

1 STATE OF ALASKA  
2 DEPARTMENT OF COMMERCE, COMMUNITY, & ECONOMIC DEVELOPMENT  
3 DIVISION OF CORPORATIONS, BUSINESS, & PROFESSIONAL LICENSING

4 BOARD OF CERTIFIED REAL ESTATE APPRAISERS

5  
6 MINUTES OF THE BOARD MEETINGS

7 Friday, January 12, 2018  
8  
9

10 By the authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a  
11 scheduled meeting of the Board of Certified Real Estate Appraisers was held at the Robert Atwood  
12 Building, 550 W. 70<sup>th</sup> Ave., Suite 1560, Anchorage, AK.  
13

14 **Agenda Item #1** **Call to Order/Roll Call**

15  
16 The meeting was called to order at 9:07 a.m. by David Derry, Chair.  
17

18 Those present, constituting a quorum of the Board:

19 David Derry, Chair, Certified General Real Estate Appraiser

20 Alfred Ferrara, Certified General Real Estate Appraiser

21 Donald Faulkenburry, Public Member

22 Renee Piszczek, Mortgage Lending Member

23 Robert Tracy, Certified Residential Real Estate Appraiser (joined at 10:36 a.m.)  
24

25 Division Staff present in the meeting:

26 Renee Hoffard, Records and Licensing Supervisor

27 Dawn Dulebohn, Occupational Licensing Examiner

28 Melissa Dumas, Administrative Officer II

29 Beth Parsons, Paralegal I

30 Doug Fell, Investigator III  
31

32 Present from the Public:

33 Tom Atkinson, Representative Josephson's Office

34 Christine Marasigian, Senator Meyer's Office  
35

36 **Agenda Item #2** **Review Agenda**  
37

38 Chair, David Derry, prompted the Board to review the meeting agenda. Mr. Derry added items  
39 to the agenda. Under Item #11, New Business, Mr. Derry added Statute of Limitations

40 discussion. Under Item #8, Old Business, Mr. Derry added Board Sunset Provision discussion  
41 and Appraisal Management Company Legislation discussion with someone from Representative  
42 Josephson's team.

43

44 **Agenda Item #3**                      **Review/Approve Minutes**

45

46 **On a motion duly made by Alfred Ferrara, seconded by Donald Faulkenburry, and passed**  
47 **unanimously, it was:**

48                **RESOLVED to APPROVE the meeting minutes from June, July, and September**  
49 **2017 as written.**

50

51 **On a motion duly made by Alfred Ferrara, seconded by Renee Piszczek, and passed**  
52 **unanimously, it was:**

53                **RESOLVED to APPROVE the meeting minutes from October 5, 2017 as written.**

54

55 **Agenda Item #4**                      **Ethics Disclosure/Review Ethics**

56

57 There were no ethics issues to disclose.

58

59 **Agenda Item #5**                      **Board Business**

60

61 **Review/Approve Applications**

62

63 David Derry instructed OLD Dulebohn that, going forward, any application for continuing  
64 education that is approved by the Appraisal Qualifications Board (AQB) or the International  
65 Distance Education Certification Center (IDECC) do not need to be submitted to the entire Board  
66 for approval. They should be submitted to only Mr. Derry who will review and decide on  
67 approval. Mr. Derry also informed OLE Dulebohn that applications should be sent to the Board  
68 for review electronically on the 15<sup>th</sup> of every month to avoid build-up and delay. Mr.  
69 Faulkenburry advised that he has issues editing ballots in PDF format and that he will submit his  
70 "ballot" via e-mail. Mr. Ferrara poses the question that if an applicant takes a course that has yet  
71 to be approved by the Board (but eventually gets approval), does the applicant get credit for the  
72 course. Mr. Derry clarifies that in a previous Board meeting it was determined that the applicant  
73 would not automatically get credit but that it would be reviewed on a case by case basis.

74

75 The AQB/IDECC approved continuing education courses reviewed and **APPROVED** by David  
76 Derry, Chair, by ballot were as follows:

