

Real Estate Commission Meeting

March 20, 2024

**Atwood Building
550 W 7th Avenue
Suite 1550
Anchorage**

Zoom meeting

Call to Order

Roll Call

Traci Heaton

Elizabeth Schok

Chad Stigen

Devon Doran

Cheryl Markwood

Approval of Agenda

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT
DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING

Tentative Meeting Agenda

REAL ESTATE COMMISSION MEETING

March 20, 2024

**Atwood Building,
550 W 7th Avenue, Ste 1550
Anchorage AK**

ZOOM Info: Join meeting: Register in advance for this meeting:
<https://us02web.zoom.us/join/register/tZwsf-CqpjsuH9Q3uxnmzv4V1hWSn9fJ5vxy>
After registering, you will receive a confirmation email containing meeting ID and passcode.

Wednesday, March 20, 2024

Note: There will be a break for lunch from 12 until 1 if deemed necessary.

- 9:00 a.m. 1. Call to Order Markwood
 a) Roll Call
 b) Approval of 3/20 Agenda
 c) Statements of Conflicts of Interest
- 9:10 a.m. 2. Public Comments (est. time only; 9:10 am)
3. Review Meeting Minutes
 a) December 14, 2023
 b) December 21, 2023, TC
 c) January 26, 2024, TC
- 9:15 a.m. 4. Investigations Gabriel
Chambers
 a) Statistical Report
 b) Investigative Training *Executive Session*
- 11:00 a.m. 5. Division Update Dumas
 a) Revenue/Expenditure Report, FY24/ 1st & 2nd Qtrs
6. Old Business Harris
 a) Regulation Project – update
 b) FY 2024 Strategic Plan – update
 c) Work Meeting – regulations, select date/time
7. New Business Markwood
Heaton
 a) Letter of Support – HB314/SB225
 b) Disciplinary Matrix – review, advertising
 c) Annual Report

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT
DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING

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8. Executive Administrator's Report Harris
a) Licensing/Education Report
b) Recovery Fund Report

9. Commission Member Comments and Questions

Adjournment

Next REC meeting June 19, 2024

Statements of Conflict of Interest

Meeting Minutes

December 14, 2023

1
2 STATE OF ALASKA
3 DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT
4 DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING
5

6 REAL ESTATE COMMISSION
7 MEETING MINUTES
8

9 December 14, 2023
10

11
12 “These draft minutes were prepared by the staff of the Division of Corporations, Business
13 and Professional Licensing. They have not been reviewed or approved by the
14 Commission.” By the authority of AS 08.01.070(2), and in compliance with the provisions
15 of AS 44.62, Article 6, a scheduled meeting of the Real Estate Commission was held
16 December 14, 2023, at 550 W 7th Avenue, Ste 1550, Anchorage, AK in- person and via
17 Zoom.
18

19 **Thursday, December 14, 2023**

20 **Agenda Item 1 - Call to Order**

21 Chairperson Cheryl Markwood called the meeting to order at 9:06 a.m., at which time a
22 quorum was established.
23

24 Agenda Item 1(a) – Roll Call

25 Members Present via Zoom

26 Cheryl Markwood, Broker, Broker at Large, Chairperson
27 Traci Heaton, Associate Broker, 1st Judicial District
28 Devon Doran, Broker, 3rd Judicial District
29 Elizabeth Schok, Associate Broker, 4th Judicial District
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31 Members Absent:

32 Chad Stigen, Associate Broker, Broker at Large
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34 Staff Present:

35 Nancy Harris, Executive Administrator, REC
36 Kerry Givens, Project Assistant, REC
37 Anna Gabriel, Investigator, REC/APR, Anchorage
38 Marilyn Zimmerman, Paralegal, CBPL, Juneau
39 Julienne Kim, Paralegal, CBPL, Anchorage
40 Melissa Dumas, Administrative Officer, CBPL, Juneau
41 Alison Osborne, Regulation Specialist, CBPL, Juneau
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43 Guests Present via Zoom:

44 Errol Champion, Liaison for AAR, and Broker of Coldwell Banker Race Realty, Juneau
45 Elise Buchholz, Associate Broker, and Educator, Jack White Real Estate, Wasilla
46 Gabe Stephen, Broker, Jack White Real Estate, Anchorage
47 Jerry Lymburner, Broker, Powered by Lymburner, Fairbanks
48 Paddy Coan, Associate Broker, Keller Williams Realty, Alaska Group, Anchorage
49 Maude Morse, Real Estate Education Sponsor and Instructor, AK Housing Finance
50 Corporation, Anchorage
51 Margie Hudok, Broker, Coldwell Banker Endeavor Realty, Anchorage
52 Susette, no last name given, Property Management
53

54 Agenda Item 1(b) - Approval of 12/14 Agenda

55 Commission members reviewed the agenda as presented.

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Ms. Markwood said that tab 5, Division update, is changed from 10:00 am to 1:00 pm.

On a motion made by Doran, seconded by Schok, it was,

Resolved to approve the December 14, 2023, meeting agenda as amended.

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No objections. Motion passed.

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Statements of Conflicts of Interest/Ethics Violations– 1(c)

There were no conflicts of interest statements or ethics violations to report.

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Agenda Item 2 – Public Comments

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Errol Champion, Broker, Chair of the Legislature and Real Estate Commission Committee for AK Realtors gave the Commission an update on 2 bills filed with the legislature last session. HB134, this bill deals with disclosure of transaction prices and the ultimate implementation of a transfer fee tax, sales tax, or income tax. They are optimistic that this bill will see action this coming session. There have been 14 House Members co-sign on as sponsor and a companion bill has been introduced. HB184, this bill establishes a requirement that the department of Commerce provide a registration of short-term rentals. He said they don't really have a position one way or the other, but they do think that it could be become a challenge, for property managers. It is not clear what the fines or the penalties will be and there's no standard criteria, though there's a lot of work to be done. Mr. Champion said it is interesting that the City of Juneau has already adopted an ordinance requiring registration and the City of Homer has one in a draft stage. He said this could have some impact on property management.

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Mr. Champion's last issue was there was still some concern that there are still 2 open positions on the Real Estate Commission. The Commission is continuing to work with only 5 members. He said he doesn't know what role the Alaska realtors could provide but if there's anything their group could do to help expedite the process, please let them know. He said they have talked about it all their meetings, but it just doesn't seem to produce a candidate or 2 to be nominated.

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Paddy Coan, Associate Broker with Keller Williams Realty AK Group, addressed the Commission regarding mobile home trailer sales, not on land, using real estate sales contracts. She said this is happening throughout the state. She has some concerns because licensees are just not getting it by not understanding the law or just disregarding it. She said that maybe a simple solution would be education by doing some best practices. She said this would be a good one to put out to our licensees. She said she would be happy to share what information she had gathered with staff. Ms. Coan said mobile home sales are not covered under real estate E & O Insurance policies because it is not real estate.

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Ms. Harris read a comment on the record for the Commission that was received by email from Eric Glatt a member of the public. Mr. Glatt asked the Commission if they tend to address, either at this meeting or a future meeting, the implications of the October 31 "Sitzer/Burnett" jury verdict in Federal District court in Missouri?

103 **Agenda Item 3 – Review of Meeting Minutes**

104 Agenda Item 3(a) –(c) September 7, September 28, November 14, 2023

105
106 **On a motion made by Heaton, seconded by Doran, it was,**

107
108 **Resolved to approve the September 7th, September 28th and November**
109 **14, 2023, meeting minutes as presented.**

110
111 **No objections. Motion passed.**

112
113 **Agenda Item 4 – Investigative Report**

114 Statistical Report – 4(a)

115 Ms. Gabriel, Investigator for RE, presented the investigation statistical report to the
116 Commission. Ms. Gabirel said for the reporting period of August 23, 2023, through
117 November 28, 2023. She stated there are 49 cases opened, and 16 cases were closed
118 from the last report.

119
120 License Actions –

121 Consent Agreement, Case No. 200-001067 – 4(b)(i)

122 Ms. Markwood asked if any Commission member had a conflict of interest with case 2022-
123 001067.

124
125 Ms. Heaton said she had a conflict of interest as the reviewing member and requested to
126 be recused from case 2022-001067.

127
128 Ms. Markwood recused Ms. Heaton from case no. 2022-001067.

129
130 Ms. Markwood stated that Ms. Zimmerman was present at the meeting.

131
132 Commission members went into executive session to discuss a license action from
133 agenda item 4(b)(i), Consent Agreement, Case # 2022-001067.

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136 **On a motion duly made by Heaton, seconded by Doran, it was,**

137
138 **Resolved to go into executive session in accordance with the**
139 **provisions of AK Statute 44.62.310(c), for the purpose of discussing**
140 **subjects that tend to prejudice the reputation and character of any**
141 **person, provided the person may request a public discussion.**

142
143 Roll call vote: Doran – yes, Heaton-yes; Schok -yes; Stigen – absent, and
144 Markwood – yes.

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146 *Commission went into executive session at 9:26 am.*

147 *Out of executive session at 9:44 am*

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150 **On a motion duly made by Doran, seconded by Schok, it was,**

151
152 **Resolved to adopt the Consent Agreement for Case No. 2022-001067.**

153

154 Roll call vote: Doran – yes, Schok -yes; Stigen – absent, and Markwood – yes,
155 Heaton- recused and abstained from voting.

