

## MINUTES

A meeting of the Alabama Real Estate Commission was held September 27, 2012, at the offices of the Alabama Real Estate Commission, 1201 Carmichael Way, Montgomery, Alabama.

Those present were Chairman Bill Watts; Vice Chairman Steve Cawthon; Commissioners Jewel Buford, Reid Cummings, Carole Harrison, Clif Miller, Dorothy Riggins-Allen, Danny Sharp and Nancy Wright; Executive Director Philip Lasater; Assistant Executive Director Patricia Anderson; General Counsel Chris Booth; Education Director Ryan Adair; Licensing Administrator Anthony Griffin; Auditor Vicky Shackelford, Investigators David Erfman, Chuck Kelly, Phillip Bunch and K.C. Baldwin. Tori Adams served as Hearing Officer.

Other staff members in attendance for all or part of the meeting were Public Relations Manager Vernita Oliver-Lane, Public Relations Specialist Lori Moneyham, Information Technology Manager Brett Scott, and Temporary Licensing Clerk Brittany Alexander.

The meeting, having been duly noticed according to the Open Meetings Act, was called to order at 9:00 a.m. by Chairman Bill Watts.

Commissioner Sharp made a motion to approve the August minutes as presented. Commissioner Cawthon seconded the motion and it passed unanimously 9-0.

In the Executive Director's report and Financial Review, Mr. Lasater distributed a list of Fund Balances for FY (Fiscal Year) 2012 showing that revenue has not fully supported operational needs through August. Therefore, \$163,997 has been pulled in from investments to make up the difference. It is anticipated that more investments will be brought in to complete the fiscal year ending September 30, 2012. Commissioners also reviewed a chart of AREC Investments showing Obligated funds for FY 2013, Obligated funds for FY 2014 and Unobligated Funds for FY 2013. Mr. Lasater reported a meeting with State Treasurer Young Boozer and his staff regarding AREC investments and stated that Mr. Boozer and his staff do a very good job at assessing agency needs and then investing accordingly.

Assistant Executive Director Pat Anderson provided a written and oral report on the current status of renewals and continuing education. She reported that of the 32,012 licensees eligible to renew, 24,519 have paid as of September 26, 2012. That is a 76.6% renewal rate. Regarding CE (continuing education), 380 licensees have completed their CE but have not paid the renewal fee. Another 1,921 are active and have paid but have not completed CE.

Mr. Lasater called on Licensing Administrator, Anthony Griffin, to introduce Brittany Alexander who is employed as a temporary clerk in the Licensing Department. Mr. Griffin complimented Ms. Alexander for the good job she has been doing assisting with renewals. He also complimented temporary employee, Sheryl Mays, who was out of the office with a sick child.

Chairman Watts asked Commissioners if anyone had any changes to the proposed 2013 calendar beyond the changes expressed at the August meeting. Hearing none he declared that the calendar stands as is for now and each meeting will be voted on to confirm date, time and location at the meeting immediately prior to it.

Chairman Watts called on Commissioners who attended either the AAR (Alabama Association of Realtors) Annual Convention or the ARELLO (Association of Real Estate License Law Officials) Annual Conference. Commissioners Buford and Miller who attended the AAR Convention complimented General Counsel Chris Booth who facilitated the session “Briefly Legal” along with Broker/Educator Tom Owings. Mr. Booth expressed appreciation to all Commissioners who attended and assisted with that session.

Commissioners Riggins-Allen and Cawthon reported on attendance at ARELLO. Commissioner Riggins-Allen found interesting and helpful the Commissioner Forum and the exchange of information with the other jurisdictions on a variety of topics. Commissioner Cawthon reported on attending Commissioner College and enjoyed hearing and learning about Commissioner responsibilities and risk, different ways Commissions handle complaints, hearings and disciplinary actions along with several other topics. Commissioner Cawthon also commented on the session about the Implementation of Designated Agency in British Columbia, Canada. Both Commissioners complimented Chris Booth on the Case Law session that he presented.

Commissioner Cawthon requested that those who attend the meeting and sit through the entire cases when the Commission meets in Perdido in June be able to earn three hours of continuing education credit. Staff requested time to study rule requirements and possible amendments and bring back a report to Commissioners for their consideration.

Chairman Watts thanked all for their reports and introduced visitors and licensees Pam Segars-Morris and Michelle Harris from Bessemer, Alabama.

Commissioner Cummings made a motion that Commissioners conduct hearing disposition discussions and decisions in open meeting. Commissioner Wright seconded the motion and it passed unanimously 9-0.

