

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

July 20, 2023 Meeting Minutes

A. OPENING

Chairperson Walkenhorst called to order the July 20, 2023 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 Walkenhorst 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 July 11, 2023. 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 Wade Walkenhorst of Lincoln, Nebraska, Bonnie Downing of Dunning, Nebraska, and Cody Gerdes of Lincoln, Nebraska, were present. Thomas Luhrs of Imperial, Nebraska and Kevin Hermesen of Gretna, Nebraska were absent and excused. Also present were Director Tyler Kohtz, Business and Licensing Program Manager Allison Nespor, and Business and Education Program Manager Kashinda Sims, who are headquartered in Lincoln, Nebraska.

ADOPTION OF THE AGENDA

Chairperson Walkenhorst 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 Gerdes seconded the motion. With no further discussion, the motion carried with Downing, Gerdes, and Walkenhorst voting aye.

Board Member Downing 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 Gerdes seconded the motion. The time on the meeting clock was 9:03 a.m. The motion carried with Downing, Gerdes, and Walkenhorst voting aye.

Board Member Downing moved to come out of executive session at 9:31 a.m. Board Member Gerdes seconded the motion. The motion carried with Downing, Gerdes, and Walkenhorst voting aye.

G. WELCOME AND CHAIR'S REMARKS

Chairperson Walkenhorst welcomed all to the July 20, 2023 meeting of the Nebraska Real Property Appraiser Board and thanked everyone for attending. The Chairperson then thanked Vice-Chairperson Downing for covering in his absence last month. Finally, Chairperson Walkenhorst recognized Roger Morrissey as the only member of the public in attendance.

H. BOARD MEETING MINUTES

1. APPROVAL OF JUNE 21, 2023 STRATEGIC PLANNING MEETING MINUTES

Chairperson Walkenhorst asked for any additions or corrections to the June 21, 2023 strategic planning meeting minutes. With no discussion, Chairperson Walkenhorst called for a motion. Board Member Downing moved to approve the June 21, 2023 strategic planning meeting minutes as presented. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, and Walkenhorst voting aye.

2. APPROVAL OF JUNE 22, 2023 MEETING MINUTES

Chairperson Walkenhorst asked for any additions or corrections to the June 22, 2023 meeting minutes. With no discussion, Chairperson Walkenhorst called for a motion. Board Member Downing moved to approve the June 22, 2023 meeting minutes as presented. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, and Walkenhorst 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 July 20, 2023 to the Board for review. The Director indicated that he had no specific comments on this report and asked for any questions or comments. There was no discussion.

b. Real Property Appraiser Renewal Report

Director Kohtz presented four charts detailing the 2023-2024 real property appraiser renewals as of June 30, 2023. The Director informed the Board that the 2023-2024 renewal period has been closed, and indicated that June was an extremely busy month for processing real property appraiser renewal applications. Director Kohtz reported a two percent increase in the number of real property appraiser renewal applications processed compared to projected. This increase was driven by a two percent increase in the number of certified general real property appraiser renewals, which moved the percentage of renewals compared to projected to 89 percent from 87 percent.

(Continues on page 3)

(Continued from page 4)

According to the Director, roughly \$2,500.00 in revenues were received for real property appraiser renewals in June. The Director noted that the strong finish pushed actual real property appraiser renewals closer to projected, and a little closer to historic numbers, but were still a bit below projections for the fiscal year. The Board thanked Director Kohtz for the report.

c. Temporary Real Property Appraiser Report

Director Kohtz presented three charts outlining the number of temporary credentials issued as of June 30, 2023 to the Board for review. The Director indicated that he had no specific comments on this report other than trends are maintaining. The Director asked for any questions or comments. There was no discussion.

d. Supervisory Real Property Appraiser Report

Director Kohtz presented two charts outlining the number of supervisory real property appraisers as of July 20, 2023 to the Board for review. The Director stated that the trends were maintaining on this report and asked for any questions or comments. There was no discussion.