156

157 *The Commission adopted the Consent Agreement for Case No. 2022-001067 with regards*
158 *to Real Estate Broker Edwin Osowski.*

159

160

161 Order of Default, Case No.2022-000981 – 4(b)(ii)

162 Ms. Markwood asked if any Commission member had a conflict of interest with case 2022-
163 000981.

164

165 Ms. Heaton said she had a conflict of interest and requested to be recused from case
166 2022-000981.

167

168 Ms. Markwood recused Ms. Heaton from case no. 2022-000981.

169

170 Commission members went into executive session to discuss a license action from
171 agenda item 4(b)(i), Consent Agreement, Case # 2022-000981.

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173

174 **On a motion duly made by Schok, seconded by Doran, it was,**

175

176 **Resolved to go into executive session in accordance with the**
177 **provisions of AK Statute 44.62.310(c), for the purpose of discussing**
178 **subjects that tend to prejudice the reputation and character of any**
179 **person, provided the person may request a public discussion.**

180

181 Roll call vote: Doran – yes, Heaton-yes; Schok -yes; Stigen – absent, and
182 Markwood – yes.

183

184 *Commission went into executive session at 9:48 am.*

185 *Out of executive session at 9:53 am*

186

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188 **On a motion duly made by Doran, seconded by Schok, it was,**

189

190 **Resolved to adopt the Order of Default for Case No. 2022-000981.**

191

192 **Roll call vote:** Doran – yes, Schok -yes; Stigen – absent and Markwood –
193 yes, Heaton- recused and abstained from voting.

194

195

196 *The Commission adopted the Order of Default in Case No. 2022-000981 with regards to*
197 *Real Estate Salesperson Dustin Lorah.*

198

199 The Commission recessed for break at 9:56 a.m.

200 The Commission reconvened at 10:07 a.m.

201

202 The Commission started to discuss the regulation project and speak to the written public
203 comments received while waiting for the ALJ Kennedy to join the meeting for Agenda item
204 4(b)(iii).
205

206 Final Decision and Order, Case No. 22-0784-REC/2021-000267 – 4(b)(iii)
207 Ms. Markwood asked if any Commission members had a conflict of interest with case No.
208 22-0784-REC/2021-000267.
209

210 Ms. Heaton said she had a conflict of interest and requested to be recused from case No.
211 22-0784-REC/2021-000267.
212

213 Ms. Markwood recused Ms. Heaton from case No. 22-0784-REC/2021-000267.
214

215 Ms. Markwood handed the gavel to Vice-Chair Ms. Heaton to disclose a conflict of interest.
216 Ms. Markwood stated a possible conflict of interest.
217

218 Commission members went into executive session to discuss a license action from
219 agenda item 4(b)(iii), Final Decision and Order in case No. 22-0784-REC/2021-000267.
220

221
222 **On a motion duly made by Schok, seconded by Doran, it was,**
223

224 **Resolved to go into executive session to deliberate the final decision**
225 **and order in Case No. 22-0784-REC/2021-000267.**
226

227 Roll call vote: Doran – yes, Heaton-yes; Schok -yes; Stigen – absent, and
228 Markwood – yes.
229

230
231 *Commission went into executive session at 10:21 am.*

232 *Out of executive session at 10:39 am*
233

234 Ms. Markwood stated that once they went into executive session, they realized they had
235 another conflict of interest that needed to be disclosed on the record.
236

237 Ms. Schok stated she had a conflict of interest in this case due to her knowledge of the
238 case and would not be able to be impartial.
239

240 Ms. Markwood granted Ms. Schok's conflict of interest.
241

242 Ms. Markwood stated that with Ms. Shock's conflict of interest the Commission no longer
243 has a quorum and will need to reschedule the review of this case for a future date,
244 preferably with the next week or so.
245

246 Ms. Markwood made it clear for the record that the Commission is declaring on record that
247 Ms. Heaton and Ms. Schok have a conflict of interest in this case and this case cannot be
248 heard at this time. She stated there will need to be a meeting scheduled for a later date to
249 review and hear this case. The rescheduled meeting will be held with Ms. Doran, Ms.
250 Markwood, and Mr. Stigen to review and hear the final order and decision in this case.
251

252 Commission members requested more in-depth investigative training to be scheduled for
253 the next REC meeting to include the executive session process.

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The Commission recessed for break at 10:45 a.m.
The Commission reconvened at 11:02 a.m.

Agenda Item 6 – Old Business

Regulation Project – review public comments - 6(a)
12 AAC 64.118 Consumer Disclosure form
12 AAC 64.119 Waiver of Right to be Represented.

Commission members reviewed, discussed the written public comments received for the AK REC Consumer Disclosure, AK REC Consumer Disclosure Addendum and AK REC Waiver of Right to Be Represented and made changes to all forms.

On a motion duly made by Heaton, seconded by Doran, it was,

**Resolved to move forward with the discussed changes to the 3 forms:
AK REC Consumer Disclosure form - 08-4145,
AK REC Consumer Disclosure Addendum - 08-4145a and;
the AK REC Waiver of Right to Be Represented - 08-4212, as
previously noticed.**

Roll call vote: Doran – yes, Heaton-yes; Schok -yes; Stigen – absent, and Markwood – yes.

On a motion duly made by Doran, seconded by Heaton, it was,

**Resolved move the 3 amended forms,
AK REC Consumer Disclosure form - 08-4145,
AK REC Consumer Disclosure Addendum - 08-4145a, and;
the AK REC Waiver of Right to Be Represented - 08-4212, out for
public comment for a 10-day period, written comment only.**

Roll call vote: Doran – yes, Heaton-yes; Schok -yes; Stigen – absent, and Markwood – yes.

12 AAC 64.930 Property Disclosure form and revised regulation

Commission members reviewed, discussed the written public comments received for the SOA Residential Real Property Transfer Disclosure Statement and made changes.

On a motion duly made by Heaton, seconded by Schok, it was,

**Resolved to precede with changes, as discussed, to the SOA
Residential Real Property Transfer Disclosure Statement – 08-4229,
Exemption for First Sale- 08-4229a, and the Waiver by Agreement –
08-4229b forms, as previously noticed.**

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Roll call vote: Doran – yes, Heaton-yes; Schok -yes; Stigen – absent, and Markwood – yes.

On a motion duly made by Schok, seconded by Heaton, it was,

Resolved to move changes to the SOA Residential Real Property Transfer Disclosure Statement 08-4229, Exemption for First Sale- 08-4229a, and the Waiver by Agreement – 08-4229b forms, out for public comment for a 10-day period, written comment only.

Roll call vote: Doran – yes, Heaton-yes; Schok -yes; Stigen – absent, and Markwood – yes.

The Commission recessed for break at 1:10 p.m.
The Commission reconvened at 1:23 p.m.

Agenda Item 5 – Division Update

Revenue/Expenditure Report, FY23/4th Qtr – 5(a)

Melissa Dumas, Administrative Operations Manager for the Division of Corporations, Business, and Professional Licensing, presented to the Commission the Revenue and Expenditures report for the FY2023 4th quarter. She stated the current revenue was \$236,029. Expenditures totals were as follows: There were non-investigative expenditures of 177,832 and investigative expenditures of \$215,431, for a total of \$398,263 direct expenditures. There were in- direct expenditures of \$203,101, (this includes internal administration, department, and statewide costs), leaving the total expenditures at \$596,364. There was a total ending cumulative surplus of \$960,070.

Future Regulations – 6(b)

Ms. Harris addressed the Commission about some possible topics for regulation changes or create new regulations for some issues that have been going on with REC staff and/or what has been brought forward from the industry. Those topics are:

- Office change process including:
 - Change of broker and associate broker of office
 - Change of office name
 - Change of ownership of an office
 - Change of ownership of an office with a non-licensed or salesperson as owner
 - Office requirements, location, shared office space
 - Audit of offices, mailing and physical address is out of state
- Audit of E & O Insurance
- Broker Supervision, licensee not responding to customers/clients
- Transaction coordinators
- HOA/Community Associations

The Commission would like to have a separate work meeting to go over these topics to see how they would like to proceed to include the public.

350 FY 2023/2024 Strategic Plan- update – 6(c)

351 Ms. Harris gave an update on the 2023/2024 REC strategic plan. She stated the items
352 that were completed since the last meeting and can be deleted from the strategic plan is
353 the recommendation of DCE topics and guidelines for 2024-2026 and the Airbnb questions
354 that were answered by DOL. Pending items are the form revisions that will go out again for
355 public comment, the review of regulation 12 AAC 64.064(g) regarding post licensing
356 education,, payment of commission/EM through title companies and the fee analysis that
357 will be revisited the next year or so.

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360 **Agenda Item 7 – New Business**

361 2024 Meeting Dates – 7(a)

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363 The meeting dates for 2024 that the Commission members agreed on are:

364 March 20

365 June 19

366 September 17 – possible in-person meeting

367 December 18

368

369

370 **Agenda Item 8 – Executive Administrator’s Report**

371 Licensing/Education Report/ Statistics – 8(a)

372 Mr. Givens presented the licensing report for December 14, 2023, to the Commission. He
373 reported that between August 24, 2023, through November 22, 2023, there were 87 new
374 licenses issued; 3,035 active licensees, 3,324 total number of licensees with an 1/31/2024
375 expiration date; 83 inactive licensees; 68 lapsed licenses due to non-compliance of PLE;
376 62 transfers; 66 licensees completed their PLE requirements and 150 licensees in a
377 license returned status.

378

379 Mr. Givens presented the education report for December 14, 2023. He reported that as of
380 November 22, 2023, for courses currently approved there were 12 pre-licensing courses; 4
381 broker upgrade courses; 443 the elective (ECE) and 123 designated (DCE) courses and
382 77 Post Licensing courses with a total of 515 approved courses. There were 9 initial
383 courses approved between 9/22/23 and 11/27/23.

