Chairperson Lanpher called the meeting to order at 9:00 AM. Roll call was taken.

Board Members present: Chairperson Dave Lanpher Tim Timian
Kathy Maier Brock DesLauriers
Corey Kost
Staff Present: Edward Erickson, Legal Counsel Jodie Campbell
Guests Present: Joe Ibach Belinda Maher
Ross Berg Jason Austad
Todd Schmidt Eddy Mitzel
Teri Scherr
Guests Present Online: Eric Oberg Keana Schuler
Kathy Berry Luke Koterba
Patty Hodenfield

Public Comment Period: No comments

Minutes: Board members reviewed the minutes of December 5, 2016 and January 19, 2017. Corey Kost moved to approve the minutes with recommended changes. Kathy Maier seconded the motion. Tim Timian, Kathy Maier, Brock DesLauriers, Corey Kost and Dave Lanpher all voted yes to the motion. The vote was unanimous. Motion carried.

Applicants (Permits Issued/Require Board Approval):
Staff reviewed, approved and issued permits to the following applicants:
Certified General:
- Bagus Priambodo (via reciprocity with TX)
Certified Residential:
- Ryan Mohr (via reciprocity with SD)
Licensed:
- Stephen Frazier (via reciprocity with TX)
Apprentice:
- Megan Klosterman (Supervisor: Jeff Berg)
Corey Kost moved to affirm the applicants for their respective levels. Corey Kost seconded the motion. Tim Timian, Kathy Maier, Brock DesLauriers, Corey Kost and Dave Lanpher all voted yes to the motion. The vote was unanimous. Motion carried.

Investigations:
Case 217-166: The respondent, Belinda Maher, was in attendance. Corey Kost recused himself. The remaining Board members reviewed the allegations and Ms. Maher's response to the allegations. CoreLogic states that Ms. Maher was contacted by the borrower, disputing the GLA reflected in the report completed by Ms. Maher. Ms. Maher notified CoreLogic of the borrower's contact and the intent to submit a revised report. CoreLogic alleges that the appraiser's contact with the borrower was out of process and inappropriate. Therefore, the reports completed by Ms. Maher were rejected and a replacement ordered by another appraiser.

Kathy Maier moved there was sufficient evidence to open an investigation. Tim Timian seconded the motion. Kathy Maier, Tim Timian, Brock DesLauriers and Dave Lanpher all voted yes. Corey Kost abstained from voting. Motion carried. Discussion took place.

Ms. Maher acknowledged she re-inspected the property, found she had made an error and intended to correct the error and submit a revised appraisal. She further acknowledged she should have contacted CoreLogic to explain the situation and obtain approval prior to re-inspecting the property. However, Ms. Maher stressed: 1) she had no control over the borrower contacting her, 2) at no time did the borrower...
attempt to create undue influence; she disagreed with CoreLogic’s claim that the report is “materially deficient due to undue influence”.

The Board is charged with protecting the public and determined this error did affect the public. Therefore, after consideration of the allegations and response to the allegations, the Board found that Ms. Maher did not go through the proper contacts with the Client. Tim Timian moved to offer Belinda Maher a conditional dismissal of the allegations on the following terms: 1) Ms. Maher must complete a 4-hour Ethics Course, 2) Ms. Maher must repay the $600 appraisal fee to the Client and 3) there must be no valid complaints filed against Ms. Maher within the next 12 months of signing the agreement. Brock DesLauriers seconded the motion. Kathy Maier, Tim Timian, Brock DesLauriers and Dave Lanpher all voted yes. Corey Kost abstained from voting. Motion carried.

**Applicant:** Teri Scherr is making application for certified general and was present for discussion. Review of Ms. Scherr’s application indicates she meets the education and experience hour requirements for certified general. Reports were reviewed by an independent reviewer. Discussion took place.

