

NORTH CAROLINA APPRAISAL BOARD

Minutes Raleigh

September 19, 2023

Board Members Present

Mike Warren, Chair
Claire M. Aufrance
Sarah J. Burnham
Darius R. Chase
Jack C. (Cal) Morgan, III
Viviree Scotton
H. Clay Taylor, III

Staff Present

Donald T. Rodgers, Executive Director
Brandy M. March, Deputy Director
Sondra C. Panico, Legal Counsel
Jeffrey H. Davison, Investigator
Randall L. Echols, Investigator
H. Eugene Jordan, Investigator
Mindy Sealy, Office Manager

CALL TO ORDER

Chair Warren called the meeting to order at 9:01 a.m.

Mr. Morgan read the Board's Mission Statement.

Chair Warren read the Conflict-of-Interest reminder. No Board Member indicated any conflict of interest.

Chair Warren advised that in Session Law 2023-113 which was signed on August 17, 2023, the Speaker of the House appointed Marcella D. Coley, of Watauga County and Jack C. "Cal" Morgan, III of New Hanover County to the North Carolina Appraisal Board for a three-year term ending June 30, 2026. Ms. Coley would be a new appointment to the Board and Mr. Morgan would be a reappointment. Both appointees are members of the Appraisal Institute, and we currently have two others seated that are also members of the Appraisal Institute. NC General Statute 93-E-1-5(a) states that: No more than three of the appointees may be members of the same appraiser trade organization

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at any one time. We have been advised that the Speaker's Office is asserting that the Session Law supersedes the Appraiser's Act and that both appointments are valid. The NC Appraisal Board will be requesting an Advisory Opinion from the Attorney General's Office as to whether Session Law 2023-113 supersedes the Appraiser's Act. Until the Advisory Opinion has been received, seating of the new appointee will be postponed. Mr. Tallent and Mr. Morgan will remain seated as carryover appointments until this is resolved.

APPROVAL OF AGENDA

Mr. Taylor moved, second by Ms. Aufrance, that the Board approve the agenda, with the Chair being able to take the items in any order. Motion carried.

APPROVAL OF MINUTES

Ms. Aufrance moved, second by Mr. Chase, to approve the August Minutes (**Exhibit 1**), as presented. Motion carried.

FINANCE

AUDITOR'S PRESENTATION OF THE 2022-2023 AUDIT REPORT

Ms. Smith presented the auditor's report to the Board. Ms. Burnham moved, second by Mr. Taylor, that the Board approve the financial audit for 2022-2023 as presented. Motion carried.

Ms. Burnham moved, second by Mr. Morgan, that the Board replenish the designated funds back to the beginning balance as follows:

Increase Replace Fixed Assets	from	\$147,070 to \$150,000
Increase Technology	from	\$220,500 to \$250,000

Motion carried.

The Board reviewed the financial reports (**Exhibit 2**) through August 2023.

HEARINGS

2021-0137 Eugene Meyer

Following a hearing, the Board revoked Mr. Meyer's residential certification.

LEGAL

Probable Cause (Exhibit 3)

Ms. Aufrance moved, second by Ms. Scotton, that the Board accept staff recommendations on all probable cause summaries, with the exception of case numbers 2022-0047 and 2022-0093.
Motion carried.

- 2021-0050** Dismiss this case conditioned upon completion of the 15-Hour USPAP course.
- 2022-0047** Ms. Aufrance moved, second by Ms. Scotton, that the Board dismiss this case conditioned upon completion of a course in highest and best use and a course in land/site valuation. Motion carried.
- 2022-0084** Move this case to a hearing.
- 2022-0087** Move this case to a hearing.
- 2022-0089** Dismiss this case with a warning to retain workfiles and all transmitted reports as required, conditioned upon completion of the 15-Hour USPAP course.
- 2022-0093** Mr. Chase moved, second by Mr. Taylor, that the Board dismiss this case conditioned upon completion of a course in comparative analysis and a course in supporting adjustments. Motion carried.
- 2022-0094** Dismiss this case with a warning to follow assignment conditions regarding comparable photographs.
- 2022-0095** Move this case to a hearing.
- 2022-0096** Dismiss this case with a warning to maintain an updated address with the Board.
- 2022-0098** Dismiss this case with a warning to credit the source of photographs of comparable sales.
- 2022-0100** Move this case to a hearing.
- 2022-0101** Dismiss this case.
- 2022-0102** Dismiss this case.
- 2022-0106** Dismiss this case.
- 2022-0111** Dismiss this case with a warning to maintain a professional demeanor when

