

**ESS Coordinating Meeting**  
**Hybrid Meeting and Web Conference**

**February 20, 2025**

**Attendance**

**ESS Coordinating Committee**

Julie Haggerty, Polk County Recorder  
Denise Baker, Wright County Recorder  
Melissa Bahnsen, Cedar County Recorder  
Jamie Stargell, Adams County Recorder  
Dillon Malone, Iowa Title Guaranty  
David Erickson, Dentons Davis Brown

Jolynn Goodchild, Plymouth County Recorder  
Travis Case, Grundy County Recorder  
Natalie Steffener, Des Moines County Recorder  
Ann Ditsworth, Dickinson County Recorder  
Eric Sloan, IT Boone County

**Other Participants**

Nancy Booten, Lee County Recorder  
Lisa Kent, Wapello County Recorder  
Hannah Elliot, Mitchell County Recorder  
Stacie Herridge, Story County Recorder  
Andrew Moats, Pottawattamie County Recorder  
Teresa Mangold, Washington County Recorder  
Amie Griesse, Lyon County Recorder  
Rebecca Bittner, Lucas County Recorder  
Roxann Vokaty, Howard County Recorder  
Lynnae Buffington, Henry County Recorder  
Lisa Crane, Van Buren County Recorder  
Tracy Marshall, Hancock County Recorder

Megan Clyman, Davis County Recorder  
Erin Canfield, Boone County Recorder  
Denise Allan, Jasper County Recorder  
Diane Amundson, Humboldt County Recorder  
Jayne Schultz, Winneshiek County Recorder  
ReNae Arnold, Dallas County Recorder  
Dawn Goldman, Keokuk County Recorder  
Teresa Olson, Worth County Recorder  
Karen Mathis, Allamakee County Recorder  
Sheila Christians, Osceola County Recorder  
Pat Hinners, Scott County recording staff  
Susan Smith, O'Brien County Recorder

Anthony Bengston, Title Abstractor Buchanan  
Lisa Long, Iowa Land Records  
Census Lo-liyong, Iowa Land Records  
Samantha McMahon, Iowa Land Records

Danielle Michalski, Abstract Association of Iowa  
Phil Dunshee, Iowa Land Records  
Kristen Delaney-Cole, Iowa Land Records  
Bob Rafferty, Rafferty Group

**Welcome**

A meeting of the ESS Coordinating Committee was held via web conference and at the ESS office.

**ESS Coordinating Committee Meeting Summaries (November 14, 2024, and November 26, 2024)**

The summaries of the November 14, 2024, and November 26, 2024, meetings of the ESS Coordinating Committee were reviewed. Denise Baker made a motion to approve the meeting summaries. Dillon Malone seconded, and the motion was approved.

**ESS Election of Officers**

The meeting commenced with the election of officers for the ESS Coordinating Committee. The following positions were up for election: Chair, Vice Chair, and Secretary-Treasurer.

**Chair**

Ann Ditsworth was nominated as the Chair by Natalie Steffener and the motion was seconded by Jamie Stargell. The motion was approved.

### **Vice Chair**

Julie Haggerty was nominated as the Vice chair by Travis Case and the motion was seconded by Natalie Steffener. The motion was approved.

### **Secretary and Treasurer**

Natalie Steffener was nominated as the Secretary and Treasurer by Travis Case and the motion was seconded by Denise Baker. The motion carried.

Upon election, the newly appointed officers assumed their respective duties, with Ann Ditsworth presiding over the remainder of the meeting.

### **Financial Reports**

#### **2025 BT Banking Resolution**

It was reported that the newly elected officers would be asked to sign an updated 2025 Bankers Trust banking resolution.

#### **BT 2024 4th Quarter and YTD Reports**

The committee reviewed the financial reports for the 4<sup>th</sup> quarter and calendar year 2024. Notably, the Bankers Trust settlement account opened with a beginning balance and closing balance of \$0. The Bankers Trust sweep account opened with a \$1,113,330.92 beginning balance and ended with a \$934,297.27 balance.

#### **BT Sweep Account Report**

The accounting coordinator summarized actions at the end of 2024 to create a money market sweep account. The 4<sup>th</sup> Quarter report included approximately five weeks of interest, as the account was initiated in the last week of November. The purpose of this account is to offset Bankers Trust's bank analysis fees. The savings credit was approximately 0.75%, but the new money market account is yielding 1.3%, which is a better return compared to the regular checking account.

