

MINUTES

A meeting of the Alabama Real Estate Commission was held May 23, 2024, at the office of the Alabama Real Estate Commission, 1201 Carmichael Way, Montgomery, Alabama.

The meeting, having been duly noticed according to the Alabama Open Meetings Act, was called to order by Commission Chairman Jimmie Ann Campbell at 9:00 a.m.

Chairman Campbell called the roll and the following Commissioners indicated their presence with a spoken "present": Vice Chairman Randy McKinney, Commissioners Betsy Echols, Jim Dye, Cerita Tucker Smith, Terri May, Em Barran, Deborah Lucas Robinson, and Kim Barelare. A quorum was declared.

Commission staff members in attendance for all or part of the meeting were Executive Director Vaughn T. Poe; Assistant Executive Director Teresa Hoffman; General Counsel Starla Leverette; Assistant General Counsel Zack Burr; Assistant Attorney General Serena Cronier Grayson; Investigators K.C. Baldwin and Rickey Fennie; Information Technology Director Eric Aldridge and Information Technology Programmer Chris Prestridge. The Hearing Officer was Jim Hampton.

MEMORIAL DAY TRIBUTE

Executive Director Poe took the opportunity to observe the upcoming Memorial Day holiday and to recognize that this holiday is dedicated to those who lost their lives in service to this country. He then led the assembly in the Pledge of Allegiance.

APPROVAL OF THE MINUTES

Chairman Campbell asked for a motion to approve the minutes from the April 23, 2024, Commission meeting. Commissioner Echols made a motion to approve the minutes from the April 23 meeting. Commissioner Tucker Smith seconded the motion and it passed 7-0-2 with Commissioners May and Barran abstaining having been absent for all or part of the April 23 meeting.

EXECUTIVE DIRECTOR'S REPORT

Director Poe advised Commissioners that the Examiners of Public Accounts will begin a Legal Compliance Audit for Fiscal Years October 1, 2020, through September 30, 2023. The entrance meeting will be held Wednesday morning, May 29, at the Commission office. The Commission, unlike some entities, has levels and layers of oversight from the FBI down to state government.

Director Poe provided an update on the roof. The final inspection report from the Division of Risk Management is pending. This report will outline the Commission's costs and the next steps in the replacement/repairs process.

Director Poe presented the April financial report and gave Commissioners an update on revenues and expenditures in the operating and recovery fund accounts. The Commission continued budget execution, as expected. A budget adjustment was made to cover the cost of outsourcing a

future executive hire and also to shift more funding between travel lines. Financials are still below the projected expenditures and slightly above projected revenues.

Thus far, the Commission has paid \$412,319.03 to other state agencies and is on schedule to pay out approximately \$1 million to this line item in FY2024. Fixed costs and expenditures are continuing to rise, while we have not increased our fee schedule in over two decades. There have been no recovery fund payouts in the past 30 days.

Director Poe reported the Commission has issued 42,436 total licenses and there are currently 36,788 unique individuals licensed. The growth rate for April 2024 was 9.64 new license applications indicating a slight increase from March, which averaged 9.23 new license applications per day. Summer months generally entail peaks to licensure numbers; however, we are watching even closer this year.

There are currently 779 active education approvals, consisting of instructors, administrators, and schools. There were five education audits during the month of April that included three mandatory CE courses and two elective continuing education courses. A New Instructor Orientation class will be held May 30-31 and registration is at its maximum capacity.

The legal auditors performed 10 company audits in April and there were two Assistance Visit requests. The Commission is continuing to prioritize and schedule those companies that have not been audited in over three years.

Coffee With the Commission was held on May 22, 2024. Education Director Ryan Adair and Licensing Administrator Anthony Griffin co-hosted. The topic of discussion was license renewal and the associated activities.

A webinar entitled "A.I. in Real Estate Regulation" is scheduled for May 23 at 2:00 p.m. EST. A recording of the webinar will be captured and shared with Commissioners.

The governor has declared Juneteenth, which is June 19, as a state holiday. Consequently, we will not hold Coffee With the Commission on June 19. The Commission meeting is still scheduled for June 20.

COMMISSIONER DISCUSSION

Renewal Reminder - Vaughn T. Poe

Executive Director Poe reported that every Division and all staff were gearing up for the renewal season. He indicated that the rate of renewal and varying license status activity would be closely monitored to spot trends and budgetary consequence. Director Poe further indicated that Qualifying Brokers would be a primary focus of renewal messaging and instruction as they are responsible for affiliated licensees and can have real impact on timely compliance with the law.

Licensing Exam Pass Rates and Upcoming License Renewal Requirements - Ryan Adair

Education Director, Ryan Adair reported on the continuing education requirements that would need to be completed and verified to the Commission in order to renew licenses this year. He indicated that two items would distinguish this renewal from last. First, a mandatory broker continuing education course has been added to the mandatory continuing education course required of all licensees. This course has been available and promoted for several months. Second, there will be a major emphasis given to the fact that continuing education credit will have to be verified to the Commission in order for the credit to be granted. In other words, if a license can't be renewed by the deadline because the credit has not been received by the Commission, the renewal will be deemed as late. Messaging targeting schools, licensees, and qualifying brokers will be plentiful and specific on this matter.