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dealing with the public.

2022-0115 Dismiss this case conditioned upon completion of the 15-Hour USPAP course and a course in appraising complex properties.

The Board reviewed the Pending Hearing Report (**Exhibit 4**) and the Disciplinary Actions Year-to-Date (**Exhibit 5**).

LICENSING AND EDUCATION

The Board reviewed the list of candidates who have been recently registered or certified (**Exhibit 6**).

The Board reviewed the list of AMCs that have recently been registered (**Exhibit 7**).

The Board reviewed the Examination Report (**Exhibit 8**) through August 2023.

PUBLIC FORUM (Exhibit 9)

There were no requests to speak at the Public Forum.

OTHER

The Board reviewed the Appraisal Foundation's reports. (**Exhibit 10**)

The Board discussed supplementing the cost of the 2024 USPAP books. Ms. Aufrance moved, second by Mr. Chase, that the Board offer the two USPAP books to each licensee at a discounted cost of \$35.00. Motion carried.

Committee Reports

The Predetermination Committee met on August 30, 2023, to review one application for certified residential status and one complaint on an AMC. The committee consisted of Ms. Carmichael, Mr. Chase, and Mr. Morgan. The committee determined that the applicant for certified residential status needed to provide additional information and determined that the complaint does not fall within the Boards jurisdiction.

The Finance Committee met on September 13, 2023, to review the draft audit report.

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Staff Report

Mr. Rodgers and Ms. March held a Trainee Town Hall on August 22, 2023, via WebEx.

Mr. Rodgers will be speaking at the NCPAC annual state conference on September 28, 2023, in Southport, NC.

The Fall AARO Conference will be October 7-9, 2023, in Salt Lake City, Utah.

The Appraisal Subcommittee will be at the Board office for our compliance review October 24-26, 2023. They will observe the virtual board meeting on October 31, 2023.

House Bill 48 remains in the Committee on the Rules and Operations of the Senate. In its current version, the Bill would delay the effective date of the rules until December 31, 2025.

Our next Board meeting will be a virtual meeting on October 31, 2023.

Mr. Taylor moved, second by Ms. Scotton, that the Board go into closed session. Motion carried.

Mr. Taylor moved, second by Mr. Chase, that the Board go back into open session. Motion carried.

Report from closed session announced in open session:


CONSENT ORDERS

2022-0059 Michael Ogburn

Mr. Aufrance moved, seconded by Mr. Taylor, that effective September 20, 2023, Michael Ogburn's certification as a residential appraiser is reprimanded. No later than April 1, 2024, Respondent shall complete the following coursework: two continuing education courses: 1) environmental hazards impact on value, and 2) complex properties; and one corrective education course: 1) ethics, competency, and negligence. The hours for the complex properties course shall not be used for Respondent's continuing education credit hours and requirements, however, the environmental hazards impact on value course may be used by Respondent for continuing education credit hours. The corrective education course does not receive continuing education credit. If Respondent fails to successfully complete the courses by April 1, 2024, Respondent's license shall be actively suspended until Respondent provides proof of completion of the above courses to the Board office. Motion carried.


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There being no further business to come before the Board, Mr. Taylor moved, second by Mr. Morgan, that the meeting be adjourned. Motion carried.



Donald T. Rodgers, Executive Director

This, the 31st day of October, 2023.



Mike Warren, Chair