#### HEARINGS AND APPEARINGS

#### **Alabama Real Estate Commission vs. Bradley A. Beasley, Formal Complaint No. 3272**

In Mr. Beasley’s absence, the Commission put on a prima facie case beginning at 12:40 p.m. with the hearing having been scheduled at 9:30 a.m. Upon discussion of the evidence and testimony presented in the matter of Bradley A. Beasley, Qualifying Broker, Beasley Elite Realty, Inc., Satsuma, Alabama, and the alleged violation of the Code of Alabama 1975, as amended, Section 34-27-36(a)(19) via Section 34-27-31(e)(6) by having a payment made from the Alabama Real Estate Recovery Fund toward the satisfaction of a judgment in a civil action for

which Respondent's real estate license may be terminated, Commissioner Cawthon made a motion to revoke Mr. Beasley's license. Commissioner Cummings seconded the motion and it passed unanimously 9-0.

**Alabama Real Estate Commission vs. Cathy P. Hutchinson, Formal Complaint No. 3269**

Upon discussion of the evidence and testimony presented in the matter of Cathy P. Hutchinson, Salesperson, JRHBW Inc., d/b/a Realty South I-459 Southwest Branch Office, McCalla, Alabama, and the alleged violation of the Code of Alabama 1975, as amended, Section 34-27-36(a)(27) in that Respondent acted negligently or incompetently by performing an act for which a person is required to hold a real estate license, Commissioner Cummings made a motion to find Ms. Hutchinson guilty and fine her \$250. The motion was seconded by Commissioner Riggins-Allen. Subsequent to discussion Commissioner Wright made a motion to amend the original motion to increase the fine to \$1,000. Commissioner Buford seconded the amendment and it passed unanimously 9-0. The vote on the amended main motion to find Ms. Hutchinson guilty and fine her \$1,000 passed unanimously 9-0.

**Alabama Real Estate Commission vs. Walter Whitlow, Formal Complaint No. 3273**

Upon discussion of the evidence and testimony presented in the matter of Walter Whitlow, Inactive Associate Broker, Montgomery, Alabama, and the alleged violation of the Code of Alabama 1975, as amended, Section 34-27-36(a)(19) in that he violated or disregarded the order of the Commission to pay a \$250 fine, Commissioner Cawthon made a motion to find Mr. Whitlow guilty and suspend his license pending payment of the prior fine with the suspension being stayed for a maximum of thirty (30) days. If the fine is paid by the end of the thirty (30) days, the suspension will be permanently stayed. Commissioner Buford seconded the motion and it passed unanimously 9-0.

**Alabama Real Estate Commission vs. Jan A. King AND J. King Realty LLC, Formal Complaint No. 3274**

Upon discussion of the evidence and testimony presented in the matter of Jan A. King, Qualifying Broker, J. King Realty LLC, Athens, Alabama AND J. King Realty LLC, Athens, Alabama and the alleged violation of the Code of Alabama 1975, as amended, Section 34-27-36(a)(8)b. by failure to deposit and account for at all times all funds belonging to or being held for others in a separate federally funded account or accounts in a financial institution located in Alabama and having a shortage of funds in the rental trust account, Commissioner Sharp made a motion to find Jan A. King and King Realty, LLC guilty and impose a total fine of \$500. The motion was seconded by Commissioner Miller. Commissioner Cawthon made a motion to amend the original motion to suspend Ms. King's license, but stay the suspension for one year during which time Ms. King is ordered to complete a three hour continuing education course in Risk Management for Property Managers. If the continuing education is completed in the one year period then the suspension is permanently stayed. Commissioner Wright seconded the

amendment and it passed 7-2 with Commissioners Sharp and Buford voting no. The vote on the amended main motion passed unanimously 9-0.

**Alexander (Alex) Mukai, Application for Determination of Licensing Eligibility, I-13,795**

Upon discussion of Mr. Mukai's request for reconsideration of his license eligibility, Commissioner Sharp made a motion to approve Mr. Mukai's application. Commissioner Cummings seconded the motion and it passed 8-1 with Commissioner Riggins-Allen voting no.

NOT APPEARINGS

**Stanley and Amy Coarsey, Request for Waiver of 2012 Late Renewal Penalty Due to Severe Weather, I-13,948**

Upon review of the request by Mr. and Mrs. Coarsey for waiver of the 2012 license renewal penalty, Commissioner Cummings made a motion to deny the request. Commissioner Wright seconded the motion and it passed unanimously 9-0.

**Thomas Cunningham and Cynthia Tibbs, Request for Waiver of 2012 Late Renewal Penalty, I13,952**

Upon review of the request by Mr. Cunningham and Ms. Tibbs for waiver of the 2012 license renewal penalty, Commissioner Cawthon made a motion to approve the request. Commissioner Wright seconded the motion and it passed unanimously 9-0.

**Confirm Next Meeting Date and Location for the Record: October 25, 2012, 9:00 a.m. in Montgomery**

Commissioner Cawthon made a motion to approve the next Commission meeting date and location for October 25, 2012, at 9:00 a.m. in Montgomery, Alabama. Commissioner Sharp seconded the motion and it passed unanimously 9-0.

There being no further business, the meeting adjourned at 1:05 p.m.

Done this 27<sup>th</sup> day of September, 2012.

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Bill Watts, Chairman

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Patricia Anderson, Recording Secretary