Chairperson Ibach called the meeting to order. Roll call was taken.

Board Members present:  Chairperson Joseph Ibach  
Kathy Maier  
David Lanpher

Staff Present:  Edward Erickson, Legal Counsel  
Jodie Campbell

Others Present:  Philip McKenzie  
Bob Gietzen  
Jason Austad  
Leon Boots  
William Dobyns  
Josh Clason

Minutes:  Board members reviewed the minutes of December 5 and December 30.  Dave Lanpher moved to approve the minutes. Kathy Maier seconded the motion.  Tim Timian, Kathy Maier, Harvey Huber, Dave Lanpher and Joe Ibach all voted yes to the motion.  The vote was unanimous.  Motion carried.

Applications:

Applicants for Licensure:  Chase Dockter is making application for licensure and was present for discussion.  Review of Mr. Dockter's application indicates he meets the education, experience hours and examination requirements for licensure.  Reports were selected and reviewed for compliance with USPAP.  The reviews noted numerous deficiencies, indicating noncompliance with USPAP.  Board members discussed the reviews with Mr. Dockter.  Some of the deficiencies discussed included:  1) overuse of boiler plate language; 2) scope of work not specific to the assignment; 3) comparable sales sold for more than their listings, no explanation provided; 4) the appraiser did not take photos of the comparable, the photos appeared to come from MLS; 5) sale of the subject was reported but no analysis provided; 6) appraiser did not appear to have researched the sales history; 7) special assessments were not addressed; 8) quotes made in the appraisal appeared to have come from the 2010-2011 Edition of USPAP versus the current 2012/2013 Edition; 9) used comparables of “new construction” in an “existing” neighborhood; 10) lack of development of work file; and 11) lack of analysis of contracts.

Based on review of work product and discussion with Mr. Dockter, Dave Lanpher moved to table Chase Dockter’s application for licensure and request Mr. Dockter submit two additional reports for formal review.  Mr. Dockter is to submit a current log of appraisals from which two reports will be selected.  Tim Timian seconded the motion.  Dave Lanpher, Harvey Huber, Tim Timian, Kathy Maier and Joe Ibach all voted yes to the motion.  The vote was unanimous.  Motion carried.

John Nadasi is making application for licensure and was present for discussion.  Review of Mr. Nadasi’s application indicates he meets the education, experience hours and examination requirements for licensure.  Reports were selected and reviewed for compliance with USPAP.  Numerous deficiencies were noted indicating noncompliance with USPAP.  Board members discussed the reviews with Mr. Nadasi and his Supervisor, Mr. Josh Clason.  Some of the deficiencies noted include:  1) lack of analysis; 2) lack of support and comment throughout approaches; 3) lack of rationale for adjustments; 4) wide range in values with no reasoning for variances; 5) lack of analysis/support for site value; 6) issues with depreciation and obsolescence; 7) no support for exposure time; and 8) lack of analysis for listings.

Based on review of work product and discussion with Mr. Nadasi, Harvey Huber moved to table John Nadasi’s application for licensure and request Mr. Nadasi submit two additional reports for formal review.  Mr. Nadasi is to submit a current log of appraisals from which two reports will be selected.  Dave Lanpher seconded the motion.  Dave Lanpher, Harvey Huber, Tim Timian, Kathy Maier and Joe Ibach all voted yes to the motion.  The vote was unanimous.  Motion carried.
Educational Reviews: As part of the Board's educational review process, independent reviews were completed on reports submitted by Brie Leier. Board members discussed the reviews with Ms. Leier and her Supervisor, Tim Kreft. The Board encouraged Ms. Leier to utilize the reviews, as well as Board member comments to assist in completing future reports.

Inactive Status: Gary Bock and Bruce Reinarts have made application for inactive status. Tim Timian moved to approve both applicants’ request for inactive status. Dave Lanpher seconded the motion. Tim Timian, Kathy Maier, Harvey Huber, Dave Lanpher and Joe Ibach all voted yes to the motion. The vote was unanimous. Motion carried.

Applicant for Certified General Requiring Board Review: Michael J. Lillibridge is making application for certified general via reciprocity with Minnesota. Board members reviewed Mr. Lillibridge’s application. Dave Lanpher moved to approve Michael J. Lillibridge for certified general. Tim Timian seconded the motion. Tim Timian, Kathy Maier, Harvey Huber, Dave Lanpher and Joe Ibach all voted yes to the motion. The vote was unanimous. Motion carried.

Permits Issued/Require Board approval: Staff reviewed, approved and issued permits to the following applicants:

Apprentice: Alexandria D. Dobyns and Joshua R. Miller
Certified Residential: Christina L. Everett (via reciprocity with MN) and Phillip Vandeveer (via reciprocity with MN)
Certified General: Patrick F. Dale (via reciprocity with MO) Eric L. Enloe (via reciprocity with MO) Lynda A. Gallagher (via reciprocity with IL) Drew Hoskins (via reciprocity with CA) Bruce E. Nell (via reciprocity with OH) and Yorey Louis (via reciprocity with NY)

Kathy Maier moved to affirm the applicants for their respective levels. Harvey Huber seconded the motion. Tim Timian, Kathy Maier, Harvey Huber, Dave Lanpher and Joe Ibach all voted yes to the motion. The vote was unanimous. Motion carried.

Investigations:
**Inv 213-129:** Board members reviewed the complaint and response to the complaint. Mr. Chris Sammons, the appraiser complained upon, was present for discussion. The complaint, filed by the homeowner, alleged unfair pricing and timeliness in receiving the report. The homeowner contends that upon accepting the assignment, the appraiser was aware of the fact that the property to be appraised was that of a manufactured home.