384

385 There are a total of 107 instructors. There were 2 new instructors, Cristy Nugent, and
386 Heather McCarthy both from Anchorage, since the last report and no temporary
387 instructors.

388

389 Recovery Fund Balance Report – 8(b)

390 Ms. Harris presented the Recovery Fund Report for the 4th quarter, ending June 30, 2023.
391 The Commission received a total of \$141,104 for license fees processed for the year and
392 \$74,052 total expenditures for the year. The beginning year balance was \$317,389 and
393 the end of year fund balance of \$384,741.

394

395

396 **Agenda Item 9 – Commission Member Comments & Questions**

397 Ms. Heaton said it was a good meeting and appreciates everyone time. She said it is an
398 arduous process going through the form revisions, but she said we are getting close and
399 the changes the Commission made today are good. Hopefully, we will get more comments
400 so that it will make these forms better but maybe not so much as it would have to go out
401 for public comment again. She would like these changes to move forward so that we can

402 use the revised forms. She is excited about the work session so that we will be able to
403 work out some of these topics like broker supervision.

404
405 Ms. Schok said it was a good meeting and she is looking forward to the new year.
406

407 Ms. Doran said she appreciates Ms. Coan and Ms. Buchholz for their comments and
408 sticking with the form revision to the end of the meeting.
409

410 Ms. Markwood said there was a lot accomplished at this meeting today and appreciates
411 everyone's hard work. These regulations have been in process since 2021 and she is
412 hoping the Regulation Specialist will get this regulation project moving forward a bit faster.
413 She is excited for the industry to see the changes. She thanked the Commission members
414 for their hard work. There have been a lot of investigations and those have been moved
415 through since the last meeting and she said appreciates that. She is also excited for the
416 work meeting and to address some of those topics and receive industry input. She said
417 she is grateful for all the Commission members and appreciates their service to the
418 industry.
419

420

421 **Adjournment**

422

423 **On a motion made by Schok, seconded by Doran, it was,**

424

425 **Resolved to adjourn the meeting.**

426

427 **No objections: Motion passed.**

428

429

430 Meeting adjourned at 2:30 pm.

431

432 Next meeting: March 20, 2024.

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Prepared and submitted by:
Real Estate Commission Staff

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Approved:

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Cheryl Markwood
REC Chairperson
Alaska Real Estate Commission

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December 21, 2023

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2 STATE OF ALASKA
3 DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT
4 DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING
5

6 **REAL ESTATE COMMISSION**
7 **MEETING MINUTES**
8 **Teleconference**
9

10 **December 21, 2023**
11

12 "These draft minutes were prepared by the staff of the Division of Corporations, Business
13 and Professional Licensing. They have not been reviewed or approved by the
14 Commission. By the authority of AS 08.01.070(2), and in compliance with the provisions of
15 AS 44.62, Article 6, Teleconference for the Real Estate Commission was held Thursday,
16 December 21, 2023, Anchorage, Alaska via Zoom.
17

18 **Thursday, December 21, 2023**

19 **Agenda Item 1 - Call to Order**

20 Chairperson Cheryl Markwood, called the meeting to order at 11:03 a.m., at which time a
21 quorum was established.
22

23 **Agenda Item 1(a) – Roll Call**

24 **Members Present via Zoom**

25 Cheryl Markwood, Broker, Broker at Large, Chairperson
26 Devon Doran, Broker, 3rd Judicial District
27 Chad Stigen, Associate Broker, Broker at Large
28 Elizabeth Schok, Associate Broker, 4th Judicial District
29

30 **Members Absent**

31 Traci Heaton, Associate Broker, 1st Judicial District, Vice Chairperson
32

33 **Staff Present:**

34 Nancy Harris, Executive Administrator, REC
35 Kerry Givens, Project Assistant, REC
36

37 **Guests Present via Zoom:**

38 Judge Christopher Kennedy, ALJ, Anchorage
39 Jerry Lymburner, Broker, Powered by Lymburner, LLC
40

41 **Agenda Item 1(b) - Approval of 12/21 Agenda**

42 Commission members reviewed the agenda as presented.
43

On a motion made by Doran, seconded by Schok, it was,

**Resolved to approve the December 21, 2023, teleconference meeting
agenda as presented.**

44
45 **No objections. Motion passed.**
46
47

48 **Agenda Item 2 –License Matter**

49 **Agenda Item 2(a) – Final Decision and Order in Case No 22-0784-REC/2021-000267**
50

51 Ms. Schok had a conflict of interest as the reviewing member and abstained from
52 executive session and from voting on this agenda item.

53
54 Commission members that will vote on this matter are Ms. Markwood, Ms. Doran, and Mr.
55 Stigen.

56
57 *At the request of Administration, members are required to disclose a conflict of interest, if*
58 *a conflict of interest is found, those members would abstain from voting and cannot be in*
59 *attendance in the executive session. However, if there is a question of quorum, the*
60 *recusing Commission member should stay in the waiting room via Zoom and be present*
61 *for the motion to keep quorum.*

62
63 The Commission went into executive session to discuss the Final Decision and Order.

64
65
66 **On a motion duly made by Stigen, seconded by Doran, it was,**

67
68 **Resolved to go into executive session to discuss investigative**
69 **matters in the Final Decision and Order for Case No. 22-0784-REC,**
70 **Agency No 2021-000267.**

71
72 **Roll call vote:** Doran- yes, Heaton – absent, Schok – yes, Stigen – yes, Markwood- yes.

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75 *Commission went into executive session at 11:07 a.m.*
76 *Out of executive session at 11:52 a.m.*

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79 **On a motion made by Doran, seconded by Stigen, it was,**

80
81 **Resolved to approve the proposed decision in Case No. 22-0784-REC,**
82 **Agency No 2021-000267.**

83
84 **Roll call vote:** Schok – abstained, Heaton – absent, Stigen – yes, Doran-yes, and
85 Markwood- yes.

86
87
88 *The Final Decision and Order has been adopted by the Commission in Case No. 22-0784-*
89 *REC, Agency No. 2021-000267.*

90
91
92 **Adjournment**

93
94 **On a motion made by Doran, seconded by Stigen, was,**

95
96 **Resolved to adjourn the meeting.**

97
98 **No objections: Motion passed.**

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Real Estate Commission
Education Committee Teleconference -
Meeting Minutes
December 21, 2023
Page 3 of 3

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Meeting adjourned at 11:54 a.m.

Prepared and submitted by:
Real Estate Commission Staff

Approved:

Cheryl Markwood
REC Chairperson
Alaska Real Estate Commission

DRAFT

January 26, 2024

1
2 STATE OF ALASKA
3 DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT
4 DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING
5

6 REAL ESTATE COMMISSION
7 MEETING MINUTES
8 Teleconference
9

10 January 26, 2024
11

12 "These draft minutes were prepared by the staff of the Division of Corporations, Business
13 and Professional Licensing. They have not been reviewed or approved by the
14 Commission. By the authority of AS 08.01.070(2), and in compliance with the provisions of
15 AS 44.62, Article 6, Teleconference for the Real Estate Commission was held Friday,
16 January 26, 2024, Anchorage, Alaska via Zoom.
17

18 **Friday, January 26, 2024**

19 **Agenda Item 1 - Call to Order**

20 Chairperson Cheryl Markwood, called the meeting to order at 9:07 a.m., at which time a
21 quorum was established.
22

23 **Agenda Item 1(a) – Roll Call**

24 **Members Present via Zoom**

25 Cheryl Markwood, Broker, Broker at Large, Chairperson
26 Traci Heaton, Associate Broker, 1st Judicial District, Vice Chairperson
27 Devon Doran, Broker, 3rd Judicial District
28 Chad Stigen, Associate Broker, Broker at Large
29 Elizabeth Schok, Associate Broker, 4th Judicial District
30

31 **Staff Present:**

32 Nancy Harris, Executive Administrator, REC
33 Kerry Givens, Project Assistant, REC
34 Julienne Kim, Paralegal/Investigator, CBPL
35

36 **Guests Present via Zoom:**

37 Judge Danika Swanson, ALJ, DOL, Juneau
38

39 **Agenda Item 1(b) - Approval of 1/26 Agenda**

40 Commission members reviewed the agenda as presented.
41

On a motion made by Schok, seconded by Doran, it was,

**Resolved to approve the January 26, 2024, teleconference meeting
agenda as presented.**

42
43 **No objections. Motion passed.**
44
45

46 **Agenda Item 2 –License Matters**

47 **Agenda Item 2(a) – Request for Reconsideration**

48 **Order of Default dated December 15, 2023, Dustin L Lorah, Case No. 2022-000981**
49

50 Ms. Heaton disclosed that she had a conflict of interest as the reviewing member.

51

52 *At the request of Administration, the reviewing members are required to disclose a conflict*
53 *of interest, abstain from voting and cannot be in attendance in the executive session.*

54

55 The Commission went into executive session to discuss the request for reconsideration.

56

57 **On a motion duly made by Stigen, seconded by Schok, it was,**

58

59 **Resolved to go into executive session to discuss investigative**
60 **matters.**

61

62 **No objections. Motion passed.**

63

64

65 *Commission went into executive session at 9:12 a.m.*

66 *Out of executive session at 9:21 a.m.*

67

68

69 **On a motion made by Doran, seconded by Stigen, it was,**

70

71 **Resolved to deny the reconsideration request of the Order of Default**
72 **in Case No. 2022-000981 regarding Dustin L. Lorah.**

73

74 **Roll call vote:** Schok – yes, Stigen – yes, Doran-yes, Markwood- yes, Heaton-
75 abstained.