e. Appraisal Management Company Report

Director Kohtz presented two charts outlining the number of AMCs as of July 20, 2023 to the Board for review. The Director noted the positive change in the total number of appraisal management companies registered in Nebraska and indicated that this is the first upward trend in approximately fourteen to sixteen months. Director Kohtz expressed optimism that this is a sign that the market is beginning to stabilize. The Director asked for any questions or comments. BLPM Nespor added that while this is a small change, there is an AMC expiring on the 28th of June, which could move the trend downward again. Director Kohtz responded by saying that, even if the upward trend is temporary, it is a positive sign compared to the previous year and a half. There was no further 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 June 7, 2023 and July 11, 2023. The Director asked for any questions or comments. There was no further discussion.

b. Education Activity and Instructor(s) Report

Director Kohtz presented the Education Activities and Instructors Report to the Board for review showing education activity and instructors approved by the Director for the period between June 7, 2023 and July 11, 2023. The Director asked for any questions or comments. There was no further discussion.

3. 2023-24 NRPAB GOALS AND OBJECTIVES + SWOT ANALYSIS

The Director presented the 2023-24 NRPAB Goals and Objectives + SWOT Analysis to the Board for consideration. The Director reported that these documents reflect the Board's goals and objectives set during the strategic planning meeting in June. Director Kohtz informed the Board that he will continue to present a goals and objectives progress report at each monthly meeting. The Director asked the Board if the 2023-24 NRPAB Goals and Objectives + SWOT Analysis documents accurately reflect the Board's discussions during the strategic planning meeting. No board members requested changes to the documents. Director Kohtz then requested a motion to approve the 2023-24 NRPAB Goals and Objectives + SWOT Analysis. Chairperson Walkenhorst called for a motion. Board Member Downing moved to approve the 2023-24 NRPAB Goals and Objectives + SWOT Analysis as presented. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, and Walkenhorst voting aye.

J. FINANCIAL REPORT AND CONSIDERATIONS

1. APPROVAL OF JUNE RECEIPTS AND EXPENDITURES

Director Kohtz reported to the Board that the 2022-2023 fiscal year has closed and informed the Board that he will provide a summary for both the June expenditures and revenues and the fiscal year expenditures and revenues.

Director Kohtz began with the receipts and expenditures for June and guided the Board's attention to the Data Processing Expense in the amount of \$5,685.40 and indicated that this expense is primarily due to work on the AMC Online Application and NRPAB Database AMC Interface. The Director also noted that this project finished under budget. BLPM Nespor added that the CIO development team assigned to the agency is a good one that is easy to work with. Nespor also stated that the AMC Online Application is in production and ready for use. The next step is notifying appraisal management companies and getting their Centurion Blue accounts set up. The Director then moved to the \$5,318.30 Other Contractual Services expenditure and remarked that the Board paid on a large number of AARS contracts for the month. Director Kohtz indicated that the expenditures for the month of June totaled \$33,274.04. The Director then changed focus to the revenues for the month of June. Director Kohtz informed the Board that revenues for new credentials remain strong, as \$900.00 was received for new certified general real property appraisers, and \$900.00 was received for certified residential real property appraisers. The Director reminded the Board of the comment that he made during the Director's Report concerning the strong month for real property appraiser renewals. Revenues for certified general real property appraiser renewals for the month of June were \$2,200.00. Director Kohtz also brought attention to \$10,500.00 in revenues for AMC registration renewals, and indicated that these revenues were strong as well. The Director wrapped up the June summary reporting that the revenues for the month of June totaled \$22,126.08. The Director asked for any questions or comments. Chairperson Walkenhorst stated that it's been a good month. Board Member Downing commented that the agency had ended strong. Director Kohtz agreed with these comments.

