



**BOARD OF DIRECTORS TELEPHONE MEETING – MINUTES – Wednesday, February 17th, 2016**

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ATTENDEES:

**ACOW Board Members**

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|----------------|----------------|--|--|
| President      | Penny Crowe    | 425-687-7150                               | <a href="mailto:croweappraisal@comcast.net">croweappraisal@comcast.net</a>                 |
| Vice President | Kirk Dossier   | 509-630-7472                               | <a href="mailto:kdossier@pacapp.com">kdossier@pacapp.com</a>                               |
| Secretary      | Bob Mossuto Jr | 206-280-0335                               | <a href="mailto:Bob@bnappraisalsinc.com">Bob@bnappraisalsinc.com</a>                       |
| Treasurer      | Margo Henson   | 206-784-6627                               | <a href="mailto:Market@drizzle.com">Market@drizzle.com</a>                                 |
| Director       | George Nervik  | 360-493-0085                               | <a href="mailto:George@nationalpropertyservice.com">George@nationalpropertyservice.com</a> |
| Director       | Bob Meeks      | 253-202-0085                               | <a href="mailto:Bobmeeks100@gmail.com">Bobmeeks100@gmail.com</a>                           |
| Director       | Justin Slack   | Justin was unable to attend due to travel. |  |

**Others in attendance**

Tom Stow  
Jaren Harper  
Mark Tenpos (may not be spelled correctly)  
Rick Farios (may not be spelled correctly)

**CALLED TO ORDER – 5:34 pm**

- Quorum Established
- Approval of Agenda
- Prior Meeting Minutes to be approved in the next day or two as some members have not read.

**OFFICER REPORTS:**

**-President's Report**

Tom Stowe is being added under new business legislative action

Reciprocity bill has passed the Senate. TK states: passed 48 to 0. Has hearing in House finance committee Tuesday next week at 8 AM. TK's going to do some talking points on ACOW's behalf. Not a major issue. Brings our verbiage in the bill up to what the appraisal foundation requires.

In respect to background checks and active status of the vote has been struck so background checks is not to go through. Bill included active license status. DOL is not cooperating. Has to do with funding, computer reporting, and how we report to the federal government. These things can be worked out but just have not been done yet. Something that can be approach next session. Penny will be in touch with Dee Sharp to discuss the logistics of getting background checks through the next legislation.

George References School teachers coming from different states - one teacher was used as an example by King five news. This teacher had issues and other states.

**-Treasurer's Report**

Penny did not get a copy of the budget break down of dues.

Margo states the account balance is \$6,791.10. Stated we sent \$2,500 to TK and the check has not been cashed yet. States we received \$2,160 through the end of Jan for individual member dues. Mike states we have an additional \$180 in dues plus a check from AI in the amount of \$3,000.

Penny asked if we can pay TK and additional \$2,500. Margo reminds we need to pay deposit for hotel in

Wenatchee for the summer conference. Based on this the board decided to wait a month before paying TK to insure we have the funds.

George motioned we pass the treasury report, Bob Meeks Seconds, The report is passed. However, it has been decided that the treasury report will be sent to all board members prior to the meetings in the future.

**OLD BUSINESS:**

**Legislative/Regulatory Issues:**

**Customary & Reasonable Fees Survey**

George customary and reasonable fees - George – customary and reasonable fees. George/Margo have yet to coordinate on VA fee Schedule. George stated he has the draft written for the boards review. Penny would like to see it. George’s question – \$500 for single-family. VA 2 to 4 unit fees differs between numbers of units. Penny - do we use those numbers? Fees don’t include compensation for special features; waterfront/acreage/etc. Difficult to get extra from VA for these features. Use VA plus 10%? Board - No, have to support 10% which would be difficult.

May be future rules coming into play that will set some standards for customary and reasonable fees. Penny’s question how does this impact what we’re doing? George - others are using VA standard as well; thinks were on the right track. May have to tweak 2 to 4 unit. Penny - how can we tweak if we don’t have some kind of survey or something. Margo – VA Fees - Duplex \$650, triplex \$750, Four Plex \$850. Board thinks we should just use the VA numbers; it is simplest and most defensible. George and Margo to get together and figure out the prices. George to pass out paper to everybody for review.

