IDAHO REAL ESTATE COMMISSION
MEETING MINUTES
July 17, 2008

Pursuant to notice given, the meeting of the Idaho Real Estate Commission (Commission) was held at The Idaho Real Estate Commission, on Thursday, July 17, 2008 at 8:30 a.m.

Commission Members Present:
Andy Enrico, Chair, Boise
Kelly Fisher, Vice Chair, Pocatello
Pam Trees, Member, Lewiston
Marvis Brice, Member, Burley
Steve Kohntopp, Former Chair, Filer
Comprising a quorum of the Commission

Members Absent:

Staff Present:
Jeanne Jackson-Heim, Executive Director
Craig Boyack, Chief Investigator
Tammy Anderson, Administrative Assistant
Neal Bernklau, Licensing Supervisor
Mandy Frary, Education Director

Others Present:
Kim Coster, Commission Legal Counsel
See attached list

Meeting was called to order at 8:31 a.m. by Commission Chair, Steve Kohntopp.

Introductions:

a. Commissioners. Members welcomed Marvis Brice, newly appointed by the Governor.
b. Staff

Approval of Meeting Minutes: Motion was made by Kelly Fisher to approve the June 26, 2008 Commission meeting minutes. Motion carried.

Approval of Agenda: Motion was made by Kelly Fisher to approve the July 17, 2008 agenda. Motion carried.

Financial Reports: Motion was made by Kelly Fisher to approve the June 2008, Financial Reports. Motion carried.

Salesperson and Broker Licenses Issued: Members reviewed the salesperson and broker licenses issued during the month of June 2008, a copy of which has been made part of these minutes. Motion was made by Kelly Fisher to approve the report. Motion carried.

License Examination Statistics:
Commissioners reviewed the license exam statistics report.

Staff Reports:
The following reports were presented for members' review; copies of which are on file at the Commission office:

- **Complaint Summary Report**
- **Audit Summary Report**
- **Enforcement Telephone Activity Log**
- **Education Funds Awards**
- **FY07-FY08 Analysis of Active & Inactive License Base**
- **On-Line Renewal Report**
- **Information and Technology Reports**

Online Lottery Drawing: Creed Noah (DB17124), from Creed Noah Real Estate Company, Cambridge, won the lottery drawing for July 17, 2008.

Idaho Association of REALTORS®:

- Jill Randall presented the Preliminary Reports on the RESPA and CORE courses, as called for in the Education Funds Awards agreements. She stated that all boards had been notified of these classes. Discussion followed.
- IAR President Willis Stone stated that IAR's REALTOR® membership numbers have dropped by nine percent. Willis also reported that IAR recently held a conference call with the HOA subdivision developers about manufactured homes being brought into the subdivision and will keep IREC posted on this issue. This year's Idaho REALTOR® conference will be held in Portland Oregon September 10-14, 2008. IAR will also be looking into broker laws with the broker task force and the broker task force will meet July 21, 2008. Discussion followed.

Reorganization:

Election of a Chairperson for the Idaho Real Estate Commission for the time period of July 2008, through July 2009, or until a new Chairperson has been elected: A motion was made by Kelly Fisher to elect Andy Enrico as the Chairperson for the Commission for the time period of July 2008, through July 2009, or until a new Chairperson has been elected. Motion carried.

Election of a Vice Chairperson for the Idaho Real Estate Commission for the time period of July 2008, through July 2009, or until a new Vice Chairperson has been elected: A motion was made by Pam Trees to elect Kelly Fisher as the Commission Vice Chair, for the period of time of July 2008, through July 2009, or until a new Vice Chairperson has been elected. Motion carried.

Appointment of Commission Member to serve on the Idaho Real Estate Education Council for the time period of July 2008, through July 2009, or until a new Commission member has been appointed: A motion was made by Marvis Brice to appoint Pam Trees as the Commission representative to serve on the Education Council, for the time period of July 2008, through July 2009, or until a new Commission member has been appointed. Motion carried.

Past Chairperson Steve Kohntopp passed the gavel to the newly elected Chairperson, Andy Enrico. Commissioners recognized Steve Kohntopp and thanked him for his 8 years of service to the Commission.

Commission's Counsel Report:

Adopt Proposed Rule Making (Rule 402): Kim Coster presented a draft of changes to Rule 402, the Approved Topics list for CE courses. She reported that, although members had indicated a desire to make changes effective immediately, i.e., that the changes be adopted as a "temporary and proposed, the Governor is now reluctant to approve rulemaking as "temporary." That being the case, the Governor granted approval for the Commission to adopt "proposed" rule changes, which will not go into effect until the end of the 2009, legislative session. A motion was made by Pam Trees to adopt Proposed Rule changes to 402. Motion carried.

