

ESS

Electronic Services System – Coordinating Committee Meeting

Agenda

8711 Windsor Parkway, Suite 2

Johnston, Iowa 50131

August 8, 2019

10:00 A.M. to 2:00 P.M.

- **Welcome and Introductions**
- **June 26, 2019 – ESS Coordinating Committee Meeting Summary – Approval**
- **Financial Reports**
 - BOA 2019 2nd Quarter and YTD Report and Fund 255 FY 2019 4th Quarter Report and YTD Report – Approval
 - CY 2018 Audit – Approval
 - 990 Return Status – Approval
- **Contracts and Agreements**
 - Local Service Provider Maintenance Agreement Renewals – Discussion
 - FY 2019 Maintenance Invoices – Discussion
 - Department of Revenue – E-Submission Agreement – Approval
- **Policies and Procedures**
 - POS Surcharge Policy – Charge and Gift Cards – Approval
 - 2019 Policies and Procedures Update – Discussion
 - PCI and Security Policies Update – Discussion
 - Recent Recording Topics - Discussion
- **Key Project Updates**
 - E-Submission 2.0 Recorders' Interface – Discussion
 - Production Schedule
 - Web Design and Content Management – Discussion
- **Other Project Updates**
 - 2019 Fall Campaign Plan
 - County Recorder E-Submission Campaign
 - IRS Safeguard Update
 - Stakeholder Update – Bob Rafferty
 - ICRA Discussion Board
- **PRIA Update**
 - Document Rejections
 - PRIA Bylaws
- **Adjourn - Next Regular Meeting November 7, 2019**

**Electronic Services System
Coordinating Committee
Meeting Summary
June 26, 2019**

Participants

Julie Haggerty, Polk County Recorder

Lisa Long, Iowa Land Records
Phil Dunshee, Iowa Land Records

Kati Ross, Iowa Land Records
Leah Champion, Iowa Land Records

Committee Members Participating Via Teleconference

Kathy Jurries, Calhoun County Recorder, Chair
Deb Roberts, Floyd County Recorder
Lindsay Laufersweiler, Webster County Recorder

Janelle Schneider, Adair County Recorder
Eric Sloan, ICIT
Nancy Booten, Lee County Recorder

Welcome

The meeting of the ESS Coordinating Committee was held at the Iowa Land Records office and via teleconference. The meeting was called to order by Kathy Jurries and introductions were made.

Meeting Summary

The May 9, 2019 Meeting Summary was reviewed. Deb Roberts made a motion to approve the Meeting Summary subject to the addition of Nancy Booten's name to the participants list. Nancy Booten seconded, and the motion was approved.

Contacts and Agreements

External Submitter Agreement Renewals

Agreements between eRecording Partners and Indecomm were not ready for review at the May 9, 2019 meeting, and therefore action was deferred. A motion to approve the agreements was made by Nancy Booten, and it was seconded by Janelle Schneider. The motion was approved.

Department of Transportation Agreement Extension

A motion was made by Julie Haggerty to extend the existing agreement with the Department of Transportation to June 30, 2020. The motion was seconded by Deb Roberts, and it was unanimously approved.

Content Management and Web Development Agreement with Webspec Design

The Project Manager presented a brief history of in-house responsibilities and capabilities regarding application development and maintenance. The need for and value of a new web design and management system for iowalandrecords.org was discussed. A Scope of Work and Agreement with Webspec design was presented to the Committee for consideration. A motion was made by Julie Haggerty to approve the Project Plan and Scope of Work with WebSpec Design. The motion was seconded by Lindsay Laufersweiler and it was approved.

ILR Staff Compensation Adjustments

Staff compensation adjustments were not ready to be presented at the May 9, 2019 meeting, because final budget decisions were pending at the time. Action was deferred until budget decisions were

finalized. Subsequent to the May meeting, performance reviews were conducted, and the results were reviewed with ESS officers. The Project Manager presented recommendations for compensation adjustments to made for ESSS employees. Nancy Booten made a motion to approve the ILR staff compensation recommendations for the ILR Technical Lead, one of the Software Developers, and the Customer Service and Account Manager. The motion was seconded by Deb Roberts and was approved. A performance review and compensation adjustment for another developer will be considered at a future meeting.

