

**Minutes of the
North Carolina Home Inspector Licensure Board
April 9, 2021**

The regular meeting of the North Carolina Home Inspector Licensure Board (“Board”) was held on Friday, April 9, 2021, by video teleconference on Microsoft Teams following administrative hearing Docket Number 2021-01.

The following members of the Board were present:

Derick Johnson	Robert Roegner	Harold Upton	D. Arthur Hall
Chad Collins	David Dye	Connie Corey	Joseph Ramsey

N.C. Department of Insurance, Engineering Division staff members Sam Whittington, Jennifer Hollyfield, Rodney Daughtry, Beth Williams and Rich Hall attended. Board Attorney Heather Freeman, N.C. Department of Justice (“NCDOJ”), Pam Melton (N.C. Realtors), Wilson Fausel, and legal counsel Rachel Blunk (Forrest Firm, P.C.) representing Gregory Enterprises. Executive Director Mike Hejduk was absent.

Agenda

Connie Corey reminded all Board members of the State Government Ethics Act provisions to avoid conflicts of interest, the appearance of conflicts of interest, and the potential for conflicts of interest. Corey reminded members of the Board who are licensed home inspectors that they have the potential for a conflict of interest because they serve on the Board that licenses them. Corey asked the members if anyone needed to recuse themselves for any listed agenda items. None were noted.

Approval of January 7, 2021 Regular Meeting Minutes:

Butch Upton made a motion to approve the minutes. Joe Ramsey seconded; the motion passed unanimously.

Staff Report

Director

Sam Whittington gave the report in Mike Hejduk’s absence.

Whittington said he would defer the audit report to the auditor and the Assistant Director position to Rob Roegner. Roegner stated staff was in the process of performing interviews for the position. Roegner said the position will be funded 50/50 between this Board and the Code Officials Qualification Board (“COQB”). Roegner also stated the Investigator position posting closed and staff is doing interviews for that position also.

Whittington asked the auditor to give a report. Paul Carson said he was a partner with Anderson, Smith and White and gave his report on the financial audits conducted for fiscal years ending June 30, 2016 through June 30, 2019. Carson noted the management letter provided to Board members prior to the meeting and explained added requirements imposed by recent Governmental Accounting Standards Board (“GASB”) changes. Carson noted that the Board fund balance is

comingled with other funds in the State treasury, the net position of the Board increased over the time period and suggested the Board consider investing some of the cash if that is possible or reducing fees charged. Carson stated that Mike Hejduk did an excellent job of providing needed documentation. Carson asked the Board members if they had any questions. None were asked. Carson then thanked the members and he left the meeting.

Chairman Hall asked to have visitors identify themselves. Rachel Blunk and Pam Melton identified themselves.

Whittington noted the view counts of Board YouTube® videos on the web site. Jennifer Hollyfield noted that the terms of Board members Connie Corey and Butch Upton end on June 30, 2021, unless they are reappointed.

License Administrator

Rodney Daughtry stated for the third fiscal year quarter January 1, 2021, through March 31, 2021, 192 applications were approved and 120 new licenses were issued. Daughtry stated he is no longer administering computer-based exams because staff is now administering exams monthly instead of bi-monthly. Daughtry reported 200 applicants registered for the exams and 176 tested. 139 applicants passed the exam and 37 applicants failed. Daughtry reported 12 examinees attended the exam review. Daughtry reported the highest number of licenses issued at 1,819 active inspectors.

Daughtry discussed the progress of the General Liability (“G.L.”) audit. Daughtry explained that inspection businesses might have several inspectors listed on one ACORD® form. Chad Collins questioned whether licensed home inspectors are operating without a valid license if they have not submitted the required proof of G.L. insurance form to the Board? Board counsel Heather Freeman stated that may not be accurate, that a license is valid until it is surrendered, revoked or suspended. If licensees have failed to respond or to provide proof of G.L. insurance the next step would be a Board initiated complaint, but the license is not automatically invalidated. Rob Roegner inquired whether the Board wanted to achieve 100% compliance with proof of G.L. insurance. Collins said that was his intent. Roegner stated that staff can issue notice to licensees who have not responded.

The Board discussed having 100% compliance on G.L. insurance by License holders. David Dye made a motion to move this discussion to the licensing committee to decide what to do to get 100% compliance on G.L. Insurance seconded by Joe Ramsey and the motion passed.

Dye then moved for the issue to go to staff and legal counsel for recommendation and action. The motion was seconded by Butch Upton and the Motion passed.

General Liability Insurance “audit” (4/7/21)

- 1,395 renewed 2020
- 954 “Yes” (68.3%)
- 441 blank
- Many policies mailed requiring scanning by staff or emailed requiring uploading by staff.
- Must look up each record to verify the document “Type” General Liability is a valid policy.

Exams

Rich Hall reported that he has created a new exam 808. Hall has been working toward gathering a group of Subject Matter Experts (“SMEs”) to create new exams. Hall has been working on this since December and has had 20 people respond and organized them into four groups of five to six SME’s. Hall will give more information in the Exam Committee report.

