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| 1 | COMMONWEALTH OF PENNSYLVANIA | |
| 2 | DEPARTMENT OF STATE | |
| 3 | BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS | |
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| 5 | FINAL MINUTES | |
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| 7 | MEETING OF: | |
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| 9 | STATE BOARD OF CERTIFIED | |
| 10 | REAL ESTATE APPRAISERS | |
| 11 | VIA VIDEOCONFERENCE | |
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| 13 | TIME: 10:30 A.M. | |
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| 15 | Thursday, December 16, 2021 | |
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2 1 State Board of Certified 2 Real Estate Appraisers 3 December 16, 2021 4 5 6 BOARD MEMBERS: 7 8 Joseph D. Pasquarella, Chairman, Professional 9 Member 10 Jeffrey L. Walters, Vice Chairman, Professional 11 Member 12 Mark V. Smeltzer Sr., Secretary, Professional 13 Member 14 John D. Ausherman, Professional Member - Absent 15 William T. Stoerrle Jr., Professional Member 16 Michael McFarlane, Professional Member 17 Randy L. Waggoner, Professional Member 18 Martha H. Brown, Esquire, Secretary of the 19 Commonwealth designee - Absent 20 John M. Abel, Esquire, on behalf of Merna T. Hoffman, 21 Esquire, Deputy Attorney General, Office of Attorney 22 General designee 23 Paul H. Wentzel Jr., Senior Legislative Director, 24 Department of Banking and Securities 25 designee 26 27 BUREAU PERSONNEL: 28 29 Ronald K. Rouse, Esquire, Board Counsel 30 Dean F. Picarella, Esquire, Senior Board Counsel 31 Ray Michalowski, Esquire, Senior Board Prosecution 32 Liaison 33 Kristel Hennessy Hemler, Board Administrator 34 Kimberly A. Mattis, Director, Bureau of Finance and 35 Operations, Department of State 36 Andrew LaFratte, MPA, Executive Policy Specialist, Department of State 37 Marc Farrell, Deputy Director, Office of Policy, 38 39 Department of State 40 41 ALSO PRESENT: 42 43 Michelle Czekalski Bradley, CGA, AQB-certified USPAP 44 Instructor; Chair, Appraisal Standards Board 45 Teresa Cochran, Executive Director, Assessors' 46 Association of Pennsylvania 47 Justin Reis, Coalition of Pennsylvania Real Estate 48 Appraisers 49 Scott DiBiasio, Manager of State and Industry Affairs, 50 Appraisal Institute

3 * * * 1 State Board of Certified 2 3 Real Estate Appraisers 4 December 16, 2021 * * * 5 6 [Pursuant to Section 708(a)(5) of the Sunshine Act, at 7 9:00 a.m. the Board entered into Executive Session with Ronald K. Rouse, Esquire, Board Counsel, to have 8 attorney-client consultations and for the purpose of 9 10 conducting quasi-judicial deliberations. The Board 11 returned to open session at 10:30 a.m.] * * * 12 13 Meeting Instructions 14 [Kristel Hennessy Hemler, Board Administrator, 15 provided instructions to be followed during the 16 virtual meeting.] * * * 17 18 [Ronald K. Rouse, Esquire, Board Counsel, informed 19 everyone that the meeting of the State Board of 20 Certified Real Estate Appraisers was being held by 21 teleconference pursuant to the act of September 30, 22 2021, also known as Act 73 of 2021, which extends the 23 waiver of the physical presence requirement in Section 24 4(i) of the Real Estate Appraisers Certification Act 25 until March 31, 2022.

Mr. Rouse also informed everyone that the meeting 1 2 was being recorded, and those who continued to participate were giving their consent to be recorded.] 3 * * * 4 5 The regularly scheduled meeting of the State 6 Board of Certified Real Estate Appraisers was held on 7 Thursday, December 16, 2021. Joseph D. Pasquarella, 8 Chairman, Professional Member, officially called the 9 meeting to order at 10:30 a.m. 10 * * * Roll Call 11 [Joseph D. Pasquarella, Chairman, Professional Member, 12 13 requested a roll call of Board members. There was a 14 quorum.] * * * 15 16 Approval of minutes of the November 4, 2021 meeting 17 CHAIRMAN PASQUARELLA: 18 Do I have a motion to approve the 19 minutes? 20 MR. STOERRLE: 21 I make a motion to approve the minutes. 22 CHAIRMAN PASQUARELLA: 23 Do I have a second? 24 MR. WENTZEL: 25 Second.

