

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

May 19, 2022 Meeting Minutes

A. OPENING

Chairperson Thomas Luhrs called to order the May 19, 2022 meeting of the Nebraska Real Property Appraiser Board at 9:04 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 Luhrs 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 on May 9, 2022. 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/). A copy of the Open Meetings Act was available for the duration of the meeting. For the record, Board Members Thomas Luhrs of Imperial, Nebraska, Wade Walkenhorst of Lincoln, Nebraska, Bonnie Downing of Dunning, Nebraska, Cody Gerdes of Lincoln, Nebraska, and Kevin Hermesen of Gretna, Nebraska were present. Also present were Director Tyler Kohtz, Business and Licensing Program Manager Allison Nesper, and Business and Education Program Manager Katja Duerig, who are all headquartered in Lincoln, Nebraska.

ADOPTION OF THE AGENDA

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

Board Member Walkenhorst 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 9:07 a.m. The motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye.

Board Member Downing moved to come out of executive session at 9:49 a.m. Board Member Walkenhorst seconded the motion. The motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye.

Break from 9:50 a.m. to 9:57 a.m.

G. WELCOME AND CHAIR'S REMARKS

Chairperson Luhrs welcomed all to the May 19, 2022 meeting of the Nebraska Real Property Appraiser Board. Roger Morrissey was the only member of the public present.

H. NRPAB EMPLOYEE RECOGNITION AWARD

Director Kohtz brought attention to the contract employee performance recognition discussion that took place during the Board's 2021 strategic planning meeting and reminded the Board that \$1,000.00 was included in the budget for recognition of contract employees who achieve a score of four or above with an award of up to \$500.00 through the Employee Recognition Program. The Director went on to say that Allison and Katja have represented the Board with integrity, and have performed their duties with efficiency and accuracy. In accordance with the Board's Employee Recognition Plan, Allison and Katja are each awarded a monetary gift of \$500.00, issued through the June 1, 2022 payroll, for their excellence in service. The Board thanked Ms. Nespor and Ms. Duerig for their service.

I. BOARD MEETING MINUTES

1. APPROVAL OF APRIL 21, 2022 MEETING MINUTES

Chairperson Luhrs asked for any additions or corrections to the April 21, 2022 meeting minutes. With no discussion, Chairperson Luhrs called for a motion. Board Member Walkenhorst moved to approve the April 21, 2022 meeting minutes as presented. Board Member Downing seconded the motion. Chairperson Luhrs recognized the motion and asked for any discussion. With no discussion, Chairperson Luhrs called for a vote. The motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye.

J. 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 May 19, 2022 to the Board for review. The Director reported that this calendar year's numbers for certified residential and certified general real property appraisers credentialed through education, experience, and examination will surpass last year's, and that this is the first positive trend in a long while. Director Kohtz added that this is a very good sign for the industry. The Director then asked for any questions or comments. There was no further discussion.

b. Temporary Real Property Appraiser Report

Director Kohtz presented three charts outlining the number of temporary credentials issued as of April 30, 2022 to the Board for review. The Director reported that he had no specific comments and asked for any questions or comments. There was no discussion.

c. Supervisory Real Property Appraiser Report

Director Kohtz presented two charts outlining the number of supervisory real property appraisers as of May 19, 2022 to the Board for review. The Director reported that there were no changes in trends and that he had no specific comments. Director Kohtz asked for any questions or comments. There was no further discussion.

d. Appraisal Management Company Report

Director Kohtz presented two charts outlining the number of AMCs as of May 19, 2022 to the Board for review. Director Kohtz indicated 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 April 12, 2022 and May 4, 2022. The Director asked for any questions or comments. There was no further discussion.

b. Education Activity and Instructors Report

Director Kohtz presented the Education Activities and Instructors Report to the Board for review showing education activities and instructors approved by the Director for the period between April 12, 2022 and May 4, 2022. 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 goals related to Public Information and reported that BLPM Nespor began exploring the addition of a solid or scrolling message screen at the top of the NRPAB website for use to disseminate relevant timely information this month. Director Kohtz stated that he had no other comments and asked for any questions or comments. There was no further discussion.

