

**Minutes of the Meeting of the
Arkansas Home Inspector Registration Board
Arkansas Attorney General's Office
323 Center St, Ste. 200, Little Rock, AR, 72201
February 24, 2016, 9:30 AM**

The meeting was called to order at approximately 9:30 AM by AHIB Interim Chairman Wayne Pace. Board meeting was attended by Board Members Wayne Pace, Anthony Utsey, Robert Neal, and Robert Downum. Others in attendance were AHIB Executive Director Sam Wherry, Assistant Attorney General Julie Chavis, Deputy Attorney General for the State Agencies Department Meredith Rebsamen, DFA Office of Accounting – Accounting Manager Melanie Hazeslip, DFA-Office of Accounting Assistant Administrator Lisa Wilkerson, and DFA-Office of Budget – Budget Analyst Treasure Walker.

Agenda Item A – Call to Order – The meeting was called to order at 9:30 AM

Mr. Pace recognized the AAREI members who were present for their work on a recent conference that he attended as a home inspector. Mr. Pace stated his appreciation for the work that they have and are doing.

Mr. Pace stated that he had concerns about a speech that Mr. Wherry had given at the end of the first day of the conference.

1. Mr. Wherry had stated that he had just gotten off of the phone with a marketing company that would be able to take everything that is currently paper and put it online including the yearly renewal process. To Mr. Pace's knowledge that had not been discussed by the board. Mr. Pace stated the Mr. Wherry spoke on behalf of the board on an issue that had not been talked about by the board. Mr. Wherry responded that AAREI invited him to meet the inspectors and he just made an overall statement of where we would like to see the board go in the future. It was just a general statement. Mr. Pace stated that the purpose of the job is not to promote the board or speak to where the board is going in the future. Mr. Wherry said that he was just saying where he hopes that board will get to but that it was not stated that the board had approved it. Mr. Neal stated that his understanding from the statement made by Mr Wherry was that the online processing was going to happen by the next renewal period Mr. Pace stated that Mr. Wherry is not in a position to state what the board should do without the board's approval. Mr. Wherry agrees.
2. Mr. Pace also stated that Mr. Wherry had made the statement that he cut the complaints in half. Mr. Pace stated that Mr. Wherry should only be directing people to fill out the form. The board has a complaint committee to review. Mr. Wherry stated that he only told them to look at the Rules and Procedures regarding the complaint process. Mr. Wherry stated that he does not go through the procedures. If they start talking to him about a complaint he tells them to turn to the Rules and Procedures and they may draw their own conclusions. Mr. Pace asked how that falls into cutting the complaints in half. Mr. Wherry stated since January he has had people call in and want to file a complaint but when he tells them to look at the Rules and Procedures they are not filing a complaint. There were only two complaints last year. Mr. Neal stated that if we had two complaints last year and we have one this year, he doesn't understand how the statement is accurate. Mr. Downum asked why Mr. Wherry would even say that. Mr. Pace stated that he felt it was self-preservation. Mr. Pace stated that some of the complaints that the complaint

committee has gone through have found that the complaint was not founded but in comparing reports the board is able to compare reports and find other issues. Mr. Pace stated that the procedure is that they only be directed to the website.

3. Mr. Pace stated that Mr. Wherry said that he was there to protect the home inspectors. Mr. Neal confirmed he had heard the same thing. Mr. Pace wanted to clarify AHIB vs AAREI. AHIB is to protect the consumer. AAREI is to protect the home inspector. The board is there to make better home inspectors by protecting the consumers.
4. Mr. Pace could not say anything different although he wanted to at the AAREI meeting because of it constituting a meeting. When speaking in public the board members cannot agree or rebut what is said by Mr. Wherry due to the appearance of a board meeting.

Mr. Pace wanted to make sure that Mr. Wherry understands that in representing the AHIB board that he is only representing what the board has approved. Mr. Wherry should not make a speech stating what the board has projected, planned, or will do without prior approval of the board. Also that Mr. Wherry understands the difference between AHIB and AAREI and that the complaints should go through the complaint process. The board is not trying to cut down complaints but get enough information to help the consumer. Mr. Wherry asked about what he can discuss if asked to present. Mr. Pace instructed that he can discuss what is in the law that the board does but that if there are other questions outside of what is in the law, Mr. Wherry should bring those back to the board. Mr. Utsey stated that his recommendation is that he not makes statements because he would be critiqued for those statements. Mr. Utsey stated that he does not go to the AAREI meeting as a board meeting. Mr. Neal stated that regardless of what happened or didn't happen he had people come up to him as a board member and ask about statements that Mr. Wherry may or may not have made. Mr. Pace asked that if anyone disagreed on the board to please speak up. Mr. Utsey stated that everyone at the meeting could have a different opinion of what was stated.

Mr. Neal stated that the board needed to approve the reimbursement of board member expenses. This is to be done at the beginning of each year. Mrs. Hazeslip stated that this is to be done in January of each calendar year.

Mr. Neal made a motion to approve reimbursement to board members for board member travel for calendar year 2016. Seconded by Mr. Downum. With no discussion motion passed by voice vote.

