

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

**July 22, 2015 Meeting Minutes**

**A. OPENING**

Chairman Thomas Kubert called to order the July 22, 2015 meeting of the Nebraska Real Property Appraiser Board at 9:02 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**

Chairman Kubert 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 in the July 20, 2015 edition of the *Lincoln Journal Star*, a legal newspaper of general circulation in this state, as required by the Open Meetings Act. The agenda was kept current in the Nebraska Real Property Appraiser Board office and on the Board's website. Materials generally used by the Board for this meeting were available in the public folder for inspection by the public, and in accordance with the Open Meetings Act. A copy of the Open Meetings Act was available for the duration of the meeting. For the record, Board Members Thomas Kubert, Marc Woodle, Christopher Langemeier, Larry Saxton, and Sandra Gutwein were present. Also present were Director, Tyler Kohtz, Compliance and Education Specialist, Anthony Dreesen, Compliance and Education Specialist, Jesse Foster, and Business and Licensing Specialist, Jayme Kienholz-Howsden.

**ADOPTION OF THE AGENDA**

Chairman Kubert 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 Woodle moved to adopt the agenda as printed. Board Member Langemeier seconded the motion. With no further discussion, the motion carried with Saxton, Gutwein, Woodle, Langemeier, and Kubert voting aye.

***The Nebraska Real Property Appraiser Board will meet in executive session for review of applicants and enforcement matters.***

Board Member Woodle moved that the Board go into executive session for the purpose of reviewing applicants for credentialing, applicants for appraisal management company registration, investigations, and other sensitive matters. A closed session is clearly necessary to prevent needless injury to the reputation of those involved. The time on the meeting clock was 9:04 a.m. Board Member Langemeier seconded the motion. The motion carried with Gutwein, Saxton, Langemeier, Woodle, and Kubert voting aye.

Break from 10:07 a.m. to 10:17 a.m.

Board Member Langemeier moved to come out of executive session at 10:53 a.m. Board Member Woodle seconded the motion. The motion carried with Saxton, Langemeier, Woodle, Gutwein, and Kubert voting aye.

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

Chairman Kubert welcomed the two guests in attendance, welcomed the new Compliance and Education Specialist, Jesse Foster, and asked the outgoing Compliance and Education Specialist, Anthony Dreesen, to join him at the front of the room. The Chairman thanked CES Dreesen for his hard work and dedication, and presented an engraved clock to Mr. Dreesen in recognition of his efforts. Diane Moore and Robin Kilgore were the only members of the public in attendance.

## **H. BOARD MEETING MINUTES**

### **1. APPROVAL OF JUNE 18, 2015 MEETING MINUTES**

Chairman Kubert asked for any additions or corrections to the June 18, 2015 minutes, and asked if it was customary to include the names of those in attendance at the meeting in the minutes. Director Kohtz responded that the names of those in attendance have traditionally been included in the minutes. With no further discussion, the Chairman called for a vote. Board Member Saxton moved to adopt the June 18, 2015 meeting minutes as presented. Board Member Woodle seconded the motion. The motion carried with Gutwein, Saxton, Woodle, Langemeier, and Kubert voting aye.

## **I. DIRECTOR'S REPORT**

Director Kohtz presented twelve charts outlining the number of appraisers and AMCs as of July 22, 2015. The Director summarized each chart and reported the number of appraisers as follows: 67 total Licensed, 63 resident and 4 reciprocal; 224 total Certified Residential, 184 resident and 40 reciprocal; 398 total Certified General, 250 resident and 148 reciprocal; and 0 Registered for a total of 689 appraisers. The total number of appraisers is up 7 from June, and down 9 from July 2014. The Director also informed the Board that there are 56 Trainees, which is up 1 compared to June, and up 4 from July 2014. Chairman Kubert asked if the total appraisers can be broken down to total resident appraisers and total reciprocal appraisers. Director Kohtz informed the Chairman that the chart will be presented as requested next month.

In addition, the Director addressed the number of temporary permits issued. There were 14 permits issued in June compared to 16 permits issued in May. As of June 30, 2015, 91 temporary permits have been issued for the calendar year. Finally, Director Kohtz reported 103 AMCs registered.

Director Kohtz then handed out a copy of the 2015-16 Nebraska Real Property Appraiser Board Goals and Objectives, and asked if the Board had any questions. There was no further discussion.

