

Iowa Real Estate Commission  
200 East Grand, Suite 350  
Des Moines, IA 50309  
MINUTES  
May 5, 2016

**Commissioners present for all or part of the meeting**

Terry Duggan, Chair  
Dennis Stolk, Vice Chair  
Mike Telford  
John Goede  
Helen Kimes

**Commissioners not present for meeting**

Jan DeMott

**Staff present for all or part of the meeting**

Jeff Evans, Executive Officer  
John Lundquist, Assistant Attorney General  
Sandy Malek, Investigator  
Tracy Lindgren, Licensing Specialist  
Lori SchraderBachar, Site Manager  
Colleen Goddard, Auditor  
Jill Simbro, Education Director  
Renee Paulsen, Background Coordinator

**Members of Public in attendance for all or part of the open session of the meeting**

Paul McLaughlin, Iowa Association of Realtors

**Call to Order**

Duggan called the meeting to order at 9:04 a.m.  
Quorum was established.

**Motion by Telford to approve the agenda.**

Seconded by Kimes.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Election of Officers**

Motion by Stolk to nominate Duggan as chair.

Seconded by Kimes.

VOTE: Aye: Goede, Kimes, Stolk, Telford                      Nay: none                      Abstaining: Duggan

Motion passed.

Motion by Goede to nominate Stolk as vice chair.

Seconded by Duggan.

VOTE: Aye: Duggan, Goede, Kimes, Telford                      Nay: none                      Abstaining: Stolk

Motion passed.

**Approval of Minutes**

**Motion by Goede to approve the open session and the closed session April 7, 2016 IREC meeting minutes.**

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

### **Commissioner Reports**

Duggan reported on his participation in a recent ARELLO event, which was the Mid-Year Meeting held in Atlanta, GA on April 13 – 16, 2016.

### **Staff Reports**

SchraderBachar announced the PLB newsletter will go out by the end of the month and if any of the Commissioners have an article they want to see included, it needs to be submitted to Evans by May 6th.

Evans reported there has not been an announcement from the Governor's office concerning the replacement of the public member position. Evans reminded the Commissioners that if they expect to be reimbursed for travel expenses, original and itemized receipts will need to be submitted to staff. Evans provided copies and submitted the IREC Staff report for April 2016 to the Commission. Evans also thanked the Commission ahead of time for their work on the day, as there is a hearing scheduled for 9:30 a.m.

### **ARELLO**

Evans provided a report of the ARELLO Mid-Year Meeting he attended in Atlanta, GA on April 13 – 16, 2016 with Commissioner Duggan. The meeting was well attended with good discussions among those regulating real estate licensees.

### **Public Comment**

McLaughlin reported the Iowa Association of Realtors (IAR) summer meetings will be held June 7 – 9, 2016 in Sioux City, Iowa.

### **Formal Hearing**

A hearing was held before the Commission in Case No. 15-262. The hearing was conducted by Administrative Law Judge Maggie LaMarche. The disciplinary hearing was closed to the public at the Respondent's request, pursuant to Iowa Code section 272C.6(1). The hearing commenced at 9:26 a.m. and concluded at 12:05 p.m.

The Commission took a break at 9:55 a.m. and recommenced the hearing at 10:25 a.m.

### **Closed Session**

**Motion made by Telford for the Commission to go into closed session pursuant to Iowa Code section 21.5(1)(f) to deliberate its decision in Case No. 15-262.**

Seconded by Stolk.

VOTE: Roll call: Duggan, aye; Goede, aye; Kimes, aye; Stolk, aye; Telford, aye.

Motion passed unanimously.

The Commission entered into closed session at 12:20 p.m. and arose there from at 1:03 p.m.

### **Open Session**

**Motion by Kimes to return to open session.**

Seconded by Telford.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion made by Telford to request Administrative Law Judge LaMarche to draft a written decision for IREC Case No. 15-262 in accordance with the deliberations and findings made in closed session.**

Seconded by Kimes.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Closed Session**

**Motion by Telford to enter into closed session pursuant to Iowa Code §§ 21.5(1)(a), 21.5(1)(d), 21.5(1)(f) and 543B.15(9) to review pending licensee discipline cases and investigations, including any cases ready for final resolution through closure or consent order.**

Seconded by Kimes.

VOTE: Roll call: Duggan, aye; Goede, aye; Kimes, aye; Stolk, aye; Telford, aye.

Motion passed unanimously.

The Commission entered into closed session at 1:14 p.m. and arose there from at 1:30 p.m.

