



BOARD OF DIRECTORS TELEPHONIC MEETING – MINUTES – Wednesday, May 4th, 2016

ATTENDEES:

ACOW Board Members

President	Penny Crowe	425-687-7150	croweappraisal@comcast.net	Present
VP	Kirk Dosser	509-630-7472	kdosser@pacapp.com	Present
Secretary	Bob Mossuto Jr	206-280-0335	Bob@bnappraisalsinc.com	Present
Treasurer	Margo Henson	206-784-6627	Market@drizzle.com	Present
Director	George Nervik	360-493-0085	George@nationalpropertyservice.com	Not Present
Director	Bob Meeks	253-202-0085	Bobmeeks100@gmail.com	Present
Director	Justin Slack	206-683-2328	justin.slack@gmail.com	Present

Others in attendance

John Lawhead
John Gordon
Jeremy Harper

CALLED TO ORDER – 5:35 pm

- Quorum Established
- Approval of Agenda
- Approval of Prior Meeting Minutes - To be made following a correction

OFFICER REPORTS:

-President’s Report

Penny went REAC meeting on April 20th in Olympia. Dee Sharp (DOL) reported on the state appraiser programs. Their staff has a temporary office assistant to assist in getting their records up-to-date online. DOL will be one hundred percent online in the next couple months.

Dee Sharp advised the state appraiser population is 2859 as of April 1st, 2016. This indicates the appraiser population is still declining. Certified general holding steady. Certified residential has dropped slightly. Trainees has gone up little bit. Licensed has dropped.

Penny states DOL had 89 appraiser cases in 2015 that the investigations department was following up on. They are down to 21 cases this year. DOL is being reviewed by The Appraisal Foundation (TAF) next month. They have a new investigations manager; Bill Dutra, whom reported some of the problem areas, but nothing major. Dee Sharp informed attendees that DOL has about five commercial complaints per year and about 65 residential appraiser complaints per year. Most complaints are from lenders. They now have a target goal of 180 days for investigations. DOL currently has three cases older than one year and they plan to have those wrapped up by May 20th. DOL is finishing technology upgrades and scanning all licensing files. They will soon have all of the appraisers email addresses, addresses, and other contact information online. There will be no more office visits; everything will be done online. There will be special considerations should there be a need of special appointments.

Penny stated Dee Sharp discussed a faceoff between Mr. Robinson, president of the Appraisal Institute and David Bunton (TAF) at the AARO conference. They shared their opinions and differences. At the end they shook hands and walked away. However, reportedly, nothing was settled. It did give regulators a chance to understand what’s going on between the two parties.

DOL is still working on how to deal with assessors who don’t have licenses that desire state certification. They are trying to develop requirements for this, which is challenging as it has to do with mass appraisal, how they fill out their appraisal logs, and required education.

Justin asked if DOL discussed appraisal licensing. Penny stated no. Justin and Penny discussed the submission of an inquiry to DOL from HomeStreet Bank regarding an employee out of state that works for the bank and inconsistent language in the state's law.

Penny stated she spoke with Tandra, Dee Sharps assistant regarding rules and regulations for fingerprinting. Tandra explained how they do the fingerprinting for AMCs and for brokers in the state. Penny stated their procedure might ease George's concern in regard to fingerprinting not being effective as fingerprinting actually goes through two sources, the FBI (nationwide) and the State Patrol (statewide). Tandra stated DOL has always done it this way and does so through a private company. The fee is \$42.80 per individual.

Penny stated that should we decide we want to implement appraiser fingerprinting, it appears DOL has a good program. We just need to come up with some rules as to who is fingerprinted and how often.

-Treasurer's Report

Margo stated her internet was down, so she had limited information. She reported a balance of \$10,618.65. Because her Internet is down so was unsure if that included TK's check being deposited. Margo reported that Ellie (CEOPS) said they were raising our prices, partially because they were working on the website.