77                Course #16272- The Dirty Dozen

78                Course #16273- The Cost Approach

- 79 Course #16374- 7 Hour National USPAP Course (A114)
- 80 Course #16375- 15 Hour National USPAP Course (A113)
- 81 Course #16376- Integrated Approaches to Value (A304)
- 82 Course #16377- Basic Appraisal Procedures
- 83 Course #16379- Residential & Commercial Valuation of Solar
- 84 Course #16429- Online Business Practice and Ethics
- 85 Course #16430- Online Comparative Analysis
- 86 Course #16434- Online Residential Site Valuation & Cost Approach
- 87 Course #16447- Real Estate Finance, Statistics, and Valuation Modeling
- 88 Course #16449- Supervisory Appraiser/Trainee Appraiser Course
- 89 Course #16451- Fundamental Concepts of Analysis
- 90 Course #16453- A Review of Disciplinary Cases- Live Webinar
- 91 Course #16455- Appraisal of Industrial Incubators
- 92 Course #16456- 15 hour National USPAP Course
- 93 Course #16457- 7 hour National USPAP Update Course
- 94 Course #16460- 2018-19 7-Hour USPAP National Update Course

95  
96 Non AQB/IDECC approved continuing education courses reviewed and approved by the Board  
97 were as follows:

98  
99 **On a motion duly made by Alfred Ferrera, seconded by Donald Faulkenburry, and passed**  
100 **unanimously, it was:**

101 **RESOLVED to APPROVE Course #16448- Two Day Advanced Income**  
102 **Capitalization/B as submitted.**

103  
104 **On a motion duly made by Alfred Ferrara, seconded by Renee Piszczek, and passed**  
105 **unanimously, it was:**

106 **RESOLVED to APPROVE Course #16412- Introduction to Green Buildings:**  
107 **Principles and Concepts as submitted.**

108  
109 **On a motion duly made by Alfred Ferrara, seconded by Renee Piszczek, and passed**  
110 **unanimously, it was:**

111 **RESOLVED to APPROVE Course #16431- Two Day Advanced Income**  
112 **Capitalization/A as submitted.**

113  
114 **On a motion duly made by Alfred Ferrara, seconded by Donald Faulkenburry, and passed**  
115 **unanimously, it was:**

116 **RESOLVED to APPROVE Course #16459- 2018 Valuation Expo- Charleston as**  
117 **submitted.**

118 The Board reviewed the Certified Residential Real Estate Appraiser Reinstatement application  
119 for Teresa M. Denton.

120  
121 **On a motion duly made by Donald Faulkenburry, seconded by Renee Piszczek, and passed**  
122 **unanimously, it was:**

123 **RESOLVED to APPROVE the application for a Certified Residential Real Estate**  
124 **Appraiser for license for Teresa M. Denton.**

125  
126 Review/Update FAQ's

127  
128 No one has any questions or updates to post.

129  
130 Review Goals and Objectives

131  
132 No one has any changes in regards to the Board's Goals and Objectives.

133  
134 *David Derry, Chair, called for a break at 9:54a.m.*

135  
136 **Agenda Item #6                      Division Update/Fiscal Report**

137  
138 At 10:00 a.m., Mr. Derry reconvened the meeting.

139  
140 Administrative Officer II Melissa Dumas joined the meeting telephonically to present the  
141 Division Update/Fiscal Report.

142

<b>APR</b>	<b>2017</b>
166,583	Beginning Surplus
<b>278,417</b>	<b>Total Revenue</b>
-51,659	Direct Expense (i.e. personal services, travel, contractual, supplies, equipment)
-18,550	Indirect Expense (Commissioner's office, human resources, technology, postage, maintenance)
<b>-70,209</b>	<b>Total Expenses</b>
<b>\$374,791</b>	<b>2017 ANNUAL SURPLUS</b>

143 Mr. Derry made some inquiries regarding the 2017 Sum of Total Direct Expenses, numbers  
144 2012- Out-State Employee Airfare for \$4,423 and 2014- Out-State Employee Lodging for \$1,941.  
145 Supervisor Renee Hoffard advises the Board that it may have been for AARO training.

146

147 **TASK:**

148 **Melissa Dumas will look into the expenses for the Out-State Employee Airfare and**  
149 **Lodging and whether the Board was charged for the investigative training that was**  
150 **supposed to be reimbursed by a 3<sup>rd</sup> party.**

151

152 Ms. Hoffard brings to the Board's attention that there was a Third Party Reimbursement to the  
153 Board in the amount of \$5,827. Ms. Dumas points out that if the Board was reimbursed, the  
154 charges will initially show up as an expense. Only things that are directly paid do not show up as  
155 an expense. Ms. Dumas reviews FY18 looks like it is on track with spending for a non-renewal  
156 year.

157

158 Mr. Derry makes a statement that the Board has already addressed the issue of the surplus and  
159 have made provisions for reducing certification fees for 2019 certification.

160

161 Mr. Derry asks about their sunset bill. Ms. Hoffard explains that the Board will be presented  
162 with the bill from the sponsoring Representative but the Division hasn't been given the number  
163 yet. Once the Division has that information, it will be distributed to the Board. The Board has  
164 been recommended to continue until 2026.

