

**STATE OF ALASKA  
DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT  
DIVISION OF CORPORATIONS, BUSINESS & PROFESSIONAL LICENSING  
BOARD OF CERTIFIED REAL ESTATE APPRAISERS**

**MINUTES OF TELEPHONIC MEETING  
JULY 9, 2014**

By the authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a scheduled teleconference of the Board of Certified Real Estate Appraisers was held July 9, 2014 at the State Office Building, 333 Willoughby, 9<sup>th</sup> Floor, Conference Room A, Juneau, Alaska.

**Call to Order/Roll Call**

The meeting was called to order at 9:10 am by David Derry, Chair.

Those present, constituting a quorum of the Board:

David Derry-Chair, Licensed General Real Estate Appraiser  
Alfred Ferrara, Licensed Residential Real Estate Appraiser  
Lance Cook, Licensed Residential Real Estate Appraiser  
Brit Szymoniak, Public member

In attendance from the Department of Commerce, Community & Economic Development  
Division of Corporations, Business and Professional Licensing:

Lisa Robinson, Licensing Examiner  
Michelle Johnston, Record & Licensing Supervisor

**Agenda Item #1 – Discussion of Statute & Regulation Changes**

After welcoming the newest board member Brit Szymoniak, Chairperson Derry turned over the meeting to Michelle Johnston for discussion of current statute and regulation changes in progress. Ms. Johnston advised that she added agenda items to the list to ensure that the board was up to speed on the current status of Alaska's compliance issues with newly placed federal requirements. She outlined for the board where we were at in the process, what has happened up to this date and what needed to be done as we move forward in terms of becoming completely federally compliant with the Appraisal Subcommittee. Several documents were provided to help show the progress as well as what still needed to be done. *The Summary of 2013/2015 Appraisal Subcommittee changes*, a self-explanatory chart that showed what was done by the 7/1/2013 deadline and what still needs to be done by the 1/1/2015 deadline to be compliant. *The Board meeting minutes from June 2013* where the current board recommended regulatory and statute changes that fell in line with moving forward in Alaska becoming federally compliant. Ms. Johnston verified for Chairperson Derry that

the current board is not bound by the previous board's statute and regulation change recommendations but reaffirmed that they were necessary and purely based on recommendations from The Appraisal Subcommittee in order to become compliant. She also added that we were just now moving forward with those changes because we had been waiting for the statutory authority to do so which came about with the recent signing into law *Senate Bill 129*. Ms. Johnston confirmed for Chairperson Derry that the previous minutes recommending these changes made by the previous board members were in fact signed because the copy he had in front of him did not have any signatures.

Mr. Ferrara then wanted clarification on *Senate Bill 129* with several questions. He first asked if the bill gave them complete authority to change statutes so that we can adopt all of the changes without any further work from the legislature. Ms. Johnston in response to Mr. Ferrara answered by discussing the divisions role in doing these statutory and regulatory changes themselves because of the financial burden to the State of Alaska if the changes weren't made citing the *Dodd/Frank Act*. He also inquired if the recommended changes of the last board members are put into regulation that the current board would become fully compliant with the last ASC audit. Ms. Johnston replied that she believes that it does. Lastly, Mr. Ferrara asked if the regulation changes would be formatted sufficiently for our August meeting with the ASC so we can show them that we are in fact moving forward in becoming completely compliant and will those regulation changes be available by August. Ms. Johnston answered by saying that she believes that we can show that enough progress in the move towards being fully compliant has been made to be considered not "non-compliant". Ms. Johnston also answered Chairperson Derry's question as to why Alaska was being held to annual audits when other states were doing audits every two years was because of past non-compliant issues. With all of the given clarification on the presented regulatory change project, the board has made the following motion:

**Upon a motion duly made by Mr. Ferrara, seconded by Ms. Szymoniak and approved unanimously, it was:**

**Resolved to confirm the prior actions of the June 2013 board and approve all recommended regulatory changes and that staff be asked to proceed in preparing regulation changes for future adoption by the current board.**

Chairperson Derry requested to be sure that the signed copy of the June 2013 board meeting minutes be attached to that motion. Ms. Johnston agreed to have that happen.

