

OKLAHOMA ABSTRACTORS BOARD
MINUTES OF REGULAR MEETING
May 20, 2025

1. A regular meeting of the Oklahoma Abstractors Board (OAB) was called to order by Chairperson Scott Ward at 10:00 a.m., at the OLERS Conference Room, 421 NW 13th Street, Suite 100, Oklahoma City, Oklahoma.
2. Jeff Mapes called the roll. Attending were: Darla Ringo, Jason Waldroup, Jeff Lower, Jeff Mapes, Randy Coffman, Rex Koller, Scott Ward and Sue Ann Loggains. Darin Kent arrived right after roll was called.
3. The Minutes of the Regular Meeting of the OAB, conducted on April 15, 2025, were reviewed. A motion was made by Mr. Mapes to approve the minutes as amended. The motion was seconded by Ms. Ringo. Motion carried.
Mr. Koller and Ms. Loggains submitted a few corrections.
Yeas: Darin Kent, Darla Ringo, Jason Waldroup, Jeff Lower, Jeff Mapes, Randy Coffman, Rex Koller, Scott Ward and Sue Ann Loggains. Nos: None.
4. **Chairperson's Report - Scott Ward:** Mr. Ward has been working with staff to continue to create greater efficiency.
5. **Administrator's Report (Board Report):** Ms. Smith reported that the staff was preparing for Ayla's pending leave and that she would be going to Idaho for the remainder of the week to proctor the licensing exam. Lisa would also help cover the office when needed, but she would be the primary person in the office every day.
6. **Committee Reports.**
 - a.) **Budget and Finance–Darin Kent:** Mr. Kent gave an update on the budget for the month of April. The annual budget is still \$276,789.000 with encumbrances of \$50,817.60, which gives us a total Year-To-Date Encumbrances and Expenses of \$240,050.20 and a variance of \$37,738.80. The revenue for the month was \$21,107.60 and expenses were \$25,636.14 which leaves us with an ending cash balance of \$1,104,287.82. After review and discussion, Mr. Kent made a motion to approve the report as presented. Second by Mr. Lower. Motion carried.
Yeas: Darla Ringo, Jason Waldroup, Jeff Lower, Jeff Mapes, Randy Coffman, Rex Koller, Scott Ward and Sue Ann Loggains. Nos: None.

Proposed FY26 Budget: Mr. Kent called attention to the proposed budget in the Board Member's packet. The only increases were the staff increases approved at the previous meeting, the additional part-time staff person and changes in fees from our service providers. After review and discussion, Mr. Kent, on behalf of the Budget and Finance Committee made a motion to approve the proposed budget. Second by Ms. Ringo.

Ms. Smith commented that while in previous years we have run at a deficit which allowed plenty of funds to cover whatever was needed and still funnel an excess of

money into savings, with the addition of the part-time person and increases in costs, that excess is mostly being used. Therefore, she felt it pertinent to mention that rates for licenses have not changed since the board's inception in 2008, so they might want to start thinking about potential rate increases.

Mr. Ward asked about the changes in income. Ms. Loggains stated that she also felt that penalties would probably come in. Mr. Ward asked about the budget not being balanced and Mr. Kent said it looked fine to him based on what he has seen at other agencies.

Yeas: Darin Kent, Darla Ringo, Jason Waldroup, Jeff Lower, Jeff Mapes, Randy Coffman, Rex Koller, Scott Ward and Sue Ann Loggains. Nos: None.

- b.) **Rules and Regulations – Rex Koller:** Mr. Koller reported that the proposed rule changes hadn't received any action from the legislature as of yet. Ms. Smith stated that the form updates that were approved at last month's meeting have been implemented.
- c.) **Licensing and Testing-Sue Ann Loggains:** Ms. Loggains reported that since the last board meeting there had been twenty-nine people who took the test and twenty-four passed. The next testing date is July 17th at the OAB offices and no one has signed up so far. The committee has also been reviewing the tests and are still working on that.
- d.) **Inspections-Lisa Collins:** Ms. Collins reported that there had been sixteen inspections since the last board meeting. There were only three companies that had invoicing and minor indexing issues and the recommendations from the Enforcement Committee are in the packet. She asked for any questions, but if there were none, she asked for a motion to approve the inspection reports as presented and authorize the action recommended by the Enforcement Committee and issuance of consent orders. A motion was made by Mr. Mapes. Second by Mr. Kent. Motion passed.
Yeas: Darin Kent, Darla Ringo, Jason Waldroup, Jeff Lower, Jeff Mapes, Randy Coffman, Rex Koller, Scott Ward and Sue Ann Loggains. Nos: None.
- e.) **Enforcement Committee Reports-Jeff Lower:**
Applications for Licenses: Presented to the Board for approval was a list of applicants for abstract licenses or renewals, which are set out in the attachments hereto. A motion was made by Mr. Lower on behalf of the Enforcement Committee to approve all the licenses presented, subject to administrative review and to make sure all compliance issues were met, and appropriate fees paid. Second by Mr. Mapes. Motion passed.
Yeas: Darin Kent, Darla Ringo, Jason Waldroup, Jeff Lower, Jeff Mapes, Randy Coffman, Rex Koller, Scott Ward and Sue Ann Loggains. Nos: None.
Abstention: Darla Ringo, Randy Coffman, Rex Koller and Sue Ann Loggains abstained from voting on those licenses pertaining to their employer's business holdings.