Enterprise Iowa MOU Amendment and Contract Amendment

The Project Manager outlined the previous terms of the MOU as it relates to device ownership and support responsibility for the local area network used by members of the ESS/ILR team. It was noted that cost changes align with the limits established in the budgets established by the Committee in May, 2019. Changes to the MOU include shifting to Apple Support from All Covered for Mac devices. As reflected in the contract amendment, the All Covered service agreement costs have been reduced. Additional contract amendment elements include increased compensation amount for marketing and administrative support staff, and a flat monthly rate for printing costs. A motion was made by Lindsay Laufersweiler to approve the ESS/Enterprise Iowa MOU and the Enterprise Iowa contract amendment. The motion was seconded by Julie Haggerty. The motion was approved.

Software Development and Equipment Maintenance Fund Expenditure Authorization

Switches need to be replaced and configured for the equipment at the data center. The cost for this necessary upgrade would include installation fees. The Project Manager requested authorization to expend up to \$25,000 from the Software Development and Equipment Maintenance Fund (Fund 255) for the replacement, configuration and installation of the network switches. The funds used will be repaid with future project income. A motion was made by Julie Haggerty to authorize the expenditure as proposed. The motion was seconded by Lindsay Laufersweiler and approved by the Committee.

Policies and Procedures

POS Surcharge Adjustment

It was recommended to the Committee that the surcharge for the point of sale system be increased from .0275 to .03 to offset interchange fees which are higher than originally projected. ESS staff and BankCard USA propose to make this conversion effective July 1, 2019. A motion was made by Deb Roberts to approve the surcharge increase from 2.75% to 3%, and the motion was seconded by Janelle Schneider. The motion approved.

Other Project Updates

IRS Safeguard Update

The Committee reviewed a security request from the Iowa Department of Revenue to delete previously submitted, unstamped tax lien and tax lien release documents.

Authorization to Purge Archived DOR Submissions

A motion was made by Julie Haggerty to authorize removal of all original, unstamped tax lien and tax lien release documents from the Iowa Land Records E-Submission system in accordance with the Department of Revenue requirements. The motion was seconded by Nancy Booten and was approved.

Document Retention and Destruction Policy

The Committee was presented with a Document Retention and Destruction policy. The proposed policy has been reviewed and recommended by the ESS Standards Subcommittee. The policy includes a

component which would establish standards for purging of original, unstamped documents from the Iowa Land Records E-Submission system including state tax liens and lien releases. The policy also covers other documents including financial records, emails and other correspondence. A motion was made to approve the proposed Document Retention and Destruction policy. The motion was made by Lindsay Laufersweiler and the second was made by Deb Roberts. The motion was approved.

Key Project Updates

E Submission 2.0 Recordors' Interface

The Committee was presented with an update regarding feedback and changes being made to the E-Submission 2.0 Recordors' Interface after the initial testing phase. Updates are being implemented and will be deployed for future testing within the next month.

The meeting was adjourned at 11:14 AM.