### **Agenda Item #2 – Appraisal Subcommittee compliance review**

Ms. Johnston basically wanted to present to the new board members what to expect with the upcoming ASC compliance review, going over dates and audit procedures. Ms. Johnston also pointed out to the board where they could find on the Appraisal Subcommittee's website all of the state's compliance status and past audits. Chairperson Derry requested that all members be furnished with a copy of the previous audit to which Ms. Johnston agreed that staff would get done.

Chairperson also asked of Ms. Johnston if the review would include problems that stem from “staff turnover” such as timeliness in approvals of appraisal applications and continuing education course applications to which Ms. Johnston replied that she as the Division of Corporation, Business and Professional licensing Records & Licensing supervisor was held accountable and responsible for answering to these specific non-compliant issues and possible findings.

**Agenda Item #3 – Reimbursement Issues/ Other Board Business**

Mr. Ferrara requested that this item be placed on the agenda because he wanted clarification on reimbursement/travel approval for USPAP attendance and how as a board, they can make that a priority. Ms. Johnston explained that the State allotted a travel budget that included all boards and once that amount was defined for each board that the board meetings were the top priority. Adding that the board themselves decide the remaining order of importance for travel, expressing the importance of getting the 2014 Annual Report completed because that is the first thing that is looked at when the division director approves travel. Adding also, that all desired travel should be prioritized in order of importance because according to the programs financial status, only the top 2 may be approved.

Mr. Ferrara also inquired into the timeliness of renewal notifications being sent by the Division relaying complaints of past problems of licensee’s having enough time to get their renewal paperwork done and submitted on time. He specifically wanted to know if anything could be done to change the amount of time that the license holders were given to complete their renewal applications. Ms. Johnston answered that statutory regulation required 30 days prior to the expiration date. Mr. Ferrara and Chairperson Derry both agreed that they could focus on getting a statutory change increasing the 30 days in which the renewal notifications are sent out by the Division for the future.

Chairperson Derry inquired into whether the program had any open investigation reports that the board needed to be made aware of, to which Ms. Johnston answered that she was not aware of any but that she would have staff follow up with the investigator and have the results, if any be provided to the board at the next board meeting which is usually part of the a regularly scheduled board meeting. Chairperson Derry further inquired into the investigative process asking if the board was notified of complaints against license holders. Ms. Johnston explained that the board was not notified of the complaint but that the license holder was notified of the complaint against them, given a chance for rebuttal. The board isn’t notified unless the investigation turns up evidence for action against the license holder to be decided upon. Ms. Johnston also confirmed for Chairperson Derry that their investigator Jennifer Wirawan was federally trained and well versed in USPAP.

Chairperson Derry requested that past budget reports be provided to all of the board members , specifically the past 3 years of annual reports and the last 3 quarterly reports. Ms. Johnston agreed to have staff send those documents. Chairperson Derry mentioned moving to elect Lance Cook as

Vice Chair and Mr. Cook declined, citing having too much of a current workload to be able to carry out the responsibilities of the position. The board then made the following motion:

**Upon a motion duly made by Chairperson Derry, seconded by Mr. Cook and approved unanimously, it was:**

**Resolved to appoint Mr. Alfred Ferrara as the Vice Chair of the Board of Certified Real Estate Appraisers.**

It was agreed upon by Chairperson Derry, the board members and staff that another teleconference would be scheduled to review an agenda for the upcoming August ASC compliance review and board meeting.

**Under a motion duly made by Chairperson Derry, seconded by Vice Chairperson Ferrara and approved unanimously, it was:**

**Resolved to adjourn the board meeting at 10:35am**

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Laura Carrillo (For Susan Johnson)      Date

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Dave Derry, Chair      Date