Executive Director's Report:

- **ARELLO Survey on License Recognition:** Jeanne Jackson-Heim requested feedback from Commissioners to complete the ARELLO License Recognition survey. Discussion followed.

- **Update on Building Purchase:** Jeanne spoke with Mike Gwartney and stated the building purchase still depends on the Commission's paying property taxes on the building which is currently prohibited by the Idaho Constitution.
- **Draft Policy on Disciplinary Actions Posted on Website:** Jeanne presented a Policy regarding Posting Disciplinary Actions. Discussion followed. A motion was made by Pam Trees to adopt the Policy on Disciplinary Action as presented effective October 1, 2008. Motion carried.
- **October Broker Bulletin:** Commissioners discussed ideas for next broker bulletin. Topics to be included are IREC's online services, errors and omissions insurance, and posting of disciplinary actions.

Education Council and Director's Report:

- **IDW 2008 Financial Report**: Mandy Frary presented a financial report on IDW stating that although expenses exceeded revenues by four thousand dollars last year, overall the conference went well. She stated that next years IDW conference will be held at the Hilton Garden Inn May 19-20, 2009.
- **Update on REEA Conference:** Mandy reported on the conference and stated that the most interesting part of the conference was on distance learning trends. Discussion followed.
- **Sales Prelicense Module 1 and Module 2:** Both modules are close to being ready. The workgroup will reconvene to look over modules once more and then the new courses will be sent out to the instructors.

Matters from Commissioners:

ARELLO Conference Indianapolis October 17-20, 2008: Commissioners discussed the October Commission meeting date and decided to move the date from October 9, 2008 to October 16, 2008 to facilitate traveling to the ARELLO conference held October 17-20, 2008 in Indianapolis.

Commissioners discussed holding the August meeting in Lewiston on August 13, 2008. It was decided that Department heads and Commission Counsel would go with Commissioners and Jeanne to Lewiston.

Enforcement:

Case of Staff vs. Alicia Christine Anna Ralston (Ex-Parte). Let the record show that this hearing has been tape-recorded and was presented by Chief Investigator, Craig Boyack. In consideration of the facts and evidence presented, motion was made by Pam Trees to accept without exception the Stipulation which had been agreed to by Alicia Christine Anna Ralston and that the "Final Order" for disciplinary actions against Ms. Ralston be as follows:

1.) That Alicia Christine Anna Ralston shall be issued a formal reprimand.

2.) That Alicia Christine Anna Ralston pay a civil fine in the amount of Five Hundred Dollars ($500.00) by August 23, 2008.

3.) That Alicia Christine Anna Ralston pay the cost and attorney's fees incurred in the investigation/prosecution of this matter in the amount of One Hundred Twenty Five Dollars ($125.00) by August 23, 2008.

4.) That in the event Alicia Christine Anna Ralston fails to fully comply with the Commission's Order relating to the timely payment of fines, fees or costs, or completion of education, the Commission has authorized Staff to suspend Ms. Ralston's salesperson's license upon notification by Staff sent to the most current address provided by Ms. Ralston to Staff.

Motion carried. A copy of the "Final Order" is attached hereto and made a part of these minutes.

Case of Staff vs. Sheldon Ropicky (Ex-Parte).
Memorandum of Cost & Attorney's Fees: Members reviewed Staff's Memorandum of Cost and Attorney Fees, and noted there had been no objection filed by Mr. Ropicky. A motion was made by Pam Tree be as follows:

That Sheldon Ropicky shall be required to pay costs and attorney fees in the amount of Two Thousand Three Dollars and Seventy-Eight Cents ($2,003.78), as follows:

A. The first payment of One Thousand Dollars ($1,000.00) shall be due and payable on or before August 21, 2008.
B. The remaining One Thousand Three Dollars and Seventy-eight Cents (1,003.78) shall be due and payable on or before January 5, 2009.

C. In the event that Sheldon Ropicky fails to make the initial payment, in the amount or by the date required by this Order, then the entire amount of costs and attorney's fees determined by the Commission shall at once become due and payable.

Motion carried. A copy of the "Order on Costs and Attorney Fees" is attached hereto and made a part of these minutes.