Education Coordinator

Jennifer Hollyfield reported that there are currently 1,819 active licensees. 1,541 met their CE for 2020 and renewed their licenses. For 2021, 26 licensees have met their CE requirements and already renewed. Hollyfield stated licensees say there is enough time to get CE done by the deadline and 1,912 inspectors have not met their CE for current year. For January through March, nine courses were approved and none renewed. Approximately 1,468 course evaluations were submitted. Three pre-license sponsors were approved.

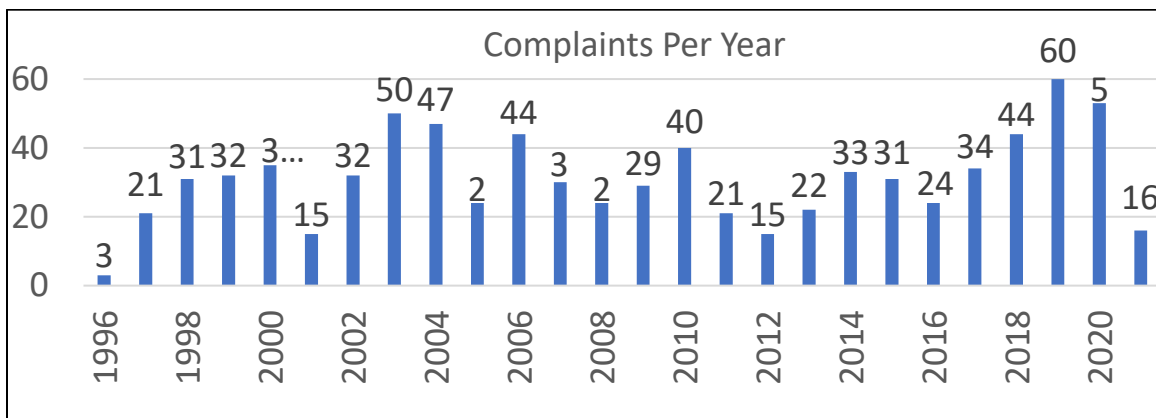
Investigator

Sam Whittington reported 48 complaints were submitted in the fiscal year and 48 were completed. This calendar year to date, 16 complaints were submitted and 24 investigations completed. More complaints are coming in now than in prior years. It is taking longer to complete investigations due to staff limitations.

	<u>FISCAL YEAR 2020-2021</u>	<u>CALENDAR YEAR 2021</u>
Complaints submitted	48	16
Investigations completed	48	24

Oldest case under active investigation was received 1/28/21

Average time to investigate complaints 47.5 days



Committee Reports

Application Committee:

Joseph Ramsey reported that the committee met on April 8, 2021, and reviewed 13 applications. Ramsey stated that the committee recommends Board approval for 10 applications and denial for one. Two applications are pending awaiting more information.

1. Robert McDaniel
2. Tina Parker
3. Joseph Stanley
4. Paul Melfi
5. William Love
6. Tyler Woodward
7. Steven Lee
8. Charles Isenhart
9. Terry Hackman
10. Joshua Wright

Chad Collins made a motion to approve 10 applications. David Dye seconded the motion. The motion passed unanimously.

Examination Committee:

Rob Roegner stated that the committee did not meet but wanted to know if the Board wanted to know who the SMEs would be on the committee. Butch Upton asked if the Board was required to approve the members on the committee. Board attorney Heather Freeman recommended that final approval for all committee members be determined by the Board. Rich Hall shared a committee member organization and assignment chart prepared using the resumes submitted. David Dye made a motion to accept the list for the exam sub-committee and give staff permission to move people in groups as needed. Seconded by Chad Collins. Motion passed.

Group 1	Group 2	Group 3	Group 4
Purpose and Scope (.1103)	Electrical Systems (Unit 7)	Heating (.1111)	Roofing (Unit 3)
Code of Ethics (.1116)	Electrical (.1110)	Gas Furnaces (Unit 8)	Roofing (.1108)
General Limitations (.1104)	Plumbing (Unit 13)	Oil Furnaces (Unit 9)	Structure (.1106)
General Exclusions (.1105)	Plumbing (.1109)	Hot Water Boilers (Unit 10)	Structure (Unit 4)
Standards and Reports (Unit 1)	Built-In Kitchen Appliances (.1115)	Other Aspects of Heating (Unit 11)	Exteriors (Unit 2)
143-151.50; 143-151.51	Interiors (Unit 6)	Cooling (.1112)	Exterior (.1107)
143-151.53; 143-151.54	Interior (.1113)	Air Conditioning and Heat Pumps (Unit 12)	Insulation and ventilation (Unit 5)
143-151.55; 143-151.56			Insulation and Ventilation (.1114)
143-151.57; 143-151.58			
143-151.59; 143-151.60			
143-151.62; 143-151.63			
143-151.64			
Thomas Gregory	Stanley Gregory	Dan Dittman	Steve Jolley
Fred Herndon	Casey Gerring	David Rittlinger	Matt Hunter
Neel Hudson	Dan Wilson	Wilson Fausel	Donald James
Vince Tidwell	Jonathan Gach	Luis Luberas	Timothy Skibitsky
Brian Wetzel	Bruce Barker	Edwin Roberson	Bonnie Gregory
Rob Roegner	N/A	Larry Young	N/A

Legislative Committee:

Connie Corey stated the committee did not meet but shared an email sent by Howard Marsilio, Legislative Analyst, and Mike Hejduk. responded. Corey stated that though the NC REALTORS® have a code of ethics, the NC Real Estate Commission does not have code of ethics rules.

