

# OKLAHOMA ABSTRACTORS BOARD

## MINUTES OF REGULAR MEETING

September 20, 2016

1. A regular meeting of the Oklahoma Abstractors Board (OAB) was called to order by Chairman Mark Luttrull at 10:00 a.m., at the OLEERS Conference Room, 421 NW 13<sup>th</sup> Street, Suite 100, Oklahoma City, Oklahoma.
2. Ken McDowell called the roll. Attending were, Charles Nichols, Christina Wooten, J Thomas, John Bailey, Ken McDowell, Mark Luttrull, and Todd Humphrey. Robert Getchell and Corky Heard were absent
3. The Minutes of the Regular Meeting of the OAB, conducted on August 16, 2016, were reviewed. A motion was made by Mr. McDowell to approve the minutes as presented. The motion was seconded by Mr. Humphrey. Motion carried.  
Yeas: Mr. Nichols; Ms. Wooten; Mr. Thomas; Mr. Bailey; Mr. McDowell; Mr. Luttrull; Mr. Humphrey. Nos: None.
4. **Chairman's Report-Mark Luttrull:** Mr. Luttrull reported that he had attended the OLTA Regional Meeting in Weatherford. He also reported that for new plant inspections, the Board had decided on a plan to inspect Permit Holders when they are ready to transition to Certificate of Authority holders that he feels is more statutory than what has been done in the past. We will be putting together inspection teams consisting of 5 (five) members of volunteers. Mr. Crittenden gave legislative documentation that stated that we would be allowed to reimburse team members for their expenses. It is believed that there will likely be a hotel stay involved as well as other expenses.

There are some memorialized forms that the OAB has used for years to inspect permit holders. We will continue to use some of those. Now we will be able to inspect five times better with 5 people doing it. Right now the requirement to be an inspection team member is possession of a minimum of 15 years of experience. We will also make sure that there is no conflict of interest with the soon to be finalized application. That is one of the things that will have to be certified to, that you don't have a conflict of interest. As for the Board, when we talked about this in the Enforcement Committee, we weren't sure how we were going to approve the volunteers whether it needed to be done through Board approval or simply through appointment in some way.

Mr. Nichols stated that the volunteers would be reviewed by the Enforcement Committee and then, with the Board's permission, the individuals would be

appointed as inspectors on these projects. The Enforcement Committee would screen for qualifications and any competition conflicts. The configuration would be to have at least 2 Board Members on the inspection team and 3 volunteers. So, it would make a lot of sense to go ahead and give you the permission to appoint the volunteers once they've been reviewed by the Enforcement Committee.

There was discussion regarding whether to go ahead and grant permission to the Enforcement Committee or to require Board approval. Mr. Luttrull pointed out that requiring Board Approval could cause significant delays as new volunteers are needed to inspect a particular plant.

Mr. Humphrey agreed with Mr. Nichols proposed process for approvals.

Mr. Luttrull asked Board's preference for approvals, whether it be by the Chairman of the Board, Chair of the Enforcement Committee or by Board vote. He then asked for Mr. Crittenden's input.

Mr. Crittenden stated that there was enough leeway in the Rules to allow for approval any way the Board chose to do so.

5. **Administrator's Report (Board Report):** Katherine Smith reported that it had been quiet in the office due to it being the slow time with very few applications being processed. She also stated that she was keeping in touch with the IT Team and that they were slowly creeping forward with the online licensing project. She and Ayla attended the OLTA Regional Meeting in Oklahoma City and enjoyed it.
6. **Committee Reports.**
  - a.) **Budget and Finance-John Bailey:** Mr. Bailey, gave an update on the budget and presented the "Summary of Receipts and Disbursements" showing revenue of \$8,570.00, YTD \$12,505.00 and expenditures of \$20,679.65 with a YTD of \$35,548.84 which leaves us with an ending cash balance of \$405,225.01. Next is the "Six-Digit Expenditure Detail" report, which shows a net amount of Expenses, excluding salary of \$8,975.29. The "Operating Budget Comparison by Department and Account" report shows the expenses are \$32,676.37 plus encumbrances at \$162,212.78 with total of expenses and encumbrances at \$94,889.15. The Outstanding Encumbrances Report" shows that we have funds encumbered are \$72,106.23. The "Allotment Budget and Available Cash" showing that our available cash at the end of the month is \$405,075.97. We'll move over to the The "Six-Digit Object of Expenditure" report, shows our expenses for the month at \$20,679.65. After review and discussion, a motion was made by Mr. Nichols to approve the report as presented. Second by Mr. Humphrey. Motion carried.