Mr. Adair also discussed the licensing examination pass rates. He assured the Commissioners that these rates were being monitored closely and are presented in the Commissioners' packets at every meeting. As had been reported before, salesperson examination pass rates have been relatively stable and acceptable. The concern is, primarily, with the broker examination. This examination had been adversely affected by the change in examination and the manner in which the exam was administered. Conditions contributing to the decline have been identified and communications regarding the Commission's expectations have been sent to the concerning schools. An uptick in pass rates among those taking the broker exam has been detected and it is anticipated that this will continue. If not, remedies are being formulated.

Chairperson Campbell reported on the New Commissioner Orientation that was given to Commissioner Barelare and upcoming Commissioner Juanita Taggart-Jones. She indicated that both she and Commissioner Echols had also attended and had stayed during the Division Directors' segments. She complimented the staff on the thorough, pertinent information and helpful delivery. Commissioner Echols agreed and recommended that all Commissioners would find it useful to attend these from time-to-time.

HEARINGS – 9:30 a.m. Docket

Alabama Real Estate Commission VS. RayTonya Davis Daley, Formal Complaint #24-132

General Counsel Starla Leverette advised Commissioners that this hearing was changed to a Consent Decree.

Jordan Marie Schilleci - Application for Real Estate Reciprocal Salesperson License, Hearing 24-052

General Counsel Starla Leverette advised Commissioners that this hearing will be continued indefinitely.

Helga Hope King Mangum - Application for Determination of Licensing Eligibility, Hearing 24-209

Upon discussion of the evidence and testimony presented in this matter, Commissioner Dye made a motion to approve Ms. Mangum’s application. Commissioner Barran seconded the motion which passed 9-0-0.

Stevie Rae Stogner - Application for Real Estate Temporary Salesperson License, Hearing 24-274

Upon discussion of the evidence and testimony presented in this matter, Commissioner Tucker Smith made a motion to approve Mr. Stogner’s application. Commissioner Barelare seconded the motion which passed 9-0-0

Alabama Real Estate Commission VS. Derrius Kendrick, Formal Complaint #24-136

General Counsel Starla Leverette advised Commissioners that this hearing was changed to a Consent Decree.

Alabama Real Estate Commission VS. Ann Katheryn Allen, Formal Complaint #23-265

Ann Katheryn Allen, Salesperson, JRHBW dba Realty South, Inc., Birmingham, Alabama was charged on **Count 1** for violating Code of Alabama, 1975, Section 34-27-36(a)(19) by failing to comply with Code of Alabama, 1975, Section 34-27-31(j) in the she failed to notify the Commission of the institution of criminal charges against her within ten days of her arrest on November 27, 2021 and charged on **Count 2** for violating Code of Alabama, 1975, Section 34-27-36(a)(19) by failing to comply with Code of Alabama, 1975, Section 34-27-31(k) in that she failed to notify the Commission that a criminal verdict had been rendered against her on April 5, 2022.

Commissioners Barelare and Dye recused themselves from this hearing, vacated the hearing room, and did not participate in the deliberations on this matter.

Regarding **Count 1**; Upon discussion of the evidence and testimony presented in this matter, Commissioner Tucker Smith made a motion to find Ms. Allen guilty. Commissioner May seconded the motion which passed 7-0-2, with Commissioners Barelare and Dye recusing. Further, Commissioner Tucker Smith made a motion to fine Ms. Allen \$250 on **Count 1**. Commissioner Barran seconded the motion which passed 7-0-2, with Commissioners Barelare and Dye recusing.

Regarding **Count 2**; Upon discussion of the evidence and testimony presented in this matter, Commissioner Barran made a motion to find Ms. Allen guilty. Commissioner May seconded the motion which passed 7-0-2, with Commissioners Barelare and Dye recusing Further, Commissioner Echols made a motion to fine Ms. Allen \$500 on **Count 2**. Commissioner Tucker Smith seconded the motion which passed 7-0-2, with Commissioners Barelare and Dye recusing

Alabama Real Estate Commission VS. Melody Kokiousis, Formal Complaint #24-047

General Counsel Starla Leverette advised Commissioners that this hearing was changed to a Consent Decree.

Brandi Denise Dye - Application for Real Estate Reciprocal Salesperson License, Hearing 24-166

Upon discussion of the evidence and testimony presented in this matter, Commissioner May made a motion to approve Ms. Dye’s application. Commissioner McKinney seconded the motion which passed 9-0-0.

Alabama Real Estate Commission VS. Terri Kennedy, Formal Complaint #24-011

General Counsel Starla Leverette advised Commissioners that this hearing was changed to a Consent Decree.

