DRAFT – Subject to Board review and approval at meeting on July 18, 2013

REAL PROPERTY APPRAISER BOARD
Conference Room "C", Lower Level
NEBRASKA STATE OFFICE BUILDING
301 CENTENNIAL MALL SOUTH, LINCOLN, NE

June 20, 2013 Meeting Minutes

A. OPENING

Chairman Philip Barkley called to order the June 20, 2013 meeting of the Nebraska Real Property Appraiser Board at 9:04 a.m., in conference room C located on the lower level of the Nebraska State Office Building, 301 Centennial Mall South, Lincoln, Nebraska.

B. NOTICE OF MEETING

Chairman Barkley 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 June 18, 2013 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 Philip Barkley, Tom Kubert, Marc Woodle, Eldon Terrell and Chris Langemeier were present. Also present were Director, Tyler Kohtz, Compliance and Licensing Specialist, Joya Weir, and Staff Assistant, Gail Parris.

ADOPTION OF THE AGENDA

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

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

Board Member Kubert 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 9:06 a.m. Board Member Woodle seconded the motion. The motion carried with Langemeier, Terrell, Woodle, Kubert and Barkley voting aye.

Break from 10:20 a.m. to 10:38 a.m.

Board Member Kubert moved to come out of executive session at 11:47 a.m. Board Member Terrell seconded the motion. The motion carried with Langemeier, Woodle, Terrell, Kubert and Barkley voting aye.

Break from 11:47 a.m. to 12:00 p.m.

F. WELCOME AND CHAIR'S REMARKS

Chairman Barkley welcomed the guests to the meeting and asked that they please sign the guest log. Diane Moore and Terrence L. Kubicek were the only public members in attendance. The Chairman brought attention to the upcoming ASC audit, and anticipates that the audit will be very productive and educational.

G. APPROVAL OF THE MINUTES FROM MAY 2013

Chairman Barkley asked for any additions or corrections to the May 23, 2013 minutes. Board Member Kubert indicated that the action for applicant L607 in section "C" on page 7 should read "Hold; 1000 experience hours approved. Applicant must complete additional 1000 hours of experience after May 23, 2013." Board Member Kubert also stated that the action for Investigation 13-16 in section "D" on page 9 should read "Open new grievance and request true copy of appraisal report and workfile, and send for Standard 3 review." Director Kohtz informed the Board that the errors will be corrected. Board Member Woodle moved to adopt the minutes as amended. Board Member Terrell seconded the motion. The motion carried with Langemeier, Woodle, Terrell, Kubert and Barkley voting aye.

Board Member Kubert made a motion to amend the agenda to consider the General Public Comments prior to the Director's Report and the Financial Report. Board Member Langemeier seconded the motion. The motion carried with Terrell, Woodle, Langemeier, Kubert and Barkley voting aye.

J. GENERAL PUBLIC COMMENTS

Chairman Barkley asked for any public comments. Terrence L. Kubicek appeared before the Board to discuss an education course to be offered by the International Right of Way Association on the agenda for approval. Mr. Kubicek spoke about the benefits of the course. Board Member Langemeier asked if the course will be open to all appraisers, or will it only be offered to Nebraska Department of Roads employees. Mr. Kubicek responded that it will be open to all appraisers. Board Member Kubert indicated that the course appears to have content that would be beneficial for appraisers. Chairman Barkley thanked Mr. Kubicek for his time, and informed him that the Board will vote on the course during education review and approval.

H. DIRECTOR'S REPORT

Director Kohtz presented ten charts outlining the number of appraisers and AMCs as of June 20, 2013. The Director summarized each chart and reported the number of appraisers as follows: 84 total Licensed, 77 resident and 7 reciprocal; 211 total Certified Residential, 174 resident and 37 reciprocal; 377 total Certified General, 256 resident and 121 reciprocal; and 11 Registered for a total of 683 appraisers. The total number of appraisers is up 3 from May.

The Director also addressed the number of temporary permits issued. There were 17 permits issued in May compared to 11 permits issued in April. Director Kohtz indicated that the number of temporary permits issued continues to hold steady during 2013. Finally, Director Kohtz reported 101 AMCs registered, and 1 new AMC applications have been submitted since the last meeting.

