

**NEBRASKA REAL PROPERTY APPRAISER BOARD  
NRPAB OFFICE MEETING ROOM, FIRST FLOOR  
NEBRASKA STATE OFFICE BUILDING  
301 CENTENNIAL MALL SOUTH, LINCOLN, NE**

**December 17, 2020 Meeting Minutes**

**A. OPENING**

Chairperson Ben Hynek called to order the December 17, 2020 meeting of the Nebraska Real Property Appraiser Board at 9:02 a.m., by electronic telecommunication in the Nebraska Real Property Appraiser Board's office on the first floor of the Nebraska State Office Building, 301 Centennial Mall South, Lincoln, Nebraska, as permitted by Executive Order 20-36.

**B. NOTICE OF MEETING**

Chairperson Hynek announced the notice of the meeting was duly given, posted, published, and tendered in compliance with the Open Meetings Act, and all board members received notice simultaneously by email. Publication of official notice of the meeting appeared on the State of Nebraska Public Calendar found at [www.nebraska.gov](http://www.nebraska.gov) on December 7, 2020. The agenda was kept current in the Nebraska Real Property Appraiser Board office and on the Board's website. Materials generally used by the Board for this meeting were available in the public folder for inspection by the public, in accordance with the Open Meetings Act. A copy of the Open Meetings Act was available for the duration of the meeting. For the record, Board Members Benjamin Hynek of Lincoln, Nebraska, Christopher Mustoe of Omaha, Nebraska, Wade Walkenhorst of Lincoln, Nebraska, and Bonnie Downing of Dunning, Nebraska, were present. Also present were Director Tyler Kohtz, Business and Licensing Specialist Allison Nespor, and Administrative Specialist Katja Duerig, who are all headquartered in Lincoln, Nebraska. Board Member Thomas Luhrs of Imperial, Nebraska, was absent and excused.

**ADOPTION OF THE AGENDA**

Chairperson Hynek reminded those present for the meeting that the agenda cannot be altered 24 hours prior to the meeting except for emergency items according to the Open Meetings Act. Board Member Mustoe moved to adopt the agenda as printed. Board Member Walkenhorst seconded the motion. With no further discussion, the motion carried with Mustoe, Walkenhorst, Downing, and Hynek voting aye.

Board Member Mustoe moved that the Board go into executive session for the purpose of reviewing applicants for credentialing; applicants for appraisal management company registration; investigations; pending litigation, or litigation which is imminent as evidenced by communication of a claim or threat of litigation; and employee performance evaluation. A closed session is clearly necessary to prevent needless injury to the reputation of those involved. Board Member Downing seconded the motion. The time on the meeting clock was 9:05 a.m. The motion carried with Mustoe, Walkenhorst, Downing, and Hynek voting aye.

Board Member Walkenhorst moved to come out of executive session at 9:33 a.m. Board Member Downing seconded the motion. The motion carried with Mustoe, Walkenhorst, Downing, and Hynek voting aye.

## **G. WELCOME AND CHAIR'S REMARKS**

Chairperson Hynek welcomed board members and staff to the meeting, and said, "As always, less is more." Chairperson Hynek extended well-wishes to former Board Member Jim Bain. There were no members of the public present.

## **H. NRPAB EMPLOYEE RECOGNITION AWARD**

Director Kohtz brought attention to the completion of Chairperson Hynek's term as a board member. The Director reported that at this time Chairperson Hynek would traditionally be presented a plaque in recognition of his service to the Board; however, the manufacturer of the plaque is experiencing delays in service due to COVID-19 complications. Director Kohtz reported that he would deliver the plaque to Chairperson Hynek when completed. The Director then thanked Chairperson Hynek for his service, and said, "It's been fun. We'll always be here for you, so don't be a stranger." Board members and staff wished Chairperson Hynek well.

