

KENTUCKY REAL ESTATE APPRAISERS BOARD

TYPE OF MEETING

Regular Meeting

DATE AND LOCATION

March 28, 2008 - Board Office

PRESIDING OFFICER

J.W. Grabeel, Chair

ROLL CALL

Present:

J.W. Grabeel, Chair
Loren C. Huff, Vice Chair
Theresa Marshall, Board Member
Paul Moore, Board Member

Present Also:

Larry Disney, Executive Director
Angie Thomas, Staff Assistant
James Grawe, Board Counsel
Dennis Badger, Investigator

Absent:

Dorsey Hall, Board Member

Chair, J.W. Grabeel opened the meeting by welcoming all the guest.

Motion by Paul Moore, second by Loren Huff and the Board unanimously approved the February 28, 2008 minutes.

EDUCATION

Motion by Theresa Marshall, second by Loren Huff and the Board unanimously agreed to approve the following education courses for fiscal year 2007-08:

- (1) American Society of Farm Managers & Rural Appraisers – One course:
 - (a) Valuation of Conservation Easements – 33 hours with examination for QE and 31 hours without examination for CE

- (2) Allterra Group, LLC – Two continuing education courses:
 - (a) Declining Markets Appraisal Conference – 7 hours
 - (b) Appraisal Fraud Conference – 7 hours

- (3) Larry McMillen – One qualifying education course:
 - (a) National USPAP – 15 hours
- (4) McKissock, LP – One online continuing education course:
 - (a) Online – Residential Report Writing – 7 hours
- (5) Appraisal Institute – Three online continuing education courses:
 - (a) Online – Reviewing Residential Appraisals and Using Fannie Mae Forms 2000 – 7 hours
 - (b) Online – Real Estate Appraisal Operations – 4 hours
 - (c) Online GIS: - The Building Case Study – 21 hours

Motion by Paul Moore, second by Theresa Marshall and the Board unanimously agreed at the advice of Dr. Don Bodley review to reject the following education course:

- (6) Just Valuation, Inc. – One internet continuing education course: REJECT
 - (a) Internet - JVI Appraising Residential REO Properties (1-4 Units) – 6 hours

EXPERIENCE

Motion by Theresa Marshall, second by Paul Moore and the Board unanimously agreed to approve the following:

- (1) Gary David Greene – Approve for Certified Residential
- (2) Aimee Henderson – Approve for Certified Residential
- (3) Edward Hysinger – Approve for Certified Residential
- (4) Jouett McDowell – Approve for Certified Residential
- (5) Jack Porter – Approve for Certified General
- (6) Donald Stewart – Approve for Certified Residential

Motion by Paul Moore, second by Theresa Marshall and the Board unanimously agreed to reject the following:

- (1) Matthew Jennings – Submit two additional residential and two additional non-residential appraisal reports.
- (2) Kyle Sill – Submit one additional residential appraisal report.

CERTIFICATION/LICENSURE

Motion by Theresa Marshall, second by Loren Huff and the Board voted to approve a total of 16 individuals for certification/licensure.

- (1) Donald Cecil - Associate
- (2) Casey C. Gill – Certified General – Reciprocal with Missouri
- (3) Gary David Greene – Certified Residential

- (4) Aimee Henderson – Certified Residential
- (5) Gregory A. Hicks – Certified Residential – Reciprocal with Ohio
- (6) Edward J. Hysinger – Certified Residential
- (7) Denise C. Logan – Associate
- (8) Jouett McDowell – Certified Residential
- (9) Jack Porter – Certified General
- (10) Garrett J. Steele – Certified General – Reciprocal with Arizona
- (11) Donald Stewart – Certified Residential
- (12) Joseph H. Waters - Associate
- (13) Jamie N. Wengatz – Certified Residential – Reciprocal with Ohio
- (14) Christine E. White – Certified General – Reciprocal with Georgia
- (15) Michael G. Wientjes – Certified Residential
- (16) Wayne L. Wnek – Certified General – Reciprocal with Illinois

