

Appraiser Certification & Licensure Board

Quarterly Board Meeting - Summary Minutes

January 22, 2007

Oregon Parks and Recreation Department, Conf. Room 124A, 725 Summer Street NE , Salem, Oregon

BOARD MEMBERS IN ATTENDANCE

Craig Zell, Chair
Jill Whitlock
John Larsen
Doug Nelson
Sara Fraser
Clifford Houck

ACLB STAFF IN ATTENDANCE

Bob Keith, Administrator
Karen Turnbow, Office Manager
Warren Foote, Legal Counsel, Dept. of Justice
Cyndie Standley, Compliance Coordinator

BOARD MEMBERS ABSENT

None

PUBLIC IN ATTENDANCE

Vessal Zarghami
Terry Bernhardt

I: CALL TO ORDER AND VERIFICATION OF QUORUM

Chairperson Zell called the meeting to order at 9:27 a.m. and verified that a quorum was present.

II: PUBLIC INPUT

Ves Zarghami - Zarghami has been an Appraiser Assistant since 2002. Zarghami submitted an application for State Certified Residential Appraiser. His appraisal experience is being audited for USPAP compliance. He is currently waiting for a summary of the audit. His current supervisor is being disciplined and may no longer act as his supervising appraiser. Zarghami has had difficulty finding a new supervising appraiser. Zarghami thanked the Board staff and several members for their assistance in searching for a new supervisor. Beginning May 1, 2004, supervising appraisers were required to disclose the specific categories of assistance. Zarghami provided a hand-out to the Board regarding the disclosure made in the reports that he assisted on. The report contained a one-sentence summary that did not specifically disclose each category of assistance provided. Zarghami was advised by Board staff to go through all of his reports that he assisted on and do an addendum, disclosing each category of assistance that he provided, and provide those addendums to the clients for each appraisal report.

Keith advised the Board that the staff has made this same requirement of other individuals that have found themselves in this same situation with failing to properly disclose the appraisal assistance.

Houck suggested that Keith and staff contact Zarghami's supervising appraiser and require that he amend the appraisal reports regarding disclosure of appraisal assistance to bring the reports into compliance with administrative rules.

Sara Fraser advised that she will be taking Zarghami on as an appraiser assistant. Zarghami has been making efforts to bring the appraisal reports into compliance with both USPAP and administrative rules.

Keith summarized what the Board wanted of the staff; that he will contact the supervising appraiser and encourage him to participate with the correction/addendum letters, and that the Board approve of the staff's handling of requiring amendments/addendums to reports and enter into stipulated agreements for additional hours of experience. All Board members affirmed the Board's action towards the supervising appraiser/appraiser assistant properly disclosing the scope of assistance.

III: ACTION ITEMS

Presentation for outgoing Board Member Terry Bernhardt: Presentation of plaque to Terry Bernhardt in recognition of his service to the Board.

Adoption of October 23, 2006 quarterly Board meeting minutes:

MOTION #1

Doug Nelson moved and Jill Whitlock seconded that:

The Board approve the meeting minutes as drafted.

Motion passed unanimously.

Election of Vice-Chair: Zell advised that, since Vice-Chair Bernhardt had resigned as a Board Member, the Board needed to elect an interim vice-chair. The next formal election of officers will be held at the April 2007 Board meeting. Nelson moved to nominate Larsen for the interim position of Vice-Chair until the April election. Houck seconded. Larsen received unanimous approval as the new interim Vice-Chair.

BREAK: 10:30 to 10:42 a.m.

IV: NEW BUSINESS

Consideration of Public Input from Rules Hearing: Discussion regarding two year appraiser assistant registration. Board decided to leave the registration period at one year. Review and discussion of proposed rule changes. Discussion regarding prerequisite experience and education requirements for a supervising appraiser endorsement. Once the supervising appraiser receives an endorsement, the endorsement is good indefinitely.

Adoption of Administrative Rules:

MOTION #2

Doug Nelson moved and Jill Whitlock seconded that:

The Board adopt the proposed administrative rule changes with revisions.

Motion passed unanimously.

Authorization of Reserve Fund Re-Investment (Zell): Zell requested authorization from the Board to either renew or reinvest the certificate of deposit:

MOTION #3

John Larsen moved and Doug Nelson seconded that:

The Board authorize Zell and Keith to renew or reinvest the certificate of deposit for the reserve funds.

Motion passed unanimously.

Consideration and Adoption of Affirmative Action Policy (Keith): Summary of draft Affirmative Action policy as required by the Governor. The policy was drafted by a collection of semi-independent agencies. Keith edited to meet the needs of the Appraiser Board. Larsen and Whitlock pointed out a couple of typographical errors in the draft policy.

MOTION #4

Cliff Houck moved and Doug Nelson seconded that:

The Board adopt the 2007-2009 biennium draft policy of Affirmative Action with corrections.

Motion passed unanimously.

Discussion and Consideration of Criminal History of Applicant for Appraiser Assistant Registration (Turnbow): Discussion regarding the criminal history of the applicant for appraiser assistant and their fitness to serve, considering their criminal history and types of convictions.