Director Kohtz then moved on to the receipts and expenditures for the 2022-23 fiscal year. The Director brought attention to Overtime Payments and Comp Time Payments expenditures for the fiscal year, and reported that the total of \$4,535.44 finished 139% of budgeted for the fiscal year. Director Kohtz indicated that FY2021-22 finished at 177% of budgeted; however, the budget was increased in FY2022-23 by \$266.90. If the same budgeted amount were considered, FY2022-23 would have ended at 151% of budgeted. Although this is still lower than FY2021-22, it is still significantly higher than it should be. The Director reported that PSL expenditures for the fiscal year ended at \$179,516.03, which is 94.17 percent of budgeted. PSL and Benefits expenditures for the fiscal year ended at \$241,913.29, which is 94.10 percent of budgeted. Director Kohtz then guided the Board to Data Processing Expense and informed the Board that the fiscal year ended with \$76,784.23 in expenditures; 92.74 percent of budgeted. The Director added, as previously mentioned, the AMC Online Application and NRPAB Database AMC Interface project finished under budget. Director Kohtz indicated that all CIO projects approved by the Board during the fiscal year finished under budget. The Director then moved to Legal Services Expenses and Legal Related Services and indicated that there were very few expenditures for these object code accounts; the total expenditures were \$125.00. Next, Director Kohtz guided the Board to Other Contractual Services and reported \$25,059.13 in expenditures, which is 58.78 percent of budgeted. The Director commented that the low number of grievances and investigations resulted in lower than projected expenditures. Finally, Director Kohtz reported that Travel Expenses were \$11,119.45, which is 56.85 percent of budgeted. For the fiscal year, the Board recorded \$383,634.41 in expenditures, which is 79.24 percent of budgeted. The Director once again changed focus to revenues and commented that revenues for the fiscal year finished at \$408,617.20, which is 96.23 percent of projected revenues. Director Kohtz informed the Board that the unexpected AMC market attrition was the primary contributor to the lower-than-expected revenues. The Director indicated that real property appraiser renewal revenues were also below projected revenues for all three classifications, but this is somewhat deceptive as the certified general classification finished at 96.85 percent of projected revenues, but only 89% of those due for renewal renewed; and the certified residential classification finished at 98.30 percent of projected revenues, but only 92% of those due for renewal renewed. A higher number than expected renewed for two years compared to one. The licensed residential classification finished at 87.93 percent of projected revenues, but 91% of those due for renewal renewed, which means that more than expected renewed for one year compared to two. Director Kohtz asked for any questions or comments. There was no further discussion.

The Director then brought attention to the MTD General Ledger Detail report for the month of June and reported that he had no specific comments. The Director asked for any questions or comments. There was no further discussion.

The Director presented four graphs showing expenses, revenues, and cash balances. Director Kohtz once again pointed out the expenditures and revenues for the month of June for the Real Property Appraiser Program, which includes both the Appraiser Fund and the AMC Fund. The Director reported that the Real Property Appraiser Fund revenues for the month of June totaled \$8,702.90, the Real Property Appraiser Fund expenses totaled \$22,148.39, the AMC fund revenues totaled \$13,423.18, and the AMC expenses totaled \$11,125.65. Director Kohtz remarked that the cash balance for the AMC fund is \$330,098.49, the Appraiser Fund is \$415,045.78, and the overall cash balance for both funds is \$745,144.27. The Director asked for any questions or comments. There was no further discussion.

Chairperson Walkenhorst called for a motion to file the June financial reports for audit. Board Member Downing moved to accept and file the June 2023 financial reports for audit. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, and Walkenhorst voting aye.

