

OKLAHOMA ABSTRACTORS BOARD
MINUTES OF SPECIAL MEETING
October 15, 2024

1. A special meeting of the Oklahoma Abstractors Board (OAB) was called to order by Chairperson Scott Ward at 10:00 a.m., at the OLEERS Conference Room, 421 NW 13th Street, Suite 100, Oklahoma City, Oklahoma.
2. Jeff Mapes called the roll. Attending were: Darin Kent, Jason Waldroup, Jeff Lower, Jeff Mapes, Randy Coffman, Rex Koller, Scott Ward and Sue Ann Loggains. Absent: Darla Ringo.
3. The Minutes of the Special Meeting of the OAB, conducted on September 17, 2024, were reviewed. A motion was made by Mr. Lower to approve the minutes as presented. The motion was seconded by Mr. Mapes. Motion carried.
Yeas: Darin Kent, 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 reported that everything is going well and running smoothly. He said that he feels that the follow up inspections are having a positive impact.
5. **Administrator's Report (Board Report):** Ms. Smith reported that the first part of November there would be a blackout for processing applications for a few weeks so they can move our data over. Then after that there will be a soft launch before going fully live with the system. In addition, she reported that the preliminary budget for FY 2026 along with the strategic plan had been sent to the Legislature as happens every year in October. She also announced that she would be out on vacation starting the following day and would be out the rest of the week and all of the following week.
6. **Committee Reports.**
 - a.) **Budget and Finance – Darin Kent:** Mr. Kent gave an update on the budget. The annual budget is still \$276,789.000 with encumbrances of \$85,271.67, which gives us a total Year-To-Date Encumbrances and Expenses of \$103,976.17 and a variance of \$149,202.83. The revenue for last month was \$14,170.00 and expenses were \$18,551.55 which leaves us with an ending cash balance of \$1,034,781.37. After review and discussion, Mr. Kent made a motion to approve the report as presented. Second by Ms. Loggains. Motion carried.
Yeas: Darin Kent, 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 he spoke with Mark Luttrull with OLTA earlier in the month to see if there was anything they felt needed to be addressed and there was nothing. Mr. Koller said that he's wanting to

potentially tackle creating some uniformity with Title 46 (leaving out mortgages that have passed the statutory guidelines). He said he wasn't sure if it should be a rule or if it should just be a form adjustment. If it went in Rules, it could be at 11:5-5-3 under Preparation of Abstracts and could be right under the portion where the customer can ask for a surface only abstract. He doesn't feel as if the language would be that challenging to craft. He plans to get on a conference call with Jason and Randy and plans to touch base with the underwriters. Since more and more abstracts are being prepared in compliance with Title 46, he feels it would be good to have it represented in Title 5, as well.

Ms. Smith added that for it to be heard in the next legislative session that the language would need to be reviewed at the next Board Meeting. She also reminded them that if they didn't want to do rules and just wanted to adjust the form, the Board has the power to promulgate forms at will.

c.) **Licensing and Testing-Sue Ann Loggains:** Ms. Loggains reported that since the last board meeting there had been three people take the test and pass since the last meeting. The next testing date is October 23rd at the Basic Abstractors School. There are 17 people signed up for the test, but 27 signed up for the school so there's a bit of a difference there. She believes that there will be some coordination to make sure everyone is signed up for everything they need to be. She also mentioned that there are 151 COAs currently and 796 licensees.

d.) **Inspections-Katherine Smith:** Ms. Smith reported that there had been six inspections since the last board meeting. There were only two companies that had 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. A motion was made by Mr. Coffman. Second by Mr. Koller. Motion passed.

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

Abstention: Mr. Mapes abstained from voting on those reports related to his employer's business holdings.

Consent Order: In the packet is a consent order related to inspection findings. American Eagle Title Insurance Company had one order that had been completed outside of guidelines. Because the company did not have a demonstrated history of late orders, they were assessed a penalty of \$100.00. They agreed to the penalty, paid it, and signed the consent order. She welcomed any questions, but there were none so she asked for a motion to accept the consent order and authorize the chairperson to sign off on it and officially close the matter. A motion was made by Mr. Kent. Second by Mr. Mapes. Motion passed.

Yeas: Darin Kent, 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 Ms. Loggains. Motion passed.

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

Abstention: Mr. Waldroup and Mr. Koller abstained from voting on those reports related 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 Great Plains Investments, LLC dba Bailey's Abstract & Title (Jackson) and Smith Brothers Abstract & Title (Texas). A motion was made by Mr. Lower on behalf of the Enforcement Committee to approve the applications. Second by Mr. Mapes. Motion passed.

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

Abstention: Mr. Koller abstained from voting on those reports related to their employer's business holdings.

