

**NEBRASKA REAL PROPERTY APPRAISER BOARD
JANUARY 25, 2007
LIQUOR CONTROL CONFERENCE ROOM
5TH FLOOR, STATE OFFICE BUILDING
301 CENTENNIAL MALL SOUTH, LINCOLN, NEBRASKA**

ADMINISTRATION OF THE OATH OF OFFICE

At 9:05 a.m. Prior to the meeting, Deputy Secretary of State Ronald D. Moravec, administered the oath of office to R. Gregg Mitchell, Omaha, effective January 1, 2007, to Nebraska Real Property Appraiser Board, as the Certified General appraiser, representing the First Congressional District. Mr. Mitchell affirmed his intention to support the Constitution of the United States and the Constitution of the State of Nebraska against all enemies, foreign and domestic; that he will bear true faith and allegiance to the same...and will faithfully and impartially perform the duties of the office of the Real Property Appraiser Board, according to the law and to the best of his ability. At the conclusion of the oath-taking, Deputy Secretary of State Moravec and Gregg Mitchell signed the official documents, sealing the appointment.

OPENING

Vice Chair Sheila Newell called to order the January 25, 2007 regular meeting of the Nebraska Real Property Appraiser Board at 9:03 a.m., in the Liquor Control Commission Hearing Room, 5th Floor, Nebraska State Office Building, 301 Centennial Mall South, Lincoln, Nebraska. Board Members Tim Kalkowski, Jim Bain, Joe Wilson, Sheila Newell and Gregg Mitchell were present. Jill Ekstein, Director was also present.

NOTICE OF MEETING

Vice Chair Newell announced notice of the meeting was duly given, posted, published and tendered in compliance with the Open Meetings Law, and all Board members received notice simultaneously by e-mail. The agenda was kept current on the web site and in the office of the Nebraska Real Property Appraiser Board. The materials generally used by the Board for the meeting are available in the public folder for inspection. A copy of the Open Meetings Law was available for the duration of the meeting.

ADOPTION OF THE AGENDA

Vice Chair Newell asked if there were any additions or corrections to the agenda. Board Member Bain moved to adopt the agenda as printed. Board Member Wilson seconded the motion. The motion carried with Kalkowski, Bain, Wilson, Mitchell, and Newell voting aye.

GUESTS

Vice Chair Newell welcomed the guests in attendance. Present were Kevin Kroeger, past Chairman; Diane Moore, President of the Moore Group; and Gary Bush, Budget Analyst for the Real Property Appraiser Board.

ELECTION OF THE 2007 CHAIRMAN AND VICE CHAIRMAN

Vice Chair Newell asked for nominations for the 2007 Chairman of the Board. Board Member Wilson nominated Sheila Newell. Board Member Mitchell seconded motion. The motion carried with, Kalkowski, Bain, Wilson, Mitchell and Newell voting aye.

Chair Newell asked for nominations for the 2007 Vice Chair of the Board. Board Member Kalkowski nominated Joe Wilson. Board Member Bain seconded the motion. The motion carried with Kalkowski, Bain, Wilson, Mitchell and Newell voting aye.

APPROVAL OF THE MINUTES FROM DECEMBER 19, 2006

Chair Newell asked for any additions or corrections to the minutes. Board Member Kalkowski moved to approve the minutes from the December 19, 2006, meeting as printed. Board Member Bain seconded the motion. The motion carried with Kalkowski, Bain, Wilson, Mitchell, and Newell voting aye.

DIRECTOR'S REPORT

Director Ekstein stated she wished to publicly thank past Chairman Kroeger for his dedication to the Board. Director Ekstein presented him with a plaque and pin and wished him well. She welcomed new member Gregg Mitchell.

Director Ekstein reported that 331 Certified General, 145 Certified Residential, 167 Licensed and 278 Registered credentials had been issued as of January 2007. She also informed the Board of the memo she received regarding the suspension of the reciprocal agreement from the State of Montana. Montana is researching requirements for applicants from other jurisdictions in a similar manner to Nebraska. Director Ekstein also alerted the Board Members of the newsletter draft that will be simultaneously e-mailed to all Board Members to review and share their input. In addition to the newsletter, a copy of the Real Property Appraiser Act will be mailed to all credentialed appraisers.

CHAIR'S REPORT

Chair Newell stated she would like to thank the Board for her election to the Chair position and hoped the Board will act with character and professionalism in 2007 so all will be on the same page.

RECEIPTS AND EXPENDITURES

Director Ekstein presented the Board with the expense report through December 2006. A copy of the report containing the breakdown of accounting from the NIS system was in each of the meeting packets. She noted the largest expense was the Federal Registry Fee sent to the ~~government~~ Appraisal Subcommittee which comes from each Licensed, Certified Residential and Certified General Appraisers. Board Member Kalkowski asked about the increase in rent. Director Ekstein responded the increase was due to the move from the 5th floor to the lower level to a larger area. The budget for the FY08-FY09 included the higher rent amount.