#### **4<sup>th</sup> Quarter Report**

The report showed local service provider maintenance income with a -\$5,166.28 transaction that was associated with maintenance fee refunds to counties that did not require service provider payments. These refunds were issued in amounts equivalent to what was not paid to service providers. The total income for the 4<sup>th</sup> quarter comprised a budgeted income of \$442,299.81, revolving income of \$9,958,867.64, and a total income of \$10,401,167.45.

Expenses for the 4<sup>th</sup> quarter totaled \$10,435,255.42, including \$432,008.89 in budgeted expenses and \$9,954,747.54 in revolving expenses. Notable expenses included the Accusoft Prizm expense of \$22,050.00 which was initially moved to reserve expenses but later reinstated to the budget, and the DB2 software expense of \$10,432.84, which was also moved back into the budget. Additionally, depreciation for the quarter was \$80,973.48. The net income for the quarter resulted in a negative balance of -\$34,087.97.

#### **YTD Report**

The Profit & Loss (P&L) statement for the year showed budgeted income of \$1,828,097.76 against budgeted expenses of \$1,747,427.87, resulting in budgeted net income of \$80,669.89. The revolving income for the period was \$35,064,516.98, contributing to a total income of \$36,892,614.74. Revolving

expenses were \$35,069,307.62, with total expenditures of \$37,234,090.10. The total net income for 2024 came to -\$387,397.32.

It was noted that the negative total net income amount was primarily driven by depreciation expenses in the amount of \$331,486.63, Reserve Expenses in the amount of \$85,867.98, and a charge of \$45,921.96 associated with the migration of Iowa Land Records systems to the cloud.

The Balance Sheet indicated total assets and liabilities at \$2,547,321.31, with \$230,415.87 specifically held by the Bankers Trust settlement account and \$934,297.27 in the Bankers Trust money market account. It is important to note, given the accrual-based accounting, the balance sheet figures are higher than the actual bank account balance. Fund 255 reimbursement income amounted to \$482,551.53, exceeding the projected amount due to increased activity in the last few months of the year.

A motion was made by Travis Case to approve the 2024 financial reports. Dillon Malone seconded, and the motion was approved.

### **CY 2025 Budget Amendment Assignment of Credits for E-Submission – Approval**

The Project Manager provided a summary of a proposed budget amendment, with a detailed memo that described the recommended adjustments. A request for a motion to approve the budget amendments was made.

**Requested Action:** Authorize a 2025 budget amendment which includes three items.

- Increase funding to transition the part-time developer position to a full-time developer position, including a three percent base compensation
- Change funding for the Accusoft PRIZM and DB2 licenses from budgeted to reserve expenses
- Incorporate a settlement payment to Aureon associated with an order for a firewall device prior to the transition to the LightEdge cloud

Travis Case made a motion to approve the 2025 budget amendment as recommended. Natalie Steffener seconded, and the motion was approved.

**Requested Action:** Approve the preliminary 2025 maintenance cost sharing credits in the amount of \$119,629.47. The distribution of credits was based on the proportion of E-Submission recordings for each county, plus a flat amount of \$95 per county.

This action will be subject to further review at the May Finance and ESS Coordinating Committee meetings.

Jolynn Goodchild made a motion to approve the 2025 maintenance cost sharing credits with the understanding that it will be reviewed again in May, prior to the issuance of maintenance invoices. Jamie Stargell seconded, and the motion was approved.

## **Legislative Update**

Note: Due to time constraints, the budget discussion was interrupted to allow for Bob Rafferty to make a legislative report. The summary of this presentation is included here for continuity.

Bob Rafferty provided an update on the fee modernization legislation. The ICRA/ESS legislative proposal was introduced as Senate File 371 and sponsored by Senator Mike Klimesh from Winneshiek County. He reported that legislative changes of this scale typically take more than one session for thorough discussion and acceptance.

Rafferty also reported on discussions about House File 328. The bill would make substantive changes and does not explicitly provide additional funding for ESS. Efforts are being made to communicate with key legislators, including Representative Carter Nordman and others.

## **2024 Metrics Review**

The January 2025 metrics report showed increased E-submission activity similar to January 2022 and well above the January 2023 and 2024 marks. The metrics showed a positive start to calendar year 2025, but it is too soon to describe it as a sustainable trend.

