ESS Coordinating Committee

Meeting Summary

February 10, 2022

Participants

Julie Haggerty, Polk County Recorder	Nancy Booten, Lee County Recorder
Jolynn Goodchild, Plymouth County Recorder	Denise Baker, Wright County Recorder
Natalie Steffener, Des Moines County Recorder	Jonathan Lewis, Title Services Des Moines
Melissa Bahnsen, Cedar County Recorder	Jamie Stargell, Adams County Recorder
David Erickson, Dentons Davis Brown PC	Eric Sloan, ICIT

Other Participants

Lisa Long, Iowa Land Records	Phil Dunshee, Iowa Land Records
Kati Ross, Iowa Land Records	Katie New, Bergan KDV
Sheri Jones, Jones County Recorder	Jan Gemar, ILTA

Welcome
A meeting of the ESS Coordinating Committee was held via web conference. Introductions were made.

Meeting Summary
The December 3, 2021 meeting summary was reviewed. A minor correction to add a zero to the dollar amount listed under Reserve Fund Allocations was noted. Nancy Booten made a motion to approve the meeting summary with that correction. Jolynn Goodchild seconded, and the motion was approved.

Election of Officers
The Committee reviewed the Policies and Procedures for the election of ESS Coordinating Committee officers. It was noted that the practice of the Committee has been to elect the ICRA representative to be the Chair for the Committee, however this is not a required policy.

Julie Haggerty nominated Nancy Booten as Chair of the ESS Coordinating Committee. Jolynn Goodchild seconded, and the motion was approved.

Jolyn Goodchild made a motion to nominate Julie Haggerty as the Vice Chair for the ESS Coordinating Committee. Nancy Booten seconded, and the motion was approved.

Nancy Booten made a motion to nominate Melissa Bahnsen as the Secretary/Treasurer. Julie Haggerty seconded, and the motion was approved.

ESS Subcommittee Appointments
A slate of ESS Subcommittee nominees for the Finance Subcommittee, Standards Subcommittee and Marketing and Communications Subcommittee were presented to participants. Julie Haggerty made a motion to approve the subcommittee appointments as presented. Denise Baker seconded, and the motion was approved.

Financial Reports

The Iowa Land Records team provided the Committee with the quarterly and year-to-date financial reports for 2021. Denise Baker made a motion to approve the quarterly and year-to-date financial reports. Jolynn Goodchild seconded, and the motion was approved.

BOA Reserve Fund Allocations

The Project Manager provided an update on Reserve Fund Allocations. The update included the reconciled balance of the account as well as the balance for each of the reserve funds. It was reported that income from the E-Submission service fee and fund 255 Reimbursement had exceeded projections in the most recent quarter by $220,667.68. It was recommended that those funds be moved to the Software Development and Equipment Maintenance Reserve. Jolyn Goodchild made a motion to approve the allocation of these funds to the specified reserve account effective December 31, 2021. Natalie Steffener seconded, and the motion was approved.

BOA Reserve Fund Expenditure Authorization

The Project Manager an update regarding expenditures from the Reserve Funds. The Committee was asked to approve the use of any authorized but unexpended funds for the completion of the current phase of activities, and for the planning and initial development work for the next phase of activity beginning April 1, 2022. Authorization to expend an additional $75,000 of Software Development and Equipment Maintenance Reserve funds was also requested. Julie Haggerty made a motion to approve the request to expend previously authorized funds and to allocate an additional $75,000 from the Software Development and Equipment Replacement Fund. Natalie Steffener seconded, and the motion was approved.

Work Authorizations

The Project Manager presented work authorizations for Lean Techniques and We Write Code for review and affirmation by the Committee. The work authorizations were presented to ensure that the Committee was fully informed of all development activities performed by the private firms. Julie Haggerty made a motion to accept and approve the work authorizations as presented. Jolynn Goodchild seconded, and the motion was approved.

ESS/ILR Staffing/External Consulting Update

The Project Manager reminded the Committee that they had previously budgeted for a Full Time Policy Coordinator position starting on January 1. It was reported that the job description for this position was recently posted on Indeed, and it would be sent to Drake University, University of Iowa, and Iowa State University law and graduate schools for posting. The position description was reviewed with the ICRA executive leadership team prior to being posted. Some applications have come in, but none have met the desired criteria. Updates on the hiring process will be provided as they are available.