Renewal of Certificate of Authority (With Fee Changes): Presented to the Board for approval was an application for renewal of Certificate of Authority with their rate sheet with fee changes by Powers Abstract Company, Inc. (Noble). 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, Jason Waldroup, Jeff Lower, Jeff Mapes, Randy Coffman, Rex Koller, Scott Ward and Sue Ann Loggains. Nos: None.

New Certificate of Authority: Presented to the Board for approval was an application for a New Certificate of Authority by American Eagle Abstract of Canadian County, LLC.

A motion was made by Mr. Lower on behalf of the Enforcement Committee to approve the New COA application. Second by Mr. Kent. Motion passed.

Mr. Coffman asked about access to the Court Clerk's records to see if they were able to get better access. Ms. Smith confirmed that yes. The Deputy Clerk, unbeknownst to the Court Clerk surreptitiously ensured that everyone was able to get access to what they needed.

Ms. Loggains asked about the UAC form that had the wrong date and Ms. Smith confirmed that has been remedied.

Mr. Koller asked about the inclusion of mortgages and a representative from the company confirmed that all mortgages were shown. He suggested that a notation on their caption page be in alignment with the contents.

Comes now Katherine Smith, State Administrator of Abstracting of the Oklahoma Abstractors Board, and states:

The application for certificate of authority has been received in proper form and reviewed.

Proper notification was made by posting on the OAB website, notifying the Court Clerk and County Clerk of Canadian County, as well as all Certificate of Authority holders in Canadian County.

No comments were received from any source.

Payment of the applicable fees have been made in the correct amount of \$2,400.00. E&O Insurance in the sum of \$1,000,000.00 and a County records bond of \$100,000.00 have been posted.

Inspections have been performed by the Inspectors on behalf of the OAB and all have found an adequate abstract plant available for use.

The name of the company is not deceptively similar to other certificate of authority or permit holders, and the company has an actual physical presence in the county of Canadian.

According to the foregoing, the application for a Certificate of Authority is in compliance with Title 1 of the Oklahoma Statutes and 5:11-9-1 of the Permanent Rules of the OAB.

As the State Administrator of Abstracting of the Oklahoma Abstractor's Board, I hereby recommend that the Application for Certificate of Authority submitted by American Eagle Abstract of Canadian County, LLC. be approved. Signed Katherine Smith, dated October 15, 2024.

The floor was opened for comments from both the existing COA holder and applicant. There were none.

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

New Certificate of Authority: Presented to the Board for approval was an application for a New Certificate of Authority by Oklahoma Digital Abstract, LLC dba Delaware County Abstract.

A motion was made by Mr. Lower on behalf of the Enforcement Committee to approve the New COA application. Second by Mr. Kent. Motion passed.

Comes now Katherine Smith, State Administrator of Abstracting of the Oklahoma Abstractors Board, and states:

The application for certificate of authority has been received in proper form and reviewed.

Proper notification was made by posting on the OAB website, notifying the Court Clerk and County Clerk of Delaware County, as well as all Certificate of Authority holders in Delaware County.

No comments were received from any source.

Payment of the applicable fees have been made in the correct amount of \$1,200.00. E&O Insurance in the sum of \$1,000,000.00 and a County records bond of \$25,000.00 have been posted.

Inspections have been performed by the Inspectors on behalf of the OAB and all have found an adequate abstract plant available for use.

The name of the company is not deceptively similar to other certificate of authority or permit holders, and the company has an actual physical presence in the county of Canadian.

According to the foregoing, the application for a Certificate of Authority is in compliance with Title 1 of the Oklahoma Statutes and 5:11-9-1 of the Permanent Rules of the OAB.

As the State Administrator of Abstracting of the Oklahoma Abstractor's Board, I hereby recommend that the Application for Certificate of Authority submitted by Oklahoma Digital Abstract, LLC dba Delaware County Abstract. be approved. Signed Katherine Smith, dated October 15, 2024.

The floor was opened for comments from both the existing COA holder and applicant. There were none.

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

Transfer of Ownership: Presented to the Board for approval was an application for a Transfer of Ownership by Muskogee Abstract & Title Company to Muskogee Abstract & Title Company, LLC.

A motion was made by Mr. Lower on behalf of the Enforcement Committee to approve the New COA application. Second by Mr. Koller. Motion passed.
Yeas: Darin Kent, Jason Waldroup, Jeff Lower, Jeff Mapes, Randy Coffman, Rex Koller, Scott Ward and Sue Ann Loggains. Nos: None.

Application for New Permit to Build: Presented to the Board for approval was an application for a New Permit to Build by Stewart Title of Oklahoma, Inc. (Canadian).

A motion was made by Mr. Lower on behalf of the Enforcement Committee to approve the New Permit application. Second by Ms. Loggains. Motion passed.