5 1 CHAIRMAN PASQUARELLA: 2 Is there any discussion of the minutes? 3 Hearing none. All in favor of approving the minutes as written for November 4, 4 5 2021, say aye. Are there any nays? Are 6 there any abstentions? The ayes have 7 it. The motion is approved. The Board 8 minutes are approved for November 4. 9 [The motion carried. Mr. Abel abstained from voting 10 on the motion.] * * * 11 12 Report of Prosecutorial Division 13 [Ray Michalowski, Esquire, Senior Board Prosecution 14 Liaison, had nothing to present but offered to answer 15 any Board member questions.] * * * 16 17 Report of Board Counsel - Final Adjudication and Order MR. ROUSE: 18 19 Item 2 on the agenda is the Final 20 Adjudication and Order in the Matter of 21 BPOA v. Michael Christopher Definis, Case No. 20-70-008367. 2.2 23 Regarding this matter, the Final 24 Adjudication in the Matter of BPOA v. 25 Michael Christopher Definis, I believe

6 the Board would entertain a motion to 1 2 adopt the Adjudication and Order as 3 presented by Board counsel and to direct 4 Board counsel to prepare the Board's 5 Final Order. Is there such a motion? 6 7 MR. WENTZEL: 8 So moved. 9 MR. ROUSE: 10 Is there a second? 11 MR. WAGGONER: 12 Second. 13 MR. ROUSE: 14 Any discussion? All those in favor, say 15 aye. All those opposed, say nay. Any 16 abstentions? Any recusals? 17 [The motion carried unanimously.] * * * 18 19 Report of Board Counsel - Regulatory Discussion 20 [Ronald K. Rouse, Esquire, Board Counsel, addressed 21 Regulation 16A-7026 regarding Act 88 of 2020 2.2 amendments to the Assessors Certification Act. Нe 23 noted drafting the preamble after the Board adopted 24 the second exposure draft at the September 30, 2021. 25 He mentioned that the next step would be to complete a

regulatory package, including the regulatory analysis 1 2 form.1 MR. ROUSE: 3 Regarding Regulation 16A-7026 at item 3 4 5 on the agenda, would the Board entertain 6 a motion to adopt the preamble and 7 direct Board counsel to continue with 8 the regulatory process? 9 MR. SMELTZER: 10 I'll make such a motion. 11 MR. ROUSE: 12 Is there a second? MR. WENTZEL: 13 14 Second. 15 MR. ROUSE: 16 Any discussion? All those in favor, say 17 aye. All those opposed, say nay. Any 18 abstentions? Any recusals? 19 [The motion carried unanimously.] * * * 20 21 Report of Board Counsel - Regulatory Discussion 22 [Ronald K. Rouse, Esquire, Board Counsel, noted he is 23 still working on Regulation 16A-7029 regarding 24 distance education for certified real estate 25 appraisers.

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Mr. Rouse referred to the proposed annex for Regulation 16A-7030 regarding distance education for certified Pennsylvania evaluators. He noted the amendments to § 36.201 with the addition of a definition for asynchronous, hybrid, and synchronous and provided the definitions.

7 Mr. Rouse referred to § 36.224 regarding distance 8 education courses, noting an additional statement that 9 says distance education courses may be provided in the 10 form of synchronous, asynchronous, or hybrid 11 educational course offerings. He also added a 12 statement to that section, where synchronous course 13 credit is acceptable to meeting class hour requirements if it is obtained from approved providers 14 15 identified in § 36.262(c), which is related to continuing education subject matter. 16

17 Mr. Rouse noted a statement regarding asynchronous, where credit for an asynchronous 18 19 distance educational course is acceptable to meet 20 class hour requirements if the course provides a way 21 for the students to interact with the teacher through 2.2 verbal or written communication and approval of course 23 content is obtained from the Appraiser Qualifications 24 Board (AQB) or a state regulatory jurisdiction or an 25 accredited college, community college, or university.

