

NORTH CAROLINA APPRAISAL BOARD

Minutes

**Raleigh
February 3, 2009**

Board Members Present

Henry E. Faircloth, Chairman
John D. Lyon, Jr., Vice-Chairman
Sidney P. Jessup
Donald S. Johnson
J. Vance Thompson
Lauriette W. West-Hoff
Larry N. Wright

Staff Present

Philip W. Humphries, Executive Director
Roberta A. Ouellette, Legal Counsel
Donald T. Rodgers, Deputy Director
Thomas W. Lewis, III, Chief Investigator
Jeffrey H. Davison, Investigator
Terri S. Haywood, Investigator
Mindy Sealy, Administrative Assistant

CALL TO ORDER

Chairman Faircloth called the meeting to order at 9:00 a.m.

Chairman Faircloth read the Conflict of Interest reminder. No Board Member indicated any conflicts of interest.

APPROVAL OF AGENDA

Mr. Wright moved, second by Mr. Lyon that the Board approve the agenda with the Chairman being able to take items in any order. Motion carried.

APPROVAL OF MINUTES

Mr. Wright moved, second by Ms. West-Hoff to approve the December Minutes (**Exhibit 1**) as presented. Motion carried.

MINUTES
February 3, 2009
Page 2

HEARING

2007-0171 David S. Hill

Following a hearing, the Board suspended Mr. Hill's residential license for a period of one year. If Mr. Hill completes the 15 hour National USPAP course with exam, a class in the sales comparison approach and a Board rules course before the end of the first 90 days of the suspension, the remainder of the suspension will be inactive. If the courses are not completed the suspension will remain active until the courses are completed.

OPEN FORUM (Exhibit 2)

There were no requests to speak at the Open Forum

FINANCE

The Board reviewed the **financial report (Exhibit 3)** for the current fiscal year through December 30, 2008.

LEGAL

Consent Orders

2006-0060 Pattie J. Tennille
2006-0210 Hope W. Teaster

Mr. Lyon moved, second by Mr. Thompson that the Board suspend Ms. Tennille's general certification and Ms. Teaster's trainee registration for a period of one year. Three months of the suspension are active and the remainder is stayed until December 1, 2009. If they each complete a course in appraiser liability, a course in the sales comparison approach, a course in business practices and ethics, the 14 hour residential market analysis and highest and best use course, and the 15 hour National USPAP course with exam by that date, the remainder of the suspension shall be inactive. Motion carried.

2006-0209 David R. Roberts

Ms. West-Hoff moved, second by Mr. Lyon that the Board suspend Mr. Roberts' general certification for a period of one year. Three months of the suspension are

MINUTES
February 3, 2009
Page 3

active and the remainder is stayed until December 1, 2009. If Mr. Roberts completes a course in the valuation of vacant land or subdivision valuation, a course in sales comparison, a course in highest and best use, the 15 hour National USPAP course with examination and a 14 hour class in residential report writing and case studies by the end of the first year, the remainder of the suspension shall be inactive. Mr. Roberts also agrees that he will not issue any restricted use appraisal reports for a period of one year from the effective date of this consent order. Mr. Wright recused himself from this matter. Motion carried.

2007-00128 James D. Klostermeyer, Sr.

Mr. Wright moved, second by Mr. Lyon that the Board suspend Mr. Klostermeyer's residential license for a period of twelve months. If Mr. Klostermeyer completes a course in appraising vacant land and a course in appraiser liability, the suspension will be inactive. Motion carried.

2008-0028 David K. Peterson

Mr. Lyon moved, second by Mr. Johnson that the Board suspend Mr. Peterson's residential certification for a period of twelve months. Two months of the suspension are active and the remainder is stayed until June 1, 2009. If Mr. Peterson completes a course in appraiser liability and a course in the sales comparison approach before that date, the remainder of the suspension will be inactive. Motion carried.

2008-0038 James S. Wagoner

Mr. Wright moved, second by Mr. Lyon that the Board accept the voluntary surrender of Mr. Wagoner's residential certification. Motion carried.

Probable Cause (Exhibit 4)

2007-0154 Mr. Lyon moved, second by Mr. Thompson that the Board dismiss this case. Motion carried.

2007-0172 Mr. Lyon moved, second by Mr. Thompson that the Board dismiss this case conditioned upon completion of a course in highest and best use. Motion carried.

2007-0173 Mr. Lyon moved, second by Mr. Thompson that the Board dismiss this case conditioned upon completion of a class in valuing vacant land. Motion carried.

