

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

July 17, 2025 Meeting Minutes

A. OPENING

Chairperson Gerdes called to order the July 17, 2025 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 Gerdes 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, 2025. 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 Cody Gerdes of Lincoln, Nebraska; Kevin Hermesen of Gretna, Nebraska; Derek Minshull of North Platte, Nebraska; and Adam Batie of Kearney, Nebraska were present. Board Member Rodney Johnson of Norfolk, Nebraska was absent and excused. Also present were Director Tyler Kohtz, Licensing Programs Manager Karen Loll, Education Program Manager Kashinda Sims, and Business Programs Manager Colby Falls, who are headquartered in Lincoln, Nebraska.

ADOPTION OF THE AGENDA

Chairperson Gerdes reminded those present for the meeting that the agenda cannot be altered twenty-four hours prior to the meeting except for emergency items in accordance with the Open Meetings Act. Board Member Minshull moved to adopt the agenda as presented. Board Member Hermesen seconded the motion. The motion carried with Hermesen, Minshull, Batie, and Gerdes voting aye.

Board Member Hermesen moved that the Board enter executive session for the purpose of reviewing applicants for credentialing; applications for appraisal management company registration; investigations; pending litigation, or litigation which is imminent as evidenced by communication of 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 Minshull seconded the motion. The time on the meeting clock was 9:02 a.m. The motion carried with Hermesen, Minshull, Batie, and Gerdes voting aye.

Board Member Minshull moved to exit executive session at 11:01 a.m. Board Member Hermesen seconded the motion. The motion carried with Hermesen, Minshull, Batie, and Gerdes voting aye.

Break from 11:01 a.m. to 11:12 a.m.

G. WELCOME AND CHAIR'S REMARKS

Chairperson Gerdes welcomed all to the July 17, 2025 meeting of the Nebraska Real Property Appraiser Board. Chairperson Gerdes recognized Pete Fontana and Roger Morrissey as members of the public in attendance.

H. BOARD MEETING MINUTES

1. APPROVAL OF JUNE 17, 2025 STRATEGIC PLANNING MEETING MINUTES

Chairperson Gerdes asked for any additions or corrections to the June 17, 2025 strategic planning meeting minutes. With no discussion, Chairperson Gerdes called for a motion. Board Member Hermesen moved to approve the June 17, 2025 strategic planning meeting minutes as presented. Board Member Minshull seconded the motion. Chairperson Gerdes recognized the motion and asked for any discussion. With no discussion, Chairperson Gerdes called for a vote. The motion carried with Hermesen, Minshull, Batie, and Gerdes voting aye.

2. APPROVAL OF JUNE 18, 2025 MEETING MINUTES

Chairperson Gerdes asked for any additions or corrections to the June 18, 2025 regular meeting minutes. With no discussion, Chairperson Gerdes called for a motion. Board Member Batie moved to approve the June 18, 2025 regular meeting minutes as presented. Board Member Minshull seconded the motion. Chairperson Gerdes recognized the motion and asked for any discussion. With no discussion, Chairperson Gerdes called for a vote. The motion carried with Hermesen, Minshull, Batie, and Gerdes 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 17, 2025 to the Board for review. The Director indicated that he had no specific comments, then asked for any questions or comments. There was no further discussion.

b. Real Property Appraiser Renewal Report

Director Kohtz presented two charts detailing 2025-2026 real property appraiser renewals as of June 30, 2025 and informed the Board that the renewal period has closed. The Director guided the Board to the 2025-26 Real Property Appraiser Renewal Progress Report and indicated that, out of the 543 real property appraisers whose credential expired on December 31, 2024, 482 real property appraisers renewed. Director Kohtz then reviewed the 2025-26 Percentage Projections/Actuals Renewal Progress Report and informed the Board that the actual real property appraiser renewal rate met the projected renewal rate for all classifications at 89%. The Director moved to the real property appraiser renewal rates for each classification and reported that other than the trainee classification, the renewal rates were typical, and at or near projections, for each classification. The trainee classification renewal rate, at 63%, was significantly below the projected rate of 74%. Director Kohtz informed the Board that there were no signs that the renewal rate was going to be considerably below projections as the rate was consistently in the 72% to 74% range during the previous four-year period. The Director asked for any questions or comments. There was no further discussion.

c. Temporary Real Property Appraiser Report

Director Kohtz presented three charts outlining the number of temporary credentials issued as of June 30, 2025 to the Board for review. The Director indicated that he had no specific comments, then asked for any questions or comments. There was no further discussion.

