

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

**September 16, 2021 Meeting Minutes**

**A. OPENING**

Chairperson Christopher Mustoe called to order the September 16, 2021 meeting of the Nebraska Real Property Appraiser Board at 9:00 a.m., in the Nebraska Real Property Appraiser Board meeting room located on the first floor of the Nebraska State Office Building, 301 Centennial Mall South, Lincoln, Nebraska.

**B. NOTICE OF MEETING**

Chairperson Mustoe 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 September 9, 2021. The agenda was kept current in the Nebraska Real Property Appraiser Board office and on the Board's website. In accordance with the Open Meetings Act, at least one copy of all reproducible written material for this meeting, either in paper or electronic form, was available for examination and copying by members of the public. The material in paper form was available on the table in a public folder, and the material in electronic form was available on the Board's website in Public Meeting Material ([https://appraiser.ne.gov/board\\_meetings/](https://appraiser.ne.gov/board_meetings/)). A copy of the Open Meetings Act was available for the duration of the meeting. For the record, Board Members Christopher Mustoe of Omaha, Nebraska, Thomas Luhrs of Imperial, Nebraska, Wade Walkenhorst of Lincoln, Nebraska, Bonnie Downing of Dunning, Nebraska, and Cody Gerdes of Lincoln, Nebraska were present. Also present were Director Tyler Kohtz, Business and Licensing Program Manager Allison Nespor, and Business and Education Program Manager Katja Duerig, who are all headquartered in Lincoln, Nebraska.

**ADOPTION OF THE AGENDA**

Chairperson Mustoe 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 Luhrs moved to adopt the agenda as printed. Board Member Downing seconded the motion. With no further discussion, the motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

Board Member Luhrs 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 9:03 a.m. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

Board Member Luhrs moved to come out of executive session at 9:19 a.m. Board Member Walkenhorst seconded the motion. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

**G. WELCOME AND CHAIR’S REMARKS**

Chairperson Mustoe welcomed all, and said, “Let’s keep it short and simple. I hope everyone is enjoying fall.” There were no members of the public present.

**H. BOARD MEETING MINUTES**

**1. APPROVAL OF AUGUST 19, 2021 MEETING MINUTES**

Chairperson Mustoe asked for any additions or corrections to the August 19, 2021 meeting minutes. With no discussion, Chairperson Mustoe called for a motion. Board Member Downing moved to adopt the August 19, 2021 meeting minutes as presented. Board Member Luhrs seconded the motion. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

**I. DIRECTOR’S REPORT**

**1. REAL PROPERTY APPRAISER AND AMC COUNTS AND TRENDS**

**a. Real Property Appraiser Report**

Director Kohtz presented seven charts outlining the number of real property appraisers as of September 16, 2021 to the Board for review. The Director reported that he had no specific comments and asked for questions or comments. There was no discussion.

**b. Temporary Real Property Appraiser Report**

Director Kohtz presented three charts outlining the number of temporary credentials issued as of August 31, 2021 to the Board for review. The Director asked for any questions or comments. There was no further discussion.

**c. Supervisory Real Property Appraiser Report**

Director Kohtz presented two charts outlining the number of supervisory real property appraisers as of September 16, 2021 to the Board for review. The Director reported that he had no comments, and asked for any questions or comments. There was no discussion.

**d. AMC Report**

Director Kohtz presented two charts outlining the number of AMCs as of September 16, 2021 to the Board for review. The Director reported that he had no comments, and asked for any questions or comments. There was no discussion.

**2. DIRECTOR APPROVAL OF APPLICANTS**

**a. Real Property Appraiser Report**

Director Kohtz presented the Real Property Appraiser Report to the Board for review showing real property appraiser applicants approved for credentialing by the Director, and the real property appraiser applicants approved to sit for exam by the Director, for the period between August 11, 2021 and September 7, 2021. The Director asked for any questions or comments. There was no further discussion.

