



Andy Beshear
Governor

Jacqueline Coleman
Lieutenant Governor

PUBLIC PROTECTION CABINET

Kentucky Real Estate Commission

Mayo-Underwood Building
500 Mero Street, 2NE09
Frankfort, Kentucky 40601
Phone: (502) 564-7760
<https://krec.ky.gov>

Ray A. Perry
Secretary

DJ Wasson
Deputy Secretary

KENTUCKY REAL ESTATE COMMISSION

Kentucky Real Estate Commission Meeting

MEETING MINUTES

October 17, 2024

9:00 a.m.

Mayo-Underwood Conference Room 229NE
500 Mero Street, Frankfort, Kentucky 40601

***This meeting occurred via Microsoft Teams Meeting video teleconference, pursuant to
KRS 61.826***

Commission Members Present

Commissioner Anthony Sickles
Commissioner Jennifer Brown-Day
Commissioner Raquel Carter
Commissioner Denise Hamilton
Commissioner Anne Butler
Commissioner Larry Disney

KREA Staff

Tracy Carroll, Executive Director
Gerald Florence, Deputy Executive Director
Patrick Riley, General Counsel
Seth Branson, Procedures Development Specialist I
Randy Kloss, KREA Investigator
Terri Hulette, Executive Administrative Secretary
Dréa Helton, Paralegal
Libby Johnson, Administrative Specialist

Call to Order and Guest Welcome

The Kentucky Real Estate Commission meeting was called to order by Commissioner Chairperson, Larry Disney, at 9:00 a.m. on **October 17, 2024**. Roll call was taken, and a quorum was present. Guests were welcomed and an introduction to staff and Commissioners were made.

Approval of Meeting Minutes

Commissioner Carter made a motion to approve the **September 19, 2024**, Committee Meeting Minutes as presented, and including Commissioner Sickles's recommendation to correct any use of bold font in the case numbers. Commissioner Sickles seconded the motion. With all in favor, the motion carried.

KREA Update

Executive Director, Tracy Carroll, thanked everyone for their time and attendance. She made mention that the website committee met this week to discuss updating the website for all four of the real property boards. The committee discussed highlighting the meeting links and correcting any typos on the website as well. Ms. Carroll also stated that the Kentucky Real Estate Authority is establishing board training for all of our board members. The training will be annually and will consist of the logistics and legal matters that are important as the boards are evolving and changing. Deputy Executive Director, Gerald Florence, introduced Libby Johnson as our new staff member. Ms. Johnson will be doing some work with the Kentucky Real Estate Commission as well as working with the other boards within the division of real property. She will be doing some record retention items as well as board work and processing licensing applications at various times throughout the year.

Deputy Executive Director, Gerald Florence, reviewed the current budget with the Commissioners and those in attendance.

Real Estate Commission
58-677-677A-677E-JEE0-13N8

		FY23 Actual	FY24 Actual	FY25 Operating Budget 7/2024	FY25 YTD 10/1/24
	Source of Funds				
	Restricted Funds				
	Balance Forward	1,826,814.29	1,565,978.02	2,822,100.00	2,822,101.48
R382	License Examination Fee		60.00		
R383	Initial License Fee	99,302.00	91,370.00	100,000.00	20,810.00
R384	Renewal License Fee	7,380.00	1,199,170.00	25,000.00	4,944.00
R385	Reinstatement License Fee	27,290.00	16,960.00	40,000.00	3,601.00
R386	Other Fees Related To Licenses	54,420.00	64,019.00	60,000.00	9,677.00
R404	General Fees From Public	37,035.00	174,095.00	50,000.00	9,675.00
R701	Fines	189,150.00	355,000.00	150,000.00	22,800.00
R839	Other Deposits	180.00	51.68		
	Total Revenue	414,757.00	1,900,725.68	425,000.00	71,507.00
	<i>Cash to Real Estate Authority</i>	<i>(817,000.00)</i>	<i>(817,000.00)</i>	<i>(1,415,000.00)</i>	<i>(353,600.00)</i>
	Total Balance Forward + Revenue - Cash	1,424,571.29	2,649,703.70	1,832,100.00	2,540,008.48
	Expenses				
E114	Per Diem (Boards & Comm)	34,200.00	29,100.00	34,200.00	6,900.00
E121	Employers FICA	2,616.30	2,226.15	2,600.00	527.85
	Total Per Diem and Fringe Benefits	36,816.30	31,326.15	36,800.00	7,427.85
	Other Personnel Costs	(186,094.64)	(204,204.50)	62,800.00	(39,527.50)
	Total Personnel Costs	(149,278.34)	(172,878.35)	99,600.00	(32,099.65)
	Total Operating Costs	7,871.61	480.57	21,800.00	269.52
	Total Expenditures	(141,406.73)	(172,397.78)	121,400.00	(31,830.13)
	Total Revenue + Balance Forward minus Total Expenditures	1,565,978.02	2,822,101.48	1,710,700.00	2,571,838.61
	Notes:				
	** Total allotment (spending authority) for FY25 is \$121,400.				
	** Approximate salary and fringe of employees assigned to KREC - \$409,068.22.				
	** Approximate salary and fringe of administrative employees assigned to Real Estate Authority - \$1,096,849.72.				
	** Operating Costs include travel.				