2007-0174

MINUTES
February 3, 2009
Page 4

- 2007-0175** Mr. Lyon moved, second by Mr. Thompson that the Board dismiss these cases conditioned upon completion of a class in scope of work. Motion carried.
- 2008-0024**
2008-0025 Mr. Lyon moved, second by Mr. Wright that the Board dismiss these cases. Motion carried.
- 2008-0036** Mr. Wright moved, second by Mr. Thompson that the Board move this case to a hearing. Motion carried.
- 2008-0064** Mr. Wright moved, second by Mr. Thompson that the Board move this case to a hearing. Motion carried.
- 2008-0065** Ms. West-Hoff moved, second by Mr. Lyon that the Board dismiss this case with a warning to be more careful in researching the subject sales history. Motion carried.
- 2008-0074** Mr. Wright moved, second by Mr. Lyon that the Board dismiss this case. Motion carried.
- 2008-0077** Mr. Lyon moved, second by Ms. Jessup that the Board dismiss this case with a warning to make appropriate adjustments when warranted, conditioned upon completion of a class in sales comparison. Motion carried.
- 2008-0078** Mr. Lyon moved, second by Ms. Jessup that the Board dismiss this case with a warning to proofread reports before sending them to clients, and to properly measure the subject dwelling, conditioned upon completion of a course in measurement and a course in Appraisal Board rules. Motion carried.
- 2008-0081**
2008-0082 Mr. Lyon moved, second by Mr. Thompson that the Board dismiss these cases with a warning to carefully proofread reports before they are sent to the client. Motion carried.
- 2008-0087** Mr. Lyon moved, second by Ms. Jessup that the Board move this case to a hearing. Motion carried.
- 2008-0088** Mr. Lyon moved, second by Ms. Jessup that the Board dismiss this case with a letter of warning to refund fees more quickly. Motion carried.
- 2008-0096** Mr. Lyon moved, second by Ms. Jessup that the Board dismiss this case. Motion carried.
- 2008-0115** Ms. West-Hoff moved, second by Mr. Lyon that the Board dismiss this case upon

completion of a class in sales comparison. Motion carried.

Request for Reconsideration (Exhibit 5)

2007-0099 Jeffrey R. Cooper

Mr. Wright moved, second by Mr. Lyon that the Board reconsider its earlier decision to call this case to a hearing, and dismiss this case. Motion carried.

The Board reviewed the **Pending Cases Report (Exhibit 6)** and the **Disciplinary Actions Year-to-Date (Exhibit 7)**.

LICENSING AND EDUCATION

The Board reviewed the list of candidates who have been recently registered, licensed or certified (**Exhibit 8**).

OTHER ITEMS

The Board reviewed the **Examination Report (Exhibit 9)** for December 2008.

The Board reviewed the **Course and Instructor Evaluation Summaries (Exhibit 10)**.

Ms. West-Hoff moved, second by Mr. Thompson that the Board approve the proposed revisions to the **Operations Manual (Exhibit 11)**. Motion carried.

The Board reviewed a draft of the **Appraisereport (Exhibit 12)**.

The Board reviewed the **AARO Spring Conference Agenda (Exhibit 13)**.

The Board reviewed the **Letter from the Appraisal Subcommittee (Exhibit 14)**.

The Board reviewed the **Appraisal Foundation's Press Release (Exhibit 15)**.

Committee Reports

The Finance and Property Committee did not meet. The Personnel Committee met on January 14, 2009 and those items were discussed in the closed session.

Staff Report

Mr. Humphries will be speaking at the ASFMRA Conference at NCSU Faculty Club on

MINUTES
February 3, 2009
Page 6

February 12, 2009.

Mr. Rodgers will be addressing a local workshop for Mortgage Brokers.

Mr. Lewis will be teaching the investigator training course for AARO and The Appraisal Foundation in March. This course will be offered four times the first year in Phoenix, Dallas, Chicago and Washington. It is a 2 ½ day training session being offered at no cost for states to send three people. We will be sending three people to attend this training session.

The Board does continue to do technology upgrades. Mr. Humphries, Mr. Rodgers and Ms. Sealy met with our technology programmer to discuss our next upgrade. We are working on getting our database programmed so that course sponsors can submit their rosters electronically. We have received positive feedback on our web site. Appraisers are now able to login to view their continuing education records, as well as make any changes to their contact information. We are also working on creating an email distribution list to notify appraisers of certain information. Last year the Board approved a sum of money to upgrade our technology and we are well below that amount.

Mr. Lyon moved, second by Mr. Wright that the Board go into closed session. Motion carried.

Mr. Lyon moved, second by Ms. Jessup that the Board go back into open session. Motion carried.

Based on the meeting during the closed session, Mr. Faircloth had announced that they discussed personnel issues relating to the retirement of Mr. Humphries.

Mr. Lyon moved, second by Mr. Thompson that the Board promote Donald T. Rodgers to Executive Director to go into effect at a date to be determined. Motion carried unanimously.

Mr. Thompson moved, second by Mr. Lyon that the Board promote Thomas W. Lewis, III to Deputy Director to go into effect at a date to be determined. Motion carried unanimously.

MINUTES
February 3, 2009
Page 7

There being no further business to come before the Board, Mr. Lyon moved, second by Mr. Thompson that the meeting be adjourned. Motion carried.

Philip W. Humphries, Executive Director

This, the _____ day of March, 2009.

Henry E. Faircloth, Chairman