COMPLAINT

- A. Dennis Badger – Report on the contractor activities for the preceding month.
- B. The Board approved the AARO Spring Conference and AQB conference travel for Dennis Badger. The travel will be deducted from the travel expense on the investigation contract.
- C. The Board authorized Larry Disney to contact Carla Tabeling, Budget Analysis concerning an allotment increase to cover additional expenses for the investigator contract and additional expenses for budget ending June 30, 2008.
- D. The Board was advised there have been a total of 40 cases filed for 2008.
- E. Orders:
 - (1) Case No. 07-45 – Grievant: KREAB
Respondent: Michael J. Wientjes
Motion by Paul Moore, second by Theresa Marshall and the Board accepted the agreed order, whereby:
 - (a) Wientjes shall pay a FINE in the sum of \$500.00, with the total amount due at the time the agreed order is returned.
 - (b) Wientjes shall complete a 7 hour Report Writing course Said 7 hours of education shall be in addition to the regular continuing education requirement of 201 KAR 30:050 Section 7. The course work required herein shall be completed by June 30, 2008.
 - (c) Wientjes shall submit to the Board staff a log every 6 months for a period of 2 years from the date of the agreed order and the Board absolute must review assignments from the log for a period of two years from the date of the agreed order.
 - (d) Wientjes shall not supervise any associates for a period of 2 years from the date of the agreed order.

(2) Case No. 04-63 – Grievant: KREAB

Respondent: Lynn Prichard

The Board approved the agreed order at the Hearing on March 17, 2008.

- (a) Prichard license shall be SUSPENDED for fifteen (15) days and placed on PROBATION for six (6) months under the terms that Prichard shall successfully complete of the terms this agreed order.
- (b) Prichard shall pay a FINE in the sum of \$500.00, with the total amount due within thirty days of the execution of this agreed order.
- (c) Prichard shall complete a 15 hour National USPAP course with successful completion of the final examination and a 15 hour General Report Writing course with successful completion of the final examination of the course. The 30 hours of education shall be in addition to the regular continuing education requirement of 201 KAR 30:050 Section 7. The course work required herein shall be completed by June 30, 2008.
- (d) Prichard shall maintain a log and said log shall be provided to the Board upon request within 48-hour notice and the Board staff or designee will select at random assignments from that log for evaluation for two years.
- (e) Prichard agrees that the Board shall have to right to review files for a period of two years from the date of the agreed order.
- (f) Prichard shall have one trainee for a period of two years from the date of the signed agreed order.

(3) Case No. 07-39 – Grievant: KREAB

Respondent: Daniel Fitzsimmons

Motion by Paul Moore, second by Loren Huff and the Board accepted the agreed order, whereby:

- (a) Fitzsimmons certification shall be suspended for 365 days, effective upon the entry of this Order by the Board from practicing any real property appraiser service in Kentucky. Said suspension is probated with successful completion of the terms of the agreed order.
 - (1) Fitzsimmons shall complete a 30 hour Sales Comparison, including successful completion of the final examination and a 15 hour Residential Appraisal Report Writing, including successful completion of the final examination. Said 45 hours of education shall be in addition to the regular continuing education requirement of 201 KAR 30:050 Section 7. The course work required here in shall be completed by July 1, 2008.
 - (2) Fitzsimmons shall have no more than one Associate appraisers for a period of three (3) years from the date of the agreed order.
 - (3) Fitzsimmons shall maintain a log and said log shall be submitted to the Board every month and upon request within 48-hour notice and the Board staff or designee will select at random assignments from that log for evaluation for two years.
 - (4) Fitzsimmons agrees that the Board shall have the right to review files for a period of two years from the date of the agreed order.

D. New Cases:

(1) Case Nos. 05-09 and 05-10 – Grievant: KREAB - NO INSERT

Respondent: Frank Spoonamore

Motion by Theresa Marshall, second by Paul Moore and the Board unanimously agreed to dismiss without prejudice with leave to reinstate should Mr. Spoonamore reapply for a Kentucky Appraiser license.

- (2) Case No. 07-35 – Grievant: Christian Van Meter Patterson
Respondent: Ben Campbell
Motion by Paul Moore, second by Theresa Marshall and the Board unanimously agreed to file a formal complaint and set for a hearing.
- (3) Case No. 07-37 - Grievant:
Respondents: Chuck Toler & Peter Push
Motion by Theresa Marshall, second by Loren Huff and the Board unanimously agreed to file a formal complaint and set for a hearing.
- (4) Case No. 07-41 – Grievant: KREAB
Respondent: Pearl Crum
Motion by Paul Moore, second by Theresa Marshall and the Board unanimously agreed to file a formal complaint and set for a hearing.
- (5) Case No.07-44 – Grievant: KREAB
Respondents: William J. Barrow & William Barrow, II
Motion by Theresa Marshall, second by Paul Moore and the Board unanimously agreed to file a formal complaint and set for a hearing.

