

Amended at the September 14, 2016 board meeting

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

August 25, 2016 Meeting Minutes

A. OPENING

Chairman Marc Woodle called to order the August 25, 2016 meeting of the Nebraska Real Property Appraiser Board at 9:06 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 Woodle 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 August 22, 2016 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 Marc Woodle, Christopher Langemeier, Sandra Gutwein, Benjamin Hynek, and David Bloxham were present. Also present were Director, Tyler Kohtz, Compliance and Education Specialist, Grant Krieger, and Business and Licensing Specialist, Allison Nespor.

ADOPTION OF THE AGENDA

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

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

Board Member Langemeier 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. Chairman Woodle asked for a second. Board Member Bloxham seconded the motion. The time on the meeting clock was 9:08 a.m. The motion carried with Bloxham, Hynek, Gutwein, Langemeier, and Woodle voting aye.

Break from 9:54 a.m. to 10:05 a.m.

Board Member Langemeier moved to come out of executive session at 10:25 a.m. Board Member Bloxham seconded the motion. The motion carried with Bloxham, Hynek, Gutwein, Langemeier, and Woodle voting aye.

Break from 10:25 a.m. to 10:34 a.m.

G. WELCOME AND CHAIR'S REMARKS

Chairman Woodle stated, "Less is more, so let's move on with the minutes." Diane Moore was the only member of the public in attendance.

H. BOARD MEETING MINUTES

1. APPROVAL OF JULY 19, 2016 MEETING MINUTES

Chairman Woodle asked for any additions or corrections to the July 19, 2016 minutes. With no further discussion, the Chairman called for a vote. Board Member Hynek moved to adopt the July 19, 2016 meeting minutes as presented. Board Member Bloxham seconded the motion. The motion carried with Bloxham, Hynek, Gutwein, Langemeier, and Woodle voting aye.

I. DIRECTOR'S REPORT

1. APPRAISER COUNT REPORT

Director Kohtz presented twelve charts outlining the number of appraisers and AMCs as of August 25, 2016. The Director summarized each chart and reported the number of appraisers as follows: 68 total Licensed, 62 credentialed through education, experience, and examination, and 6 through reciprocity; 222 total Certified Residential, 181 credentialed through education, experience, and examination, and 41 through reciprocity; 396 total Certified General, 245 through education, experience, and examination, and 151 through reciprocity. In addition, there are 0 Registered and 64 Trainees currently credentialed.

As of August 25, 2016, a total of 686 appraisers, not including the Trainee classification, were reported by the Director, up 7 from July, and down 3 from August 2015. A total of 750 appraisers, including the Trainee classification, were also reported by the Director, up 8 from July, and up 6 from August 2015. A total of 488 appraisers credentialed through education, experience, and examination, not including the Trainee classification, was reported, which is down 7 from August 2015, and a total of 198 appraisers credentialed through reciprocity was reported, which is up 4 from August 2015.

Board Member Bloxham asked how many reciprocal credential holders work in Nebraska. Director Kohtz responded, "That question would be hard to answer. Many reciprocal credential holders live in South Dakota, Wyoming, or Iowa and regularly work in Nebraska. Some live in Kansas City, but do a lot of work in Lincoln and Omaha." Board Member Bloxham asked, "Would it be possible to find out how many reciprocal credential holders reside in Nebraska?" The Director informed the Board that this is possible, and that a report could be provided at the September meeting. Board Member Bloxham indicated that he would like to see such of a report.

2. TEMPORARY PERMIT REPORT

The Director then addressed the number of temporary permits issued. There were 24 permits issued in July compared to 6 permits issued in June. As of July 31, 2016, 113 temporary permits have been issued for the calendar year. Director Kohtz informed the Board that temporary permits continue to perform well. Chairman Woodle brought attention to the group of specialty appraisers that utilize temporary permits on a regular basis. The Chairman specifically mentioned those that appraise hospitals, hotels, and national chains as examples. The Director added that a fair amount of temporary permit applications come out of Kansas City as well.

