



## **BOARD MEETING MINUTES**

**Iowa Title Guaranty  
Des Moines, Iowa  
August 29, 2023**

### **Board Members Present**

Daniel Seufferlein, Chair  
Jason Froehlich, Vice-Chair

Judy Hilgenberg  
Sarah Pesek  
Sam Erickson  
Dillon Malone, *Ex-Officio*

### **Board Members Absent**

None.

### **Staff Members Present**

Dillon Malone, Director, Iowa Title Guaranty  
Kim Axtell, Lender Services Coordinator  
Kevin Blackman, Senior Residential Attorney  
Michelle Bodie, ITG Accounting Manager  
Travis Browder, Production Specialist  
Mary Brucker, Compliance Officer  
Rachel Buckingham, Production Specialist  
Julie Frye, Compliance Officer  
Karla Furger, Claims and Compliance Attorney  
Beau Hanson, IT Support Specialist

Heidi Koll, Participant Program Administrator  
Doug Mizer, Legal Counsel  
David Morrison, Single Family Accounting  
Manager  
Ethan Murray, Commercial Attorney  
Carrie Nutt, Senior Production Specialist  
Rachel Pettit, Operations Manager  
Emily Stokes, Compliance Officer  
Matthew Veldey, Senior Commercial Attorney

### **Others Present**

Jan Gemar, Iowa Land Title Association  
Sally Hertel, Iowa Land Title Association

Dean Hoag, Community Title LLC

### **Call to Order**

The August 29, 2023 meeting of the Iowa Title Guaranty Board of Directors was called to order by Chairman Seufferlein at 10:30 a.m. Roll call was taken, and a quorum was established with the following Board Members present: Chair, Daniel Seufferlein, Vice-Chair Jason Froehlich, Judy Hilgenberg, Sarah Pesek and Sam Erickson.

### **Action Items**

#### **Review and Approval of June 6, 2023 Board Meeting Minutes**

**MOTION:** On a motion by Ms. Pesek and a second by Mr. Froehlich, the Board unanimously approved the June 6, 2023 Board Meeting Minutes as corrected.

### **New Business**

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

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

**MOTION:** Ms. Hilgenberg 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 23-04 – Transfer of Funds**

Ms. Bodie presented the proposed transfer of ITG funds outlined in Resolution ITG 23-04. The resolution proposed transferring \$190,000.00 to the Iowa Finance Authority's (IFA) housing assistance fund. Ms. Bodie requested board action on Resolution ITG 23-04.

**MOTION:** On a motion by Ms. Hilgenberg and a second by Mr. Froehlich the Board unanimously approved ITG Resolution 23-04.

### **Financial Report**

Ms. Bodie presented an overview of the financials for June 2023 YTD:

- ITG operated unfavorably to budget for the month and fiscal year ended June 30, 2023. Operating revenue was 1.7% above budget and 44.4% behind last year.
- Operating expenses were 11.6% favorable to budget and 30.1% favorable to last year. Employee expenses and Professional Services combined were favorable to budget \$810K.
- FY23 transfers to the Housing Assistance Fund totaled \$3.575M. Net Operating Income After Grants (NOIAG) was \$1.527M unfavorable to budget and \$3.303M unfavorable to last year, primarily due to the housing and refinance market conditions.
- Per Iowa Code, interest earned on ITG funds held with the State Treasurer must be deposited

to the State Housing Trust Fund. In FY23, \$479K of interest income was deposited to the Fund.

- Commitment deposits were up over 9% in June, while outstanding receivables increased 9.4% (\$92.9K vs. \$84.9K).

### **Claims Update**

Ms. Furger reported that ITG claims reserves as of August 15, 2023 are now \$319,704.16. Ms. Furger reported that ITG has paid out \$1,712.00 in claims in FY23. As of the date of the report ITG had 51 pending claims, with 5 in recoupment only status and 46 active claims.

Ms. Furger reported that ITG has received 8 claims since July 1, 2023. Ms. Furger reported 7 claims have been resolved since that date.