Board Member Bain moved to approve the December Expense Report **for audit**. Vice Chair Wilson seconded. The motion carried with Kalkowski, Bain, Wilson, Mitchell and Newell voting aye.

UNFINISHED BUSINESS

LB186

Chair Newell asked Director Ekstein to provide an update on LB186. A copy of LB186 was included in the packet as it was initially introduced. The bill was heard in the Banking, Commerce and Insurance Committee earlier in the week. Some changes were made to the initial legislation creating amendments. A fiscal note was requested for each amendment and completed by the Director indicating no impact on revenue or expenditures due to the legislation. LB186 was advanced to General file. Concerns regarding the language “non lending transaction” in the introduced legislation were brought to Board Member Kalkowski by the Nebraska Bankers Association. Director Ekstein stated with the proposed amendment striking the language, Bob Halstrom, Nebraska Bankers Association, testified as a proponent for the Legislation. Board Member Kalkowski thanked Director Ekstein for her professionalism in handling the unexpected changes of the bill.

Investigator Training

Chair Newell provided background information regarding the Investigator Training to Board Member Mitchell and expressed her concerns with allowing the general public and all appraisers to attend the investigator training. Discussion ensued regarding costs and a potential invitation list. Vice Chair Wilson moved to limit the number of invitees to 20; hold the training course April 19th and 20th, 2007, and limit the invitations to Certified Residential or Certified General credential holders. Board Member Bain seconded the motion.

Board Member Mitchell moved to amend the motion, adding the Board will bare the cost of the training. Board Member Bain seconded.

Board Member Mitchell moved to amend the amendment, adding the Board will bare the tuition cost of the training including materials. Board Member Bain seconded. The

motion to amend the amendment carried with Kalkowski, Bain, Wilson, Mitchell and Newell voting aye.

The motion to amend the initial motion carried with Kalkowski, Bain, Wilson, Mitchell and Newell voting aye.

The initial motion carried with Kalkowski, Bain, Wilson, Mitchell and Newell voting aye.

Rules and Regulations

Director Ekstein informed the Board that the Rules and Regulations were ready to be sent to the Governor's Policy Research Office following review by Chair Newell. She planned to submit the document February 1, 2007.

The Board took a 12 minute recess at 10:02 a.m.

The Board reconvened at ~~10:17~~ 10:14 a.m.

Banker's Educational Seminar

Board Member Kalkowski shared with the Board the feedback he had received from the Banker's Association regarding the potential educational seminar. Board Member Bain stated interest was shown by the Mortgage Banker's Association. Following a short discussion, Board Member Kalkowski announced he would take the suggestions from the Board back to the Banker's Association. Suggestions included adding information to a newsletter and adding the appraisal education to an already scheduled seminar in the form of a short power point presentation.

NEW BUSINESS

Current Education Requirements

Director Ekstein stated that several appraisers had been told it was possible to carry continuing education hours from one cycle to the next. Ekstein referred to the Rules & Regulations that state hours cannot be carried over. ~~Chair Newell~~ Board agreed.

Public Notification of Enforcement

Board Member Wilson requested ~~the Assistant to~~ Director Ekstein to contact several of the larger newspapers in the area about publishing enforcement actions against appraisers. Director Ekstein explained none of the publications were interested in publishing the information. There was discussion about how to get the public notification of the enforcements. Director Ekstein noted she had included the information in the newsletter. The Board would also like to notify the Nebraska Bankers Association,

Realtors® Association and the Mortgage Bankers Association. Ekstein will follow up and report to the Board at a later time.

2007 Goals

Chair Newell asked that each Board Member bring some goals to the meeting in February that might benefit the Board.

Review Training

The Board discussed the necessity of a reviewer training to be provided by an AQB Certified USPAP Instructor, with training sessions annually and a two year mandatory training period. Chair Newell stated she will contact AQB Certified USPAP Instructors to learn availability and charges. She will report her findings at the March meeting.

Special Counsel Appointment

Director Ekstein announced she had received Special Counsel Appointment letters from Attorney General John Bruning. The letters state Jane Langan, Robert Nefsky and Troy Kirk had been appointed special counsel for the Board for 2007. The attorneys represent Rembolt & Ludtke. LP.

Budget Update

Director Ekstein stated the budget spreadsheet provided by Gary Bush, Agency Financial Analyst, was in the packet for review. A request was made for an increase in legal service but had not yet been granted. Ekstein was authorized by the Board to attend the Appropriation Committee Hearing in late February.

General Public Comments

There were no general public comments.

The Board took a 15 minute recess.

EDUCATION
Seminar Approval

Board Member Mitchell moved to approve the following seminars:

“7-Hour National USPAP Update Course” - 7 hours, Lincoln Graduate Center/National Association of Master Appraisers;

“General Appraiser Sales Comparison Approach” - 30 hours, The Appraisal Institute;

“General Appraiser Income Approach – Part 1” - 30 hours, The Appraisal Institute;

“General Appraiser Income Approach – Part 2” 30 hours, The Appraisal Institute. Vice Chair Wilson seconded. The motion carried with Kalkowski, Bain, Mitchell, Wilson and Newell voting aye.