d. Supervisory Real Property Appraiser Report

The Director presented two charts outlining the number of registered supervisory real property appraisers as of July 17, 2025 to the Board for review. The Director indicated that he had no specific comments. Director Kohtz asked for any questions or comments. There was no further discussion.

e. Appraisal Management Company Report

Director Kohtz presented two charts outlining the number of AMCs as of July 17, 2025 to the Board for review. The Director indicated that he had no specific comments regarding this report and asked for any questions or comments. 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 11, 2025 and July 8, 2025. The Director indicated that he had no specific comments and asked for any questions or comments. There was no further discussion.

b. Education Activity and Instructors Report

Director Kohtz presented the Education Activities and Instructors Report to the Board for review showing education activities and instructors approved by the Director for the period between June 11, 2025 and July 8, 2025. The Director asked for any questions or comments. There was no further discussion.

3. 2025-26 NRPAB GOALS AND OBJECTIVES + SWOT ANALYSIS

Director Kohtz presented the 2025-26 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 then asked the Board whether the 2025-26 NRPAB Goals and Objectives + SWOT Analysis documents accurately reflect the Board's discussions during the strategic planning meeting. Chairperson Gerdes confirmed that the document captured the objectives and goals discussed during the strategic planning and thanked the Director for the work put into the meeting and these documents. The Board agreed with the Chairperson's assessment. With no further discussion, Chairperson Gerdes called for a motion. Board Member Hermesen moved to approve the 2025-26 NRPAB Goals and Objectives + SWOT Analysis as presented. Board Member Minshull seconded the motion. Chairperson Gerdes recognized the motion and asked for any discussion. With no discussion, Chairperson Gerdes called for a vote. The motion carried with Hermesen, Minshull, Batie, and Gerdes voting aye.

J. FINANCIAL REPORT AND CONSIDERATIONS

1. JUNE FINANCIAL REPORT

Director Kohtz reported to the Board that the 2024-2025 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.

The Director began with the receipts and expenditures for the month of June and led the Board's attention to the CIO Charges expense in the amount of \$15,056.67. Director Kohtz reported that this expenditure includes the OESI interface project, minor fixes, and updates that he wanted to have completed before the end of the fiscal year. The Director then moved to the Other Contractual Services expense and reported that the amount of \$10,243.50 includes the majority of Board approved AARS contracts with the maximum compensation amount of \$2,500.00. Director Kohtz then informed the Board that the overall expenditures for the month of June totaled \$54,519.63, and the overall revenues for the month of June were \$16,362.11.

Director Kohtz then moved to the Budget Status Report for the Real Property Appraiser Fund and AMC Fund and reported that he had no comments on any specific expenditures or revenues. The Director informed the Board that the Real Property Appraiser Fund expenditures for the month of June totaled \$38,564.00, and the Real Property Appraiser Fund revenues were \$12,585.26 for June. The AMC Fund expenditures for the month of June totaled \$15,955.63, and the AMC Fund revenues totaled \$3,776.85 for June.

Director Kohtz then reported on the 2024-25 fiscal year receipts and expenditures. The Director began by indicating that he would only cover individual object codes that stood out and encouraged the Board to ask any questions it has about anything in the Budget Status Report. The Director informed the Board that Personal Services expenditures for the fiscal year totaled \$242,121.17, which amounts to 96.15 percent of the budgeted expenditures for the fiscal year. Personal services and benefits expenditures totaled \$335,533.07, which amounts to 95.71 percent of budgeted expenditures for the fiscal year. Director Kohtz noted that no additional funding request was made for a former employee's \$11,000.00 retirement payout; through budget management, this amount was absorbed into the Board's existing appropriation. The Director continued to the CIO Charges expense in the amount of \$38,508.88, which is 69.33 percent of the budgeted amount, and reported that the actual cost for the OESI interface was significantly below the estimation and Board approved budget. Director Kohtz then led the Board's attention to Legal Services Expense and Legal Related Expense and indicated that, due to the Board's strong enforcement program, both expenditures finished significantly below budget. Legal Services Expense ended at \$3,896.00, which is 19.48 percent of budgeted and Legal Related Expense ended at \$30.00, which is 1 percent of budgeted. Director Kohtz reported the overall expenditures for the fiscal year were \$448,50.20, which is 86.82 percent of the budgeted amount.