Real Estate Commission Educ Res & Recovery

58-677-677A-677E-JEF0-13N5

		FY23 Actual	FY24 Actual	FY25 Operating Budget 7/2024	FY25 YTD 10/1/24
	Source of Funds				
	Restricted Funds				
	Balance Forward	4,393,603.76	4,518,154.61	5,962,200.00	5,962,175.05
R382	License Examination Fee				120.00
R383	Initial License Fee	959,520.00	84,970.00	70,000.00	19,440.00
R384	Renewal License Fee	7,500.00	1,204,080.00	10,000.00	4,860.00
R385	Reinstatement License Fee	(370.00)	(40.00)		
R386	Other Fees Related To Licenses	(20.00)	(455.00)		
R404	General Fees from Public		(40.00)		
R701	Fines	1,000.00	(3,000.00)		
R771	Interest Income	74,962.41	246,132.19	185,000.00	75,427.45
	Total Revenue	1,042,592.41	1,531,647.19	265,000.00	99,847.45
	<i>Cash to Real Estate Authority</i>	-	-	-	-
	Total Balance Forward + Revenue - Cash	5,436,196.17	6,049,801.80	6,227,200.00	6,062,022.50
	Expenses				
E114	Per Diem (Boards & Comm)	-	-	-	-
E121	Employers FICA	-	-	-	-
	Total Per Diem and Fringe Benefits	-	-	-	-
	Other Personnel Costs	7,000.00		10,000.00	
	Total Personnel Costs	7,000.00	-	10,000.00	-
	Total Operating Costs	47,471.56	87,626.75	50,000.00	7,653.13
	Total Expenditures	54,471.56	87,626.75	60,000.00	7,653.13
	Total Revenue + Balance Forward minus Total Expenditures	5,381,724.61	5,962,175.05	6,167,200.00	6,054,369.37
Notes:					
<i>** Total allotment (spending authority) for FY25 is \$60,000.</i>					

Education and Licensing Report

Deputy Executive Director, Gerald Florence, presented to the Commission the following licensing and education statistics:

1. PSI Testing Statistics

PSI Report For the Period of 01/01/14 - 10/08/24		
KY Broker	KY Real Estate Broker - State	KY Real Estate Broker - National
First time Passes:	554 (56.53 %)	694 (70.82 %)
First time Fails:	426 (43.47 %)	286 (29.18 %)
Repeat Passes:	417 (56.35 %)	285 (49.22 %)
Repeat Fails:	323 (43.65 %)	294 (50.78 %)
Total	1720	1559
KY License Reciprocity Broker	KY License Reciprocity Broker - State	
First time Passes:	331 (57.07 %)	
First time Fails:	249 (42.93 %)	
Repeat Passes:	211 (62.06 %)	
Repeat Fails:	129 (37.94 %)	
Total	920	
KY License Reciprocity Salesperson	KY License Reciprocity Salesperson - State	
First time Passes:	1230 (72.4 %)	
First time Fails:	469 (27.6 %)	
Repeat Passes:	393 (63.8 %)	
Repeat Fails:	223 (36.2 %)	
Total	2315	
KY Sales Associate	KY Real Estate Sales Associate - State	KY Real Estate Sales Associate - National
First time Passes:	9494 (62.8 %)	10470 (69.28 %)
First time Fails:	5623 (37.2 %)	4643 (30.72 %)
Repeat Passes:	5191 (48.22 %)	3616 (34.42 %)
Repeat Fails:	5575 (51.78 %)	6890 (65.58 %)
Total	25883	25619

Commissioner Carter made a motion to approve the education applications as presented. The motion was seconded by Commissioner Butler. With all in favor, the motion carried.

KREA Legal Update

General Counsel, Patrick Riley, advised the board that yesterday was Boss's Day and thanked all the Commissioners for their service. He also thanked Executive Director, Tracy Carroll, for her service to the Authority. General Counsel, Patrick Riley, advised the Commission that going forward the KREC Statue Change Committee and the KREC Testing and Education Committee will need to publish and continue to publish meeting minutes and agendas.

Committee Reports

Applicant Review Committee (ARC)

Commissioner Sickles presented the following recommendation of the ARC meeting:

1. Recommend approval of Probationary License for **B.M.**
2. Recommend approval of **W.M.D.**
3. Recommend approval of **J.R.M.**

Complaint Screening Committee (CSC)

Commissioner Carter presented the following recommendations of the CSC meeting:

1. **22-C-044** – Recommend to the full board for further investigation.
2. **24-C-012** – Recommend to the full board to request a response.
3. **22-C-042** – Recommend to the full board for further investigation.
4. **22-C-018** – Recommend to the full board for further investigation.
5. **20-C-036** – Recommend to the full board for dismissal.
6. **22-C-020** – Recommend to the full board for dismissal.
7. **23-C-041** – Recommend to the full board for further investigation.
8. **23-C-047** – Recommend to the full board for further investigation.
9. **24-KREC-001** – Recommend to the full board approval of the six-month deadline for the completion of 12 hours of CE courses upon full execution of the agreed order.