Director Kohtz also expressed his satisfaction with the strategic planning meeting, and thanked the board members and staff for their hard work.

I. FINANCIAL REPORT – JUNE 2013

The receipts and expenditures for May were reviewed by the Director by line item with the Board. Director Kohtz provided details related to some specific May expenses. For the Real Property Appraiser Program, which includes both the appraiser fund and the AMC fund, a total of $35,718.92 in expenditures and $10,169.51 in revenues were reported. As of the end of May, expenses amount to 72 percent of the budgeted expenditures for the fiscal year; 92 percent of the fiscal year has passed. Considerations were made for expenditures for monthly obligations. No considerations were made for expenditures other than monthly obligations. Director Kohtz presented three charts outlining the Agency twelve month expenses and revenues, historic cash balance, and twelve month cash balance.

Board Member Kubert moved to accept and file the May 2013 Budget Status reports for receipts and expenditures for audit. Board Member Langemeier seconded the motion. The motion carried with Terrell, Langemeier, Woodle, Kubert and Barkley voting aye.

Director Kohtz presented the FY 2013-14 budget to the board for review. A discussion took place concerning the allocation of expenses between the Real Property Appraiser Fund and the Appraisal Management Company Registration Fund. The Appropriations Committee made note during the budget process that expenses should be paid out of the appropriate fund based on the applicability of that expense to the enforcement or administration of the Real Property Appraiser Act or the Appraisal Management Company Registration Act. The majority of the Board's expenses are attributed to the enforcement and administration of both funds. The Board agreed that expenses that apply to the enforcement and administration of both acts should be allocated between the two funds based on the percentage of time and resources spent administering and enforcing each act for those expenses. Any expense occurred for the administration or enforcement of only one of the acts will be applied to that specific fund only. Board Member Kubert made a motion to approve the FY 2013-14 budget as presented. The motion was seconded by Board Member Terrell, and carried with Langemeier, Woodle, Terrell, Kubert and Barkley voting aye.

At the May meeting, the Board requested that the Director research available options to help the Board determine an appropriate amount to spend on an agency camera. Director Kohtz presented three examples to the Board ranging in price from $369.00 to $599.00, and summarized the differences between the three examples. A discussion took place concerning the level of quality needed for an agency camera, and also an appropriate cost for an agency camera. Board Member Kubert moved to approve the purchase of an agency camera for no more than $250.00. The motion was seconded by Board Member Terrell, and carried with Woodle, Langemeier, Terrell, Kubert and Barkley voting aye.

K. EDUCATION

Board Member Kubert moved to approve the following new continuing education courses as listed:

1. **New Continuing Education Requests**
   - **A. Appraisal Institute, Chicago IL:**
     1. Online REO Appraisal: Appraisal of Residential Property for Foreclosure and Preforeclosure/ 7 hours / **C21322-I**
     2. Online Case Studies in Appraising Green Residential Buildings/ 8 hours / **C21323-I**
     3. Online Introduction to Green Buildings: Principles and Concepts/ 8 hours / **C21324-I**
     4. Online General Appraiser Income Approach Pt. 1/ 14 hours / **C21325-I**
     5. Advanced Income Capitalization-Synchronous/ 14 hours / **C21326-I**

   - **B. International Right of Way Association:**
     1. Principles of Real Estate Engineering / 16 hours/ **C21321**

C. **McKissock, LP Warren, PA:**
   1. The Green Guide to Appraising/7 hours/**C21327**

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

Board Member Kubert moved to approve the following continuing education course for renewal:

2. Continuing Education Renewal Requests

A. The Moore Group, Inc.:

1. National USPAP Update/7 hours/**C21329**

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

Board Member Kubert moved to approve the following instructors as listed:

3. Instructor Requests

A. Appraisal Institute, Chicago, IL:

1. Sandra K. Adomatis- Online Case Studies in Appraising Green Residential Buildings /**C21323-I**

2. Mark Rattermann- Online REO Appraisal: Appraisal of Residential Property for Foreclosure and Preforeclosure/**C21322-I**