Renewal of Certificate of Authority (With No Changes): Presented to the Board for approval were applications for renewal of Certificate of Authority with their rate sheet with no fee changes by Adams Abstract Company (LeFlore), Adams Title Advantage (Latimer), Custer County Abstract Company, Genesis Abstract Company (Atoka), Southeastern Oklahoma Abstract and Title, LLC (McCurtain), and Sulphur Abstract and Title Company, LLC (Murray) . A motion was made by Mr. Lower on behalf of the Enforcement Committee to approve the applications. Second by Ms. Ringo. Motion passed.

Yeas: Darin Kent, Darla Ringo, Jason Waldroup, Jeff Lower, Jeff Mapes, Randy Coffman, Rex Koller, Scott Ward and Sue Ann Loggains. Nos: None.

Abstention: Sue Ann Loggains abstained from voting on those licenses pertaining to their employer's business holdings.

Renewal of Certificate of Authority (With Fee Changes): Presented to the Board for approval were applications for renewal of Certificate of Authority with their rate sheet with fee changes by Guaranty Abstract Company (Jefferson). A motion was made by Mr. Lower on behalf of the Enforcement Committee to approve the applications. Second by Mr. Koller. Motion passed.

Yeas: Darin Kent, Darla Ringo, Jason Waldroup, Jeff Lower, Jeff Mapes, Randy Coffman, Rex Koller, Scott Ward and Sue Ann Loggains. Nos: None.

Rate Changes Only:

Presented to the Board for approval was a rate sheet originally submitted with their renewal by Smith Brothers Abstract & Title Co., LLC (Tulsa) which was denied by the Enforcement Committee because of a differentiation in the fees for Residential and Commercial abstracting. The company filed a complaint and asked to have it reviewed by the entire Board.

A motion was made by Mr. Lower on behalf of the Enforcement Committee to not approve the rate sheet. Second by Mr. Coffman. Motion was withdrawn.

Ms. Smith explained that the rate sheet originally submitted with their renewal had separate fees for Residential and Commercial abstracting rates. A similar change had been requested a few years ago and the Committee at that time rejected it because it was felt that the differences between the two types of abstracts weren't significant enough to warrant a higher fee for Commercial. However, they allowed it on final abstracting and final title reports because the amount of work related to those was significantly greater for a commercial transaction and therefore, warranted a higher fee. The current Enforcement Committee decided to uphold what had previously been decided and the company submitted a new rate sheet so their renewal could go ahead and be processed. Then they submitted a notice to the office in the form of a complaint because they felt they had no recourse or opportunity to present their reasoning behind the requested rates. So, the Enforcement Committee decided to present it to the board for discussion and deliberation.

Mr. Ward clarified that even if a rate sheet is rejected by the Committee, the applicant can still ask that it be pushed forward to the Board for review.

Ms. Scimeca pointed out that the statute regarding rates is under 1:41 and item 3. Which reads as follows:

The amended list of fees must be approved before becoming effective. The Board may disapprove a list of fees or an amended list of fees if the fees are determined to be excessive or are used as an unlawful inducement. In determining whether a fee is excessive, the Board may consider any or all of the following:

- a. the change from any prior rate for the same abstract, abstract extension, supplemental abstract or final title report,
- b. the fee charged by other holders of certificates of authority within the same county, in adjacent counties, and in counties with similar characteristics,
- c. the amount of work performed,
- d. the time required to perform the work,
- e. the amount of financial risk involved to the holder of the certificate of authority, 18
- f. the cost of providing the abstract, abstract extension, supplemental abstract or final title report,
- g. the availability of competition,
- h. the average cost for such services across the state, and
- i. any other relevant factor applicable to a particular set of circumstances presented for approval.

