



## **BOARD MEETING MINUTES**

**Iowa Title Guaranty  
Des Moines, Iowa  
December 6, 2022**

### **Board Members Present**

Charles Winkleblack, Chair  
Daniel Seufferlein

Judy Hilgenberg, Vice-Chair  
Jason Froehlich  
Sarah Pesek

### **Board Members Absent**

None.

### **Staff Members Present**

Dillon Malone, Director, Iowa Title Guaranty  
Doug Mizer, Legal Counsel  
Rachel Pettit, Operations Manager  
Kevin Blackman, Senior Residential Attorney  
Karla Furger, Claims and Compliance Attorney  
Ethan Murray, Commercial Attorney  
Julie Frye, Compliance Officer  
Emily Stokes, Compliance Officer  
Mallory Bartlett, Commercial Settlement Attorney  
Kim Praska, Commercial Services Specialist

Mary Brucker, Training Specialist  
Beau Hanson, IT Support Specialist  
David Morrison, Single Family Accounting Manager  
Nichole Hanson, Legislative Liaison  
Heidi Koll, Participant Program Administrator  
Carrie Nutt, Senior Production Specialist  
Steven Crouse, Production Specialist  
Travis Browder, Production Specialist  
Hao Lu, ITG Billing Specialist

### **Others Present**

Sally Hertel, Iowa Land Title Association  
Jan Gemar, Iowa Land Title Association  
Jorge Gomez, Jr., Gomez May LLP  
Anthony Bengston, Buchanan County  
Abstract Company  
Randee Slings, Iowa Title Company  
Tim Gartin, Hastings & Gartin Law Group,  
LLP

Dean Hoag, Community Title, L.L.C.  
Daniel Kadrlík, Iowa Land Title Association  
Heather Hackbarth, Iowa Department of  
Management  
Danielle Michalski, Abstract Associates  
Todd Roach, Mahaska Title – Johnson  
Abstract Co.  
Matthew J. White, Title Services DM Corp.

### **Call to Order**

The December 6, 2022 meeting of the Iowa Title Guaranty Board of Directors was called to order by Chairman Winkleblack at 10:30 a.m. Roll call was taken, and a quorum was established with the following Board Members present: Chairman Winkleblack, Vice-Chair Judy Hilgenberg, Daniel Seufferlein, Jason Froehlich and Sarah Pesek.

### **Action Items**

#### **Review and Approval of August 30, 2022 Board Meeting Minutes**

**MOTION:** On a motion by Mr. Froehlich and a second by Ms. Pesek, the Board unanimously approved the August 30, 2022 Board Meeting Minutes.

#### **Review and Approval of December 1, 2022 Minutes of the Special Meeting of the ITG Board**

**MOTION:** On a motion by Ms. Pesek and a second by Mr. Froelich, the Board unanimously approved the December 1, 2022 Minutes of the Special Meeting of the ITG Board.

### **New Business**

#### **Election of ITG Board Chair and Vice-Chair**

Chairman Winkleblack opened the floor for nominations for ITG Board Chair and Vice-Chair.

**MOTION:** Mr. Froehlich moved to nominate Mr. Seufferlein as ITG Board Chair and Mr. Froehlich as Vice-Chair. Ms. Pesek seconded the motion. The Board unanimously elected Mr. Seufferlein as Chair and Mr. Froehlich as Vice-Chair of the ITG Board.

#### **ITG 22-04 – Transfer of Funds**

Mr. Morrison presented the proposed transfer of ITG funds outlined in Resolution ITG 22-04. The resolution proposed transferring \$900,000.00 to the Iowa Finance Authority's (IFA) housing assistance fund. Mr. Morrison requested board action on Resolution ITG 22-04.

**MOTION:** On a motion by Ms. Hilgenberg and a second by Mr. Froehlich the Board unanimously approved ITG Resolution 22-04.

#### **Title Plant Waiver Application W22-1 for Jorge Gomez III: Amended Written Ruling**

During a Special Meeting of the ITG Board of Directors on December 1, 2022, the ITG Board rejected the Proposed Ruling Denying the Title Plant Waiver Application presented by Director Malone on August 30, 2022 and directed ITG to prepare an Amended Ruling incorporating the agreement between ITG and the Jorge Gomez III for the Board's consideration at the December 6, 2022 Board Meeting. Director Malone briefly summarized the agreement which grants Mr. Gomez III a title plant waiver subject to certain conditions. Director Malone recommended that the Board approve the Amended Written Ruling for Title Plant Waiver Application W22-1.

**In response to a request for comments or questions by the Chair, Jorge Gomez, Jr. spoke on behalf of the Applicant, stating that Jorge Gomez III will abide by the conditions of the Agreement with Iowa Title Guaranty and plans on completing the title plant prior to three years.**

**MOTION:** On a motion by Ms. Pesek and a second by Mr. Froehlich, the Board unanimously approved the Amended Written Ruling for Title Plant Waiver Application W22-1.

**Title Plant Waiver Application W22-2 Mahaska Title - Johnson Abstract Co.: Proposed Written Ruling**

Mr. Mizer summarized the facts regarding the Mahaska Title-Johnson Abstract Co. (“Applicant”) Application for Title Plant Waiver submitted September 6, 2022 (#W22-2) (the “Application”). The Application sought an extension of the one-year provisional title plant waiver the ITG Board approved in November 2021.