3. AMC COUNT REPORT

The Director reported 108 AMCs registered, which is up 5 from August 2015. Chairman Woodle expressed surprise for the continued increase in the number of AMCs. The Chairman stated, "We always thought that we would be right around 100, but when the number drops to around 100, it always seems to find its way back up." Board Member Bloxham indicated that this may be changing soon with federal regulations resulting in more financial institutions moving more of these services in house. Board Member Bloxham then asked, "What would we do if we have a significant drop in the number of AMCs?" Director Kohtz responded, "A fee increase would likely be needed." The Director continued by saying that, although this could change quickly, the current trend does not indicate a drop in the number of AMCs anytime soon. If the trend would start to change, the Board would have to decide how to proceed to best position itself.

J. FINANCIAL REPORT AND CONSIDERATIONS – AUGUST 2016

1. APPROVAL OF JULY RECEIPTS AND EXPENDITURES

The receipts and expenditures for July were reviewed by the Director by line item with the Board. Director Kohtz brought attention to household and institutional expenses, and informed the Board that these expenses were for employee promotional clothing. Board Member Gutwein indicated that she was unaware of an approval for such of an expense. Director Kohtz brought attention to Board Policy 12-08, which outlines the board staff clothing allowance. Board Member Langemeier asked what it is for. Director Kohtz informed the Board that he has a fleece that he wears, and a jacket that he wears to AARO; Compliance and Education Specialist Krieger has multiple polos. Chairman Woodle recalled approving this policy when staff was doing more publicly. Director Kohtz asked if there needs to be a change in policy. There was no further discussion.

For the Real Property Appraiser Program, which includes both the appraiser fund and the AMC fund, a total of \$24,711.19 in expenditures and \$15,148.24 in revenues were reported. As of the end of July, expenses amount to 5.40 percent of the budgeted expenditures for the fiscal year; 8.49 percent of the fiscal year has passed. Director Kohtz finished by presenting three charts outlining the Agency twenty-five month expenses and revenues, historic cash balance, and twenty-five month cash balance.

Board Member Bloxham moved to accept and file the July 2016 budget reports for audit. Board Member Hynek seconded the motion. The motion carried with Bloxham, Hynek, Gutwein, Langemeier, and Woodle voting aye.

2. FY 2016-17 BUDGET

Director Kohtz presented the final Fiscal Year 2016-17 Budget as discussed during the June and July meetings, and asked the Board for approval. Board Member Hynek moved to approve the Fiscal Year 2016-17 Budget as presented. The motion was seconded by Bloxham, and carried with Bloxham, Hynek, Gutwein, Langemeier, and Woodle voting aye.

3. 2017-2019 BIENNIAL BUDGET

Director Kohtz presented the 2017-2019 Biennial Budget Request to the Board for review. The Director outlined the Agency Narrative for the Board, then went through each issue addressed in the request. The 2017-2019 Biennial Budget Request includes the following:

- Changes to the Administrative Services assessments, which includes an increase of \$851.00 in each fiscal year for changes to the employee assistance program, workers compensation fees, rent depreciation, accounting and auditing assessment, purchasing assessment, Human Resources Management Systems assessment, and insurance and surety bond expenses.
- An operational expense decrease of \$14,024 for each fiscal year. This reduction is primarily due to a proposed reduction in travel costs as recommended by Governor Ricketts, which reduces funding to only one person attending the fall and spring AARO conference. This decrease also includes a reduction in per diem funding and legal services expenses due to the implementation of the provisions of LB139 being less costly than originally projected.
- Reappropriation of funding in the amount of \$69,409 allocated in the 2015-2017 Biennial Budget, along with an additional \$5,000 for inflationary costs due to the original estimates being over two years old, to build the enforcement, education, and instructors interfaces into the Board's database. It does not appear that CIO will complete this work during the current fiscal year.
- Two enterprise issues, which are funding related requests that are requested by the Governor and/or Administrative Services. The first is a 2.4% salary increase for all employees for each fiscal year of the biennial budget period, and the second is an 8% increase in health insurance costs for each fiscal year of the biennial budget period.