3. Taylor Watkins-Online Introduction to Green Buildings: Principles and Concepts/**C21324-I**

4. David Lennhoff- Online General Appraiser Income Approach Part 1/**C21325-I**

5. Thomas Kirby- Advanced Income Capitalization-Synchronous/**C21326-I**

B. International Right of Way Association:

1. Craig Poorker- Principles of Real Estate Engineering/ **C21321**

C. McKissock, LP, Warren, PA:

1. Tracy Martin- The Green Guide to Appraising/**C21327**

2. Dan Bradley- The Green Guide to Appraising/**C21327**

3. Robert McClelland- The Green Guide to Appraising/**C21327**

D. The Moore Group, Inc.:

1. Diane Moore- National USPAP Update/**C21329**

2. Bradford Moore- National USPAP Update/**C21329**

Seconded by Langemeier. With no further discussion, Chairman Barkley called for the vote. The motion carried with Woodle, Terrell, Langemeier, Kubert and Barkley voting aye.

L. UNFINISHED BUSINESS

1. JULY ASC AUDIT: Director Kohtz provided an update to the Board concerning preparations for the Appraisal Subcommittee Audit in July. The Board reviewed the ASC's request for documentation. Director Kohtz indicated that all requested information has been prepared and will be sent the day after this board meeting.

2. COUNTY APPRAISER CONTRACTS UPDATE: No update.

3. NEW CREDENTIAL UPDATE: No update.

M. NEW BUSINESS

1. **ADDITION OF SUBJECT APPRAISER AS INTENDED USER ON STANDARD 3 REVIEW CONTRACTS:** Compliance and Licensing Specialist Weir asked to have this item placed on the agenda, but answered her own question before the meeting. No discussion took place.

2. **APPRAISAL DATE VERIFICATION REQUEST:** Director Kohtz presented a request for appraisal data received from a Nebraska credentialed appraiser to the Board for review. The Director indicated that the appraiser received this request and was not sure how to respond to it. The appraiser was told by the Director that he or she must adhere to USPAP when considering this request, and that he or she may only disclose information in the subject appraisal report to the client and intended users listed in the appraisal report, unless permission is received from the client. The Board saw this request as a good opportunity to remind the appraiser community of the confidentiality provisions found in the Ethics Rule of USPAP. Board Member Kubert made a motion to authorize Director Kohtz to send a Memo From the Board addressing non-client requests for appraisal information. The motion was seconded by Board Member Langemeier, and carried with Terrell, Langemeier, Woodle, Kubert and Barkley voting aye.

3. **APPRAISER INDEPENDENCE LAWS:** While working on the 2015 law rewrite, Director Kohtz researched appraiser independence laws found in other states. The Director presented a list of appraiser independence laws from other states, along with a draft version of an appraiser independence law for the Real Property Appraiser Act, to the Board for review. The Director informed the Board that Nebraska has a law that protects appraisers from mortgage loan personnel, but not from anyone else. The Director went on to say that he often receives phone calls from appraisers that are concerned about pressure received from individuals outside of mortgage loan personnel. A discussion took place concerning the applicability of such a law in Nebraska, and the Board agreed that the Director should include the draft language in the 2015 rewrite of the Real Property Appraiser Act.

4. **COLORADO REQUIREMENT FOR ERRORS AND OMISSIONS INSURANCE:** A discussion took place regarding recent legislation in the State of Colorado requiring appraisers to carry Errors and Omissions Insurance to provide services in the state. The state is also administering its own E&O Insurance program. The Board discussed the pros and cons of such a program; specifically, such a program could be looked at as another way for an appraiser regulatory agency to increase oversight and intrude on appraiser freedoms, or such a program could be looked at as another way to offer appraisers an affordable E&O Insurance option and provide additional protection to the public. Board Member Langemeier indicated that the Real Estate Commission already has a program similar to this in place. In fact, he can obtain his E&O Insurance for appraisal services through this program. The Board agreed that further research should be conducted. Director Kohtz indicated that he will put this topic on the agenda for strategic planning in 2014.

