Appraiser Certification & Licensure Board

Special Board Meeting - Summary Minutes

August 29, 2005

West Coast Bank, 550 Center Street NE, 2nd Floor Conference Room, Salem, Oregon

BOARD MEMBERS IN ATTENDANCE
Craig Zell, Chair
Terry Bernhardt, Vice-Chair
John Larsen
Doug Nelson (out at 12:00 p.m.)
Sara Fraser (out at 12:00 p.m.)
Jill Whitlock

ACLB STAFF IN ATTENDANCE
Karen Turnbow, Office Manager
Bob Keith, Administrator
Cyndie Standley, Co-Compliance Program Coordinator
Chuck Fisher, Co-Compliance Program Coordinator
Tom Cowan, Legal Counsel, Dept. of Justice

BOARD MEMBERS ABSENT
Clifford Houck

PUBLIC IN ATTENDANCE
None

I: CALL TO ORDER AND VERIFICATION OF QUORUM

Chairperson Craig Zell called the meeting to order at 9:00 a.m. and verified that a quorum was present.

II: PUBLIC INPUT

None

III: ACTION ITEMS

Review and approval of minutes for the July 18, 2005 board meeting.

MOTION #1

Doug Nelson moved and John Larsen seconded that:

The Board approve the July 18, 2005 meeting minutes, as drafted.

Motion passed unanimously.

IV: NEW BUSINESS

Personnel Policy: The Board is proposing to increase Board staff wages and will consider revising its adoption of DAS personnel policy.

MOTION #2

Jill Whitlock moved and Doug Nelson seconded that:

The Board approve a one-time 10% salary increase to all board staff with no further salary increases until the commencement of the 2007-2009 biennium..

Motion passed unanimously.

Zell sought Board members to volunteer to assist Keith and staff in developing new personnel policies, including review of classifications, job descriptions, compensation, etc. Keith indicated that the Board would probably want to adopt a good share of DAS' personnel policies because they would apply to our agency, and then change other policies. The Board will revisit this issue after the first of the year.

Request to Add One FTE position to Board Staff: Keith is requesting to add one full-time position to the agency staff, to assist in relieving some of the workload and help staff implement the proposed supervising appraiser/appraiser assistant program. Keith is proposing to initially hire someone in a temporary position to assist in catching up with clerical work. Then the agency can determine, during that period, what the workload will be. Keith provided a copy of a job description from a previous position that included clerical support to the agency. Bernhardt wants to make sure that the agency's customer service level is maintained and that the Board conduct random audits of appraisers. Bernhardt wants the Board staff to start answering the phones again between 8:00 a.m. and 11:00 a.m.

In order to implement another position, the Board must move to approve the addition and hiring of an one additional staff person.

MOTION #3

Doug Nelson moved and John Larsen seconded that:

The Board approve the addition of one full-time equivalent position to the Board staff.

Motion passed unanimously.

2005-2007 Budget Work Session: Zell and Larsen previously met with Keith and Standley to go over the Board's 2003-2005 actual income and expenses and the proposed budget for the 2005-2007 biennium. Larsen advised the other Board members that the future biennium budgets will most likely not consistently include a $135,000 budget deficit. The increase in expenses for this next budget period includes much needed items such as computers, additional staff, etc. Keith stated that the Attorney General fees have increased and will likely not be completely offset by the anticipated civil penalty assessments.

Nelson indicated that the Board's past motion reflected no additional pay for the remainder of the biennium. It was the administration's position to include the proposed 2% cost of living increase December 1, 2006. The Board may want to revise its previous motion to allow for the 2% cost of living increase December 1, 2006.

Keith and the staff advised that, since the Board will be reviewing its global personnel policy, and that this issue will be included in the new policy, it is not necessary to amend the motion at this time.

Nelson had a question on out-of-state travel. Keith advised that the Board is proposing to include two people to attend the AARO conferences. In the past, only one staff person has attended AARO conferences. Zell also identified the increase in in-state travel to include the Board's implementation of courses and seminars throughout the state. Zell stated that the budget would not be finalized until the October 17, 2005 budget/rules hearing. Keith asked that the Board approve the draft budget to move forward at the budget hearing for October 17, 2005.

