

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

**July 16, 2015**

The Louisiana Real Estate Commission held its regular meeting on Thursday, July 16, 2015, at 10:00 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:

**COMMISSION**

Lynda Nugent Smith – acting Chairman  
Evelyn Wolford - Secretary  
Paul Burns  
Jeffrey Donnes  
Kelly Ducote  
Steven Hebert  
Cynthia Stafford  
Frank Trapani

**STAFF**

Bruce Unangst, Executive Director  
Arlene Edwards, Legal Counsel  
Summer Mire  
Debbie Defrates  
Mark Gremillion  
Robert Maynor  
Chad Mayo  
Ryan Shaw

**GUESTS**

Burk Baker – Burk Baker School of Real Estate & Appraising  
Chris Donaldson – Donaldson Educational Services  
Amy Fennel – Latter & Blum  
Brent Lancaster – Bob Brooks School of Real Estate

Chairman Gosslee and Commissioner Reinauer were absent from the meeting.

Commissioner Nugent Smith led the Invocation; Commissioner Donnes led the Pledge of Allegiance.

**MINUTES**

Commissioner Stafford made motion, seconded by Commissioner Wolford, to approve the minutes of the meeting of June 18, 2015. Motion passed without opposition.

**COMMITTEE REPORTS:**

1. Budget – Commissioner Stafford reviewed the proposed and revised budgets as presented. She explained of the revised budget area on personal services due to increases in the state mandated unfunded retirement liability. The state has not given the actual amount yet that is required therefore Ms. Yu estimated the amount at \$30,000. Health insurance increases also allot for the increase. Professional service increases are due to the technology expenses for software development. She explained that the budget can be revised and the Commission is in good financial condition to be able to do this. The revised budget shows an increase in revenue by about \$250,000. \$150,000 of that amount is due to the building repair settlement funds that

are being used to repair the building. This money has already been spent in the repair process but must be shown as revenue. Licensee counts have also increased significantly from last year. There are about 600 more licensees than last year. Mr. Unangst stated that he will be going forward with making the final payments to pay off the building debt. Commissioner Trapani thanked the administration for being so transparent with the budget as it was not explained clearly by past administration. Commissioner Hebert did not understand why the budget should be revised and changed after it was previously approved. Mr. Unangst explained that the Commission is required to make revisions to the budget if needed and be reported to the State.

Vice-Chairman Nugent Smith made motion, seconded by Commissioner Wolford, to add the approval of the budget to the agenda. Motion carried unanimously. Commissioner Stafford made motion, seconded by Commissioner Wolford, to approve the 2014-2015 revised budget and the 2015-2016 and 2016-2017 projected budget. Motion carried with Commissioner Hebert voting in opposition.

(Attachment A)

2. Education/Research/Publication – Commissioner Trapani discussed the meeting that was held prior to the business meeting. Motions were made to ratify items from the committee meeting. Commissioner Donnes made motion, seconded by Vice-Chairman Nugent Smith, to approve the 2016 mandatory course outline and to distribute to vendors for their own development of the 2016 4-hour mandatory course contingent on approval by staff. Motion carried without opposition. Commissioner Stafford made motion, seconded by Commissioner Ducote, to approve the proposed course approval guideline updates. Motion carried without opposition.

(Attachments B & C)

3. Legal/Legislative/Timeshare –Vice Chairman Nugent Smith stated that she has reviewed other states applications for obtaining a broker license. The committee will be looking at this in the future.
4. Standardized Forms – Commissioner Ducote reported that staff received an email regarding disclosures and pools. The licensee would like to see a line item regarding pools added to the disclosure form. This will be looked at in future forms discussions.
5. Strategic Planning – No report as the strategic plan is complete.
6. Errors & Omissions – No report as the contract with RISC was renewed last month.
7. Technology – Commissioner Hebert and Mr. Unangst stated that technology updates are in the works. Online hosting will be reducing current email costs. The CAVU/SQL update is underway. The commission will soon have all wireless capability for increasing bandwidth, etc, which will also save money. Staff is in the current process of updating computer workstations on a rotational basis. These items were already included in the budget.

#### **DIRECTORS REPORT:**

Mr. Unangst stated that building repairs are now mostly complete with the exception of a few minor repairs.

Ms. Edwards added language to the instruction form of the concursus petition which lets all parties know of their option for small claims court. This has been updated on the website.

Commissioner Trapani made motion, seconded by Commissioner Burns, to add the approval of the state auditor’s Louisiana Compliance Questionnaire to the agenda. Motion carried unanimously. Commissioner Wolford made motion, seconded by Commissioner Trapani, to approve the Louisiana Compliance Questionnaire as completed. Motion carried without opposition. (Attachment D)

#### **PUBLIC COMMENT:**

None

**UNFINISHED BUSINESS:**

None

**NEW BUSINESS:**

Stipulation and Consent Orders – Commissioner Burns made motion, seconded by Commissioner Stafford, to accept the stipulation and consent orders as presented. Motion carried without opposition.  
(Attachment E)

Commissioner Burns inquired as to why staff does not notify brokers when a licensee does not renew. Staff notifies the broker when there is a CE audit. Mr. Maynor explained that the CE audit is a disciplinary action and the other is simply a non-renewal of a license. Staff does not know if a licensee forgot to renew or if they did not renew intentionally. Brokers receive emailed copies of their licensees' licenses. The broker can also check online to verify what step of the renewal process each licensee is in. Ms. Edwards stated that there is a problem when a licensee works without a license. They are getting paid for work while not having E & O coverage and the public isn't being protected. There is no clear answer. This will be put on the Legal/Legislative Committee agenda for future discussion.

Resolution for attorney contracts – Commissioner Trapani made motion, seconded by Commissioner Burns, to approve the attorney contract resolutions for Ms. Edwards as legal representation for the Louisiana Real Estate Commission. Motion carried without opposition.

There being no further business, Commissioner Trapani made motion, seconded by Commissioner Ducote, to adjourn. Motion carried without opposition.

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JAMES GOSSLEE, CHAIRMAN

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EVELYN WOLFORD, SECRETARY