

NEBRASKA REAL ESTATE COMMISSION

June 19, 2014

Staybridge Suites

Staybridge Room

Lincoln, NE

Opening

Chairperson Gale convened a meeting of the Nebraska Real Estate Commission at 9:00 a.m. on June 19, 2014, in the Staybridge Room of the Staybridge Suites, located at 2701 Fletcher Avenue in Lincoln, Nebraska. All of the members of the Real Estate Commission were present, with the exception of Commissioner Avery, who was absent and excused. Also present were Director Greg Lemon, Deputy Director for Education and Licensing Teresa Hoffman, Deputy Director for Enforcement Duran Cell, and Administrative Assistant Monica Rut.

Notice of Meeting (Adopt Agenda)

Director Lemon presented a public notice and proofs of publication thereof relating to this meeting, all of which are attached to and made a part of these minutes. Chairperson Gale reported that all Commissioners had been notified of the meeting simultaneously, by mail and e-mail, and that a proposed tentative agenda accompanied the notification.

Chairperson Gale pointed out to those in attendance that a public copy of the materials being used during the meeting were available to the public on the counsel table in the meeting room; that a copy of the Open Meetings Act was posted on the easel located in the northwest corner of the meeting room by the west entrance; and that the procedures followed were in accordance with the Open Meetings Act. Chairperson Gale asked that guests sign the guest list.

Director Lemon noted that agenda items 11b and 11c had been added since the tentative agenda was mailed to the Commissioners.

After review of the final agenda, a motion was made by Ptak and seconded by Rouch to adopt the final agenda as presented. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Avery not participating or voting, being absent and excused.

Minutes of May 22, 2014

The minutes of the Commission meeting held on May 22, 2014, were considered.

After review, a motion was made by Rouch and seconded by Stange to approve the minutes as presented. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Avery not participating or voting, being absent and excused.

Public Comment

Chairperson Gale asked the members of the audience if anyone wished to come forward to provide public comment on Commission related business. No audience member indicated a desire to come forward.

Receipts and Expenditures Report for May

Director Lemon presented the Receipts and Expenditures Report for May. A copy of said report is attached to and made a part of these minutes. Director Lemon noted that an explanation page was included on the report.

The cash fund balance as of May 31, 2014, was \$1,017,902.81, which compared to a cash fund balance of \$840,620.01 on May 31, 2013.

After discussion, a motion was made by Stange and seconded by Rouch to file the May Receipts and Expenditures Report for audit. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Avery not participating or voting, being absent and excused.

Specialized Registrations

There were no specialized registrations to be presented at the meeting.

Nonresident Licenses and Resident Licenses Issued to Persons Holding Licenses in Other Jurisdictions Report

Deputy Director Hoffman presented for ratification the Nonresident Licenses and Resident Licenses Issued to Persons Holding Licenses in Other Jurisdictions Report, a copy of which is attached to and made a part of these minutes.

After review, a motion was made by Ptak and seconded by Rouch to ratify issuance of the licenses as set forth in the report. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Avery not participating or voting, being absent and excused.

Examination Report - May

Deputy Director Hoffman presented for ratification the May Examination Report, a copy of which is attached to and made a part of these minutes.

After review, a motion was made by Rouch and seconded by Alloway to ratify the May Examination Report for the purpose of issuing licenses. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Avery not participating or voting, being absent and excused.

Examination Passing Roster

Deputy Director Hoffman presented the Examination Passing Roster, a copy of which is attached to and made a part of these minutes.

No action was necessary on this report.

Real Estate Education Matters

Continuing Education Activity Approval

Deputy Director Hoffman presented for ratification the Continuing Education Activity Approval Report, a copy of which is attached to and made a part of these minutes.

Continuing Education Instructor Approval

Deputy Director Hoffman presented for ratification the Continuing Education Instructor Approval Report, a copy of which is attached to and made a part of these minutes.

Broker-Approved Training Recognition

Deputy Director Hoffman presented a Broker-Approved Training Recognition Report, a copy of which is attached to and made a part of these minutes.

After review, a motion was made by Stange and seconded by Alloway to ratify the three reports. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Avery not participating or voting, being absent and excused.

