



APPRAISERS' COALITION OF WASHINGTON

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**MINUTES OF THE
REGULAR BOARD MEETING OF MAY 7, 2009**

Organization and board members in attendance:

	1 ST NAME	LAST NAME	WORK PHONE	e-MAIL ADDRESS
ACOW President	Stan	Sidor	253.722.1445	ssidor@qvkm.com
ACOW, Individual Members Representative	Barry	Wilson	206.838.1233	bwilson@lambhansonlamb.com
American Society of Appraisers, Seattle Chapter	Betty	Barnes	509.968.4499	barnesinc@elltel.net
Am Soc Farm Mgrs & Rural Appraisers	Robert	Greeno	509.545.6935	rlgreeno@gmail.com
Appraisal Institute, Inland NW Chapter	Mark	Noble	509.747.0999	noblem@able.com
Appraisal Institute, So. Sound Branch Chapter	Rob	Wenzel	253.238.6323	washingtonappraiser@gmail.com
NAIFA, Olympic Peninsula Chapter	Michael	Imes	253.858.6551	m.imes@appinc.net
NAIFA, Seattle Chapter	Sheridan	Shaffer	206.282.4613	sheridanshaffer@comcast.net
ACOW, Immediate Past President	Jim	Irish	206.838.1253	bf777@msn.com

*(Bold denotes current ACOW Board Member)

Organization members not present:

Appraisal Institute, Columbia Basin Chapter	Tom	Thompson	509.783.1854	TLT@owl.com
Appraisal Institute, Seattle Chapter	David	Hunnicutt	425.576.1203	davidhunnicutt@msn.com
Appraisal Institute, No. Sound Branch Chapter	Dan	Hewitt	360.428.4758	worth-it@comcast.net
Int Ass Assessing Officers, Central WA Chapter	Peter	McEnderfer	509.545.3506	pmcenderfer@co.franklin.wa.us
Int Ass Assessing Officers, Evergreen Chapter	Paul	Mallary	206.205.6627	Paul.Mallary@kingcounty.gov
Int Ass Assessing Officers, N. Pug. Sound Chapter	Ron	Telles	360.679.7303	ront@co.island.wa.us
Int Ass Assessing Officers, W. Pug. Sound Chapter	Jim	Hall	253.798.3673	jhall@co.pierce.wa.us
Intl Right of Way Assoc, Seattle	Available/Open			
Intl Right of Way Assoc, Spokane Chapter	Bruce	Jolicoeur	509.747.0999	brucej@able.com
NAIFA, Cascade Chapter – INACTIVE	Mike	Burris	253.229.9318	mburris@naifa.com
NAIFA, So. Puget Sound Chapter	Marcia	Baker	253.566.9095	marjaba@comcast.net

Others present:

Michelle Yotter
Richard Hagar
Larry Wedoff
Margo Henson
Hermin Gardner
Bill Clark

Meeting called to order by Stan Sidor, President, at 6:05 p.m.

A quorum was established
E-mail organizational chart to Imes
Agenda approved with no changes.

Barry Wilson moved to accept the January meeting minutes as drafted

Michael Imes seconded the motion

A spelling correction was made

The minutes were accepted with the minor spelling correction

President's Report

Stan Sidor gave the President's message.

Stan indicated that it was his goal to have a written President's report for the meetings. He also indicated that he had two primary goals for this year for ACOW:

1. To enhance overall communication with all chapters and ACOW members, and
2. To enhance fundraising efforts for ACOW

Stan indicated that emails among members have increased, that letters have already been sent out to many organizations, and that he has visited with several of the chapters, though has more to visit in his efforts to enhance the visibility of ACOW and attempt to raise more money. AI Seattle chapter has contributed \$10,000 to ACOW for the year. Other chapters visited include the Columbia Basin Chapter of AI in Kennewick, which pledged an additional \$250 to ACOW for the year and former REAC commissioner, Jack Frederickson, personally contributed \$500.00 to ACOW. Stan also attended an IFA-Silverdale chapter meeting and an IFA seminar.

Mark Noble indicated a Spokane meeting being planned, likely for the fall (October?).

Stan indicated that he needs to contact Marcia Baker of the South Puget Sound branch chapter of IFA for an appt. Stan also attended an IAAO-Evergreen Chapter meeting in Seattle. The IAAO could not donate due to the money having to come from the assessor's office, which cannot be done due to political nature of ACOW. Bob Green indicated the Rural and Farm Managers, have interest. Notices have been going out.

Stan indicated that he would like *Thank You* letters sent out to all contributors. He will investigate whether it makes more sense for us to do this as a volunteer effort or have Seaops do it, though the latter will cost money. Stan will get an estimate of how much Seaops thinks it might cost to do this, to date and through the year, and get the board to approve it if Seaops does not charge too much.

LEGISLATIVE TOPICS

Elimination of REAC

There have been many emails about various legislative issues early in the year. The most significant issue that was addressed was the proposed elimination of the REAC. Stan Sidor testified before both State WA House and Senate Committees on this issue.