### **3. 2021-22 NRPAB GOALS AND OBJECTIVES + SWOT ANALYSIS**

Director Kohtz presented the 2021-22 NRPAB Goals and Objectives and SWOT Analysis to the Board for review and provided a status update. The Director guided the Board to Laws, Rules, and Guidance Documents, and reported that the changes to Title 298 adopted by the Board on August 19, 2021 have been submitted to the Attorney General's Office for review. The Director informed the Board that the next step is waiting for approval from the Attorney General's Office. Once approval is obtained from the Attorney General's Office, the changes to Title 298 will be sent to the Governor's Policy and Research Office for review. Chairperson Mustoe inquired whether the Board needs to approve the minutes from the Title 298 hearing. Director Kohtz reported that, surprisingly, there is no requirement to have minutes at these hearings. The Director noted that what is called a Certificate of Adoption serves as an official record that the hearing took place, and the Board adopted the proposed rules; this is submitted to the Attorney General's Office, and again to the Governor's Policy and Research Office with the adopted changes. Director Kohtz then moved to Credentialing and Registration, and informed the Board that no progress has been made by OCIO on the Potential Supervisory Real Property Appraiser List Derived from Application for Renewal of Nebraska Real Property Appraiser Credential Question project. Director Kohtz continued to Administration and reported that the purchase of video equipment and software needed to hold NRPAB meetings by virtual conferencing is on the agenda under Financial Report and Considerations, so he would not go into detail now. Finally, Director Kohtz informed the Board that no response has been received from OCIO regarding the request for a cost estimate for the Develop API Translator between NRPAB Database and ASC Federal Registries project and the AMC Renewal Online Application and Interface project. Director Kohtz asked for any questions or comments. With no further discussion, Chairperson Mustoe invited the Director to proceed to Financial Report and Considerations.

## **J. FINANCIAL REPORT AND CONSIDERATIONS – SEPTEMBER 2021**

### **1. APPROVAL OF AUGUST RECEIPTS AND EXPENDITURES**

The receipts and expenditures for August were presented to the Board for review in the Budget Status Report. Director Kohtz brought attention to two expenses resulting from the Department of Administrative Services annual assessments of the agency, one Worker Comp Premiums expenditure for \$1,528.00 and one Purchasing Assessment expenditure for \$83.00. The Director moved on to the Publication and Print Expense in the amount of \$508.84 and indicated that this includes the quarterly copy services charges for April through June. Director Kohtz also guided the Board to the Conference Registration expense of \$515.00 and informed the Board that this expenditure was for his Fall AARO Conference registration. The Director indicated that expenditures for the month of August totaled \$24,942.32, which amounts to 12.79 percent of the budgeted expenditures for the fiscal year; 16.99 percent of the fiscal year has passed. The Director noted that the Board is doing a good job keeping expenditures low. The Director then turned the Board's attention to revenues and declared that Certified General Renewal and Certified Residential Renewal fees were once again high for the month as a result of making the real property appraiser renewal application available in July. Director Kohtz remarked that these early real property appraiser renewals will lighten the typically heavy load of renewal applications in November and December. Revenues reported for August were \$21,390.82, and total revenues amount to 13.15 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 MTD General Ledger for August. The Director noted an entry labelled NRPAB JE CORRECT AMC DEPOSIT, which describes a transaction made to correct an accounting error in the AMC budget revenues. Director Kohtz indicated that the AMC renewal fees received for a specific date were accidentally coded as AMC Registered New Fees. Director Kohtz 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 August 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 \$320,466.02, the Appraiser Fund is \$372,078.51, and the overall cash balance for both funds is \$692,544.53. Director Kohtz announced that both the AMC Fund and Appraiser Fund cash balances are at five-year highs. There was no further discussion.

