



**BOARD OF REAL ESTATE APPRAISERS MEETING
February 11, 2010**

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MINUTES

BOARD OF REAL ESTATE APPRAISERS

**February 11, 2010
Colorado Division of Real Estate
1560 Broadway, Suite 925
Denver, CO 80202**

A meeting of the Colorado Board of Real Estate Appraisers was held on Thursday, February 11, 2010 at 1560 Broadway, Suite 1250, Denver, Colorado at 9:00 a.m.

Notice of the meeting was published timely and the meeting was held pursuant to the Colorado Sunshine Laws, Title 24, Article 6, C.R.S., as amended.

ORDER OF BUSINESS BY THE CHAIR:

Call to Order, Roll call, Determination of a Quorum-

The meeting was called to order at 9:03 a.m. Vice-Chair Robin Anderson made a quorum determination.

Board Members in attendance: Vice-Chair Robin Anderson, Frank Beltran, Wayne Hunsperger, Leslie Mitchell, and Susan Secrest.

Board Member not in attendance: Chair Thomas Fellows and Tony Navarro

Also attending were Marcia Waters, Investigations and Compliance Director; Susan Scholl, Appraiser Program Manager; Jeannine Miller, Assistant Attorney General; and several members of the Board's staff. The meeting was open to the public, and several members of the public attended.

Minutes Approval:

After review, Ms. Mitchell moved and Mr. Hunsperger seconded the motion to approve the Minutes of January 14, 2010.

Motion unanimously carried.

Executive Session Minutes:

After review, the Board acknowledged and approved the Executive Session Minutes from January 14, 2010 meeting.

Permanent Rulemaking Hearing: Marcia Waters, Investigations and Compliance Director, Colorado Division of Real Estate

The permanent rule making hearing was called to order by Vice Chair Anderson to hear oral testimony and to accept written submission related to the proposed rule referenced in the Colorado Code of Regulations known as 4 CCR 725-2 and more commonly known as permanent rule Chapter 11 Standards of Professional Appraisal Practice, 11.1.

This was a permanent rule making hearing pursuant to the process set forth in the Administrative Procedure Act. Pursuant to the Act, Board heard testimony in regards to the permanent rule. The public record consists of all oral testimony as well as any written information submitted within the allowable time frame. Therefore, in addition to all public testimony and comments at rulemaking hearing, the Division reviewed all written materials in order to make a final decision on the content of the regulations. Public record for the regulation closed at the end of the hearing.

EXECUTIVE SESSION

Mr. Beltran moved that the Board of Real Estate Appraisers enter into executive session pursuant to Colorado Revised Statutes Section 24-6-402(3)(a)(II) and (III) to discuss with the Board's attorney the status and strategy of disciplinary cases referred to the alternative diversion program, expedited settlement procedure or hearing by the Board and that are the subject of pending or imminent litigation and other attorney-client privileged communications at 9:29 a.m. Ms. Mitchell seconded the motion and the Board entered into Executive Session.

Motion unanimously carried.

The Board re-entered open session at 9:41 a.m.

ORDER OF BUSINESS:

Policy Matters, Updates and Information

Ms. Barbara Kelley, the newly appointed Executive Director of the Department of Regulatory Agencies (DORA), was formally introduced to the Board. Ms. Kelley recognized the Board's service, experience, and commitment to the Division and to DORA.

Mr. Hollis, Conservation Easement Program Manager, discussed the notion of developing an update course for conservation easement appraisers. The update course would satisfy conservation easement educational requirements. The course would be designed by Division Staff in conjunction with an Appraisal Education Task

Force. The course would be taught by Staff and designated instructors, offered twice a year, and taken every other year. This concept was proposed to the Conservation Easement Oversight Commission and the Commission recommended moving forward with the course. The Board also recommended to move forward and to initiate the formation of the Education Task Force.

Ms. Waters reported on the Appraisal Management Bill, SB 10-077. The Bill was presented to the Business Labor Technology Committee. The Division will be clarifying and refining the summary as the Bill is becoming contentious and comprehensive. Ms. Toll, Director of the Division of Real Estate announced that the Bill was rescheduled to go back to Committee from February 16, 2010 to March 2, 2010. Ms. Toll stated that the Bill is very controversial and Board Member testimony would be helpful. As the Bill was not officially noted on the agenda, the matter was tabled.