Director Kohtz then outlined the base budget, and made note of any changes resulting from the discussed issues. The Director ended the presentation by summarizing the funds analysis for the Appraiser Fund and AMC Fund. Director Kohtz informed the Board that the intent is to finish each fiscal year with expenditures within 10% of the budgeted amounts.

The Director then brought attention to the Compliance and Education Specialist position, and informed the Board that the classification analysis has been completed by personnel, and the position has been reclassified from a Staff Assistant II to an Administrative Assistant II. Director Kohtz informed the Board that the salary increase is \$2,249 for the current fiscal year, and would like to include this amount and the enterprise salary increase difference between the Staff Assistant II and the Administrative Assistant II classifications in the biennial budget request.

Board Member Hynek made a motion to approve the 2017-2019 Biennial Budget Request as amended with the Compliance and Education Specialist salary increase. The motion was seconded by Langemeier, and carried with Langemeier, Gutwein, Hynek, Bloxham, and Woodle voting aye.

4. PER DIEMS

Director Kohtz informed the Board that he has no per diem requests for this meeting. Chairman Woodle asked if any board members had a request for the Board to consider. There was no further discussion.

K. GENERAL PUBLIC COMMENTS

Chairman Woodle asked for any public comments. Diane Moore appeared before the Board. Ms. Moore informed the Board that the Moore Group conducted its USPAP for Mass Appraisers at the fall assessors' conference in Kearney, Nebraska. Ms. Moore went on to say that she was impressed that of the people in attendance, those that knew little or nothing about USPAP worked harder than the appraisers in the class. Chairman Woodle asked if those in the assessor profession are typically exposed to USPAP. Ms. Moore indicated that only 1/3 of the class raised hands when asked how many have exposure to USPAP. She continued by saying that they did a good job at tailoring the course to them, and exposing them to Standard 6 pertaining to mass appraisal. Ms. Moore finished by saying that enthusiasm was good. Chairman Woodle thanked Ms. Moore for her feedback.

L. EDUCATION

Board Member Langemeier moved to take the following actions on education activities and instructors as listed:

NEW CONTINUING EDUCATION ACTIVITIES AND INSTRUCTORS

McKissock, LLC

Fannie Mae Appraisal Guidelines: Debunking the Myths (C21621-I)/4 Hours –

Approve with Advisory Letter

Dan Bradley - *Approve*

Divorce and Estate Appraisals: Elements of Non-Lender Work (C21622-I)/4 Hours – *Approve*

Paul Lorenzen – *Approve*

OREP Education Network

FHA Appraisal Standards (C21623-I)/7 Hours – *Approve*

Lore DeAstra – *Approve*

Appraisal Institute

Local Market Snapshot (C21624)/4 Hours – *Approve*

Jay Lund – *Approve*

Matt Dwyer – *Approve*

Sam Manzitto – *Approve*

Tom Wilson – *Approve*

INSTRUCTORS ONLY

Appraisal Institute

7-Hour USPAP Update (C21601): Kenneth Alford – *Approve*

Residential Applications: Using Technology to Measure and Support Assignment Results (C21425):

Craig Steinley – *Approve*

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

M. UNFINISHED BUSINESS

- 1. BOARD MEMBER RECOGNITION:** Director Kohtz presented a spreadsheet to the Board with board member history on it. The Director informed the Board that staff has begun putting together the Board's history for the plaque, and the most complete information, this spreadsheet, came from Diane Moore. The Director continued by saying that some information has been received from the Governor's office, but the rest will need to be retrieved from the State Archives. Chairman Woodle thanked Diane Moore for her hard work. There was no further discussion.