5. **INFORMAL MEETING SCHEDULE:** A discussion took place regarding the scheduling of informal meetings. Board Member Woodle indicated that scheduling informal meetings the day before the board meetings causes scheduling issues at work. Board Member Woodle asked if any other board members would have issues with holding informal meetings at times other than the day before the board meeting. Chairman Barkley indicated that he schedules informal meetings on the day before board meetings because it is convenient for his travel schedule to Lincoln, but there is no reason why other board members could not schedule informal meetings on other days. All other board members expressed agreement with the Chairman's remarks.

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Board Member Woodle also asked about the possibility of holding informal meetings at locations other than in Lincoln. The Board discussed the pros and cons of moving informal meetings at the convenience of the meeting attendees. Although moving informal meetings may be beneficial travel wise, the Board acknowledged the potential unequal treatment of appraisers based on location. Future board member turnover could also cause a problem with holding informal meetings at locations convenient to attendees. The majority of board members agreed that informal meetings should continue to be held in Lincoln, but also understands that a meeting may be held in another location if necessary.

6. **REQUESTING APPRAISER APPLICANT WORKFILE FOR STANDARD 3 REVIEW:** A discussion took place regarding the Board's practice to not request the workfile for appraisal reports requested from applicants for Standard 3 review. Chairman Barkley indicated that the workfile provides important insight to what is found in the appraisal report, and the applicant is also required to maintain a workfile according to USPAP. The Chairman went on to say that one of the biggest issues discovered during informal meetings is that the workfile does not contain the appropriate documentation to support the opinion of value. Board Member Woodle expressed support for this point of view. Board Member Kubert stated that the appraisal report is being reviewed for compliance with Standards 1 and 2, and a reviewer does not need a workfile to conduct this review. Requesting the workfile would put an unnecessary burden on the applicant. The Board agreed that no changes should take place to the current practice. The workfile will not be requested from applicants unless an appraisal report is found to not meet the minimum requirements of USPAP and the Board schedules an advisory meeting with the applicant. This topic will be included in the "Applicant Guidelines" to be developed by Board staff.

7. **REQUIREMENT OF 7-HOUR USPAP UPDATE COURSE FOR ISSUANCE OF TEMPORARY PERMIT:** Compliance and Licensing Specialist Weir found that the 7-Hour USPAP Update course is required for reciprocal applicants, but not for temporary applicants. The Board discussed the possibility of requiring the 7-Hour USPAP Update course for temporary applicants. Since this course is required by all states, and temporary permits are issued based on an appraiser's credential and standing in another state without regard for Nebraska appraiser qualifications, the Board does not see the need to require evidence of completion for temporary permit applicants.

8. **YELLOW BOOK EXPERIENCE CREDIT REQUIREMENTS:** In an email to Compliance and Licensing Specialist Weir, a Nebraska appraiser asked if Yellow Book appraisal procedures qualify as appraisal experience for an applicant. Board Member Kubert provided a summary of Yellow Book, and also the applicability of this work to the appraiser applicant experience requirements. Yellow Book, or the Uniform Standards of Appraisal for Federal Land Acquisition, is a set of appraisal guidelines that must be followed for valuations related to federal land acquisitions. Board Member Kubert went on to say that all applicable appraisal experience requirements apply to those using Yellow Book. As long as the experience is USPAP compliant, the experience will be accepted.

9. **15-HOUR USPAP COURSE REQUIREMENT FOR UPGRADE:** Language found on the Board's website, which indicates that an appraiser wishing to upgrade to another credential must complete the 15-Hour USPAP course within two years of the upgrade application, was brought to Compliance and Licensing Specialist Weir's attention. Director Kohtz informed the Board that there is no statutory basis for this language, and that the Board's current procedures for processing upgrade applications do not require the applicant to complete the 15-Hour USPAP course. A discussion took place regarding this language. Because there is no statutory basis for the language on the website, and because credential holders are required to complete the 7-Hour USPAP Update course every two years, the Board does not see reason to deviate from the current procedures. Director Kohtz indicated that he will have the language found on the website removed.

N. LEGISLATIVE REPORT

Director Kohtz provided an update to the Board concerning the legislative bills the agency has been tracking; there has been no action on the majority of the bills. LB97 was signed by the Governor on June 4, 2013.