Citizen Participation:

Mr. John Fausett spoke regarding Appraisal Management Companies.

COMPLAINT INVESTIGATIONS:

(Due to Staff constraints, the two complaints listed on the agenda were switched around)

Case No. 2009020223 (Harold Ovsiowitz, Investigator)

Susan Scholl presented this matter to the Board.

The reports alleged violations of USPAP, including the Ethics Rule: Conduct Section; Competency Rule; Scope of Work Rule; Supplemental Standards Rule; Statement on Appraisal Standards No. 2: Discounted Cash Flow Analysis; Standard 1; Standards Rule 1-1(a), 1-1(b), and 1-1(c); Standards Rule 1-3(b); Standards Rule 1-5(b); Standard 2; Standards Rule 2-1(a); and 2-2(b).

Ms. Mitchell moved and Mr. Hunsperger seconded that the Board find that reasonable grounds exist to believe that violations of appraisal law occurred in Case Number 2009020223. The Board voted to refer back to Staff for a settlement offer consistent with Level 6 discipline to include prohibition from appraising conservation easements.

Motion unanimously carried.

Case No. 2009020250 (Future Davis, Investigator)

Susan Scholl presented this matter to the Board.

The reports alleged violations of USPAP, including the Ethics Rule: Conduct and Record Keeping sections; Competency Rule; Scope of Work Rule; Standard 1; Standards Rule 1-1(a), 1-1(b), and 1-1(c); Standards Rule 1-2(h); Standards Rule 1-4

and 1-4(a); Standards Rule 1-5(a); Standard 2; Standards Rule 2-1(a) and 2-1(b); and Standards Rule 2-2(b)(viii).

Mr. Beltran moved and Ms. Mitchell seconded that the Board find that reasonable grounds exist to believe that violations of appraisal law occurred in Case Number 2009020250. The Board voted to refer back to Staff for a settlement offer consistent with up to Level 6 discipline.

Motion unanimously carried.

Licensing and Other Matters:

Ms. Waters informed the Board that the Attorney General filed Notice of Charges for Stipulation Violation against the case of Julie O’Gorman. The Notice includes thirty days to file for an Exception. Ms. Waters asked the Board to defer the matter to the next Board’s meeting to accommodate the thirty day period for filing. The Board moved to defer to next month’s meeting.

Motion unanimously carried.

ADJOURN:

The Colorado Board of Real Estate Appraiser's meeting adjourned at 11:04 a.m. on February 11, 2010.

ABSENT

Thomas Fellows, Chair

Robin Anderson, Vice-Chair

Frank Beltran

Wayne Hunsperger

Leslie Mitchell

ABSENT

Tony Navarro

Susan Secrest

Erin Toll, Director
Colorado Division of Real Estate

EXECUTIVE SESSION MINUTES

After a two-thirds majority vote and pursuant to §24-6-402(3)(A)(II), C.R.S., the Colorado Board of Real Estate Appraisers held Executive Sessions during its regular public meeting held on February 11, 2010. The Board publicly announced the subject matter of the Executive Sessions, which was to confer with the Board's attorney regarding the status and strategy of disciplinary cases referred to the alternative diversion program, expedited settlement procedure or hearing by the Board and that are the subject of pending or imminent litigation, continuing education issues and other attorney-client privileged communications.

ATTESTATIONS

Pursuant to § 24-6-402(2)(d.5)(I)(B), C.R.S., as counsel for the Board, I attest that it is my opinion that all matters discussed during the executive sessions of the Colorado Board of Real Estate Appraiser's meeting held on February 11, 2010, constituted privileged attorney-client communications and, therefore, the contents of such discussions neither are reflected within these minutes nor is the content of such discussions maintained in electronically recorded format.

Jeannine Miller
Assistant Attorney General
Attorney for the Colorado Board of Real
Estate Appraisers

Pursuant to §24-6-402(2)(d.5)(I)(B), C.R.S., as Board Chair I attest that the executive sessions of the Colorado Board of Real Estate Appraisers held on February 11, 2010 was confined to the topic authorized for discussion pursuant to §24-6-402(3)(a)(II), C.R.S.

Robin Anderson, Vice-Chair
Colorado Board of Real Estate Appraisers