Barry Wilson indicated we may get support by ASC. There are different levels of board authority. Ours (REAC) is advisory to DOL Director. It is currently at level 2, appointed by the governor to advise the Director of DOL.

A discussion ensued concerning the different aspects of the legislative action. Committee chairs are expected to address this issue again in interim sessions likely to come. The bills may be amended to remove three-fourths of the boards currently in the bill. Interim meetings will be held to set out parameters to eliminate boards. Governor is pushing the bill to go through. Bills not passed in January are still alive, and REAC is still included in one of the bills. Sam Hunt, House Committee Chair, appears to be on our side, but we need to be prepared for future legislative action and maybe a strategy session in case it comes up. This topic was tabled for next month or so. ACOW will send out emails to see if anyone will work on session.

Distressed Property Bill

Stan Sidor announced that the attempt to have appraisers removed from the distressed property bill failed. WAR got the bill amended to add Realtors as an exempt class. WAR also opposed having appraisers removed or added as exempt. WAR refused to meet with ACOW. Local community non-profit judicial activist groups also opposed having appraisers exempted (assumed that they want to make sure anyone can be sued; and they don't want to exempt anyone). Legislators said they would introduce an amendment if we could get the non-profits and WAR on board. This issue was dropped for this session in lieu of REAC and the difficulties and more work required to meet and negotiate with WAR. Stan Sidor will work with Jim Irish to meet with WAR.

Richard Hagar recommends going to the attorney groups. Realtors are merely looking out for themselves. No one involved wanted the exemption; the bill was narrowly designed. Only exempts agents if selling a house. Appraisers are not in the place or job to rescue distressed property owners.

Barry Wilson indicated that the legislation was so broad that even regulators could be implicated. Richard Hagar stated it is not a big deal due to so many other cases that are clear cut and dry cases currently being investigated or prosecuted. This is not an issue, and he does not see any reason for ACOW to worry about it. All agreed.

Jim Irish is concerned about an overzealous prosecutor prosecuting an appraiser even if the appraiser was simply doing an appraisal. There still should be an exemption for appraisers, "if only *appraising*." Others have concerns. Melissa Hulseman should be first point of contact. Stan Sidor indicated this will be revisited later.

AMCs, BPOs, & HVCC

Stan Sidor announced he has received many communications regarding issues with dealing with AMCs. He expects to start focusing more effort in this arena in the coming months. Most emails and communications he receives lately are about the HVCC and AMCs.

Richard Hagar stated it is a good first step to regulate AMCs. The Feds have authority over AMCs. Banks on BPOs already completed as they are already in the banking codes. One exemption is for loans under the \$250,000 (de minimis). Getting this lowered would be a good help. If we get the de minimis level lowered, then the appraisals have to be sought. Banks would fight this. FNMA/FHMAC requires an interior inspection for all loans. Therefore, appraisals are required. Now is chance to get something done due to banks being in a bad light with public. Discussion about who and how to get it done took place. ASC and appraiser organizations are working toward the same goal. An investigator here in WA working on appraisal issues with ASC, etc. The ASC is getting \$40,000,000 from the Kanjorski Bill which is to go to state enforcement departments for better enforcement. Currently they have \$1,000,000 in their account and want to know how to disperse the funds. If state gets money from ASC, what would they be able to do with it due to this increasing the budget? Contact T.K. Bentler about getting the money under a non-appropriated account.

OTHER ISSUES/TOPICS

Need to approve budget. David Hunnicutt is currently out of town and not able to give a report, but Stan was able to provide some current bank account data.

It was discussed between attendees that the Summit and other forums should be utilized to get more money. A discussion also needs to take place concerning the timing of the Summit this year.

Stan Sidor also reiterates thanking those who contributed. Possible committee to get out thank you notes.

End Pres. Report.

ORGANIZATIONAL GROUP SEARCH

Mark Noble is gathering information together about other organizations like ACOW. He has made a cursory search before meeting which yielded a minimal list. Some may not be legitimate organizations. He will continue to work on the project.

Stan Sidor wants to open up a line of communication with other organizations. He would like to see if we can work together and share info. Stan Sidor is on the Nevada State list. He is working on getting on other lists. Richard Hagar has Arizona and Oregon information and will pass on.

TREASURER REPORT

David Hunnicutt is not in attendance. Stan Sidor provided some financial information.

YTD=\$13,300 in dues, \$10,000 of which is from AI-Seattle chapter.

Gifts=\$775.00

Stan Sidor wants thank you notes and letters to chapter presidents.

Total operating expenses, SEAOPS is one of largest expenses. Stan Sidor announced invoices outstanding for the past three (3) months. Stan Sidor asks for a motion to pay the invoices. Michael Imes moved to pay Seaops as billed, Barry Wilson seconded the motion. Stan would like to ultimately keep SEAOPS billings down to not more than about \$600/month, or lower if possible. Currently the rolling average is at \$598/mo. Motion Passed.