Director Kohtz then informed the Board of a second recognition that he would like to make. The Director stated, "Allison and Katja have represented the Board with integrity, and have performed their duties with efficiency and accuracy during this Coronavirus pandemic. In accordance with the Board's Employee Recognition Plan, Allison and Katja are each awarded a monetary gift of \$500.00, issued through the December 30, 2020 payroll, for their excellence in service." The Board thanked Ms. Nespor and Ms. Duerig for their service.

## **I. BOARD MEETING MINUTES**

### **1. APPROVAL OF OCTOBER 15, 2020 MEETING MINUTES**

Chairperson Hynek asked for any additions or corrections to the October 15, 2020 meeting minutes. Board Member Mustoe moved to adopt the October 15, 2020 meeting minutes as presented. Board Member Downing seconded the motion. With no further discussion, Chairperson Hynek called for a vote. The motion carried with Mustoe, Walkenhorst, Downing, and Hynek voting aye.

## **J. DIRECTOR'S REPORT**

### **1. APPRAISER AND AMC REPORTS**

#### **a. Appraiser Count Report**

Director Kohtz presented seven charts outlining the number of appraisers as of December 17, 2020. The Director reported that he had no specific comments and asked for questions or comments. There was no discussion.

#### **b. Temporary Credential Report**

Director Kohtz presented three charts outlining the number of temporary credentials issued as of November 30, 2020. The Director asked for any questions or comments. There was no further discussion.

#### **c. Supervisory Appraiser Count Report**

Director Kohtz presented two charts outlining the number of supervisory appraisers as of December 17, 2020. The Director reported that he had no comments, and asked for any questions or comments. There was no discussion.

**d. AMC Count Report**

Director Kohtz presented two charts outlining the number of AMCs as of December 17, 2020. The Director reported that he had no comments, and asked for any questions or comments. There was no discussion.

**e. Credential Renewal Progress Report**

Director Kohtz presented two charts outlining the credential renewals progress through December 16, 2020. The Director reported that the processing of applications is on track with the numbers and percentages of previous years. However, the number of applications received at this time is currently at 83%, which is below the previous two years at 85% and 88% respectively. The Director finished this report by informing the Board that although the percentages are lower, this is expected due to the Coronavirus pandemic; the projected credential renewal rate is 88%. The Director asked for any questions or comments. There was no discussion.

**2. EXECUTIVE AUTHORITY APPROVAL REPORT**

Director Kohtz presented three Executive Authority Approval Reports for the real property appraisers and applicants, appraisal management companies, and education activities and instructors that have been approved under the executive authority granted to waive rules pertaining to examinations and applications as a result of Governor Ricketts's 2020 State of Emergency Proclamation made on March 13, 2020 for the period between October 8, 2020 and December 7, 2020. The Director informed the Board that he had no specific comments, and asked for any questions or comments. There was no further discussion.

**K. FINANCIAL REPORT AND CONSIDERATIONS – DECEMBER 2020**

**1. APPROVAL OF OCTOBER RECEIPTS AND EXPENDITURES**

The receipts and expenditures for October were presented to the Board in the Budget Status Report. Director Kohtz reported that expenditures for the month of October totaled \$23,264.06, which amounts to 23.37 percent of the budgeted expenditures for the fiscal year; 33.70 percent of the fiscal year has passed. Revenues reported for October were \$44,561.47, and total revenues amount to 26.62 percent of the projected revenues for the fiscal year. The Director asked for any questions or comments. There was no further discussion.

Director Kohtz then brought attention to the General Ledger for October. The Director reported that he had no specific comments, and asked for any questions or comments. There was no further discussion.

Board Member Mustoe moved to accept and file the October 2020 financial reports for audit. Board Member Walkenhorst seconded the motion. The motion carried with Mustoe, Walkenhorst, Downing, and Hynek voting aye.

