

**APPRAISER CERTIFICATION BOARD
DRAFT MINUTES**

**DEPARTMENT OF TAXATION
1550 COLLEGE PARKWAY
CARSON CITY BREAK ROOM CONFERENCE ROOM
CARSON CITY, NEVADA 89706
August 27, 2018
10:00 a.m.**

Board Members Present:

Sorin Popa, Department of Taxation, Chair
Mark Stafford, Washoe County, Vice Chair (present via Teleconference)
Shannon Silva, Department of Taxation, Member
Jeff Payson, Clark County, Member (present via Teleconference)
William "Chuck" Bailey, Department of Taxation, Member

Members Absent:

Jana Seddon, Storey County, Member

Staff Members present:

Jeffrey Mitchell, Deputy Director, Department of Taxation
Hector Sepulveda, Department of Taxation

1. Roll Call and Opening Remarks
Hector Sepulveda was asked to proceed with Roll Call and verify quorum. Quorum was verified.
2. Public Comment
There were no public comments.
3. Discussion: Per NRS 361.224, Department report regarding appraisers failing to meet requirements for continuing education.
Deputy Director Mitchell shared that there is one appraiser that works for the State of Nevada who did not meet the mandatory educational requirements. This item will be placed on the next ACB agenda for revocation of certifications.
Jeff Payson asked if the employee had been notified, Deputy Director Mitchell stated "Yes", notification did go out to the individual.
4. **FOR POSSIBLE ACTION: Review and approval of continuing education credit hours for the following courses:**

a.	IAAO	Marshall & Swift Commercial-Calculator Method-Forum #962	8 Hours
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Member Stafford stated this course should be approved for 7.50 hours instead of the 8 hours listed above.

Shannon Silva motioned to approve Marshall & Swift Commercial-Calculator Method-Forum #962 for 7.50 hours. Member Payson seconded the motion. All members present voted in favor of the motion.

b.	Appraisal Institute	Las Vegas Market Symposium 2018	5.5 Hours
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Member Payson explained that had been offered in Southern Nevada in the past and that the hours should have been submitted for 7 hours instead of 5.50.

Member Stafford stated when he reviewed the letter submitted with the paperwork from the State of Nevada Real Estate Division; it reflected the course being approved for 5 hours.

Member Payson explained this was for the “northern” course.

Member Stafford asked Member Payson what the state had approved the “southern” course for.

Member Payson explained if you look at the end of page 14, it says 8.6 hours. He was not sure how this was arrived at. He had reviewed the paperwork sent to him prior to this meeting; the paperwork included a copy of the certificate that will be issued. This certificate reflected 7 hours. He will send a copy of the certificate to Denesa.

Member Stafford stated he would like to have this course match what is approved by the Real Estate Division. He verified this course would match at 7 hours.

Member Payson said “yes” 7 hours is correct.

Deputy Director Mitchell shared if there is no issue with the content, the Board could possible approved the course with the number of hours issued on the certificate.

Member Payson agreed to Deputy Director Mitchell’s proposal and motioned to approve the Las Vegas Market Symposium 2018 for the number of hours on the certificate.

Member Stafford seconded the motion.

All members present voted in favor of the motion.

c.	Appraisal Institute	Northern Nevada Real Estate Overview	5.5 Hours
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Member Payson explained that the packet submitted does reflect the course as 5 hours (page 17).

Member Silva shared she thought the reason it showed 5.5 was because at the end of the time calculation shows they divided it by a 50 minute hour instead of a 60 minute hour.

Member Payson agreed and said the 5 hours would be more accurate.

Member Payson motioned to approve Northern Nevada Real Estate Overview for 5 hours.

Member Stafford seconded the motion.

All members present voted in favor of the motion.

Member Payson added the Appraisal Institute would like to ensure the appraisers are notified of this course being available.

5. Briefing to and from Appraiser Certification Board and Department Staff.

Deputy Director Mitchell shared that with the regulation, R-2018, LCB has gotten back with him on the language. There were a few typographical changes but nothing of substance. He would like ACB’s approval to proceed to the Nevada Tax Commission to get it approved and move forward with making it a permanent regulation. He asked the members if they would like him to bring the language to the next ACB meeting since he did not get it on time to be included in the packet for this meeting. This would allow the Board to review it one more time or he could move forward to the Tax Commission.

Jeff Payson asked why the regulation would have to go back to the Tax Commission.