Agenda Item B – Approval of minutes: Regular Board Meeting on January 21, 2016 and Special Teleconference Meeting on February 2, 2016

Mr. Pace requested a motion to approve the January 21, 2016 board meeting minutes. Mr Downum so moved. Seconded by Anthony. Discussion – Mr. Pace stated that the board is being super critiqued so he wants to make sure that the minutes are correct. The purpose of the minutes in Mr. Pace's opinion is to give someone who was not at the meeting the ability to see what happened at the meeting. Mr. Pace asked Mr. Neal to make corrections on a clean copy. Mr. Pace started at the beginning of the minutes noting that there was confusion on who was in attendance due to title discrepancies and missing names. Mr. Pace clarified that Mr. Balhourn works for AAREI and not AHIB. Mr. Pace also noted clerical issues with spelling and special characters, duplicate paragraphs, and another paragraph contained six lines that were one sentence and not a clear thought. Mr. Wherry stated that Mr. Pace was saying that he needed to summarize. Mr. Wherry stated that he used the recording that he has to be as concise as possible. Mr.

Pace stated that he was not saying he wanted summation. Mr. Neal stated that he would strike the paragraph and reword to state the board recognized Melanie Hazeslip and thanked her for her assistance. Mr. Downum stated that he did not think the paragraph was inaccurate. Mr. Utsey stated that less would be better and he would pull an old set of minutes that Mr. Wherry could use as an example. Mr. Wherry stated that the auditor's issue was with the fact that financials were not in attached to the minutes. Mr. Wherry asked for Point of Order and stated that previous Chairman James Metzger would come to the office prior to the meeting to go over the meeting. Mr. Pace stated that he received multiple drafts of the same minutes. Mr. Utsey stated that the board could not go over the minutes in detail at each meeting. Mr. Pace stated that they would not be doing it at every meeting but were going to at this meeting. Mr. Pace for clarification on what "distributions" means in reference to working with Mr. Bob Balhoun. Mr. Wherry stated that distributions were referring to surplus funds and taking a portion of the funds and distributing over a three year period for budget purposes. Mr. Pace then brought up the paragraph with AETN details that were incorrect which Mark Herbst verified. Mr. Pace then asked for clarification about the bill that was quoted in the minutes as DFA transfer phone lines for \$288.79. He was under the understanding that the \$288.79 was the cell phone bill. Mrs. Hazeslip verified that was correct it was not for transferring the phone lines. Mr. Neal will strike that and replace with the \$288.79 being for cell phone bill. Mr. Pace then stated that he was misquoted in the minutes regarding the cell phone bill plan. Mr. Neal will replace the sentence for accuracy. Mr. Wherry stated that the minutes were taken from the video and that the discovery will be with the video. Julie suggests that the board review the minutes after the board meeting and send revisions to Mr. Wherry and approve the January minutes and the February minutes at the March meeting.

Mr. Neal made a motion to suspend the rules and the approval of the January minutes and the February minutes to be approved at the March meeting. Discussion – Mr. Pace stated brought up additional corrections involving spelling. Mr. Downum stated that they appeared to be about halfway through with corrections and that they should continue. Mr. Neal and Ms. Chavis stated that they had additional corrections as well. Mr. Neal stated that he had not voted on the AAREI training due to a conflict of interest. Mr. Pace restated the motion that was made by Mr. Neal. Mr. Neal stated that there were also corrections that needed to be made to the February 2 meeting minutes which he had provided to Mr. Wherry but was unable to complete and needed additional input. Mr. Neal withdrew his motion.

Mr. Neal made a motion to amend the January 21 meeting minutes as discussed in the meeting but not to approve them until a later date. Seconded by Mr. Downum. With no discussion motion passed by voice vote.

Mr. Neal asked to speak about insurance information and stated that he was approached by a home inspector who stated that he had been told that he needed \$1,000,000 of insurance instead of the required \$100,000. Mr. Neal stated that he had been on the phone line with the inspector to verify what he was told and he was told \$1,000,000 but that had later been corrected. Mr. Neal stated that we needed to be sure and sent out accurate information. Errors and Omission insurance is not required but must have \$100,000 general liability.

Agenda Item C – Governors Liaison, Courtney Massey Report

Mr. Pace recognized Courtney Massey. Ms. Massey stated that she did not have anything to report. Mr. Neal asked if there was any word about new appointments. Ms. Massey spoke to someone the day before and as far as she knows there have been a few applications. Mr. Downum expressed concern about the two year appointment term. Ms. Chavis stated that changing that would require changes in the law. Amber met with the Governor about appointments to the board and he is aware. It is a lengthy process and as soon as she knows something she will let Ms. Massey know. Bruce Campbell is supposed to contact Mr. Wherry about any appointments. Mr. Wherry stated that Amber had told him on Friday that the boards and commissions section had made recommendations to the Governor and were waiting on his response. Mr. Pace thanked Ms. Massey for coming.

Agenda Item D – AHIB Business –

1. DFA Department of Budget Treasure Walker: the Budget (Proposal for approval) for Governor/Legislature due on February 26th

Mr. Wherry began discussion by reading the email from Treasure Walker stating that the budget being requested is not everything that the board had requested but that it was what the Office of Budget would be request on the boards behalf. Any additional items would need to be addressed in the biennial session and not the fiscal session.