The Director thanked CES Dreesen for his hard work, and welcomed new CES Foster.

## **J. FINANCIAL REPORT AND CONSIDERATIONS – JULY 2015**

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

Director Kohtz summarized the expenditures and revenues for the fiscal year end, which ended with \$358,140.81 in expenditures and \$368,994.90 in receivables. As of the end of June, expenses amount to 87.45 percent of the budgeted expenditures, which include the deficit request amount of \$25,000.00, for the fiscal year. Director Kohtz also noted that revenues finished at 102.36 percent of the budgeted revenues for the fiscal year.

The receipts and expenditures for June were reviewed by the Director by line item with the Board. Director Kohtz provided details related to some specific June expenses. For the Real Property Appraiser Program, which includes both the appraiser fund and the AMC fund, a total of \$28,236.31 in expenditures and \$10,364.15 in revenues were reported. Finally, Director Kohtz presented three charts outlining the Agency twelve month expenses and revenues, historic cash balance, and twelve month cash balance.

Board Member Woodle moved to accept and file the June 2015 budget reports for audit.

Board Member Gutwein seconded the motion. The motion carried with Langemeier, Woodle, Gutwein, Saxton, and Kubert voting aye.

2. **FY 2015-16 BUDGET:** Director Kohtz presented the FY 2015-16 budget to the Board for review. The Director outlined the changes made since the Board first saw the proposed budget in June. Funds were reallocated due the change in non-appropriated expenditures, which were reduced to \$16,568.00 for adjustments to health insurance costs. As a result, Contractual Services expenditures were increased to \$38,000.00, seasonal SOS temporary employee funding was increased to \$7,625.00, travel funding was increased to allow for two individuals to attend the Fall and Spring AARO Conferences, and funding was added for a new administrative assessment of \$117.00. Board Member Woodle made a motion to approve the FY 2015-16 budget as presented. The motion was seconded by Board Member Gutwein, and carried with Langemeier, Woodle, Gutwein, Saxton, and Kubert voting aye.

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

Chairman Kubert asked for any public comments. Robin Kilgore, the Board's Budget Analyst, announced that the funding is now in the budget system for FY 2015-16, and reminded the Board that additional appropriations will be available in September when LB139 becomes effective. The Chairman thanked Ms. Kilgore for her reminder and proceeded to Education.

#### **L. EDUCATION**

Board Member Woodle moved to approve the following education activities and instructors as listed:

##### **NEW QUALIFYING EDUCATION ACTIVITIES AND INSTRUCTORS**

###### **American Society of Farm Managers and Rural Appraisers**

Foundations of Appraisal Review (QE21536)/36 Hours - Kenneth Daw

Basic Appraisal Principals (QE21537)/30 Hours - Edward Lumpee

Basic Appraisal Procedures (QE21538)/30 Hours - Charles Scott Seely

15-Hour National USPAP Course (QE21539)/15 Hours - LeeAnn Moss

##### **CONTINUING EDUCATION RENEWAL ACTIVITIES AND INSTRUCTORS**

###### **Appraisal Institute**

Advanced Concepts & Case Studies (C21040)/35 Hours - Joseph Magdziarz

Online General Appraiser Income Approach Part 2 (C21544-I)/27 Hours - David Lennhoff

###### **McKissock, LP**

Introduction to Legal Descriptions (C21045-I)/2 Hours - Karen Tracy Martin

##### **NEW CONTINUING EDUCATION ACTIVITIES AND INSTRUCTORS**

###### **American Society of Farm Managers and Rural Appraisers**

Introduction to Statistical Analysis for Appraisers (C21540)/8 Hours - Douglas Hodge

Rural Sales Analysis and Confirmation (C21541)/8 Hours - Justin Bierschwale

Understanding and Using Comparable Transactions (C21542)/7 Hours - Paul Bierschwale

###### **The Moore Group, Inc.**

Better Safe than Sorry (C21543)/7 Hours - Bradford Moore, Diane Moore

**Appraisal Institute**

Online Appraising Convenience Stores (C21545-I)/7 Hours - Robert Bainbridge

**McKissock, LP**

Managing Appraiser Liability – Online (C21546-I)/6 Hours - Daniel Bradley

**Mid-West Appraisers Association**

The Application of Small Residential Income Property Appraisal (C21547)/7 Hours –  
Lynne Heiden, Ann Susko

The Appraisal Profession “Meet the Participants” (C21548)/7 Hours - Lynne Heiden

Seconded by Saxton. Chairman Kubert called for the vote. The motion carried with Gutwein, Langemeier, Saxton, Woodle, and Kubert voting aye.