Pending Sworn Complaints and Investigative Matters

Deputy Director Cell presented a summary report of the pending complaints, which included a list of licensees presently under disciplinary action or on appeal. A copy of said report is attached to and made a part of these minutes. . (Note: It was discovered at the meeting that the Exhibit for this Agenda Item was incorrect. The month of the 2014 comparison was set forth as "May" when, in fact, the month should have been "June". The Exhibit was corrected for attachment to these minutes.)

No action was necessary on this report.

The following sworn complaints and investigative matters were presented to the Commission:

Item A Complaint 2013-043 – Gary Kjar vs. Thomas Michael Mullen

Deputy Director Cell presented the alleged violations and investigative report to the Commission and, when necessary, answered questions on this matter.

After being advised of the results of the investigation and discussion, a motion was made by Rouch and seconded by Freeman that the complaint be dismissed without prejudice. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, and with Avery not participating or voting, being absent and excused.

Item B Complaint 2013-042 – Gary Kjar vs. Ann M. Cervený

Deputy Director Cell presented the alleged violations and investigative report to the Commission and, when necessary, answered questions on this matter.

After being advised of the results of the investigation and discussion, a motion was made by Rouch and seconded by Freeman that the complaint be dismissed without prejudice. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, and with Avery not participating or voting, being absent and excused.

Presentation of Stipulation and Consent Orders

Complaint 2014-012, Commission vs. Adam Tyler Vogt

Deputy Director Cell presented a Stipulation and Consent Order in the matter of Complaint 2014-012, Commission vs. Adam Tyler Vogt. A copy of said Order is attached to and made a part of these minutes.

After discussion, a motion was made by Freeman and seconded by Rouch to enter into the Order as presented. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Avery not participating or voting, being absent and excused.

Complaint 2014-013, Commission vs. Jane Hartman Heimboch

Deputy Director Cell presented a Stipulation and Consent Order in the matter of Complaint 2014-013, Commission vs. Jane Hartman Heimboch. A copy of said Order is attached to and made a part of these minutes.

After discussion, a motion was made by Freeman and seconded by Ptak to enter into the Order as presented. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Avery not participating or voting, being absent and excused.

Complaint 2014-013, Commission vs. Geraldine B. Allen

Deputy Director Cell presented a Stipulation and Consent Order in the matter of Complaint 2014-013, Commission vs. Geraldine B. Allen. A copy of said Order is attached to and made a part of these minutes.

After discussion, a motion was made by Ptak and seconded by Freeman to enter into the Order as presented. Motion carried with Alloway, Ptak, Rouch, Stange and Gale voting aye, with Freeman voting nay, and with Avery not participating or voting, being absent and excused.

Disciplinary Hearings

There were no disciplinary hearings scheduled to be held at the meeting.

Informal Special Appearances

Erik Kristian Delaney, Potential Applicant

Director Lemon presented exhibits which included: correspondence regarding Mr. Delaney's special appearance; a letter of explanation from Mr. Delaney; character reference letters for Mr. Delaney; a copy of the Arrest Record from the Lancaster County CJIS System's on Mr. Delaney's cases; and Mr. Delaney's criminal history report. A copy of said exhibit is attached to and made a part of these minutes. Mr. Delaney was present.

Chairperson Gale reviewed the procedure for informal special appearances.

Mr. Delaney explained the situations regarding his past criminal history.

After discussion, a motion was made by Freeman and seconded by Alloway to allow Mr. Delaney to sit for the examination after making proper application and to have a license issued upon passing. Mr. Delaney must notify any anticipated employing broker of the criminal convictions and the circumstances of the convictions and said broker shall confirm said notification in writing to the Commission prior to the license being placed with said broker. Mr. Delaney must also notify the Commission staff of any criminal charge, except those charges where there is no possible sentence of jail time for a period of three years.

Commissioner Ptak offered an amendment that Mr. Delaney notify the Commission staff of any criminal charge for a period of five years. The amendment was accepted by the mover and the second.

Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Avery not participating or voting, being absent and excused.

2013-2014 Objectives – Final Report

Director Lemon presented an exhibit regarding the 2013-2014 objectives of the Commission. A copy of said exhibit is attached to and made a part of these minutes.