Board members were provided the proposed budget. Melanie Hazeslip was recognized. Mrs. Hazeslip stated that this was a proposal that was worked on by the Office of Budget and Mr. Wherry. The report reflects actual current year expenditures, current year budget by category to the best of DFAs ability, the projected needs of the agency and the amounts supported by the Office of Budget. Mr. Downum asked where the revenue was reflected. Mrs. Hazeslip stated that the annual revenue is approximately 65,000.00 per year and a current balance of over \$300,000.00. Mrs. Hazeslip explained that the board could request additional appropriation if needed during the biennial session above what is currently supported by the Office of Budget. Mr. Neal clarified that the amounts were to increase appropriation levels but did not mean that they had to spend that amount. Mr. Pace asked about the parking expense. Mrs. Hazeslip stated that DFA Buildings are generally used for DFA staff offices and that the board would need to look for other office space. Mr. Wherry stated that the normal square footage rate is \$13.00 per square foot. Mr. Wherry stated that he was under the understanding that the current space for \$7,500.00 permanent. Mr. Downum's understanding was that DFA would work with the agency. Mr. Wherry expressed concern over finding a new office space within the budget and cash constraints. Mr. Pace asked if there was a contract. Mr. Wherry and Mrs. Hazeslip stated there was no contract. Mr. Wherry called for Point of Order with concerns on the budget involving rent. Mr. Downum and Mr. Neal both stated that their understanding was that DFA would house AHIB until July 1 and work with them beyond. Mr. Pace stated that all that needs to be said is that the agency has an issue. Ms. Walker stated that she will be working with Mr. Wherry on a five year plan because of concern of running down the fund balance. Ms. Walker stated the Office of Budget did not see any concern with the legislature taking the fund balance and that she had not seen that happen. Mrs. Walker stated that the \$15,000 was appropriation and that the Office of Budget hoped that they would not need that full amount to cover rent

regardless of location. She felt like \$10,000 would be reasonable for rented space. Mr. Neal asked if rent could be in any building or if it had to be in a state building. Mrs. Hazeslip stated that if it is not in a state building DFA-Division of Building Authority would have to approve the space. Mr. Wherry stated that he had talked to Larry Walther, DFA Director, and they had arrived at the \$7,500.00 rent amount that the agency could cover. Mr. Downum feels that the board should be able to locate space within the \$15,000.00. Mr. Pace asked of the \$3,000.00 would have to be used specifically for parking or if it could be used for rent if needed. Ms. Walker stated that it could be used for rent if needed. Mr. Pace asked about the \$4,000.00 for the website. Mr. Wherry stated that amount came from Mockingbird. Mr. Pace stated that Mockingbird could be addressed later. Mr. Pace asked about the cell phone of \$1,200.00. Ms. Walker stated that the board did not have a cell phone in the past so there needed to be budget for that. Mr. Pace then asked about \$5,000.00 for investigators. He feels that this should be higher but can ask later for that. This would be used for people to review reports and complaints. Mr. Downum asked Ms. Walker if the budget had to be used on a specific line item or if they could use it in other places. Ms. Walker stated no that it has to be used in that area. Ms. Wilkerson stated that once this budget in the system we do not check budget at the line item level displayed on the spreadsheet so yes the budget can be used in other areas. Ms. Walker stated that the budget request is actually for \$29,400.00 additional please \$12,000.00 original for a total of \$41,400.00. Ms. Walker had a question for the board, on the proposal from accounting there was a projected need of \$1,500.00 for a court reporter, is that needed? Mr. Pace explained that yes there was a need to increase the amount. Mr. Pace recommended increasing to \$2,000.00. Ms. Walker said that she decreased the investigator from \$10,000.00 to \$5,000.00. Ms. Walker stated that she felt that the best time to request an increase greater than \$5,000.00 would be in the biennial session. Mr. Downum asked if asking for \$10,000.00 was “pie in the sky”. Ms. Walker said that it wasn’t if it was justified. Mr. Neal stated that if anyone did the investigative work for less than \$600.00 they would be doing charity work due to the work involved. After further discussion, the board decided to request \$10,000.00 and Ms. Walker agreed to request \$10,000.00. Ms. Walker discussed the request for salary increase and the fact that it was not included. Mr. Pace asked who had originally put that in. Mr. Wherry stated that he did not. Ms. Hazeslip stated that it was added per Mr. Wherry’s request after his discussion with Paul Louthian, DFA-Office of Accounting Administrator. Mr. Pace stated that the board did not ask for an increase in salary for the Executive Director. Mr. Walker will work with Mr. Wherry for projections and send a revised budget to Mr. Wherry. Mr. Neal stated that the website could be reduced if needed. Mr. Wherry stated that the website is only about \$1,500.00 and not \$4,000.00. Mr. Pace stated that there is another item on the agenda from Mr. Downum to increase fees. Mr. Pace asked if Ms. Walker needed to be involved in that discussion. Ms. Walker stated that she advises boards to be mindful about increasing fees because it is her belief and understanding that the current administration does not look highly on increasing fees. She did not feel that a \$50.00 increase would be an issue.