Statue Change Committee (SCC)

The committee did not meet.

Education and Testing Committee

Commissioners Butler, Hamilton, and Sickles met this week to define the purpose of the Education and Testing Committee. The main goal for the next meeting is to be able to explain to the new board members the purpose of this committee.

Licenses Request

Commissioner Sickles made a motion to discuss the licensee requests of **A.H.** and **T.M.** in closed session. Commissioner Hamilton seconded the motion. With all in favor, the motion carried.

Closed Session

1. At 9:26 a.m., Commissioner Hamilton made a motion to enter closed session, pursuant to KRS 61.815 and KRS 61.810(1)(c) and (j), with board staff and counsel, to discuss proposed or pending litigation and deliberate individual adjudication in the items as listed in the above-listed committee reports and/or the following matters, as presented: including but not limited to a status update regarding the investigative reports of **B.M., W.M.D., application of J.R.M.**, cases **22-C-044, 24-C-012, 22-C-042, 22-C-018, 20-C-036, 22-C-020, 23-C-041, 23-C-047, and 24-KREC-001**; and the licensees requests of **A.H. and T.M.** No action will be taken in closed session. All motions will be made when the Commission reconvenes in open session. Commissioner Butler seconded the motion, and the Commissioners entered in to closed session.

Reconvene Open Session

Commissioner Carter moved to come out of closed session and Commissioner Butler seconded the motion. The Kentucky Real Estate Commission Meeting resumed in open meeting session at 10:19 a.m.

Applicant Review Committee (ARC)

Commissioner Sickles moved to adopt the **Applicant Review Committee's** full recommendations as discussed in closed session, and recited the recommendations as listed above in these minutes. Commissioner Hamilton seconded the motion. Having all in favor, the motion(s) carried.

Complaint Screening Committee (CSC)

Commissioner Carter moved to adopt the **Complaint Screening Committee's** recommendations as presented to the Commission, and recited the recommendations as listed above in these minutes; with **the addition of assigning 24-C-012 for investigation.** Commissioner Day seconded the motion. Having all in favor, motion carried.

Licensee Requests

Commissioner Carter made a motion to table the request of qualifying experience of **A.H. and T.M.** until a complete application is submitted along with the legal staff drafting a response to licensees. Commissioner Sickles seconded this motion.

New Business

The 2025 KREC meeting schedule was presented to the board for review. Chairperson Disney recommended that there be at least one in person meeting for the board members next year.

Public Comments

No public comments

Approval Per Diem

1. Commissioner Carter made a motion to approve the per diem and travel expenses for the October 15, 2024, **ARC** Meeting for Commissioner Sickles and Commissioner Hamilton. Commissioner Day seconded the motion. Having all in favor, the motion carried.
2. Commissioner Sickles made a motion to approve the per diem and travel expenses for the October 15, 2024, **CSC** Meeting for Commissioner Day and Commissioner Carter. Commissioner Butler seconded the motion. Having all in favor, the motion carried.
3. Commissioner Carter made a motion to approve the per diem and travel expenses for the October 17, 2024, **KREC** Regular meeting. Commissioner Sickles seconded the motion. Having all in favor, the motion carried.
4. Commissioner Carter made a motion to approve the per diem and travel expenses for the October 8, 2024, **SCC** Meeting for Commissioner Day. Commissioner Butler seconded the motion. Having all in favor, the motion carried.
5. Commissioner Carter made a motion to approve the per diem and travel expenses for the October 10, 2024, **ETC** Meeting for Commissioner Sickles, Commissioner Butler and Commissioner Hamilton. Commissioner Day seconded the motion. Having all in favor, the motion carried.

Meeting Adjournment

Commissioner Carter made a motion to adjourn the meeting. Commissioner Butler seconded the motion. Having all favor, the motion carried. The meeting was adjourned at 10:34 a.m. EST.

Next Scheduled Meeting

The next regular meeting of the Kentucky Real Estate Commission is at 9:00 a.m. on November 14, 2024.

Pursuant to KRS 324B.060, I, Tracy Carroll,
Executive Director for the Kentucky Real Estate Authority (KREA),
have reviewed and Approved the expenditures for the meeting of the
Kentucky Real Estate Commission (the Commission) held on
October 17, 2024. This Approval is based upon my review of the expenditures
as described in the minutes and in greater detail as on file with the KREA. I
did not review, nor did I participate in discussions, deliberations, or decisions
regarding the actions taken by the Commission at this meeting related to
individual disciplinary matters, investigations, or applicant reviews.
The Commission approved the minutes of its meeting at its meeting held on
November 14, 2024
Tracy Carroll
Date: 10/18/2024