Director Lemon explained the changes and current status for the objectives listed.

No action was necessary on this discussion.

Consider 2014-2015 Objectives

Director Lemon presented an exhibit regarding the proposed 2014-2015 Objectives of the Commission. A copy of said exhibit is attached to and made a part of these minutes.

Director Lemon explained each of the new objectives and those which had been carried over from the 2013-2014 Objectives. He welcomed any additions the Commissioners may have for the proposed objectives.

Commissioner Alloway suggested adding an objective to explore the option of releasing the requirement requiring the designated broker's signature for every approved training course. He also requested that an objective be added for the Commission to develop a position statement regarding "Coming Soon" listings.

Commissioner Stange suggested that an objective be added to produce a video to assist buyers and sellers in understanding real estate transactions. He also noted that funding would need to be included in the budget for such a production. After further discussion, Kristen Anderson with the Nebraska REALTORS® Association suggested that they may be interested in working with the Commission as a joint effort and perhaps a cost share to produce an educational video.

Commissioner Alloway further suggested that an objective be added to explore the option for a property manager endorsement as part of the real estate licensing process.

A motion was made by Stange and seconded by Ptak to approve the Commission Objectives as amended. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Avery not participating or voting, being absent and excused.

Consider Renewal of Errors and Omissions Insurance Contract with Rice Insurance Services Company, LLC (RISC) for 2015

Director Lemon presented an exhibit regarding the 2015 Renewal of Contract Quotation from Rice Insurance Services Company, LLC (RISC). A copy of said exhibit is attached to and made a part of these minutes.

Director Lemon indicated that the errors and omissions insurance coverage and underwriter would be the same as the current year. He noted that the terms would remain the same as the current program and the premium amount would not be increased.

After discussion, a motion was made by Ptak and seconded by Freeman to approve the renewal of contract with RISC for 2015. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Avery not participating or voting, being absent and excused.

Personnel Matter – Closed Session

At 11:27 a.m., a motion was made by Rouch and seconded by Freeman to go into closed session for discussion of personnel matters. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Avery not participating or voting, being absent and excused.

Chairperson Gale indicated, prior to the closed session beginning, that the reason for the closed session was to discuss personnel matters.

At 12:23 p.m., a motion was made by Freeman and seconded by Rouch to reconvene in open session. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Avery not participating or voting, being absent and excused.

After reconvening in open, public session, a motion was made by Alloway and seconded by Rouch to increase Director Lemon and Deputy Director Hoffman's salary three percent beginning July 1, 2014. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Avery not participating or voting, being absent and excused.

Information Matters

**ARELLO District Meeting – June 3-5, 2014 -
Omaha, Nebraska – Report of Attendees**

Director Lemon noted that Commissioners Avery, Freeman, Rouch, Stange and past Commissioner Grady and Deputy Director Hoffman, Deputy Director for Enforcement Duran Cell, Administrative Assistant Monica Rut and he attended the ARELLO District Meeting.

Each of the Attendees discussed their experiences at the ARELLO Meeting.

No action was necessary on this report.

Future Meeting Dates

August 21-22, 2014 - Staybridge Suites, Lincoln
September 25-26, 2014 - Staybridge Suites, Lincoln
October 17, 2014 - Staybridge Suites, Lincoln
November 20-21, 2014 - Staybridge Suites, Lincoln

Recesses and Adjournment

At 10:45 a.m., Chairperson Gale declared a brief recess, and reconvened the meeting at 11:05 a.m.

At 12:36 p.m., there being no further business to come before the Commission, a motion was made by Alloway and seconded by Freeman that the meeting adjourn. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Avery not participating or voting, being absent and excused.

I, Greg Lemon, Director of the Nebraska Real Estate Commission, do hereby certify that the foregoing minutes of the June 19, 2014, meeting of the Nebraska Real Estate Commission were available for inspection on June 20, 2014, in compliance with Section 84-1413(5) R.R.S. 1943, of Nebraska.

Respectfully submitted,



Greg Lemon
Director

Guests Signing the Guest List

Mark Leaders, CBSHOME Real Estate, Omaha
Robin Kilgore, DAS Budget Division, Lincoln
Kristen Anderson, Nebraska REALTORS® Association, Lincoln

