

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

**MINUTES OF MEETING
January 15, 2010**

By the authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a scheduled meeting of the Board of Certified Real Estate Appraisers was held January 15, 2010, at the Atwood Building, 550 W. 7th Avenue Suite 1860, Anchorage, AK.

Call to Order/Roll Call

The meeting was called to order at 8:35 a.m. by Steve MacSwain, Chairman.

Those present, constituting a quorum of the Board:

Steve MacSwain, Chairman, General Real Estate Appraiser
Gene Shafer, Vice Chair, Residential Real Estate Appraiser
William Larick, General Real Estate Appraiser
Butch Olmstead, Mortgage Banking Executive
April Moore, Public Member

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

Jan Mays, Licensing Examiner
Margo Mandel, Investigator

Guest:

Bruce Falconer, Attorney
Gayle Horetski, Assistant Attorney General, Department of Law
Kim Wold

Agenda Item 1 – Review Agenda

The following items have been added to the Agenda.

Item 2

- Wold Case

Agenda Item 2 – Investigative Report

Margo Mandel, Investigator presented the investigative report. During this reporting period, September 29, 2009 to December 21, 2009, the Investigation Unit opened four (4) cases and closed two (2) cases. Currently there are eight (8) open cases. FY 2010 Statistics to date:

Cases Opened: 8

Cases Closed: 4

Open Cases:

3300-09-001	Fraud/Misrepresentation	Active
3300-09-002	Fraud/Misrepresentation	Active
3300-09-003	Negligence	Active
3300-09-004	Fraud/Misrepresentation	Active
3300-09-007	Violating Professional Ethics	Active
3300-09-010	Negligence	Active
3300-09-011	Negligence	Active
3300-09-012	Negligence	Active

Closed Cases:

3300-09-008	Violating Professional Ethics	No Action - Unfounded
3300-09-009	Fraud/Misrepresentation	Appraiser deceased

Gayle Horetski, Assistant Attorney General for the Department of Law and Kim Wold joined the meeting by teleconference to discuss the Notice And Order on Appeal Bond for Appeal Case No. 1KE-08-263CI.

Ms. Horetski stated that Butch Olmstead has been recused from this matter. Ms. Horetski also stated that a Board meeting is a public meeting. However, a person who has been recused from a case cannot participate in any way with the Boards considerations or deliberations. Mr. Horetski advised that Mr. Olmstead excuse himself from the Board and take a seat with the rest of the members of the public.

Mr. Olmstead may return to his capacity as a Board member, once the Board moves on with other items on the agenda.

Ms. Horetski stated that she has read the Decision that was issued by the Superior Court Judge in the Administrative Appeal of the License Discipline Decision, which was handed down by the Board.

Ms. Horetski also stated that on the last page of the decision states when the court reaches its conclusion that seven of the eight counts in the courts conclusion were not substantiated. The Superior Courts decision reversed the seven counts, affirming the eighth count and remanding

the case back to the Board for determination of the appropriate sanction for the one remaining USPAP violation.

From Ms. Horetski's knowledge, the Board is intending to file a Petition for Review with the State Supreme Court, which is due January 15, 2010. Ms. Horetski informed that the Board has the authority to issue a stay to see whether the Supreme Court accepts the Boards Petition for Review.

Upon a motion by Shafer, seconded by Larick and approved unanimously, it was:

RESOLVED to enter into executive session in accordance with AS 44.62.310(c) (2) and (3), for the purpose of deliberation.

Executive session at 9:44 a.m.; back on record at 11:04 a.m.

Upon a motion by Shafer, seconded by Moore and approved unanimously, it was:

RESOLVED the Board does not agree with the Superior Courts decision, but agreed to perceive the court's decision to consider and impose sanctions relative to the one count that the court found to be in violation of. The Board agreed that this violation is the least egregious of those originally found Mr. Wold to be in violation by the Board. For the one count, for which the court has found that Mr. Wold was in violation of, the Board imposes the following sanction: Attend 53 hours of education. In those classes that Mr. Wold stated that he has attended that was provided by the Appraisal Institute; this is subject to verification by the Investigator that the courses given by the Appraisal Institute have been successfully completed. The Board opt to not impose a monetary fine.

Ms. Horetski will do the written order of sanctions and forward to Mr. MacSwain.

Mrs. Mays addressed to the Board the need to clean up the regulations to bring it current based on the Appraisal Qualification Board (AQB) criteria. As of now, Alaska is noncompliant with the AQB criteria. The Board agreed to schedule a half day meeting to address these issues, along with reviewing outstanding files from the 2007 field review audit and to discuss the current Sunset Audit. The Board settled for February 19, 2010; to resolve these issues. This will be a half-day meeting, starting at 10:30 a.m..

Agenda Item 3 – Ethics Report

No ethics issues to disclose.

Agenda Item 4 – Review Minutes

The Board reviewed the following meeting minutes:

October 2, 2009

Upon a motion by Larick, seconded by Shafer and approved unanimously, it was:

RESOLVED to approve the October 2, 2009 meeting minutes.

Agenda Item 5 – Application Review

No applications to review.