## **2. APPROVAL OF NOVEMBER RECEIPTS AND EXPENDITURES**

The receipts and expenditures for November were presented to the Board in the Budget Status Report. Director Kohtz reported that expenditures for the month of November totaled \$23,546.49, which amounts to 28.86 percent of the budgeted expenditures for the fiscal year; 41.92 percent of the fiscal year has passed. Revenues reported for November were \$99,508.58, and total revenues amount to 52.75 percent of the projected revenues for the fiscal year. The Director asked for any questions or comments. There was no further discussion.

Director Kohtz then brought attention to the General Ledger for November. The Director reported that he had no specific comments, and asked for any questions or comments. There was no further discussion.

Director Kohtz presented three graphs showing expenses, revenues, and cash balance. The Director once again announced the expenditures and revenues for the month of November for the Real Property Appraiser Program, which includes both the Appraiser Fund and the AMC Fund. The Director then remarked that the cash balance for the AMC Fund is \$299,931.21, the Appraiser Fund is \$375,613.68, and the overall cash balance for both funds is \$675,544.89. The Director then asked for any questions related to the graphs. There was no further discussion.

Board Member Downing moved to accept and file the November 2020 financial reports for audit. Board Member Mustoe seconded the motion. The motion carried with Mustoe, Walkenhorst, Downing, and Hynek voting aye.

## **3. PER DIEMS**

Director Kohtz informed the Board that he had no per diem requests for this meeting, and asked if any board members had a request for the Board to consider. There was no further discussion.

## **L. GENERAL PUBLIC COMMENTS**

Chairperson Hynek asked for any public comments. With no comments, Chairperson Hynek proceeded to Education.

## **M. CONSIDERATION OF EDUCATION-INSTRUCTOR REQUESTS: No discussion.**

## **N. UNFINISHED BUSINESS**

### **1. ONLINE APPRAISER RENEWAL APPLICATION SUBMISSION PORTAL WITH ELECTRONIC PAYMENT**

Director Kohtz reminded the Board that work on the Online Appraiser Renewal Application Submission Portal with Electronic Payment was completed in October, but that it would not be a good idea to go live during the peak appraiser renewal application processing time period. The Director also reminded the Board that in October staff planned for a soft rollout in December or January to ensure an effective implementation. The Director requested permission to debut the Online Appraiser Renewal Application Submission Portal on January 18, 2021 for late renewals. Director Kohtz reasoned that this would allow for a “soft rollout,” and provide time to work out any bugs before the 2021 appraiser credential renewal season. The Director reported that he would send out a Memo From the Board to notify the appraiser community of the new renewal option. Director Kohtz asked for any questions or comments. With no further discussion, Board Member Mustoe moved to go live with the Online Appraiser Renewal Application Submission Portal with Electronic Payment on January 18, 2021, and authorize the Director to send a memo from the Board announcing its availability. Board Member Downing seconded the motion. The motion carried with Mustoe, Walkenhorst, Downing, and Hynek voting aye.

### **2. OPEN 1ST CONGRESSIONAL DISTRICT CERTIFIED REAL PROPERTY APPRAISER REPRESENTATIVE POSITION**

Director Kohtz brought attention to the open First Congressional District Certified Real Property Appraiser Representative position, and asked the Board if it had any comments or feedback to pass along to the Governor’s office concerning this appointment. There were no comments during the meeting. Director Kohtz reminded board members to let him know at any time if there were any comments or feedback concerning this appointment. There was no further discussion.

## **O. NEW BUSINESS: No discussion.**

## **P. LEGISLATIVE REPORT AND BUSINESS**

### **1. NEBRASKA REAL PROPERTY APPRAISER ACT UPDATE**

#### **a. Proposed Legislation Summary (REQ00132)**

Director Kohtz presented the document titled, “2021 REQ00132 Summary” to the Board for review. The Director informed the Board that this document was prepared for public review as a complement to REQ00132. The Director asked for any questions or comments. There was no further discussion.