**Bill regarding Statute of Limitations**

Nothing new on statutes of limitations bill. George’s been trying to get a hold of Peter Christiansen and has not heard back. We should use the basic rule 5+2 rule per USPAP. We don’t want to conflict with state law. George - Peter Christiansen states that Eastern states made a mistake when setting up statutes of limitation which created a longer time and warns we don’t make the same mistake.

Penny says TK doesn’t really understand what we’re trying to do on this so she needs to get him some information. George to provide rough draft so that he can get some type of idea of where it needs to go and what needs to be done.

**Background Checks**

Discussed above.

**De Minimis**

John - position paper - position paper has a letter that was pulled off the Internet to establish credibility regarding the de minimis, which some feel should be lowered. Risky lending in all forms; is bad for appraisals and bad for the general public. George thinks that we should be conservative and would like to see \$50,000 VS \$250,000 - \$500,000. Bob Meeks states: it’s difficult to get rolled back but he thinks what George said makes sense. However, bankers are not going to buy that. Penny states - this needs to be written so that people understand were trying to support protection of the public trust not appraisers. Members think that we should take a position on it. Penny - can we design something? John - are we going to be the only group that thinks it should be lowered? Penny – do we need to vote? Tom Stowe – it was be raised after FIREA. Penny doesn’t think we can justify 50,000 but thinks that it would be good to rate below \$250,000.

Penny – bankers don’t have a basis for higher than \$250,000. Tom Stowe states that we could ask for it to be lowered but not put a number in. George says that we need to put a number in there because to bankers, lowering it could mean lowering it from \$250,000 to \$240,000.

Overall - board likes the idea of paper stating the de minimis is designed to support the public. Penny wants to work with John on the paper. The board is reminded about Justin’s comments stating we need to educate people as to what a federally regulated transaction is and how that applies to property today.

Someone stated; maybe we shouldn’t be involved in something federal. George disagrees. Margo thinks we need to be involved in everything that has to do with appraising. Bob Mossuto agrees.

Penny wants everybody to read John’s letter and she will send an email out and get a consensus from the board. Once everybody reads, they may decide that it satisfies what we want to do.

**Administrative Topics:**

**Multi-State Appraiser Organization**

Bob Mossuto states: Network Quiet. Discussion as to who can and can’t be network member. Settled! Network now has 25 participating states.

Discussion about the national appraiser independence hotline. Item #1 in the on line description of items to report - AMC not paying customary and reasonable fees. Big discussion a couple of weeks ago. Bob stated he has used it 3 times, each time used, the info appeared to have gone through and a receipt message was received.

Discussion regarding next network meeting. Next one undecided. Arizona or New Orleans. Fall meeting in DC in conjunction with AARO conference. Do we really need to attend both? Preference is attending the fall meeting in DC.

Discussion regarding TAF and appraiser education standards. Bob stated he sent out a copy of the TAF/AQB discussion draft to everybody for review. TAF is asking for comments from all people concerned. All comments are to be to the AQB, in writing, **by March 31<sup>st</sup>, 2016**. Bob suggests we get the word out via the web site and any other means possible. States; individual letters would be good; better than letter from a group/organization. Penny - send me a letter and the TAF notification. Bob - There is an address in the TAF paper in which letters can be sent. Comments can also be sent to their web site. All comments become public. Names can be redacted upon request.

### **ACOW Legislative Day in Olympia**

Bob Meeks - He was in Olympia this week met with Pam roach. Explained next fall were going to be having a group of appraisers down for legislative day. Asked if she'd be willing to talk with us. She said she'd be more than happy two. Discussed legislative concerns coming up and would like to have her sponsor. But that's TK's decision. Bob hasn't talked to TK on it. TK exceptionally busy. But we do need to get his thinking on when we can have it in the proper format.

### **Website Content**

Anybody have anything new. It will be ongoing.

### **Facebook**

Facebook page did John get the email from Justin on that. Unknown as Justin is not in attendance. Need somebody with the Facebook page so we can transfer the administrative rights over to that person. John to talk to Justin about this issue some more.

### **Summer Conference**

Dates: Aug 17<sup>th</sup> board meeting 5PM to? Aug 18/19 official session. Red Lion in Wenatchee. Penny will be there early Wednesday, Aug 17<sup>th</sup>.

We want to attract appraisers other just residential; commercial; perhaps personal property, etc.

