

**MINUTES OF MEETING**  
**OF**  
**LOUISIANA REAL ESTATE COMMISSION**

**June 21, 2018**

The Louisiana Real Estate Commission held its regular meeting on Thursday, June 21, 2018, at 9:00 a.m., at 9071 Interline Ave, Baton Rouge, Louisiana, according to regular call, of which all members of the Commission were duly notified, at which meeting the following members were present:

**COMMITTEE**

Steven Hebert, Chairman  
Richman Reinauer, Vice Chairman  
Deanna Norman, Secretary  
Lacy Baaheth  
Jeffrey Donnes  
Jeff Free  
Eloise Gauthier  
Matt Ritchie  
Patrick Roberts, Jr.  
Evelyn Wolford

**STAFF**

Bruce Unangst  
Arlene Edwards  
Ryan Shaw  
Mark Gremillion  
Robert Maynor  
Debbie DeFrates  
Jenny Yu  
LaKeisha Duhon  
Malissa Fowler

**GUESTS**

Lynda Nugent Smith – Keller Williams  
Kim Callaway – Louisiana REALTORS®  
Andrew Baker – Burk Baker School of Real Estate and Appraisal

Commissioner Greenup was unable to attend the meeting.

Commissioner Norman led the Invocation; Chairman Hebert led the Pledge of Allegiance.

**PRESENTATION OF PLAQUE TO FORMER COMMISSIONER LYNDA NUGENT SMITH**

Chairman Hebert presented Ms. Nugent Smith with a plaque to thank her for her years of service to the Commission.

**MINUTES**

Commissioner Gauthier made motion, seconded by Commissioner Reinauer, to approve the minutes of the meeting of May 24, 2018. Motion passed without opposition.

(Attachment A)

**COMMITTEE REPORTS:**

1. Budget – Commissioner Reinauer reviewed the budget report with the Commissioners. He stated that there is a higher than normal revenue total this year due to fees hitting the general account. He stated that, as usual, the travel and operating expenses are high. He reminded the Commissioners that they must get their expense reports in to the accounting division before the end of the fiscal year to be paid.

Mr. Unangst stated that there is an upcoming merit increase for all staff on a 2-4% scale that will show up on the next budget report.

(Attachment B)

2. Education/Research/Publication – Commissioner Gauthier stated that the Commission did not receive any response to the Request for Proposal for the 2019 Mandatory Course.

Commissioner Gauthier made motion, seconded by Commissioner Donnes, to extend the RFP deadline to Friday, June 29. Motion carried without opposition.

3. Legal/Legislative/Timeshare – Commissioner Ritchie stated that he has not received any input from his fellow Commissioners on Property Management rules and definitions. He stated that he will be reaching out to the Commissioners for their input. Commissioners Reinauer and Hebert stated that they would both be willing to work with Commissioner Ritchie on this issue.

4. Standardized Forms – Commissioner Roberts reviewed the updates to the draft of the updated Purchase Agreement.

Commissioner Roberts made motion, seconded by Commissioner Gauthier to approve the updated Purchase Agreement pending formatting changes. Motion carried without opposition.

Ms. Shaw asked when the Commission would like to make the updated form available to the public and when they would like to make its use mandatory.

Commissioner Gauthier stated that she would like to wait until after Train the Trainer to release the forms. Mr. Unangst stated that Train the Trainer will be held in November and that many

licensees like to have access to the forms before they are mandated to familiarize themselves with the changes.

Commissioner Gauthier made motion, seconded by Commissioner Roberts, to make the updated Purchase Agreement available on November 1, 2018 and mandatory effective January 1, 2019. Motion carried without opposition.

(Attachment C)

5. Strategic Planning – Commissioner Baaheth asked Commissioner Norman to discuss the Communications taskforce meeting that took place last month. Commissioner Norman stated that the representatives of Multiply Marketing returned to present a second proposal at a much more reasonable rate. Commissioner Norman stated that she was impressed with both of the presenters and believes that they will do a good job. She stated that their rate does not include a budget for social media promotions, but that these fees are only imposed when a big campaign comes up and that the amount can be determined by staff.

Commissioner Donnes stated that the presenters discussed the ability to show reports on performance on a monthly or quarterly basis. He asked Ms. Shaw if staff currently had a method to do this on their own. She stated that staff currently cannot view analytics reports, but that the new website will have analytics reports showing how the site is used. She stated that what Multiply Marketing is proposing is more comprehensive and would show how traffic is driven to the website.