2. FY 2023-2024 BUDGET

Director Kohtz presented the proposed budget and projected revenues for FY 2023-2024 to the Board for consideration. The Director informed the Board that the only changes in the proposed budget since it was presented at the strategic planning meeting are that the projected revenues were revised upward after the final June revenues became available, and the July and August PSL and benefits were reduced by the amounts allocated to the additional teammate due to the fact that a hire will not be made until the beginning of September at the earliest. These funds were moved to Other Operating Expenses as unallocated funds available for use and to Non-Capitalized Equip PU and Other Contractual Services for the Workstation Remodel Project. The Director provided a brief summary of the FY 2023-2024 budget, and informed the Board that the projected Appraiser and AMC Fund expenditures are \$396,895.00, and the projected Appraiser and AMC Fund revenues are \$365,580.00; the projected Appraiser Fund expenditures are \$267,552.00, and projected Appraiser Fund revenues are \$238,030.00; and the projected AMC Fund expenditures are \$129,343.00, and projected AMC Fund revenues are \$127,550.00. Director Kohtz then provided the following highlights in the proposed budget:

- General expenditure allocation of 65% to Appraiser Fund and 35% to AMC Fund.
- Teammate Salary and Benefit allocation in the amount of \$297,500.00 – Includes \$500.00 addition for teammate overtime.
- Travel Expenses allocation in the amount of \$14,195.00.
- Legal Services allocation in the amount of \$20,000.00 and Legal Related allocation in the amount of \$3,000.00.
- Other Contractual Services for CHRC and Appraisal Review Services allocation in the amount of \$30,000.00 and \$500.00 for the Office Workstation Remodel Project.
- CIO – IM Services expenditures, Network Services expenditures, software, and technology project expenditures in the amount of \$31,870.00.
- Other Operating Expenses for overage coverage in the amount of \$8,227.00.
- Office Workstation Remodel Project one-time allocation in the amount of \$1,154.00.

Director Kohtz finished his summary by informing the Board that the FY 2023-2024 proposed budget includes a salary and benefits increase in the amount of \$50,753.00, an operating expense decrease in the amount of \$76,196.00, and a travel expense decrease in the amount of \$4,543.00 compared to the FY 2022-2023 Budget. Board Members Walkenhorst and Gerdes thanked the Director for the work put into the budget preparation. Director Kohtz asked for approval of the FY 2023-2024 Budget. Board Member Downing moved to approve the FY 2023-2024 Budget as presented. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst asked for a vote. The motion carried with Downing, Gerdes, and Walkenhorst voting aye.

3. OFFICE WORKSTATION REMODEL

Director Kohtz presented a Memo to the Board regarding the office workstation remodel project to accommodate an additional teammate to the Board for review. The Director reported that the temporary workstation in the NRPAB office must be reconfigured to the required standards for a regular full-time teammate. The Director then presented a purchase order in the amount of \$653.70 to Neutral Posture, Inc. for the parts needed to upgrade the workstation. The Director also indicated that the State Buildings Division estimates the labor to complete the reconfiguration at \$400.00. The costs for the parts and the estimate for the labor is already incorporated in the proposed FY 2023-2024 budget under Non-Capitalized Equip PU and Other Contractual Services respectively. Director Kohtz added that an extra \$100.00 was allocated to Other Contractual Services for potential cost overrun. The Director informed the Board that he made a request to Chairperson Walkenhorst have the State Buildings Division obtain a quote for parts as receiving the parts may take months. Director Kohtz then presented a demolition and floor plan for the Board to review and noted that the three extra lateral cabinets will go to surplus along with the three older chairs as a part of this project. Director Kohtz informed the Board that he was planning to meet with the State Buildings Division that afternoon to discuss the location of the lateral file cabinet shown on the floor plan as this has not been discussed to date. Board Member Gerdes asked if the office staff could go down to surplus and retrieve items that the office needs to save funds. BLPM Nespor stated that the surplus auction has not been active for some time as far as the office has been made aware. The Director requested the Board's approval for funding for this project in the amount of \$1,154.00. Board Member Downing moved to approve funding in the amount of \$1,154.00 for the office workstation remodel project as presented. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, and Walkenhorst voting aye.