#### **b. Request for Comments and Responses for REQ00132**

Director Kohtz presented documents evidencing the Board’s public request for comments and responses received for REQ00132. Director Kohtz reported that no comments in opposition were received. The Director added that Nebraska’s ASC Policy Manager Jenny Tidwell made the only substantial comment. Director Kohtz then brought attention to the language, “Hold an associate’s degree or higher in real estate.” Policy Manager Tidwell suggested striking “associate’s” and “or higher” to say, “Hold a degree in real estate” to match the language found in the Real Property Appraiser Qualification Criteria. Director Kohtz reported that he shared this with Bill Marienau, who had no problem with this change. The Director informed the Board that this change has been made in REQ00132\_December 12, 2020.

**c. REQ00132\_November 3, 2020**

Director Kohtz presented REQ00132\_December 12, 2020 to the Board for consideration. With no discussion, Board Member Downing moved to approve REQ00132 for introduction as a legislative bill and authorize Director Kohtz to obtain sponsorship. Board Member Walkenhorst seconded the motion. The motion carried with Mustoe, Walkenhorst, Downing, and Hynek voting aye.

**2. TITLE 298 UPDATE**

Director Kohtz reported that the Title 298 update has been approved by the Governor's office, and is effective as of yesterday. Staff plans to have the public copy available next week. The Director asked for any questions or comments. There was no further discussion.

**3. OTHER LEGISLATIVE MATTERS:** No discussion.

**Q. ADMINISTRATIVE BUSINESS**

**1. GUIDANCE DOCUMENTS:** No discussion.

**2. INTERNAL PROCEDURAL DOCUMENTS:** No discussion.

**3. FORMS AND PROCEDURES**

**a. NRPAB State of Nebraska Expense Reimbursement Policies\_Effective January 1, 2021**

Director Kohtz presented the document titled, "NRPAB State of Nebraska Expense Reimbursement Policies" to the Board for consideration. The Director explained that the State of Nebraska has made substantial changes to its reimbursement policies, based on per diems, rather than actual expenses for meals. Director Kohtz noted that the per diem is calculated at 70% of the Federal GSA rate based on the destination of travel; the first and last day of travel is calculated at 75% of this calculated rate. State Accounting developed a new self-calculating ERD form that will be distributed to board members in the new year, along with specific directions for use of the form. BLS Nespor commented that, in addition to these changes, receipts will no longer be required for purchases of \$9.99 and under. Also, mileage and parking are entered separately. The Director thanked BLS Nespor for this information, and then asked the Board for approval of the NRPAB State of Nebraska Expense Reimbursement Policies\_Effective January 1, 2021. Board Member Mustoe moved to approve the NRPAB State of Nebraska Expense Reimbursement Policies\_Effective January 1, 2021. Board Member Downing seconded the motion. The motion carried with Mustoe, Walkenhorst, Downing, and Hynek voting aye.

## **R. OTHER BUSINESS**

### **1. BOARD MEETINGS**

#### **a. 2021 NRPAB Calendar**

Director Kohtz presented the 2021 NRPAB Calendar to the Board for consideration. The Director informed the Board that meeting dates, the AARO conference dates, beginning of the State's fiscal year, the beginning and ending date of the legislative session, and State holidays are all color coded. Director Kohtz also reported that the meeting schedule is kept at every other month through the first half of the year, and moves to every month during the second half of the year. The Director reminded everyone that these dates are tentative and may likely change. Board Member Downing moved to approve the 2021 NRPAB Calendar as presented. Board Member Walkenhorst seconded the motion. Motion carried with Mustoe, Walkenhorst, Downing, and Hynek voting aye.

#### **2. CONFERENCES/EDUCATION: No discussion.**

#### **3. MEMOS FROM THE BOARD: No discussion.**

#### **4. QUARTERLY NEWSLETTER: No discussion.**

### **5. APPRAISAL SUBCOMMITTEE**

#### **a. ASC Authorizes \$3M in Grant Funds to Support the Appraisal Foundation**

Director Kohtz presented a press release from the Appraisal Subcommittee titled, "ASC Authorizes \$3M in Grant Funds to Support the Appraisal Foundation" to the Board for review. The Director reported that the ASC authorized three million dollars in grant funds to support The Appraisal Foundation. The Director asked for questions or comments. There was no discussion.