Iowa County Recorders Association

Profit & Loss

April through June 2019

	Apr - Jun 19
Income	
BudgetedIncome	
Bad Payment Fee	19.44
Local Serv. Prov. Maint. Acct.	
Cost Sharing Credit	-116,841.18
Local Serv. Prov. Maint. Acct. - Other	278,333.44
Total Local Serv. Prov. Maint. Acct.	161,492.26
POSSERVICEFEE	31,339.63
SERVICEFEE	
ACH	158,250.00
CC	14,330.20
DDCC	242.85
DRAWDOWN	27,273.00
SERVICEFEE - Other	-6.00
Total SERVICEFEE	200,090.05
Total BudgetedIncome	392,941.38
RevolvingIncome	
ERECORDING	
AUDITORFEE	69,095.00
TRANSFERTAX	3,007,068.80
ERECORDING - Other	1,636,233.48
Total ERECORDING	4,712,397.28
Expense Reimbursement - CLRIS	75,548.40
Fund 255 Repayment	16.15
Misc. Revolving Income	30.00
POSPAYMENT	1,145,181.44
Total RevolvingIncome	5,933,173.27
Total Income	6,326,114.65
Expense	
Budgeted Expenses	
Accounting	
Accounting Software-Services	419.94
Bookkeeping	13,200.00
Total Accounting	13,619.94
Administrative Support	4,140.00
Business Analysis- Comm	6,270.00
Insurance Expense	18,636.52
Marketing-Communications	10,068.75
Office Tech Support	1,620.54
Payment Expenses	
Bank Account Analysis Fee	2,812.96
BOA Merchant Service Charge	
BOAOTC 430132313849862 Mer Acct	1,148.32
Total BOA Merchant Service Charge	1,148.32
Gateway Transaction Fees	
EDS Online Transaction Fees	8,519.65
EDS OTC Transaction Fees	15.00
POSTransactionsFees	29,982.41
Total Gateway Transaction Fees	38,517.06
Total Payment Expenses	42,478.34

Iowa County Recorders Association

Profit & Loss

April through June 2019

	Apr - Jun 19
Project Management	16,500.00
Software Dev. - Programming	60,735.75
Software License-Maintenance	7,409.00
Total Budgeted Expenses	181,478.84
Depreciation Expense	12,448.74
Planned Reserve Expenses	
Software Development-Consulting	11,915.00
Total Planned Reserve Expenses	11,915.00
RevolvingExpenses	
Annual Audit	3,500.00
Computer Software	727.28
Dues and Subscriptions	599.64
Education and Outreach-Rev	979.48
ESS Committee	
ESS Committee Travel	1,887.71
ESS Meeting Expenses	734.93
Official Publications	90.65
Total ESS Committee	2,713.29
ESSPayments	
COUNTYDISTRIBUTION	4,725,914.80
POSDISTRIBUTION	1,144,025.75
Total ESSPayments	5,869,940.55
Insurance	5,023.00
Legal Fees	5,500.00
Merit Resources	48,462.00
Office Supplies	207.41
Teleconference	476.66
Total RevolvingExpenses	5,938,129.31
Total Expense	6,143,971.89
Net Income	182,142.76

Iowa County Recordors Association

Profit & Loss

January through June 2019

	Jan - Jun 19
Income	
BudgetedIncome	
Bad Payment Fee	49.44
Local Serv. Prov. Maint. Acct.	
Cost Sharing Credit	-116,841.18
Local Serv. Prov. Maint. Acct. - Other	278,333.44
Total Local Serv. Prov. Maint. Acct.	161,492.26
PMTSERVICEFEE	339.52
POSSERVICEFEE	47,262.35
SERVICEFEE	
ACH	272,299.49
CC	27,589.46
DDCC	959.11
DRAWDOWN	49,769.00
SERVICEFEE - Other	-6.00
Total SERVICEFEE	350,611.06
Total BudgetedIncome	559,754.63
RevolvingIncome	
ERECORDING	
AUDITORFEE	117,915.00
TRANSFERTAX	5,005,730.40
ERECORDING - Other	2,791,182.78
Total ERECORDING	7,914,828.18
Expense Reimbursement - CLRIS	137,387.19
Fund 255 Repayment	33.06
HPPAYMENT	7,442.65
Misc. Revolving Income	30.00
POSPAYMENT	1,724,312.03
Total RevolvingIncome	9,784,033.11
Total Income	10,343,787.74
Expense	
Advertising	0.00
Budgeted Expenses	
Accounting	
Accounting Software-Services	4,284.88
Bookkeeping	26,400.00
Total Accounting	30,684.88
Administrative Support	8,000.00
Business Analysis- Comm	12,540.00
EDS Credit Card Setup-Support	
Local Credit Card Equipment	398.00
Total EDS Credit Card Setup-Support	398.00
Insurance Expense	18,636.52
Marketing-Communications	19,312.50
Office Tech Support	3,241.08
Payment Expenses	
Bank Account Analysis Fee	5,738.21
Bank Service Charges	114.68
BOA Merchant Service Charge	
BOAOLN 430132313509772 Mer Acct	6,852.99
BOAOTC 430132313849862 Mer Acct	2,570.13
Total BOA Merchant Service Charge	9,423.12
Gateway Transaction Fees	
EDS Online Transaction Fees	21,242.55
EDS OTC Transaction Fees	775.20