F. Hearings

- (1) Elnoria Wyatt – Case No. 05-73 – James Grawe stated an agreement should be presented to the Board at the April Board Meeting.
- (2) Harold Brantley – Case No. 06-22 – James Grawe stated a notice of hearing will be sent out prior to the April Board meeting.

- G. The Board discussed changing the wording in an agreed order concerning the education deadline. The Board agreed to add a statement concerning there will be no extension on time to complete the education required per the agreed order.
- H. James Grawe clarified that the Board receives and reviews all cases prior to deciding how to proceed with a case and making a final decision.

MISCELLANEOUS

The Board reviewed:

- A. Regulation Change – 201 KAR 30:030 – Motion by Theresa Marshall, second by Paul Moore and the Board agreed to file the regulation with the noted changes.
- B. Exposure Draft Comments – Letter to AQB
- C. Legal Fee Revision – Office of Attorney General
- D. Statutes Change for fees – KRS 324A.065 FEES – The Board agreed to look at changing for the 2009 legislative session.
- E. Personal Service Contracts
 - 1) Examination – The Board agreed to bid the proposal as presented

- 2) Distance Education – The Board agreed to bid the proposal as presented
- 3) Investigation – A letter was presented to the Board from Larry Disney concerning the Ethics ruling on his involvement in the discussion of the investigative contract. The language as received from the Ethics Commission:

I have reviewed your letter to the Kentucky Real Estate Appraisers board members and staff and believe that your abstention from any involvement in the discussion, recommendation, and decision to award the complaint investigator bid will help to remove potential conflicts of interest during the bid process. Further, it is my understanding that your son (s?) are not being compensated for their work in the office of Dennis Badger and Associates, which also serves to remove any potential for conflict. If the situations changes and you sons are compensated by Dennis Badger an Associates, then I would recommend that if Dennis Badger is awarded the contract for services for 2008-09 that you abstain from all matters regarding him in the conduct of your duties, and if possible such duties be handled by a board member rather than someone under your supervision. Again, these are my thoughts. I f you wish a formal advisory form the Commission in this matter, please let me know.

Jill LeMaster
Executive Branch Ethics Commission
502-564-7954
jill.lemaster@ky.gov

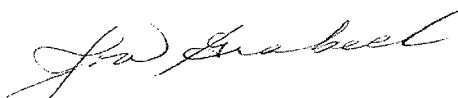
Mr. Larry Disney, Dennis Badger and Tom Veit divorced themselves from discussion each of them left the room prior to discussion on the investigation contract. Motion by Theresa Marshall, second by Paul Moore and the Board unanimously agreed to leave all proposals as presented.

- F. Newsletter – Names of respondents added to complaints – Motion by Theresa Marshall, second by Paul Moore and the Board unanimously agreed that if a case has been resolved by the following list, the name of the respondent will be issued in the KREAB newsletters.
 - 1) Suspension
 - 2) Revocation
 - 3) Voluntary Surrender
 - 4) All cases that go to a hearing
- I. Request from Shelby Kindred for an extension to complete the required education per an agreed order. – Motion by Paul Moore, second by Theresa Marshall and the Board rejected the request for an extension
- J. Home Value Protection Program and Cooperation Agreement – The Board tabled this discussion until the April 2008 Board meeting.
- K. The Board agreed that all agreed order requirements that were not met by the March 31, 2008 will be set for a hearing. A list will be presented at the April Board meeting.
- L. Experience Review – The Board tabled the discussion until the April Board training session.
- M. The Board gives Larry Disney the authority to discuss with the Attorney General office about Mr. James Grawe being able to devote more time the Board. Mr. Grawe agreed with the decision.
- N. The Board gives Larry Disney the authority to discuss any regulation and statues changes with LRC & LRC Committees.

The next Board meeting is scheduled for Thursday, April 24, 2008 at 6:00 p.m. at Blue Licks State Park.

The June Board meeting has been changed to Tuesday, June 24th, 2008.

Motion by Theresa Marshall, second by Paul Moore and the Board voted unanimously to adjourn the meeting.



Chair



Staff Assistant