

MINUTES OF MEETING OF THE BOARD OF DIRECTORS  
OF THE  
PROFESSIONAL APPRAISERS' ASSOCIATION OF SOUTH DAKOTA  
(PAASD)

June 12, 2003 7:00 PM  
City Center Holiday Inn Sioux Falls, South Dakota

President Dennis Wagner called the meeting to order at 7:00 PM. The minutes of the previous meeting held February 6, 2003 were read. Sandra Runde moved to approve; the motion was seconded and carried.

Secretary Treasurer Randy Vance read the PAASD Financial Report. It was seconded and approved.

Randy Vance reported receiving several Thank you notes from State Assessors following the PAASD supported Hospitality Room at the recent State-wide meeting of Assessors in Rapid City. Sandra Runde reported the food and beverages for the Hospitality room were provided from donations from several Rapid City businesses and included a monetary contribution from Daryl Washechek and other Black Hills appraisers.

*???Randy...I believe you also reported bills received from you to cover some expenses. Sandra Runde made a motion to apply the amount of the funds received to cover the bills...please fill in.*

Randy Vance said he is making plans on the date, time and location for the Fall PAASD meeting to be held in the Black Hills.

Dennis Wagner made a motion that the PAASD Board of Directors will have a meeting the evening prior to every PAASD meeting/class. His motion included that the meeting will be at 7:00 PM in the same location the class is held and will include dinner for board members present. He also added that PAASD will also pay mileage and motel for the additional night stay by board members, although members must make their own room reservation. The motion was seconded by Washecek. Motion carried.

Dennis Wagner reported on a meeting held Friday May 30, 2003 in Pierre, SD. Those present included Sherry Bren, the Administrator for the South Dakota Appraiser Certification Program, members of the Advisory Council, PAASD Board of Directors and American Society of Farm Managers and Rural Appraisers (ASFMRA) Board of Directors.

The purpose of the meeting was for discussion of the complaint and upgrade process regarding real estate appraisers in South Dakota. Jeff Viken, the head of the SD Dept of Revenue was also in attendance, as was Larry Lyngstad, head of the South Dakota Real Estate Commission. Board members who attended the meeting offered their overall feeling that the meeting was positive and constructive. Denny Wagner stated that Sherry Bren has requested a letter from PAASD with

recommendations. Discussion was held about suggestions that might be included in the letter including:

1. That "Complaint" against an Appraiser be changed to "Inquiry" of an Appraiser. Discussion included the fact that when a Complaint is filed the appraiser involved is affected with possibly higher E&O Insurance rates and has to report the fact That a complaint has been filed on a license renewal application.
2. That the only person who could file a complaint should be the Intended User of the Appraisal report. The rules currently include the fact that the person making A complaint against a South Dakota real estate Appraiser can remain anonymous.
3. A Peer Review Committee is involved in the process in reviewing all Inquiries (Complaints) prior to making a decision to take the Inquiry (Complaint) to a higher level. Discussion included the fact that a Peer Review Committee would need to be funded.

Randy Vance discussed he plans to offer a Panel Discussion to include Sherry Bren at the next Annual meeting, including a question and answer time with PAASD members. He also discussed the possibility for a 2-3 hour seminar to be presented by Craig Steinley, who is one of the States' Review Appraisers. The topic would be "Most frequent/Common Errors on Appraisals".

At 7:20 PM Jim Dunlap and Paul Reisch, who are board members of the American Society of Farm Managers and Rural Appraisers (ASFMRA) joined the meeting.

Paul Reisch offered a copy of a letter written to Sherry Bren on behalf of ASFMRA regarding issues discussed at the May 30th meeting in Pierre, SD. (Copy given to all PAASD board members present). He also offered a copy of the "Chapter Board Philosophy of State Regulation" dated 6/03 written on ASFMA letterhead.

The group discussed issues before South Dakota appraisers at the present time, and the possibility of drafting legislation to be presented to the next meeting of the South Dakota State Legislature. Both boards plan to meet again in October 2003 and have more concrete suggestions on how to proceed.

Terry Liebel made a motion that Dennis Wagner, representing PAASD and Paul Reisch, representing the ASFMRA meet with Sherry Bren. The intent is for each to present the official letter drafted by their respective appraisers' organization and include discussion of the respective organizations philosophy on State Regulations regarding Appraisers in South Dakota. The motion was seconded by Randy Vance.

Randy Vance made an amendment that Dennis Wagner's travel expenses for the meeting in Pierre, SD are paid by PAASD. Motion was 2nd by Leibel. Group discussed the motion and amendment and voted to approve both.

Randy Vance made a motion to adjourn the meeting. Seconded by Runde. Motion passed.