Board Member Luhrs moved to accept and file the August 2021 financial reports for audit. Board Member Walkenhorst seconded the motion. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

## **2. 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.

## **3. MEETING OWL PRO**

Director Kohtz presented information about the Owl Labs Meeting Owl Pro video conference device to the Board for review. The Director reported that he has researched video conferencing equipment, and this is the most suitable option due to its ease of use and efficiency. In addition, it is a cost-effective option as this is not a hard-wired system. Director Kohtz reminded the Board that the Nebraska Open Meetings Act has been amended to allow for up to half of the Board's regular meetings to be conducted via virtual conferencing annually. Board Members can choose whether they want to attend such a meeting in-person at the office or virtually in accordance with the Open Meetings Act. The Director informed the Board that the cost for the Meeting Owl Pro is \$1,187.01, but he would like approval of \$1,500.00 to account for accessories such as a mount and cables needed to operate the Meeting Owl Pro. Board Member Walkenhorst inquired if the Director knew whether other agencies used this device. Director Kohtz responded that he did not know what other agencies use for their virtual meetings. Chairperson Mustoe asked, where exactly in the budget does the \$1,500 come from, and would the budget need to be altered in any way? Chairperson Mustoe also asked if the State offered any Covid related funds that could be utilized for this expense. The Director responded that the Board has \$1,197.92 in Other Operating Exp that is intended to be used for special projects or unforeseen expenditures. This budgeted allocation would cover the majority of this expenditure. Director Kohtz also announced that there are no Covid related funds or programs that could be utilized by the Board for such an expenditure.

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Chairperson Mustoe remarked that holding a meeting by virtual conferencing would also result in savings to the travel budget as vehicle mileage and lodging would not be required. Director Kohtz agreed with Chairperson Mustoe and informed the Board that each virtual meeting would result in a cost savings of at least \$700.00 per meeting. A discussion took place about virtual meetings and public accessibility. Director Kohtz explained that the public would be able to attend the meeting in person, or virtually through a WebEx meeting link provided in the meeting notice. Board Member Gerdes asked whether board members attending a virtual meeting would need a device such as the Meeting Owl Pro. Director Kohtz replied that board members attending virtually would not need such a device, they would need only to log in to WebEx. Chairperson Mustoe expressed his support for the purchase of the Meeting Owl Pro and called for a motion. Board Member Luhrs moved to approve \$1,500.00 for the purchase of the Meeting Owl Pro and accessories. Board Member Walkenhorst seconded the motion. Motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

#### **K. GENERAL PUBLIC COMMENTS**

Chairperson Mustoe asked for any public comments. With no comments, Chairperson Mustoe proceeded to Consideration of Education/Instructor Requests.

#### **L. CONSIDERATION OF EDUCATION/INSTRUCTOR REQUESTS:** No discussion.

#### **M. UNFINISHED BUSINESS**

##### **1. REAL PROPERTY APPRAISER NATIONAL UNIFORM LICENSING AND CERTIFICATION EXAM TESTING SERVICE INQUIRY**

Director Kohtz reported that he has no update for the testing service inquiry, and has not received a response from Pearson Vue after two attempts to contact them, most recently on August 9, 2021. BLPM Nespor remarked that three applicants are ready to take the exam, but there have been problems with the testing service scheduling portal. These applicants must complete the exam by September 28, 2021. Chairperson Mustoe asked if the Board could extend the deadline. Director Kohtz replied that twelve months is the statutory time limit to complete the exam after an applicant is approved to sit for the exam, and that a waiver to the exam time requirement issued by the Appraisal Subcommittee allows an applicant in a state under a state of emergency to have up to three months after the state of emergency is ended to complete the exam. Governor Ricketts ended Nebraska's State of Emergency declaration in July. The Director added that BLPM Nespor has done an excellent job staying in contact with applicants and the testing service during this time; she is doing everything that can be done to get the exams scheduled. Director Kohtz finished by saying that there really are no more options for these individuals. The Director asked for any questions or comments. There were none. Director Kohtz informed the Board that he will remove this item from the agenda until there is something to report on the inquiry. There was no further discussion.

