

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

**REAL ESTATE COMMISSION
TELECONFERENCE MEETING MINUTES**

July 22, 2015

By authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a scheduled teleconference of the Real Estate Commission was held July 22, 2015 at the Atwood Building, Room 1539, Anchorage, Alaska.

Wednesday, July 22, 2015

Chairperson Nancy Davis called the meeting to order at 10:06 a.m. at which time a quorum was established.

Agenda Item 1a

Roll Call

Members present:

Traci Barickman, Broker/3rd Judicial District

Members present via teleconference:

Eric Bushnell, Associate Broker/Broker at Large

Nancy Davis, Broker/ 1st Judicial District

Marianne Burke, Public Member

Stacy Harvill, Associate Broker, 4th Judicial District

Cindy Cartledge, Public Member

PeggyAnn McConnochie, Broker/Broker at Large

Staff Present:

Sharon Walsh, Executive Administrator

Nancy Harris, Project Assistant

Jay Paff, Investigator

No members of the public were present.

Agenda Item 1(b)

Approval of Agenda

Chairperson, Nancy Davis, asked that Sara Chambers, Operations Manager and Janey Hovenden, Director, be added to the agenda.

On a motion duly made by Ms. McConnochie, seconded by Mr. Bushnell, it was,

RESOLVED add Sara Chambers and Janey Hovenden to the agenda as indicated by the Chairperson.

All in favor; Motion passed.

Commission members reviewed the agenda as amended.

On a motion duly made by Ms. Burke, seconded by Ms. Davis, it was,

RESOLVED to approve the meeting agenda for July 22, 2015, as amended.

All in favor; Motion passed.

Ms. Cartledge said that as a point of order, since this meeting is being conducted telephonically any vote needs to be taken by a roll call.

Agenda Item 3

Renewal Fee Spreadsheet (2016-2018 fees)

Director, Janey Hovenden presented the REC fee analysis to the Commission. She said that the fee analysis is a new tool that they are trying to better estimate what fees should look like. On the far right hand side of the spreadsheet is the existing FY 14 licensing statistics. This is how many fees were processed in FY14. They have taken those numbers and calculated them out in projected units in the far left hand side estimating on the biennium two year period, so they could have a better idea of the projected revenue for the next 2 years. If there are no fee adjustments made, which is what you have in front of you, down just before regulations, is the Revenues and Expenditures analysis. All of the revenue on the first line, all of the expenses estimated on the next line and then there is a 2% biennial increase as an expense adjustment. Then below that you have the projected net. It shows if nothing is done, that at the end of FY15 they are projecting although there are no final numbers and based on what they know, there will be a surplus of \$246,827. There is a beginning cumulative deficit of FY14 of \$29,944 which is a carry forward, which would net at the end of FY15 a deficit of \$29,944. Again, not doing anything moving forward into the projected FY16, if nothing was changed with the fees, there is the revenue, minus the expenses projected at a 2% increase, and a fee adjustment for any prorated licenses that were issued, would give us a projected net of \$579,669. Carry forward the remaining deficit from FY15 of \$29,944 that would give you an ending projected surplus at the end of FY17, after the next biennium renewal, of \$515, 975. Then it is projected, if all things stayed the same and based on the things they know today, you can look into the future, you can see how that cumulative balance will carry forward.

The Commission members discussed and directed questions to Director Janey Hovenden and Operation Manager Sara Chambers regarding the analysis that was presented.

Ms. Hovenden told the Commission members that they can plug in a deficit fee (reduce the fee) in the Proposed by Board (green) column and the fee will reflect those changes on the spreadsheet in the Revenue and Expenditures. The Commission members can play with the numbers and see what would happen if they recommended to raise or lower those fees.

The Commission members appreciated that they had the ability to plug in numbers so that they could see the different projections.

On a motion duly made by Ms. Burke seconded by Ms. Cartledge, it was,

RESOLVED to propose, that in accordance with statute, the Alaska Real Estate Commission analyze the actual numbers for the Recovery Fund for FY 14 and 15 as adjusted for anomalies that occurred during that two year period; based on this adjusted information review the advisability of increasing or decreasing the Recovery Fund.

Roll call vote: Ms. Burke-yes, Ms. Barickman-no Ms. McConnochie-no, Ms. Cartledge-yes, Mr. Bushnell-no, Ms. Harvill- yes and Ms. Davis-no.