Yeas: Mr. Nichols; Ms. Wooten; Mr. Thomas; Mr. Bailey; Mr. McDowell; Mr. Luttrull; Mr. Humphrey. Nos: None.

- b.) **Rules and Regulations-Ken McDowell:** Mr. McDowell reported that the Rules Committee would be meeting immediately after the Board Meeting to see if anything needs to be addressed.
- c.) **Licensing and Testing-Katherine Smith:** Ms. Smith reported that there was a test on 9/15 where four (4) people took the test. Two passed and two failed. The next test will be on November 10<sup>th</sup> at the OLTA Basic Abstractors School. The next regular testing date is November 17, 2016 in OKC at the testing center in the Will Rogers Building.

**Inspections-Katherine Smith:** Ms. Smith reported that there had been no inspections in August because she was out on medical leave. However, there was a Consent Order to review from the previous month's inspections. The Respondent had agreed to the proposed fine and had returned a signed copy. Now Board approval was needed before proceeding to review by the Attorney General's office. Ms. Smith made a recommendation to approve the Consent Order. Motion to approve was made by Mr. Nichols. Second by Mr. Bailey. Motion passed. Yeas: Mr. Nichols; Mr. Thomas; Mr. Bailey; Mr. McDowell; Mr. Luttrull; Mr. Humphrey. Nos: None. Abstention by Ms. Wooten due to the affected company being in direct competition with her affiliated company.

- d.) **Enforcement Committee Reports-Charles Nichols:**

**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. Nichols to approve all of the licenses presented, subject to administrative review and to make sure all compliance issues were met and appropriate fees paid. Second by Mr. Bailey. Motion passed.

Yeas: Mr. Nichols; Ms. Wooten; Mr. Thomas; Mr. Bailey; Mr. McDowell; Mr. Luttrull; Mr. Humphrey. Nos: None.

**Renewal of Certificates of Authority:** Presented to the Board for approval were applications for renewal of Certificate of Authority by Bailey's Abstract Company (Jackson County). A motion was made by Mr. Nichols to approve all the applications. Second by Mr. Luttrull. Motion Passed.

Yeas: Mr. Nichols; Mr. Thomas; Mr. McDowell; Mr. Luttrull; Mr. Humphrey; Ms. Wooten. Nos: None.

Abstention: Mr. Bailey due to his affiliated company being among those presented for consideration.

**Renewal of Permits:** Presented to the Board for approval were applications for renewal of Permit to Build an Abstract Plant by American Eagle Title & Abstract (Okmulgee County). A motion was made by Mr. Nichols to approve all the applications. Second by Mr. Humphrey. Motion Passed.

Yeas: Mr. Nichols; Ms. Wooten; Mr. Thomas; Mr. McDowell; Mr. Luttrull; Mr. Humphrey. Nos: None.

Abstention: Mr. Bailey due to his affiliated company being among those presented for consideration.

**Complaints:** Presented to the Board for approval was the findings regarding a complaint against Marshall County Abstract. The Enforcement Committee found no merit for the complaint and was therefore, asking for the Board to vote to close the matter. A motion was made by Mr. Nichols to approve the closure of the complaint against Marshall County Abstract. Second by Mr. Bailey. Motion Passed.

Yeas: Mr. Nichols; Ms. Wooten; Mr. Thomas; Mr. Bailey; Mr. McDowell; Mr. Luttrull; Mr. Humphrey. Nos: None.

7. **New Business:** Mr. Luttrull asked for any new business. There was none.
8. **Report Legal Counsel-John Crittenden:** John Crittenden stated there are no active cases at this time. He reported that he has been working with the Enforcement Committee and would be working with the Rules Committee.
9. **Visitor's Comments:** Mr. Luttrull asked for any visitor comments. Mr. McDowell asked about recouping from the companies being inspected, the inspection expenses incurred by volunteers. Mr. Luttrull also discussed where the current fees were with regard to the maximum fees allowed by the statutes.
10. **Announcement of next meeting:** Tuesday, October 18, 2016, at 10:00 a.m., 421 NW 13<sup>th</sup> Street, Suite 100 (OLERS) Conference Room, Oklahoma City, Oklahoma.
11. The meeting was adjourned by Chairman Luttrull.