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Mr. Rouse noted that distance education programs should be offered and approved or accredited by the Commission on Colleges or a regional or national accreditation association, or by an accrediting agency that is recognized by the United States Secretary of Education.

7 Mr. Rouse noted approval of course delivery mechanism must be obtained from one of the following 8 9 sources: AQB or AQB-approved organizations providing 10 approval of course, design, and delivery; a college or 11 university that qualifies for content approval that 12 awards academic credit for the distant education 13 course; or a qualifying college or university for 14 content approval with a distance education delivery 15 program that approves the course, design, and delivery 16 that incorporates interactivity.

Mr. Rouse noted the addition to hybrid distance education, where credit for a hybrid distance education course is acceptable to meet class hour requirements if each of the course's component parts meet the requirement for the delivery methods employed.

23 Mr. Rouse informed the Board that all of the 24 items added to this particular section are based on 25 the items being enforced through the AQB criteria on

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January 1, 2022. He noted previous Board discussion 1 2 making sure appraisers are consistent with the 3 assessors and is why he put the language in the assessors requirements for distance education. 4 5 Mr. Rouse noted the addition to § 36.263, "a 6 provider of asynchronous education course offerings 7 that meets the requirements of 36.224(c)(1),(2), and (3) relating to distance education courses," which was 8 added to replace the item that talks about 9 10 International Distance Education Certification Center 11 (IDECC) approval. 12 Mr. Rouse mentioned that he would like to add an 13 additional item to the annex about remote proctoring of exams for distance education. 14 15 Mr. Smeltzer referred to § 36.224(1)(ii) and 16 wanted to clarify that the IDECC requirement would be 17 removed since there are different alternatives. Mr. Rouse confirmed IDECC information is deleted. 18 19 Teresa Cochran, Executive Director, Assessors' 20 Association of Pennsylvania, asked whether the extensions for virtual learning for asynchronous, 21 22 synchronous, and hybrid also extend to the 23 precertification process that the Assessors' 24 Association does to prepare candidates to take the 25 certified Pennsylvania evaluator (CPE) exam as well as

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1 the regular continuing education courses available for 2 license recertification.

3 Mr. Rouse explained that distance education would be for qualifying education as well as continuing 4 5 education. He informed Ms. Cochran that once the 6 Board discusses everything in the annex in terms of 7 what needs to be a part of the annex, the Board votes and sends the annex out as an exposure draft, where 8 9 all of the stakeholders would receive a copy of the 10 written document to review and submit written 11 comments.

Mr. McFarlane clarified for the members of the public and stakeholders that the intent of the revision is mainly distance learning extension and revisions of some of the verbiage to apply equally to appraisers as well as certified Pennsylvania veraluators.

Mr. McFarlane asked whether the intent of the revisions to the verbiage in the legislation is to allow for the continuing of distance education courses for qualifying education given the state of the COVID pandemic.

23 Mr. Rouse stated the revision is for the pandemic 24 and beyond the pandemic. He commented that it was 25 basically putting the language in the regulations so

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everyone knows that now synchronous is considered the 1 same as in person. Everyone would then be clear on 2 3 synchronous, but that asynchronous has certain 4 requirements in terms of content delivery and delivery 5 mechanism that is used and approved.] 6 MR. ROUSE: 7 Regarding item 5 on the agenda, 8 Regulation 16A-7030, would the Board 9 entertain a motion to direct Board 10 counsel to release this annex to the 11 stakeholders as an exposure draft? 12 MR. SMELTZER: 13 I so move. 14 CHAIRMAN PASQUARELLA: 15 Do we have a second? MR. WAGGONER: 16 I second. 17 MR. ROUSE: 18 19 Any discussion? All those in favor, say 20 aye. All those opposed, say nay. Any 21 abstentions? Any recusals? 22 [The motion carried unanimously.] 23 * * * 24 Applications for Review 25 MR. ROUSE:

Item 6 on the agenda is the Application 1 to Sit for the Certified Residential 2 3 Real Estate Appraiser Examination of Jason Sheraw, Case No. 20-70-008217. 4 5 Regarding that Application to Sit for the Certified Residential Real 6 7 Estate Appraiser Examination of Jason 8 Sheraw, Case No. 20-70-008217, I believe 9 the Board would entertain a motion to 10 provisionally deny the Application to Sit for the Examination. 11 12 Is there such a motion. 13 MR. STOERRLE: 14 I make a motion. 15 MR. ROUSE: Is there a second? 16 17 MR. SMELTZER: I second the motion. 18 19 MR. ROUSE: 20 Any discussion? All those in favor, say 21 aye. All those opposed, say nay. Any 22 abstentions? Any recusals? 23 [The motion carried unanimously.] * * * 24 25 Matters for Discussion

[Ronald K. Rouse, Esquire, Board Counsel, noted prior 1 2 discussion at the last meeting regarding appraisal 3 management company (AMC) fees and asked whether the 4 Board wanted to have that discussion during the BFO 5 presentation, and the Board agreed. Mr. Rouse noted the continuing education 70-Hour 6 7 National USPAP Update Course requirement will be 8 tabled until additional information is received.] 9 * * * 10 Report of Board Chairman - No Report * * * 11 12 Report of Board Administrator - No Report 13 * * * 14 Correspondence 15 [Ronald K. Rouse, Esquire, Board Counsel, referred to 16 correspondence received from the Assessors' 17 Association of Pennsylvania. 18 Teresa Cochran, Executive Director, Assessors' Association of Pennsylvania, mentioned providing 19 20 virtual classes in February for courses that are 21 approved for three years but was not sure whether the 22 December 31 approval for the virtual format extended 23 beyond 2021 or whether the Association would need to 24 reapply for approval to virtually hold those classes. 25 Mr. Rouse wanted to confirm for the record

whether the virtual classes are all synchronous 1 2 courses or whether the classes are synchronous, asynchronous, or hybrid. 3 Ms. Cochran confirmed that the classes are all 4 5 synchronous. 6 Mr. McFarlane recused himself from the 7 conversation because he is one of the course content 8 creators and instructors. 9 Mr. Waggoner also recused himself for the same 10 reason. 11 Mr. Smeltzer commented that in-class and synchronous are equal going forward because there is 12 13 immediate interaction between the instructor and the 14 student either way. He believed the Board was 15 considering revising the applications so people can 16 apply for the synchronous and in-class together. 17 Mr. Smeltzer noted that it should be extended, 18 especially if the in-class has been approved, to the 19 same time period as the in-class. He mentioned both 20 in-class and synchronous could be renewed on the 21 renewal application. 2.2 Chairman Pasquarella agreed with Mr. Smeltzer. 23 He suggested Ms. Hemler make notations that the Board 24 would approve those courses without having to come 25 back to the Board for the courses that have already

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1 been approved and will remain such through

2 approximately September 2024. He noted that the Board 3 is approving all other courses that are synchronous, 4 so those created around September 2021 should be 5 extended.

6 Mr. Rouse commented that course providers who 7 were approved for providing synchronous courses do not need to seek additional approval of that synchronous 8 9 education course through the end of the course 10 approval. He noted that a course provider who is 11 already approved and wants to make sure that the 12 virtual piece remains approved that, he believed the 13 Board is saying, if it is for synchronous education, 14 it remains approved after December 31, 2021.

Mr. Smeltzer further explained that it remains approved after December 31, 2021, and expires the same date as their in-class period. He noted applicants would not need to renew at this time, but at the end of the in-class period, the applicants would apply for renewal for both in-class and synchronous.

Ms. Cochran requested clarification regarding a course that was approved before the pandemic and was only approved as an in-person class but would like to hold it virtually sometime this coming spring. She asked whether they would still need to apply for

1 synchronous or is it okay to provide that class in the 2 synchronous format if the class were not held in-3 person.

4 Mr. Smeltzer explained that they would because 5 the Board's proposal is that in the future an 6 application will be available for synchronous and in-7 class, but at this time, in-class has been approved. He stated an applicant would have to apply for it to 8 9 be synchronous because of the way the Board has been handling the matter up until this point but realized 10 11 that in the future there are plans to combine the application, so approval for both would be in one 12 13 application.