#### **b. ASC State Off-Site Assessments**

Director Kohtz presented a press release from the Appraisal Subcommittee titled, "ASC State Off-Site Assessments" to the Board for review. The Director informed the Board that the ASC intends to conduct off-site assessments during 2021, which will include procedures similar to the typical appraiser and AMC program audits, except that everything will be conducted remotely. The ASC has notified the Board that no SOA will be scheduled for Nebraska in 2021, and the Board's next audit has been moved back to March of 2022. The Director asked for any questions or comments. There was no further discussion.

#### **c. ASC Federal Register Notice for Proposed Information Collection Request; Standardized Instructions and Format To Be Used for Interim and Final Progress Reporting**

Director Kohtz presented an entry in Volume 85, No. 225 of the Federal Register titled, "Proposed Information Collection Request; Standardized Instructions and Format To Be Used for Interim and Final Progress Reporting" to the Board for review. The Director commented that the ASC is requesting authority to collect data on programs that receive grant money. Director Kohtz informed the Board that this authority pertains to States that have ASC-issued grants. The Director asked for any questions or comments. There was no further discussion.

**d. ASC State Support Grant Request Summary**

Director Kohtz presented an Appraisal Subcommittee document titled, “State Support Grant Application Summaries” to the board for review. The Director said he had no specific comments, but wanted the Board to be aware of what type of grant requests are being made by States to the ASC. Director Kohtz asked for any questions or comments. There was no further discussion.

**6. THE APPRAISAL FOUNDATION**

**a. TAF Introduces Four New Corrective Education Courses**

Director Kohtz presented an announcement from The Appraisal Foundation indicating that it introduced four new corrective education courses for public use. The Director indicated that he had no specific comments, and asked for any questions or comments. There was no further discussion.

**b. TAF November Newsletter**

Director Kohtz presented The Appraisal Foundation’s November newsletter to the Board for review. There was no discussion.

**c. TAF December Newsletter**

Director Kohtz presented The Appraisal Foundation’s December newsletter to the Board for review. There was no discussion.

**d. Appraiser Qualifications Board**

**i. Practical Applications of Real Estate Appraisal (PAREA) Adopted by AQB**

Director Kohtz presented a press release from The Appraisal Foundation titled, “The Appraiser Qualifications Board Adopts New Pathway for Aspiring Appraisers” to the Board for review. Director Kohtz informed the Board that the AQB has adopted the Practical Applications of Real Estate Appraisal (PAREA). The Director indicated that the Board’s bill draft was already in motion, and after discussion with Chairperson Hynek, it was agreed that it was too late in the process to pull the draft and incorporate PAREA language. PAREA language will be included in the 2022 bill draft. Director Kohtz commented that the practicality of such program is still not known, but more should be known during the next year after education providers establish PAREA programs, if any are developed. There was no further discussion.

**e. Appraiser Standards Board**

**i. Virtual ASB Public Meeting: February 5, 2021**

Director Kohtz announced that the next Appraiser Standard Board’s public meeting will be held virtually on February 5, 2021. There was no further discussion.



**ii. Fourth Exposure Draft of proposed changes for the 2022-23 edition of the USPAP**

Director Kohtz presented the Fourth Exposure Draft of Proposed Changes for the 2022-23 Edition of the USPAP to the Board for review. The Director proceeded to provide a summary of changes included in the fourth exposure draft. Director Kohtz informed the Board that the scope of work reporting in Standards 2 and 4 is being expanded to require disclosure of whether or not an inspection was performed, which also includes a change to the certification language; the Scope of Work Rule is being updated to remove the language, "Proper disclosure is required because clients and other intended users rely on the assignment results;" the definition for misleading is deleted; new definitions are added for state, summarize, and significant appraisal assistance; the definitions for appraiser, assignment elements, assignment results, intended user, personal inspection, relevant characteristics, and signature are edited; several language changes are made throughout to simplify and clarify language; and revisions to pronoun usage is updated in a number of areas to bring wording up to date with current usage. The Director asked for any questions or comments. There was no further discussion.