76

77 The Commission denied the Request for Reconsideration in Case No. 2022-000981
78 regarding Dustin L. Lorah.

79

80

81 Agenda Item 2(b) Decision for Final Action:

82 Matter of Doran Jeffrey Post, OAH No. 23-0494-REC

83

84 Ms. Markwood had a conflict of interest as the reviewing member. She passed the gavel to
85 the Vice Chair, Traci Heaton, to precede with teleconference and abstained from executive
86 session and voting on this agenda item.

87

88 Ms. Heaton proceeded to conduct meeting as Vice Chair and asked for a motion to go into
89 executive session.

90

91 Ms. Markwood left the meeting at 9:22 am. a quorum was maintained with Ms.
92 Markwood's absence.

93

94 The Commission went into executive session to discuss the Decision for Final Action in
95 the Matter of Doran Post.

96

97

98 **On a motion duly made by Schok, seconded by Stigen, it was,**

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100 **Resolved to go into executive session to discuss investigative**

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matters.

Roll call vote: Heaton- yes, Schok – yes, Stigen – yes, Doran-yes, Markwood-absent.

Commission went into executive session at 9:23 a.m.

Out of executive session at 9:52 a.m.

On a motion made by Schok, seconded by Doran, it was,

Resolved to adopt the Final Action in the matter of Doran Jeffrey Post OAH No. 23-0494-REC.

Roll call vote: Heaton- yes, Schok – yes, Stigen – yes, Doran-yes, Markwood-absent.

The Final Action was adopted by the Commission in the matter of Doran Jeffrey Post OAH No. 23-0494-REC.

Agenda Item 3 – Adjournment

On a motion made by Doran, seconded by Stigen, was,

Resolved to adjourn the meeting.

No objections: Motion passed.

Meeting adjourned at 9:53 a.m.

Prepared and submitted by:
Real Estate Commission Staff

Approved:

Cheryl Markwood
REC Chairperson
Alaska Real Estate Commission

Investigations

Investigative Report



THE STATE
of **ALASKA**

Department of Commerce, Community,
and Economic Development

DIVISION OF CORPORATIONS, BUSINESS AND
PROFESSIONAL LICENSING

550 West Seventh Avenue, Suite 1500
Anchorage, AK 99501-3567
Main: 907.269.8160
Fax: 907.269.8156

MEMORANDUM

DATE: March 04, 2024
TO: Real Estate Commission
THRU: Erika Prieksat, Chief Investigator *EP*
FROM: Anna Gabriel, Investigator
RE: Investigative Report for the March 20, 2024 Meeting

The following information was compiled as an investigative report to the Board for the period of November 29, 2023 thru March 04, 2024; this report includes cases, complaints, and intake matters handled since the last report.

Matters opened by the Paralegals in Anchorage and Juneau, regarding continuing education audits and license action resulting from those matters are covered in this report.

OPEN - 32

<u>Case Number</u>	<u>Violation Type</u>	<u>Case Status</u>	<u>Status Date</u>
REAL ESTATE ASSOCIATE BROKER			
2022-001045	Violation of licensing regulation	Complaint	10/24/2022
2022-001078	Violation of licensing regulation	Complaint	11/07/2022
2022-001082	Violation of licensing regulation	Complaint	11/08/2022
2023-001006	Violation of licensing regulation	Complaint	10/10/2023
2021-000231	Advertising	Investigation	03/08/2023
REAL ESTATE BROKER			
2021-001096	Violation of licensing regulation	Complaint	12/15/2021
2023-000012	Violation of licensing regulation	Complaint	01/10/2023
2023-000278	Violation of licensing regulation	Complaint	04/11/2023

2023-001146	Violation of licensing regulation	Complaint	11/27/2023
2021-000185	Violation of licensing regulation	Investigation	03/08/2023
2022-000087	Unlicensed practice or activity	Investigation	11/15/2023
2022-000468	Violation of licensing regulation	Investigation	02/01/2024

REAL ESTATE SALESPERSON

2022-001076	Violation of licensing regulation	Complaint	11/07/2022
2022-001077	Violation of licensing regulation	Complaint	11/07/2022
2022-001171	Violation of licensing regulation	Complaint	12/14/2022
2023-000274	Violation of licensing regulation	Complaint	04/21/2023
2023-000277	Violation of licensing regulation	Complaint	04/07/2023
2023-000649	Violation of licensing regulation	Complaint	07/17/2023
2023-000699	Violation of licensing regulation	Complaint	07/24/2023
2023-000722	Violation of licensing regulation	Complaint	07/26/2023
2023-000757	Violation of licensing regulation	Complaint	08/08/2023
2023-000836	Violation of licensing regulation	Complaint	08/10/2023
2023-000904	Violation of licensing regulation	Complaint	08/26/2023
2023-001058	Violation of licensing regulation	Complaint	11/07/2023
2023-001059	Violation of licensing regulation	Complaint	10/18/2023
2023-001066	Violation of licensing regulation	Complaint	10/20/2023
2023-000309	License Application Problem	Monitor	01/04/2024
2022-000394	Violation of licensing regulation	Investigation	12/06/2023
2022-000473	Violation of licensing regulation	Investigation	11/14/2023
2022-000732	Violation of licensing regulation	Investigation	01/04/2024
2022-000921	Violation of licensing regulation	Investigation	02/04/2024
2022-000981	Continuing education	Investigation	02/17/2023

Closed - 18

<u>Case #</u>	<u>Violation Type</u>	<u>Case Status</u>	<u>Closed</u>	<u>Closure</u>
2024-000054		Closed-Intake	02/23/2024	Incomplete Complaint

**REAL ESTATE ASSOCIATE
BROKER**

2021-000465	Violation of licensing regulation	Closed-Complaint	01/22/2024	No Action - Lack of Jurisdiction
2022-000445	Violation of licensing regulation	Closed-Complaint	12/12/2023	No Action - No Violation

REAL ESTATE BROKER

2020-000224	Criminal action - no conviction	Closed-Complaint	02/20/2024	No Action - No Violation
2021-000772	Violation of licensing regulation	Closed-Complaint	12/21/2023	No Action - No Violation
2022-000900	Violation of licensing regulation	Closed-Complaint	02/14/2024	No Action - No Violation
2023-000860	Violation of licensing regulation	Closed-Complaint	12/11/2023	No Action - Lack of Jurisdiction
2021-000267	Violation of licensing regulation	Closed-Investigation	12/22/2023	No Action - No Violation
2022-000970	Falsified application	Closed-Investigation	03/01/2024	No Action - No Violation
2022-001067	Continuing education	Closed-Investigation	12/20/2023	License Action
2023-000946	Violation of licensing regulation	Closed-Investigation	01/04/2024	Advisement Letter

REAL ESTATE SALESPERSON

2023-000603	Violation of licensing regulation	Closed-Complaint	12/05/2023	No Action - Lack of Jurisdiction
2020-000015	Fraud or misrepresentation	Closed-Investigation	01/29/2024	License Action
2020-000077	Fraud or misrepresentation	Closed-Investigation	12/19/2023	License Action
2021-000269	License Application Problem	Closed-Investigation	12/19/2023	License Action
2021-000519	Fraud or misrepresentation	Closed-Investigation	01/29/2024	License Action
2022-000254	Violation of licensing regulation	Closed-Investigation	01/29/2024	License Action
2022-000719	Violation of licensing regulation	Closed-Investigation	12/05/2023	Advisement Letter

END OF REPORT

Investigative Training
****Executive Session****

Division Update

Revenue/Expenditure Report
FY24, 1st & 2nd Quarter

Department of Commerce Community, and Economic Development
Corporations, Business and Professional Licensing