2. **RENEWAL SEASON INTERN EMPLOYEES:** Director Kohtz informed the Board that he will submit the intern request to SOS Employment soon to begin advertising the openings. The Director indicated that the positions will be advertised on the University of Nebraska and the Nebraska Wesleyan University job boards. There was no further discussion.

N. NEW BUSINESS

1. **CES CLASSIFICATION EVALUATION:** Director Kohtz presented the August 24, 2016 classification review decision letter from State Personnel pertaining to the classification analysis request for the Compliance and Education Specialist Position. As discussed during Financial Report and Considerations, this position was reclassified from a Staff Assistant II to an Administrative Assistant II. The Director continued by saying that the letter outlines the details of the decision, but for future knowledge, the issues that keeps this position from being assigned a unique class includes: 1) lack of supervisory responsibilities, 2) lack of independent direct control over a program, and 3) no requirement that the position is held by a credentialed appraiser.
2. **GOOD LIFE. GREAT.....(STATE UNIFIED BRANDING CAMPAIGN):** Director Kohtz presented documentation received from the Nebraska Department of Economic Development pertaining to a new state government branding campaign to unify all agencies under one brand. The Director continued by informing the Board that the idea is to customize the message to fit each agency, so Good Life. Great Opportunity, Great Roads, Great Value; whatever fits with the mission of the agency. The Director then had Compliance and Education Specialist Krieger play a promotional video for the Board. Once the video was completed, the Director informed the Board that it has three options, it could keep its current brand, it could utilize this as a secondary brand with a digital image provided by DED at no cost, or it can make a complete brand change. A complete brand change would require that Firespring create a custom package for the Board, which would include all image templates, letterhead templates, envelope templates, and digital images. Rebranding would cost the Board \$3,000.00. The Director finished by saying that a lot of work was put into building a consistent brand, so when a person receives documentation from the Board, he or she knows it's from the Board; same thing when visiting the website, Facebook page, or receiving an electronic communication; it would also be hard to do a partial brand for the same reasons. Chairman Woodle indicated that a lot of work has been put into this, but he is happy with the Board's current brand. The Board agreed with Chairman Woodle's comments. There was no further discussion.

Break from 11:47 a.m. to 12:06 p.m.

O. LEGISLATIVE REPORT AND BUSINESS

1. **AMC REGISTRATION ACT UPDATE:** Director Kohtz informed the Board that he met with Bill Marienau, Legal Counsel for the Banking, Commerce and Insurance Committee, to discuss a tentative plan for the AMC Registration Act update. The Director will prepare the first draft for Board review at the October meeting. After the Board's recommendations are incorporated, the Director and Mr. Marienau will have the draft put into bill format and do a technical cleanup. The bill draft will be presented to the Board in November for approval for public comment. The vote on the final draft will take place at the December meeting. There was no further discussion.

- TITLE 298 UPDATE:** Director Kohtz presented a letter from Governor Ricketts explaining why the draft Title 298 was returned to the agency. Governor Ricketts cited the Department of Revenue's report that the General Fund tax receipts were down \$95 Million from the certified tax receipts forecast as the reason for returning the rules to the Board. The Governor has urged all State agencies to review fees and assessments to spur economic activity. The Director then presented the updated draft of Title 298, and informed the Board that all fee increases have been removed. Because the structure in the Education section was based on two different fee levels, this section had to be restructured to fit the current fee structure. In addition, this draft also includes changes related to the enactment of LB731, language for criminal history record check evaluation, and incorporates many recommendations made during the January 21, 2016 hearing.

Director Kohtz proceeded to guide the Board through the draft beginning with the update of the version of USPAP referenced from 2014-2015 to 2016-2017. Board Member Langemeier asked if this could be changed to current edition. Director Kohtz indicated that he didn't know if it would work, but since the specific edition is referenced in statute, it might be worth a try. This was changed from "2015-2016" to "Current."