MOTION #5

Sara Fraser moved and Doug Nelson seconded that:

The Board approve the appraiser assistant registration application, subject to completion of all administrative rule requirements of registration and entry of a final consent agreement with the Board that any future criminal convictions shall be grounds for denial of renewal or revocation of their appraiser assistant registration and/or their appraiser license.

Motion passed. Houck voted against.

BREAK: 12:10 to 12:15 p.m.

Discussion: Limiting Supervision of All Appraiser Assistants to Certified Appraisers Effective January 1, 2008 (Zell/Keith): Keith advised the Board that the Appraiser Qualifications Board has set forth new qualifications for appraiser assistant supervision. Keith sought feedback from the Appraisal Subcommittee regarding whether this is a requirement or voluntary by each state. The Board proposed amending the administrative rules to no longer issue the license credential, effective January 1, 2010. As of that date, existing licensed appraisers would be allowed to retain their credential, but the Board would cease issuing new license credentials. In addition, the Board recommended that the administrative rules be amended, effective January 1, 2010, to only allow certified appraisers to supervise appraiser assistants.

V: OLD BUSINESS

Supervising Appraiser/Appraiser Assistant Training Course Results (Zell/Keith): Zell advised that he attended the Supervising Appraiser/Appraiser Assistant Training course on December 11, 2006. He enjoyed the course and found it very beneficial and enlightening. Fraser attended the course on January 20, 2006 and also found it beneficial. Keith thanked Christine Watson and Chemeketa Community College for providing assistance in presenting this course in December. Keith proposed ongoing offerings of courses presented by the Board in conjunction with Chemeketa.

Legislative Update: Zell advised that there are currently no bills that would directly impact the Board. Keith is reviewing the new bills. Keith advised that ODOT does not have anything currently pending that is similar to their last bill regarding administrative determinations of just compensation.

Zell advised that there is significant discussion in the legislature regarding Measure 37 claims and their outcome.

Proposal to Implement Appraiser Assistant Experience Work Product Review (Zell/Nelson): Nelson advised that the Board currently has no process for monitoring appraiser assistants; training and supervision. Nelson offered a draft of proposed rule changes regarding a process for evaluating an assistant's training and supervision. Zell asked Nelson what he meant by designee and would they be required to have certain qualifications. Keith encouraged the Board to not move too hastily to adopt changes regarding monitoring appraiser assistant experience and supervision because the Board has recently implemented requirements for attending a supervising appraiser/appraiser assistant training course and will be limited supervision of appraiser assistants to certified appraisers only starting 1/1/2010.

Enforcement Update (Standley/Keith): Brief summary by Keith regarding the status of enforcement cases. Keith advised that there may be a little lag in processing of enforcement cases until such time as the Board hires a full-time person to take the place of the prior half-time position. Chuck Fisher, who recently left the position, has signed a contract with the Board to serve as a USPAP expert and provide assistance as needed.

Budget Report (Larsen/Standley): Larsen stated that the Secretary of State cost to store files is a new cost incurred by the Board in this biennium and will be a recurring cost in future budgets.

Zell reported that the Board received a letter (January 17, 2007) from the Appraisal Subcommittee (ASC) acknowledging receipt of the Board's November 13, 2006 letter in response to the ASC's September 26, 2006 field review letter. The Board's November 13, 2006 response reported the Board's October 23, 2006 motion regarding the appropriate process for a staff or board member to obtain course approval for other providers (for whom they might teach) or themselves as individuals.

VI: ADMINISTRATOR'S REPORT

Keith provided a brief summary of the license data for January 1, 2007.

Keith advised that the Board received a number of applications from people applying for the new Appraiser Compliance Analyst position. Keith met with Zell and graded the answers to the questions that were part of the application requirement. The Board is scheduled to interview five candidates in the next couple of weeks.

The Board's space lease is currently expired and the Board is currently on a month-to-month rental. The Board is now actively looking for new office space and the Board is anticipating moving after July 1, 2007 to include the cost in the next biennium budget.

Keith advised that he and Board staff will get together with staff of DFCS and Real Estate Agency in February 2007 to meet and discuss relevant issues.

Realtors are getting advice from attorneys to not disclose sales concession issues to appraisers. They are considering creating a definition of sales concessions and development of a form to release that information.

Keith went to Columbia County Assessor's Office to review experience being claimed by Jeff Benham.

Keith audited a couple of education courses since the last Board meeting.

Keith advised that the Governor's office is expecting to have a large number of Board appointments by February and hopes to have somebody appointed to the Appraiser Board by then.

Keith encouraged Board members to read the letter from the Texas Appraiser Board.

Letter from Adrienne Sexton with Legislative Fiscal Office regarding her review and analysis of the semi-independent Boards.

Zell stated that the ASB has issued an exposure draft that covers a number of proposed changes to USPAP. He encouraged board members to review the proposed draft.

Adjournment:

MOTION #6

Doug Nelson moved and John Larsen seconded that:

The Board meeting be adjourned.

Motion passed unanimously.

Meeting adjourned at 1:30 p.m.

Next scheduled meeting – April 23, 2007