165

166 Beth Parsons joins the meeting at 10:11 a.m.

167

168 Since the meeting is ahead of schedule and Mr. Fell from Investigations is in attendance, Mr.  
169 Derry suggests the Board hear the Investigative Report early.

170

171 **Agenda Item #7                      Investigative Report**

172

173 Doug Fell from Investigations presents the Investigative Report. From September 26- December  
174 20, 2017, the Division had 5 cases: 4 matters were opened and 1 matter was closed.  
175 Investigations still has 5 ongoing cases and no one is on Probation.

176

177 Mr. Fell presents the Board with one consent agreement Case # 2017-000173.

178

179 **On a motion duly made by Donald Faulkenburry, seconded by Renee Piszczek, and passed**  
180 **unanimously, it was RESOLVED to enter into Executive Session in accordance with AS**  
181 **44.62.310(c), and Alaska Constitutional Right to Privacy Provisions, for the purpose of**

182 **discussing Investigations on Certified Real Estate Appraisers “matters which by law,**  
183 **municipal charter, or ordinance are required to be confidential.”**

184 Board entered Executive Session at 10:16 a.m.

185 Board left Executive Session at 10:26 a.m.

186

187 **On a motion duly made by Donald Faulkenburry, seconded by Renee Piszczek, and passed**  
188 **unanimously with a roll call vote, it was:**

189 **RESOLVED to APPROVE the Consent Agreement as written for Julie Dinneen-**  
190 **Case #2017-000173.**

191

192 Ms. Hoffard addresses the Board to ask if they want to register Doug Fell for investigative  
193 training this year. Mr. Derry responds that the Board does want Mr. Fell to attend.

194

195 **TASK:**

196 **Ms. Hoffard will find out the dates for Investigative Training in 2018**

197

198 Mr. Ferrera asks if the Board has already voted to approve staff go to the Investigative Training  
199 and Mr. Derry affirms that they have at a previous meeting.

200

201 Mr. Derry brings to the Board’s attention that there is a one day USPAP course in Anchorage in  
202 March and the Board would like Doug Fell and Dawn Dulebohn to attend. Mr. Fell expresses  
203 interest in attending both the Investigative Training and the USPAP course in 2018.

204

205 **TASK:**

206 **OLE Dulebohn will put in travel requests for herself and Investigator Fell to attend**  
207 **the USPAP Course in Anchorage in the Spring of 2018.**

208

209 *Mr. Fell leaves the meeting at 10:30 a.m.*

210

211 **Agenda Item #11                      New Business**

212

213 **Statutes of Limitations**

214

215 Alfred Ferrera presents a case for implementing a statute of limitations for liability for  
216 Appraisers in Alaska. There have been many instances that frivolous lawsuits have been pursued  
217 against appraisers after five years (file retention period). Mr. Ferrera presents an outline showing  
218 the reasoning behind the proposal and the Board discusses the idea in detail. Donald

219 Faulkenburry suggests asking if Representative Josephson would be interested in sponsoring this  
220 bill in addition to the AMC bill.

221

222 *Robert Tracy arrives at 10:36 a.m.*

223

224 **On a motion duly made by Alfred Ferrara, seconded by Robert Tracy, and passed**  
225 **unanimously with a roll call vote, it was:**

226 **RESOLVED to proceed with the concept that there will be a five year statute of**  
227 **limitations for liability of Appraisers in Alaska.**

228

229 Delegation of Authority

230

231 Mr. Derry asks Supervisor Hoffard to explain this item on the agenda. Ms. Hoffard explains that  
232 the Board has previously voted that the Records and Licensing Supervisor can approve licenses  
233 if they are applying by reciprocity and the applicant has no “yes” answers. This would let  
234 applicants to be licensed quicker and avoid the wait time. The Department of Law has  
235 determined that the Board does not have the authority to allow for such a change unless there is a  
236 statute or regulation modification. LAW also cautions against making a regulations change in  
237 this regard because it would show the Board as “giving up their authority”. The allowance of the  
238 Division to make decision on Courtesy Licenses is fine considering the strict turnaround time of  
239 five days.

240 The Board decided to not pursue allowing the Division to be able to approve any applications  
241 other than Courtesy Licenses. It is reiterated that applications will be sent electronically on the  
242 15<sup>th</sup> of every month allowing the Board 10 days to respond by ballot. They will be sent in  
243 segregated e-mails by category of application.

