

**FFIEC-APPRAISAL SUBCOMMITTEE  
MEETING MINUTES [PUBLIC]  
September 8, 2005**

ATTENDEES: G. Gibbs (FRB), J. Leitner (FDIC Voting Alternate), A. LaCreta (NCUA), D. Merkle (OTS), D. Patel (OCC). **Permanent staff:** B. Henson (Executive Director), D. Graves (Appraisal Policy Manager), V. Ledbetter (Appraisal Policy Manager), L. Schuster (Administrative Officer), R. Seward (Information Management Specialist), J. Tidwell (Appraisal Policy Manager), M. Weinberg (General Counsel).

ABSENT: S. Fritts, J. Johnson (HUD).

The meeting was called to order at 10:40 a.m. by G. Gibbs.

**ADMINISTRATIVE MATTERS**

- **Meeting Minutes** – J. Leitner moved for approval of the August 11<sup>th</sup> minutes with edits, and A. LaCreta seconded; all members present approved.

**ACTION**

- **Proposal to hire a fourth ASC Policy Manager** – B. Henson presented the recommendation to create and fill a fourth Policy Manager position. After further discussion, J. Leitner moved to approve the staff recommendation, as presented. A. LaCreta seconded and all members present approved.
- **ASC Fiscal Year 2006 budget** – B. Henson presented the proposed budget. He noted that there were three items worth particular attention. First, the proposed budget included funding for the fourth policy manager position approved in the previous ASC action. Second, projected National Registry fees were increased based on the continued growth in the appraiser profession. And third, the proposal included funding for Phase II of the Appraiser Qualifications Board special project to develop uniform State examinations. B. Henson reported that, if the proposed budget were fully executed, the ASC would operate at a \$71,000 deficit for FY '06. He stated that the deficit, should it occur, would be applied against the more than \$5,000,000 in ASC surplus funds. J. Leitner suggested that we could decrease the line item for the anticipated grant to the Appraisal Foundation by an amount necessary to balance our FY '06 budget. A. LaCreta said that he was not concerned with operating at a small deficit given that the reason was fiscally sound, and that we had more than adequate reserves to absorb the deficit. After further discussion, J. Leitner moved to approve the budget with the provision that the anticipated Appraisal Foundation grant line item be decreased as necessary to create a balanced budget. D. Merkle seconded. J. Leitner and D. Merkle voted to approve the motion. A. LaCreta and D. Patel voted to reject the motion. Chairman Gibbs, voting to break the tie, voted to reject the motion. The motion failed 3-2. D. Patel moved to approve the budget as presented; A. LaCreta seconded. A. LaCreta and D. Patel voted to approve the motion. D. Merkle and J. Leitner voted to reject

the motion. Chairman Gibbs, voting to break the tie, voted to approve the motion. The motion passed 3-2.

- **Appraisal Foundation Special Project grant reimbursement** – B. Henson presented the reimbursement request for Phase I of the Appraiser Qualifications Board special project to develop uniform State examinations. He said that this project and funding was approved by the ASC last year, and that the requested reimbursement was less than the approved funding. After a brief discussion, D. Merkle moved for approval of the payment in the amount of \$24,150, and A. LaCreta seconded; all members present approved.
- **Maine field review report and draft letter** – B. Henson presented the field review report and draft letter. After discussion, D. Patel moved to accept the report and approve the draft letter, with edits. D. Merkle seconded the motion. All members present approved.
- **Michigan follow-up field review report and draft letter** – B. Henson presented the follow-up field review report and draft letter. After discussion, A. LaCreta moved to accept the field review report. D. Patel seconded; all members present approved.
- **Nebraska field review draft letter** – B. Henson presented the field review report and draft letter. After discussion, D. Merkle moved to accept the report and approve the draft letter, with edits. J. Leitner seconded the motion. All members present approved.

## **OTHER**

- The meeting adjourned at 12:30 p.m. The next ASC meeting will be on October 13, 2005, at 10:30 a.m.