

**REAL PROPERTY APPRAISER BOARD
CONFERENCE ROOM 6Y
6TH FLOOR, NEBRASKA STATE OFFICE BUILDING
301 CENTENNIAL MALL SOUTH, LINCOLN, NE**

DECEMBER 19, 2006

OPENING

Chairman Kroeger called to order the December 19, 2006, meeting of the Nebraska Real Property Appraiser Board at 9:00 a.m., in Conference Room 6Y, 6th Floor, Nebraska State Office Building, 301 Centennial Mall South, Lincoln, Nebraska. Board Members Timothy Kalkowski, Joe Wilson, Jim Bain, Sheila Newell and Kevin Kroeger were present. Jill Ekstein, Director, was also present.

NOTICE OF MEETING

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

ADOPTION OF THE AGENDA

Vice Chair Newell moved to adopt the Agenda as printed. Board Member Bain seconded. The motion carried with Kalkowski, Bain, Wilson, Newell and Kroeger voting aye.

Following approval of the agenda Chairman Kroeger welcomed the guests to the meeting and asked for them to sign the guest log in order to ensure proper spelling of names in the minutes. Signing the guest log were Diane Moore, The Moore Group; Perre Neilan, Nebraska Realtors® Association; Ron Wick, and Gregg Mitchell.

APPROVAL OF THE MINUTES FROM NOVEMBER 16, 2006

Chairman Kroeger asked for any additions or corrections to the minutes. Board Member Bain moved to approve the minutes from the November 16, 2006, meeting as printed. Board Member Wilson seconded. The motion carried with Kalkowski, Wilson, Bain, Newell and Kroeger voting aye.

DIRECTOR'S REPORT

Director Ekstein reported the 2007 pocket cards were mailed December 15, 2006. There were 858 renewals processed. She stated there were 877 renewals processed by November 30, 2005. Ekstein reported there were still several appraisers completing education requirements for 2006.

Director Ekstein stated she wished to thank Chairman Kroeger for his dedication and service to the Real Property Appraiser Board. She appreciated his willingness to always be available to assist.

CHAIRMAN'S REPORT

Chairman Kroeger thanked the members and the public for allowing him to serve on the Board. He stated he had learned a tremendous amount of information and appreciated all of the help of everyone including people other than the Board Members during his tenure.

RECEIPTS AND EXPENDITURES REPORT – NOVEMBER

Director Ekstein explained the expenditures report and presented a summary of the major accounting entries for the month of November. The revenue accounts included the credentialing fees through the end of November. She indicated there would still be revenue appearing on the December expenditure report as well.

Vice Chair Newell moved to file the November Receipts and Expenditures report for audit. Board Member Bain seconded. The motion carried with Kalkowski, Bain, Wilson, Newell and Kroeger voting aye.

UNFINISHED BUSINESS

Investigator Training

Director Ekstein provided the Board with the manual for the investigator training presented by Dennis Badger of Kentucky. She reported her initial communication with Mr. Badger had revealed the Kansas Real Estate Appraiser Board was holding the investigator training April 4-5, 2007. Mr. Badger suggested Nebraska contact the Kansas Board and consider having the training held for both states simultaneously. After further discussion, it was decided the training would be more beneficial for individual states rather than a combination.

Discussion ensued regarding the investigator training, the proposed audience and the possibility of asking a provider such as the Moore Group to coordinate the training.

Rules & Regulations

Chairman Kroeger provided an update on the proposed document and the meeting consisting of Lynne Heiden, Cay Lacey, Diane Moore, Joe Wilson, Jill Ekstein and himself. He explained the process used by the committee and the changes made in the final document. Changes included addition and deletion of definitions, the addition of the scope of practice for the registered appraiser, the addition of the Guide Note from the AQB Criteria, and necessary criteria for the education approval.

Discussion ensued regarding other possible changes previously discussed

Vice Chair Newell moved to adopt the Rules and Regulations with the foot note Rules and Regulations 12.13.06 with the addition on page 4 section 004.04 "On and after January 1, 2008" with the stipulation that the Director and the Vice Chair will review all of the grammar. Board Member Wilson seconded the motion. The motion carried with Kalkowski, Bain, Wilson, Newell and Kroeger voting aye.

Chairman Kroeger thanked the entire group for all of the work completed on the Rules and Regulations this year.

