ARELLO DISTRICT 2 & 3 CONFERENCE REPORTS: COMMISSIONER</u> <u>CYMBALUK AND YOUNGBERG.</u> Commissioner Cymbaluk and Commissioner Youngberg both submitted a written report.
- 22. <u>REVIEW APPROVED TRUST ACCOUNT WAIVERS.</u> Commissioners received a report of trust account waivers granted since the March 31, 2016 meeting. A list of those waivers are attached to these minutes.
- 23. <u>DISCUSS COMMISSIONER PRIORITIES.</u> Commissioners discussed the Commission priorities.
- 24. <u>RECOGNITION OF COMMISSIONER SHERIDAN</u>. Commissioners and staff recognized Commissioner Sheridan's 20 years of service to the Commission.
- 25. OTHER BUSINESS
 - a. Executive Director Jergenson informed the Commission that the FBI will be coming to audit how our background reports are handled the week of September 19-23, 2016.
 - b. Executive Director Jergenson presented the list of salesperson/broker associate corporations that are receiving commissions that have not been licensed yet that the Commission requested at the March 31, 2016 meeting

There being no further business Chair Youngberg adjourned the meeting.

Respectfully submitted,

Amanda Renner

Administrative Assistant