Insurance Expense

It was decided to pay a quarterly fee in December and now on a monthly basis for the remainder of the year at about \$91/mo. ACOW started the year (2009) with only \$1,100 in the bank, now have \$3,500, after paying T.K Bentler, ACOW's lobbyist only one-half of his annual fee, and we need to pay T.K. Bentler \$8,750 more. Barry Wilson moved to pay T.K. Bentler \$8,750 for one-half of this fee, Mark Noble seconded the motion. T.K. Bentler has been very cooperative with ACOW's payment situation. We need to discuss a possible discount with him, however, which Stan will do at a later date. Motion passed to pay T.K. \$8,750.

We need to get a membership drive planned. Margo Henson recommends speedier action on AMCs to get more members. Stan Sidor indicated that nothing can get done quickly due to the process required. A strategy session is needed, but we can't do anything until the legislature is in session. Appraisers have control of fees and negotiations, and the State should not be involved, i.e. through law, so this may not be a topic for ACOW.

OLD BUSINESS

Barry Wilson: HB2151 and SB5994 are inactive. HB1497 and SB5995 inactive, SB5995 amended, REAC was included and is the last bill alive and has us to terminate in June. A striker amendment removed most and kept REAC alive. HB2151 and SB5994 could be reactivated. So, striker bill also added that legislature would have an interim session to set up standards of analysis for the termination of boards and commissions. We need to keep our attention on this issue and these bills as they may come back.

ADMINISTRATIVE

Stan Sidor stated we need to get the bank signature card updated. Motion made, seconded, and passed to approve Elly Snow, Stan Sidor, and David Hunnicutt to the ACOW bank account signature cards. Jim Irish is also to stay on as an authorized signer due to his convenient physical location to the Seaops office. Once these meeting minutes have been approved, we need to provide a copy of these minutes to Elly Snow, so she can take to bank and coordinate updating the bank signature card.

NEW BUSINESS

AMCs, BPOs, & HVCC

Richard Hagar: House Bill 1728 prohibits BPOs. Passed the House and is waiting on the Senate. We need to send our representatives notes about HB1728. Everyone needs to get involved as it requires the Comptroller General to conduct a study about appraisal and AMC business. This must be done in 18 months. A breakdown of how they pressure appraisers. Good to get notice/newsletter out to appraisers to let them know about it. Stan Sidor will follow up with others. This should also be brought to REAC.

Richard Hagar discussed AMCs and attempts to legislate. Notice to banks, etc., are responsible to assure their AMC conforms to Federal Law as they are now an agent of the bank. They will be required to have a compliance officer assigned to audit the AMC and provide evidence to regulators that the AMC is acting within Federal Banking Codes.

We need members to form a committee to produce an opinion paper and an outward communication to appraisers. Penalties for law violations are that federal crimes go to feds, state crimes go to states. This needs to be brought to DFI to get them involved. DFI has a lot of say in who gets prosecuted. We as appraisers need to get involved.

Margo Henson announced her knowledge of an e-mail from a company to an appraiser saying the company has eight (8) lenders on a list and is rotating the appraisers through the list. If appraisers want on the list, they must pay \$900. In addition, it was noted that EULAs with AMCs require the appraiser to buy back houses and pay attorneys' fees if the appraisal is bad.

More investigators are needed at the state level.

REAC

May 15th meeting at the Tacoma City Council Chambers, 747 Market St, Tacoma, 9802. 0900 hrs. What do we want to say to REAC?

1. AMCs
2. Buy Backs
3. HB1728

Budget

Stan presented his proposal for a 2009 ACOW Budget (copies were provided to all board members to review). It was noted that in 2008 ACOW brought in \$9,000 in dues. 2009 original minimum goal was for \$12,500, though it was also noted that, to date, ACOW has been paid \$13,300 in dues, or 6.6% over goal. However, we still need to push for more members and \$16,000 total in dues while keeping some expenses down in order to break even. Michael Imes suggested asking chapters/organizations to give \$5/student rather than provide education due to conflicts with other organizations. Stan will pose this suggestion to chapter representatives for their input.

Overall, the board felt that the proposal Stan drafted was good. Michael Imes moved to approve this proposed budget for the year, Barry Wilson seconded the motion, and the motion passed.

ACOW at the Summit

Meeting schedule possibly to change to Friday/Saturday, August 21 – 22, 2009. We will work on it more. We need to talk to the motel operators also. Poll appraisers' preference and when the presenters want to be there?

Board Polled:

Michael Imes either, lean toward Friday/Saturday.

Mark Noble same.

Barry Wilson, either way

Stan Sidor prefers whatever is best for the organization, but likes the Friday/Saturday.

Need announcement for summit to everyone by next week to suggest:

1. Topics
2. Presenters
3. Approach

Notices need to go out before end of May. Must call the motel and poll appraisers with notice. August 20-22 was also considered as an option, provided we could fill the schedule.

ACOW Business Over E-mail

Apparently, we cannot conduct official board business over e-mail without board approval and completing a form. Elly Snow will provide a copy of the form, and Stan will distribute to members.

Adjournment

The meeting adjourned at 8:27 p.m.