NEW BUSINESS

Exposure Draft on the Proposed Changes to the 2006 Edition of the Uniform Standards of Professional Appraisal Practice

Vice Chair Newell provided an overview of the Exposure Draft noting the deletion of the Supplemental Standards, deletion of Statement 10, the addition to the Ethics Rule, deletion of mass appraisal compliance with USPAP. She suggested the members read the Exposure Draft and consider responding to the document.

Exposure Draft of an Interpretation and a Guide Note applying to the Real Property Appraiser Qualification Criteria

Vice Chair Newell provided an overview of the Exposure Draft including the interpretation of granting continuing education credit for attendance at State Appraiser Regulatory Agency Meetings.

2007 Legislative Session

Chairman Kroeger explained that with the primary focus of the last several months being on the completion of the Rules and Regulations, the beginning of the 2007 legislative session had arrived without the Board preparing for the necessary changes to the Act. He stated that he met with Senator Langemeier regarding the need to change the effective date of the Uniform Standards of Professional Appraisal Practice and a few other small changes to the wording of the Act.

Director Ekstein provided background on the needed changes including the change of Licensed Residential Real Property Appraiser to Licensed Real Property Appraiser, the use of the word credential instead of registration, license and certificate and the change in the effective date of the Uniform Standards of Professional Appraisal Practice. She stated she believed the most important part of the legislative focus this year should be making the necessary changes prior to the audit by the ASC in July in order to ensure complete compliance rather than some other changes that may still need to be made in future years. Ekstein explained she had had conversations with the Bill Drafter and would have a draft of the legislation later in the week.

GENERAL PUBLIC COMMENTS

Perre Neilan addressed the Board regarding the changes made to the Rules and Regulations. He asked the Board to consider again some of the changes prior to submitting the document to the Governor's Policy Research Office.

Vice Chair Newell wished to thank Kevin for his service to the Board. She commented that she enjoyed her time working with him.

The Board took a ten minute recess.

The Board reconvened at 10:30 a.m.

EDUCATION

Seminar Approval

Director Ekstein provided an overview of the applications submitted for continuing education activities. Discussion ensued regarding the policy of approval for activities submitted by the Appraisal Institute and the Nebraska Chapter of the Appraisal Institute and the number of hours approved for the provider McKissock, LP.

Vice Chair Newell requested that the Board lay over until the January meeting the seminar approval request by McKissock, LP so that input could be received from students who had recently completed on-line education offered by McKissock.

Vice Chair Newell moved to approve the following seminars:

“Appraising Agricultural Land in Transition,” 8 hours – American Society of Farm Managers and Rural Appraisers

“Quality Assurance in Residential Appraisals,” 7 hours – Appraisal Institute

“Liability management for Residential Appraisers: Dodging the Litigation Bullet,” 7 hours – Appraisal Institute

“Appraising Manufactured Housing,” 7 hours – Appraisal Institute

“Scope of Work,” 7 hours – Appraisal Institute

“Appraisal Institute Reports: The New Appraisal Report Option,” 3 hours – NE Chapter of the Appraisal Institute

“Analyzing Distressed Real Estate,” 4 hours – NE Chapter of the Appraisal Institute

“Understanding and Testing DCF Valuation Models,” 4 hours – NE Chapter of the Appraisal Institute

“Litigation Skills for the Appraiser: An Overview,” 7 hours – NE Chapter of the Appraisal Institute

“Appraising Environmentally Contaminated Properties: Understanding and Evaluating Stigma,” 7 hours - NE Chapter of the Appraisal Institute

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

Course Approval

Director Ekstein provided an overview of the courses submitted for approval. The “IAAO Course 201 – Appraisal of Land” was to be continued to be held over as the material was not complete.

Board Member Wilson moved to approve:

“Basic Appraisal Principles,” 30 hours – RF Morrissey & Associates
“Basic Appraisal Procedures,” 30 hours – RF Morrissey & Associates

“Market Analysis & Highest and Best Use Analysis,” 15 hours – RF Morrissey & Associates

“Residential Report Writing,” 15 hours – RF Morrissey & Associates

“Residential Sales Comparison & Income Approach,” 15 hours – RF Morrissey & Associates

“Residential Site Valuation & Cost Approach,” 15 hours – RF Morrissey & Associates

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

Instructor Approval

Vice Chair Newell moved to approve:

John Widoss – “Appraising Agricultural Land in Transition”

Mark Rattermann – “Quality Assurance in Residential Appraisals”

Richard Heyn – “Liability Management for Residential Appraisers: Dodging the Litigation Bullet”

Karen Oberman – “Appraisal Institutes Reports: The New Appraisal Report Option”

Marc Farmer – “Analyzing Distressed Real Estate” and “Understanding and Testing DCF Valuation Models”

Nick Tillema – “Litigation Skills for the Appraiser: An Overview” and “Appraising Environmentally Contaminated Properties”

Roger Morrissey – “Basic Appraisal Principles,” “Basic Appraisal Procedures,” “Residential Appraisal Report Writing,” “Residential Sales Comparison & Income Approach,” “Residential Site Valuation & Cost Approach.”

