

MINUTES

A meeting of the Alabama Real Estate Commission's Task Force for Review and Award of Grants was held January 18, 2012, at the Embassy Suites, Capitol Room I, Montgomery, Alabama.

Those present were Task Force Chairman Nancy Wright, Task Force members Commissioners Dorothy Riggins-Allen, Carole Harrison and Clif Miller; Commission Chairman Bill Watts; Executive Director Philip Lasater and Accounting and Personnel Director Molli Jones.

Others in attendance were licensees Joe Rogers, Hal Tillman, Harriet Isaacson, and Spence Moore who attended to observe the meeting.

The meeting having been duly noticed according to the Open Meetings Act was called to order at 3:30 p.m. by Chairman Nancy Wright.

The purpose of the meeting was to brainstorm as to how to progress with the charge of the Task Force.

The question was asked, "Should the Commission be awarding grants?"

Commissioner Watts provided some background of the creation of ACRE (Alabama Center for Real Estate) and its relationship with the Real Estate Commission.

Task Force Chairman Wright explained the financial chart provided to the task force members showing expenditures and revenues.

Mr. Lasater stated that as we look at trends and as the market adjusts, the number of people getting a license will adjust down. We are going forward with the likelihood of expenditures remaining the same and revenue declining. Therefore it is likely the Real Estate Commission will be drawing on reserves.

Commissioner Riggins-Allen stated that at the Sunset meeting, the legislators were inquiring about the Commission's money and asked what the possibility would be that the Legislature would take the money.

Mr. Lasater answered that the Legislature will be looking at the Sunset report and the Commission is going to try to create a picture of how the reserve actually looks. AREC has not had a reserve that long. The Legislature will be looking for money and we are not sure if anything can be done to keep our money, but we will tell the Legislature that the license money received is used by the Commission for real estate industry regulation.

Commissioner Miller asked if the Commission decides to provide grants and it comes to the point that we do not have the money to continue the grants, what do we do? He does not want to see the Commission incur an obligation that cannot continue to be met. The money

really belongs to the licensees and Commissioner Miller asked if there is a requirement to make licensees aware of the grants.

Mr. Lasater pointed out the statutory authority for budgets and budgeting for grants. He noted that grants should be for development and extension of the Commission's regulatory interest. The Commission is accountable to the Examiners to show grants are within regulatory jurisdiction. There should be a clear understanding of the grant and outcome of the product. The key is that the Commission would be awarding the grant for regulatory assistance and not to fund another entity.

Task Force Chairman Wright stated that the grant is something to help us, licensees and to further the mission of the strategic plan.

There was more discussion concerning the broad scope of the process and how it relates to the Commission's strategic plan.

Commissioner Miller asked if any other states have provided grants. It was discussed that Georgia and Kentucky have more specific authority to provide grants and that the task force will review those.

Comments were made by the public attendees. Mr. Rogers stated that competition is good and that grants do not need to go to one place. Mr. Monroe stated that realtors are looking for professionalism. Mr. Tillman stated the need to make sure the Commission has control before it is taken away as well as keep a focus group and narrow the reasoning of the grant which would strengthen professionalism. Ms. Isaacson said that there needs to be narrow guidelines so it will be clear what is being done with the grant money. AAR (Alabama Association of Realtors) would like to see courses that are not watered down. If the grants are used to provide teaching that it will be in competition with AAR. Task Force Chairman Wright thanked everyone for their comments and presence at the meeting.

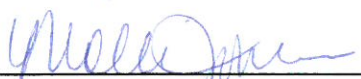
Task Force Chairman Wright asked the Task Force members to look at their strategic plan and the information provided so that it can be discussed at the next meeting.

The next Task Force meeting date and location was set for February 17, 2012, at 8:00 a.m. at the Alabama Real Estate Commission office in Montgomery, Alabama.

The meeting adjourned at 4:05 p.m.



Nancy Wright, Task Force Chairman



Molli Jones, Recording Secretary

<u>FY</u>	<u>Receipts</u>	<u>Renewals Allocated</u>	<u>Total Revenue</u>	<u>Expenditures</u>	<u>Difference</u>	<u>Unobligated Amount of Investment</u>
02	640,613.39	876,350.00	1,516,963.39	1,490,120.76	26,842.63	1,753,650.00
03	856,691.50	1,318,965.00	2,175,656.50	1,669,146.28	506,510.22	221,035.00
04	955,077.33	1,578,670.00	2,533,747.33	1,839,445.29	694,302.04	2,131,330.00
05	1,326,908.69	1,938,190.00	3,265,098.69	2,078,141.89	1,186,956.80	1,446,810.00
06	1,416,323.68	2,369,960.00	3,786,283.68	2,644,507.11	1,141,776.57	4,835,040.00
07	1,804,630.62	2,321,640.00	4,126,270.62	2,778,024.53	1,348,246.09	3,808,360.00
08	1,222,625.99	2,886,940.00	4,109,565.99	3,232,332.76	877,233.23	6,638,060.00
09	1,160,401.45	2,464,185.00	3,624,586.45	3,034,903.29	589,683.16	4,835,815.00
10	1,091,423.64	2,846,535.00	3,937,958.64	3,101,242.96	836,715.68	2,888,465.00
11	864,929.67	2,262,030.00	3,126,959.67	3,087,632.04	39,327.63	5,735,000.00