Iowa County Recorders Association

Profit & Loss

January through June 2019

	Jan - Jun 19
POSTransactionsFees	40,812.01
Total Gateway Transaction Fees	62,829.76
Total Payment Expenses	78,105.77
Project Management	32,750.00
Software Dev. - Programming	130,884.34
Software License-Maintenance	18,332.00
Total Budgeted Expenses	352,885.09
Depreciation Expense	26,613.66
Miscellaneous	-0.02
Planned Reserve Expenses	
Software Development-Consulting	11,915.00
Total Planned Reserve Expenses	11,915.00
RevolvingExpenses	
Annual Audit	3,500.00
Computer Equipmnt	21.19
Computer Software	1,054.27
Dues and Subscriptions	1,266.52
Education and Outreach-Rev	4,955.52
ESS Committee	
ESS Committee Travel	1,887.71
ESS Meeting Expenses	883.84
Official Publications	188.45
Total ESS Committee	2,960.00
ESSPayments	
COUNTYDISTRIBUTION	7,921,885.80
PMTDISTRIBUTION	7,152.65
POSDISTRIBUTION	1,713,727.36
Total ESSPayments	9,642,765.81
Insurance	5,023.00
Legal Fees	11,000.00
Merit Resources	105,001.00
Office Supplies	226.08
Teleconference	856.56
Total RevolvingExpenses	9,778,629.95
Total Expense	10,170,043.68
Net Income	173,744.06

Iowa County Recorders Association
Balance Sheet
As of June 30, 2019

	Jun 30, 19
ASSETS	
Current Assets	
Checking/Savings	
Bank of America	
Unrestricted Reserve Account	35,000.00
Bank of America - Other	830,264.74
Total Bank of America	865,264.74
Total Checking/Savings	865,264.74
Accounts Receivable	
Accounts Receivable	61,248.46
Total Accounts Receivable	61,248.46
Other Current Assets	
Due from State	9,151.38
Prepaid Expenses	149,596.23
Total Other Current Assets	158,747.61
Total Current Assets	1,085,260.81
Fixed Assets	
Accumulated Depreciation	-471,763.00
Asset in Process	221,952.42
Computer Equipment	566,393.44
Total Fixed Assets	316,582.86
TOTAL ASSETS	1,401,843.67
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	17,751.08
Total Accounts Payable	17,751.08
Other Current Liabilities	
Accrued Compensation	23,490.53
Deferred Revenues	137,670.97
DRAWDOWN	45,915.20
Total Other Current Liabilities	207,076.70
Total Current Liabilities	224,827.78
Total Liabilities	224,827.78
Equity	
Retained Earnings	1,003,271.83
Net Income	173,744.06
Total Equity	1,177,015.89
TOTAL LIABILITIES & EQUITY	1,401,843.67