Corey Kost indicated concerns with the reports, some of which included 1) Ms. Scherr’s opinions of value were not market based, 2) the reports lacked support and explanation and 2) the highest and best use lacked discussion. Corey Kost moved to table Teri Scherr’s application for certified general and request she submit one additional report for Board review. The report must demonstrate the three approaches to value. Brock DesLauriers seconded the motion. Corey Kost and Brock DesLauriers voted yes to the motion. Kathy Maier, Tim Timian and Dave Lanpher voted no. Motion did not carry.

Tim Timian moved to approve Teri Scherr’s application for certified general pending passage of the certified general examination. Kathy Maier seconded the motion. Tim Timian, Kathy Maier and Dave Lanpher all voted yes to the motion. Corey Kost and Brock DesLauriers voted no. Motion carried.

**Investigations:** A concern was brought before the Board relative to language in the minutes addressing the Board’s offer of conditional dismissal. 43-23.3-22.3 states: "A signed or unsigned allegation from the public is not a complaint until the board determines there is reasonable cause to initiate a disciplinary proceeding against one or more applicants or permittees" The Board has determined that an offer of conditional dismissal does not rise to the level of a complaint, therefore, should not be considered a disciplinary action. Legal Counsel recommended revising the wording in the minutes to read "...having considered the allegations and response to the allegations ......offer the appraiser a conditional dismissal of the allegations on the following terms.".

Kathy Maier moved to revise the language in past minutes relating to offers of conditional dismissal to read consistent with language recommended by Legal Counsel. Tim Timian seconded the motion. Tim Timian, Kathy Maier, Brock DesLauriers, Corey Kost and Dave Lanpher all voted yes to the motion. The vote was unanimous. Motion carried. Staff was directed make the revisions.

Legal Counsel provided an update on pending investigations.

John Hraba has submitted a counter offer. Discussion took place. Legal Counsel clarified that the Minnesota Department of Commerce reported the "MN Hraba issue" as disciplinary action on the ASC National Registry. Furthermore, it was verified in writing that the attorney told Mr. Hraba it was disciplinary action. Therefore, Mr. Hraba should have reported this as past disciplinary on his ND application for renewal.

Tim Timian moved to reject Mr. Hraba's counter offer and proceed to administrative hearing. Kathy Maier seconded the motion. Tim Timian, Kathy Maier, Brock DesLauriers, Corey Kost and Dave Lanpher all voted yes to the motion. The vote was unanimous. Motion carried.

**Proposed AMC Rules:** Board members were provided a draft of proposed AMC rules, based on discussion of AMC Rules from the meeting of 11/2/16. A detailed discussion took place. Corey Kost moved to approve the AMC Rules as amended. Tim Timian seconded the motion. Tim Timian, Kathy Maier, Brock DesLauriers, Corey Kost and Dave Lanpher all voted yes to the motion. The vote was unanimous. Motion carried. Legal Counsel was directed to move forward with the promulgation process.
Finances: Staff submitted the Year End Finances as well as a proposed Budget for 2017. After review and discussion the Budget was revised to include 1) a $3000 increase in management fee, 2) a line item for AMC Rules drafting expenses and 3) an income as well as expense line item for USPAP costs and sales, as the Board has decided it will be the responsibility of each appraiser to purchase a copy of USPAP versus the Board providing copies. Board member per diem for Board meetings is set at $150; conference attendance per diem is set at $75. Tim Timian moved for approval of 2016 Year End Finances and the 2017 Budget, as amended. Brock DesLauriers seconded the motion. Corey Kost, Brock DesLauriers, Tim Timian, Kathy Maier and Dave Lanpher all voted yes to the motion. The vote was unanimous. Motion carried.

Other Business:
AARO Spring Conference: The 2017 Spring AARO Conference will be held in Tampa, Florida in April. Board members interested in attending should contact Staff.

Chairman Lanpher adjourned the meeting.

Respectfully submitted,

Jodie R. Campbell
Executive Secretary