**4 members voted in the negative, 3 members voted in the affirmative.
Motion failed.**

On a motion duly made by Ms. Burke seconded by Ms. Cartledge, it was,

RESOLVED to receive the additional data for fiscal year end and make the adjustments and on that basis determine what should be done with the Recovery Fund. To be determined by the end of July.

Motion was reword by Ms. Burke for clarification.

RESOLVED to request that the Real Estate Commission obtain the information about the salary adjustment and any other adjustments that were made by the Commission to the Recovery Fund for FY 14 and 15. Provide that information to us and as soon as reasonable, hold a teleconference to adjust the fees for forthcoming fiscal year for the Recovery Fund.

Roll call vote: Ms. Burke-yes, Ms. Barickman-no, Ms. McConnochie-no, Ms. Cartledge-yes, Mr. Bushnell-no, Ms. Harvill- no.

**4 members voted in the negative, 3 members voted in the affirmative.
Motion failed.**

On a motion duly made by Mr. Bushnell, seconded by Ms. McConnochie, it was,

RESOLVED that the fees in the spreadsheet that we are addressing from the REC line 8 through 18, new real estate license through initial office

registration, be reduced by the amount of \$75 and that line 19, office changes, be reduced by the amount of \$50; All other licenses with all fees will remain the same in regards to the REC fees.

Roll call vote: Ms. Burke-no, Ms. Barickman-no Ms. McConnochie-yes, Ms. Cartledge-no, Mr. Bushnell-yes, Ms. Harvill- yes and Ms. Davis-yes.

**3 members voted in the negative, 4 members voted in the affirmative.
Motion passed.**

On a motion duly made by Ms. Burke, seconded by Ms. Barickman, it was,

RESOLVED that the Commission accept the proposed fee for the Recovery Fund for the coming year, to remain the same as the prior year.

Roll call vote: Ms. Burke-yes, Ms. Barickman-yes, Ms. McConnochie-yes, Ms. Cartledge-yes, Mr. Bushnell-yes, and Ms. Harvill- yes.

All in favor; Motion passed.

Agenda Item 2
Consent Agreements

Commission members reviewed the consent agreement as presented.

On a motion duly made by Ms. Barickman, seconded by Mr. Bushnell, it was,

RESOLVED to go to the executive session per AS 44.62.310(c), for the purpose of discussing subjects that tend to prejudice the reputation and character of a person.

All in favor; Motion passed.

Into executive session at 11:35 a.m.

On a motion duly made by Ms. McConnochie, seconded by Mr. Barickman, it was,

RESOLVED to come out of executive session.

All in favor; Motion passed.

Out of executive session at 12:20 p.m.

On a motion duly made by Ms. McConnochie, seconded by Ms. Cartledge, it was,

RESOLVED to move back into regular session.

All in favor; Motion passed.

Consent Agreement -

On a motion duly made by Ms. Barickman, seconded by Ms. McConnochie, it was,

RESOLVED table cases #2015-000765 and #2015-000621 until the next meeting in September.

Roll call vote: Ms. Burke-yes, Ms. Barickman-yes, Ms. McConnochie-yes, Ms. Cartledge-yes, Mr. Bushnell-yes, and Ms. Harvill- yes.

Motion passed.

On a motion duly made by Ms. Barickman, seconded by Ms. Cartledge, it was,

RESOLVED to accept case #2013-000082, the Consent Agreement as proposed.

Roll call vote: Ms. Burke-yes, Ms. Barickman-yes, Ms. McConnochie-yes, Ms. Cartledge-yes, Mr. Bushnell-yes, and Ms. Harvill- yes.

Motion passed.

Ms. Davis said there was a motion that was to approve for the Consent Agreement in Case #2013-0000082, for Glenda L. Gilbert as passed.

Ms. Cartledge signed off of teleconference.

The Chairperson, Ms. Davis, said she gives her permission that Traci Brickman to sign the Consent Agreement that was just passed.

On a motion duly made by Ms. McConnochie, seconded by Mr. Bushnell, it was,

RESOLVED that Chairperson Nancy Davis allow Traci Barickman to sign the Consent Agreement as indicated.

All in favor; Motion passed.

On a motion duly made by Ms. McConnochie, seconded by Mr. Bushnell, it was,

RESOLVED to adjourn the meeting

All in favor; Motion passed.

Meeting adjourned at 12:24 p.m.

Prepared and submitted by Nancy Harris.
Approved:

Nancy Davis, Chairperson
Alaska Real Estate Commission

Date: _____