Board Member Woodle made a motion to send an advisory letter to the American Society of Farm Managers and Rural Appraisers concerning the activity submission procedures. The motion was seconded by Gutwein, and carried with Woodle, Langemeier, Saxton, Gutwein, and Kubert voting aye.

**M. UNFINISHED BUSINESS**

- 1. COMPLIANCE AND EDUCATION SPECIALIST OPENING:** Director Kohtz informed the Board that the Compliance and Education Specialist opening has been closed.

**N. NEW BUSINESS**

- 1. AQB APPROVAL FOR UNO REAL ESTATE DEGREE PROGRAM:** Director Kohtz informed the Board that he has re-established communication with the Real Estate Department at the University of Nebraska at Omaha. The Director indicated that he and the new Program Director, David Beberwyk, discussed AQB approval, and Mr. Beberwyk plans to begin the process upon completion of its current project.
- 2. LB356 COMMITTEE RECOMMENDATIONS:** Director Kohtz presented a letter from the Property Tax Administrator, Ruth Sorensen, concerning the appointment of an appraiser to the Rent Restricted Housing Projects Valuation Committee. Ms. Sorensen asked the Board for a recommendation. Chairman Kubert indicated that there would be no issues if a board member were to make a recommendation independently, but there may be some problems and/or liabilities that come from the Board making such of a recommendation. Director Kohtz informed the Board that proposed Board Policy 15-04, which is intended to addresses this type of request, will be discussed later in the meeting. There was no further discussion.
- 2. NRPAB/STATE OF NEBRASKA LEASE AGREEMENT:** Director Kohtz presented the State Facility Lease Agreement, effective July 1, 2015 through June 30, 2017, to the Board for review. With no further discussion, Board Member Langemeier made a motion to approve the Facility Lease Agreement between the Nebraska Real Property Appraiser Board and the State of Nebraska as presented. The motion was seconded by Board Member Woodle, and carried with Gutwein, Woodle, Langemeier, Saxton, and Kubert voting aye.
- 3. USPAP BOOK DISTRIBUTION:** Director Kohtz informed the Board that he is currently working with State Accounting to set up a liability account as a holding account for the transfer of

funds related to USPAP Books. The Director indicated that he hoped to have a plan in place by the August meeting.

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

- 1. TITLE 298:** Director Kohtz presented the informal comments from Assistant Attorney General Hart concerning the updated draft of Title 298. The Director informed the Board that he has reviewed all comments and recommends implementing all recommendations. Director Kohtz continued by saying that AAG Hart also recommended combining the LB139 changes with the current update to save time during the formal review and hearing process. Finally, Director Kohtz informed the Board that “Type of Report” was added as a requirement for the applicant experience log on page O.15, and the language concerning how many reports will be sent for review on page O.16 was changed to allow for more flexibility. With no further discussion, Board Member Saxton moved to approve the draft Title 298 as presented, and authorize Director Kohtz to utilize the draft as the base for the LB139 updates. The motion was seconded by Woodle, and carried with Langemeier, Gutwein, Saxton, Woodle, and Kubert voting aye.

## **P. BOARD POLICIES AND PROCEDURES**

### **1. BOARD POLICIES**

- a. Current Board Policies:** No discussion.

- b. New Board Policies:** Director Kohtz presented an amendment to Board Policy 12-07, and new Board Policy 15-04, to the Board for review. Director Kohtz informed the Board that the amendment for Board Policy 12-07 concerns the adjusted fee structure for Standard 3 reviewers and Subject Matter Experts as discussed during the Board’s strategic planning meeting in June. With no further discussion, Board Member Woodle made a motion to approve Board Policy 12-07 as amended. The motion was seconded by Langemeier, and carried with Woodle, Saxton, Gutwein, Langemeier, and Kubert voting aye.