Director Kohtz proceeded to revenues for the fiscal year and informed the Board that Qualifying Ed Course Fees ended at \$850.00, and Continuing Education Renewal Fees ended at \$90.00; both below projections for the fiscal year. Certified General New revenues finished at \$6,300.00, which was below projections and historic revenues; however, Certified Residential New and Licensed Residential New revenues were significantly above projections at \$4,200.00 and \$900.00. According to the Director, the new appraiser fees balanced with projections for the fiscal year. Director Kohtz then moved to appraiser renewal revenues and reported that Certified General Renew finished at \$124,300.00, which exceeded projections by 7 percent, while Certified Residential Renew revenues finished at \$60,775.00, which was below projections by approximately 3 percent. The Director noted that while renewal rates aligned with expectations, the variance is likely due to a greater number of one-year versus two-year Certified Residential renewals than originally projected. Director Kohtz informed the Board that AMC revenues were strong for the fiscal year. AMC Registered New Fees were \$12,000.00, 300 percent of projected revenues; AMC Application Fees totaled \$2,100.00, 300 percent of projected revenues; and AMC Registered Renewal revenues were \$100,500.00, which is 1.52 percent above projections for the fiscal year. For the fiscal year, overall revenues finished at \$398,116.46, which is 105.89 percent of the projected amount. Director Kohtz informed the Board that overall revenues were strong for the fiscal year.

Director Kohtz then moved to the Budget Status Report for the Real Property Appraiser Fund and AMC Fund and reiterated that he had no comments on any specific object codes. The Director informed the Board that the Real Property Appraiser Fund expenditures for the fiscal year were \$301,341.71, which amounts to 86.03 percent of the budgeted expenditures for the fiscal year, and revenues were \$271,719.87, which amounts to 103.79 percent of the projected revenue for the fiscal year. Director Kohtz then reported that the AMC Fund expenditures were \$147,208.49, which amounts to 88.50 percent of the budgeted expenditures for the fiscal year, and revenues were \$126,396.59, which is 110.70 percent of the projected revenue for the fiscal year. The Director asked if there were any questions or comments regarding the June Budget Status Report or the 2024-25 fiscal year end report. There was no further discussion.

Director Kohtz presented the MTD General Ledger Detail report for the month of June. The Director led the Boards attention to a journal entry with the payee/explanation as "NRPAB JE CORRECT APPR ASC BAL" on page J.11 and informed the Board that the ASC indicated that the Board made an overpayment in the amount of \$80.00 in 2021. This journal entry was made to adjust the liability account balance following the application of the credit. Director Kohtz added that the Board's records show no discrepancy for 2021, and when the ASC was asked for additional details, none were provided. The Director then asked for any questions or comments. There was no further discussion.

Director Kohtz then presented four graphs illustrating expenses, revenues, and cash balances. The Director noted overall expenditures of \$54,519.63 and revenues of \$16,362.11 for the month of June for the Real Property Appraiser Program, which includes both the Appraiser Fund and the AMC Fund. Director Kohtz then brought the Board's attention to the NRPAB Twenty-Five Month Expenses/Revenues by Program, reiterating that the Real Property Appraiser Fund expenditures totaled \$38,564.00, the Real Property Appraiser Fund revenues totaled \$12,585.26, the AMC Fund expenditures totaled \$15,955.63, and the AMC Fund revenues totaled \$3,776.85. The Director stated that the cash balance for the AMC Fund is \$299,638.17, the cash balance for the Appraiser Fund is \$367,160.68, and the overall cash balance for both funds is \$666,798.85. The Director asked for any questions or comments. There was no further discussion.

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

2. FY 2025-2026 BUDGET

Director Kohtz presented the proposed budget and projected revenues for FY 2025-26 to the Board for consideration. The Director informed the Board that no changes were made to the proposed budget since the Board's review at the strategic planning meeting. However, projections were updated to reflect the actual FY 2024-25 expenditures and revenues, the 18.5% increase in insurance costs to the agency, and the AMC renewal fee increase in FY 2026-27. Board Member Minshull asked whether the AMC renewal fee increase is included on the fee schedule in Title 298. Director Kohtz responded that it is not and explained that the adjustment was made based on the Board's request at the strategic planning meeting to increase the fee to the statutory maximum beginning next fiscal year. Director Kohtz then reported that the Board's appropriation for FY 2025-26 is \$486,797 and highlighted the following items that have changed since strategic planning:

- Projected Appraiser and AMC Fund expenditures are \$450,380.00, and projected Appraiser and AMC Fund revenues are \$385,398.00.
- Projected Appraiser Fund expenditures are \$307,671.00, and projected Appraiser Fund revenues are \$256,873.00.
- Projected AMC Fund expenditures are \$142,708.00, and projected AMC Fund revenues are \$128,525.00.
- Projected Deficit Budget Request for Employee Salaries and Benefits in the amount of \$12,263.00 for agency expense for 18.5% health insurance increase beyond amount identified by DAS during the 2025 legislative session for FY2025-26.