Director Kohtz brought attention to the email chain between himself and Chairperson Walkenhorst on page J.25 of the Board Meeting Packet, and informed the Board that as part of the office workstation remodel project, approval to order two new office chairs at \$629.00 each; one for the new workstation, and another for BEPM Sims was requested from Chairperson Walkenhorst. In addition, approval for a worktable at \$295.00 to replace the pull-out worksurface utilized on a lateral cabinet that will be taken to surplus property was also requested. Director Kohtz indicated that placing the order before June 30, 2023, allows the Board to encumber the expenditures and utilize funds from the previous fiscal year. Chairperson Walkenhorst pre-approved the ordering of the items as the Director requested via email. Director Kohtz indicated that an approval by the Board is not required for this expenditure for the FY 2023-2024 budget since it is utilizing funds from the previous fiscal year. The Director asked for any questions or comments. There was no further discussion.

4. 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.

K. GENERAL PUBLIC COMMENTS

Chairperson Walkenhorst asked for any public comments. Roger Morrissey introduced himself and suggested that a person conducting a USPAP compliance review of an appraisal, utilizing the Board's USPAP Compliance Review Report form, needs direction regarding the scope of work. Morrissey further suggested that such direction could be incorporated into the form itself; specifically for the scope of work for a USPAP compliance review related to a grievance. Director Kohtz informed Morrissey that the information in question would be found in the Appraiser Applicant Review Services Contract or the Subject Matter Expert Services Contract. The Director recommended that Morrissey review the content of these contracts and report back to him his findings as to whether this adequately addresses the scope of work information that he seeks. BLPM Nespor indicated that she could send a blank copy of each contract to Morrissey for review. Morrissey agreed to analyze the contracts and report back to the Director. Morrissey expressed concern about going beyond or falling short of the requirements for a review assignment. The Director remarked that the Board does value feedback and if any clarification is needed in the contractual language, the Board and the office staff will update as needed. Chairperson Walkenhorst thanked Morrissey for sharing his thoughts and concerns. There was no further discussion.

Break from 10:08 a.m. to 10:20 a.m.

L. CONSIDERATION OF EDUCATION/INSTRUCTOR REQUESTS

1. NEW SUPERVISORY REAL PROPERTY APPRAISER AND TRAINEE REAL PROPERTY APPRAISER COURSES

BEPM Sims presented a Memo to the Board to update the Board concerning the Appraisal Institute's three Application[s] for Approval as a Supervisory Real Property Appraiser and Trainee Course in Nebraska for the education activities titled, "Supervisory Appraiser/Trainee Appraiser Course," and reminded the Board that these applications have been discussed at the May and June regular meeting. The three activities were submitted with a classroom (3231312.02), synchronous (3233340.02), and asynchronous (3232341.02) delivery setting. BEPM Sims reported that the day prior to the meeting, all required materials for these applications had been received, and stated that the applications are ready for approval. The Director mentioned that reaching out to Craig Steinley really helped get these applications across the finish line. Chairperson Walkenhorst thanked BEPM Sims for continuing to work with the provider to bring the applications into compliance with the requirements. BEPM Sims thanked the Board for its patience. Board Member Downing moved to approve the Appraisal Institute classroom activity 3231312.02 titled, "Supervisory Appraiser/Trainee Appraiser Course," the synchronous activity 3233340.02 titled, "Supervisory Appraiser/Trainee Appraiser Course – Synchronous," and the asynchronous activity 3232341.02 titled, "Supervisory Appraiser/Trainee Appraiser Course Online." Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, and Walkenhorst voting aye.

M. UNFINISHED BUSINESS

1. OPEN AT-LARGE LICENSED REAL ESTATE BROKER POSITION

Director Kohtz informed the Board that he had no updates for the open At-Late Licensed Real Estate Broker position. There was no further discussion.

N. NEW BUSINESS

1. FBI AUDIT

Director Kohtz announced that the initial response to the FBI and Nebraska State Patrol has been submitted, and that the agency's FBI audit is scheduled to be sometime around the middle of August. The Director explained that the FBI oversees the Nebraska State Patrol and any agencies that collect fingerprint cards and request criminal history record checks. The Director asked for any questions or comments. There was no further discussion.