The Director moved to administrative fees for copies, and informed the Board that he has set them all at zero. He has asked the Governor's Policy and Research Office about the administrative fees, and was initially told that the Governor had no issues with these fees, but he was waiting for confirmation for sure before adding them back in. The language remains as drafted because the Director intends to present this again in the future, as most agencies have the same fees for copies. Board Member Langemeier asked if this language could reference another agency's fees. Director Kohtz responded that he did not know. The Board agreed to wait on any further changes.

The Director discussed the newly added Section 012 titled "Background Evaluation Criteria" with the Board. The Director reminded the Board that when discussing how best to address the impending background check criteria required by the Real Property Appraiser Qualifications Criteria, that it decided to include a vague authority in the statutes, and then further define the criteria according to Guide Note #9 in the rules. Director Kohtz informed the Board that, for the most part, this language is taken directly from Guide Note #9. Board Member Gutwein asked, "What does evasion of a lawful debt or obligation, including but not limited to, tax obligations, or violation of a relation of trust or confidence mean?" Board Member Woodle feels that the tax reference is not paying legally required fees or payments, such as child support. Director Kohtz added that crimes often involve taking advantage of a person, which is what the second part would refer to. Board Member Bloxham and Hynek indicated that the proposed language may paint the Board into a corner when evaluating backgrounds. The Director responded by saying it would be good to have a standard in place for staff to utilize when determining if a background is acceptable or if it needs to go before the Board. Board Member Langemeier added that the staff and the Board could still reference Guide Note #9, but it would not be in the language. The Board agreed with this idea. Director Kohtz informed the Board that the entire Section 012 will be removed.

Director Kohtz then guided the Board to the Reciprocity and Temporary Real Property Appraiser Credential chapter and informed the Board that the log and report requirements were removed due to the enactment of LB731. Chairman Woodle informed the Board that this change was made as a result of the ASC's findings during its 2015 audit, where it indicated that the Board was treating reciprocal applicants different from resident applicants.

Director Kohtz moved to the Real Property Associate Credential chapter, and indicated that the exam requirement was removed due to the enactment of LB731. Chairman Woodle required that this chapter and all references to the Real Property Associate be removed from the draft. The Chairman continued by saying that the intent was to give the assessment staffs an alternative to the IAAO certifications, and provide an opportunity to show that they have obtained a foundation in appraiser knowledge. Since an exemption was obtained from the Real Property Appraiser Act for all contractors, there is not one person under the authority of the Board when it comes to mass appraisal, and as discussed during strategic planning, this credential should be retired before it is even utilized. Director Kohtz was asked if anyone currently holds this credential. The Director responded, "No, the idea was to get the rules in place before offering it as a credential." Diane Moore appeared before the Board, and declared that many people have interest in obtaining this credential. The intent was for it to be an alternative for those that don't want to obtain a full appraiser credential to take some courses and have something to show for it, such as a recognized designation. Board Member Woodle acknowledged Ms. Moore's comments, and responded, "Since the original purpose is no longer needed, I see no reason to keep it around. I see this as a negative for credentialed appraisers that worked hard to earn a credential. What I see is someone with this Real Property Associate credential going into court and using it to try to discredit a credentialed appraiser." Board Member Hynek added, "I don't see the value in it." Chairman Woodle responded, "The value would be additional revenues, but that is it." The Board agreed that all language referencing the Real Property Associate should be removed because the next bill for changes to the Real Property Appraiser Act will sunset this credential.

Director Kohtz directed the Board to the Renewal of Real Property Appraiser and Real Property Credential chapter. The Director brought attention to language that limits the number of times that USPAP or the Report Writing Update Course may be taken within a calendar year. The Director informed the Board that it is possible to take USPAP twice in a year and be given credit for both. Board Member Langemeier indicated that this is a good thing. The Board agreed with this assessment, and asked that the added language be removed. The Director then moved to newly added Section 001.07, which addresses the cancelling of an education activity by an education provider. Director Kohtz informed the Board that it received many phone calls during renewal season last year regarding courses being cancelled at the last minute, which left appraisers scrambling to find a replacement course. Chairman Woodle acknowledged the problem, but if this rule is enacted, the education provider will need to cancel many more courses because sign up for courses often ends near the date the course will be held. It is important that the education providers maintain this ability to remain solvent. The Board agreed with this. Director Kohtz informed the Board that this language will be removed.