Director Kohtz then guided the Board to the FY 2025-26 Budget with object code descriptions for expenditures and revenues, and asked for any questions or comments. With none, Director Kohtz then presented four charts projecting expenses and revenues over the next four fiscal years. The Director guided the Board through the charts directing attention to the NRPAB Cash Balance Projection chart and informed the Board that that cash balance policies had been amended to reflect the policies adopted by the Board at its June 18, 2025 meeting.

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The impact of the 18.5% insurance cost increase to the agency, and the cash fund transfer of \$150,000.00 from the Appraiser Fund and the \$100,000.00 cash fund transfer from the AMC Fund is reflected in the projections. Director Kohtz noted that, within a year or two, discussions regarding the statutory fee limits will have to resume to ensure that the Board maintains an adequate fund balance for the Appraiser Fund and the AMC Fund. Board Member Minshull commented that the fund balances appear to level out, so at least the Board is not facing a financial emergency of any sort. Director Kohtz agreed, adding that if the Board maintains its current fiscal discipline, the situation is not critical at this time. Director Kohtz asked for any other questions or comments. There was no further discussion.

Director Kohtz asked for approval of the FY 2025-26 Budget. Chairperson Gerdes asked for any amendments to the 2025-26 Budget. With no discussion, Chairperson Gerdes called for a motion. Board Member Hermesen moved to approve the 2025-26 Budget as presented. Board Member Minshull seconded the motion. Chairperson Gerdes recognized the motion and asked for any discussion. With no discussion, Chairperson Gerdes called for a vote. The motion carried with Hermesen, Minshull, Batie, and Gerdes voting aye.

3. ASC SARAS GRANT REPORT

a. FY24 Budget Status Report

Director Kohtz presented the Budget Status Report for the SARAS Grant Fund and reported that the end of year expenditures totaled \$51,369.68, which amounts to 88.52 percent of the budgeted expenditures for the fiscal year. The Director informed the Board that the final SARAS Grant usage for FY2024-25 will be approximately \$2,000.00 higher, as the June charges have not yet been paid. The Director then asked for any questions or comments. Board Member Minshull inquired about the amount allocated to the Board for the new fiscal year, which led the Director to the next agenda item.

b. FY25 SARAS Federal Grant Continuation Request Submission

Director Kohtz presented the Notice of Grant Award (NGA) for fiscal year 2025-2026. In response to Board Member Minshull's earlier inquiry, the Director stated that the Board requested the maximum amount of \$120,000.00 and was awarded \$119,242.00. The Director then listed the grant funding allocation by budget category; \$4,425.00 for Travel; \$113,517.00 for Contractual services; and \$1,300.00 for Other, which would be the Director's AARO Conference Registration Fees for both Fall 2025 and Spring 2026. Board Member Minshull then asked if the final continuation of this grant is next fiscal year. Director Kohtz confirmed this and stated that the Board can apply for another grant for different purposes as discussed during the strategic planning meeting. Chairperson Gerdes then asked whether grant funds could be carried over. Director Kohtz informed the Board that the ASC allows carryover funds from one fiscal year to the next, but only if the project has not been completed in the prior fiscal year. The Director added that the Board's projects were completed as planned and fully funded. The Director asked for any other questions or comments. There was no further discussion.

c. FY26 SARAS NOFA

Director Kohtz presented the FY2026 State Appraiser Regulatory Agencies Support (SARAS) Notice of Funding Availability (NOFA) to the Board for review. The Director informed the Board that the current use of the SARAS Grants would still be applicable under the NOFA. Director Kohtz brought attention to the Board's goal, set at the June 17, 2025 Strategic Planning Meeting, to explore use of a SARAS Grant to increase the number of Nebraska resident real property appraisers. Director Kohtz informed the Board that under the previous NOFAs, "scholarships and stipends" were allowable costs under previous NOFAs, but these are now considered to be unallowable. The Director informed the Board that, after his original communication with the ASC Grants Manager, he believed that this goal would not be obtainable, but after sitting in on the ASC's NOFA Kickoff Meeting, he asked follow-up questions based on some of the conversation that took place during this meeting. Director Kohtz informed the Board that he inquired about the following concepts:

- Reimbursing supervisory real property appraisers for costs, such as continuing education or the required supervisory appraiser and trainee course, under the purpose of appraiser enforcement activities or improving state regulation of appraisers, if a trainee real property appraiser is approved by the Board to LR, CR, or CG. This would reduce the probability of a trainee appearing before the Board for a compliance matter in the future by increasing emphasis on proper training.
- Reimbursing supervisory real property appraisers for costs directly related to the supervision of a trainee real property appraiser, under the purpose of appraiser enforcement activities or improving state regulation of appraisers, if a trainee real property appraiser is approved by the Board to LR, CR, or CG. This concept encourages supervisory appraisers to put extra effort into their training duties, so that once trainees are practicing independently, as an LR, CR, or CG they are less likely to appear before the Board for a compliance matter.
- Reimbursing trainee real property appraisers for costs of having a USPAP Compliance Review completed on their reports under the purpose appraiser enforcement activities or improving state regulation of appraisers, as this would reduce the probability of a trainee going before the Board for a compliance matter in the future.

The Director was informed that the program could be eligible for funding if the Board is able to tie it to one of the SARAS Grant priorities. Director Kohtz informed the Board that it would need to develop a formal program and establish the framework for what costs would be reimbursed, to whom, the qualifications required, and what the specific reimbursement amounts would be. The Director reiterated that everything is conceptual at this point and funding is not guaranteed. The Board agreed that pursuing a grant to support a program aimed at increasing the number of appraisers in Nebraska would be worthwhile. Director Kohtz indicated that, due to the short turnaround time for submission, it would not be feasible to implement the program under the FY26 SARAS Grant. Instead, the Board would be working towards a future grant. The Director asked whether the Board would like to begin discussing this program at its next meeting. The Board agreed.

Director Kohtz finished the discussion by informing the Board that the FY 26 SARAS NOFA includes a voluntary cost sharing component of 10%. In future NOFAs, cost sharing will be mandatory. The Director indicated that this creates some challenges for the Board as it would need to include this funding in its biennial budget request. Director Kohtz added that while not impossible to put this together, it will require precision planning. Board Member Minshull commented that if the cost sharing remains at 10%, it is not bad as most federal grants require a much higher percentage.

4. PER DIEMS: No discussion.

K. GENERAL PUBLIC COMMENTS

Chairperson Gerdes asked for any public comments. With none, Chairperson Gerdes moved on to New Business.

L. EDUCATION: No discussion.

M. UNFINISHED BUSINESS: No discussion.

N. NEW BUSINESS

1. STATE HARMONIZATION TASK FORCE AT THE APPRAISAL FOUNDATION (APPEARANCE)

Director Kohtz introduced Pete Fontana, Chairperson of the State Harmonization Task Force of The Appraisal Foundation, to the Board and informed the Board that Fontana is the Chairperson of the Montana Board of Real Estate Appraisers and has been active in the Association of Appraiser Regulatory Officials and The Appraisal Foundation for many years. Chairperson Gerdes welcomed Fontana. Fontana thanked the Board for the opportunity to appear and indicated that the task force's goal is to assist states' harmonization with the Real Property Appraiser Qualifications Criteria ("Criteria"). Fontana continued to compliment the Board on its program, its adherence to the criteria, and its progressive approach to addressing appraiser shortages. According to Fontana, Fannie Mae's new Uniform Appraisal Dataset Form ("UAD Form") may result in a 15% decline in the number of real property appraisers nationwide as many would rather retire than learn the new system. Fontana indicated that now is the time for states to place focus on the future before a crisis forms. Fontana brought attention to a 2022 memo from the Director that he read and complimented the Board on its efforts to harmonize the laws with the criteria and reduce burdensome barriers to entry in the real property appraiser profession. According to Fontana, the only place where the Board's laws or rules exceed the Criteria is that experience in mass appraisal, appraisal review, appraisal consulting, and restricted appraisal reports is limited to 25% of the total required experience. Fontana then expressed support for real property appraisal practice experience obtained through mass appraisal and indicated that Colorado allows mass appraisal experience. Fontana noted that all individuals who have applied with significant mass appraisal experience have obtained a credential. Fontana then outlined procedural ideas for the Board to consider regarding the acceptance and review of mass appraisal experience. Next, Fontana brought attention to the success of the PAREA program and informed the Board that out of forty PAREA graduates who have sat for exam, forty have passed.