Iowa County Recorders Association

Profit & Loss Budget vs. Actual

April through June 2019

	Apr - Jun 19	Budget	\$ Over Budget
Income			
BudgetedIncome			
Bad Payment Fee	19.44	60.00	-40.56
Event Income	0.00	0.00	0.00
Local Serv. Prov. Maint. Acct.	161,492.26	166,282.70	-4,790.44
POSSERVICEFEE	31,339.63	23,994.22	7,345.41
SERVICEFEE	200,090.05	188,442.37	11,647.68
Total BudgetedIncome	392,941.38	378,779.29	14,162.09
Total Income	392,941.38	378,779.29	14,162.09
Expense			
Budgeted Expenses			
Accounting			
Accounting Software-Services	419.94	429.98	-10.04
Bookkeeping	13,200.00	13,200.00	0.00
Total Accounting	13,619.94	13,629.98	-10.04
Administrative Support	4,140.00	4,140.00	0.00
Business Analysis- Comm	6,270.00	4,180.00	2,090.00
EDS Credit Card Setup-Support	0.00	0.00	0.00
Event Expenses	0.00	0.00	0.00
Insurance Expense	18,636.52	21,500.00	-2,863.48
Marketing-Communications	10,068.75	10,081.25	-12.50
Office Tech Support	1,620.54	1,640.18	-19.64
Payment Expenses	42,478.34	39,080.66	3,397.68
Project Management	16,500.00	16,500.00	0.00
Software Dev. - Programming	60,735.75	61,344.15	-608.40
Software License-Maintenance	7,409.00	19,539.00	-12,130.00
Total Budgeted Expenses	181,478.84	191,635.22	-10,156.38
Total Expense	181,478.84	191,635.22	-10,156.38
Net Income	211,462.54	187,144.07	24,318.47

2:05 PM

07/25/19

Accrual Basis

Iowa County Recorders Association
Profit & Loss Budget vs. Actual
 January through June 2019

	Jan - Jun 19	Budget	\$ Over Budget
Income			
BudgetedIncome			
Bad Payment Fee	49.44	90.00	-40.56
Event Income	0.00	0.00	0.00
Local Serv. Prov. Maint. Acct.	161,492.26	166,282.70	-4,790.44
PMTSERVICEFEE	339.52		
POSSERVICEFEE	47,262.35	40,260.27	7,002.08
SERVICEFEE	350,611.06	338,963.38	11,647.68
Total BudgetedIncome	559,754.63	545,596.35	14,158.28
Total Income	559,754.63	545,596.35	14,158.28
Expense			
Budgeted Expenses			
Accounting			
Accounting Software-Services	4,284.88	4,294.92	-10.04
Bookkeeping	26,400.00	26,400.00	0.00
Total Accounting	30,684.88	30,694.92	-10.04
Administrative Support	8,000.00	8,000.00	0.00
Business Analysis- Comm	12,540.00	10,450.00	2,090.00
EDS Credit Card Setup-Support	398.00	398.00	0.00
Event Expenses	0.00	0.00	0.00
Insurance Expense	18,636.52	21,500.00	-2,863.48
Marketing-Communications	19,312.50	19,325.00	-12.50
Office Tech Support	3,241.08	3,260.72	-19.64
Payment Expenses	77,991.09	74,708.09	3,283.00
Project Management	32,750.00	32,750.00	0.00
Software Dev. - Programming	130,884.34	131,492.74	-608.40
Software License-Maintenance	18,332.00	30,462.00	-12,130.00
Total Budgeted Expenses	352,770.41	363,041.47	-10,271.06
Total Expense	352,770.41	363,041.47	-10,271.06
Net Income	206,984.22	182,554.88	24,429.34

Iowa Land Records - Fund 255

07/25/19

Profit & Loss

Accrual Basis

April through June 2019

	Apr - Jun 19
Ordinary Income/Expense	
Income	
E-Recording Fee	120,021.27
Interest	3,870.37
Total Income	123,891.64
Expense	
Administration	
Business Analysis & QA	6,270.00
Communications	10,068.75
Administrative Assistant	4,130.00
ESS Meetings	
ESS Travel Expenses	1,749.93
ESS Meeting Expenses	661.48
Total ESS Meetings	2,411.41
Insurance	
Directors and Officers	3,269.00
Liability Insurance	1,104.00
Property and General Liability	650.00
Total Insurance	5,023.00
Legal Fees	3,000.00
Legal Fees - Govt. Relations	2,500.00
Professional Fees	
Aureon	910.00
Total Professional Fees	910.00
Project Management	16,500.00
Total Administration	50,813.16
Customer Support	
Account Manager	20,633.31
Total Customer Support	20,633.31
Education and Outreach	
ICRA Meetings	20.00
Legislative Meetings	9.36
ICRA Conference	194.08
Misc. Color Printing	1,446.55
Online Educational Tools	
Salesforce-Exact Target	-98.82
Online Educational Tools - Other	327.48
Total Online Educational Tools	228.66
PRIA Meetings	956.41
Promotional Items	1,009.31
Tradeshow - Meeting Exhibit	
Exhibit Drawing	52.99
Total Tradeshow - Meeting Exhibit	52.99
Workshops	
Facility Rental	375.50
Lodging	1,199.99