Summary of All Professional Licensing
Schedule of Revenues and Expenditures

Real Estate Commission	FY 18			FY 19			Biennium			FY 20			FY 21			Biennium			FY 22			FY 23			Biennium			FY 24 1st & 2nd QTR	
Revenue																													
Revenue from License Fees	\$	766,875	\$	282,453	\$	1,049,328	\$	618,451	\$	325,590	\$	944,041	\$	820,700	\$	228,875	\$	1,049,575	\$	176,875									
General Fund Received								\$	-				\$	17,842	\$	4,654				\$	-								
Allowable Third Party Reimbursements								\$	-				\$	-	\$	2,500				\$	-								
TOTAL REVENUE	\$	766,875	\$	282,453	\$	1,049,328	\$	618,451	\$	325,590	\$	944,041	\$	838,542	\$	236,029	\$	1,074,571	\$	176,875									
Expenditures																													
Non Investigation Expenditures																													
1000 - Personal Services		115,076		120,856		235,932		65,350		113,092		178,442		129,521		171,009		300,530		73,891									
2000 - Travel		15,632		5,036		20,668		3,046		-		3,046		-		1,569		1,569		6,903									
3000 - Services		13,683		9,813		23,496		19,306		4,687		23,993		12,219		5,254		17,473		11,554									
4000 - Commodities		649		-		649		-		-		-		16		-		16		-									
5000 - Capital Outlay		-		-		-		-		-		-		-		-		-		-									
Total Non-Investigation Expenditures		145,040		135,705		280,745		87,702		117,779		205,481		141,756		177,832		319,588		92,348									
Investigation Expenditures																													
1000-Personal Services		51,422		83,598		135,020		93,884		97,209		191,093		98,726		110,246		208,972		46,745									
2000 - Travel		-		-		-		2,078		-		2,078		-		9,100		9,100		2,538									
3023 - Expert Witness		-		-		-		-		450		450		-		-		-		2,975									
3088 - Inter-Agency Legal		646		530		1,176		1,692		43,125		44,817		23,415		70,918		94,333		39,867									
3094 - Inter-Agency Hearing/Mediation		-		3,689		3,689		-		2,799		2,799		6,467		23,142		29,609		14,278									
3000 - Services other		-		958		958		1,010		390		1,400		517		1,967		2,484		485									
4000 - Commodities		-		-		-		-		-		-		106		58		164		30									
Total Investigation Expenditures		52,068		88,775		140,843		98,664		143,973		242,637		129,231		215,431		344,662		106,919									
Total Direct Expenditures		197,108		224,480		421,588		186,366		261,752		448,118		270,987		393,263		664,250		199,267									
Indirect Expenditures																													
Internal Administrative Costs		108,746		110,362		219,108		108,667		101,425		210,092		112,583		124,346		236,929		62,173									
Departmental Costs		53,154		57,353		110,507		37,533		39,972		77,505		46,517		48,168		94,685		24,084									
Statewide Costs		18,608		20,811		39,419		20,978		28,864		49,842		28,689		30,587		59,276		15,294									
Total Indirect Expenditures		180,508		188,526		369,034		167,178		170,261		337,439		187,789		203,101		390,890		101,551									
TOTAL EXPENDITURES	\$	377,616	\$	413,006	\$	790,622	\$	353,544	\$	432,013	\$	785,557	\$	458,776	\$	596,364	\$	1,055,140	\$	300,818									
Cumulative Surplus (Deficit)																													
Beginning Cumulative Surplus (Deficit)	\$	523,449	\$	912,708	\$	782,155	\$	1,047,062	\$	940,639	\$	1,320,405	\$	960,070															
Annual Increase/(Decrease)		389,259		(130,553)		264,907		(106,423)		379,766		(360,335)		(123,943)															
Ending Cumulative Surplus (Deficit)	\$	912,708	\$	782,155	\$	1,047,062	\$	940,639	\$	1,320,405	\$	960,070	\$	836,127															
Statistical Information																													
Number of Licenses for Indirect calculation		4,129		4,041		3,771		3,680		4,062		4,317																	
Additional information:																													
<ul style="list-style-type: none"> • General fund dollars were received in FY21-FY23 to offset increases in personal services and help prevent programs from going into deficit or increase fees. • Most recent fee change: Fee reduction FY23 • Annual license fee analysis will include consideration of other factors such as board and licensee input, potential investigation load, court cases, multiple license and fee types under one program, and program changes per AS 08.01.065. 																													

Appropriation Name (Ex)	(Multiple Items)
Sub Unit	(All)
PL Task Code	REC1

Sum of Budgetary Expenditures Object Name (Ex)	Object Type Name (Ex)				Grand Total
	1000 - Personal Services	2000 - Travel	3000 - Services	4000 - Commodities	
1011 - Regular Compensation	64,679.25				64,679.25
1014 - Overtime	9.34				9.34
1016 - Other Premium Pay	27.24				27.24
1021 - Allowances to Employees	154.93				154.93
1023 - Leave Taken	9,487.94				9,487.94
1028 - Alaska Supplemental Benefit	4,553.05				4,553.05
1029 - Public Employee's Retirement System Defined Benefits	9,039.59				9,039.59
1030 - Public Employee's Retirement System Defined Contribution	2,024.07				2,024.07
1034 - Public Employee's Retirement System Defined Cont Health Reim	1,380.55				1,380.55
1035 - Public Employee's Retirement Sys Defined Cont Retiree Medical	385.55				385.55
1037 - Public Employee's Retirement Sys Defined Benefit Unfnd Liab	5,771.86				5,771.86
1040 - Group Health Insurance	19,802.40				19,802.40
1041 - Basic Life and Travel	17.82				17.82
1042 - Worker's Compensation Insurance	504.81				504.81
1047 - Leave Cash In Employer Charge	1,713.27				1,713.27
1048 - Terminal Leave Employer Charge	1,186.39				1,186.39
1053 - Medicare Tax	1,030.33				1,030.33
1077 - ASEA Legal Trust	50.88				50.88
1079 - ASEA Injury Leave Usage	9.47				9.47
1080 - SU Legal Trst	11.28				11.28
1970 - Personal Services Transfer	(1,203.90)				(1,203.90)
2000 - In-State Employee Airfare			597.87		597.87
2001 - In-State Employee Surface Transportation			81.00		81.00
2003 - In-State Employee Meals and Incidentals			210.00		210.00
2004 - In-State Empl Non-Reportable Reimburse / Mileage Pymt			25.00		25.00
2005 - In-State Non-Employee Airfare			563.37		563.37
2007 - In-State Non-Employee Lodging			229.00		229.00
2008 - In-State Non-Employee Meals and Incidentals			111.26		111.26
2010 - In-State Non-Employee Non-Taxable Reimbursement			41.38		41.38
2012 - Out-State Employee Airfare			2,389.90		2,389.90
2013 - Out-State Employee Surface Transportation			179.64		179.64
2014 - Out-State Employee Lodging			2,511.55		2,511.55
2015 - Out-State Employee Meals and Incidentals			467.87		467.87
2017 - Out-State Non-Employee Airfare			535.58		535.58
2019 - Out-State Non-Employee Lodging			1,135.05		1,135.05
2020 - Out-State Non-Employee Meals and Incidentals			308.00		308.00
2022 - Out-State Non-Employee Non-Taxable Reimbursement			54.62		54.62
3000 - Training/Conferences				2,680.00	2,680.00
3002 - Memberships				1,560.00	1,560.00
3023 - Expert Witness				2,975.00	2,975.00
3035 - Long Distance				10.51	10.51
3044 - Courier				56.96	56.96
3046 - Advertising				672.96	672.96
3057 - Structure, Infrastructure and Land - Rentals/Leases				113.84	113.84
3088 - Inter-Agency Legal				45,119.63	45,119.63
3094 - Inter-Agency Hearing/Mediation				15,970.50	15,970.50
4005 - Subscriptions				30.00	30.00
Grand Total	120,636.12	9,441.09	69,159.40	30.00	199,266.61

Old Business

Regulation Project - Update

FY2024 Strategic Plan - update

2024 ALASKA REAL ESTATE COMMISSION STRATEGIC PLAN

The Commission recognizes we have a very small, yet extremely competent staff for the number of licensees we oversee, and to assist affected consumers. We have every confidence that the Executive Administrator, Project Assistant, and REC Investigator will all support us in reaching our goals.

Guiding Principle	Objective How will we meet this guiding principle?	Who will complete this task?	Status/Notes
1. Protect the Consumer/Inform Licensees	<p>Teams on Consumer Disclosure Propose changes to the regulation 12 AAC 64.118, Consumer Disclosure with regards to teams.</p> <p>Review the proposed regulations when in front of Commission again regarding the Consumer Disclosure to see if a licensee can transition from representation back to specific assistance? Can you still represent the seller and provide specific assistance to the buyer when your previous relationship was representation? Or is the only path neutral?</p>	Commission Schok & Heaton to provide information to staff	<p>In progress, Commission took no action on revised form at 12/9/22. Discussed and approved new revised form at 6/15/23 meeting to go out for public comment. 11/24/23- Public comment expires 12/8/23, reviewed and made changes to form at 12/14 meeting.</p> <p>Will go out for a 10-day public comment period.</p>
2. Commission Business/Inform Licensees	To review and revise 12 AAC 64.064 (g). Education requirements after initial licensure regarding broker/associate broker completion of post licensing education. Review regulations in other areas in the regulations that may also need revision, due to changes, endorsement and offices.	Commissioner Doran and Committee	In progress, Commissioner Duran volunteered to work on revisions, will bring to Commission to discuss a REC meeting.
3. Commission Business/Inform Licensees	Payment of commissions/EM through title company's	Commissioners & Staff	
4. Commission Business/Inform Licensees	Through the Department, review upcoming licensing renewal cycle fee adjustment, as to conform with the recovery fund balance for 2024-2026	Commissioners & Staff	To be completed @ March or June REC meeting.
5. Commission Business/Inform Licensees	Regulation Project – 12 AAC 64.930 form and revision of regulation verbiage.		In process - Reviewed public comments and made changes at 12/14/23 meeting. Will go out for 10-day public comment period.
6. Protect the Consumer/Inform Licensee	<ul style="list-style-type: none"> • Broker Supervision to strengthen the standards within the real estate industry regarding broker supervision and offices. • To define and review the regulations pertaining to broker supervision. • To define and review brokerage offices. -to be completed in a committee. 	T Heaton- Committee Chair D Doran – Committee Co-chair	

Last Edited 2/28/24

2024 ALASKA REAL ESTATE COMMISSION STRATEGIC PLAN

The Commission recognizes we have a very small, yet extremely competent staff for the number of licensees we oversee, and to assist affected consumers. We have every confidence that the Executive Administrator, Project Assistant, and REC Investigator will all support us in reaching our goals.

Guiding Principle	Objective How will we meet this guiding principle?	Who will complete this task?	Status/Notes
7. Protect the Consumer/Inform Licensee	<p>Possible new/revised regulations. Topics to consider:</p> <ul style="list-style-type: none"> • Office change process, including: • Change of broker and AB in an office • Change of office name • Change of ownership of an office • How to deal with an office change what there is a change of broker by owner when the owner is not a licensed broker or does not hold a license • Audit of E & O Insurance • Broker supervision, licensees not responding to customers/clients. • Transaction coordinators • HOA/Community Associations • Trusts Accounts • Audit of offices – physical address/location 	Commission to have work session meeting, open to public for public comment	

Last Edited 2/28/24

Work Meeting –
Regulations, FAQs, Best Practices

Select a date/time

State of Alaska 2024 HOLIDAY CALENDAR

State Holidays

Date	Holiday
01/01/2024	New Year's Day
01/15/2024	MLK Jr.'s Birthday
02/19/2024	Presidents' Day
03/25/2024	Seward's Day
05/27/2024	Memorial Day
07/04/2024	Independence Day
09/02/2024	Labor Day
10/18/2024	Alaska Day
11/11/2024	Veterans' Day
11/28/2024	Thanksgiving Day
12/25/2024	Christmas Day

Please refer to appropriate collective bargaining unit agreement for more information regarding holidays.