Deputy Director Mitchell explained this has not been approved by the Tax Commission, it was formally approved as a Temporary Regulation, thus this would be the first time it will be brought to the Tax Commission and he would like to present it at the November Tax Commission meeting for their approval. It will then go forward to the Legislative Commission.

Deputy Director Mitchell also discussed the Appraisal Certification Board overseeing the examinations. He shared the Division has received different comments/complaints regarding areas for consideration regarding the certification and in regards to clarifying some of the language. Sometimes some of the questions can be worded in such a manner thus making the wording tricky and it doesn’t feel like it is a question with regards to the principle behind the question but rather a question set up to trick those taking the test. He would like the Boards permission (or comments) to rewrite the questions to make sure they are in regards to principles and the theory behind the questions rather than what is perceived as a trick.

Member Silva asked if these were recent complaints after the tests were rewritten?

Deputy Director Mitchel replied yes, we were still receiving these complaints. This would be a review of specific questions. He was not sure the assessors have been receiving the same complaints from their staff. If not, then the perception is that the tests are fine.

Member Stafford asked if we should be looking at the group of questions that, for example, 85% of those testing got wrong.

Member Silva explained this was done last year by herself, Heather Drake and Jim Fogelberg. They went through the test and rewrote some of the questions. They also tracked the ones students were getting wrong and rewrote them.

Deputy Director Mitchell said the Division is working on getting all the questions into a testing database which will allow the Division to randomly generate a test so the questions are not in a specific order and will negate the concerns of students memorizing the questions. He would like to see this implemented soon. He asked the Board members if they would like him to bring to the next meeting the statistics that have been tracked regarding test questions that have been missed, this would allow the Board to discuss questions that appear to be of concern.

Member Payson agreed with Member Silva, he thought after the last test rewrite, this issue was resolved. The only complaint he had was the calculator issue coming up again, those testing are not allowed to use their own calculators. Having those testing using a different calculator can be difficult because appraisers are used to using a particular calculator. He suggested that a policy be put into place to address this issue.

Member Stafford agreed with Member Payson regarding the calculator issue. He would struggle if he had to use a different one.

Deputy Director Mitchell stated the issue could definitely be addressed and he would be glad to bring it forward to the Board for consideration.

Member Silva explained the previous Deputy Director, Terry Rubald, had concerns that formulas could be stored in the calculators.

Member Stafford said the programming registers could be cleared.

Deputy Director Mitchell shared that he personally had no problem with people bringing their own calculators as long as the person overseeing the testing knows how to clear them. He will be looking at the theory behind this decision and added we would probably move away from the policy of not allowing those testing to use their own calculators. He also shared in regards to the tests, it sounded like he was the only one hearing a concern about the test questions so he will leave the questions where they are for now and just track the test outcomes and perhaps bring it forward at a future date.

Member Silva shared that the previous Deputy Director, Heather Drake, did test result tracking after offering a 12-part course and the passing rate went from 35-40% to an 85% passing rate. The group addressed around 40% of the questions people were missing; they looked to see if this was just something those testing did not know or if it was the working of the questions. She felt the Division should look at the testing statistics and which questions are consistently missed.

Deputy Director Mitchell added there has not been a significant amount of people tested since the test was rewritten.

Member Stafford stated he had an issue come up during a discussion with Member Seddon recently regarding the language of a certificate from IAAO regarding "attending and passing or just attending or challenging". IAAO responded as to how the wording would be stated differently on each of the certificates but Jana has an employee who had failed courses but received full credit for the courses. He stated that he is aware of the policy allowing those attending to be awarded half credit for failing the course.

Member Silva asked how the department is notified as to who passes and who fails.

Member Stafford shared it is in the language on the certificate from IAAO. It will say "Successfully Completed or Attendance and Participation". When an individual challenges an IAAO course, the course will state "Successfully Completed" and reflect 0 (zero) hours.

6. FOR POSSIBLE ACTION: Schedule Date and Review Agenda Topics for the Next Appraiser's Certification Board Meeting.

The Board Members discussed having a December meeting. Deputy Director Mitchell also mentioned that Member Stafford's term would be ending in September as well as Member Bailey's term. Member Bailey stated he will be finalizing his retirement and his position on the board would have to be replaced as of December 14, 2018. Member Stafford also mentioned that he would not be seeking reappointment to the board. Member Payson mentioned that he has a member of his department who would be interested in being appointed to the board.

7. Public Comment
There were no public comments.
8. ADJOURNMENT
Chair Popa adjourned the meeting.

DRAFT