Mr. Downum made a motion to approve the budget as changed. Seconded by Mr. Neal. Discussion – Mr. Neal stated that the only change was to increase the investigator \$5,000.00 to \$10,000.00 and the court reporter from no increase to \$1,500.00. Mr. Downum stated that the new budget amount would be \$47,900.00 based upon his calculation. The board went from original request presented of \$41,400.00 to \$47,900.00. Mr. Downum stated that if the agency is a state board then the board should be provided a space and that is why the board is requesting additional appropriation for a permanent location. Mr. Wherry stated that the board needs to marry with other like entities. Mr. Wherry thinks the board should be in an office with other home inspectors. Ms. Chavis stated that would be a conflict. Mr. Pace asked if

there were any other questions or discussions involving the budget. Mr. Neal stated that the spending is based upon approval of the board as determined at the last meeting. Motion passed by voice vote.

2. AHIB Board Member Robert Downum recommendation to Increase the inspectors dues from \$250 per year to \$300 per year effective July 1, 2016

Mr. Pace stated his apprehension is that the board had just asked for a \$30,000.00 increase in appropriation and any problems it might cause to then request an increase in fees. He stated that he was not opposed to increasing fees if it was needed to operate the board. Mr. Pace recognized Tom Allen from the audience. Mr. Allen stated that he wanted the board to hold off on voting on an increase until the board is full again. Mr. Allen does not feel that there is anything pressing with the need to increase the fees. Mr. Pace asked for the need for the increase in fees. Mr. Downum stated that his reason for increase was to make the board self-sufficient. Mr. Pace recognized Johnny Dill from the audience. Mr. Dill stated that the fee increase this last renewal size that there were about 50 more licensees this year than in years past. He feels that the board should cut spending and not increase income. He is stating that the board's number of licensees has increased and therefore revenue has already increased. Mr. Dill stated that the board must have a physical meeting twice a year and did not have to continue to have physical meetings each month. Mr. Pace stated that the reason they have had physical meetings each month for the past year was due to staff changes. The goal is to reduce the amount of meetings. Mr. Downum stated that the board members are here voluntarily and only get reimbursed for mileage and hotel if there is one. Ms. Chavis stated that it costs the board \$800.00 to have a meeting. Mr. Wherry stated that the balance is \$3,200.00 and that Mr. Neal is getting a reimbursement for mileage for this meeting. If everyone had taken a reimbursement today then the amount would have been \$800.00. Mr. Neal stated that he was taking a reimbursement today because of other meetings that he had attended that he had not gotten reimbursement. Mr. Wherry stated that after this meeting and next month's board meeting with hearings included there will only be about \$2,000.00 left to make it to June 30. 12,000.00 a year for operating and Mr. Downum is requesting another \$12,000.00 with the fee increase. Mr. Pace stated that the board had just asked for another \$30,000.00. Mr. Pace stated that the board was moving on. Mr. Wherry called for Point of Order under Robert's Rules. Mr. Neal stated that he is not a board member and Ms. Chavis confirmed that Robert's Rules of Order do not apply. She stated that the board does not operate under Robert's Rules of Order and they only operate for voting members. Mr. Pace stated that he thinks the board should table this discussion until the next meeting. Mr. Downum agreed to remove (table) his request.

Agenda Item E – AHIB Executive Directors Report

1. AETN Clarification Statement Mark Herbist

Mr. Pace recognized Mr. Herbist. Mr. Herbist provided the board members with a "script" for the board's spot on AETN. He asked that the board review it and decide if the board needs to look at the script as a whole or if Mr. Wherry or someone else on the board approves the "script". Mr. Pace asked if they could revise the script at any time. Mr. Herbist said he prefers not to but it can be done if there are glaring issues. Mr. Herbist stated that he had pulled pictures off of the internet but if the board members have pictures they would rather use in the background, they can provide them. Mr. Pace and Mr. Neal asked that the board be able to review the pictures. He stated that he would use the state seal and website

address since the board does not have a logo. Mr. Pace asked for the deadline. Mr. Herbist said that the contract is date 2/12/2016 but that the ad will run for 12 months from the time it first airs. The board reviewed the script and proposed various changes. Mr. Herbist read the script as follows:

The Arkansas Home Inspectors Registration Board promoting professional, knowledgeable home inspectors for consumers and encouraging a viable state wide home inspection industry requiring licensing and education programs to develop high skills amount home inspectors.

Mr. Neal made a motion to approve the script as read. Mr. Herbist agreed to rewrite the script and send it to Mr. Wherry who could forward it on to board members for final review. Seconded by Mr. Downum. Discussion - Mr. Pace appointed Robert to review and approve the pictures to be used in the background. Motion passed by voice vote.

Once the pictures have been approved and the spot is produced, Mr. Herbist agreed to email the spot to Mr. Wherry. Mr. Wherry is to send the spot out to all board members asking for no response. The spot will be voted on at the next board meeting is March.