## **2. RENEWAL SEASON TEMPORARY EMPLOYEES**

Director Kohtz reported that only four applications were received for the two renewal season temporary employee openings, which is not a satisfactory pool of candidates. The Director informed the Board that due to the lack of applicants, the strategy is changing from utilizing Board-selected college interns to requesting that SOS assign a person from their existing pool. The Director asked for any questions or comments. There was no further discussion.

## **N. NEW BUSINESS**

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

Chairperson Mustoe declared that he has enjoyed being a part of the Board, its ups, and its downs, but it is time to move on. Director Kohtz thanked the Chairperson for his service, and presented a Memo from the Board titled, "Open 2nd Congressional District Certified Real Property Appraiser Representative Position" to the Board for consideration. Board Member Walkenhorst brought attention to the fact that the Nebraska State Legislature is in the process of drafting updated congressional districts, and what the 2nd district will look like is not currently known. Director Kohtz thanked Board Member Walkenhorst for the reminder, suggested removing the map of District 2 from the memo, and simply writing, "must live in District 2 as it exists on January 1, 2022." Chairperson Mustoe supported this change, and all board members agreed. Board Member Luhrs moved to approve the Memo from the Board titled, "Open 2nd Congressional District Certified Real Property Appraiser Representative Position" as amended. Board Member Downing seconded the motion. Motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

Board Member Walkenhorst informed the Board that he would like to make an announcement that concerns his position as the Board's financial institutions representative. Board Member Walkenhorst declared that he is retiring from his employment in April of 2022. Chairperson Mustoe congratulated Board Member Walkenhorst on his retirement. Board Member Walkenhorst indicated that he did not want to surprise the Board with his retirement, and wanted to provide a sufficient amount of time for the Board to establish and carry out any needed changes. Director Kohtz reported that the last time a board member no longer met the qualification for the purpose of his or her appointment, the Governor requested that the board member resign from the Board. The Director added, just because that was the decision at that time does not mean that it will be the decision this time. Director Kohtz stated that he would contact the Governor's Office to inform the Governor of Board Member Walkenhorst's status when it gets closer to that time, and congratulated Board Member Walkenhorst on his retirement. There was no further discussion.

## **O. LEGISLATIVE REPORT AND BUSINESS**

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

Director Kohtz reported that the Nebraska Real Property Appraiser Act update is still in bill drafting, and expressed hope that it will be finished soon. The Director asked for any questions or comments. There was no discussion.

### **2. OTHER LEGISLATIVE MATTERS**

Director Kohtz asked the Board if it had any other legislative matters that it wished to discuss. There was no further discussion.

**P. ADMINISTRATIVE BUSINESS**

- 1. GUIDANCE DOCUMENTS:** No discussion.
- 2. INTERNAL PROCEDURAL DOCUMENTS:** No discussion.
- 3. FORMS, APPLICATIONS, AND PROCEDURES:** No discussion.

**Q. OTHER BUSINESS**

- 1. BOARD MEETINGS:** No discussion.
- 2. CONFERENCES/EDUCATION:** No discussion.
- 3. MEMOS FROM THE BOARD:** No discussion.

**4. QUARTERLY NEWSLETTER**

**a. Summer 2021 Edition of The Nebraska Appraiser**

Director Kohtz presented the Summer 2021 edition of The Nebraska Appraiser to the Board for review. Board Member Walkenhorst moved to approve the Summer 2021 Edition of The Nebraska Appraiser as presented. Board Member Luhrs seconded the motion. Motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

**5. APPRAISAL SUBCOMMITTEE**

**a. ASC Meeting: November 17, 2021**

Director Kohtz reported that the next ASC meeting will be held on November 17, 2021. The Director asked for any questions or comments. There was no discussion.