Director Kohtz closed his report by recognizing the passing of Chairperson Luhrs's mother, and presented a card to Chairperson Luhrs on behalf of the staff and Board. Chairperson Luhrs thanked everyone.

K. FINANCIAL REPORT AND CONSIDERATIONS – MAY 2022

1. APPROVAL OF APRIL RECEIPTS AND EXPENDITURES

The receipts and expenditures for April were presented to the Board for review in the Budget Status Report. Director Kohtz brought attention to the Office Supplies Expense of \$501.58. The Director reported that this expense includes the expansion microphone set for the Polycom system. Director Kohtz indicated that expenditures for the month of April totaled \$22,814.88, and the year-to-date expenditures for the fiscal year are \$275,255.52, which amounts to 65.82 percent of the budgeted expenditures for the fiscal year; 83.29 percent of the fiscal year has passed.

The Director turned the Board's attention to revenues. Director Kohtz reported that revenues for April were \$19,528.73, and that the year-to-date revenues for the fiscal year are \$352,580.61, which amounts to 99.80 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 April and informed the Board that he had no questions or comments. The Director 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 pointed out the expenditures and revenues for the month of April 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 \$357,970.27, the Appraiser Fund is \$413,162.95 and the overall cash balance for both funds is \$771,133.22. The Director asked for any questions or comments. There was no further discussion.

Board Member Walkenhorst moved to accept and file the April 2022 financial reports for audit. Board Member Downing seconded the motion. Chairperson Luhrs recognized the motion and asked for any discussion. With no discussion, Chairperson Luhrs asked for a vote. The motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye.

2. FY 2021-22 BUDGET AMENDMENT

Director Kohtz presented the amended FY 2021-22 budget to the Board for consideration. The Director reported that the Legislature passed LB1011, which provides the additional allocation for the reclassification of BEPM Duerig's position. In addition, the Board has approved a few special projects during this fiscal year that necessitated a budget amendment. Director Kohtz noted that he held off on bringing any amendments to the Board until after the fate of LB1011 was known, so that to all amendments could be approved at one time. The Director then guided the Board to the proposed amended FY 2021-22 budget, and informed the Board that amendments include the LB1011 increase of personal service funds related to the reclassification of the Administrative Specialist position to Business and Education Program Manager, and the reallocation of existing funds for database and scanning projects. Director Kohtz informed the Board that the approved database projects are funded through the next fiscal year as the carryover allocation from this fiscal year will be applied to these projects during the next fiscal year. Finally, the Director commented that staff is currently using overtime for strategic planning preparation and other priority tasks. There will be an additional \$5,000.00 approximately, depending on how much overtime is utilized by staff, that will also be included in the carryover allocation for next fiscal year. Director Kohtz asked for any questions or comments. With no questions or comments, the Director requested a motion to approve the amended budget. Board Member Downing moved to approve the amended FY 2021-22 Budget as presented. Board Member Gerdes seconded the motion. Chairperson Luhrs recognized the motion and asked for any discussion. With no discussion, Chairperson Luhrs asked for a vote. The motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye.

3. PER DIEMS

a. Hermsen – May 9, 2022 City of Omaha – Housing Affordability Action Plan Session

Director Kohtz requested a per diem payment in the amount of \$100.00 on behalf of Board Member Hermsen for representing the Board during the City of Omaha Housing Affordability Action Plan Session on May 9, 2022.

b. Downing – May 18, 2022 Applicant Informal Conference

Director Kohtz requested a per diem payment in the amount of \$100.00 on behalf of Board Member Downing for representing the Board during an applicant informal conference on May 18, 2022.

Board Member Walkenhorst moved to approve per diem payments in the amount of \$100.00 each for Board Members Hermsen and Downing. Board Member Gerdes seconded the motion. Chairperson Luhrs recognized the motion and asked for any discussion. With no discussion, Chairperson Luhrs asked for a vote. The motion carried with Walkenhorst, Downing, Gerdes, Hermsen, and Luhrs voting aye.

