

Minutes

South Carolina Real Estate Appraisers Board

Thursday, February 14, 2019 at 10:00 a.m.

Synergy Business Park, Kingstree Building, Conference Room 105

110 Centerview Drive, Columbia, South Carolina 29210

Meeting Called to Order:

Jake Knight, Chairman, called the meeting of the South Carolina Real Estate Appraisers Board to order at 10:08 a.m. Other members present for the meeting included: Chris Barczak, Rex Casterline, Mark Chapman, Clint Hammond, and Ann King

Mr. Knight announced that public notice of this meeting was properly posted at the S.C. Real Estate Appraisers office, Synergy Business Park, Kingstree Building, and provided to all requesting persons, organizations, and news media in compliance with Section 30-4-80 of the South Carolina Freedom of Information Act.

Staff members participating during the meeting included: Georgia Lewis, Advice Counsel; Erin Baldwin, Office of Disciplinary Counsel; Charles Gwynne, Office of Disciplinary Counsel; Malcolm Burton, Office of Investigations; Rodney Pigford, Office of Investigations; Joi Middleton, Education Manager; Laura Smith, Administrator; Ty'Yona Schofield, Program Coordinator.

Special guests from the Appraisal Subcommittee: Claire Brooks and Neal Fenochietti

One member of the public (Willie King) was present.

Pledge of Allegiance was recited by all present.

Introduction of Board Members and All Other Persons Attending

All board members, staff and public attendees introduced themselves.

Approval of Excused Absences

MOTION:

Mr. Casterline made the motion to excuse the absence of Mr. Dodds for the reasons given to the Administrator. Mr. Barczak seconded the motion, which carried unanimously.

Approval of Agenda:

MOTION:

Mr. Casterline made the motion to approve the agenda as published. Mr. Barczak seconded the motion, which carried unanimously.

Approval of the Minutes from November 15, 2018 Meeting

MOTION:

Mr. Casterline made the motion to approve the minutes as written with the following amendments. Both Mr. Barczak and Mr. Chapman seconded the motion, which carried unanimously.

Line 16- Change the spelling of Council to **Counsel**

Line 20- Add, **were also present**

Line 51- Replace the wording came out with **are as of**

Line 56- The table heading should be on the same page as the table in reference

Line 63- The sentence should read “**She stated that she, Jake Knight, and Mark Chapman attended the Conference**”

Line 69- Insert “**Training Conference on May 2, 2019 and the**”

Line 108- The table heading should be on the same page as the table in reference

Line 115- Correct the table to indicate **7 closed and 15 total**

Line 133- Remove Mr. Barczak and replace with **Mr. Dodds**

Line 140- **Remove the last sentence and insert it on line 136 after the first sentence.**

Chairman's Remarks

Mr. Knight kept his remarks at a minimum. He wanted to welcome everyone and announce the retirement of member Ann King. Mr. Knight acknowledged her service over the years and the knowledge she has brought from the real estate profession. Ms. King made brief remarks before leaving.

New Business

Remarks from Appraisal Subcommittee- Policy Managers

Mr. Fenochietti and Ms. Brooks provided a brief history of their agency. They advised the Board they have been at LLR for the last couple of days conducting a compliance review of Title 11 and Appraiser qualification criteria. Mr. Fenochietti expressed his appreciation for the staff's dedication and professionalism. A closing conference was set for February 15, 2019 to discuss any findings. Mr. Fenochietti and Ms. Brooks will prepare a preliminary report. Staff will have 60 days to respond.

Remarks from LLR Director- Emily Farr

Ms. Farr was not present due to a meeting.

Approval of the Investigative Review Committee (IRC) Report- Rodney Pigford

The IRC report dated January 30, 2019 presented for approval. Discussion ensued.

DISMISS

Case #	Investigator	Initial Complaint Allegations	IRC Logic
2018-15	Malcolm Burton	AMC removed complainant from panel without prior notification.	Insufficient evidence to show violation of AMC Law.
2018-40	Malcolm Burton	License suspended by Oklahoma for failure to pay license renewal.	No violation.
2018-43	Malcolm Burton	Errors in report and analysis mislead intended users.	Appraiser did not complete report.

MOTION:

Mr. Casterline made the motion to accept the IRC recommendations of dismissal. Mr. Chapman seconded the motion. The votes carried unanimously.

DISMISS – CEASE AND DESIST

Case #	Investigator	Initial Complaint Allegations	IRC Logic
2018-18	Laura Smith	Respondent provided an opinion of value to Darlington County Assessor. He is not licensed in SC. He also represented the property owner in the tax appeal.	C&D

MOTION:

Mr. Casterline made a motion to approve the Cease and Desist Report. Mr. Chapman seconded the motion. The votes carried unanimously.