## **Contracts and Agreements**

### **Audit Engagement – Denman– Approval**

A recommendation was made to the ESS Coordinating Committee to approve an engagement with Denman & Company to perform the 2024 audit. The projected cost would be \$12,100.00, including \$2,100.00 to prepare the ICRA 990 return.

Julie Haggerty made a motion to approve the Denman audit engagement for \$12,100.00. Travis Case seconded the motion, and the motion was approved.

### **Local Service Provider Update - Approval**

The Project Manager presented two templates for contract extensions with local service providers for ESS maintenance services. One template was a standard amendment applicable to most of the local providers. A second template related to the specific circumstances for one service provider, Fidlar.

Both templates addressed the following topics.

- Increased compensation based on the counties served, as adjusted by the COLA established by the social security administration, not to exceed 3.5%. This has been the practice in recent years, and the exact compensation amounts were simply adjusted. There is no policy change being made with this amendment.
- Change in the renewal terms. Instead of an automatic annual renewal, the term length would be “subject to the mutual written agreement of the parties.
- The actual term of the agreement would be extended in two steps; an initial six-month extension through December 31, 2025, and an additional 1 year extension through December 31, 2026. This would effectively change the term of the agreement from a state fiscal year, to a calendar year.

- Deadlines for completing integration with the ESS APIs would be pushed back. The deadline for the E-Submission API would be changed from June 30, 2024 to June 30, 2025. Several service providers have not met this deadline. The deadline for the County Upload API would be pushed back to from March 31, 2025 to March 31, 2026.

The change in the term from an automatic renewal to an extension by mutual written agreement was prompted by a decision to disregard the adoption of a requested amendment by a service provider. Historically, these agreements have been renewed automatically as a goodwill gesture. This change is intended to ensure that all parties remain actively engaged in the process, preventing situations where providers fail to communicate.

A request for approval of the updated amendment templates was presented. The Committee discussed what might happen in the future if a service provider declined to accept the amendment. It was noted that if a service provider did not accept the proposed amendment, then action would be taken to prevent any automatic renewal. Dillon Malone moved to approve the request, contingent on ensuring that the Committee is notified of any potential action to prevent an automatic renewal. Jamie Stargell seconded the motion, and it was approved.

#### **ILR Staff Appointment – Approval**

As noted in the discussion about a budget amendment, the Project Manager requested authorization to proceed with the transition of a part-time software developer position to a full-time position. The recommendation included a 3% pay adjustment with an annual salary of \$115,793.60. Some concern was expressed about the cost of the position. The Project Manager expressed the intent to manage expenditures through the calendar year to assure that position is supported, and to bring the two license agreements back into the budget. The desire to retain the individual as a part of the development team was also expressed, because the team member wished to return to full-time status.

Denise Baker moved to approve the transition of the position from part-time to full-time schedule with a 3% pay adjustment. Travis Case seconded, and the motion was approved. Jamie Stargell voted “nay”.

#### **Legislative Update**

The Committee reviewed the provisions of Senate File 371 and House File 328, and continued discussion about the pending legislation. No action was taken.

#### **Policies and Procedures**

##### **Terms of Service – Chapter 7**

The Committee was presented with a potential change to the ESS Terms of Service regarding situations where a user account is deactivated due to inactivity. If a user does not log in for 120 days, their account becomes inactive, though not deleted. To address this, a possible update to the Terms of Service is being considered to clearly state that users who do not log in for 120 days forfeit their right to their username. If the username is claimed by someone else, the original user would be assigned a new username upon reactivation. This topic is expected to be presented with a more detailed review at a future meeting of the ESS Standards Subcommittee.

## **Project Updates**

### **POS Update**

It was reported that work is being done to make improvements to the reporting from the ILR point-of-sale system provider. Occasionally, the necessary reports are not generated on time, which delays distribution of funds to counties. The issue does not stem from the ILR service provider, Professional Solutions, but rather from First Data, who has been inconsistent in report generation. ILR is actively addressing the problem. Other organizations served by First Data are also experiencing these challenges.

It was also reported that there may be some customer confusion about the source of a credit card charge. When customers use their cards in the recorder's office, the charge on their statement may appear as Electronic Services System and they may not know what that is. To reduce confusion, the ILR communication team has developed informational flyers and mail inserts that can be included when mailing out licenses and communicating with customers.

### **Next meeting**

The meeting was adjourned. The next regular meeting will be on May 15, 2025.

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