**Open Session**

**Motion by Telford to return to open session.**

Seconded by Goede.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Stolk to accept the signed settlements and/or consent agreements for the cases discussed in closed session and to authorize Duggan (Chair), Stolk (Vice Chair) or Evans (Executive Officer) to sign the accepted, signed Settlement Agreements/Consent Agreements for the following cases: 15-260, 16-030, 16-032 and 16-034.**

Seconded by Telford.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Kimes to find probable cause and to authorize Duggan (Chair), Stolk (Vice Chair) or Evans (Executive Officer) to sign the accepted signed settlement agreement for the following cases: 15-358, 15-360, 16-035, 16-037, 16-038, 16-048, 16-053, 16-056, 16-060, 16-065, 16-071, 16-073, 16-077, 16-081, 16-090, 16-091 and 16-098.**

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Kimes to enter into a Consent Agreement with the applicant and to authorize Evans (Executive Officer) to sign on behalf of the Commission and then grant licensure when all other licensing requirements have been met for IREC Case No. 16-123.**

Seconded by Telford.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Stolk to find probable cause for the following cases: 14-218, 16-074, 16-082, 16-105, 16-117, 16-125, 16-135**

Seconded by Telford.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Goede to close the following cases: 15-300, 16-069, 16-088 and 16-120.**

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

Discussion was not held re: IREC Case No. 15-183 and the allegations of the unlicensed practice of real estate. It was determined that the file will be tabled to a future meeting.

Discussion was held re: IREC Case No. 16-110 and the allegations of the unlicensed practice of real estate.

**Motion by Kimes to close the file.**

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion carried unanimously.

**Future Meeting Dates**

Future IREC meetings are tentatively scheduled as follows:

**Investigation Committee**

Wednesday, June 8 (DeMott, Duggan)

No July Meeting

Wednesday, August 3 (Telford, Kimes)

Wednesday, August 31

Wednesday, October 5

Wednesday, November 2

Wednesday, November 30

**Commission Meetings**

Thursday, June 9

No July Meeting

Thursday, August 4

Thursday, September 1

Thursday, October 6

Thursday, November 3

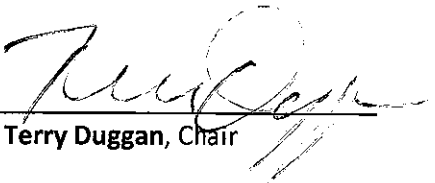
Thursday, December 1

**Meeting Adjourned**

With all agenda items covered, the meeting adjourned at 1:40 p.m.

These minutes accurately reflect the minutes approved by the Commission at the meeting on:

6/9/16  
Date

  
By: Terry Duggan, Chair

**Iowa Real Estate Commission  
 Staff Report (For April 2016)  
 May 5, 2016 IREC Meeting**

**LICENSING TOTALS:**

	<u>Firms</u>	<u>Brokers</u>		<u>Salespeople</u>		<u>TOTAL LICENSEES</u>
		<u>Active</u>	<u>Inactive</u>	<u>Active</u>	<u>Inactive</u>	
April 2016	1,259	3,379	405	5,846	1,202	10,723
April 2015	1,237	3,392	412	5,556	1,225	10,832

**EXAMINATIONS ADMINISTERED BY PSI:**

	<u>March</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Broker	25	66	324	315	281	207	245
Salesperson	177	528	1,638	1,501	1,212	952	781

**BROKERS & SALESPERSONS PROCESSED APPLICATIONS:**

	<u>April</u>	<u>Year To Date</u>
2008		861
2009		531
2010		604
2011		562
2012		625
2013		835
2014		845
2015		972
2016	104	440

**BACKGROUND CHECKS:**

Year to Date average turnaround time is 22 days.

**AUDITS:**

	<u>April</u>	<u>Year To Date Totals</u>
Continuing Education	50	193
E & O	48	214
Trust Account	34	120

**PERCENTAGE OF NONCOMPLIANCE FOR E&O AND CE AUDITS:**

<u>Year</u>	<u>E&amp;O</u>	<u>Continuing Education</u>
2008	15%	4%
2009	33%	6%
2010	18%	5%
2011	15%	5%
2012	21%	5%
2013	11%	3%
2014	4.8%	1.8%
2015	15.9%	3.2%
2016	20.6%	6.7%

**INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:**

	<u>April</u>	<u>Year To Date Totals</u>
Complaint Cases Opened	39	145
Final Case Disposition	33	98
Signed Informal Settlement Agreements	11	26
Signed Applicant Consent Agreements	9	36
Signed Cease and Desist by Consent Agreement	1	17
Formal Hearings	-	-
License Denials	-	-
Civil Penalties Assessed	-	\$52,000
Continuing Education Hours Assessed	-	156
CPA Audits Assessed	-	1
Trust Account Reexaminations Assessed	-	-
Probations Assessed	-	1
Suspensions Assessed	-	-
Revocations/Voluntary Surrenders	-	1
Statement of Charges Filed (Outstanding)	-	9

**REAL ESTATE EDUCATION REPORT:**

	<u>April</u>	<u>Year To Date Totals</u>
Course Approvals	59	228
Instructor Approvals	4	36
Provider Approvals	1	6
Post Course Approvals	2	2
Prior Course Approvals	3	6
Denied Courses	1	2