

Minutes of the  
Idaho Real Estate Appraiser Board  
July 24, 2001

The Idaho Real Estate Appraiser Board meeting was called to order at 8:10 a.m., Tuesday, July 24, 2001 at the Bureau of Occupational Licenses, Owyhee Plaza, 1109 Main Street, Suite 220, Boise, Idaho.

Roll Call: Doyle Pugmire, Chairman  
Ruby Stroschein, Board Member  
Stanley Moe, Board Member  
Paul Morgan, Board Member

Bureau Staff: Budd A. Hetrick, Jr., Deputy Bureau Chief  
Roger Hales, Administrative Attorney  
John Kersey, Chief Investigator  
Kirsten Wallace, Prosecuting Attorney  
Dee Ann Randall, Administrative Secretary

Also Present: Vicki Ledbetter and Dennis Green from the Appraisal Subcommittee Staff Members

Gordean Briggs absent excused.

Introduction

Introduction of the Appraisal Subcommittee staff members were made and the Board extended their welcome to Idaho and encouraged their participation in the meeting.

Minutes

Moved by Paul Morgan, seconded by Stan Moe and carried the minutes of the June 28, 2001 conference call be approved.

Moved by Stan Moe, seconded by Paul Morgan and carried that the minutes of the May 21, 2001 board meeting be approved.

The Idaho definition for licensed residential real estate appraiser states in part they can appraise complex one to four residential units having a transaction value less than \$250,000. Ms. Stroschein asked for input regarding how this fell under the federal law. Ms. Ledbetter stated that if the transaction value is under \$250,000 it falls under the Idaho law, if it is over, then it would fall under federal law.

## Financial Report

Mr. Hetrick informed the Board that Tom Limbaugh has accepted a position offered by the Governor at the Industrial Commission and was no longer bureau chief.

Moved by Paul Morgan, seconded by Stan Moe and carried that Ruby Stroschein get a plaque for Mr. Limbaugh in appreciation for his services as bureau chief. This will be presented to him at the next board meeting.

The current cash balance for the Board is \$110,938. Mr. Hetrick informed the Board that effective July 1, 2001 the State Board of Examiners increased the meal allowance in state to \$30.00 per day. Out of state is based on the federal allowance that differs from city to city and would be reimbursed for whichever is greater, the state allowance or the federal allowance. Also unless you stay overnight while attending a board meeting, any meal you request reimbursement for will be considered income and is subject to state tax.

Mr. Hetrick discussed with the Board the possibility of a cutback in state revenues. If the Governor orders a holdback on state funds, this will include dedicated fund agencies also and if this happens, the holdback whatever percent it is will be off the top of the bureau appropriation. Which in turn, will be taken off the top of all of the boards in the bureau.

The board/bureau contract will be mailed to all board members this year as soon as they are available.

Moved by Stan Moe, seconded by Paul Morgan and carried that the Board accept the financial report.

## Leonard Hill, Idaho Transportation Department

Leonard Hill, Right of Way Manager, Idaho Transportation Department met with the Board to discuss legislation being presented next year by the Transportation Department which will allow appraisal waivers by the Transportation Department up to \$10,000. Mr. Hill was here to inform the Board of this legislation and ask if they would not oppose the legislation.

The Board reviewed the draft legislation and made several recommendations to clarify some issues in the draft. Stan Moe will work with Leonard Hill on language for clarification and defining the parameters of the waiver.

## Complaint Report

REA-L3-01-000-015: Moved by Paul Morgan, seconded by Ruby Stroschein and carried that the Board authorize the Chair to sign the Stipulation and Consent Order with Carol Bartholomew, license number LRA-328 wherein she agrees to pay an administrative fine of \$500.00; investigative costs and attorney fees of \$250.00 and be placed on probation

for a period of three (3) months, during which time she shall prepare and submit logs of the appraisals performed on a monthly basis.

Fiscal Year 2002, no new complaints have been received.

Twenty-one (21) complaints have been received thus far for the year 2001. Of those, eight (8) are under Pro-Review, the remaining cases are under investigation or legal review.

Thirty (30) complaints received were received for the year 2000. Of those twelve (12) remain under investigation. Three (3) are under legal review. Four (4) require Pro-review.

Forty-seven (47) complaints were received in 1999. Six (6) remain under investigation, three (3) are under legal review, Thirteen (13) require pro review.

Thirty-seven (37) complaints were reviewed in 1998. Eight (8) are under legal review, Five (5) are under pro review.

Thirty-two (32) complaints were received in 1997. Three (3) remain under legal review.