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Chairperson Gerdes asked if the program's graduates passed on their first attempt or after multiple attempts. Fontana indicated that he does not have that information. Board Member Minshull questioned the depth of the PAREA program and asked Fontana whether the bar may be set too low. Fontana responded that he believes that experience through PAREA is adequate for an individual to obtain a credential and become a productive real property appraiser. In addition, it eliminates one of the primary problems; the difficulty of finding a supervisory appraiser.

Fontana then turned his attention to the future of the real property appraiser profession and informed the Board that a major revision to the Criteria is coming; however, The Appraisal Foundation is still analyzing the research and the feedback received in consultation with its hired consultant. Fontana indicated that Criteria may include significant non-traditional experience qualifications, but The Appraisal Foundation is also considering the impact of the exam, referencing that Title XI of FIREAA only requires that an exam be passed for a credential to be awarded. Director Kohtz requested permission to speak. Chairperson Gerdes granted permission. Director Kohtz asked whether The Appraisal Foundation has an idea for what the parameters would be to qualify non-traditional experience. Fontana responded that the standards have not been established. Director Kohtz mentioned he brought to the Appraisal Subcommittee's attention years ago that Title XI does not require anything more than successful completion of an exam, and was told to address it with The Appraisal Foundation. The Director then asked if an exam-only approach is under consideration. Fontana confirmed that it is. Fontana reiterated that all options remain on the table, including a significant non-traditional experience component. Director Kohtz asked if the 15% decline in the number of appraisers was based on a study, and if so, whether could be provided. Fontana replied that informal research was conducted through a series of polls, but that a number as high as 25% has also been mentioned.

Fontana then transitioned to real property appraisal practice and informed the Board that the industry is changing; data is the future. According to Fontana, this shift is evident in the approach that Fannie Mae and Freddie Mac are taking to valuation. The amount of data held by these GSEs have is unprecedented. According to Fontana, appraisers must begin incorporating data analytics and A.I. into the profession or the financial institutions will find a way to do valuations without appraisers. Board Member Minshull, as a Financial Institutions Representative, agreed that local real property appraisers are essential, but acknowledged that the profession must adapt to the changes in the industry. Fontana then finished by reiterating that the task force's only role is to encourage states to evaluate any requirements that exceed the Real Property Appraiser Qualifications Criteria and thanked the Board for allowing him to speak. Member of the public Roger Morrissey then stated he agrees with Fontana that A.I. is changing how appraisals are done. Chairperson Gerdes thanked Fontana for his time.

2. EXPLORE SEPARATE FEE STRUCTURE FOR CREDENTIALING THROUGH RECIPROCITY

Director Kohtz brought attention to the Board's goal to explore a separate fee structure for those credentialed through reciprocity set at its strategic planning meeting on June 17, 2025. The Director informed the Board that he took two different approaches to obtaining information related to this goal. Director Kohtz guided the Board to an email chain between himself and Program Manager Stewart regarding separate fees for those credentialed through reciprocity or separate fees according to the applicant's state of residency. PM Stewart indicated that the ASC would view a higher fee for reciprocal applicants as an impediment; however, fees based on residency would be permissible. Director Kohtz also presented an email chain between himself and Assistant Attorney General Ben Kinnison regarding a fee structure based on residency. Specifically, charging higher fees for applicants who reside outside of Nebraska. According to AAG Kinnison, there would be some legal concerns, as the Constitution prohibits any economic protectionism among states, and such a fee may violate the commerce clause. The Director informed the Board that there is no other direction to pursue with this goal. The Director then asked for any questions or comments. Chairperson Gerdes thanked the Director for doing the research. 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: No discussion.

3. FORMS, APPLICATIONS, AND PROCEDURES: No discussion.

Q. OTHER BUSINESS

1. BOARD MEETINGS

a. October Board Meeting

Director Kohtz informed the Board that the 2025 Fall AARO Conference is scheduled on the same week as the staff's board meeting preparation week, which would limit his involvement in the preparations. The Director requested that the October 16, 2025 meeting be moved to another date and recommended October 23, 2025. The Board agreed with the Director's request. Board Member Hermesen moved to reschedule the October 16, 2025 regular meeting to October 23, 2025. Board Member Minshull seconded the motion. Chairperson Gerdes recognized the motion and asked for any discussion. With no discussion, Chairperson Gerdes called for a vote. The motion carried with Hermesen, Minshull, Batie, and Gerdes voting aye.