Break from 1:47 p.m. to 1:57 p.m.

O. BOARD POLICIES AND PROCEDURES

1. **BOARD POLICIES**
   a. **NEW BOARD POLICIES:** The Board is still waiting on information from Diane Moore concerning proposed Board Policy 13-03; therefore, no discussion took place. The Board reviewed new proposed Board Policy 13-06, Definition of Specialized Knowledge. There were no changes to this policy requested.

   Board Member Kubert moved to take the following actions on the proposed Board Policies as listed:

   13-03 / Hold
   13-06 / Approved as presented

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

   b. **CURRENT BOARD POLICIES:** No discussion took place.

2. **APPLIED MEASUREMENT PROFESSIONALS TESTING SERVICE CONTRACT FOR FY 2013-14:** The Board reviewed the contract for testing services for FY 2013-14. There were no concerns found in the contract. The contract was signed and executed by Chairman Barkley.

3. **APPLICATIONS**
   a. **APPLICATION FOR TEMPORARY PERMIT:** The Board reviewed a new application for issuance of temporary permits. There were no changes requested.

   b. **APPRAISAL MANAGEMENT COMPANY REGISTRATION RENEWAL FORM:** The Board reviewed the application for AMC registration renewals. On page 5 of the application, the request was made to clarify that the Board should be named as the "Obligee" on the surety bond. Director Kohtz indicated that this addition will be made to the application.

c. **GRIEVANCE AGAINST AN APPRAISER FORM:** The Board reviewed a new Grievance Against an Appraiser Form. Discussion took place regarding the section on page 2 asking "Were you aggrieved by the appraiser?" Some board members were concerned that this statement may be misunderstood by the complainant. The Board asked that this statement be simplified to say "Were you harmed by the appraiser?" In addition, the Board requested that the next line be changed to "How were you wronged?" The concern with "Explain" was that it may be confused with providing the details of the grievance on page 4. Finally, on page 4, the request was made to change the sentence "Be factual and specific in the alleged violations" to "Be factual and specific as possible." The Board felt that the previous language may discourage some people from filing a grievance.

Board Member Kubert moved to take the following actions on the applications as listed:

Application For Temporary Permit / Approved as presented
Appraisal Management Company Registration Renewal Form / Approved as amended
Grievance Against an Appraiser Form / Approved as amended

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

4. **VERIFICATION OF TRUE COPY OF AN APPRAISAL REPORT:** Compliance and Licensing Specialist Weir outlined issues with the copies of the appraisal report and workfile received from respondents. Because many copies are photocopies, the content becomes unreadable after so many copies. The question was asked, "What is a true copy of an appraisal report?" USPAP defines true copy as "a replica of the report transmitted to the client. A photocopy or an electronic copy of the entire report transmitted to the client satisfies the requirement of a true copy." In order to minimize this issue, the Board requested that applicants and respondents should be encouraged to submit appraisal reports to the Board in an electronic format. Also, the appraisal report submitted to the Board should be an exact copy of the report submitted to the client, including the quality of the report. Compliance and Licensing Specialist Weir indicated that she will encourage applicants and respondents to submit appraisal reports in an electronic format. This matter will be revisited to verify the effectiveness of requesting that appraisal reports are submitted in an electronic format.

O. OTHER BUSINESS

1. **CONFERENCES/EDUCATION**

a. **APPRAISAL FOUNDATION LEVEL 2 INVESTIGATOR TRAINING – WEIR ATTENDANCE:** Director Kohtz requested approval for Compliance and Licensing Specialist Weir to attend Level 2 Investigator Training. Chairman Barkley indicated that he is willing to give up his spot.

b. **BASIC APPRAISAL PRINCIPLES COURSE OCTOBER 21-22 & 28-29 – WEIR ATTENDANCE:** Director Kohtz requested approval for Compliance and Licensing Specialist Weir to attend Basic Appraisal Principles, October 21-22 and 28-29.

c. **BASIC APPRAISAL PROCEDURES COURSE DECEMBER 2-3 & 9-10 – WEIR ATTENDANCE:** Director Kohtz requested approval for Compliance and Licensing Specialist Weir to attend Basic Appraisal Procedures, December 2-3 and 9-10.