4. APPLICANT APPRAISAL REVIEW SERVICES CONTRACTS

Director Kohtz presented a request for amendment to Applicant Appraisal Review Services Contracts #99528 and #99529 to the Board for consideration, and asked BLPM Nespor to provide an overview of the amendment requests. BLPM Nespor informed the Board that the normal applicant appraisal review services contractor procedures were followed for review of two reports, which were the purpose for, and subject of, each of the contracts. The contractor reported that both subject reports were complex, and requested the contract be amended to include the additional hours required to perform the services as specified in the contract. BLPM Nespor noted that between the time this request was made and the board meeting, the USPAP Compliance Review Reports were completed for both contracts and the Board was invoiced with the additional hours included. BLPM Nespor added that this contractor typically bills the agency less than the contract maximum and has previously completed seventeen appraisal review assignments for the Board.

a. Applicant Appraisal Review Services Contract #99528 Amendment Request

Board Member Walkenhorst moved to increase the maximum compensation in Applicant Appraisal Review Services Contract #99528 by \$500.00. Board Member Gerdes seconded the motion. Chairperson Luhrs recognized the motion and asked for any discussion. With no discussion, Chairperson Luhrs asked for a vote. The motion carried with Walkenhorst, Downing, Gerdes, Hermsen, and Luhrs voting aye.

b. Applicant Appraisal Review Services Contract #99529 Amendment Request

Board Member Downing moved to increase the maximum compensation in Applicant Appraisal Review Services Contract #99529 by \$500.00. Board Member Gerdes seconded the motion. Chairperson Luhrs recognized the motion and asked for any discussion. With no discussion, Chairperson Luhrs asked for a vote. The motion carried with Walkenhorst, Downing, Gerdes, Hermsen, and Luhrs voting aye.

L. GENERAL PUBLIC COMMENTS

Chairperson Luhrs asked for any public comments. Roger Morrissey asked where the Board stands on PAREA. Director Kohtz responded that the acceptance of PAREA is adopted into Nebraska law, however there are no PAREA programs publicly available at this time. With no further comments, Chairperson Luhrs moved on to Consideration of Education/Instructor requests.

M. CONSIDERATION OF EDUCATION/INSTRUCTOR REQUESTS: No discussion.

N. UNFINISHED BUSINESS: No discussion.

O. NEW BUSINESS: No discussion.

P. LEGISLATIVE REPORT AND BUSINESS: No discussion.

Q. ADMINISTRATIVE BUSINESS

1. GUIDANCE DOCUMENTS

a. 22-01: Education Activity Instructor Application Requirements

Director Kohtz presented Guidance Document 22-01 titled, "Education Activity Instructor Application Requirements" to the Board for consideration. The Director informed the Board that this guidance document clarifies that the Board's interpretation of an application for instructor as specified in Section 005, Chapter 6, of Title 298 is the same as the application for the education activity. Director Kohtz reported that the ASC's guidance on COVID-19 providing a waiver allowing for in-class education activities to be offered online without meeting the requirements for online delivery as recommended by the AQB changed the way education providers determine qualified instructors for synchronous education activities as it is not known by the education provider which instructor will be teaching a scheduled activity. This has led to a significant increase in the number of instructor applications received and reviewed by the Board, which adds to the processing time required for each education activity. Although this was thought to be a temporary issue due to the ASC Temporary Waiver, it became a permanent issue when the AQB concluded that synchronous education offerings were equivalent to traditional in-person classroom offerings, and as a result, proposed separating synchronous courses from asynchronous courses. The AQB adopted a new edition of the Criteria on August 24, 2021. The Director then stated that this guidance document brings the Board's requirements for instructor approval closer to the AQB's Course Approval Program, in which an instructor policy is required, but an individual instructor application is not. Instructor information will be reported on the education activity application, and the affidavit section of the application will include language stating that an instructor meets the Title 298 requirements. Director Kohtz added that the Board will retain its authority to enforce its rules for any instructor in violation of the Real Property Appraiser Act or Title 298. The Director asked for any questions or comments. With no further discussion, Chairperson Luhrs requested a motion. Board Member Downing moved to approve Guidance Document 22-01 as presented. Board Member Hermesen seconded the motion. Chairperson Luhrs recognized the motion and asked for any discussion. With no discussion, Chairperson Luhrs asked for a vote. The motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye.