Mr. Wherry asked when to send the first payment. Mr. Pace recommended paying the first bill. Mr. Wherry asked about paying the \$10,000.00 at one time instead of monthly. Mr. Herbist said that it was set up as monthly. Mr. Pace agreed monthly.

2. Mockingbird CMS Total Website Access for all

Mr. Pace asked if Mockingbird needed to be discussed today. Mr. Wherry stated that the amount would not be \$4,000.00 but \$1,500.00. Mr. Downum asked why the board even needed it. Mr. Wherry stated that it would cost \$15,000.00 to setup a website to be able to do everything online. Mr. Neal stated that the board did not need all of that. Mr. Wherry stated that with online payments and processing it would eliminate the need for staff. Mr. Pace stated that the additional time that is required from staff during renewal is only once a year and would be much less than \$15,000.00. Mr. Pace stated that there is money in the budget and this does not have to be decided at this time. Mr. Neal stated that the amount was too high. Mr. Neal asked that INA attend next month to discuss Mockingbird. Mr. Pace recognized Mrs. Hazeslip. Mrs. Hazeslip stated that the current website is on a DFA server and would need to be moved. Mr. Neal stated that he could get it hosted for \$20.00 or less per month. Mrs. Hazeslip stated that for Mockingbird it is \$950.00 to train staff to be able to create and maintain website and then \$1,200.00 per year. Mrs. Hazeslip stated that DFA will continue to maintain the licensees only on the current website housed on a DFA server with something in writing from the board that it is understood that only licensees will be maintained until the board is able to move the website. Mr. Neal stated that he can do similar as before and host it and within a month that can be done for \$20.00 or less per month. Mr. Neal noted that the board is required to post meeting minutes on the website which has not been occurring.

Agenda Item F – AHIB Executive Directors Report

Mr. Pace asked if they had a copy of the financials. He stated that it appeared to be at the back of the minutes. Mr. Pace asked for Mr. Wherry to provide him the burn rate due to confusion of the other reports. Mr. Pace stated that the financials should not be included in the meeting minutes that it should be

two separate files. Mr. Pace stated that it was his understanding that the January minutes should have contained the financials for December. Mr. Wherry stated that the financials attached to the January meeting minutes is from the month of January. He receives two reports, one from budget and one from Service Bureau. Mr. Wherry stated that the printer would not print the reports. He stated that the printer would not print above letter size. Mr. Pace asked if the printer belonged to the board. Mr. Neal asked if the printer had been troubleshooted by anyone. Mr. Downum stated that Mr. Wherry needs to buy a printer. Mr. Wherry stated that there were issues with the computer as well. Mr. Pace volunteered to print reports if needed. Mr. Downum asked if there was money to buy a printer. Mr. Wherry stated that he would have to get bids and present those to the board for approval before he could purchase a printer. Mr. Wherry stated that he doesn't do anything without the board's approval. Mr. Pace stated that at the last board meeting Mr. Wherry was approved for purchases up to \$250.00. There is no need for board approval if purchase is less than \$250.00. Ms. Chavis asked about the remaining budget being \$2,000.00 and if there would be sufficient budget for that. Mr. Neal stated that he would volunteer to not take reimbursements for the rest of this fiscal year. Mr. Pace asked what is the answer to being able to operate if the board cannot purchase a printer. Mrs. Hazeslip recommended having the printer checked by someone before purchasing a new one. Mr. Wherry stated that the issue was scanning and printing larger than letter size. Mr. Wherry stated that the printer does not have the capacity to print. Mr. Neal asked that Eugene with Office of Information Services look at the printer. Mr. Wherry then stated that there was also an issue with the computer. Mr. Neal volunteered to print his own reports if emailed prior to board meeting. Mr. Pace asked to have Eugene check the computer and printer and email him what issues are occurring. Mrs. Hazeslip agreed to get with Eugene and have him check the computer and printer. Mr. Pace stated that the board does not have the printouts for this meeting. Mr. Neal made a motion to move the financials to the next meeting since they are not available at this meeting. Mr. Pace stated that Mr. Wherry had stated that one of the Legislative Audit findings was not have financials in the minutes. Mr. Pace stated that his understanding was that they should have two copies of financials, one with the minutes for January and one for current month meeting which would be for January data. Mr. Wherry stated that the financials start at January 3rd. Mr. Wherry then discussed the audit report on Thursday, March 3 and additional audit findings that would be discussed and that a board member should attend that meeting. Mr. Pace stated that there were only two audit findings that the board was made aware of. Mr. Wherry stated that there were others that would be addressed at the meeting. Mr. Wherry stated that he received a letter about the meeting. Mr. Neal asked if that had been sent to the board members as he stated in an earlier email. He stated that he has clients on March 3 that he will not be able to attend. Ms. Chavis asked if he sent the letter to the board members. Mr. Wherry stated that he had sent the board members a statement that he had received the letter. Mr. Wherry stated that he was going to scan the letter but was unable to because of scanning issues. He brought the letter to the board meeting to show all of the board members and find out if someone on the board could attend. Mr. Wherry stated that he also had worked with DFA concerning the Risk Assessment. Mr. Neal asked if Mr. Wherry was requesting board members to attend the meeting. Mr. Wherry stated that he was asking if someone could go with him. Mr. Neal asked if there was a requirement for a board member to go. Mr. Wherry said no only he is required. Mr. Neal asked if he would be comfortable answering questions. Mr. Wherry stated not for anything prior to October 1. Mr. Wherry suggested asking Mrs. Hazeslip to attend the meeting. Mr. Pace stated that Mrs. Hazeslip was not staff. Mr. Pace asked if Mr. Wherry could contact Legislative Audit concerning other items that would be presented at the meeting. Mr. Wherry stated that they would not tell him anything. That everything will come out at the committee meeting. Meeting is March 3 at 1:30 pm.