Mr. Unangst stated that communications was a big topic during the strategic planning meetings and that he thinks that this is a good approach to helping solve this issue. He stated that this is a low commitment way to try this out because we will be able to cancel if necessary after three months.

Commissioner Ritchie stated that he is in favor of this plan, but asked if the Commission has a designated marketing budget. Mr. Unangst stated that there is a professional services budget that would cover this.

Commissioner Welford stated that she is in favor of this, but is wary of signing on before the website is completed. Mr. Unangst stated that the agreement can begin at the time of the Commission's discretion.

Commissioner Donnes stated that he would prefer to start sooner to start driving traffic to the current website in the meantime because we currently are not reaching anyone. Ms. Shaw stated that Multiply Marketing will need about a month of lead-up time to do the research about how to reach the LREC's stakeholders.

Commissioner Norman made motion, Seconded by Commissioner Donnes, to hire Multiply Marketing beginning July 1, 2018 with a \$200 limit per month on social media boosting without commission approval. Motion carried without opposition.

(Attachment D)

Commissioner Wolford asked if the ability to renew and pay online will be available on the new website. Ms. Shaw stated that the capability will be available. She stated that STUN Design is working on building out the framework for these sections.

Commissioner Norman asked if other functions will be able to be completed online such as terminations and transfers. Ms. Shaw stated that staff is working with several software vendors to identify someone who can help move most, if not all, forms to a digital format.

Mr. Unangst stated that it is the goal of staff to make as many transactions available online as possible to help cut down on processing times and eliminate the use of so much paper.

Commissioner Baaheth stated that Education is close to completing their strategic planning work.

Commissioner Baaheth stated that former Commissioner Nugent Smith would like to still serve on the Best Practices taskforce. Mr. Unangst stated that he sees no problem with Ms. Nugent Smith continuing to serve on the taskforce and believes that it will benefit the taskforce to have her as its Chair.

6. Errors & Omissions – Commissioner Norman brought the Commissioners’ attention to a letter from RISC agreeing to keep the rates for the LREC E&O plan

Commissioner Donnes made motion, seconded by Commissioner Gauthier, to renew the RISC policy. Motion carried without opposition.

(Attachment E)

7. Technology –Commissioner Donnes asked that Ms. Shaw update the Commissioners on the status of the website. Ms. Shaw stated that the content population portion of the project has been completed. She stated she sent a link to view the draft site to the Commissioners and that staff are currently reviewing the site for any necessary edits. She asked that the Commissioners let her know if they have any questions about the site or any suggestion for changes or additions.

Ms. Shaw stated that staff is working to try to secure a .gov domain to simplify the website address and email extensions to LREC.gov. She stated that she sent a letter requesting an exception from the normal naming convention that requires the use of a two-letter stated abbreviation. She stated that if the exception request is approved the Governor’s office will have to request that the Commission be allowed to use the .gov domain.

**DIRECTORS REPORT:**

Mr. Unangst stated that he passed out an Act 623 from this legislative session that will affect boards and commissions throughout the state. He stated that effective January 1, 2019 there will be additional oversight by a review commission of all rule changes submitted. He said that what this means for the Commission is that before any rule additions or changes can be made, they will have to go through this review commission before being able to begin the promulgation process. He stated that this would delay the process of rule promulgation.

Mr. Unangst stated that the LREC has recently moved its operating accounts to Gulf Coast because they were able to offer interest-bearing accounts, which Iberia was not able to do. He stated that this will not only save the Commission costs that were being incurred at Iberia, but will also earn approximately an additional \$20,000 per year.

Mr. Unangst stated that the Continuing Education audit is in process. He stated that the numbers look similar to past years with around 97% compliance. He also stated that the broker mandatory had approximately a 95% compliance rate. He stated that he was bringing this to the Commissioners' attention because the audit letters will go out soon and they may hear from licensees who are included in the audit.

He also stated that the amendments to Dodd-Frank have been passed and signed by the President, which should give some smaller, community banks more leeway. He stated that the amendments also give community banks the ability to use alternate valuation methods when certified appraisers are not available to complete an appraisal.

**PUBLIC COMMENT:**

None

**UNFINISHED BUSINESS:**

None

**NEW BUSINESS:**

None

**EXECUTIVE SESSION**

None

There being no further business, Commissioner Wolford made motion, seconded by Commissioner Gauthier, to adjourn. Motion passed without opposition.

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STEVEN HEBERT, CHAIRMAN

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DEANNA NORMAN, SECRETARY