BREAK: 10:08 a.m.

RECONVENED AT 10:20 a.m.

MOTION #4

Doug Nelson moved and Terry Bernhardt seconded that:

The Board approve the exposure of the draft budget as proposed for public comment and budget and rules hearing scheduled for October 17, 2005.

Motion passed unanimously.

Consideration of Scope of Practice Limitations: Keith discussed limiting the scope of practice for the different license levels. The new AQB requirements do not include an income course requirement for licensed or certified residential appraisers. Likewise, the new requirements do not include residential courses for the certified general appraiser. Keith discussed the possibility of limiting licensed appraisers to 1-4 family residential properties. Keith proposed including a requirement for an income course for the certified residential appraiser level to maintain the current scope of practice for that license level. Keith also discussed adding a requirement to include a mandatory residential course for certified general appraisers.

Nelson brought up the issue of dropping the State Licensed Appraiser level altogether in Oregon. He suggested that the Board only issue certified residential and certified general appraiser licenses effective January 1, 2008 to coincide with the new AQB requirements for education. Keith indicated that the new AQB requirements include a mandatory college degree for certified residential and certified general appraiser license levels. This would impact a person's ability to apply for a license. The Board currently has 827 licensed appraisers and over 200 certified residential appraisers. Nelson proposed that those individuals that are only licensed, would maintain those licenses, but the Board would not issue any new licenses for State Licensed Appraiser level after January 1, 2008. The Board suggested that this topic be researched at the next AARO conference. Larsen indicated that he was in favor of eliminating the State Licensed Appraiser level. Bernhardt stated that he would ultimately support it too.

The Board discussed the issues of complex vs. non-complex 1-4 family properties and scope of practice.

V: OLD BUSINESS

Proposed Rules – Supervisor Endorsement, et al. Work Session: Discussion regarding proposed changes to the administrative rules including development of a supervising appraiser endorsement program.

Nelson proposed to eliminate the ability of licensed appraisers to supervise appraiser assistants for any new registration applications effective January 1, 2006. Fraser suggested that the Board leave the proposed changes as is. The new AQB requirements effective January 1, 2008 will remove the ability of licensed appraisers to supervise appraiser assistants and the Board will amend its rules in the future to implement these future requirements.

The Board discussed the issue of the proposed language allowing the Administrator to waive appraisal audits based upon certain circumstances.

MOTION #5

Terry Bernhardt moved and John Larsen seconded that:

The Board approve to expose the proposed language for OAR 161-010-0085 to the public as revised.

Motion passed unanimously.

Further discussion regarding the draft of proposed changes to the administrative rules. The Board requested the proposed language regarding disclosure of Appraiser Assistant status to clients, property owners, etc., be revised to indicate that, when inspecting a property, the Appraiser Assistant must not misrepresent their status, and at all times clearly identify themselves as an appraiser assistant.

MOTION #6

Terry Bernhardt moved and Jill Whitlock seconded that:

The Board approve the draft language of the proposed rules with corrections of record to be exposed to the public for input and potential approval at the October 17, 2005 Board meeting.

Motion passed unanimously.

VI: ADMINISTRATOR'S REPORT

Keith thanked Fisher and Standley for their work in drafting the proposed rule changes.

Keith thanked Fisher who wrote most of the articles in the newsletter.

Keith thanked Standley for her work on the 2005-2007 biennium budget.

Keith thanked Turnbow for preparing the Spring 2005 newsletter. Turnbow is undergoing training to prepare the Board's newsletter in the future.

Keith advised that the Appraisal Subcommittee would be in Oregon in July 2006 to review the Board's program.

Keith advised that the Administrator of the Washington appraiser licensing agency, David Santhuff, has resigned his position.

Larsen requested that the record reflect that this meeting was a Special Board meeting and not a quarterly board meeting as identified in the Board meeting agenda.

MOTION # 7

John Larsen moved and Terry Bernhardt seconded that:

The Board adjourn the meeting.

Motion passed unanimously.

Meeting adjourned at 12:27 p.m.
Next scheduled meeting – October 17, 2005