244

245 **Agenda Item #9 Appraisal Subcommittee (ASC) Updates**

246

247 David Derry summarizes the findings of the subcommittee meeting that was formed to address  
248 the Appraisal Management Company (AMC) topic formed as a result of an inquiry from  
249 Representative Josephson’s legislative aide, Tom Atkinson, as to whether the Board was going to  
250 vote to participate in AMC regulations. The committee communicated with the Attorney  
251 General and was informed that they needed statutory authority on the matter. Knowing there  
252 was an upcoming meeting, Mr. Derry contacted Mr. Atkinson and inquired whether Rep.  
253 Josephson would like to sponsor the AMC bill. Mr. Atkinson (after conferring with Rep.  
254 Josephson) replied that they were interested in carrying the bill and that there is a lobbyist on  
255 behalf of Wells Fargo is (for some reason) pushing for the Board to adapt AMC legislation. Mr.  
256 Atkinson sent the Mr. Derry a copy of the draft of the House Bill. Mr. Derry also presents the



295 **Agenda Item #10** **Lunch**

296

297 David Derry, Chair, called for lunch break at 11:53 a.m.

298

299 *Off the record at 11:53 a.m.*

300 *Back on the record at 1:15 p.m.*

301

302 **Agenda Item #13** **Administrative Business**

303

304 David Derry reconvened the meeting after lunch.

305

306 **Fingerprint Regulations Project**

307

308 After reviewing correspondence between Deputy Director Sara Chambers and ASC Policy  
309 Manager Claire Brooks regarding the proposed fingerprinting legislation for Certified Real  
310 Estate Appraisers. In an e-mail to Ms. Chambers, Ms. Brooks states “the Professional Fitness  
311 Questions on Alaska’s application is enough to satisfy the AQB criteria background check  
312 requirement.” Upon hearing this the Board decided to that further action is no longer needed to  
313 meet AQB, Dodd-Frank, and AMC requirements.

314

315 **Sunset Audit Legislation**

316

317 Mr. Derry inquires as to the status of the Board’s sunset audit and whether any activity on behalf  
318 of the Board is required. Supervisor Hoffard explains that the Division has yet to receive any  
319 specifics regarding the bill’s status.

320

321 **TASK:**

322 **OLE Dulebohn will find out about sunset audit legislation, bill number, ect and**  
323 **distribute information to the Board.**

324

325 **Correspondence**

326

327 Ms. Hoffard presents the Board an email stating that Claire Brooks has been appointed as the  
328 representative for Appraisal Foundation’s Appraisal Subcommittee.

329

330 Ms. Hoffard presents the Board with a letter received from Allterra. The Board discusses the  
331 correspondence and asks the Division to reply to the letter stating that the Board does not accept  
332 any applications via reciprocity.

333

334 **TASK:**  
335 **Supervisor Hoffard will respond to Allterra letter.**

336  
337 Future Board Meetings

338  
339 The Board discusses proposed dates for the next Board meeting. The Board decides to meet via  
340 teleconference on May 11, 2018 at 9:00 a.m.

341  
342 Association of Appraiser Regulatory Officials Conference

343  
344 The Board would like to send Board members David Derry, Robert Tracy, and OLE Dawn  
345 Dulebohn to the AARO conference May 4-6, 2018 in Seattle, WA.

346  
347 David Derry, Chair, called for a short break before Public Comment.

348  
349 Off the record at 1:42 p.m.  
350 Back on the record at 2:00 p.m.

351  
352 Agenda Item #12 Public Comment

353  
354 No one signed up for Public Comment or joined telephonically to address the Board.

355  
356 Agenda Item #14 Adjourn

357  
358 **In a motion made by Donald Faulkenburry, seconded by Alfred Ferrara, and passed**  
359 **unanimously with a roll call vote, it was RESOLVED to adjourn.**

360  
361 Upon hearing that Alfred Ferrera’s term ends March 1, 2018 and the Governor has appointed  
362 Wendy Lawrence to replace him, David Derry took a moment to thank Alfred Ferrara for his  
363 excellent service over the years. Mr. Derry stated that Mr. Ferrara was an asset to the Board and that  
364 he would be missed.

365  
366 Hearing nothing further, Chair David Derry adjourned the meeting at 2:08 p.m.

367  
368  
369  
370  
371  
372  
373  
374

375 Respectfully Submitted,

376

377

378

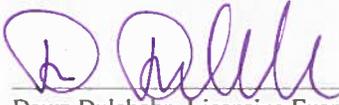
379 Dawn Dulebohn, Licensing Examiner

380

381

382

383 David Derry, Chair



7/31/18

Date



7/25/2018

Date