XX Holiday



JANUARY

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

JULY

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

FEBRUARY

S	M	T	W	T	F	S
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4	5	6	7	8	9	10
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18	19	20	21	22	23	24
25	26	27	28	29		

AUGUST

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25	26	27	28	29	30	31

MARCH

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SEPTEMBER

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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

APRIL

S	M	T	W	T	F	S
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7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

OCTOBER

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

MAY

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

NOVEMBER

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

JUNE

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

DECEMBER

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

New Business

Letter of Support of the REC
HB314/SB225



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community,
and Economic Development

ALASKA REAL ESTATE COMMISSION

550 West 7th Avenue, Suite 1500
Anchorage, Alaska 99501-3567
Main: 907.269.8162
Fax: 907.269.8156

February 20, 2024

The Honorable Jesse Bjorkman
Chair, Senate Labor & Commerce Committee
Alaska State Capitol, Room 9
Juneau, Alaska 99801

The Honorable Jesse Sumner
Chair, House Labor & Commerce Committee
Alaska State Capitol, Room 421
Juneau, Alaska 99801

RE: Support for HB 314 & SB 225 – Occupational Licensing Fees

Dear Chair Bjorkman and Chair Sumner,

The Alaska Real Estate Commission supports HB 314 and SB 225 introduced by Governor Dunleavy.

This legislation would remove investigation, hearing, and legal costs from the regulatory costs that must currently be covered by professional license fees due to AS 08.01.065. As a result, law-abiding professional licensees would no longer have to pay fees to cover the costs of the investigation of professionals potentially violating Alaska laws or individuals operating without a license. This is a change that would better support Alaska's licensed professionals, including real estate brokers, associate brokers, and salespersons.

Sincerely,

A handwritten signature in blue ink, appearing to read "C. Markwood".

Cheryl Markwood, Chair
Alaska Real Estate Commission

Disciplinary Matrix – review Advertising

REAL ESTATE COMMISSION DISCIPLINARY SANCTIONS MATRIX

Category	Type of License Affected	Description of Violation	Authority	Disciplinary Sanctions
Advertising	Broker	Making, authorizing, directing, or aiding in the publication, distribution, or circulation of a false statement or misrepresentation concerning the licensee's business or real estate offered for sale, rent, or lease or concerning an association being managed	AS 08.88.071(a)(3)(D);	1 st or MINOR Offense: - Letter of Advisement or up to \$500 Imposition of Civil Fine
	Associate Broker		AS 08.88.291(a);	
	Salesperson	Failure to maintain a sign at the offices registered with the Commission	AS 08.88.301;	2 nd + or SERIOUS Offense: - Consent Agreement: - Up to \$5,000 Fine - Up to 1 Year Probation - Suspension*
			AS 08.88.311(b);	
		Failure to include brokerage name in any form of advertisement	AS 08.88.381;	- Up to 9 Hours Education - Reprimand
			AS 08.88.401(c);	
		Advertising a home office or a business/office name that is not registered with the Commission	12 AAC 64.110;	- Revocation*
			12 AAC 64.112;	
			12 AAC 64.120;	
			12 AAC 64.127;	
			12 AAC 64.128(c);	
			12 AAC 64.130(1), (8) & (11)	
Breach of Fiduciary Duty	Broker	Failure to disclose conflicts of interest	AS 08.88.071(a)(3);	1 st or MINOR Offense: - Letter of Advisement or up to \$2,500 Imposition of Civil Fine
	Associate Broker		AS 08.88.071(d);	
	Salesperson	Failure to act within the provisions of the licensee relationships & duties identified in AS 08.88, Article 5 and 12 AAC 64.	AS 08.88.173;	2 nd + or SERIOUS Offense: - Consent Agreement: - Up to \$5,000 Fine - Up to 2 Years Probation - Suspension* - Up to 9 Hours Education - Reprimand
			AS 08.88.175;	
			AS 08.88.341;	- Revocation*
			AS 08.88.391;	
			AS 08.88.396;	
			AS 08.88.600 – 695;	
			12 AAC 64.118;	
			12 AAC 64.119;	
			12 AAC 64.130(1), (3), (6), (9 - 15) & (19);	
			12 AAC 64.550 - 580	

* should be used sparingly & reserved for serious/repeat offender type situations

REAL ESTATE COMMISSION DISCIPLINARY SANCTIONS MATRIX

Category	Type of License Affected	Description of Violation	Authority	Disciplinary Sanctions
Continuing Education	Broker Associate Broker Salesperson	Failure to complete the required 20hrs of continuing education during the applicable renewal cycle, and certifying on the renewal application that the education was completed	AS 08.88.091(d) & (g); 12 AAC 02.960; 12 AAC 02.965; 12 AAC 64.063(f); 12 AAC 64.071(b)(4); 12 AAC 64.500(b), (d) & (j)	<ul style="list-style-type: none"> - Consent Agreement: <ul style="list-style-type: none"> - \$2,500 fine (\$2,000 suspended) + \$50/Hour of Non-Completed CEs - Provide Documentation of Completed Remedial CEs - Mandatory Audit for 2 Renewal Cycles - Reprimand
Criminal Action – No Conviction	Broker Associate Broker Salesperson	Being charged with crime(s) that are a matter of public safety – engaging in conduct of which the Commission did not have knowledge at the time the license was issued & demonstrates unfitness to engage in the business for which they are licensed	AS 08.88.071 (a)(3)(C); 12 AAC 64.130(1), (11) & (15)	<p>Should Only Be Utilized if Public Safety is Concerned:</p> <ul style="list-style-type: none"> - Suspension - Revocation - Other Disciplinary Sanctions via Consent Agreement – not typical
Criminal Action – Conviction	Broker Associate Broker Salesperson	Being found guilty of a felony or other crime committed that affects the ability to practice real estate OR being found guilty of forgery, theft, larceny, embezzlement, obtaining money under false pretenses, extortion, fraud, conspiracy to defraud, or other similar offenses	AS 08.88.071(a)(11); 12 AAC 64.130(1), (5) & (15)	<p>Seriousness of Crime Should be Considered:</p> <ul style="list-style-type: none"> - Consent Agreement: <ul style="list-style-type: none"> - Fine - Probation - Suspension* - Limitations on Practice - Education - Reprimand - Revocation*

REAL ESTATE COMMISSION DISCIPLINARY SANCTIONS MATRIX

Category	Type of License Affected	Description of Violation	Authority	Disciplinary Sanctions
Falsified Application	Broker Associate Broker Salesperson	<p>Procuring a license by deceiving the Commission or aiding another to do so</p> <p>Making a false/fraudulent representation or material misstatement on an application for a license, renewal, exam, or any other material requested under 12 AAC 64.060(b)</p>	<p>AS 08.88.071(a)(3)(B); 12 AAC 64.130(1), (11) & (15); 12 AAC 64.160(a)</p>	<p>Initial Application:</p> <ul style="list-style-type: none"> - Letter of Advisement - Up to \$1,000 Imposition of Civil Fine - Consent Agreement: <ul style="list-style-type: none"> - Up to 2 Years Probation - Up to 2 Hours Education - Reprimand - License Denial <p>Renewal Application:</p> <ul style="list-style-type: none"> - Letter of Advisement - Up to \$1,000 Imposition of Civil Fine - Consent Agreement: <ul style="list-style-type: none"> - Up to 2 Years Probation - Suspension* - Up to 2 Hours Education - Reprimand - Revocation*
Financial Scam	Broker Associate Broker Salesperson	<p>With respect to a real estate transaction, making a substantial misrepresentation; making a false promise; pursuing a flagrant course of misrepresentation or making a false promise through another licensee; or engaging in conduct that is fraudulent or dishonest</p> <p>Making, authorizing, directing, or aiding in the publication, distribution, or circulation of a false statement or misrepresentation concerning a licensee’s business or real state offered for sale, rent, or lease or concerning an association being managed</p>	<p>AS 08.88.071 (a)(3)(A)(i) – (iv); AS 08.88.071(a)(3)(D); AS 08.88.071(a)(3)(F); AS 08.88.401(c); 12 AAC 64.130(1) & (11)</p>	<p>1st or MINOR Offense:</p> <ul style="list-style-type: none"> - Letter of Advisement or up to \$500 Imposition of Civil Fine <p>2nd + or SERIOUS Offense:</p> <ul style="list-style-type: none"> - Consent Agreement: <ul style="list-style-type: none"> - Up to \$10,000 Fine - Up to 5 Years Probation - Suspension* - Up to 20 Hours Education - Reprimand - Revocation*