Those closed are outlined below:

Year 2000

- REA-L3-01-00-002 Alleged incompetence in development of data, failure to identify intended use, failure to contain approach to value. Complainant withdrew the complaint.
- REA-L1-03-00-004 Alleged unlicensed practice. Respondent applied for and was granted licensure.
- REA-L1A-01-00-005 Alleged unlicensed practice. Broker price opinion. Legal review concluded beyond the scope of jurisdiction, however the matter was referred to the local authorities.
- REA-P4-01-00-008 Alleged unprofessional conduct, to wit: attempting to change clients without authorization. Investigation and review concluded the respondent did not act inappropriately.
- REA-P3-01-00-013 Alleged incompetence. Board member reviewed entire complaint and concluded that the complaint was unfounded; the complaining party (owner) was not happy with the report, which was paid for by the buyer.
- REA-P3A-01-00-018 Alleged failure to use appropriate comparables. Investigation and subsequent review concluded all USPAP guidelines were followed, and no violations were found.

- REA-P3-04-000-019 Alleged careless preparation of a report. Investigation reviewed and subsequent review confirmed the report was prepared in a careless manner Respondent was issued a warning letter.
- REA-P3-04-00-021 Alleged unprofessional manner, negligence and gross errors. Board member reviewed and concluded no violation.
- REA-P3-04-00-025 Alleged inappropriate values of subject property. Investigation revealed that the subject property was being appraised for purposes of a divorce settlement. Review revealed no violations.
- REA-L1-01-00-027 Alleged unlicensed practice. Respondent, an out of state appraiser prepared a report without obtaining temporary permit. Legal staff prepared a Cease & Desist letter.

### Roger Hales

The Board had requested that Mr. Hales research and advise them as to whether federal employees doing appraisals have to be licensed or certified. Mr. Hales stated that it is the prerogative of the Board to require licensing/certification, as Idaho is a mandatory state. Mr. Hales recommended that the Board address this issue on an individual basis, as it does not seem to be a problem in Idaho at this time.

Mr. Hales reported to the subcommittee staff members present that Idaho has signed reciprocity agreements with the states of Washington, Oregon, Montana, Utah, Wyoming and Louisiana.

### Proposed Rule Changes

The Board reviewed a draft of the proposed rule changes for trainee registration.

Moved by Paul Morgan, seconded by Stan Moe and carried that the Board approve the changes in the proposed rules for trainee registration and authorize the bureau to proceed with adoption.

Question was asked for the Board and Mr. Hales by Dee Ann Randall regarding upgrade of license in Idaho. An applicant holding an Idaho license, wanting to upgrade their classification who also holds a current license in the higher classification in a state Idaho has reciprocity with. Can this individual apply for the upgrade in classification for their Idaho license by reciprocity, or must they meet Idaho law requirements to upgrade.

Moved by Ruby Stroschein, seconded by Paul Morgan and carried that an applicant holding an Idaho license, wanting to upgrade their classification who also holds a current license in the higher classification in a state Idaho has reciprocity with, will be required to upgrade to the higher classification by meeting Idaho current requirements for that classification.

The Board requested Roger Hales to prepare a letter for the Bureau to circulate to licensees requesting this information.

### Continuing Education

Marcie McGinty met with the Board to review continuing education.

Moved by Paul Morgan, seconded by Ruby Stroschein and carried that the O'Brien Schools USPAP course must be at least fifteen (15) hours of USPAP and any law questions must be Idaho law questions and must be additional hours added to the course. Their Appraisal Methods thirty (30) hour course: this is a basic principles course, must submit curriculum and if approved by Ed Muehlbach, Education Committee Chairman, will automatically be approved by the Board for licensing/certification, but will not be approved for continuing education.

Moved by Ruby Stroschein, seconded by Stan Moe and carried that the Washington Chapter of the American Society of Farm Managers & Rural Appraisers Seminar be approved for seven (7) hours of continuing education credit.

Moved by Stan Moe, seconded by Paul Morgan and carried Law Seminars International courses Eminent Domain and Inverse Condemnation in Idaho are approved for fourteen (14) hours of continuing education credit.

McKissock Data Systems distant education courses were not approved, as they do not meet AQB guidelines.

### Executive Session

Moved by Ruby Stroschein, seconded by Stan Moe and carried the Board go into executive session to discuss personnel issues. The time being 2:05 p.m.

Moved by Stan Moe, seconded by Ruby Stroschein and carried the Board comes out of executive session at 3:10 p.m.

### Election of Officers

Paul Morgan nominated Stan Moe for Chair, seconded by Ruby Stroschein and carried.

Ruby Stroschein nominated Paul Morgan for Vice Chair, seconded by Stan Moe and carried.

Paul Morgan nominated Ruby Stroschein for Secretary, seconded by Paul Morgan and carried.

### Review of Continuing Education for Licensees Audited for Renewal of License

The Board reviewed the continuing education submitted by those licensees audited for renewal of their licenses/certificates and authorized Mr. Hetrick to review those not meeting the requirement with Roger Hales for proper notification and action taken.

Meeting adjourned at 4:00 p.m.