O. LEGISLATIVE REPORT AND BUSINESS

1. OTHER LEGISLATIVE MATTERS: No discussion.

P. ADMINISTRATIVE BUSINESS

1. GUIDANCE DOCUMENTS: No discussion.

2. INTERNAL PROCEDURAL DOCUMENTS

a. 202001: Appraiser-AMC Funds Allocation Procedure

Director Kohtz presented Internal Procedure 202001 titled, “Appraiser-AMC Funds Allocation Procedure” to the Board for consideration. The Director informed the Board that this internal procedure is being amended to update the per day reporting requirements for the time spent on appraiser-and AMC-related activities to quarter-hour increments from half-hour increments, which aligns with the timecard reporting requirements. Board Member Downing moved to approve Internal Procedure 202001 as presented. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. Seeing none, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, and Walkenhorst voting aye.

3. FORMS, APPLICATIONS, AND PROCEDURES:

a. AMC Document Updates

i. AMC Information Change Form

BLPM Nespor presented the updated document titled, “AMC Information Change Form” to the Board for consideration. BLPM Nespor guided the Board through the changes and informed the Board that this form is updated to implement Guidance Document 23-01 adopted by the Board at its June 22, 2023 meeting.

ii. Application for Nebraska Appraisal Management Company Registration

BLPM Nespor presented the updated document titled, “Application for Nebraska Appraisal Management Company Registration” to the Board for consideration. BLPM Nespor guided the Board through the changes and informed the Board that this form is updated with minor changes.

iii. Application for Renewal of Nebraska Appraisal Management Company Registration

BLPM Nespor presented the updated document titled, “Application for Renewal of Nebraska Appraisal Management Company Registration” to the Board for consideration. BLPM Nespor guided the Board through the changes and informed the Board that this form is updated to implement Guidance Document 23-01 adopted by the Board at its June 22, 2023 meeting and to make minor updates. Chairperson Walkenhorst noted that in the last page of the application the word “applicant” was duplicated in the added language. BLPM Nespor stated that the duplicate word will be stricken.

Board Member Downing moved to approve the documents titled, “AMC Information Change Form,” as presented, “Application for Nebraska Appraisal Management Company Registration” as presented, and “Application for Renewal of Nebraska Appraisal Management Company Registration” as amended to strike the duplicate “applicant” on board packet page P.25. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. Seeing none, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, and Walkenhorst voting aye.

b. USPAP Compliance Review Report Summary Updates

i. AARS Contractor USPAP Compliance Review Report Summary

BLPM Nespor presented the updated document titled, "Applicant Appraisal Review Services Contractor USPAP Compliance Review Report Summary" to the Board for consideration. Nespor informed the Board that these changes are made as requested by the Board at its strategic planning meeting on June 21, 2023 to improve clarity. Nespor reported that "USPAP Compliance Review Report/Review Services" was stricken after "Staff", "Comments" was stricken after "Contractor," and "comments on" was added before "Contractor, and "performance" was added after "contractor" in the second to last blue box. "Does the" is added at the beginning of the sentence, and "USPAP Compliance" is stricken before "Review," and "Pre Board Review" is stricken before "contract" in the last blue box. There were also some grammatical changes made to this language.

ii. SME Services Contractor USPAP Compliance Review Report Summary

BLPM Nespor presented the updated document titled, "SME Services Contractor USPAP Compliance Review Report Summary" to the Board for consideration. Nespor informed the Board that these changes are made as requested by the Board at its strategic planning meeting on June 21, 2023 to improve clarity. Nespor reported that "USPAP Compliance Review Report/Review Services" was stricken after "Staff", "Comments" was stricken after "Contractor," and "comments on" was added before "Contractor, and "performance" was added after "contractor" in the second to last blue box. "Does the" is added at the beginning of the sentence, and "USPAP Compliance" is stricken before "Review," and "Pre Board Review" is stricken before "contract" in the last blue box. There were also some grammatical changes made to this language.