Board members reviewed and discussed the information provided. In his response, the appraiser confirmed he accepted the assignment to complete an FHA URAR. He also confirmed he was not made aware of the fact that the property to be appraised was of a manufactured home until his initial inspection of the property. Upon inspection, the appraiser contacted his Client indicating the assignment would have to be revised from an FHA URAR appraisal to that of a manufactured home appraisal, using a 1004 MC form. With this revision there would be an increase in the fee. The Client (the AMC) accepted the new terms of the assignment. The terms included 1) complete an appraisal of a manufactured home and 2) an increase in fee. The appraisal was completed. The Client documented delivery of the appraisal on the required due date, prior to the time indicated in the complaint.

Based on the information provided and discussed, Tim Timian moved to dismiss the complaint. Kathy Maier seconded the motion. Dave Lanpher, Harvey Huber, Tim Timian, Kathy Maier and Joe Ibach all voted yes to the motion. The vote was unanimous. Motion carried.

**Inv 214-130:** Board members reviewed the complaint. The complaint alleges geographic competency. An appraisal was completed on a very rural property using comparable sales from a larger city making no adjustments. Discussion took place. Tim Timian moved to forward the complaint to the appraiser and request the appraiser provide a copy of the full appraisal, a copy of the work file, and a written response to the complaint. Dave Lanpher seconded the motion. Dave Lanpher, Harvey Huber, Tim Timian, Kathy Maier and Joe Ibach all voted yes to the motion. The vote was unanimous. Motion carried.
Inv 214-131: This complaint was received as an anonymous complaint alleging a misleading and fraudulent report. Board members reviewed the information provided. The complaint is generic, lacking support for the claim of misleading or fraudulent. Board policy requires an anonymous complaint be detailed, outlining issues of noncompliance with USPAP.

Based on lack of information provided to support the complaint, Tim Timian moved for dismissal. Kathy Maier seconded the motion. Dave Lanpher, Tim Timian and Kathy Maier voted yes to the motion. Joe Ibach and Harvey Huber voted no to the motion. Motion carried.

Supervisory appraisers: Discussion turned to supervisory appraisers:
Vince Salzer and Josh Clason signed reports as supervisory appraisers. Review of the reports indicate the reports did not meet the minimum standards of USPAP.

Tim Timian moved to initiate a complaint on Vince Salzer and Josh Clason, based on the fact that there is reasonable basis to believe reports signed by Mr. Salzer and Mr. Clason as supervisory appraisers did not meet the minimum Standards of USPAP. Dave Lanpher seconded the motion. Dave Lanpher, Tim Timian, Kathy Maier, Harvey Huber and Joe Ibach voted yes to the motion. The vote was unanimous. Motion carried.

Update on Agreements: Staff provided an update on signed Settlement Agreements and Edward Erickson provided an update on pending Agreements.

Rules: Rules will be addressed at a future meeting.

Edward Erickson left the meeting.

Finances: Board members were provided the 2013 Year End Financial Report as well as a 2014 Proposed Budget. Discussion took place. Staff were requested to leave the room. Board members approved 1) an increase in management fee to $65,000 and 2) add a line item for AMC management fee of $25,000. Harvey Huber moved to approve the 2013 Year End report and table approval of the 2014 Proposed Budget. Dave Lanpher seconded the motion. Dave Lanpher, Tim Timian, Kathy Maier, Harvey Huber and Joe Ibach all voted yes to the motion. The vote was unanimous. Motion carried.

Education: The following educational offerings have been submitted for Board approval:

Allied Business Schools:
-2014-15 15-Hour Equivalent USPAP Update Course (15 hrs QE)
-2014-15 7-Hour Equivalent USPAP Update Course (15 hrs CE)

ASFMRA:
-Cost Estimating (8 hrs CE)

Appraisal Institute:
-Advanced Spreadsheet Modeling for Valuation Applications (15 hrs CE)
-Application & Interpretation of Simple Linear Regression( 15 hrs CE)
-Online General Appraisal Market Analysis & Highest & Best Use (30 hrs QE)
-Residential Applications-Using Technology to Measure & Support Assignment Results (7 hrs CE)
-Residential Applications Part 2 (7 hrs CE)
-Using Spreadsheet Programs in RE Appraisal-Synchronous (7 hrs CE)

Appraisal University:
-2014-15 7-Hour USPAP Update Course (7 hrs CE)

McKissock:
-Appraisal of Self-Storage Facilities(7 hrs CE)
-Heating, Ventilation & Air Conditioning Systems in Green Buildings (4 hrs CE)
-Introduction to the UAD (2 hrs CE)
-National USPAP Update Equivalent (2014-15) (7 hrs CE)
-REO and Foreclosures (5 hrs CE)
-The Thermal Shell (3 hrs CE)
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Dave Lanpher moved to approve the above listed education for their respective hours, as appraisal specific with the exception of *Heating, Ventilation & Air Conditioning Systems in Green Buildings* and *The Thermal Shell* offered by McKissock are approved as appraisal related. Tim Timian seconded the motion. Harvey Huber, Tim Timian, Kathy Maier, Dave Lanpher and Joe Ibach all voted yes to the motion. The vote was unanimous. Motion carried

**Other Business:** Harvey Huber's term as financial member of the Board will expire as of June 30, 2014. Mr. Huber has serviced the maximum two terms and is, therefore, ineligible for re-appointment. Individuals from the financial community interested in the position must make application with the Governor's office.

Chairperson Ibach called for adjournment.

Respectfully submitted,

Jodie R. Campbell, Executive Secretary