Ms. Cochran thanked the Board for all of their 14 15 work during the pandemic and making it possible to 16 provide for their members and get their licenses 17 recertified and get people to sit for the exam. 18 Chairman Pasquarella also thanked Ms. Cochran for 19 her hard work at the association.] 20 * * * 21 Appointment - Bureau of Finance and Operations Fee 2.2 Increase Proposal Update 23 [Kimberly A. Mattis, Director, Bureau of Finance and 24 Operations, Department of State, reported an increase of 43 licensees to 4,217 since the last meeting, 25

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noting not a whole lot of change as far as what effect
 that has on revenue and expenses.

Ms. Mattis addressed the effect on revenue at the current license population if everything stays the same. She noted fee net revenue started to trend down a little bit during nonrenewal years. She mentioned prior discussion regarding the anticipation of a decrease in licensee population and how that could impact the Board.

Ms. Mattis addressed what would happen if the 10 11 licensee population decreased 10 percent over the next 12 few renewal years. She stated the 10 percent decrease is reflected on each of the licensee classes except 13 14 appraisal management companies and licensed appraiser 15 trainees with new fees going into effect in June 2025. 16 She noted that it brings down the revenue slightly in 17 terms of that first renewal because there is no increase in the June 2023. 18

Ms. Mattis addressed decreasing the population by percent and raising renewal fees by 10 percent, where there would be a 10 percent increase in renewal fees, taking appraiser and assessor licensure classes from \$225 to \$248, appraisal management companies from \$1,000 to \$1,100, and appraiser trainees from \$150 to \$165. She noted the final renewal year would take

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1 them from \$248 to \$273, appraisal management companies 2 from \$1,100 to \$1,210, and appraiser trainees from 3 \$165 to \$182.

Ms. Mattis addressed a 10 percent decrease in those same licensure classes starting in June 2025. She noted it would take all of the classes from \$225 to \$261 and from \$261 to \$303, appraisal management companies from \$1,000 to \$1,160 and from \$1,160 to \$1,346, and appraiser trainees from \$150 to \$174 and then \$174 to \$202.

Ms. Mattis noted that it is actually a 16 percent increase in renewal fees. She referred to the remaining balance, where it is still climbing but about \$100,000 lower than the 5 percent increase in licensees and 10 percent increase in renewals.

16 Mr. Abel asked whether that includes the National 17 Registry Fee.

18 Ms. Mattis explained that the National Registry Fee is the fee they all paid to be a part of the 19 20 national registry, noting the fee is paid into the 21 Department of State and then the Department of State 22 in turn pays it off to the national association. 23 Ms. Mattis commented that it has a zero effect on 24 revenue and is why it was not in there. 25 Chairman Pasquarella referred to a survey

conducted and recalculated to show the annual 1 2 licensing fees for AMCs in comparison to other states 3 around the country, particularly those adjacent to Pennsylvania. 4 Ms. Mattis commented that the Board has to 5 6 justify or explain when Board counsel prepares a 7 regulatory package why they are changing the fee for one particular license type differently than everybody 8 9 else. Mr. Rouse explained that it could be problematic 10 because he has to go before the Independent Regulatory 11 12 Review Commission (IRRC) to defend the fee increase 13 and IRRC would guestion an inconsistency. He

14 mentioned that wanting a fee increase to be consistent 15 with the surrounding states would not sound like a 16 good reason for increasing a fee.

17 Chairman Pasquarella commented that the 18 surrounding states may have already taken into account 19 that the reduction in the number of AMCs is resulting 20 in less revenue coming into Pennsylvania. Нe 21 expressed concern with less AMCs in Pennsylvania now with all of the mergers. He referred to the Excel 22 23 calculation, noting Pennsylvania is probably in the bottom third of all of the states. 2.4

Chairman Pasquarella referred to a point brought

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1 up by the prosecutorial division at a prior meeting, 2 where a lot of complaints are coming in from appraisal 3 management companies. He expressed concern that AMCs 4 are creating more cost to the state and consequently 5 should pay more to the state.