Director Kohtz walked the Board through the changes for qualifying education, continuing education, and the 7-Hour Supervisory Appraiser and Trainee Course to address the fee issue. The Director informed the Board that the instructor was tied directly back into the activity as it is now, the ability for the Board to remove approval of an activity after five years of inactivity was added to address the backlog of activities, and the five year renewal requirement was removed for continuing education activities because the Board would have the ability to remove approval if it is inactive for five years. Ms. Moore appeared and stated, "The lifespan of a continuing education activity is typically three years, so this does not really make a difference." The Board acknowledged this comment, but felt that the five year renewal requirement should be reinstated. The Director informed the Board that it will be added back in. The final language considered by the Board is related to training in the use of specific software. Director Kohtz informed the Board that the language of Board Policy 16-01 fits naturally here, so he added it in for consideration. Board Member Langemeier indicated that he likes the guidance for decision making, but doesn't want the Board to put itself in a situation where it has to deny a course that would benefit appraisers. The Board agreed that this language should be removed from the draft.

Upon completion of the review, Director Kohtz asked the Board what it would like to do next. Board Member Langemeier responded that the draft should be updated with the recommendations and sent out to board members for another review. Langemeier continued by saying this is the first time that Board Member Hynek or Board Member Bloxham has seen this, and I want them to have the opportunity to properly review it and get caught up before moving it to preliminary review by the Attorney General's Office. The Director informed the Board that the updated draft will be sent out next week.

Break from 1:16 p.m. to 1:25 p.m.

P. BOARD POLICIES AND PROCEDURES

1. BOARD POLICIES

- a. Current Board Policies:** No discussion.
- b. Board Policy 12-07 Draft:** Director Kohtz presented amended Board Policy 12-07 concerning the changes to the fee structure for Standard 3 reviewers and Subject Matter Experts as discussed during the Board's strategic planning meeting in June and again at the July meeting. In the proposed amended policy the hourly rate for applicant reviews is increased to \$85.00 per hour, and the Subject Matter Expert hourly rate is increased to \$100.00 per hour. With no further discussion, Board Member Gutwein moved to approve Board Policy 12-07 as amended. The motion was seconded by Hynek, and carried with Bloxham, Hynek, Gutwein, Langemeier, and Woodle voting aye.

2. APPRAISER FORMS AND PROCEDURES

- a. 1000 Hour Trainee Real Property Appraiser Courtesy Review Program:** Director Kohtz presented the only response received to the questions sent out after the July meeting. The Board tabled this discussion to give additional time for board members to respond to the questions.
- b. Revised Real Property Appraiser Credential Renewal Application Procedures:** Director Kohtz presented the revised Real Property Appraiser Credential Renewal Application Procedures to the Board for review. Director Kohtz informed the Board that the procedures have not been updated since 2014, and there have been some changes to the process since then. The Director summarized the changes for the Board. With no further discussion, Board Member Bloxham moved to approve the Real Property Appraiser Credential Renewal Application Procedures as revised. The motion was seconded by Hynek, and carried with Bloxham, Hynek, Gutwein, Langemeier, and Woodle voting aye.
- c. 2017-18 Application for Renewal of Real Property Appraiser Credential:** Director Kohtz presented the 2017-18 Application for Renewal of Real Property Appraiser Credential to the Board for consideration. The Director informed the Board that the only changes were updates for the current year. With no further discussion, Board Member Hynek moved to approve the 2017-18 Application for Renewal of Real Property Appraiser Credential as presented. The motion was seconded by Gutwein, and carried with Langemeier, Gutwein, Hynek, Bloxham, and Woodle voting aye.
- d. 2017-18 Application for Renewal of Trainee Credential:** Director Kohtz presented the 2017-18 Application for Renewal of Trainee Credential to the Board for consideration. The Director informed the Board that the only changes were updates for the current year, and inclusion of the \$5.00 fee for the Criminal History Record Check Program since trainees are now included in the random background checks. With no further discussion, Board Member Langemeier moved to approve the 2017-18 Application for Renewal of Trainee Credential as presented. The motion was seconded by Hynek, and carried with Bloxham, Hynek, Gutwein, Langemeier, and Woodle voting aye.