Marctavious Reshawn Finley - Application for Determination of Licensing Eligibility, Hearing 24-224

Upon discussion of the evidence and testimony presented in this matter, Commissioner Dye made a motion to approve Mr. Finley’s application. Commissioner Tucker Smith seconded the motion which passed 9-0-0.

Jon Scott Dabney Jr. - Application for Real Estate Reciprocal Associate Broker License, Hearing 24-253

Upon discussion of the evidence and testimony presented in this matter, Commissioner Barran made a motion to approve Mr. Dabney’s application. Commissioner May seconded the motion which passed 9-0-0.

Alabama Real Estate Commission VS. Jai Briaun Cephus, Formal Complaint #23-365

General Counsel Starla Leverette advised Commissioners that this hearing was changed to a Consent Decree.

Sarah Virginia Schaefer - Application for Real Estate Temporary Salesperson License, Hearing 24-228

Upon discussion of the evidence and testimony presented in this matter, Commissioner Barelare made a motion to approve Ms. Schaefer’s application. Commissioner Tucker Smith seconded the motion which passed 9-0-0.

Erica Nicole Flowers-Avery, Salesperson, Residential Movement Real Estate Alabama, Formal Complaint #24-165

Erica Nicole Flowers-Avery, Salesperson, Residential Movement Real Estate Alabama, Montgomery, Alabama was charged for violating Code of Alabama, 1975, Section 34-27-36(a)(19) by failing to comply with Code of Alabama, 1975, Section 34-27-31(j) in the she failed to notify the Commission of the institution of criminal charged against her within ten days of her arrest on January 18, 2024.

Commission Chairman Campbell passed the gavel to Vice-Chair McKinney for the duration of this matter, recused herself from this Hearing, vacated the Hearing room, and did not participate in the deliberations on this matter.

Upon discussion of the evidence and testimony presented in this matter, Commissioner Barran made a motion to find Ms. Flowers-Avery guilty and to fine her \$250. Commissioner Tucker Smith seconded the motion which passed 8-0-1, with Commissioner Campbell recusing.

Scotty Lamar Snell - Application for Real Estate Temporary Salesperson License, Hearing 24-170

Upon discussion of the evidence and testimony presented in this matter, Commissioner Barelare made a motion to approve Mr. Snell’s application. Commissioner Barran seconded the motion which passed 6-2-1, with Commissioner Tucker Smith abstaining.

Alabama Real Estate Commission VS. Jesse Caldwell and Tc Realty, Formal Complaint #24-247

General Counsel Starla Leverette advised Commissioners that this hearing will be continued until the August 16, 2024 Commission Meeting.

Consent Decrees

Alabama Real Estate Commission VS. Diana Gonzalez, Formal Complaint #24-103

Alabama Real Estate Commission VS. Ramona Okonya, Formal Complaint #23-366

Alabama Real Estate Commission VS. RayTonya Davis Daley, Formal Complaint #24-132

Alabama Real Estate Commission VS. Derrius Kendrick, Formal Complaint #24-136

Alabama Real Estate Commission VS. Melody Kokiousis, Formal Complaint #24-047

Alabama Real Estate Commission VS. Terri Kennedy, Formal Complaint #24-011

Alabama Real Estate Commission VS. Jai Briaun Cephus, Formal Complaint #23-365

The Commission will determine whether it conducts its disciplinary hearing disposition discussions and decisions in an Open Meeting or call an Executive Session.

Chairman Campbell asked for a motion to remain in open session or go into executive session for approximately twenty-five minutes to deliberate these cases in accordance with the Alabama Open Meetings Act, *Code of Alabama* 36-25A-7(a)(9). Commissioner Barran made a motion that Commissioners go into executive session at 11:20 a.m. until approximately 11:45 a.m. Commissioner May seconded the motion which passed 9-0-0.

At 11:58 a.m. Commissioners returned with all Commissioners named during the initial 9:00 a.m. roll call present. Chairman Campbell asked for a motion to return to open session. Commissioner Tucker Smith made a motion to return to open session. Commissioner Barran seconded the motion and it passed 9-0-0.

Confirm August 22, 2024, Meeting Date and Location for the Record: Thursday, August 22, 2024, 9:00 a.m. in Montgomery, Alabama

There will not be a July 2024 Commission meeting.

Commissioner May made a motion to confirm the August meeting for August 22, 2024, at 9:00 a.m. in Montgomery, Alabama. Commissioner Barran seconded the motion which passed 9-0-0.

Next Commission Meeting: Thursday, June 20, 2024, 9:00 a.m. in Montgomery, Alabama.

There being no further business, Commissioner May made a motion to adjourn the meeting at 12:15 p.m. Commissioner McKinney seconded the motion which passed 9-0-0.

Done this 23rd day of May 2024.

Jimmie Ann Campbell, Chair

Teresa D. Hoffman, Recording Secretary