**6. THE APPRAISAL FOUNDATION**

**a. TAF September Newsletter**

Director Kohtz presented The Appraisal Foundation's September newsletter to the Board for review. The Director asked for any questions or comments. There was no discussion.

**b. Appraiser Qualifications Board**

**i. AQB Public Meeting: November 19, 2021 – Virtual**

Director Kohtz reported that the AQB will hold a virtual public meeting on November 19, 2021. The Director asked for any questions or comments. There was no discussion.

**ii. AQB Adopts Changes to Real Property Appraiser Qualification Criteria**

Director Kohtz presented a press release titled, “AQB Adopts Changes to Real Property Appraiser Qualification Criteria.” The Director declared that significant changes were made to the education criteria, and the Board will have to update Title 298 to conform to these changes. Director Kohtz noted that no changes need to be made to the Real Property Appraiser Act because the Real Property Appraiser Act provides a general authority to the Board for an education program to be promulgated through the rules. Since the criteria changes will go into effect on January 1, 2022, and the Board will not have time to update Title 298 before then, issuance of a guidance document detailing the acceptance of synchronous education is recommended by the Director. Chairperson Mustoe expressed support for the idea, saying that livestream education has been a good thing for real property appraisers. The Director reported that a guidance document will be drafted and placed before the Board next month, and asked for any additional questions or comments. There was no further discussion.

**c. Appraisal Standards Board**

**i. First Exposure Draft of proposed changes to the 2023 edition of USPAP**

Director Kohtz presented the First Exposure Draft of proposed changes to the 2023 edition of USPAP to the Board for review. The Director brought attention to the fact that this edition will cover one year rather than two, so it will require a legislative bill two years in a row. Director Kohtz commented on the following changes:

- On page Q.24, “disability” is added as a protected class, and a Comment is added to explain when supported conclusions based on the characteristics of protected classes may be allowed.
- Clarification is added to the reporting requirements for inspections on page Q.28.
- The words “and other transfers” are added to the development and reporting requirements for prior sales on page Q.30.
- A minor edit is described on page Q.39 related to the reporting requirements for significant real property appraisal assistance.
- On page Q.60, the definitions of “misleading,” “relevant characteristics,” and “personal inspection” are stricken.
- On page Q.61, the definitions of “appraiser,” “assignment elements,” and “workfile” are amended.
- A definition of “his or her” is added on page Q.62

Director Kohtz asked for any questions or comments. There was no further discussion.

**7. ASSOCIATION OF APPRAISER REGULATORY OFFICIALS:** No discussion.

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

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

Board Member Luhrs moved to take the following actions for the applicants as listed:

- CG21012R / Approve as Certified General Real Property Appraiser.**
- CG21019 / Approve real property appraisal experience hours claimed for real property located outside of the State of Nebraska and authorize staff to continue processing application.**

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

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

**E. CONSIDERATION OF COMPLIANCE MATTERS**

The Board discussed compliance matters 20-11, 21-04, and 21-05. No actions were taken by the Board.

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

**1. 2021.09**

The Board reviewed a matter in which an education provider may be offering or attempting to offer appraiser education activities to Nebraska resident real property appraisers without first obtaining approval by the Board. Based on review of the education provider's website, the Board concluded that the education provider is not offering or attempting to offer appraiser education activities to Nebraska resident real property appraisers. Board Member Luhrs moved to close the matter. Board Member Downing seconded the motion. Motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

**2. PERSONNEL MATTERS:** No discussion.

**R. ADJOURNMENT**

Board Member Luhrs moved to adjourn the meeting. Board Member Downing seconded the motion. Motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye. At 10:04 a.m., Chairperson Mustoe adjourned the September 16, 2021 meeting of the Real Property Appraiser Board.

Respectfully submitted,

Tyler N. Kohtz  
Director

These minutes were available for public inspection on September 23, 2021, in compliance with Nebraska Revised Statute § 84-1413 (5).