Agenda Item 6 – Course Approval

The Board discussed on utilizing the Course Approval Program (CAP) through the Appraisal Qualification Board (AQB) for all course approval applications for initial certification only. CAP is a service to state appraiser regulatory agencies and providers of real estate appraisal education.

Upon a motion by Shafer, seconded by Larick and approved unanimously, it was:

RESOLVED to implement all course approval applications applying for initial certification go through the Course Approval Program (CAP) which is through the Appraisal Qualification Board (AQB), prior to submission to the Board.

The Board discussed and decided to have a working lunch.

Upon a motion by Olmstead, seconded by Moore and approved unanimously, it was:

RESOLVED to approve the following courses by the following sponsor.

McKissock, LP

- Risky Business: Ways to Minimize Your Liability – 7 Hours
- Sales Verification: Principles, Procedures & Case Studies – 7 Hours
- The Cost Approach – 7 Hours
- 2010-2011 National USPAP Update Equivalent – 7 Hours
- 2-4 Family Finesse – 7 Hours

Upon a motion by Olmstead, seconded by Larick and approved unanimously, it was:

RESOLVED to approve the following courses by the following sponsors.

ASFMRA

- 7 Hour National USPAP Course (A-114, 2010-2011 USPAP) – 7 Hours
- National USPAP Course (A-113, 2010-2011 USPAP) – 15 Hours
- ASFMRA Code of Ethics – 4 Hours
- Basic Appraisal Procedures (A-102) – 30 Hours

Appraisal Institute

- General Appraiser Sales Comparison Approach – 30 Hours
- General Appraiser Site Valuation & Cost Approach – 30 Hours
- General Appraiser Market Analysis and Highest & Best Use – 30 Hours
- 2010-2011 15 Hour National USPAP Course – 15 Hours
- Online Residential Challenge: Declining Markets & Sales Concessions – 7 Hours

Upon a motion by Olmstead, seconded by Larick and approved unanimously, it was:

RESOLVED to approve the following course by the following sponsor for continuing education only:

Appraisal Institute

- 2010-2011 7 Hour National USPAP Update Course – 7 Hours

Agenda Item 7 – Correspondence

The Board reviewed the following correspondence and made no comment:

- Appraisal Subcommittee - AQB requirements pertaining to distance education
- John Beshk - Mesa Community College
- Montana Board of Real Estate Appraisers – Reciprocal Memorandum

Agenda Item 8 – Public Comment

There were no individuals in attendance for public comment.

Agenda Item 9 – Continuing Education Audit Procedure

April Moore requested that the continuing education audit procedure be placed on the agenda for discussion. Ms. Moore does not recall the motive for the discussion.

Agenda Item 10 – Goals & Objectives FY10

The Board reviewed and discussed the Goals & Objectives. The primary goals for this coming year are to investigate revisions to statutes and regulations to enhance consistency with the policy of the Appraisal Subcommittee. The Board's goal and objectives for FY 2010 are as follows:

1. Review recommendations changes and modify current statutes and regulations to include changes as needed and encourage their implementation.
2. Seek comments/input from other organizations that are involved in our use of appraisal services in Alaska.
3. Circulate the Board meeting dates to appraisal organizations, interested individuals, and users of appraisal services.
4. Provide public notice of all meetings in the newspaper.
5. Continue to make listings of approved, denied, and expired initial certification and continuing education courses/seminars available to certified individuals.
6. Look into the set up and notice-giving possibilities of disseminating Appraiser Board activities through email database addresses of licensed appraisers.
7. At the time of initial certification, the Board is to review the appraiser's application along with two appraisal reports, selected by the Board or a representative designated by the Board.
8. To have at least two face-to-face meetings per year.
9. To encourage and develop dialog promotional education in the State of Alaska for the state certified appraisers.

Agenda Item 11– Budget Report

The Board reviewed the Expenditure and Revenue Report. The Board requested that budget reports are generated a month prior to the next scheduled meeting. This applies for all future budget reports.

The Board also requested that budget reports be sent via email for review. The Board will notify Kathy Mason, Administrative Manager, for any questions. Mrs. Mays stated that Ms. Mason needs plenty of notice before the scheduled meetings, to assure availability.

Agenda Item 12 – Board Business

Sign Wall Certificates

No Wall Certificates to sign.

Schedule Next Meeting

The following are meeting dates for 2010.

February 19, 2010
June 4, 2010

Sign Meeting Minutes

The Board chair signed the following meeting minutes:

- October 2, 2009

Sign TA's and Collect Receipts

Travel Authorization forms were given to each Board member to sign.

Task List

Jan Mays

- Setup CAP for course approval applications applying for initial certification only.
- Mail out AQB Criteria booklet to the Board.
- Setup and schedule a USPAP 15 hour training for all Board members. Preferably at the June 4, 2010 meeting.

Gene Shafer

- Draft up regulation changes and present at the February 19, 2010.

There being no further business,

Upon motion by Olmstead, seconded by Larick and approved unanimously, it was:

RESOLVED to adjourn the meeting of the Alaska Board of Certified Real Estate Appraiser.

The meeting adjourned at 12:48 p.m.

Respectfully Submitted:

Jan Mays
Licensing Examiner

Approved:

Steve MacSwain, Chair

Date: _____