

**Title Guaranty  
Board Meeting Minutes  
October 7, 2014**

**Board Members Present:**

Pat Schneider  
Dan Seufferlein  
Chuck Winkleblack  
Tim Reilly

**Staff Members Present:**

Dave Jamison, Iowa Finance Authority Executive Director  
Geri Huser, Iowa Title Guaranty Director  
Mark Thompson, Iowa Finance Authority General Counsel  
Steve Harvey, Iowa Finance Authority Chief Operating Officer  
Matt White, Underwriting Attorney  
Linda Berg, Business Development Director  
Marie Jeanblanc, Business Development Specialist  
Ann Marie Malave, Claims Attorney  
Tara Lawrence, Commercial Underwriting Attorney  
Gerald LoRang, Underwriting Attorney  
Bob Skelley, Residential Underwriter

**Others Present:**

Brenden Hoag, Statewide Abstract & Title  
Ron Lewis, Statewide Abstract & Title  
Jan Gemar, ILTA (via telephone)  
Gary Reeder, ILTA  
Alex Berger, Service Abstract Company  
Kay Berger, Service Abstract Company  
Dan Edwards, American Abstract & Title  
Jim Nervig, Brick Gentry Law Firm  
Bill Blue, Blue Advantage Title Systems, LLC  
Mindy Blue, Blue Advantage Title Systems, LLC  
Joan Johnson, Iowa Title Company  
Ranee Slings, Iowa Title Company  
David Dunakey, Iowa Attorney Abstracting Association  
Brittney Frericks, Court Reporter  
Ted Huggins, Abstract Associates of Iowa

---

**Call to Order**

Ms. Schneider called the October 7, 2014 meeting of the Iowa Title Guaranty Board of Directors to order at 10:31 a.m.

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

**Review & Approval of Board Meeting Minutes**

Motion: On a motion by Mr. Reilly seconded by Mr. Seufferlein, the Board unanimously approved the August 6, 2014 Board meeting minutes.

**Title Plant Waiver – Supplemental Reports**

Mr. White stated that for each waiver application requiring Board action there is a supplemental report. The supplemental report contains a summary of the relevant facts, information, knowledge and expertise that Mr. White used in his analysis of each application. Mr. White asked the Board to approve each supplemental report. Ms. Schneider asked for any public comments. Mr. Nervig, Brick Gentry Law Firm, spoke. He objected to Mr. White's request and asked that the supplemental reports be excluded from the record and removed from the Board's decision. Ms. Schneider asked for any additional comments, hearing none, the Board reviewed and voted on each title plant waiver application.

**Monroe County Abstract Company – Provisional Title Plant Waiver (Monroe County)**

Mr. White asked the Board to approve the supplemental report. Ms. Schneider asked for any additional public comments, hearing none, she asked the Board to vote on supplemental report.

Motion: On a motion by Mr. Seufferlein, seconded by Mr. Reilly the Board unanimously approved the supplemental report for the Provisional title plant waiver for Monroe County Abstract Company.

Mr. White asked the Board to approve the written ruling as stated in the Board packet. Ms. Schneider asked for any additional public comments, hearing none, she asked the Board to vote on the written ruling.

Motion: On a motion by Mr. Winkleblack, seconded by Mr. Seufferlein the Board unanimously approved the written ruling granting a Provisional title plant waiver for Monroe County Abstract Company.

**Blue Advantage Title Systems, LLC d/b/a Bill Blue & Associates, Professional Abstractors – Provisional Title Plant Waiver (Polk County)**

Mr. White asked the Board to approve the supplemental report. Ms. Schneider asked for any additional comments, hearing none, she asked the Board to vote on the supplemental report.

Motion: On a motion by Mr. Reilly seconded by Mr. Winkleblack, the Board unanimously approved the supplemental report for Blue Advantage Title Systems, LLC d/b/a Bill Blue & Associates, Professional Abstractors a provisional title plant waiver for Polk County.

Mr. White asked the Board to approve the written ruling as in the Board packet. Ms. Schneider asked for any additional public comments, hearing none, she asked the Board to vote on the written ruling.

Motion: On a motion by Mr. Seufferlein, seconded by Mr. Winkleblack, the Board unanimously approved the Written Ruling granting Blue Advantage Title Systems, LLC d/b/a Bill Blue & Associates, Professional Abstractors a provisional title plant waiver for Polk County.

