

NCPAC Board of Directors Meeting
June 22, 2016
Telephone Conference
9:00 AM-10:40 AM

Present: Cam Coley, President; John Noonan, Vice President; Valerie Lanier, Secretary; Dwight Vinson, Treasurer; Martha Schiltz, Administrative Assistant; Board Members: Graham Smith, Anne Baum, Steven Craddock, Doug Winner and Curtis West; Steve Maher, Past President. Also present were Lauriette West-Hoff and Baldy Williams.

Absent: John Palmer, President Elect; Board Members: Cory Gore and Michael Holt; and Christie Standish, Past President.

Minutes:

The minutes from the last two meetings (4/11/12 and 5/12/16) were approved by all with a motion by Steve Mayer and a second by Dwight Vinson.

2016 Conference Committee Report / Dwight Vinson:

Due to the high weekend rates, the conference will be held on a Monday and Tuesday (\$109 for Monday night versus \$400+/night on the weekend, which starts on Thursday. The dates chosen have been September 19 & 20. There will be two hotel options: one at Harrah's Cherokee Casino, which will have 30 rooms; and the second at the Fairfield Inn across the street from the Casino, where there will be a block of 20 rooms reserved. The rate on Sunday night for the Casino is \$149 and \$119/night at the Fairfield, which also includes a hot breakfast.

An invitation has gone out to The Appraisal Foundation to have a speaker attend the Conference and speak; Dwight may hear back this week. Dwight will also talk with Don Rodgers and/or someone else on the Appraisal Board to extend an invitation to come speak at the Conference. Cam stated he would like one of the investigators to come and speak. Tom Lewis has come to a Far West Chapter meeting to speak in the past; he may be willing to come speak at the Conference. If we get speakers from The Appraisal Foundation or The Appraisal Board, NCPAC will not be charged a speaker fee or need to compensate the speaker for their room fees. The Conference Fee has not yet been determined as the Conference Room contract has not yet been signed. Dwight's goal is to not exceed \$175, which was the remembered amount spent at last year's conference. NCPAC will have a week before the Conference to lift the block on the reserved rooms without being charged. The Fairfield Inn's conference room was not large enough so the conference room at the Casino will be used. The fee for the use of the room is tied to the food and beverage costs. The expectation is that NCPAC will provide a breakfast, lunch, and two breaks on the Conference date at \$60/head. There is no minimum head count required. Dwight sent Martha preliminary details about the Conference so that she can begin advertising by sending out emails and posting on the website.

Treasurer Report / Dwight Vinson:

The bank account balance for May was \$REDACTED. NCPAC has had a steady increase of new members so far this year. We have 289 paid members as of today's date; two years ago we had 245 paid members. We don't have any expected large expenditures between now and the Conference. The goal is to not lose money at the Conference, but to actually earn about \$2,500.

Website Committee Report / Steven Craddock:

The website is now 100% functional. It can direct new members to the payment process. The 2016 Conference Details page is set up. There is still no forum, but we may use a Facebook group page instead. Currently we just have a Facebook page, which just identifies NCPAC as an entity. Doug questioned the security of Facebook: is it open to the public; will there be a way to monitor postings, etc.? Curtis also expressed concern about the security measures of Facebook. Steven reported that Facebook has security measures already in place and there will be a security certificate on the website. Also using Facebook does not cost any money. Currently Steven Craddock and Christie Standish monitor the Facebook page.

Election Committee Report / Valerie Lanier

The ballots for nominations have gone out to the Committee of 100. Once we have gotten the responses back we will be able to approve the ballot for the election process and begin contacting the nominees. The membership must be notified of the names of the nominees at least 30 days prior to the Conference. Doug suggested sending out a mass email to all NCPAC members announcing the nomination process and encouraging anyone who is interested, or knows of anyone who is interested, in serving on the NCPAC board to contact someone from the Committee of 100.

New Business

Doug Winner / NCPAC Library Project Update: Thanks to Martha's emails regarding the NCAB Library at the Appraisal Board, Doug has accumulated more donated books. He will need help with labeling each of the books so that they can be presented to the Appraisal Board. He requested one more email be sent requesting donations. Doug would like to host a cookout at his house for those who come to assist in putting labels in the books. Doug will set a cutoff date for the receipt of donated books and set a date for the cookout so that Martha can send out emails about it. There was discussion regarding when to do the presentation to the Appraisal Board – at an Appraisal Board meeting or at the Conference? Cam suggested doing the presentation prior to the Conference. Dwight stated he would like to see the presentation occur at an Appraisal Board meeting as it would help increase NCPAC's exposure to the Appraisal Board as well as potentially be mentioned in the Fall newsletter from the Appraisal Board. It was agreed that NCPAC would plan for the presentation to occur on August 9, 2016 in Raleigh at the Appraisal Board's meeting. Baldy agreed that the presentation should occur sooner rather than later as the Appraisal Board was considering renting out space in their building and we want to make sure the space allotted for the library isn't rented out.

Baldy Williams / Governmental Update: A White Paper was issued to Congress to attempt to get the “de minimis” for mortgage loan transactions changed from \$250,000 to \$500,000, whereas Baldy and others are trying to get it changed to anything over \$50,000. Currently the bill is back in the Senate.

Baldy also discussed the ongoing battle of enforcing Customary and Reasonable (C&R) fees for appraisers. Reportedly the average homeowner is paying \$550 for an appraisal. There is movement towards having Veterans Administration (VA) fees be considered a customary and reasonable fee. Virginia recently determined that the VA fee of \$450 is C&R and reportedly average appraisal fees increased to \$650 in the state. Kentucky’s VA minimum fee is \$400; Louisiana’s VA minimum fee is \$400. The NC Appraisal Board is currently reviewing whether or not the VA minimum fee in NC should be adopted as the C&R. There is discussion on the Appraisal Board about whether it should be in charge of enforcing C&R.

The Appraisal Qualifications Board is meeting on July 15, 2016 and that Board will be discussing whether to continue to require a 4-year degree for new Certified Appraisers. Additionally, the allowance of draft reports by USPAP is being considered again. Maggie Hamilton on the Standards Committee is pushing for the use of drafts. The push for draft appraisal reports is stemming from the small group of appraisers that work with litigators. Those appraisers want to be able to work with attorneys on lawsuits, with the use of draft reports. David suggested sending out an email to all appraisers making sure they are aware of the need to respond to the USPAP draft with their opinions on these changes.

There was discussion about the completion of the auditing form for the audit being conducted by The Appraisal Foundation of NCPAC. Martha can meet with the auditors again, as she did in January.

There was discussion about whether or not NCPAC wanted to give free NCPAC memberships to trainees through the end of the year and then follow-up with an invoice to them the next year for membership dues. He reported he had 10 trainees starting in a class the next day. David and Cam both stated they were in favor of doing so. Martha will get the paperwork to him so that the trainees can be enrolled as new members of NCPAC.

Dwight Vinson / C&R Fees: A bill giving statutory authority to enforce Federal C&R of Dodd Frank passed the Senate, but failed to pass in the House on 6/20/16, as it was blocked by a House member. There was a second reading of the bill on 6/21/16 and it passed the House with amendments:

- 1) It gave the Appraisal Board authority to enforce Dodd Frank C&R as it pertains to the primary residence of the borrower.
- 2) It nullified from the State level the first presumption: fees can be negotiated if the appraiser accepts the fee and states it is a C&R fee.

The bill now will need to go back to the Senate with the amendments.

Cam Coley / Personnel Matter: REDACTED

The meeting was adjourned.

Submitted by Valerie Lanier, Secretary