REAL ESTATE COMMISSION DISCIPLINARY SANCTIONS MATRIX

Category	Type of License Affected	Description of Violation	Authority	Disciplinary Sanctions
Fraud or Misrepresentation	Broker Associate Broker Salesperson	<p>With respect to a real estate transaction, making a substantial misrepresentation; making a false promise; pursuing a flagrant course of misrepresentation or making a false promise through another licensee; or engaging in conduct that is fraudulent or dishonest</p> <p>Making, authorizing, directing, or aiding in the publication, distribution, or circulation of a false statement or misrepresentation concerning a licensee’s business or real estate offered for sale, rent, or lease or concerning an association being managed</p> <p>An associate broker or salesperson claiming to be a broker</p> <p>Falsely representing to: have been awarded a degree/designation; be a member or affiliate of a professional organization; or be a member of a franchise/other business association</p> <p>Making a false/misleading statement to the Commission regarding an alleged violation, regulations set forth, or qualifications of a licensee</p> <p>Failure to comply with 12 AAC 64.180 – 12 AAC 64.271 or failure to turn over required records to the Commission</p>	<p>AS 08.88.071 (a)(3)(A)(i) – (iv); AS 08.88.071 (a)(3)(D); AS 08.88.071 (a)(3)(F); AS 08.88.401(a); AS 08.88.401(c); AS 08.88.401(f); 12 AAC 64.130(1) & (11); 12 AAC 64.160; 12 AAC 64.260</p>	<p>1st or MINOR Offense: - Letter of Advisement or up to \$2,500 Imposition of Civil Fine</p> <p>2nd + or SERIOUS Offense: - Consent Agreement: - Up to \$10,000 Fine - Up to 5 Years Probation - Suspension* - Up to 20 Hours Education - Reprimand - Revocation*</p>

REAL ESTATE COMMISSION DISCIPLINARY SANCTIONS MATRIX

Category	Type of License Affected	Description of Violation	Authority	Disciplinary Sanctions
Substance Abuse	Broker Associate Broker Salesperson	Engaging in conduct the Commission did not have knowledge of at the time the licensee was licensed, demonstrating the licensee’s unfitness to engage in the business for which the licensee is licensed	AS 08.88.071(a)(3)(C); 12 AAC 64.130(1) & (11)	1 st or MINOR Offense: - Letter of Advisement or up to \$2,500 Imposition of Civil Fine 2 nd + or SERIOUS Offense: - Consent Agreement: - Up to \$5,000 Fine - Up to 18 Months Probation - Suspension* - Limitations on Practice - Quarterly Reports from Therapist, Broker & Licensee - Completion of a Treatment Program - Consume No Controlled Substances/Alcohol - AA/NA Meetings - Reprimand - Revocation*
Supervision	Broker Associate Broker	Failure to provide adequate supervision of the activities of licensees for whom they are responsible	AS 08.88.071; AS 08.88.311(a); 12 AAC 64.078; 12 AAC 64.125; 12 AAC 64.128; 12 AAC 64.130	1 st or MINOR Offense: - Letter of Advisement or up to \$2,500 Imposition of Civil Fine 2 nd + or SERIOUS Offense: - Consent Agreement: - Up to \$5,000 Fine - Up to 18 Months Probation - Suspension* - Up to 10 Hours Education - Reprimand - Revocation*

REAL ESTATE COMMISSION DISCIPLINARY SANCTIONS MATRIX

Category	Type of License Affected	Description of Violation	Authority	Disciplinary Sanctions
Trust Account	Broker	Failure to keep proper trust account ledgers	AS 08.88.351; AS 08.88.401(d); 12 AAC 64.130(3), (7) & (12);	<ul style="list-style-type: none"> - Consent Agreement: <ul style="list-style-type: none"> - Up to \$50,000 Fine - Up to 2 Years Probation - Suspension* - Limitations on Practice - Up to 12 Hours Education - Reprimand - Revocation*
		Paying fees/commissions/other compensation to individuals prohibited from receiving compensation	12 AAC 64.180 – 271; 12 AAC 64.550(c); 12 AAC 64.570(2)(D);	
		Engaging in any other prohibited trust account activity	12 AAC 64.580(4)	
	Associate Broker Salesperson	Failure to provide all monies from a real estate transaction to the brokerage within 5 days	AS 08.88.071(a)(3)(H); AS 08.88.331; 12 AAC 64.130(3), (7) & (12);	
		Paying fees/commissions/other compensation to individuals prohibited from receiving compensation	12 AAC 64.140(2); 12 AAC 64.550(c); 12 AAC 64.570(2)(D); 12 AAC 64.580(4)	
		Engaging in any other prohibited trust account activity		

REAL ESTATE COMMISSION DISCIPLINARY SANCTIONS MATRIX

Category	Type of License Affected	Description of Violation	Authority	Disciplinary Sanctions
Unlicensed Practice	No License Revoked License	Performing/Engaging in activities or offering to perform/engage in activities that requires a real estate license	AS 08.88.161; AS 08.88.165; AS 08.88.167; AS 08.88.401(f)(5); 12 AAC 64.090(e); 12 AAC 64.095(a); 12 AAC 64.905	- Temporary Cease & Desist Order (TCDO) - Up to \$5,000 Fine **reference AS 08.88.167 when considering a fine – not an easy sanction to issue/enforce**
Unlicensed Practice (When License is in a Lapsed, Inactive, or Suspended Status)	Broker Associate Broker Salesperson	Performing/Engaging in activities or offering to perform/engage in activities with a lapsed or inactive license	AS 08.88.071(a)(3); AS 08.88.161; AS 08.88.165; AS 08.88.167; AS 08.88.251(b); AS 08.88.401(f)(5); 12 AAC 64.090(e); 12 AAC 64.095(a); 12 AAC 64.130(1) & (11); 12 AAC 64.140; 12 AAC 64.905	1 st or MINOR Offense: - Letter of Advisement or up to \$2,500 Imposition of Civil Fine 2 nd + or SERIOUS Offense: - Consent Agreement: - Up to \$5,000 Fine - Suspension* - Up to 10 Hours Education - Reprimand Revocation*
Violation of Licensing Regulation		This is a “catch all” category that includes various violations that don’t fit into any other listed category – this type of conduct is variable & not succinct	AS 08.88.011 – 990 12 AAC 64.010 – 990 12 AAC 02.510 - 590	1 st or MINOR Offense: - Letter of Advisement or up to \$2,500 Imposition of Civil Fine 2 nd + or SERIOUS Offense: - Consent Agreement: - Up to \$5,000 Fine - Up to 1 Year Probation - Suspension* - Up to 10 Hours Education - Reprimand - Revocation*

Annual Report FY2024

* Staff will email draft to Commission members

Executive Administrator's Report

Licensing/Education Report

LICENSING REPORT

March 5th, 2024

New Licensees: 11/23/2023 to 3/5/2024	87
Total Number of <u>Active</u> Licensees with 1/31/2026 exp	2775
Total Number of Licensees with 1/31/2026 exp	2788

ACTIVE: 1/31/26 exp	Sept	Dec-23	Mar-24
Broker	413	422	382
Associate Broker	408	405	383
Salesperson	2,214	2,193	2,007
Total Active:	3,035	3,020	2,772

INACTIVE: 1/31/26 exp	Sept	Dec-23	Mar-24
Broker	4	4	0
Associate Broker	10	13	2
Salesperson	57	66	3
Total Inactive:	71	83	5

LAPSED: NON-COMPLIANCE OF PLE w/exp date of 1/31/24	Sept	Dec-23	Mar-24
Broker	0	0	0
Associate Broker	0	0	0
Salesperson	53	68	30
Total:	53	68	30

Initial Licenses issued Qrtly:	Jan-Mar 2023	Apr - June 23	July-Sept 23
	55	64	41
	July-Sept 23	Oct-Dec 23	Jan-Mar 24
	41	44	49

Transfers:	Sept	Dec-23	Mar-24
	81	62	119

PLE Completed:	Sept	Dec-23	Mar-24
	46	66	56

Upgrades:	Endorsement:
1	1

In this reporting period	Sept	Dec-23	Mar-24
License Returned	150	32	54
Probation License	0	0	0
Suspended	0	0	0
Revoked	0	0	0
Surrendered	150	32	54

INACTIVE: 1/31/24 exp	Sept	Dec-23	Mar-24
Broker	2	0	1
Associate Broker	2	1	3
Salesperson	16	3	13
Total Inactive:	20	4	17

LAPSED: 1/31/24 exp	Sept	Dec-23	Mar-24
Broker	1	0	31
Associate Broker	0	0	22
Salesperson	16	19	307
Total Lapsed:	17	19	360

Difference

-40

-22

-186

-248

Difference

-4

-11

-63

-78

Difference

0

0

-38

-38

*includes licensees that are active, inactive, lic rtnd, probation, suspension, surrender, and lapsed (PLE), all with 1/31/2024 expiration date

REC EDUCATION REPORT

March 20th, 2024

(as of 3/6/2024)

<u>Course Type</u>	<u>Currently Approved</u>
Pre-Licensing (SPL)	10
Broker Upgrade Pre-Licensing (BPL)	4
Elective Continuing Education (ECE)	185
Designated Continuing Education (DCE)	56
Post Licensing Education (PLE)	47

Total:
253

Initial courses approved between 11/27/23 and 3/6/2024

25

Approved Instructors expiring 4/1/2025

Permanent	103
<u>New Instructor</u>	3

- Marie Mosley – Naperville, IL
- Ashley Copley - Wasilla
- Terry Bryan - Anchorage