Agenda Item G – Review of New Applicants

New applicants were being passed around for review. Mr. Neal asked that his review wait until other stuff was not being discussed so he did not miss anything.

Mr. Pace noted on the agenda that there were two H's and Two I's. Mr. Neal stated that were 3 H's. Mr. Pace stated to Mr. Wherry that the clerical part of the job that Mr. Wherry performs is very important.

Agenda Item H – Status of Complaints Attorney General Deputy Julie Chavis & New AHIB Complaints (Executive Director)

Ms. Chavis stated that she would be sending out orders and notices of hearing for the March meeting. There are two individuals that were denied licenses due to issues and that both of them are requesting waivers. Ms. Chavis explained the basis for the hearing. Mr. Downum asked if the board had the money for the hearings. Mr. Neal stated that the board has to. Mr. Neal asked if in the future these types of hearings could be scheduled quarterly. Ms. Chavis agreed. Mr. Pace stated that the board does not have to have the hearing in March if the board does not have the money. Ms. Chavis stated that another board she works with had the same type of issues and they have hearings only twice a year and make clear to applicants that are denied when the next opportunity for a hearing. Mr. Downum is concerned that the amount of time could be an issue. Mr. Neal stated that these are applicants who submitted application knowing that they did not meet the qualifications. Mr. Wherry stated that when someone goes to classes and becomes qualified that the background check is not ran until that point. Mr. Neal feels that the board should only do hearings twice a year. Ms. Chavis has drafted letters to 4 complainants and 4 respondents stating that the complaint committee determined were unfounded complaints. There are two additional complaints that require consent agreements that Ms. Chavis is finishing up. She will send a letter to the respondent asking if he would like to settle the case based upon what the board proposed or if he would like a hearing.

Mr. Wherry gave new complaints to Mr. Pace. Mr. Pace stated that as interim chairman he cannot also do complaint committee. Mr. Neal stated that he would handle the complaints. Mr. Pace stated that until the board is able to get appropriation to hire someone the board members would need to continue to handle complaints.

Jason Bland applied to the board to be moved from Inactive Status to Good Standing. Mr. Bland went inactive in December. Mr. Neal asked how many continuing education hours he had. Mr. Pace stated that he went through the 14 hours AAREI training. Mr. Pace asked that Mr. Bland sign is training certificate. Mr. Bland stated that his insurance was active and on file in the board office. Mr. Wherry confirmed. Mr. Bland stated that he had also included his last two inspections as required. Mr. Neal stated that Mr. Bland has everything that he needs.

Mr. Neal made a motion to reinstate Mr. Jason Bland whose home inspector license number is HI-1696. Seconded by Mr. Utsey. Motion passed by voice vote.

Agenda Item I – Education Report (Anthony Utsey)

Mr. Pace recognized Mr. Utsey and asked for an update. Mr. Utsey stated that there was nothing new on education to report.

Mr. Utsey stated that he had received a phone call from Jason Eddy whose license was denied at the last board meeting. Mr. Eddy had 120 hours of training and took the national home inspector and standards of practice in Texas. Mr. Eddy took the national home inspector exam through Pearson Vue. Mr. Utsey told Mr. Wherry that he would need to contact Mr. Eddy to take the ASHI Exam. He took the 120 hours through AHIT in Texas. There was a question as to whether they were equivalent to the Arkansas AHIT classes and if the areas matched. Mr. Neal stated that he does think the areas may be slightly different. Mr. Pace stated that they just needed to verify that the courses matched and were approved by AHIB. Ms. Chavis asked what if the board denied the license and then he came before the board and was able to prove they were equivalent. Mr. Pace stated that the training would have to not only have been equivalent but have to be approved training by the AHIB board.

Mr. Neal made a motion to deny Mr. Eddy based upon lack of proper preregistration courses and testing. Seconded by Mr. Downum. Motion passed by voice vote.

Agenda Item H – Old Business

Deputy Attorney General Julie Chavis update for March Hearings

Ms. Chavis asked if the board still wanted to have hearings in March or if they needed it to be put off. Mr. Downum stated that they had just discussed and they would wait until July. Mr. Neal agreed.

New Board Member Orientation & Present Board Members Orientation to new Board Policy/Procedure

Ms. Chavis stated that when new board members are appointed and sworn in she will provide board member training. Mr. Wherry stated that he recommends everyone attending the board member training because he sees a lot of stuff being handled under the old manner. Ms. Chavis said that was fine and she will provide a refresher for old board members.