There was a discussion as to paying TK more money. We have paid \$4,500 and have \$3,000 left to pay for the first half of the year. Penny suggests we pay the remainder of the first half the year. There was a question as to the balance due for the conference. It was stated we should be ok on conference funds providing we have good attendance. Penny motions we pay the remainder of the first half of TK's bill. Kirk seconds, all in favor - motion passed.

Margo is going to look at the Hotel contract for the conference and let us know if there are concerns.

Penny would like to know the individual breakdown is for the dues in future meetings. She wants to know what dues have come in and who has sent them. Bob Mossuto reminded the board that we had discussed getting the treasury report before meetings so we could review it prior to the meeting, which was unanimously approved. Margo is to send out the budget to everybody after the meeting.

OLD BUSINESS:

Customary & Reasonable Fees Survey

George was not present to talk about C&R fees. The board suggested a need to include language in this bill that AMCs accept state appraiser certification and licensing as their background check's so that appraisers don't need background checks for each individual AMC they do business with.

De Minimis

Not Discussed

ACOW Legislative Day in Olympia

Bob Meeks is working on/planning a day. Penny has talked with TK. We need to include sponsors for the bill(s) when it's introduced. TK's ready to help find people. TK owns a facility/house next the capital building which would be convenient for us to meet with clients. He has offered to provide us with the room. Bob stated TK usually charges \$1,000, but is willing to provide us a discount. The rooms is 20 x 20 (400 SF). Bob's not sure how many people will show for this is at this point, so there is concern about the room size. Additionally, we have to find parking. The board thinks this sounds reasonable. We'll talk to TK further to make a determination. Bob stated he has a meeting with Pam Roach later this month to talk to her about being a potential speaker at legislative day. He stated he is looking for other people interested in our position. Bob also stated that TK indicated the need for us to pin down a date, which would assist him in obtaining more people to speak. Someone stated that we do not want to get into the legislation session too early. The next legislative session is 90 days. Penny suggests we try to work in box lunch. CE was discussed and there is a 2 hour minimum. Penny asked if we can include a lunch in that that. Margo stated yes. We can add a half hour or an hour to the morning or afternoon session. The idea is getting appraisers to attend and give them something for their participation. However, we need to check with Dee Sharp (DOL) to find out if we can actually do this.

Statutes of Limitation Bill

Penny is working on the statutes of limitations bill with TK because there's limitations as to the content. It has to be written so that there's not dissension amongst the parties involved and lawyers. Penny will keep working on that.

Multi-State Appraiser Organization

NSAO is having a planning conference in New Orleans in June in preparation for the conference they are planning to have in October in Washington DC. Of the 24 states, currently about 19 will be in attendance. ACOW will not be represented.

REAC Meetings

The meeting in Olympia will be covered by George. Stan Sidor will also attend. The following REAC meeting will be at the Shiloh Inn in Moses Lake and is at the same time as the ACOW summer conference. Penny asked Kirk if he could try to find someone to attend for us. Kirk stated he would look.

ACOW Web Site

If anyone has ideas about website content they should discuss them with John.

Summer conference

Kirk contacted people in regard to the wine tasting facility and that is set up. Time is from 5:30 to 7:30 PM. Kirk informed the proprietor he'd have a head count at a later date. Included are no host bar/food. Menus will be available from two restaurants. TK has been invited so we may have to pay for him. Wine is five dollars a glass. The meeting site is good walk from the hotel, but less than a mile. Meeting to be at Pybus Public Market in the Jones wine tasting room.

Thursday conference schedule is set. Not everybody had seen the schedule. John states he sent it out. John went through the schedule (see schedule). Penny asked if the Red Lion was doing food for lunch. Kirk stated he needs to look at this. We're doing two lunches and a dinner. Margo stated she will check tomorrow.

Nothing is set up after classes. We need something set up for the hour between the end of classes and dinner so that people are milling around. Kirk will look into putting something together for that. Margo stated all food and beverage must be supplied by the hotel. Nothing specific has been discussed on the menu yet. Margo will contact and discussed menus with the hotel. The block has been extended to August 1st and Margo is going to ask that they add Friday night. She will ask about a no host bar on Thursday evening as well. There is no evening program Thursday after dinner or during dinner.