**Alexander Berger, Attorney at Law – Permanent Title Plant Waiver (Statewide)**

Mr. White asked the Board to approve the supplemental report. Ms. Schneider asked for any additional comments, hearing none, she asked the Board to vote on the supplemental report.

Motion: On a motion by Mr. Winkleblack, seconded by Mr. Seufferlein the Board unanimously approved the supplemental report for Alex Berger a permanent statewide title plant waiver.

Mr. White asked the Board to approve the written ruling as in the Board packet. Ms. Schneider asked for any additional public comments, hearing none, she asked the Board to vote on the written ruling.

Motion: On a motion by Mr. Reilly, seconded by Mr. Winkleblack, the Board unanimously approved the Written Ruling granting Alex Berger a permanent statewide waiver.

**Brenden Hoag, Attorney at Law – Permanent Title Plant Waiver**

Mr. White asked the Board to approve the supplemental report. Ms. Schneider asked for any additional public comments. Mr. Nervig requested confirmation that an oral argument was made at the last meeting to exclude Polk County from the waiver application. Mr. White stated that he recalled that there was mention of Mr. Hoag processing through his title plant for orders in Polk County. Ms. Schneider asked for any further comments. Hearing none, she asked the Board to vote on the supplemental report.

Motion: On a motion by Mr. Seufferlein, seconded by Mr. Reilly, the Board unanimously approved the supplemental report for Brenden Hoag a permanent statewide waiver.

Mr. White asked the Board to approve the written ruling for Brenden Hoag. Ms. Schneider asked for any additional public comments. Mr. Winkleblack asked for further clarification on the discussion at the last Board meeting on whether Mr. Hoag agreed to Polk County as an exception to his waiver application. Mr. White clarified that the Administrative rules prohibit the Board from placing restrictions on counties for a waiver applicant but can come to an agreement with the applicant on county restrictions. Ms. Schneider asked Mr. Hoag if he recalled there being a limitation on Polk County. He did not recall. Ms. Huser stated the written ruling stands as is with no written exclusions. Ms. Schneider asked the Board to vote on the written ruling.

Motion: On a motion by Mr. Winkleblack seconded by Mr. Reilly, the Board unanimously approved the written ruling granting a permanent statewide title plant waiver to Brendon Hoag.

#### **Cyclone Title, LLC Provisional Title Plant Waiver (Audubon County)**

Ms. Malave summarized a memo on the waiver process. Hearing no questions she moved to her analysis of the Cyclone provisional title plant application. She confirmed, based on her analysis and legal review, Cyclone title, LLC has met all statutory requirements. Mr. Rasmussen spoke and asked the Board to approve the title plant waiver application. The Director recommended approval of title plant waiver subject to conditions set out in the Director's Recommendation. Ms. Schneider asked for any public comments, hearing none, she asked the Board to vote on the application.

Motion: On a motion by Mr. Reilly, seconded by Mr. Seufferlein the Board unanimously approved the Director's Recommendation granting Cyclone Title, LLC a provisional title plant waiver for Audubon County.

#### **Members Title Services d/b/a Legal Abstract Company**

Ms. Malave stated Member's Title Services d/b/a Legal Abstract Company, LLC has been a participant with Iowa Title Guaranty for several years. An ILTA inspection found they were missing records from several decades. They requested a provisional waiver so they can continue doing business. Ms. Malave recommended approval of the provisional title plant waiver. Mr. Opiel confirmed gaps in his title plant, however, he cannot confirm a definitive time when these gaps will be corrected. The Director recommended approval of title plant waiver subject to conditions set out in the Director's Recommendation. Ms. Schneider asked the Board to vote on the application.

Motion: On a motion by Mr. Reilly, seconded by Mr. Seufferlein the Board unanimously approved the written ruling granting Member's Title Services a provisional title plant waiver for Muscatine County.