Board Member Kubert moved to approve Compliance and Licensing Specialist Weir for registration in the following courses as listed:

Appraisal Foundation Level 2 Investigator Training
Basic Appraisal Principles Course October 21-22 & 28-29
Basic Appraisal Procedures Course December 2-3 & 9-10

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

2. **APPRAISAL SUBCOMMITTEE**
   a. **REVISED ASC POLICY STATEMENTS EFFECTIVE JUNE 1, 2013:** No discussion took place.

Board Member Kubert moved that the Board go back into executive session for the purpose of discussing personnel matters. The time on the meeting clock was 2:30 p.m. Board Member Terrell seconded the motion. The motion carried with Langemeier, Woodle, Terrell, Kubert and Barkley voting aye.

Board Member Kubert moved to come out of executive session at 3:14 p.m. Board Member Langemeier seconded the motion. The motion carried with Terrell, Woodle, Langemeier, Kubert and Barkley voting aye.

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

Board Member Kubert moved to take the following actions for new credentialing applicants as listed:

T13003 / Denied
CR13007 / Approved to sit for exam and select three reports for Standard 3 review
CR13009 / Approved to sit for exam and select three reports for Standard 3 review
CR13010R / Approved
CG13011R / Approved

The motion was seconded by Langemeier, and carried with Terrell, Woodle, Langemeier, Kubert and Barkley voting aye.

Board Member Woodle moved to approve applicant CR13003 with an advisory letter sent to applicant. Board Member Langemeier seconded the motion. Motion carried with Terrell, Langemeier, Woodle and Barkley voting aye. Kubert abstained.

Board Member Kubert moved to take the following actions for active credentialing applicants as listed:

CR13006 / Experience Approved; send advisory letter
CR400 / Approved; send advisory letter
CG647 / Hold
CR401 / Approved; send advisory letter
L607 / Hold
L605 / Hold
CG631 / 2500 experience hours approved; applicant to complete 500 additional hours of experience consisting of Standard 1/Standard 2 appraisal work after June 20, 2013, and submit log to Board for selection of one appraisal report to be sent for Standard 3 review at the Board's cost. Send advisory letter to applicant.

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

3. REGISTRATION AS APPRAISAL MANAGEMENT COMPANY:

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

NE2013014 / Approved
NE2013010 / Approved

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

D. CONSIDERATION OF DISCIPLINARY ACTIONS/ ENFORCEMENT MATTERS:

Board Member Kubert moved to take the following enforcement actions as listed:

11-12 / Hold
12-27 / Hold
13-14 / Offer Consent Agreement requiring Respondent to complete and successfully pass examination for the 15-Hour USPAP course, and courses A301 and A302 as provided by the American Society of Farm Managers and Rural Appraisers. Respondent's credential shall be suspended for 90 days, or until all required education is completed, whichever date arrives later. Respondent shall submit first two appraisals completed after credential is returned to active status to the Board to be sent for Standard 3 review, and pay $1500.00 for costs of reviews. Respondent shall pay the Board $1500.00 for costs associated with investigation within 60 days of execution of agreement.
13-15 / Offer Consent Agreement requiring Respondent to complete and pass examination for the 15-Hour USPAP course, and courses A301 and A302 as provided by the American Society of Farm Managers and Rural Appraisers. Respondent's credential shall be suspended for 90 days, or until all required education is completed, whichever date arrives later. Respondent shall submit first two appraisals completed after credential is returned to active status to the Board to be sent for Standard 3 review, and pay $1500.00 for costs of reviews. Respondent shall pay the Board $1500.00 for costs associated with investigation within 60 days of execution of agreement.

The motion was seconded by Woodle, and carried with Terrell, Woodle, Kubert and Barkley voting aye. Langemeier abstained.