Friday conference scheduled is set (see schedule). There will be a discussion on green appraisal. We need to make sure that the advertising of the conference address this to improve attendance. Also need to emphasize the classes on water rights to draw the agricultural crowd.

Margo asked if we have got any of these classes turned into the state for acceptance yet. Kirk said none of them have been turned in yet. Kirk stated he sent information to Margo and Penny. Margo says she didn't get it. Kirk said he's got the forms filled out and has prepared the syllabus and bios for the speakers. He wants to see if anything else should be added. Just needs to add TK to the end of the morning session description.

The board was pleased with Kirks line up.

Penny expects the entire board of directors to be at the meeting and the conference this year. Penny talked about inviting investigators from the state board to speak at next year's conference.

Penny stated we need to start thinking about where were next year's conference is going to be. Issaquah was mentioned. Bob Mossuto suggested the conference be at the ocean, which was quickly shot down. Margo stated having them in large corporate areas works best. Penny suggested the Snoqualmie Pass area for people coming across mountain.

It was agreed that this summer's conference attendance should determine how successful we are on the east side of the mountain. Bob Mossuto stated that Wenatchee was not really Eastern Washington, but more central Washington; further stating Eastern Washington would be in the greater Spokane area. He suggested we might want to think of planning a conference in Spokane at some point. Someone also suggested the Tri-Cities.

Margo asked if there was any negative comments received from last year's conference in Tacoma. The board members stated nobody's heard anything bad.

New Business

Evaluations

There as discussion regarding David Honeycutt and Indiana legislation passed that allows appraisers to do evaluations. Senate Bill 300 passed in Indiana that allows appraisers to do evaluations, meaning they can do evaluations on property valued at \$250,000 or less. Justin stated appraisers don't have to be certified for evaluations on property less than \$200,000 or 1 million for commercial. Internal people, bank employees, etc. can do evaluations, which are not formal appraisals. A lot of companies and national firms do millions of these every year. HomeStreet does some evaluations. Justin states they get requests for them daily in their office. They don't really have data to do them so they typically get an appraisal. As an appraiser, he likes the appraisal aspect, but understands the investor side and their concern. There's two sides to it. Appraisers can do an evaluation that meets USPAP but it is defined as an appraisal. The broker can only do evaluation for the listing of a property. There's guideline criteria/scope, just the reporting aspect isn't under USPAP. AI has supported this. Not sure how jurisdictional exception is considered but many of the same aspects are provided. Don't have to inspect the property. Somebody else can do that. Evaluations were created by banking regulators 12 or better years ago to lower their costs and time constraints.

Justin stated some locations are taking as long as 6 to 8 weeks (more on the east side) to deliver appraisals. Penny's curious as to whether we should follow Indiana in this due to the long wait times discussed and if it's something that we should be doing in the state to accommodate appraisers to be able to do evaluations. We agreed George would say no. Justin says there's commercial firms doing it too. They are doing evaluations but calling them something else (One nine hundred we inspect).

Penny thinks this is something we should follow through with. Need to research and investigate more according to Justin. It was decided this is something that should be or could be discussed at the next meeting.

Conference Flier

The mission statement is already there. We will dispose of the board names and add legislative content there. Still open to additional ideas. Will start putting it together in mid-June. Need to know what ACOW has been involved in so it can be added.

Email Blasts

Penny will talk to Mike about sending out email blasts for the conference. Were already a little late. Margo was concerned if the schedules firm enough to start sending out blasts. Kirk says everybody's lined up. Penny wants us to hit eastern Washington heavy. Penny wants to make sure we get information out about the board of directors meeting on Wednesday, August 17th as she wants other people (non-board members) to attend. Kurt needs to get some kind of idea as to how many two people to expect whom would be attending said board meeting.

Next Meeting

Next meeting is scheduled for Wednesday, June 8th at 5:30 PM.

Adjournment:

Penny moved to adjourn the meeting. The meeting adjourned at 6:49 PM.



Robert N. Mossuto Jr.
Secretary

Revised 7/5/16 per meeting dated 06/08/16