New Board Policy 15-04 concerning the Board’s endorsement of an appraiser was presented to the Board for consideration. Director Kohtz explained that this drafted Board Policy was the result of a request made to the Board for an appraiser recommendation. In the past, the agency has declined such requests, but the Director and Board Chairman felt that it would be in the Board’s best interest to have a policy to rely on. With no further discussion, Board Member Woodle made a motion to approve Board Policy 15-04 as amended. The motion was seconded by Langemeier, and carried with Woodle, Langemeier, Saxton, Gutwein, and Kubert voting aye.

### **2. APPRAISER FORMS AND PROCEDURES**

- a. Applicant Experience Log Update:** Chairman Kubert brought attention to the fact that the Applicant Experience Log did not include a way to track the type of report being submitted for experience. Page two of the log describes the requirements, but it does not tie back to the actual log entries. Director Kohtz presented the updated Applicant Experience Log, which includes a new column for reporting what type of report is being submitted for each entry. Chairman Kubert asked what the basis was for comment #8 on page two of the application concerning nontraditional experience. Director Kohtz informed the Board that Board Policy 14-01 is the basis. Chairman Kubert asked the Board if it felt it was necessary to reference this policy in comment #8. After a brief discussion, Chairman Kubert indicated that comment #8 is ok as written. Board Member Woodle made a motion to approve the Applicant Experience Log as presented. The motion was seconded by Langemeier, and carried with Woodle, Saxton, Gutwein, Langemeier, and Kubert voting aye.
- b. Employee Handbook:** Director Kohtz presented the draft employee handbook to the board for consideration. The Director explained that he has been working on this project for quite a

while, and feels that he has addressed all matters that are not included in any other contract or procedures. Director Kohtz asked for any recommendations or concerns. Chairman Kubert indicated that the handbook looks strait forward and standard. With no further discussion, Board Member Woodle moved to approve the employee handbook as presented. The motion was seconded by Gutwein, and carried with Gutwein, Saxton, Langemeier, Woodle, and Kubert.

- c. **Board Meeting Packet:** Chairman Kubert brought attention to the size of the Board Meeting Packet, and asked Director Kohtz what could be done to reduce the size of the packet. The Chairman also asked what could be done to get critical or large document information to board members sooner. Director Kohtz informed the Board that its technology has changed a lot during the past year, and it may not be taking full advantage of the Board Member Portal. The Director asked the Board if it would be acceptable to place the documents in the Board Member Portal as they become ready, notify board members of their availability, and include a reference document in the Board Packet in the place of the actual documents. The Board agreed that this would be a great improvement, and it would also allow more time for preparation. Board Member Langemeier and Saxton asked if the reference document could include a hyperlink to the items being discussed. Director Kohtz informed the Board that it should be able to do this, and staff will start working on these changes before the August meeting.

Break from 12:01 p.m. to 12:15 p.m.

Lunch served to board members and staff at 12:15 p.m.

## **Q. OTHER BUSINESS**

**1. BOARD MEETINGS:** No discussion.

### **2. CONFERENCES/EDUCATION**

- a. **Kohtz Financial Compliance Peer Group of Western/Central Nebraska Presentation:** Director Kohtz gave a presentation to the Financial Compliance Peer Group of Western/Central Nebraska on July 17, 2015. Director Kohtz provided a summary of his experience to the Board, and provided some details that he found interesting. The Director indicated that there were approximately twenty individuals in attendance, and appraisal review for risk compliance was a typical function of those in attendance. Director Kohtz informed the Board that he was surprised that only two attendees raised their hands when asked how many utilize USPAP in their jobs, and one of those individuals stated that it is not very often.

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

### **4. APPRAISAL SUBCOMMITTEE**

- a. **Appraisal Subcommittee Compliance Review Report:** Director Kohtz presented the final ASC Compliance Review Report to the Board for review. The Director informed the Board that there was nothing contained in the report that was unexpected, and all items have been discussed previously. Chairman Kubert thanked Director Kohtz for his hard work.
- b. **AMC Final Rule Bulletin:** Director Kohtz presented the ASC's AMC Final Rule Bulletin to the Board for review. The Director indicated that, as discussed during strategic planning, no legislative action will be considered until 2017. There was no further discussion.

- c. **ASC 2014 Annual Report:** Director Kohtz reminded the Board that the ASC 2014 Annual Report has been placed in the Board Member Portal, and asked if the Board had any comments. There was no further discussion.