3. COMPLIANCE FORMS AND PROCEDURES

- a. **Anonymous Respondent Report:** Director Kohtz presented a letter from Special Assistant Attorney General Bill Blake concerning the Board's consideration that a respondent's identity remaining anonymous throughout part of an investigation. Discussion was tabled for next month.
- b. **SME/Standard 3 Reviewer Training and Evaluation Program:** No discussion.

Q. OTHER BUSINESS

1. **BOARD MEETINGS:** Board Member Langemeier indicated that he would not be able to attend the meeting as scheduled on September 15, 2016. Chairman Woodle asked if another date would work for the Board. The 14th was recommended. Board Member Langemeier made a motion to move the September meeting to September 14, 2016 at 9:00 a.m. The motion was seconded by Hynek, and carried with Langemeier, Gutwein, Hynek, Bloxham, and Woodle voting aye.
2. **CONFERENCES/EDUCATION**
 - a. **Fall AARO Conference; October 21-24, 2016:** Director Kohtz asked for interest in attending the Fall AARO Conference. Director Kohtz indicated that he will be attending. There was no other interest. Board Member Langemeier made a motion to approve Director Kohtz for attendance at the Fall AARO Conference. Seconded by Bloxham, and carried with Bloxham, Hynek, Gutwein, Langemeier, and Woodle.
3. **MEMOS FROM THE BOARD:** No discussion.
4. **QUARTERLY NEWSLETTER:** Director Kohtz presented a draft of the Summer 2016 newsletter to the Board for review. The Director informed the Board that the upcoming meetings will be updated based on the discussion to move the September meeting. Board Member Langemeier asked that the historic cash balance graph be removed. Board Member Langemeier indicated without more in-depth discussion, this graph would not make the correct sense. Director Kohtz was also asked to remove the joke on the last page. Compliance and Education Specialist Krieger responded that it was the best he could come up with. Chairman Woodle stated that it is the oldest appraiser joke in the book. Director Kohtz indicated that the graph and the joke will be removed. Board Member Langemeier expressed concern for the amount of time put into this newsletter. Director Kohtz informed the Board that CES Krieger and Business and Licensing Specialist Nespore put in a few hours, while he put in two days. Chairman Woodle felt this time was reasonable, and asked for a motion. Board Member Langemeier moved to approve the Summer 2016 newsletter as amended. The motion was seconded by Bloxham, and carried with Bloxham, Hynek, Gutwein, Langemeier, and Woodle voting aye.

Break from 2:19 p.m. to 2:25 p.m.

5. APPRAISAL SUBCOMMITTEE

- a. **Public Comments on the Proposed Rule to Implement Collection and Transmission of Annual AMC Registry Fees:** Director Kohtz brought attention to the website where the public comments on the Proposed Rule to Implement Collection and Transmission of Annual AMC Registry Fees can be found. There was no further discussion.
- b. **Next ASC Meeting – September 14, 2016:** No discussion.

6. APPRAISAL FOUNDATION

- a. Second Exposure Draft of Proposed Changes for the 2018-19 Edition of the Uniform Standards of Professional Appraisal Practice:** Director Kohtz presented the second exposure draft of the proposed changes for the 2018-19 edition of USPAP to the Board for review. The Director informed the Board that he saw minimal changes from the first exposure draft. There was no further discussion.
- b. Appraisal Practices Board July 15, 2016 Meeting Summary:** No discussion.

