

**Title Guaranty
Board Meeting Minutes**

March 6, 2012

Board Members Present:

Deborah Petersen
Pat Schneider
Kim Downing-Manning
Tim Reilly
Chuck Winkleblack

Staff Members Present:

Geri Huser, Title Guaranty Director
Matt White, Title Guaranty Deputy Director
Joanna Wilson, Associate General Counsel
Linda Berg, Field Operations Director
Jess Flaherty, Training Specialist
Ashley Jared, Communications Director
Jerry LoRang, Underwriting Attorney
Steve Harvey, IFA Chief Operating Officer
Becky Wu, IFA Staff Accountant
David Peters, Underwriting Attorney
Judy Peterson, Customer Service Manager

Others Present:

Bill Price, Abstract, Title & Escrow Services of Iowa, LLC
Dean Hoag, Peoples Abstract Company
Don Guisinger – Pro-Title

Call to Order

Ms. Deborah Petersen called the March 16, 2012, meeting of the Title Guaranty Board of Directors to order at 10:30 a.m.

All Board Members, Title Guaranty staff, and members of the public introduced themselves.

Action Items

Written Ruling -Davis County Abstract and Title, LLC

Ms. Petersen introduced the Written Ruling and restated the prior acts of the Board from the December 13, 2011, meeting.

Motion: On a motion by Ms. Schneider, seconded by Mr. Reilly, the Board unanimously approved the Written Ruling granting a one-year Provisional Waiver for Davis County Abstract and Title, LLC.

Written Ruling - Iowa Abstract Services, L.L.C.

Ms. Petersen introduced the Written Ruling and restated the prior acts of the Board from the December 13, 2011, meeting.

Motion: On a motion by Mr. Winkleblack, seconded by Ms. Downing-Manning, the Board unanimously approved the Written Ruling granting a one-year Provisional Waiver for Iowa Abstract Services, L.L.C.

Administrative Rule Waiver – Abstract Guaranty Company and Iowa Abstract Services, L.L.C.

Ms. Huser introduced the Administrative Rule Waiver to grant a five-year waiver of definition of Abstract. Ms. Huser informed the Board that the role of the Title Guaranty Board would be to recommend the waiver and the Iowa Finance Authority Board would then take final action to approve the waiver of the administrative rule. Ms. Huser stated that there had been no material changes to the form from the original waiver request in 2007. The Board had a lengthy discussion on the use of the 40-year title search and the lack of traditional abstracting in Pottawattamie County. The Board asked that over the next 18 months the Title Guaranty staff provide more information on market share and use of abstracts in Pottawattamie County.

Motion: On a motion by Mr. Rielly, seconded by Mr. Winkleblack, the Board unanimously approved the recommendation of a five-year Administrative Rule Waiver for the definition of Abstract.

Request for Extension of Provisional Waiver – Abstract, Title & Escrow Services of Iowa, LLC

Mr. Price addressed the Board to request an extension to the Provisional Waiver that was granted March 8, 2011. Mr. Price updated the Board on the status and ownership of the company, stating that he would maintain ownership and that he has proceeded with hiring more employees to bring the title plant up to date. The Board had a lengthy discussion concerning the length of the extension and the work Mr. Price still needs to complete. Mr. White and Ms. Wilson outlined the procedures for an extension of the waiver and stated that upon approval a Written Ruling will be prepared and presented at the next Board meeting. The Board discussed the length of the extension and came to the conclusion that the extension should be granted for one-year with monthly status reports.

Motion: On a motion by Ms. Schneider, seconded by Mr. Rielly, the Board unanimously approved the Extension of Provisional Waiver for Abstract, Title & Escrow Services of Iowa, LLC, for a one-year term and monthly status reports provided to Title Guaranty.

Review & Approval of Board Meeting Minutes

The Board discussed the meeting minutes of December 13, 2011.

Motion: On a motion by Mr. Winkleblack, seconded by Ms. Downing-Manning, the Board unanimously approved the December 13, 2011, Board meeting minutes.

Review of Financial Reports and Transfer of Funds to Iowa Finance Authority Housing Programs

Mr. Harvey presented the financial report stating Title Guaranty revenue and expenses are running ahead of budget due to the professional services increase, which is in direct correlation to revenue. Ms. Petersen and the Board had several questions for Mr. Harvey regarding the amount available for transfer. After the Board's discussion Ms. Huser stated that at the June meeting the Title Guaranty staff would provide a running worksheet for the transfers that took place in FY11 and FY12. After further discussion the Board decided to table the transfer while waiting for more detailed information on the amount of funds available to transfer.

Motion: On a motion by Ms. Schneider, seconded by Mr. Winkleblack, the Board voted unanimously to table the transfer of funds until June 6, 2012, in order to obtain more detailed information regarding the amount of funds available for transfer.

Iowa Title Waiver Extension Request

Ms. Huser stated that in January the Extension was approved by the Iowa Finance Authority Board for an additional year. This waiver is only to be used for Linn County flood buy-out properties. Ms. Huser stated that this extension was very time sensitive and could not wait to be presented at the March meeting. The Board informed Ms. Huser that in the future telephone meetings would be appropriate for time sensitive manners.

Field Operations Director's Report

Ms. Berg presented the reports that were included in the Board packet as well as information on the upcoming Settlement Conference. Ms. Berg stated that she will be making several trips around the state to visit lenders and field issuers for Title Guaranty.

Director's Report

Ms. Huser informed the Board that several title insurance companies requesting approval as Title Guaranty Division Closers. Ms. Huser asked the Board for their thoughts on allowing an out-of-state company to be a Division Closer. Mr. Hoag commented and answered questions from the Board. The Board and staff had a discussion regarding allowing those companies to issue Closing Protection Letters on behalf of Title Guaranty with comments.

Ms. Huser also requested feedback on the several issues concerning the commercial department, mortgage release fee increase, and increase in the incentive payment for field issuers. The Board discussed the issues at hand and gave Ms. Huser the feedback she needed to proceed.

Claims Report

Mr. White gave a brief update on the current claims. The Board and Mr. White discussed those claims for which there were questions.

Mortgage Release Program

Mr. LoRang, Ms. Peterson, and Mr. White presented the Board with information on the Mortgage Release program, including the issue of the very low fee rate. Mr. LoRang suggested that the staff should take a deeper look at the cost to run the Mortgage Release Program and increase the fee to cover the costs associated with the program. After the Board and staff discussed the issue at hand the Board directed the staff to put together a report including the cost break-down of the running the program and a proposed fee increase. The Board asked that this information be presented at the June 5, 2012, Board Meeting.

Board Education – Electronic Meeting Materials, Ashley Jared

Ms. Jared gave a brief presentation to the Board to show them the new website for the Board materials. Ms. Jared stated that all Iowa Finance Authority and Title Guaranty Board materials will be placed on the website for easy access any time of day. The site will also hold IFA and TG policy and procedures and other information for the Boards. She concluded by stating that the website is already being used and that all future meeting materials will be posted to the site.

Adjournment

The meeting adjourned at 1:58 p.m.

Dated this June 5, 2012.

Respectfully submitted:



Geri Huser
Director, Title Guaranty

Approved as to form:



Deborah Petersen,
Chair, Title Guaranty Board