



BOARD MEETING MINUTES

**Iowa Title Guaranty
Des Moines, Iowa
March 5, 2024**

Board Members Present

Daniel Seufferlein, Chair
Jason Froehlich, Vice-Chair
Sam Erickson

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

Board Members Absent

None.

Staff Members Present

Dillon Malone, Director, Iowa Title Guaranty
Kevin Blackman, Senior Residential Attorney
Michelle Bodie, ITG Accounting Manager
Julie Frye, Compliance Officer
Heidi Koll, Participant Program Administrator
Doug Mizer, Legal Counsel

Karla Moccero, Claims and Compliance
Attorney
Ethan Murray, Commercial Attorney
Rachel Pettit, Operations Manager
Matthew Veldey, Senior Commercial
Attorney

Others Present

Jan Gemar, Iowa Land Title Association
Sandy Guy, Community Title LLC

Sally Hertel, Iowa Land Title Association
Ranee Slings, Iowa Title

Call to Order

The March 5, 2024 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: Daniel Seufferlein (Chair), Jason Froehlich (Vice-Chair), Judy Hilgenberg, Sarah Pesek, and Sam Erickson.

Action Items

Review and Approval of December 5, 2023 Board Meeting Minutes

MOTION: On a motion by Mr. Froehlich and a second by Ms. Hilgenberg, the Board unanimously approved the December 5, 2023 Board Meeting Minutes.

New Business

ITG 24-01 – Transfer of Funds

Ms. Bodie presented the proposed transfer of ITG funds outlined in Resolution ITG 24-01. The resolution proposed transferring \$425,000.00 to the Iowa Finance Authority's (IFA) housing assistance fund. Ms. Bodie requested board action on Resolution ITG 24-01.

MOTION: On a motion by Ms. Pesek and a second by Mr. Froehlich the Board unanimously approved ITG Resolution 24-01.

Financial Report

Ms. Bodie presented an overview of the financials for December 2023 FYTD:

- ITG operated unfavorably compared to budget through the 2nd quarter ended December 31, 2023, due to approved transfers to the Housing Assistance Fund (HAF) exceeding budget by \$305K.
- Operating revenue was 6.7% below budget and 35.4% behind last year.
- Operating expense was 14.5% favorable to budget and 15.5% favorable to last year. Professional Services generated a favorable budget variance of \$412K.
- Transfers to HAF from Title Guaranty occur quarterly and \$615K was transferred in December.
- Net Operating Income After Grants (NOIAG) was unfavorable to budget by \$80K and last year by \$278K.
- Per Iowa Code, interest earned on ITG funds held with the State Treasurer must be deposited to the State Housing Trust Fund monthly. In December, \$77K of interest income was deposited to the Fund bringing the fiscal year-to-date total to \$432K.
- December commitments were comparable to November (\$1,319K vs \$1,321K).

Claims Update

Ms. Moccero reported that ITG claims reserves as of February 26, 2024 are now \$28,684.04. Ms. Moccero reported ITG has paid \$519,273.07 in claims in FY24. As of the date of the report ITG had 40 pending claims, with 5 in recoupment only status and 35 active claims.

Ms. Moccero reported ITG received 29 claims since July 1, 2023 and 40 claims were resolved since that date.

The nature of the claims continue to involve issues with deed and mortgage drafting (10 claims), prior judgments or liens (13 claims) and boundary disputes (6 claims). ITG has 5 claims regarding breaks in the chain of title.

Mortgage Release Update

Mr. Blackman reported ITG received 271 mortgage release requests through January 2024. He stated 156 of the requests were in conjunction with the Rapid Certificate program (58%); 115 of the remaining requests included the \$200 fee (42%); and 218 releases were filed. Mr. Blackman reported that since inception, 8,825 mortgages have been released through this program.

Commercial Update

Mr. Veldey reported that ITG Commercial numbers for the first two months of 2024 have been strong and favorable to budget. New commitment orders have been high recently and Commercial is averaging 4 closings per month. ITG Commercial Staff attended the Land Investment Expo in January and Ethan Murray attended a Commercial networking event for ALTA in New Orleans in February.

ITG Director Update

Director Malone opened his comments with an update on proposed federal legislation titled the Protecting America's Property Rights Act that would require the enterprises to utilize a title insurance policy issued by a title insurance company. The legislation, as written, exempts any Iowa loan. ITG continues to monitor the bill.

ITG has begun work with the developer of the Enterprise Management System charged with building the Title Guaranty platform. The project is completely funded.

Director Malone and Doug Mizer are in the process of selecting two Legal Interns for the summer months.

ITG is required to review the Administrative Rules, per the Governor. As part of this review, ITG is considering making a change to the Title Plant Waiver process. ITG will propose the request be reviewed by the Division rather than the ITG Board.

Public Comment

There was no comment from the public.

Adjournment

MOTION: On a motion by Ms. Hilgenberg and a second by Ms. Erickson, the March 5, 2024 Meeting of the ITG Board of Directors adjourned at 10:48 a.m.

Dated this 4th day of June, 2024.

Respectfully submitted:

Approved as to form:



Dillon D. Malone
Director, Iowa Title Guaranty



Jason Froehlich
Board Vice-Chair, Iowa Title Guaranty