FORMAL COMPLAINT

Case#	Investigator	Initial Complaint Allegations	IRC Logic
2018-19	Laura Smith	Respondent is a licensed appraiser in SC. He prepared a tax appeal on behalf of his client. The appeal includes an appraisal prepared by Respondent. The Report does not comply with USPAP.	Statute violation.
2018-23	Malcolm Burton	Respondent completed an appraisal – review that identifies non-compliance with USPAP. The review includes an opinion of value that is not supported by the review report.	Statute violation.
2018-25	Charlie Gwynne	Sanctioned by Other Board	Statute violation.
2018-28	Malcolm Burton	Uniform Standards Violation	Statute violation.
2018-39	Malcolm Burton	Respondent stated he had been sanctioned by another state on his application for license renewal in SC.	Statute violation.
2018-41	Malcolm Burton	Respondent stated he had been sanctioned in another state on his application for license renewal in SC.	Statute violation.
2018-45	Malcolm Burton	AMC failed to pay Respondent for several appraisal assignments within the mandated 45-day period from submission of a report.	Statute violation.
2018-47	Malcolm Burton	AMC failed to pay Respondent for several appraisal assignments within the mandated 45-day period from submission of a report.	Statute violation.
2018-53	Malcolm Burton	Disciplined in NC, failed to report on renewal for SC	Statute violation.
2018-62	Laura Smith	AMC failed to pay registration invoice issued 7/1/2018 within 60 days & no response to follow up emails as of 10/4/2018.	Statute violation.
2018-66	Malcolm Burton	AMC failed to pay Respondent for several appraisal assignments within the mandated 45-day	Statute violation.
2018-67	Malcolm Burton	AMC failed to pay Respondent for several appraisal assignments within the mandated 45-day period from submission of a report.	Statute violation.
2018-74	Laura Smith	Respondent failed a continuing education (CE) audit conducted by Board staff. The CE was completed after renewal time resulting in a \$500 fine. She has not paid the fine.	Statute violation.
2019-2	Malcolm Burton	AMC failed to pay Respondent for several appraisal assignments within the mandated 45-day period from submission of a report.	Statute violation.

MOTION:

Mr. Casterline made a motion to approve the Formal Complaint Report. Mr. Barczak seconded the motion. The votes carried unanimously.

LETTER OF CAUTION

Case #	Investigator	Initial Complaint Allegations	IRC Logic
2018-16	Laura Smith	Uniform Standards Violation	Assure they are complying with Reporting Requirements in USPAP.
2018-20	Malcolm Burton	Complaint alleges numerous gross errors in the property description and improper comps when more suitable sales in close proximity.	Be mindful when signing reports stating interior/exterior inspection was made by signing appraiser.

MOTION:

Mr. Casterline made a motion to approve the Letter of Caution report. Mr. Barczak seconded the motion. The votes carried unanimously. Discussion ensued.

OIE APPRAISER’S BOARD CASE REPORT

Cases received from January 1, 2018 – February 7, 2019

Case Statuses	Total
Active Investigation	27
Closed	17
Do Not Open Case	12
Pending Board Action	19
Pending CA Review	0
Pending Expert Review	0
Total	78

27 TOTAL ACTIVE CASES

Pathways	Total
Anonymous	3
Home Owner	16
Individual	37
Other Licensees	4
Staff	18
Total	78

***This is a new report that indicates where complaints are generating.

Office of Disciplinary Counsel (ODC) Update – Charles Gwynne

OGC Case Load Statistics as of February 7, 2019

Board	Open Cases	Pending Review	Pending CA/MOAs	Pending Hearings	Pending Board Action	Pending Appeal	Pending Final Orders	Pending Closure	Closed*
Appraisers	3	0	2	0	0	1	0	0	7

****Closed Cases 11/7/18 to 2/7/19

7

Mr. Gwynne gave an update on the cases currently on his desk. The three open cases and two pending and was not resolved should be receiving a formal complaint. A small Task Force will be convened with a minimum of two Board members. Mr. Barczak and Mr. Chapman will be the two Board Members. This meeting was open to public and an agenda posted. Discussion ensued.

Administrators Remarks - Laura Smith

Budget Update

Ms. Smith provided the Budget Report for the Appraisers Board account and the National Registry account. She stated the report balances are staying consistent. However the end of December 2018 cash balance was higher due to AMC's renewal fees. A brief discussion ensued.

Licensure Update

**SC REAL ESTATE APPRAISERS BOARD NUMBER OF CREDENTIALS AS OF
APRIL 28, 2017**

	ACTIVE	INACTIVE	ACTIVE IN RENEWAL	TOTAL
Apprentice	210	0	55	265
Licensed	126	19	28	173
Certified Residential	962	43	91	1096
Certified General	962	20	128	1110
Licensed Mass	46	0	5	51
Certified Residential Mass	64	2	7	73
Certified General Mass	26	2	5	33
Total	2396	86	319	2801

AMC Active 131

AMC Inactive 5

TEMPORARY PERMITS

ISSUED IN 2018	ISSUED IN 2019
253	32

AARO Conference

The Board approved for the Administrator, Investigator, and two Board Members to attend the AARO Conference. The Conference will be held May 3 – 5, 2019 in Denver, Colorado. Jake Knight and Mark Chapman are the two Board Members possibly to attend.

BOARD MEETING DATES 2019-2021

February 14, 2019	Room 105
April 11 & 12, 2019	Room 105
August 15 & 16, 2019	Room 105
November 21 & 22, 2019	Room 105
February 13 & 14, 2020	Room 105
May 7 & 9, 2020	Room 105
August 13 & 14, 2020	Room 105
November 12 & 13, 2020	Room 105
February 11 & 12, 2021	Room 105
May 13 & 14, 2021	Room 105
August 12 & 13, 2021	Room 105
November 18 & 19, 2021	Room 105

Ethics Commission

Ms. Smith reminded the Board Members to not risk being fined they have until March 30, 2019 to file. Electronic filing is now mandatory, so paper copies of this are no longer accepted.

Unfinished Business

Statute & Regulations

Mr. Knight stated Regulations are moving forward. Discussion ensued.

Executive Session

None.

Public Comments

None.

Adjournment

Mr. Casterline made the motion to adjourn the meeting. Mr. Chapman seconded the motion, which carried unanimously. The next Real Estate Appraisers board meeting is scheduled for April 11 & 12, 2019.