Finance Committee:

Chad Collins stated the committee met and the budget is healthy. Figures were provided in tables.

Type	Unit	Count	Total
Application	\$35	445	\$15,575
Exam	\$80	475	\$38,000
License	\$160	286	\$45,760
Renewal	\$160	1,587	\$253,920
Late	\$30	81	\$2,430
<u>Licensing Sub-Total</u>			\$355,685
Course Approval	\$150	9	\$1,350
Course Renewal	\$75	46	\$3,450
Per Student Fee	\$5	18,956	\$94,780
<u>Education Sub-Total</u>			\$99,580
Grand Total			\$455,265

Month	Expenditures	Revenues	Fund Balance
Jul	\$ 19,196.42	\$ 24,910.00	\$ 1,453,733.19
Aug	\$ 40,784.96	\$ 85,270.00	\$ 1,492,504.65
Sep	\$ 60,097.76	\$ 336,315.00	\$ 1,724,236.85
Oct	\$ 79,497.29	\$ 376,395.00	\$ 1,744,917.32
Nov	\$ 98,035.12	\$ 387,950.00	\$ 1,737,934.49
Dec	\$ 125,519.35	\$ 401,310.00	\$ 1,723,810.26
Jan	\$ 169,009.72	\$ 418,120.00	\$ 1,697,129.89
Feb	\$ 208,319.96	\$ 439,810.00	\$ 1,679,509.65
Mar	\$ 229,286.42	\$ 457,840.00	\$ 1,676,573.19
Apr			
May			
Jun			

Education Committee:

Butch Upton stated the committee met and reviewed the Board-developed Update Course for year 2021 covering Water Heaters, as well as progress by Bonnie Gregory on next year's 2022 Gas Heating systems. Upton stated that he had to leave the Board meeting at this time for personal reasons.

Investigation Review Committee:

David Dye asked Sam Whittington to present who stated that the committee met and the following cases were submitted for consideration by the Board.

Hearing

830 Metcalf #1963 (Juhl)

David Dye made a motion to approve a Hearing, seconded by Chad Collins. The motion passed.

836 Porter #2281 (Tippey)

David Dye made a motion to approve a Hearing, seconded by Chad Collins. The motion passed.

Consent Agreement

855 Robertson #4043 (Dagenhart)

David Dye made a motion to approve the Consent Agreement, seconded by Chad Collins. The motion passed.

801 Sarvis #4258 (Coleman)

David Dye made a motion to approve the Consent Agreement, seconded by Chad Collins. The motion passed.

Dismiss with Letter of Caution

856 Ingram #4281 (Russell)

David Dye made a motion to approve dismissal with letter of caution, seconded by Chad Collins. The motion passed.

Dismiss

858 Toomer #3801 (Sanduro)

860 White #4342 (McLean)

861 Roberts #2165 (McCauley)

862 Kiley #4360 (Cyer)

863 Egan #2593 (Migliara)

864 Lafortune #3705 (Sandova)

867 Mascarenas #2329 (Grodowsky)

David Dye made a motion to approve dismissal, seconded by Chad Collins. The motion passed.

Standards of Practice Committee:

David Dye said the committee met and will be drafting recommendations that will take some time to complete and they will bring it before the Board when it is ready.

Personnel Committee:

Rob Roegner stated there are two open positions, Assistant Director and Investigator that should be filled by the next meeting. Another position of temporary investigator has gone unfilled.

Advisory Committee New Licensee Report Review:

Wilson Fausel presented his completed report and summary of reviews from last year. Chairman Hall commended Fausel on the work on this report. David Dye stated that report recommendations will be used by the Standards of Practice Committee.

Public Comment:

Chairman Hall ask if anyone wanted to speak during public comment.

Wilson Fausel, Right Step Home Inspections, stated he was also re-elected as President of the Triangle Chapter of the NC Licensed Home Inspector Association. Fausel stated that many home inspectors want a newsletter and minutes from meetings. Fausel said that at least once a quarter this would be beneficial as well as pushing out future Board meeting dates to licensees in addition to posting on the web site.

Unfinished Business:

None

New Business:

None

Adjournment:

David Dye made a motion to adjourn the meeting that was seconded by Joe Ramsey. The motion passed.

Respectfully submitted,



Rob Roegner
Secretary, N.C. Home Inspector Licensure Board