6 Mr. Michalowski commented that part of the act 7 empowers them to be licensed and are required to have 8 an in-house reviewer who reviews the quality of the 9 assignment and sends them to prosecution. He noted 10 AMCs are much larger now but consolidation of the 11 industry has decreased the amount of work produced under their guide and forwarded to prosecution because 12 it is now concentrated in a much smaller number. 13

14 Mr. Michalowski noted it to be a cost, and the 15 vast majority of cases he reviews where a complaint has been made, when he reviews an initial review 16 17 report, they always note which AMC it was and whether 18 it was perfectly licensed and whether it is submitted by an AMC or not. He noted that almost all of the 19 20 work they get other than things that are local, like 21 court-related or tax-related, almost always a fee 2.2 review for Financial Institutions Reform, Recovery, 23 and Enforcement Act (FIRREA) purposes are going 2.4 through AMCs.

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Mr. Smeltzer commented that they initially

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brought the AMCs under the Board primarily as a result of the Dodd-Frank Act, which also requires reporting from AMCs. He noted reasons for raising their fee differently, where the Board did not know the cost associated with AMCs and they are doing more for AMCs now than before with all of the consolidations.

7 Mr. Smeltzer further explained the Dodd-Frank Act 8 requires lenders and AMCs to report any violations 9 they see of the Uniform Standards of Professional 10 Appraiser Practice (USPAP) to the state.

11 Mr. Michalowski commented that AMCs do make a 12 certain increase in work effort and increase in the 13 cost of appraisals because every case they get has two 14 or three versions. He noted that one of the most 15 common violations is the appraiser forgetting to save 16 all of the previous versions and warning letters are 17 sent all of the time. He suggested creating a 18 newsletter article reminding people to save all of the 19 versions and not to copy over previous versions.

20 Chairman Pasquarella asked Mr. Michalowski what 21 the position of the prosecutorial division is 22 regarding maintaining original transmittals of 23 appraisal drafts when they were not signed or a final 24 work product.

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Mr. Michalowski explained that prosecution does

not get a lot of commercial appraisals, but residential ones are almost always signed and submitted as if they were the final version. He noted that an appraisal is considered final once it is at somebody else's eyes. He also noted that every copy that goes to a client has to be saved.

7 Mr. Smeltzer commented that USPAP considers a report as one that is transmitted to a client upon 8 9 completion of the assignment, noting debate on what 10 shows that the assignment has been completed. He 11 stated The Appraisal Foundation does not specifically address drafts, and the Appraisal Institute notes that 12 13 the finality or completion is evidenced by a signature 14 on a certification.

Mr. Smeltzer noted that drafts should be clearly identified as a draft with a draft watermark on every page and no signature on the certification. He mentioned that the draft is used because people do not want multiple versions of a report and to be able to make sure everything is done correctly before finalized.

Michelle Czekalski Bradley, CGA, AQB-certified
USPAP Instructor; Chair, Appraisal Standards Board,
noted the 2023 edition of USPAP, where the Appraisal
Standards Board is actually revising the definition of

work file. She noted that a draft was a document with 1 2 an unsigned certification, but once there is a signed 3 certification and it is transmitted to the client, 4 then it is an appraisal report and is right back to 5 the definition of report that is in USPAP. 6 Ms. Czekalski Bradley noted documentation 7 necessary to support your analysis, opinion, and 8 conclusion would be required to be retained in the 9 work file. She stated it would be open to 10 interpretation by the appraiser on an assignment-by-11 assignment basis. 12 Mr. Rouse asked Ms. Mattis to reiterate the 13 difference between determining fees for applications 14 as opposed to determining fees for biennial renewal. 15 Ms. Mattis explained that the Bureau of 16 Professional and Occupational Affairs does a complete 17 cost analysis on the initial application, looking at 18 every employee or staff classification that touches 19 that application from the beginning of the process to the very end and determine the cost. 20 21 Ms. Mattis stated the difference between 22 applications and renewal fees is looking for the gap 23 after finding the cost to do business to be able to 24 make the Board solvent and is found in the renewal 25 fees.

Ms. Mattis stated BFO was not in the business of 1 2 creating extremely large surpluses for the boards and commissions or having a balance be so low that a 3 4 potential legal case could halt revenue. She stated 5 BFO wanted to see a two-year cushion of revenue, which 6 is around the \$1.2 to \$1.3 million mark for the Board. 7 Ms. Mattis mentioned that at the end of the renewal year, with the information that had been 8 9 presented, the Board is in that \$1 million range with 10 a year's worth of revenue left at the end of the 11 She noted the importance of making the Board renewal. solvent and able to pay for day-to-day business. 12 13 Ms. Mattis commented that there has been great 14 discussion showing the reason to put more weight on 15 AMCs but noted that there are only 148 of them, and it 16 does not create a whole lot of difference in terms of

17 the percentage that has to be applied to everybody 18 else.