Mr. Ward opened the floor to Charles Holleman with Smith Brothers to address the Board. He stated that the work performed is significantly greater on commercial properties and gave examples of the size of the chain sheets and maps that have to be reviewed. It can take days or weeks for these commercial properties and he's only asking for a \$100 difference in the rate from residential. He added that they're only asking for it in Tulsa County. Then he added that the liability on commercial transactions is significantly more than it is on residential. Title exams are higher. Closing fees are more. Yet he can't charge a mere \$100 more.

Ms. Loggains asked about how it is decided as to whether a property is actually a commercial property. He responded that it typically comes through channels that primarily handle commercial transactions. Those requesting the abstracts will designate that it's a commercial property.

Mr. Ward said that something that has come up in the past is that sometimes properties might get designated as a commercial property when they really aren't such as rental properties. He asked Mr. Holleman about that to which he replied that the Treasurer and Assessor's office are the ones that typically designate the property's designation.

Mr. Ward said that one thing that has been a concern is knowing where to stop. Could we end up with rates for not only Commercial and Residential, but also breaking it

down to have different rates for land, and so on. Mr. Holleman said that perhaps it needs to be evaluated because some of the smaller companies in other counties, if they get a big commercial deal, their E&O is likely not going to be sufficient. The liability alone is a reason to increase it.

In reference to liability, Mr. Coffman asked whether a \$1,000,000 house should have a higher fee than ten acres of pasture land. Mr. Holleman said that he's simply saying that's one aspect of it, not that it's the only factor, there's also the increased work involved. Mr. Coffman asked whether the rate differences would be for new builds or updating abstracts or both. Mr. Holleman said it would be for both. Mr. Coffman said it didn't take any longer to update a Commercial property over a residential property and Mr. Holleman disagreed.

Mr. Ward posed that while they would be going by what the Assessor says as to how the property is categorized, what's to stop some other company from arbitrarily categorizing properties however they see fit. He said that we need to keep in mind that if we approve this, it sets a precedent for the entire state and it's his biggest concern that there would be abusers of the precedent.

Ms. Loggains said that she felt that they had the right to request whatever rate they want, but that it would be up to the Board to ensure they're paying attention and until we see people doing something wrong, we shouldn't withhold the approval of their rate sheet.

Mr. Mapes asked if maybe it should be addressed in the rules. Mr. Ward said that might be something that needs to be reviewed, but right now, the board needs to be focused on this one rate sheet and whether or not they want to approve it.

Ms. Loggains pointed out that in her counties, the Assessor doesn't designate commercial. Mr. Coffman said that every kind of abstract is different so there is no way to say that every commercial property is an extreme exercise because there are some residentials that are just as intensive. Mr. Waldroup stated that his experience is that because of easements are added ongoing and typically they have their most experience abstractors handle those.

Mr. Kent stated that he felt they should be able to charge whatever they feel is appropriate and the additional charge is so minimal that it's a non-event.

Mr. Lower asked for clarification from the abstractors on the board related to the time and labor involved for commercial properties. The consensus was that some are more labor intensive, but some are not. He also said that he charges more as an attorney to review commercial abstracts.

A motion was made by Mr. Kent to approve the rate sheet as presented. Second by Ms. Loggains. Motion passed.

Yeas: Darin Kent, Jason Waldroup, Jeff Lower, Jeff Mapes, and Sue Ann Loggains.
Nos: Randy Coffman and Scott Ward. Abstention: Darla Ringo and Rex Koller abstained from voting because the rate sheet is related to their employer's business holdings.

7. **New Business:** There was none.
8. **Report Legal Counsel-Whitney Herzog-Scimeca:** Ms. Scimeca stated that she had been asked to look into the issue regarding a matter of staff compensation and she was working on that and hoped to have something ready for the next board meeting.
9. **Visitor's Comments:** None.
10. **Announcement of next meeting:** Tuesday, June 17, 2025, at 10:00 a.m., 421 NW 13th Street, Suite 100 (OLERS) Conference Room, Oklahoma City, Oklahoma.
11. **Adjournment:** Mr. Ward asked for a motion to adjourn the meeting. Motion was made by Mr. Mapes. Second by Ms. Ringo. Motion passed.
Yeas: Darin Kent, Darla Ringo, Jason Waldroup, Jeff Lower, Jeff Mapes, Randy Coffman, Rex Koller, Scott Ward and Sue Ann Loggains. Nos: None.