“The Cost Approach – Virtual Classroom” - 7 hours; McKissock, LP, will be held over until the Board Members can review the material more closely.

Instructors

Board Member Mitchell moved to approve the following instructors:

Timothy C. Andersen- “7-Hour USPAP Update”

Larry Keith Cole, SRA-“7-Hour USPAP Update”

Michael Deal-“7-Hour USPAP Update”

Edmond C. Fisher-“7-Hour USPAP Update”

Ken C. Guilfoyle-“7-Hour USPAP Update”

Cheryl Gunseor-“7-Hour USPAP Update”

Samuel Lee Edward Henderson-“7-Hour USPAP Update”

Joseph M. Huffman-“7-Hour USPAP Update”

Amelia Ann Lovorn Brown-“7-Hour USPAP Update”

Martin J. Molloy-“7-Hour USPAP Update”

Joseph Paul Portera-“7-Hour USPAP Update”

Carlton H. Segars-“7-Hour USPAP Update”

David L. Shoemaker-“7-Hour USPAP Update”

Kenneth Foltz- “General Appraisal Sales Comparison Approach”

Joseph C. Magdziarz-“General Appraisal Sales Comparison Approach”

Vice Chair Wilson seconded. The motion carried with Kalkowski, Bain, Mitchell, Wilson and Newell voting aye.

Enforcement Matters

Vice Chair Wilson moved that the Board go into executive session for the purpose of considering written complaints and applicant review. A closed session is clearly necessary to prevent needless injury to the reputation of the individual or individuals involved with alleged violations of real property appraisal practice. The time on the meeting room clock was 11:39 a.m. Board Member Bain seconded. The motion carried with Kalkowski, Wilson, Bain, Mitchell and Newell voting aye.

Chair Newell restated the sole purpose for the executive session was to consider written complaints and qualification of applicants. The time was 11:39 a.m. Present for the executive session were Board Members Kalkowski, Bain, Wilson, Newell and Mitchell. Director Ekstein was also present.

Vice Chair Wilson moved to come out of executive session at 1:15 p.m. Board Member Mitchell seconded. The motion carried with Kalkowski, Bain, Mitchell, Wilson and Newell voting aye.

APPLICANTS

Vice Chair Wilson moved to ratify the Director’s approval for the appraisal exam for:

Registered

Mueller, Susan R010701

Greenwood, Edward R010702

Lindblad, Dustin R010703

Goaley, Drew R010704

Vice Chair Wilson further moved:

Certified Residential

Barbara Knuth- approve for exam

Mark Beethe – approve for exam

Reciprocal

Curt Johnston, Colorado – issue credential

Board Member Mitchell seconded. The motion carried with Kalkowski, Bain, Mitchell, Wilson and Newell voting aye.

Vice Chair Wilson moved:

L100607 – deny application
L010704 – deny application
L010707 – deny application
CR010706 – deny application
CR090603 – deny application

Board Member Bain seconded. The motion carried with Kalkowski, Bain, Mitchell, Wilson and Newell voting aye.

ENFORCEMENT

Vice Chair Wilson moved to take the following actions:

Case #05-29	Authorize payment of \$1500 to Chris Mustoe
Case #06-13	Send advisory letter similar to letter sent to appraiser with a copy of the initial advisory letter
Case #06-16	File formal complaint
Case #06-20	Send out for review
Case # 6-22	File formal complaint
Case #06-24	Authorize Chair to sign Agreed Settlement
Case #07-01	Request copy of appraisal and workfile
Case #07-02	Request copy of appraisal and workfile
Case #07-03	Request copy of appraisal and workfile
Case #07-04	Request copy of appraisal and workfile
Case #07-05	Request copy of appraisal and workfile
Case #07-06	File formal complaint
Case #07-07	File formal complaint
Case #07-08	Request work log from August 2006 to January 25, 2007
Case #07-09	Request copy of appraisal and workfile

Board Kalkowski seconded. The motion carried with Kalkowski, Bain, Wilson and Newell voting aye. Board Member Mitchell abstained from the vote.

Vice Chair Wilson moved to dismiss Case #05-24. Board Member Kalkowski seconded. The motion carried with Kalkowski, Bain, Mitchell, and Wilson voting yes. Chair Newell voted no.

PERSONNEL MATTERS

No personnel matters were discussed.

NEXT MEETING DATE

Chair Newell stated the next meeting of the Nebraska Real Property Appraiser Board will be held Wednesday, February 21, 2007, at 10:30 a.m.

There being no further business, Chair Newell adjourned the meeting at 1:25 p.m.

Respectfully Submitted,

Jill Ekstein
Director

These minutes were available for public inspection on January 30, 2007, in compliance with Nebraska Statute §84-1413(5).