**iii. ASB Q&A: October 2020**

Director Kohtz presented The Appraisal Foundation's USPAP Q&As issued on October 9, 2020 to the board for review. The Director reported that questions pertaining to the sharing of information were discussed in the document. The Director summarized Q&A 2020-11, and indicated that appraisers can share opinions and conclusions about sales if they can do so without disclosing judgements about how the sales compare to a subject property. Director Kohtz then moved on to summarize Q&A 2020-12, and informed the Board that quality and condition ratings developed for sales by an appraiser may be shared with another appraiser if such ratings are not relative to the subject and not developed for a specific assignment. Q&A 2020-13 was then summarized by the Director, who informed the Board that the subject property in an appraisal assignment may be used as a comparable property in another assignment. The Director asked for any questions or comments. There was no further discussion.

**7. ASSOCIATION OF APPRAISER REGULATORY OFFICIALS**

**a. AARO Quarterly Update – November 2020**

Director Kohtz presented the AARO Quarterly Update – November 2020 to the Board for review. The Director indicated that he had no specific comments, and asked for any questions or comments. There was no discussion.

**8. IN THE NEWS: No discussion.**

**C. CREDENTIALING AS A NEBRASKA REAL PROPERTY APPRAISER**

**1. Renewal Matters**

Board Member Mustoe moved to authorize Director Kohtz to approve renewal of Licensed Residential Real Property Appraiser Credential L260344 upon receipt of evidence that 7-Hour USPAP Update Course was completed in 2021. Board Member Downing seconded the motion. Motion carried with Mustoe, Walkenhorst, Downing, and Hynek voting aye.

**D. REGISTRATION AS APPRAISAL MANAGEMENT COMPANY:** No discussion.

**E. CONSIDERATION OF COMPLIANCE MATTERS**

Board Member Mustoe moved to take the following actions for compliance matters:

- 20-06 / Dismiss without prejudice. Send advisory letter.**
- 20-07 / Dismiss with prejudice.**
- 20-08 / Dismiss without prejudice. Send advisory letter.**
- 20-09 / Dismiss without prejudice.**
- 20-10 / Dismiss with prejudice.**

Board Member Walkenhorst seconded the motion. Motion carried with Mustoe, Walkenhorst, Downing, and Hynek voting aye.

**F. CONSIDERATION OF OTHER EXECUTIVE SESSION ITEMS**

**1. 2020.03**

The Board reviewed the information provided by the appraisal management company in response to the Board's inquiry for 2020.03. The Board found that the action taken by the appraisal management company was sufficient. Board Member Mustoe moved to close the matter. Board Member Downing seconded the motion. Motion carried with Mustoe, Walkenhorst, Downing, and Hynek voting aye.

**2. 2020.04**

The Board reviewed an appraisal report received from the Fannie Mae Loan Quality Center. The Board concluded that there were no substantial errors that lead to non-credible results. No action was taken by the Board.

**3. 2020.05**

The Board reviewed an appraisal report received from the Fannie Mae Loan Quality Center. The Board concluded that there were no substantial errors that lead to non-credible results. No action was taken by the Board.

**4. Personnel Matters:** No discussion.

**R. ADJOURNMENT**

Board Member Mustoe moved to adjourn the meeting. Board Member Downing seconded the motion. Motion carried with Mustoe, Walkenhorst, Downing, and Hynek voting aye. At 10:18 a.m., Chairperson Hynek adjourned the December 17, 2020 meeting of the Real Property Appraiser Board.

Respectfully submitted,

Tyler N. Kohtz  
Director

These minutes were available for public inspection on January 5, 2021, in compliance with Nebraska Revised Statute § 84-1413 (5).