Agenda Item I – New Business

The Budget (Proposal for approval) for Governor/Legislature due on February 26th

Covered in Agenda Item D – 1

Mockingbird CMS Total Website Access for all AHIB Business

Covered in Agenda Item E – 2

Mr. Neal stated that he had new business to discuss. Mr. Neal asked whose responsibility it is to update the website. Mr. Wherry stated that it was up-to-date. Mr. Neal stated that he had gone through the website that morning and there were four people that have expired insurance as far back as February 9. Mr. Neal contacted one of the four that he knew and the home inspector had an email from his insurance

agent stating that he had sent the required form and yet the website was not updated. Mr. Neal stated that he was using that to gauge if the website was being updated. Mr. Pace asked Mrs. Hazeslip when she knew the last time the website had been updated. Mr. Neal stated that when the excel database was turned over to Mr. Wherry that he ran the same program and there were no lapsed insurance. The current license numbers that are listed with expired insurance at HI-1393, HI-1641, HI-1666 and HI-1682. Mr. Pace said that Mrs. Hazeslip turned over the database on February 3 and asked that Mr. Wherry check any that have come in since then and verify that they have been updated. Mr. Wherry stated that he knew he had some but that he had been busy getting ready for the board meeting. Mr. Neal stated that they go as far back as February 9. Mr. Pace asked if there was a guideline for how often Mr. Wherry should be updating the website. Mr. Wherry stated that he was doing it weekly. Mr. Neal stated that the law required that suspension be updated when they go to suspended status. Mr. Wherry stated that he is following what Mrs. Hazeslip did in the past.

Mr. Pace brought up the executive director's report that apparently had been cut off. Mr. Pace asked if Mrs. Hazeslip was aware of any other major issues that would be brought up in the committee meeting. Mrs. Hazeslip stated that she was only aware of the two items. Mr. Pace asked if there was anyone that felt there would be other items that come up in the meeting. Mrs. Hazeslip stated that there were no other issues that DFA was aware of.

Mr. Wherry stated that Legislative Audit told him that there was intergovernmental training that he needed and that he will document that for anyone who comes after him. Mr. Neal asked if there was any board action required on that. Ms. Chavis stated that there was not.

Mr. Pace stated that the board had received a list of duties from DFA and that he needed to get clarification on what was decided at the special board meeting as to the timeline and the dates. Mr. Wherry stated that Paul Louthian recommended starting February 26 and there would be a 30 day review in March and then a 60 day review in April. Mr. Downum stated that there was conflict with what Mr. Louthian stated and what he suggested. Mr. Downum stated that he had suggested that everything be given to Mr. Wherry in the first 30 days and then the next 30 days would be for him to perform the work. Mr. Utsey stated that according to the draft meeting minutes the date was February 26. Mr. Neal stated that those minutes had errors and he had sent those to Mr. Wherry to be updated. Mr. Wherry stated that Mrs. Hazeslip presented everything to him that she had. Mr. Wherry stated that he is working the list. Mr. Pace stated that at the last meeting the board had already approved a job description that conflicts with the current list provided from DFA because the job description states DFA in multiple places. There is nothing in it to talk about complaints or anything. Mr. Pace stated that he would like to see a motion to strike the original job description. Mr. Neal recommended that the board compare the job description that was already approved to the current list and vote to amend and supersede what was in the job description. Mr. Wherry asked about the job description that was approved in December. Mr. Wherry stated that the board had agreed upon and passed that job description. Mr. Neal stated that he did not remember anything from December that it was in January. Mr. Wherry said that way Mrs. Hazeslip presented was the day to day job duties and not the job description. Mr. Utsey said if the board voted on the job description then it is on the board if it is incorrect. Mr. Pace stated that the description was approved last time without the knowledge of what DFA was doing. Mr. Utsey said that what DFA provided was job duties and not necessarily the job description. Mr. Neal asked if it would be appropriate to approve the list from DFA and then relook at it at the next meeting. Mr. Neal stated that he would assume that anything that conflicts that the new list would supersede what was previously approved. Mr. Neal asked if Mr. Wherry would agree to that as acceptable. Mr. Wherry stated no he would not. Mr. Wherry stated