Mr. Mizer noted the title plant waiver criteria remains met and communicated the Director’s recommendation that the ITG Board grant a six (6) month extension of the current provisional title plant waiver subject to the terms and conditions detailed in the proposed written ruling.

**MOTION:** On a motion by Ms. Hilgenberg and a second by Mr. Seufferlein, the Board unanimously approved the Proposed Written Ruling for Title Plant Waiver Application W22-2.

**Discussion and Informational Items**

**Financial Report**

Mr. Morrison presented an overview of the financials for October 2022 YTD:

- ITG operated favorable to budget for the first four months of Fiscal year 2023. Operating revenue was 17.4% above budget and 38.5% behind last year.
- Operating expense was 6.0% favorable to budget and 28.7% favorable to last year. Employee expenses were favorable to budget \$134K; offset by unfavorable Professional Services (\$23K), primarily related to higher incentive payments.
- Net Operating Income After Grants (NOIAG) is \$270K unfavorable to budget and \$2.2M unfavorable to last year, primarily due to transfers to IFA’s Housing Assistance Fund. Transfers are \$1.05M ahead of budget and \$550K ahead of last year.
- Commitments decreased 6.8% (\$2.338M vs. \$2.508M) compared to September, while outstanding receivables decreased 0.5% in October (\$157K vs \$159K), primarily in the 30>60 days aging window.

**Claims Update**

Ms. Furger reported that ITG claims reserves as of November 15, 2022 are now \$315,023.09. Ms. Furger reported that ITG has paid out \$128,733.61 in claims in FY23. As of the date of the report ITG had 34 pending claims, with 5 in recoupment only status and 29 active claims.

Ms. Furger reported that ITG has received 23 claims since July 1. Ms. Furger reported 31 claims have been resolved since that date.

The nature of the claims continue to involve issues with deed and mortgage drafting (5 claims) and boundary disputes (7 claims). ITG has 6 mechanic's lien claims; 6 involving prior judgments or liens; 3 regarding breaks in the chain of title; and 2 related to manufactured home claims.

### **Mortgage Release Update**

Mr. Blackman reported that ITG received 197 mortgage release requests through October 2022. He stated that 110 of the requests were in conjunction with the Rapid Certificate program (56%); 87 of the remaining requests included the \$200 fee (44%); and 195 releases were filed. Mr. Blackman reported that since inception, 8,192 mortgages have been released through this program. Mr. Blackman expects to see a decrease in the number of Mortgage Release requests compared to the high volume of the last two years.

### **Commercial Update**

Mr. Murray reported that the ITG Commercial Team is fully staffed with the addition of the new Commercial Settlement Attorney. He mentioned that commitment volume and closings remain high. The Commercial Team has conducted 24 closings in the last three months and have 7 scheduled before the end of the year. The Commercial Team expects this trend to continue before interest rates begin to increase.

Mr. Murray noted that Mr. Veldey was currently attending an ALTA Forms Committee Meeting.

The Commercial Team attended CREW networking events during the last three months to promote ITG Commercial services.

### **ITG Director Update**

Director Malone opened his comments with an ITG staffing update introducing Mallory Bartlett as the new ITG Commercial Settlement Attorney who provides closing services and assists with underwriting.

Director Malone and ITG Operations Manager Rachel Pettit attended the ALTA One Meeting in October as part of the concerted effort to be more involved in ALTA. Director Malone cited his appointment to the Government Affairs Committee, the State Legislative and Regulatory Affairs Committee and the Title Counsel Work Group as well as Ms. Pettit's participation on the Research and Analytics Committee as examples. ITG hopes to see more committee involvement in the future.

Director Malone discussed the following topics of concern to ALTA which could be issues addressed in future legislative sessions:

1. Attorney Opinion Letters that can be obtained in lieu of title insurance in an effort to lower home-owner costs. Director Malone explained the difference between Attorney Opinion Letters backed by malpractice insurance policies vs. the Iowa Title Opinions issued in Iowa based on information obtained from abstracts.
2. Non-Title Recorded Agreements for Personal Services.

Director Malone announced that there will be an ALTA Forms update for the board's consideration in the first half of 2023.

Director Malone thanked Chairman Winkleblack and Vice-Chair Hilgenberg for their service to ITG throughout the years and welcomed Mr. Seufferlein and Mr. Froehlich in their new roles as Chairman and Vice-Chair, respectively.

### **Public Comment**

Tim Gartin, ITG participant attorney from Ames thanked Chairman Winkleblack and Vice-Chair Hilgenberg for their years of service. He also addressed the possibility of a title insurance bill being introduced in the next legislative session. In response to Mr. Gartin's statements, Director Malone mentioned ITG is making a concerted effort to engage a variety of stakeholders in order to educate them on ITG's impact on consumers. He encouraged ITG participants to contact their representatives and inform them of their impact as ITG participants on their community and in Iowa.

### **Adjournment**

**MOTION:** On a motion by Ms. Hilgenberg and a second by Mr. Froehlich, the December 6, 2022 Meeting of the ITG Board of Directors adjourned at 11:11 a.m.

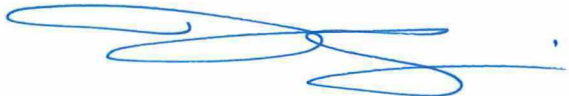
Dated this 28th day of February, 2023.

Respectfully submitted:

Approved as to form:



Dillon D. Malone  
Director, Iowa Title Guaranty



Daniel L. Seufferlein  
Board Chair, Iowa Title Guaranty