2. INTERNAL PROCEDURAL DOCUMENTS: No discussion.

3. FORMS, APPLICATIONS, AND PROCEDURES

Director Kohtz reported that many forms and applications have been updated for consideration by the Board. The Director presented the proposed Application for Preliminary Criminal History Review: Applicant for Credentialing as a Nebraska Real Property Appraiser or More than 10% Owner of an Appraisal Management Company, Application for Nebraska Real Property Appraiser Temporary Credential, Application for Renewal of Nebraska Real Property Appraiser Temporary Credential, 2023-2024 Application for Two-Year Renewal of Nebraska Trainee Real Property Appraiser Credential, 2023-2024 Application for Renewal of Nebraska Real Property Appraiser Credential, Real Property Appraiser Credential Renewal Questions and Answers, Nebraska Real Property Appraiser Continuing Education Requirements, Real Property Appraiser Credential Renewal Application Procedures, and asked BLPM Nespor to provide an overview of the changes to each document.

a. Application for Preliminary Criminal History Review: Applicant for Credentialing as a Nebraska Real Property Appraiser or More than 10% Owner of an Appraisal Management Company.

BLPM Nespor informed the Board that statute sets the fee at no more than \$100.00, During review of the Board's last draft, the GPRO asked the Board to decrease this fee to \$50.00. This form is being updated due to the changes made in Title 298 effective on December 21, 2021.

b. Application for Nebraska Real Property Appraiser Temporary Credential

BLPM Nespor reported that the completion date requirement is removed in accordance with the LB707 changes, and the attestation form is added since a temporary credential falls under the requirements of Neb. Rev. Stat. §§ 4-108 through 4-114.

c. Application for Renewal of Nebraska Real Property Appraiser Temporary Credential

BLPM Nespor indicated that the completion date requirement is once again removed in accordance with the LB707 changes, but that the attestation form is not added since this is an extension of the original credential issued.

d. 2023-2024 Application for Two-Year Renewal of Nebraska Trainee Real Property Appraiser Credential

BLPM Nespor informed the Board that the dates are updated, and another option is added for reporting the 7-Hour USPAP Update Course for those that are not required to report during this particular year of their renewal period.

e. 2023-2024 Application for Renewal of Nebraska Real Property Appraiser Credential

BLPM Nespor indicated that the dates are updated, and the two-year education period is expanded to meeting the new definition changed in LB707. Director Kohtz added that this language does not yet meet the LB707 changes as presented. Language needs to be added to address the additional two-year education periods for those that obtain their credential through reciprocity and have held a credential in another jurisdiction as of January 1st of the year in which they are credentialed. BLPM Nespor indicated that this language will be added to match that on page two of the Real Property Appraiser Credential Renewal Questions and Answers. BLPM Nespor then brought attention to the voluntary supervisory real property appraiser contact list and directed the Board to the CIO Azure DevOps Work Item #20392 document that includes the statements. BLPM Nespor added that this document shows the first two statements as questions, but they will be statements when this goes live. BLPM Nespor indicated that work is being completed on this project, but it is unclear as to if it will be completed prior to July 1, 2022. BLPM Nespor asked if the Board wants to see this application on the agenda again if the project is completed on time, or if staff should add the statements to the application approved today. Director Kohtz added that the timing might be very tight. The Board agreed that the supervisory real property appraiser voluntary contact information list statements should be added to the application if the project is completed on time.

f. Real Property Appraiser Credential Renewal Questions and Answers

BLPM Nespor reported that the dates are updated, the two-year education period is expanded to meeting the new definition changed in LB707, and continuing education completed in another jurisdiction is better clarified to align with changes made to the Real Property Appraiser Qualifications Criteria effective on January 1, 2022.

g. Nebraska Real Property Appraiser Continuing Education Requirements

BLPM Nespor once again indicated that the dates are updated, the two-year education period is expanded to meeting the new definition changed in LB707, and continuing education completed in another jurisdiction is better clarified to align with changes made to the Real Property Appraiser Qualifications Criteria effective on January 1, 2022.

h. Real Property Appraiser Credential Renewal Application Procedures

BLPM Nespor reported that the dates are updated, employee business titles are updated, the procedures for reviewing the two-year education period and required continuing education are better clarified. In addition, the procedures for reviewing and approving continuing education completed in another jurisdiction are better clarified to align with changes made to the Real Property Appraiser Qualifications Criteria effective on January 1, 2022. Finally, BLPM Nespor indicated that the late renewal procedures were updated to better reflect current practice.