Director Kohtz informed the Board that Chairperson Gerdes requested a discussion regarding the August 21, 2025 meeting. Chairperson Gerdes indicated that he may be unable to attend the August meeting. Board Member Batie asked if the meeting needed to be moved. Director Kohtz responded that it was his understanding that Chairperson Gerdes wanted to first ensure that a quorum would be present without him. No board members expressed a conflict with the August 21, 2025 date. There was no further discussion.

2. CONFERENCES/EDUCATION

a. Fall AARO Conference; October 6-8, 2025 – Atlanta, GA

Director Kohtz reported that the Fall 2025 AARO Conference would take place on October 6-8, 2025 in Atlanta, Georgia. The Director informed the Board that he plans to attend and asked for permission to attend the conference on behalf of the Board. Board Member Hermesen moved to approve Director Kohtz's attendance of the Fall AARO Conference on October 6-8, 2025. Board Member Batie seconded the motion. Chairperson Gerdes recognized the motion and asked for any discussion. With no discussion, Chairperson Gerdes called for a vote. The motion carried with Hermesen, Minshull, Batie, and Gerdes voting aye.

3. MEMOS FROM THE BOARD: No discussion.

4. QUARTERLY NEWSLETTER: No discussion.

5. APPRAISAL SUBCOMMITTEE

a. ASC Quarterly Meeting: September 10, 2025 (Online)

Director Kohtz informed the Board that the next ASC Quarterly Meeting will be held online on September 10, 2025. The Director then asked for any questions or comments. There was no further discussion.

b. ASC November 20, 2024 Meeting Minutes

Director Kohtz presented the ASC November 20, 2024 meeting minutes to the Board for review. The Director guided the Board's attention to page Q.5 and noted the number of states receiving a rating of not satisfactory in 2024 or 2025. The Director asked for any questions or comments. There was no further discussion.

c. ASC Annual Report 2024

Director Kohtz presented the ASC Annual Report 2024 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. TAF State Regulator Newsletter

Director Kohtz presented The Appraisal Foundation's State Regulator 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.

c. TAF Seeks Candidates for the AQB and the ASB

Director Kohtz presented The Appraisal Foundation Announcement titled, “The Appraisal Foundation Seeks Candidates for the Appraiser Qualifications Board and the Appraisal Standards Board,” 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.

7. ASSOCIATION OF APPRAISER REGULATORY OFFICIALS: No discussion.

8. GOVERNMENT-SPONSORED ENTERPRISES

a. Frannie Mae: No discussion.

b. Freddie Mac: No discussion.

9. IN THE NEWS: No discussion.

Board Member Hermesen 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 Minshull seconded the motion. The time on the meeting clock was 12:52 p.m. The motion carried with Hermesen, Minshull, Batie, and Gerdes voting aye.

Board Member Hermesen moved to come out of executive session at 1:20 p.m. Board Member Minshull seconded the motion. The motion carried with Hermesen, Minshull, Batie, and Gerdes voting aye.

F. OTHER EXECUTIVE SESSION ITEMS

1. General

d. 2025.11

The Board reviewed a matter in which an individual may have unlawfully engaged in real property appraisal practice while performing services as a tax representative or agent without first obtaining a credential as required under the Nebraska Real Property Appraiser Act. Board Member Hermesen moved to issue a written advisory to the individual to refrain from engaging in real property appraisal practice without first obtaining a credential issued by the Board. Board Member Minshull seconded the motion. Chairperson Gerdes recognized the motion and called for a vote. Motion carried with Hermesen, Minshull, and Batie voting aye. Chairperson Gerdes abstained.

C. CREDENTIALING AS A NEBRASKA REAL PROPERTY APPRAISER

The Board reviewed applicants CG25011, CG24001, and CG2021003R. Chairperson Gerdes asked for a motion on CG25011, CG24001, and CG2021003R.

Board Member Hermesen moved to take the following action:

CG25011 / Hold request pending the processing of Application for Nebraska Certified General Real Property Appraiser Credential received on June 17, 2025.

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

Board Member Hermesen moved to take the following action:

CG24001 / Provide redacted copy of USPAP Compliance Review Report for the report pertaining to the property located at 2705 7th Street in Gering, Nebraska to the applicant and request a response; and request that applicant submit the workfile for the Gering, Nebraska report. Applicant must submit the written response and workfile to the Board's office by August 8, 2025 to be included on the August 21, 2025 agenda.

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

Board Member Hermesen moved to take the following action:

CG2021003R / Deny the Application for Renewal of Nebraska Real Property Appraiser Credential for failure to satisfy all the requirements for renewal prior to July 1 in accordance with Neb. Rev. Stat. § 76-2233.02(2).