7. IN THE NEWS: No discussion.

C. CONSIDERATION OF APPLICANTS AS NEBRASKA REAL PROPERTY APPRAISER

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

T16008 / Requirements for credentialing as a Trainee Real Property Appraiser approved as submitted. Authorize Director to issue credential upon completion of background check. Send advisory letter informing applicant that a Supervisory Appraiser registered with the Board is required prior to engaging in real property appraisal practice for experience credit acceptable for credentialing.

T16009 / Approve as a Trainee Real Property Appraiser.

T16010 / Approve as a Trainee Real Property Appraiser.

SA-T16009 / Approve as Supervisory Appraiser.

SA-T16009 / Approve as Supervisory Appraiser.

SA-T16009 / Approve as Supervisory Appraiser.

SA-T16010 / Approve as Supervisory Appraiser.

SA-T16010 / Approve as Supervisory Appraiser.

SA-T2014018 / Approve as Supervisory Appraiser.

SA-T2016009 / Approve as Supervisory Appraiser.

SA-T2016005 / Approve as Supervisory Appraiser.

SA-T2016005 / Approve as Supervisory Appraiser.

CG16010R / Requirements for credentialing as a Certified General Real Property Appraiser approved as submitted. Authorize Director to issue credential upon completion of background check.

CG16011R / Requirements for credentialing as a Certified General Real Property Appraiser approved as submitted. Authorize Director to issue credential upon completion of background check.

CG16012R / Requirements for credentialing as a Certified General Real Property Appraiser approved as submitted. Authorize Director to issue credential upon completion of background check.

CG16013R / Approve as a Certified General Real Property Appraiser.

CR16007R / Requirements for credentialing as a Certified Residential Real Property Appraiser approved as submitted. Authorize Director to issue credential upon completion of background check.

L16004R / Requirements for credentialing as a Licensed Residential Real Property Appraiser approved as submitted. Authorize Director to issue credential upon completion of background check.

CR16006 / Invite to advisory phone meeting. Board Member Bloxham assigned.

CG16002 / Send second report for Standard 3 review.

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

D. REGISTRATION AS APPRAISAL MANAGEMENT COMPANY: None

E. CONSIDERATION OF DISCIPLINARY ACTIONS/ ENFORCEMENT MATTERS

Board Member Langemeier moved to take the following enforcement actions:

- 16-07 / Proceed with investigation for the alleged violation of Neb. Rev. Stat. § 76-2237 and N.R.S. § 76-2238 (4), (5), (12), (15), (16), (18).**
- 14-22 / Monitor Consent Agreement.**
- 14-23 / Monitor Consent Agreement.**
- 14-24 / Monitor Consent Agreement.**
- 14-26 / Monitor Consent Agreement.**
- 14-27 / Monitor Consent Agreement.**
- 15-05 / Hold**
- 15-09 / Hold**
- 15-14 / Ongoing**
- 15-16 / Ongoing**
- 15-18 / Ongoing**
- 15-19 / Ongoing**
- 16-02 / Request for SME fee approved.**
- 16-03 / Ongoing**
- 16-05 / Ongoing**

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

F. CONSIDERATION OF OTHER EXECUTIVE SESSION ITEMS

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

I16-01 / Hold

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

Item 1 – The Board discussed a request for an individualized continuing education program made by a credentialed appraiser. Board Member Langemeier moved to deny the request. The motion was seconded by Hynek, and carried with Langemeier, Gutwein, Hynek, Bloxham, and Woodle voting aye.

R. ADJOURNMENT

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

At 2:46 p.m. Chairman Woodle adjourned the August 25, 2016 meeting of the Real Property Appraiser Board.

Respectfully submitted,

Tyler N. Kohtz
Director

These minutes were available for public inspection on September 8, 2016, in compliance with Nebraska Revised Statute §84-1413 (5).