Board Member Downing moved to approve the documents titled, "Applicant Appraisal Review Services Contractor USPAP Compliance Review Report Summary" and "Subject Matter Expert Services Contractor USPAP Compliance Review Report Summary" as presented. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. Seeing none, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, and Walkenhorst voting aye.

Q. OTHER BUSINESS

1. BOARD MEETINGS

a. Reschedule October 19, 2023 meeting to October 26, 2023

Director Kohtz reminded the Board that he made a request at the June 22, 2023 meeting that the Board consider moving the regular meeting scheduled for October 19, 2023 to October 26, 2023 to accommodate his travel schedule for the Fall AARO Conference in Salt Lake City, Utah. Board Member Hermesen indicated that he would have to check his schedule. The Director asked if the Board should continue to table this discussion for Board Member Hermesen as he is absent. Chairperson Walkenhorst expressed support for moving the date if a quorum can be established to provide staff with adequate time to prepare for the October meeting. Chairperson Walkenhorst added that he has no conflicts with October 26th. Board Members Downing and Gerdes also indicated that they have no known conflicts on October 26th. Board Member Downing moved to reschedule the October 19, 2023 regular meeting to October 26, 2023. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. Seeing none, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, and Walkenhorst voting aye.

2. CONFERENCES/ EDUCATION: No discussion.

3. MEMOS FROM THE BOARD: No discussion.

4. QUARTERLY NEWSLETTER: No discussion.

5. APPRAISAL SUBCOMMITTEE

a. ASC Quarterly Meeting: September 13, 2023 (Online)

Director Kohtz announced that the next ASC Quarterly Meeting will be held online on September 13, 2023 and asked for any questions or comments. There was no further discussion.

b. ASC 2022 Annual Report

Director Kohtz presented the ASC 2022 Annual Report to the Board for review. The Director reported that he had no specific comments, and asked for any questions or comments. There was no further discussion.

c. ASC – Information Collection Request – Collection and Transmission of Annual AMC Registry Fees

Director Kohtz presented the Federal Register Docket No. AS23-09 pertaining to the ASC's request to collect and transmit annual AMC Registry fees to the Board for review and reported that he had no specific comments. The Direction asked for any questions or comments. There was no further discussion.

d. ASC Comments on Second Exposure Draft of Proposed Changes to the Real Property Appraiser Qualification Criteria

Director Kohtz presented a letter from the ASC Staff to Brad Swinney, Chair of the Appraiser Qualifications Board, commenting on the Second Exposure Draft of proposed changes to the Real Property Appraiser Qualifications Criteria, to the Board for review. The Director declared that the letter should be reviewed for informational purposes only as the changes have already been adopted by the TAF Appraiser Qualifications Board. The Director asked for any questions or comments. There was no further discussion.

e. ASC March 15, 2023 Meeting Minutes

Director Kohtz presented the ASC March 15, 2023 meeting minutes to the Board for review and reported that he had no specific comments. The Director asked for any questions or comments. There was no further discussion.

6. THE APPRAISAL FOUNDATION

a. TAF July Newsletter

Director Kohtz presented The Appraisal Foundation's July Newsletter to the Board for review and reported that he had no specific comments. The Director asked for any questions or comments. There was no further discussion.

b. The Appraisal Foundation Opens Applications for Board of Trustees

Director Kohtz presented a press release from The Appraisal Foundation titled, "The Appraisal Foundation Opens Applications for Board of Trustees" to the Board for review. The Director informed the Board that the BOT is now accepting applications, and asked for any questions or comments. There was no further discussion.

c. Appraiser Qualifications Board Adopts New Edition of the Real Property Appraiser Qualification Criteria

Director Kohtz presented a press release from The Appraisal Foundation titled, "Appraiser Qualifications Board Adopts New Edition of the Real Property Appraiser Qualification Criteria" to the Board for review. The Director reported that he had no specific comments, and asked for any questions or comments. There was no further discussion.

d. BOT Public Meeting: May 26-28, 2023 – Palm Springs, CA

Director Kohtz informed the Board that the next TAF Board of Trustees public meeting is scheduled on May 26-28, 2023 in Palm Springs, California. The Director then reported that the date on the agenda is incorrect as the correct month is October, not May. The next TAF Board of Trustees public meeting is scheduled on October 26-28, 2023 in Palm Springs, California. 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.