She mentioned that taking AMCs from \$1,000 to \$1,500 and showing the 5 percent decrease in licensee population only brings that down to 5 percent and a 10 percent reduction only brings it down to 13 percent. Chairman Pasquarella agreed and recommended the 10 percent reduction and the 16 percent increase. Mr. Smeltzer agreed with Chairman Pasquarella,

noting the 10 percent reduction is more realistic with 1 the industry and stays in line with what they are 2 3 seeing nationwide and locally.] 4 MR. ROUSE: 5 Would the Board entertain a motion to 6 direct Board counsel to draft an annex 7 regarding fee increases with a 16 8 percent renewal fee increase per 9 biennial renewal period and application 10 fee increase at cost. 11 CHAIRMAN PASQUARELLA: 12 Anyone care to make that motion? MR. WAGGONER: 13 14 I'll make the motion. 15 CHAIRMAN PASQUARELLA: 16 Second? MR. MCFARLANE: 17 18 I'll second. 19 MR. ROUSE: 20 Any discussion? All those in favor, say 21 aye. All those opposed, say nay. Any 22 abstentions? Any recusals? 23 [The motion carried unanimously.] * * * 24 Public Comment/Discussion 25

[Dean F. Picarella, Esquire, Senior Board Counsel,
 commented that he is auditing the meeting to help
 Board counsel provide the best service possible for
 the Board.

Justin Reis, Coalition of Pennsylvania Real
Estate Appraisers, noted attending the meeting to be
available to answer any questions.

8 Michelle Czekalski Bradley, CGA, AQB-certified 9 USPAP Instructor; Chair, Appraisal Standards Board, 10 also noted being available to answer any USPAP-related 11 questions.

12 Scott DiBiasio, Manager of State and Industry 13 Affairs, Appraisal Institute, mentioned being 14 interested in agenda item 8 regarding the 7-Hour 15 National USPAP Update Course requirement, which has 16 been tabled. He believed there was a lot of confusion 17 and misunderstanding as to what is required of 18 appraisers in 2022 regarding the update course and 19 will wait until the next meeting to hear the Board's 20 discussion in relation to that matter.] 21 * * * 22 Adjournment 23 CHAIRMAN PASQUARELLA: 24 Do I have a motion to adjourn this 25 meeting?

MR. WENTZEL: So moved. CHAIRMAN PASQUARELLA: Do I have a second? MR. SMELTZER: I'll second. CHAIRMAN PASQUARELLA: Any discussion? All in favor of adjourning? Any opposed, say nay. [The motion carried unanimously.] * * * [There being no further business, the State Board of Certified Real Estate Appraisers Meeting adjourned at 11:59 a.m.] * * *

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| 3 | CERTIFICATE |
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| 5 | I hereby certify that the foregoing summary |
| 6 | minutes of the State Board of Certified Real Estate |
| 7 | Appraisers meeting, was reduced to writing by me or |
| 8 | under my supervision, and that the minutes accurately |
| 9 | summarize the substance of the State Board of |
| 10 | Certified Real Estate Appraisers meeting. |
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| 12 | |
| 13 | Juni O. Bele |
| 14 | Lori A. Behe, |
| 15 | Minute Clerk |
| 16 | Sargent's Court Reporting |
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| | STATE BOARD OF CERTIFIED REAL ESTATE APPRAISERS REFERENCE INDEX |
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| | December 16, 2021 |
| TIME | AGENDA |
| 9:00 10:30 | Executive Session Return to Open Session |
| 10:32 | Official Call to Order |
| 10:32 | Roll Call |
| 10:33 | Approval of Minutes |
| 10:35 | Report of Board Counsel |
| 10:50 | Applications for Review |
| 10:52 | Matters for Discussion |
| 10:54 | Correspondence |
| 11:06 | Appointment - Bureau of Finance an Operations Fee Increase Proposal Update |
| 11:50 | Public Comment/Discussion |
| 11:59 | Adjournment |
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