Treasury Management Request For Information

The Project Manager provided an update regarding treasury management services. It was reported that Bank of America was not able to set up a new account in the name of ESS following the 28E transition. The ESS Finance Subcommittee recently discussed options for seeking a treasury management service provider, and it was determined that a Request for Information would be an appropriate route to follow. At least two qualified institutions in central Iowa will be directly invited to respond. The Community Banker association will also be asked to circulate the RFI with their members, as a preference would be

given to Iowa-based treasury management service organizations. The RFI will also be posted on the Iowa Land Records website. Melissa Bahnsen made a motion to authorize the publication and distribution of the RFI. Julie Haggerty seconded, and the motion was approved.

Assignment of Credits for E-Submission
The Project Manager provided an update the expected cost of local maintenance services for fiscal year 2023. The master agreement provides that the annual adjustment based on the social security administration cost of living adjustment (COLA). For 2022 that adjustment is 5.9%. However, the master agreement sets a cap on the increase at 3.5%.

Counties are asked to contribute to the payment for local maintenance services, adjusted by credits earned through the E-Submission services. Every county receives a credit, and counties with a higher proportion of E-Submission activity receive a higher credit amount. The Committee received a report showing the ratio of E-Submission activity and the amount of credit earned by each county based on the approved formula. It was recommended that the formula be adjusted to ensure that counties receive at least the amount they received last year. The Committee was also presented with the option to increase the credit for each county by $125.00. Jolynn Goodchild made a motion to approve the CY 2022 Maintenance Cost Share credits as calculated and presented, including the $125.00 increase. Julie Haggerty seconded, and the motion was approved.

Communications Update
Kati Ross provided a marketing and communications update and covered topics including a draft handout for prospective customers, the 2022 social media and newsletters plan, and updates on progress on the county recorder directory and map.

Governance Update
28E Amendment Recording Status
Lisa Long reported that 96 of the 98 counties have recorded the 28E submitted for recording. The Iowa Land Records team is working with the final two counties to improve image quality and resubmit the documents for recording.

Legislative Policy Update
Groundwater Hazard
The Project Manager reported that the Groundwater Hazard bill currently has bipartisan support, and was advancing through the committee process in both the House and Senate. It was reported that the Iowa Land Title Association, Iowa State Bar Association, and Iowa Bankers Association had all been very helpful with moving the bill forward.

Smart Contracts
A second legislative proposal would add clarifying language to the Iowa Code related to Smart Contracts, which were legalized during the 2021 legislative session. The clarifying language would ensure that real estate transactions using distributed ledger technology would not bypass the official recording of conveyance documents in the public land registry. The Iowa Land Records team is working with the key stakeholder groups on this issue.

Balancing Support and Development

The Project Manager discussed development priorities with the Committee. It was discussed that there are several support issues affecting individual counties that may not be addressed immediately so that progress can continue to be made on big picture objectives that will have a positive impact on all customers and users of the system. The Iowa Land Records team meets regularly to prioritize support items and other development work. Each development sprint allows time for key development work, and support items. Generally, E-Submission issues affecting the recording of documents will have a higher priority than issues affecting the posting of records on the Iowa Land Records website.

E-Submission Development Updates

The Project Manager provided a demo of the new E-Submission 2.0 customer interface which is currently being used by customers. It was explained that the legacy E-Submission site for customers would be shut off on February 28th. Recent enhancements and updates to the E-Submission 2.0 Customer interface were discussed. It was mentioned that the recorder interface legacy site will also be retired soon. The development team continues to work to address several things that need to be completed before the legacy system can be shut off.

PRIA Policy Discussion Topics

The Project Manager shared a memo he had prepared to share with the PRIA Board of Directors at their meeting prior to their upcoming conference. The memo outlined suggested policies for transparency and legislative advocacy. Melissa Bahnsen made a motion to approve and adopt the PRIA memo. Denise Baker seconded, and the motion was approved.

The meeting was adjourned at 1:55 PM. The next regular meeting will be May 10, 2022.