The floor was opened for comments from both the existing COA holder and applicant. There were none.

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

Complaint OAB-2024-W150 – Ms. Smith directed the board to their packet where they would find the details of the complaint. The vast majority of the complaint fell outside the scope of the OAB’s authority, however, there was one portion that did not. There was the allegation of building an abstract without a valid order. The Respondent provided documentation that an order was received in compliance with the law, therefore, the Enforcement Committee deemed there was no violation and recommended the complaint be closed. Ms. Smith asked for a motion to approve the recommendation from the Enforcement Committee. A motion was made by Mr. Kent. Second by Mr. Mapes. Motion passed.

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

Abstention: Mr. Waldroup abstained because the complaint was against his employer’s company.

Ms. Loggains asked if it had been sent to law enforcement. Ms. Smith stated that it had not been. When the Respondent was informed of the complaint, they confirmed they were well aware of the problem and were dealing with it. However, she let them know that Ms. Scimeca had recommended forwarding it to the OREC because the broker involved in the transaction is someone who is known to them. It has been forwarded to the OREC and the Complainant was also informed that they might want to forward it as well.

Ms. Loggains asked if there was a state entity responsible for handling fraud complaints. Ms. Smith told here that there was not one for closings. The recourse in this kind of situation would be to pursue something through Civil Court. There is a Federal agency called the Consumer Financial Protection Bureau, but they have told previous complainants that unless it originates from California or Florida, they’re not going to get involved.

7. **Staffing Adjustments:** Ms. Smith stated that this began after receiving six new COA applications in short order. When she first started with the agency, they combined the Director and Inspector positions, and she was concerned because she's not an abstractor. At that time, there was only one or two COA applications per year so it was thought that she could lean on the Abstractor members of the board to review abstracts. Now that there are more and more permits and COA applications, it has become extremely cumbersome to rely on the Board Members because they still have their full-time jobs to do. With six applications, that's sixty abstracts that have to be reviewed.

That led her to think about a part-time position. We're putting around \$100,000 per year into the bank and that's how we have over \$1M dollars in savings. So there's room to hire someone. We don't need someone full-time, but a part-time position would be more than sufficient. They could do inspections with Ms. Smith sharing in that, if needed. Mr. Ward asked her to pull together some information. In the packet there is information regarding average rates for abstractors and the Board can either offer benefits or not, it's up to them.

Ms. Loggains stated that she thought there would be abstractors out there that are on the verge of retiring that might be interested. Ms. Smith said that was her thought, as well. There might be someone who doesn't want to work full-time. Mr. Mapes said that it would do away with abstract being reviewed by an abstractor from a competing company.

Ms. Loggains asked about next steps. Ms. Smith said that she could work with the Executive Committee on a job description and that the Board could go ahead and decide on a salary range or it could wait until there was a job description in place. There's not an urgency to get someone hired right away, but the process needs to start.

Mr. Ward asked what she needed. Ms. Smith replied that she would like to at least have a pay range in mind. It could be advertised easily through OLTA and that would likely bring the largest pool of prospects in. However, if the Board wanted to think about it and bring it back to next month's meeting, that's fine, too.

Ms. Loggains asked if benefits required the person to work a certain amount of hours to be eligible. Ms. Smith replied that she had reached out to our OMES HR person and they had told her that it was entirely up to the Board whether they wanted to offer part-time people benefits.

There were questions about inspections, and she said she would be able to continue to participate in inspections. A third person in the office would also eliminate the need for yearly audits because of having greater oversight.

Mr. Ward Made a motion to approve a salary range of \$25,000 to \$36,000. Second by Ms. Loggains. Motion passed.

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

8. **Canadian County Clerk Update:** Ms. Smith, per Ms. Scimeca's request, wanted an update on the situation in Canadian County. The incumbent Court Clerk is retiring and the current Deputy Clerk is running unopposed, so the situation has resolved itself.
9. **Report Legal Counsel-Joe Ashbaker:** Mr. Ashbaker had no report.
10. **Visitor's Comments:** Mr. Holleman asked the board to be cautious about potentially pulling people from small companies with this new position.
11. **Announcement of next meeting:** Tuesday, November 19, 2024, at 10:00 a.m., 421 NW 13th Street, Suite 100 (OLERS) Conference Room, Oklahoma City, Oklahoma.
12. **Adjournment:** Mr. Ward asked for a motion to adjourn the meeting. Motion was made by Mr. Kent. Second by Mr. Koller. Motion passed.
Yeas: Darin Kent, Jason Waldroup, Jeff Lower, Jeff Mapes, Randy Coffman, Rex Koller, Scott Ward and Sue Ann Loggains. Nos: None.