that Mrs. Hazeslip was doing the job that Mr. Martinsen was doing. Mr. Wherry stated that what Mrs. Hazeslip provided was just routine job duties and documenting what the board needs to do. Mr. Wherry stated that this is not “watch me what I’m doing”. Mr. Wherry stated that the governor asked DFA to assist the agency. Mr. Wherry stated that they now have everything in their office to operate as an agency. Mr. Wherry stated that when the board reviews the report provided by Ms. Walker and Mrs. Hazeslip it will give the validity to his job. Mr. Wherry stated that State Procurement would grade him annually. Mr. Neal stated that the board has a list to vote on today and if that list contains any conflicts that go with the previous job description that Mr. Wherry is okay with going with the current list. Mr. Downum stated that the reason Mrs. Hazeslip did that was because they were turning everything over to Mr. Wherry. Mr. Pace stated they were going to vote on a 30-60 day review period. Mr. Wherry asked that Mrs. Hazeslip provide an overview. Mr. Downum stated that his understanding was that it was a 30 day deal that they would turn over everything to Mr. Wherry in 30 days and then he would do the work from there to 60 days. Mr. Downum state that DFA would assist him and that is not what is happening. Ms. Chavis stated that the meeting at DFA her understanding was that Mr. Louthian told Mrs. Hazeslip to turn everything over to Sam. That Mr. Louthian and Mrs. Hazeslip were out. That from October through February DFA had worked with him. Mr. Utsey said DFA cut him off. Ms. Chavis said that Mr. Wherry had a 30 day window to take on everything including the stuff on the list provided. Mr. Downum stated that he had understood that DFA would still assist for the next 30 days. Mr. Wherry stated that when they cut off that was there cut off period. Mrs. Hazeslip sent Mr. Wherry a letter in December that January 4 would be the last day DFA going to be assisting. At that time the administration stepped in and said no that DFA would continue assisting. Mr. Wherry stated that Larry Walther came and talked to him and said that DFA would continue but Mr. Wherry told him that he could do the job. Mrs. Hazeslip stated that DFA had provided written documentation to Mr. Wherry on how to do the job. DFA is still assisting but DFA expects Mr. Wherry to try to do the job before we assist. Mrs. Hazeslip stated that the documentation is very detailed. Mr. Downum stated that his confusion was that during the 30 days DFA would still assist. Ms. Chavis stated that DFA is still assisting Mr. Wherry just as they do any other agency. Mr. Wherry agreed. Mr. Pace said they are going to answer questions but not do the work. Mr. Pace asked the board members to review the job description for any changes and bring it to the next meeting for discussion. Mr. Pace said the timeline needs to be set. Mr. Pace asked for a motion for the timeline for the transition from what he was doing to what DFA was assisting in doing. Mr. Wherry stated that as the Executive Director he was still doing work. Mr. Downum asked what happens in 60 days. Mr. Pace stated that in 30 days from February 26, the board will revisit to review and make suggestions or say that things are good. 30 days after that Mr. Wherry must be doing everything on his own without assistance, April 26 is the cutoff for no more assistance from DFA, performing all duties. Mr. Downum stated at the end of 60 days Mr. Wherry must be able to do all of the job duties. Mrs. Hazeslip stated that her understanding was that the first 30 days was for the board to decide if he could do the job. The next 30 days was optional based upon performance of the first 30 days. Mr Pace stated that the first 30 days would be from February 26 – March 30 and used to see if Mr. Wherry is able to perform the job duties as provided on the list from DFA and the job as a whole. If there are things that are lacking the board would be able to make recommendations if that is what the board wants to do. The next 30 days would be from March 30 – May 4 to review again to determine if Mr. Wherry is proficient in performing the job duties as described and the job as a whole. At that time if Mr. Wherry is not performing action would need to be taken. Mr. Neal made a motion to set the dates as February 26 – March 30 and March 30 – May 4. Seconded by Mr. Downum. . Motion passed by voice vote.

Mr. Neal asked to add maintaining the minutes so that the general public can get to them. He also stated that the pre-registration forms needed to be updated for prices. Mr. Neal also stated that the database 305.c must also be maintained which involves the continuing education and specific course categories. Mr. Wherry asked what the grading scale would be for his review. How will the board rate him? Mr. Wherry recommended watching the warrant list and the reports. Mr. Wherry stated that Mr. Louthian's concern was whether Mr. Wherry could maintain the board finances. Mr. Wherry stated that there could be a legal situation. Mr. Pace asked if legal counsel had any input. Ms. Chavis stated that there are some things that are going to be fairly easy to review, deposits, purchase orders, payments, etc. because it will be on the reports provided. Other things will be easy because she will be at the meetings and the agendas and minutes will be provided. The board will be looking at the new applicant packets and verifying that they are correct. Mr. Wherry will be creating financial reports for the board to review. He will be completing TR1's for board members. Mr. Wherry will be working on the database. Mr. Wherry will be updating licensee information which will be visible such as new licensees or suspended licensees. There will be communication with current licensees; the board can ask what kind of contact he has had. Everyone will have the same list. Mr. Wherry asked how he will be graded; the board will be asking him questions about what he has done. Mr. Pace asked if the board should have everything on the list. Ms. Chavis said that there is a lot of documentation that can be used. Mr. Wherry stated that the board must judge the job and estimate about him or they will be getting into his personal by estimating about him. Mr. Wherry said that the board members can come to Little Rock and see how well the office is in order. Mr. Wherry stated that he would get everything in proper filing order and everything in line. Mr. Pace said for five months there was not a clear role of what the administrator did. Mr. Neal made a motion to amend the DFA document to include updating of the CE forms from the educators to reflect the new fees, maintaining the database as per the board rules 305C3, and also to provide the board with regular updates, weekly was discussed previously, to let the board know what is going on. Ms. Chavis expressed concerns over the updates. Mr. Neal rescinded his motion and removed the regular updates. Seconded by Mr. Downum. No discussion.

Mr. Pace asked if there were any other new items to discuss.

Item L. - Adjournment – Board meeting ended with a motion from Mr. Neal, seconded by Mr. Downum.