Case of Staff vs. Joseph W. Freeman (Ex-Parte). This hearing was tape-recorded. As provided in the parties' written Stipulation, the matter was presented ex parte by Chief Investigator, Craig Boyack. In consideration of the facts and evidence presented, motion was made by Kelly Fisher to approve the Stipulation entered between Staff and Joseph W. Freeman, and to enter a "Final Order" providing for discipline as follows:

1.) That Joseph W. Freeman shall be issued a formal reprimand.

2.) That Joseph W. Freeman pay a civil fine in the amount of Three Thousand Dollars ($3,000.00), with the first payment of One Thousand Dollar ($1,000.00) due by August 20, 2008; the second One Thousand Dollar ($1,000.00) payment is due by September 20, 2008; and the final One Thousand Dollar ($1,000.00) payment is due by October 20, 2008.

3.) That Joseph W. Freeman pay the cost and attorney's fees incurred in the investigation/prosecution of this matter in the amount of Three Hundred Dollars ($300.00) by August 20, 2008, and that Mr. Freeman waives timely notice of any costs/fees memorandum.

4.) That Joseph W. Freeman successfully completes a live Business Conduct and Office Operations course and a live Real Estate Finance course by January 23, 2009.

5.) In the event Joseph W. Freeman fails to fully comply with the Commission's Order relating to the timely payment of fines, fees or costs, or completion of education, the Commission has authorized Staff to suspend Mr. Freeman's salesperson's license upon notification by Staff sent to the most current address provided by Mr. Freeman to Staff.

6.) That in the event Joseph W. Freeman fails to make a payment as required by this order on its due date, than all sums remaining unpaid shall at once become due and payable. Any failure to exercise said option shall not constitute a waiver of the right to exercise the same option at some other time.

Motion carried. A copy of the "Final Order" is attached hereto and made a part of these minutes.

James Santangelo, an out of state licensee, conveyed to the Commission his concerns regarding the scoring of the broker licensing exam. Discussion followed.

Executive Session: In accordance with section 67-2345 (1)(d) & (f), Idaho Code, a motion was made by Kelly Fisher to adjourn to executive session to review probable cause memoranda submitted pursuant to Section 54-2058(1), Idaho Code. Motion carried. Members reviewed probable cause memoranda.

Regular Session: There being no further purpose for an executive session, a motion was made by Pam Trees to adjourn the executive session. Motion carried.

Probable Cause Memo # 07-38900 A motion was made by Pam Trees finding that the facts set forth in the memorandum of probable cause provided to them by the Executive Director, pursuant to Section 54-2058(1), are sufficient to proceed with formal action on the violations presented. Commission staff is authorized to file an administrative complaint. Motion carried.

Probable Cause Memo # 08-08800, 08-08801 A motion was made by Kelly Fisher finding that the facts set forth in the memorandum of probable cause provided to them by the Executive Director, pursuant to Section 54-2058(1), are sufficient to proceed with formal action on the violations presented. Commission staff is authorized to file an administrative complaint. Motion carried.

Probable Cause Memo # 08-17300, 08-17301, 08-17302, 08-17303 A motion was made by Kelly Fisher finding that the facts set forth in the memorandum of probable cause provided to them by the Executive Director, pursuant to Section 54-2058(1), are sufficient to proceed with formal action on the violations presented. Commission staff is authorized to file an administrative complaint. Motion carried.

Probable Cause Memo # 08-25900 A motion was made by Pam Trees finding that the facts set forth in the memorandum of probable cause provided to them by the Executive Director, pursuant to Section 54-2058(1), are sufficient to proceed with formal action on the violations presented. Commission staff is authorized to file an administrative complaint. Motion carried.

Commissioners discussed annual licensing renewal and suggested that Kelly Fisher bring this issue up to the broker task force since IREC would like to move in that direction in 2009. This would allow for an annual Core requirement.

There being no further business, motion was made by Pam Trees to adjourn the meeting at 11:30 a.m. Motion carried.

Respectfully Submitted,

Jeanne Jackson-Heim

Jeanne Jackson-Heim
Executive Director

JJH: tla

Attachments:
- Licenses Issued June 2008
- FY07-FY08 Analysis of Active & Inactive License Base
- Online License Reports
- Complaint Summary Report
- June 2008, Financial Reports
- Information and Technology Reports

Minutes of the Idaho Real Estate Commission meeting in Boise, Idaho, on July 17, 2008, are hereby approved.

Andy Enrico, Chair

Pam Trees, Member

Kelly Fisher, Vice Chair

Marvis Brice, Member