Vice Chair Kubert moved to take the following enforcement actions:

11-03 / Closed
11-26 / Hold
12-06 / Request true copy of three appraisal reports and workfiles selected from log
12-11 / File formal charges for the alleged violation of Neb. Rev. Stat. §§ 76-2237 and 76-2238 (13), (16).
12-20 / Hold
12-21 / Hold
12-24 / Hold
12-29 / Hold
12-30 / Hold
12-31 / Hold
12-32 / Offer informal meeting
12-33 / Hold
13-01 / Offer Consent Agreement requiring that Respondent voluntarily downgrades credential from Certified Residential to Licensed. Include language stating that this Consent Agreement is not considered to be disciplinary action against the Respondent and will not be reported to the ASC as such.
13-03 / Hold
13-04 / Offer Consent Agreement requiring that Respondent voluntarily downgrades credential from Certified Residential to Licensed. Include language stating that this Consent Agreement is not considered to be disciplinary action against the Respondent and will not be reported to the ASC as such.
13-05 / Hold
13-06 / Hold
13-07 / Offer Consent Agreement requiring Respondent to complete and successfully pass examination for a 15-Hour USPAP course, a residential sales comparison approach course of at least 15 hours, and pay $750.00 for costs associated with investigation. Respondent shall also submit a quarterly log for one year beginning three months after the execution of the Consent Agreement, and shall be responsible for any costs associated with any appraisal reports selected from the logs and sent for Standard 3 review. Submissions must be compliant with Nebraska law.
13-08 / Hold
13-09 / Hold
13-10 / Offer Consent Agreement requiring Respondent to complete and successfully pass examination for a 15-Hour USPAP course, a residential sales comparison approach course of at least 15 hours, and pay $750.00 for costs associated with investigation. Respondent's credential shall be suspended for 90 days, or until all required education is completed, whichever date arrives later. Respondent shall submit a quarterly log for one year beginning three months after credential returns to active status, and shall be responsible for any costs associated with any appraisal reports selected from the logs and sent for Standard 3 review. Submissions must be compliant with Nebraska law.
13-11 / Hold
13-12 / Dismissed without prejudice
13-13 / Hold

13-16 / Hold
13-17 / Hold
13-18 / Open grievance and offer informal meeting
13-19 / Open grievance and offer informal meeting
13-20 / Request true copy of appraisal report and workfile
13-21 / Request true copy of appraisal report and workfile

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

E. CONSIDERATION OF OTHER EXECUTIVE SESSION ITEMS

The Board discussed individuals and organizations identified as providing appraisal services to Nebraska counties without first obtaining proper credentialing by the Board. The Board found that the valuation services provided to Nebraska counties by one organization requires specialized knowledge that a real property appraiser would not have.

Two appraisals discovered by a board member during routine business were discussed by the Board. The appraisals appear to be non-compliant with the USPAP Standards. In addition, it appears that the appraiser has failed to exercise reasonable diligence, and may have demonstrated negligence or incompetence in developing and communicating each appraisal. The Board agreed to open a new investigations, 13-20 and 13-21, for alleged violation of Neb. Rev. Stat. § 76- 2237 and N.R.S. § 76-2238 (4), (13), (14).

The Board reviewed an appraisal log submitted by Nebraska credentialed appraiser at the Board's request. No action taken.

The Board discussed personnel matters.

The Board discussed the processes and procedures for the Director's annual performance review.

Vice Chair Kubert moved to take the following actions for the above mentioned matters:

I12-1 / Hold
I12-5 / Hold
Item 3 / Hold; assign inquiry number I13-4
Item 4 / Hold; assign inquiry number I13-5
Item 5 / Hold; assign inquiry number I13-6
Item 6 / Hold; assign inquiry number I13-7
Item 7 / Assign inquiry number I13-8; rescind cease and desist and close
Item 8 / Open new grievance 13-20 and new grievance 13-21
I12-12 / Close
Item 11 / Hold
Item 12 / Hold

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

P. NEXT MEETING DATE – JULY 18, 2013, LOWER LEVEL "A" NSOB

Q. ADJOURNMENT

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

At 3:14 p.m. Chairman Barkley adjourned the June 20, 2013 meeting of the Real Property Appraiser Board.

Respectfully submitted,

Tyler N. Kohtz
Director

These minutes were available for public inspection on July 3, 2013, in compliance with Nebraska Statute §84-1413 (5).