#### **ITG Board Resolution 14-08: Failed Title Plant Inspections**

Ms. Huser addressed the Board stating ITG did an overview of current participants. During that process they found that 26 participants would not pass a title plant inspection. She is proposing Resolution 14-08 is to address this issue by giving the participant who fails an inspection or knows they would fail an inspection the option of going into waiver status immediately until their application can be heard at the next Board meeting. In addition, Resolution 14-08 will allow ITG to charge up to \$300 for each title plant inspection. Ms. Huser stated she will need to provide the Board a list of participants and a proposed application for their approval. Ms. Schneider asked for clarification regarding who inspects the plants and how often they are conducted. Ms. Huser confirmed ILTA conducts the inspections every 7 years. Ms. Huser clarified the number of inspections is approximately 26, ITG plans to inspect those who have never been inspected first.

Motion: On a motion by Mr. Reilly, seconded by Mr. Seufferlein the Board unanimously approved ITG Resolution 14-08.

#### **ITG Resolution 14-09: Waiver Moratorium**

Ms. Malave confirmed ITG is planning to update the waiver process. She mentioned the current application does not require specific details for application analysis. This causes staff to ask the applicant several times for necessary information. A moratorium would allow ITG to review and implement an updated waiver process. Ms. Malave advised there are two resolutions available for adoption. One would take effect right away, the other would go into effect immediately following the December 2<sup>nd</sup> Board meeting, allowing for one more round of waiver applicants. Mr. Winkleblack asked how many waiver applicants are expected. Ms. Malave thought there were at least 4. Mr. Seufferlein asked if there is a legal requirement of the number of days' notice required for this decision. Ms. Malave noted she reviewed the administrative rules and did not see a 30 day requirement. Mr. White advised the Board of the 30 day public notice deadline for waiver review. Ms. Huser clarified ITG adds 15 days to the 30 day requirement to allow for staff review. The deadline for waiver applications is October 16<sup>th</sup>. The Board asked questions about changing the deadline and having a special Board meeting. Ms. Malave recommended sticking to the October 16<sup>th</sup> deadline. Mr. Huggins, a current

waiver applicant, addressed the Board to provide further clarification that he was advised of the October 16<sup>th</sup> deadline and it took him around 10-15 hours to complete the application process. Mr. Alex Berger clarified it took around 30 hours to complete the application.

Motion: On a motion by Mr. Winkleblack seconded by Mr. Reilly, the Board unanimously approved Resolution 14-09, option B, granting a moratorium on title plant waivers immediately following the December 2, 2014 Board meeting.

### **2015 Board Meeting Dates**

Ms. Jeanblanc introduced a memo with the proposed 2015 Board meeting dates and asked the Board to review and approve.

Motion: On a motion by Mr. Reilly, the Board unanimously approved the 2015 Board meeting dates.

### **Transfer of Funds**

Motion: On a motion by Mr. Winkleblack, seconded by Mr. Seufferlein the Board unanimously approved the transfer of \$512,000 into the IFA Housing Assistance Fund.

### **Waiver Updates**

Matt White provided a progress update on Clay County Abstract Company, LLC. He believes they are on track to complete their plant by June 4, 2015. Mr. Reilly asked about non-real estate indices. Mr. White confirmed that as long as they pass inspection and meet the requirements set out in the code and statute ITG does not specify what types of records they are required to pull.

Mr. White provided a progress update on Guaranty Abstract, LLC. He stated their title plant is 67% complete compared to 65% at the last Board meeting. They have until March 15<sup>th</sup> 2015 to complete their title plant. Based on their progress Mr. White believes they will make this deadline.

### **Claims Report**

Ms. Malave reviewed the document provided in the Board packet, including the claims summary. Ms. Malave told the Board there are reserves in the amount of \$600,000.

### **Residential and Commercial Volume and Projection Report**

Ms. Berg discussed the document provided in the Board packet, including a report on the number of transactions and volume for both residential and commercial within Iowa Title Guaranty.

### **Financial Reports**

Mr. Harvey provided an update on ITG financials. Due to lower sales and field issuer fees there are lower claims than anticipated for the budget. ITG is still within budget and operating profitability.

### **Director's Update**

Ms. Huser announced that Tara Lawrence will be second in command at ITG behind the director. She also provided an update on CAP 2.0.

### **Adjournment**

Ms. Schneider adjourned the meeting at 11.41 a.m.

Dated this December 2, 2014

Respectfully submitted:

  
Dave Jamison  
ITG Board Security

Approved as to form:

  
Pat Schneider  
Chair, Iowa Title Guaranty Board