**5. APPRAISAL FOUNDATION:** No discussion.

**6. IN THE NEWS**

- a. **Appraisal Buzz – Bringing Greater Consistency to Appraisal Standards:** Director Kohtz presented the Appraisal Buzz article titled “Bringing Greater Consistency to Appraisal Standards” to the Board for review. Board Member Kubert found this article to be interesting because of the legislative push in some states to allow for multiple valuation standards. There was no further discussion.

**C. CONSIDERATION OF APPLICANTS AS NEBRASKA REAL PROPERTY APPRAISER:**

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

**T15005 / Approve as Trainee Real Property Appraiser.**

**T15006 / Requirements for credentialing as a Trainee Real Property Appraiser approved as submitted. Authorize Director to issue credential upon completion of background check.**

**T15005 (SA) / Approve as Supervisory Appraiser.**

**T15006 (SA) / Approve as Supervisory Appraiser.**

**T2015003 (SA) / Approve as Supervisory Appraiser.**

**T2015004 (SA) / Approve as Supervisory Appraiser.**

**CG15018R / Requirements for credentialing as a Certified General Real Property Appraiser approved as submitted. Authorize Director to issue credential upon completion of background check.**

**CR15004 / Approve to sit for exam; authorize Director to issue credential upon successful completion of exam.**

**CG15015 / Invite to advisory meeting; Board Member Woodle assigned.**

**CG15016 / Invite to advisory meeting; Board Member Kubert assigned.**

**CG14041 / Select and send three reports for review.**

**CR14026 / Hold**

Board Member Langemeier seconded the motion. Motion carried with Saxton, Langemeier, Woodle, Gutwein, and Kubert voting aye.

**D. REGISTRATION AS APPRAISAL MANAGEMENT COMPANY**

Board Member Woodle moved to take the following action for the AMC applicant as listed:

**NE2015003 / Deny**

Board Member Langemeier seconded the motion. Motion carried with Woodle, Langemeier, Gutwein, Saxton, and Kubert voting aye.

**E. CONSIDERATION OF DISCIPLINARY ACTIONS/ ENFORCEMENT MATTERS:**

Board Member Woodle moved to take the following enforcement actions:

- 15-09 / Hold**
- 14-15 / Monitor Consent Agreement**
- 14-16 / Hold**
- 14-17 / Hold**
- 14-18 / Hold**
- 14-19 / Hold**
- 14-20 / Hold**
- 14-22 / Select one report from log; request true copy of appraisal report and workfile, and send for review.**
- 14-23 / Monitor Consent Agreement**
- 14-24 / Monitor Consent Agreement**
- 14-26 / Monitor Consent Agreement**
- 14-27 / Monitor Consent Agreement**
- 15-03 / Ongoing**
- 15-04 / Ongoing**
- 15-05 / Ongoing**
- 15-06 / Ongoing**
- 15-07 / Ongoing**

Board Member Langemeier seconded the motion. Motion carried with Langemeier, Gutwein, Saxton, Woodle, and Kubert voting aye.

Board Member Langemeier moved to take the following enforcement actions:

- 14-32 / Ongoing**
- 14-33 / Ongoing**
- 14-35 / Ongoing**

Board Member Saxton seconded the motion. Motion carried with Gutwein, Saxton, Langemeier, and Kubert voting aye. Woodle abstained.

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

Board Member Woodle moved to take the following actions for other executive session items:

- I14-32 / Hold**
- I14-33 / Hold**
- I15-2 / Ongoing**
- I15-3 / Ongoing**
- I15-4 / Ongoing**

Board Member Langemeier seconded the motion. Motion carried with Woodle, Langemeier, Saxton, Gutwein, and Kubert voting aye.

**R. ADJOURNMENT**

Board Member Woodle moved to adjourn the meeting. Board Member Langemeier seconded the motion. Motion carried with Langemeier, Saxton, Gutwein, Woodle, and Kubert voting aye.

At 12:41 p.m. Chairman Kubert adjourned the July 22, 2015 meeting of the Real Property Appraiser Board.



Respectfully submitted,

Tyler N. Kohtz  
Director

These minutes were available for public inspection on August 5, 2015, in compliance with Nebraska Revised Statute §84-1413 (5).