Kirk - talking with Mark Noble about topics related to western Washington. Mark agreed to do a session but we haven't nailed down the topic yet. Trying to do topics related to Eastern Washington (AG land, water rights, etc.). Mark try to get some ideas from Spokane appraisers. Last Kirk heard about it was on Feb 11<sup>th</sup>.

Margo states water rights would be a fantastic topic. Washington State University has info and they have somebody that might come talk to us. Penny - not paying for people to speak. College's discussion typically are about water rights not about how to value water rights. Discussion about valuing orchards and vineyards. George - dovetail with water rights. Speaker from Department of ecology. They can't speak to value but they can speak to the requirements - the legal parameters or legal hurdles of establishing water rights versus losing them. May be done as a roundtable or small segments as part of one greater class.

Someone suggested - Contact chief appraiser of Department of National Resources and have a discussion with him about availability for presentation. Someone stated there was a seminar on similar subjects on June 16 in Wenatchee.

Peter Christiansen is coming to talk. Kirk to confirm. Minimum of two hours for it to be approved by the state. Margo wants to make sure that Kirk has him down for sure. Kirk needs to check which day he'd prefer to be there because he's located in California.

Short speakers at lunchtime like TK or someone else. These spots are too short for CE education. Penny can talk with Peter Christiansen for Kirk.

Michael Imes will do an adjustment session and is approved for 3 ½ hour session.

Several ideas, most spots not being filled. Some left needing to be filled. What can't be incorporated this year can be incorporated next year. Classes need to be preset before April 1 according to Margo. DOL needs 90 days to approve the class. Email blast she go out in the next two or three weeks.

Penny thinks one of the big things this year will be the class discussion on adjustments.

Other issues – wine tasting board meeting. Wednesday evening. Kirk talked to Pybus Public Market a couple months ago and Kirk forwarded the info to Penny. There is a winery there that would do it. Couple of food vendors there that would provide cheese and crackers and salami. Food; \$6.50 a person or so. Everybody agrees - no host bar. Penny thinks we have to have food. Most agreed.

Wednesday is an official board meeting that all members have to be at and we will invite members to sit in on the board meeting. We want others to show interest. It is a chance to recruit; a chance to solicit new members and individual dues. Board meeting will generate a total number of people of 25 or less. If we do this on Thursday night what's the turn out to be? What is the entertainment to be? No host bar? Food?

Margo suggest we put on the registration whether or not you plan on attending the Wednesday night meeting. Decision notice to whether we want a room more than a regular customer area. People pay their own for food Wednesday.

### **New Business**

Tom Stowe. New topic – international rights Association rep – House Bill 2590 currently in section with only four weeks left in session. Bill related to county roads and bridges. This amends RCW's for counties. Buried in the bill is language about valuations regarding future public benefit of roadways. Regards valuations first treat vacations and right away. Gets into something. Agreement among appraisers about what is public benefit. Came across as part of elected official duties. King County is pushing. Bill trying to get outlying cities to take over the roads that they are maintaining. They want cities to pay for the roads. So this is one of those problems. From an appraisal standpoint it's whether there's is public interest value, which is not market value. There is no consensus about how to go about doing public interest value, let alone any theory about how to go about doing it. Until such time as it even comes across.

AI is willing to help out. Yellow book says we don't do it. No mincing words about content in yellow book. Penny – how did it get into the bill? Tom, it was written by attorneys. Is this something we want to get involved in? Penny – if it involves getting valuation of vacations- yes. George yes.

Bob Mossuto suggests Tom put together some kind of paper on this and get it out to the group with all the RCW numbers so we might be able to better see what this matter is about.

Discussion - Trying to create a new definition of value – parallel to stuff AI is trying to do with different valuation models. ACOW should tell the state that there already standards in place for valuing properties such as yellow book for this type of thing. That's all that's needed; not going off on a tangent trying to make things more difficult with new definitions, etc. Public interest value has no basis. There's no support. Valuation should be arrived as per yellow book. Penny do we need TK on this. Bob Meeks thinks so. George thinks TK should know as well. Tom is to get something to Penny on this and Penny will get it to TK. Take it to rules committee and go from there. Tom then signed off.

### **Other**

No new announcements

### **Next Meeting**

Next meeting is scheduled for Wednesday, March 16 at 5:30 PM.

### **ADJOURNMENT:**

Penny moved to adjourn the meeting. Meeting Adjourned at 6:50 PM

*Robert N. Mossuto Jr.*  
*Secretary*