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

D. REGISTRATION AS AN APPRAISAL MANAGEMENT COMPANY

The Board reviewed applicant NE2012088. Chairperson Gerdes asked for a motion on NE2012088.

Board Member Hermesen moved to take the following action:

NE2012088 / Hold the Application for Renewal of Nebraska Appraisal Management Company Registration.

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

E. COMPLIANCE MATTERS

The Board reviewed compliance matters 25-06 and 23-01. Chairperson Gerdes asked for a motion on 25-06 and 23-01.

Board Member Hermesen moved to take the following action:

25-06 / Dismiss with prejudice.

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

Board Member Hermesen moved to take the following action:

23-01 / Provide a redacted copy of a USPAP Compliance Review Report to Respondent and request a written response to the findings in the USPAP Compliance Review Report on or before August 8, 2025.

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

F. OTHER EXECUTIVE SESSION ITEMS

1. General

a. 2025.08

The Board reviewed 2025.08. Board Member Hermesen moved to issue a written advisory to the supervisory real property appraiser to bring notice to USPAP Compliance Review Reports identifying areas of non-compliance with the Uniform Standards of Professional Appraisal Practice in reports signed by the supervisory real property appraiser and to bring notice to Neb. Rev. Stat § 76-2228.02(2), N.R.S. § 76-2237, and 298 NAC Chapter 2, 002.09A. Director Kohtz indicated that the rule is incorrect. The correct rule is 002.03B. Board Member Hermesen amended the motion to issue a written advisory to the supervisory real property appraiser to bring notice to USPAP Compliance Review Reports identifying areas of non-compliance with the Uniform Standards of Professional Appraisal Practice in reports signed by the supervisory real property appraiser and to bring notice to Neb. Rev. Stat § 76-2228.02(2), N.R.S. § 76-2237, and 298 NAC Chapter 2, 002.03B. Board Member Batie seconded the motion. Chairperson Gerdes recognized the motion and called for a vote. Motion carried with Hermesen, Minshull, Batie, and Gerdes voting aye.

b. 2025.09

The Board reviewed a matter in which a Nebraska real property appraiser failed to complete the 7-Hour USPAP Continuing Education Course at least once every two years as required by Neb. Rev. Stat. § 76-2236(2). Board Member Hermesen moved to approve the Application for Renewal of Nebraska Real Property Appraiser Credential and issue a written advisory to inform the applicant of the requirement to complete the 7-Hour USPAP Continuing Education Course at least once every two years and that the next 7-Hour USPAP Continuing Education Course is due on or before December 31, 2027. If real property appraiser fails to submit evidence of the successful completion of the 7-Hour USPAP Continuing Education Course on or before December 31, 2027, this matter will go before the Board for consideration. Board Member Minshull seconded the motion. Chairperson Gerdes recognized the motion and called for a vote. Motion carried with Hermesen, Minshull, Batie, and Gerdes voting aye.

c. 2025.10

The Board reviewed a matter in which a Nebraska real property appraiser failed to complete the 7-Hour USPAP Continuing Education Course at least once every two years as required by Neb. Rev. Stat. § 76-2236(2) for a second time. Board Member Hermesen moved to approve the Application for Renewal of Nebraska Real Property Appraiser Credential and issue a written advisory to inform the applicant of the requirement to complete the 7-Hour USPAP Continuing Education Course at least once every two years and that the next 7-Hour USPAP Continuing Education Course is due on or before December 31, 2026. If real property appraiser fails to submit evidence of the successful completion of the 7-Hour USPAP Continuing Education Course on or before December 31, 2026, this matter will go before the Board for consideration. Board Member Minshull seconded the motion. Chairperson Gerdes recognized the motion and called for a vote. Motion carried with Hermesen, Minshull, Batie, and Gerdes voting aye.

2. PERSONNEL MATTERS: No discussion.

R. ADJOURNMENT

Board Member Hermesen moved to adjourn the meeting. Board Member Minshull seconded the motion. The motion carried with Hermesen, Minshull, Batie, and Gerdes voting aye. At 1:26 p.m., Chairperson Gerdes adjourned the July 17, 2025 meeting of the Nebraska Real Property Appraiser Board.

Respectfully submitted,

Tyler N. Kohtz
Director

These minutes have been made available for public inspection on July 24, 2025, in compliance with Nebraska Revised Statute § 84-1413(5).