Board Member Downing moved to go into executive session at 10:36 a.m. for the purpose of reviewing applicants for credentialing; investigations; and employee performance evaluation. A closed session is clearly necessary to prevent needless injury to the reputation of those involved. Board Member Gerdes seconded the motion. The motion carried with Downing, Gerdes, and Walkenhorst voting aye.

Board Member Downing moved to exit executive session at 11:00 a.m. Board Member Gerdes seconded the motion. The motion carried with Downing, Gerdes, and Walkenhorst voting aye.

C. CREDENTIALING AS A NEBRASKA REAL PROPERTY APPRAISER

The Board reviewed applicants CR23005, CG23009, CG23022, CG23006, and CR23004. Chairperson Walkenhorst asked for motions on CR23005, CG23009, CG23022, and CR23004.

Board Member Downing moved to take the following action:

CR23005 / Approve applicant to sit for exam and authorize Director to issue a credential as a certified residential real property appraiser upon providing evidence of successful completion of the National Uniform Licensing and Certification Examination and providing necessary fees; and provide redacted copy of the USPAP Compliance Review Report pertaining to the report for the 2-4 unit residential property obtained by the Board and advise applicant to take note of the findings.

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

Board Member Downing moved to take the following action:

CG23009 / Authorize Director to approve applicant to sit for exam upon receipt of additional 180 hours of real property appraisal practice experience, and issue credential as a certified general real property appraiser to applicant upon receipt of evidence of successful completion of the National Uniform Licensing and Certification Examination and the necessary fees.

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

Board Member Downing moved to take the following action:

- CG23022 / Provide applicant with redacted copy of USPAP Compliance Review Report pertaining to the La Vista, Nebraska report obtained by the Board and request a written response to the findings; and require applicant to complete an additional 500 hours of real property appraisal practice on non-residential income producing properties under a real property appraiser-in-charge that holds a credential as a certified general real property appraiser and submit a real property appraisal practice experience log signed by the real property appraiser-in-charge prior to July 20, 2024.**

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

Board Member Downing moved to take the following action:

- CR23004 / Approve applicant to sit for exam and authorize Director to issue credential as a certified residential real property appraiser upon providing evidence of successful completion of the National Uniform Licensing and Certification Examination and providing necessary fees.**

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

D. REGISTRATION AS APPRAISAL MANAGEMENT COMPANY: No discussion.

E. CONSIDERATION OF COMPLIANCE MATTERS

The Board reviewed Grievance 23-01.

F. CONSIDERATION OF OTHER EXECUTIVE SESSION ITEMS

The Board reviewed a Nebraska registered appraisal management company's request to surrender its registration. Board Member Downing moved to accept the organization's request to surrender its registration effective June 30, 2023, and issue a written advisory directing the organization to take notice of Neb. Rev. Stat. 76-3203(2), requiring the organization to maintain a valid surety bond until June 30, 2024. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, and Walkenhorst voting aye.

R. ADJOURNMENT

Board Member Downing moved to adjourn the meeting. Board Member Gerdes seconded the motion. Motion carried with Downing, Gerdes, and Walkenhorst voting aye. At 11:05 a.m., Chairperson Walkenhorst adjourned the July 20, 2023 meeting of the Nebraska Real Property Appraiser Board.

Respectfully submitted,

Tyler N. Kohtz
Director

These minutes were available for public inspection on July 28, 2023, in compliance with Nebraska Revised Statute § 84-1413 (5).