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

Vice Chair Newell moved to approve Matthew “Joe” Wilson as instructor for all courses and seminars approved by the Nebraska Real Property Appraiser Board to be offered by Mid-West Appraisers’ Association and Trans-American Institute of Professional Studies, Inc., except for the National Uniform Standards of Professional Appraisal Practice Course and any agriculturally related educational activities. Board Member Kalkowski seconded. The motion carried with Bain, Kalkowski, Newell and Kroeger voting aye. Board Member Wilson abstained.

ENFORCEMENT MATTERS

Vice Chair Newell moved that the Board go into executive session for the purpose of considering written complaints. A closed session is clearly necessary to prevent needless injury to the reputation of the individual or individuals involved with alleged violations of real property appraisal practice. The time on the meeting room clock was 10:51 a.m. Board Member Bain seconded. The motion carried with Kalkowski, Wilson, Newell and Kroeger voting aye.

Chairman Kroeger restated the sole purpose for the executive session was to consider written complaints. The time was 10:51 a.m. Present for the executive session were Board Members Kalkowski, Bain, Wilson, Newell and Kroeger. Director Ekstein and Jane Langan, Special Counsel for the Nebraska Real Property Appraiser Board were also present.

Vice Chair Newell moved to come out of executive session at 11:20 a.m. Board Member Wilson seconded. The motion carried with Bain, Kalkowski, Wilson, Newell and Kroeger voting aye.

Vice Chair Newell moved to authorize Chairman Kroeger to sign the settlement agreement in reference to case 05-29, Thomas Slack. She further moved:

06-18 file formal complaint

06-29 Request true copy of appraisal report and work file and send out for review

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

Vice Chair Newell moved:

06-14 Dismiss

06-30 Dismiss

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

APPLICANTS

Vice Chair Newell moved to go into executive session for the sole purpose of reviewing qualifications of applicants. A closed session is clearly necessary to prevent needless injury to the reputation of the individual or individuals relating to applications. The time on the meeting room clock was 11:22 a.m. Board Member Wilson seconded. The motion carried with Kalkowski, Bain, Wilson, Newell and Kroeger voting aye.

Chairman Kroeger restated the sole purpose for the executive session was for the Board to review the qualifications of applicants. The time was 11:22 a.m.

Vice Chair Newell moved to come out of executive session at 11:30 p.m. Board Member Wilson seconded. The motion carried with Kalkowski, Bain, Wilson, Newell and Kroeger voting aye.

Vice Chair moved to ratify the Director's approval for the registered exam for:

Registered

R120601 William Scarlett
R120602 F. John Riha
R120603 Samuel Ferraro

Vice Chair Newell further moved:

Licensed

L100609 Richard Ahmann; approve for exam
L060605 Brock Ownes; approve for exam and send reviewer's comments
L120605 deny application and send copy of reviewer's comments

Certified Residential

CR120604 deny application and send copy of reviewer's comments

Reciprocity

John A Kilpatrick – Washington, approve reciprocal credential
Samuel Riffenberger, South Dakota, approve reciprocal credential

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

NEXT MEETING DATE

Chairman Kroeger stated the next meeting of the Nebraska Real Property Appraiser Board will be Thursday, January 25, 2007.

Chairman Kroeger thanked Director Ekstein for making his role as Chairman effective and efficient. He appreciated all she had done with the Act and the Rules & Regulations.

Board Member Wilson moved to adjourn the meeting. Vice Chair Newell seconded. The motion carried with Bain, Kalkowski, Wilson, Newell and Kroeger voting aye.

The meeting was adjourned at 12:00 p.m.

Respectfully submitted,

Jill Ekstein, Director

These minutes were available for public inspection on December 22, 2006, in compliance with Nebraska Statute §84-1413(5).