Temporary Instructor 0

Recovery Fund Report

Statement of Net Positions
Real Estate Recovery Fund
December 31, 2023

	Actuals									Projected	
	For the Fiscal Year Ending June 30, 2015	For the Fiscal Year Ending June 30, 2016	For the Fiscal Year Ending June 30, 2017	For the Fiscal Year Ending June 30, 2018	For the Fiscal Year Ending June 30, 2019	For the Fiscal Year Ending June 30, 2020	For the Fiscal Year Ending June 30, 2021	For the Fiscal Year Ending June 30, 2022	For the Fiscal Year Ending June 30, 2023	For the Fiscal Year Ending June 30, 2024	For the Fiscal Year Ending June 30, 2025
ASSETS											
Cash and Investments	\$ 454,264	\$ 465,770	\$ 392,207	\$ 394,514	\$ 277,675	\$ 334,205	\$ 264,101	\$ 317,389	\$ 384,741	\$ 447,758	\$ 432,885
Total Assets	454,264	465,770	392,207	394,514	277,675	334,205	264,101	317,389	384,741	447,758	432,885
LIABILITIES											
Accounts Payable and Accrued Liabilities	7,211	(30)	1,517	(10,691)	11,230	4,857	18,129	19,380	17,614	14,095	17,614
Total Liabilities	7,211	(30)	1,517	(10,691)	11,230	4,857	18,129	19,380	17,614	14,095	17,614
FUND BALANCES											
Reserved for Education and Claims	447,053	465,800	390,691	405,205	266,445	329,348	245,972	298,008	367,126	433,663	415,271
Total Fund Balance	447,053	465,800	390,691	405,205	266,445	329,348	245,972	298,008	367,126	433,663	415,271
Total Liabilities and Fund Balances	\$ 454,264	\$ 465,770	\$ 392,207	\$ 394,514	\$ 277,675	\$ 334,205	\$ 264,101	\$ 317,389	\$ 384,741	\$ 447,758	\$ 432,885
		Average of 6/30/15 & 6/30/16	Average of 6/30/16 & 6/30/17	Average of 6/30/17 & 6/30/18	Average of 6/30/18 & 6/30/19	Average of 6/30/19 & 6/30/20	Average of 6/30/20 & 6/30/21	Average of 6/30/21 & 6/30/22	Average of 6/30/22 & 6/30/23	Average of 6/30/23 & 6/30/24	Average of 6/30/24 & 6/30/25
Average 2 year licensing cycle fund balance:	\$ 460,017	\$ 428,988	\$ 393,361	\$ 336,095	\$ 305,940	\$ 299,153	\$ 290,745	\$ 351,065	\$ 416,249	\$ 440,322	

Note: Per the State Comprehensive Annual Financial Report the State "funds are reported using modified accrual accounting which measures cash and other financial assets that can be readily converted to cash".

Note: The total Liabilities is year to date
For FY24 Liabilities projected using FY22

Statement of Revenues, Expenditures, and Changes in Fund Balances
Real Estate Recovery Fund
Actual for Years Ended June 30, 2015 through December 31, 2023
and
Projected for Fiscal Years Ending June 30, 2024 and June 30, 2025

	Actuals													Projected	
	For the Fiscal Year Ended 6/30/15	For the Fiscal Year Ended 6/30/16	For the Fiscal Year Ended 6/30/17	For the Fiscal Year Ended 6/30/18	For the Fiscal Year Ended 6/30/19	For the Fiscal Year Ended 6/30/20	For the Fiscal Year Ended 6/30/21	For the Fiscal Year Ended 6/30/22	For the Fiscal Year Ended 6/30/23	For the Quarter Ended 9/30/23	For the Quarter Ended 12/31/23	For the Quarter Ended 3/31/24	For the Quarter Ended 6/30/24	For the Fiscal Year Ended 6/30/24	For the Fiscal Year Ended 6/30/25
REVENUES															
Licenses and Permits	38,425	\$ 126,910	38,370	133,550	29,465	193,865	55,065	101,260	46,705	10,500	26,350	-	- ⁽¹⁾	101,260 ⁽¹⁾	46,705
Interest and Investment Income	2,164	2,533	3,178	4,230	9,964	6,918	309	(4,580)	12,475	3,584	5,447	-	- ⁽²⁾	5,000 ⁽²⁾	12,475
Prior Year Adjustments								(150)		-	-				0
General Fund Contributions								-	82,225						82,225
TOTAL REVENUES	40,589	129,443	41,548	137,780	39,429	200,783	55,374	96,530	141,404	14,084	31,797	-	-	106,260	141,404
EXPENDITURES															
Personal Services	113,145	112,763	115,097	134,846	126,366	118,457	125,468	43,240	74,020	22,859	26,970		- ⁽³⁾	43,240 ⁽³⁾	74,020
Travel	0	-	-	-	-	-	0	0	0					0	0
Commodities	0	89	-	617	-	-	0	0	0					0	0
Services - Non-claims	732	5,085	13	10	5,000	497	9	2	32					2	32
Services - Claims & Associated Legal costs	0	-	-	-	24,902	25,300	0	0	0					0	0
TOTAL EXPENDITURES	113,877	117,937	115,110	135,473	156,268	144,253	125,477	43,243	74,052	22,859	26,970	-	-	43,243	74,052
Excess (Deficiency) Revenues Over Expenditures	(73,288)	11,505	(73,562)	2,307	(116,839)	56,530	(70,104)	53,287	67,352	(8,775)	4,826	-	-	63,017	67,352
Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balances	(73,288)	11,505	(73,562)	2,307	(116,839)	56,530	(70,104)	53,287	67,352	(8,775)	4,826	-	-	63,017	67,352
Fund Balances - Beginning of Year	527,552	454,264	465,770	392,207	394,514	277,675	334,205	264,101	317,389	384,741	375,965	380,792	380,792	384,741	447,758
Fund Balances - End of Year	454,264	\$ 465,770	\$ 392,207	\$ 394,514	\$ 277,675	\$ 334,205	\$ 264,101	\$ 317,389	\$ 384,741	375,965	380,792	380,792	380,792	\$ 447,758	\$ 515,110

(1) For FY24, licenses and permits revenue projected to be the same as FY22.

(2) Projecting through FY24 based on FY22 rate of earnings.

For FY24, the annual personal services costs are projected for the Executive Administrator to spend 10% and the Project Assistant to spend 100% of their time on Real Estate Recovery Fund related tasks. GF allocation \$82K reduction to PS. Received General Fund allocation

(3) transferred personal services cost from fund 1040 to match GF revenue to expenses. See CH8 230016657 and CH8 240006403. Reference bill number HB281 SLA2022SEC1PG5LN24-28.

Statement of Cash Flows
Real Estate Recovery Fund
December 31, 2023

	Actuals									Projected	
	For the Fiscal Year Ended 6/30/15	For the Fiscal Year Ended 6/30/16	For the Fiscal Year Ended 6/30/17	For the Fiscal Year Ended 6/30/18	For the Fiscal Year Ended 6/30/19	For the Fiscal Year Ended 6/30/20	For the Fiscal Year Ended 6/30/21	For the Fiscal Year Ended 6/30/22	For the Fiscal Year Ended 6/30/23	For the Fiscal Year Ended 6/30/24	For the Fiscal Year Ended 6/30/25
CASH FLOWS FROM OPERATING ACTIVITIES											
Receipts for Licenses & Permits	\$ 38,425	\$ 126,910	\$ 38,370 ⁽¹⁾	\$ 133,550 ⁽¹⁾	\$ 29,465 ⁽¹⁾	\$ 193,865 ⁽¹⁾	\$ 55,065 ⁽¹⁾	\$ 101,260 ⁽¹⁾	\$ 46,705 ⁽¹⁾	\$ 101,260	\$ 46,705
GF Contributions								\$ 82,225			
Payments to Employees	(113,145)	(112,763)	(115,097) ⁽²⁾	(134,846) ⁽²⁾	(126,366) ⁽²⁾	(118,457) ⁽²⁾	\$ (125,468) ⁽²⁾	\$ (43,240) ⁽²⁾	\$ (74,020) ⁽²⁾	(43,240)	(74,020)
Payments for Services/Claims	-	-	-	- ⁽³⁾	(24,902) ⁽³⁾	(25,300) ⁽³⁾	\$ - ⁽³⁾	\$ - ⁽³⁾	\$ - ⁽³⁾	-	-
Other Payments	(732)	(5,174)	(13)	(627)	(5,000)	(497)	(9)	(2)	(32)	(2)	(32)
Net Cash Provided (Used) by Operating Activities	(75,452)	8,973	(76,740)	(1,923)	(126,803)	49,612	(70,412)	58,017	54,877	58,017	(27,347)
CASH FLOWS FROM INVESTING ACTIVITIES											
Interest and Dividends on Investments	2,164	2,533	3,178 ⁽³⁾	4,230 ⁽³⁾	9,964 ⁽³⁾	6,918 ⁽³⁾	309 ⁽³⁾	(4,730) ⁽³⁾	12,475 ⁽³⁾	5,000	12,475
Net Cash Provided (Used) by Investing Activities	2,164	2,533	3,178	4,230	9,964	6,918	309	(4,730)	12,475	5,000	12,475
Net Increase (Decrease) in Cash	(73,288)	11,505	(73,562)	2,307	(116,839)	56,530	(70,104)	53,287	67,352	63,017	(14,873)
Cash and Cash Equivalents - Beginning of Year	527,552	454,264	465,770	392,207	394,514	277,675	334,205	264,101	317,389	384,741	447,758
Cash and Cash Equivalents - End of Year	\$ 454,264	\$ 465,770	\$ 392,207	\$ 394,514	\$ 277,675	\$ 334,205	\$ 264,101	\$ 317,389	\$ 384,741	\$ 447,758	\$ 432,885

(1) For FY24, licenses and permits revenue projected to be the same as FY22.

(2) Projecting through FY24 based on FY22 rate of earnings.

(3) For FY24, the annual personal services costs are projected for the Executive Administrator to spend 10% and the Project Assistant to spend 100% of their time on Real Estate Recovery Fund related tasks. GF allocation \$82K reduction to PS. Received General Fund allocation transferred personal services cost from fund 1040 to match GF revenue to expenses. See CH8 230016657 and CH8 240006403. Reference bill number HB281 SLA2022SEC1PGSLN24-28.

Commission Members Comments & Questions