Board Member Downing moved to approve the Application for Preliminary Criminal History Review: Applicant for Credentialing as a Nebraska Real Property Appraiser or More than 10% Owner of an Appraisal Management Company as presented, Application for Nebraska Real Property Appraiser Temporary Credential as presented, Application for Renewal of Nebraska Real Property Appraiser Temporary Credential as presented, 2023-2024 Application for Two-Year Renewal of Nebraska Trainee Real Property Appraiser Credential as presented, Real Property Appraiser Credential Renewal Questions and Answers as presented, Nebraska Real Property Appraiser Continuing Education Requirements as presented, Real Property Appraiser Credential Renewal Application Procedures as presented, and the 2023-2024 Application for Renewal of Nebraska Real Property Appraiser Credential as amended to include language addressing the additional two-year education periods for those that obtain their credential through reciprocity and have held a credential in another jurisdiction as of January 1st of the year in which they are credentialed as found on page two of the Real Property Appraiser Credential Renewal Questions and Answers, and to authorize staff to add the voluntary supervisory appraiser contact list statements to the application upon the completion of Work Item #20392. Board Member Walkenhorst seconded the motion. Chairperson Luhrs recognized the motion and asked for any discussion. With no discussion, Chairperson Luhrs asked for a vote. The motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye.

R. OTHER BUSINESS

1. BOARD MEETINGS

a. 2022 Strategic Planning – June 15, 2022; TBD

Director Kohtz brought attention to the strategic planning meeting tentatively scheduled for June 15, 2022. The Director reported that this meeting should be relatively relaxed this year, and asked what time the Board would like to meet. Chairperson Luhrs suggested 2:00 p.m. All board members agreed. Board Member Downing moved to schedule the 2022 Strategic Planning Meeting for June 15, 2022 at 2:00 p.m. Board Member Walkenhorst seconded the motion. Chairperson Luhrs recognized the motion and asked for any discussion. With no discussion, Chairperson Luhrs asked for a vote. The motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye.

2. CONFERENCES/EDUCATION

a. City of Omaha – Housing Affordability Action Plan Session (Hermesen Report)

Director Kohtz reported that Board Member Hermesen represented the Board at a Housing Affordability Action Plan Session hosted by the City of Omaha on May 9, 2022. The Director invited Board Member Hermesen to report on the session. Board Member Hermesen remarked that the topic of the roundtable discussion was how to combat the lack of affordable housing in the Omaha market. Attendees included City employees and officials, and representatives from banks, the Nebraska Investment Finance Authority, and companies conducting feasibility studies for affordable housing in the Omaha area.

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Board Member Hermesen noted that the Omaha housing market is not in equilibrium, and the amount of affordable housing is not adequate. Board Member Hermesen cited high costs for construction materials, labor, and land as challenges for builders. Affordable housing shortages can be addressed by social groups, but often, these groups focus on combating homelessness after it has occurred and have not been able to proactively keep people in homes. Board Member Hermesen reported that stakeholders are exploring several solutions, including TIF or other city funds for affordable housing, tax exemptions for developers, and programs to increase participation in trades such as electrical and building. The attendees also discussed an 84-unit housing complex being built by Streck Labs for its employees. Board Member Hermesen informed the Board that he relayed the challenges appraisers face related to the affordable housing shortage, specifically that cost does not equal value. Board Member Walkenhorst asked if only multi-family housing units were discussed, or if single-family homes were as well. Board Member Hermesen replied that all forms of housing were discussed, including single-family properties and student housing. Board Member Walkenhorst asked if the topic of investors purchasing homes and selling later at an inflated value, making homes less affordable for others, was discussed. Board Member Hermesen replied affirmatively and added that pre-approved financing was also mentioned as an issue because it gives fewer people a chance to make an offer. Board Member Hermesen asked for any other questions or comments. There was no further discussion. Chairperson Luhrs thanked Board Member Hermesen for his report.