The nature of the claims continue to involve issues with deed and mortgage drafting (19 claims), prior judgments or liens (10 claims) and boundary disputes (8 claims). ITG has 5 mechanic's lien claims and 3 regarding breaks in the chain of title.

### **Mortgage Release Update**

Mr. Blackman reported that ITG received 536 mortgage release requests through June 2023. He stated that 340 of the requests were in conjunction with the Rapid Certificate program (63%); 196 of the remaining requests included the \$200 fee (37%); and 610 releases were filed. Mr. Blackman reported that since inception, 8,607 mortgages have been released through this program.

### **Commercial Update**

Mr. Veldey reported that FY22 and FY23 have been ITG Commercial's two strongest years. Closing volume in June and July was steady, with 14 closings since the June 6, 2023 board meeting.

Commercial has been working with ITG staff and Marketing on pricing for the new ALTA endorsements as well as a new application for commercial transactions.

ITG Commercial Staff will attend the HousingIowa Conference in Cedar Rapids in September.

### **Operations Update**

Ms. Pettit presented a summary of ITG's growth over the last 5 fiscal years as well as an overview of the operational improvements during FY23. A comparison of FY23 to FY19 demonstrates healthy growth in many key areas, particularly in Commercial transactions and real estate covered, Mortgage Release Certificates, and Residential real estate covered.

FY23 Operational Improvements:

**New Participant Onboarding:** ITG staff provide onboarding support for new participants and

existing participants who add new services by providing resources related to ITG's guidelines and expectations.

**Participant and Stakeholder Training:** ITG staff conducted over 100 individualized training sessions.

**Compliance Reviews:** ITG's compliance team performed over 60 individual participant reviews.

**Support Queue:** On average, ITG's compliance team received and resolved 66 support queue submissions per week, almost 3,500 for the year.

**Underwriting Support:** ITG underwriting attorneys managed an average of 38 underwriting submissions per week, almost 2,000 for the year.

### **ITG Director Update**

Director Malone opened his comments with an ITG staffing update by announcing that ITG Intern Christine Baber had accepted a position with a law firm specializing in real estate. Heidi Koll and Matt Veldey were recognized at the July IFA Board Meeting with 5 and 20 years of service, respectively.

ITG Staff is working remotely until construction on the third floor is complete.

As a result of ALTA and other stakeholders' efforts Fannie Mae has dropped their Waiver Pilot Program which would have removed the requirement for Title Insurance and the Iowa Title Guaranty Certificate and to effectively self-insure for title claims. The Attorney Opinion Letters initiative remains in the selling guides and an area of concern.

A bill has been introduced in the U.S. Senate that would require the enterprises to utilize a title insurance policy issued by a title insurance company. ITG is monitoring the progress in the event it would need to be modified for Iowa.

The ALTA 2021 forms went live in July and there have been no issues thus far.

ITG staff will attend the following conferences: Iowa Mortgage Association, Iowa Commercial Real Estate Expo, Iowa Association of Realtors, Iowa Land Title Association (ILTA) Regional Meetings, ALTA One and the HousingIowa Conference. ITG staff is currently working on the ITG Regional Workshops in November.

**Public Comment**

There was no comment from the public.

**Adjournment**

**MOTION:** On a motion by Ms. Pesek and a second by Mr. Froehlich, the August 29, 2023 Meeting the ITG Board of Directors adjourned at 10:59 a.m.

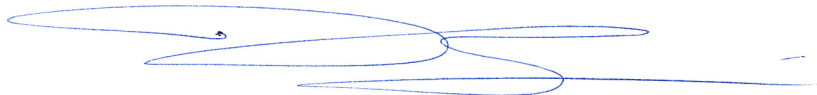
Dated this 5th day of December, 2023.

Respectfully submitted:

Approved as to form:



Dillon D. Malone  
Director, Iowa Title Guaranty



Daniel L. Seufferlein  
Board Chair, Iowa Title Guaranty