3. MEMOS FROM THE BOARD: No discussion.

4. QUARTERLY NEWSLETTER: No discussion.

5. APPRAISAL SUBCOMMITTEE: No discussion.

6. THE APPRAISAL FOUNDATION

a. TAF May Newsletter

Director Kohtz presented The Appraisal Foundation's May newsletter to the Board for review. The Director informed the Board that he had no comments and asked for any questions or comments. There was no discussion.

b. TAF April State Regulator Newsletter

Director Kohtz presented The Appraisal Foundation's April state regulator newsletter to the Board for review. The Director informed the Board that he had no comments and asked for any questions or comments. There was no discussion.

c. Appraiser Qualifications Board Q&As

i. Partial PAREA Adoption and Experience Requirements

Director Kohtz presented the Appraiser Qualifications Board Q&A regarding Partial PAREA Adoption and Experience Requirements. The Director shared that the question had to do with state regulator acceptance of PAREA, specifically, if a state rules that they will only accept PAREA for 50% of the experience requirement, how does this affect the experience requirements for the remaining 50% experience? The Director stated that the AQB's answer to this was, "If a participant successfully completes PAREA, the Criteria deems the experience requirements satisfied, regardless in which state the participant is seeking a license. However, for partial approval of experience credit given to PAREA participants, it is up to states to determine how the rest of the experience credit should be given." 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.

Break from 10:58 a.m. to 11:06 a.m.

Board Member Walkenhorst 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 11:07 a.m. The motion carried with Walkenhorst, Downing, Gerdes, Hermsen, and Luhrs voting aye.

Board Member Downing moved to come out of executive session at 11:19 a.m. Board Member Hermsen seconded the motion. The motion carried with Walkenhorst, Downing, Gerdes, Hermsen, and Luhrs voting aye.

C. CREDENTIALING AS A NEBRASKA REAL PROPERTY APPRAISER

The Board reviewed CR22004, CG22009, CR22001, and CG22005. Chairperson Luhrs asked for motions on CG22009 and CG22005.

Board Member Walkenhorst moved to take the following action:

CG22009 / Provide redacted copy of USPAP Compliance Review Report, request written response to USPAP Compliance Review Report, and invite to informal conference. Assign Board Members Downing and Gerdes.

Board Member Hermsen seconded the motion. Chairperson Luhrs recognized the motion and called for a vote. Motion carried with Walkenhorst, Downing, Gerdes, Hermsen, and Luhrs voting aye.

Board Member Walkenhorst moved to take the following action:

CG22005 / Request that applicant complete additional agricultural-based education in 1) cost approach for general appraiser, 2) sales comparison approach for general appraiser, and 3) income approach for general appraiser offered by an education provider with an expertise in agricultural appraisal. Upon completion of the education, submit one additional agricultural focused report for a non-traditional client demonstrating all three approaches to value and market supported adjustments. Submit evidence of completed education and non-traditional report no later than May 19, 2023.

Board Member Hermesen seconded the motion. Chairperson Luhrs recognized the motion and called for a vote. Motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye.

D. REGISTRATION AS APPRAISAL MANAGEMENT COMPANY: No discussion.

E. CONSIDERATION OF COMPLIANCE MATTERS: No discussion.

F. CONSIDERATION OF OTHER EXECUTIVE SESSION ITEMS

1. 2022.03

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.

2. Personnel Matters

a. Director's Performance Review Discussion

The Board discussed personnel matters. Chairperson Luhrs moved to increase the Director's salary by 4.0% as recommended by the Governor and approved by the Legislature for FY 2022-23, effective July 1, 2022. Board Member Downing seconded the motion. Motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye.

S. ADJOURNMENT

Board Member Walkenhorst moved to adjourn the meeting. Board Member Hermesen seconded the motion. Motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye. At 11:25 a.m., Chairperson Luhrs adjourned the May 19, 2022 meeting of the Real Property Appraiser Board.

Respectfully submitted,

Tyler N. Kohtz
Director

These minutes were available for public inspection on May 25, 2022, in compliance with Nebraska Revised Statute § 84-1413 (5).