Iowa Land Records - Fund 255

Profit & Loss

07/25/19

Accrual Basis

April through June 2019

	Apr - Jun 19
Travel	
Meal Reimbursement	131.91
mileage reimbursement	942.74
Total Travel	1,074.65
Total Workshops	2,650.14
Total Education and Outreach	6,567.50
Hosting	
Bandwidth	9,458.43
Domain Registration	73.42
Software	
FTP Software	272.16
Jira/Confluence	90.72
Cloud Storage	180.89
Security Monitoring	39.00
Total Software	582.77
Total Hosting	10,114.62
ILR External Develo-Programming	
Redaction Services	
Back File Redaction	0.00
Forward File Redaction	15,682.01
Total Redaction Services	15,682.01
Total ILR External Develo-Programming	15,682.01
ILR Internal Develo-Programming	
Technical Lead	37,156.51
Total ILR Internal Develo-Programming	37,156.51
Office Operations	
B&W copying-printing	155.17
Office Space Lease	7,500.00
Office Supplies	226.08
Official Publication Expense	87.40
Teleconference	460.51
Telephone/Internet	1,440.00
Office Tech Support	1,620.54
Total Office Operations	11,489.70
Total Expense	152,456.81
Net Ordinary Income	-28,565.17
Net Income	-28,565.17

Iowa Land Records - Fund 255

Profit & Loss

07/25/19

July 2018 through June 2019

Accrual Basis

	Jul '18 - Jun 19
Ordinary Income/Expense	
Income	
Reserve Expenses Spent	25,425.93
E-Recording Fee	553,490.69
Interest	13,991.38
Total Income	592,908.00
Expense	
Administration	
Business Analysis & QA	24,447.50
Communications	37,902.50
Accounting	5,575.00
Administrative Assistant	11,710.00
Computer Equipment	21.19
ESS Meetings	
ESS Travel Expenses	2,730.09
ESS Meeting Expenses	1,504.12
Total ESS Meetings	4,234.21
Insurance	
Directors and Officers	3,269.00
Liability Insurance	1,089.00
Property and General Liability	650.00
Total Insurance	5,008.00
Legal Fees	12,000.00
Legal Fees - Govt. Relations	9,000.00
Professional Fees	
Aureon	3,380.00
Total Professional Fees	3,380.00
Project Management	65,712.50
Total Administration	178,990.90
Customer Support	
Account Manager	76,273.77
Total Customer Support	76,273.77
Education and Outreach	
Postage	50.76
Stakeholder Engagement	99.28
ICRA Meetings	399.87
Electronic E-Sub Promo Content	700.00
MISMO Meetings	2,290.91
MISMO Membership	2,500.00
CBI Membership	775.00
Printed E-Sub Promo Materials	254.25
Legislative Meetings	9.36
ICRA Conference	194.08
IMA Membership	200.00
Misc. Color Printing	2,023.05
Online Educational Tools	
Survey Monkey	741.21
Adobe Connect	1,000.00
Salesforce-Exact Target	6,572.94
Salesforce-CRM	2,700.00
Online Educational Tools - Other	1,260.48
Total Online Educational Tools	12,274.63
PRIA Meetings	5,541.89
PRIA Membership	675.00
Promotional Items	1,009.31

Iowa Land Records - Fund 255

Profit & Loss

July 2018 through June 2019

	Jul '18 - Jun 19
Tradeshow - Meeting Exhibit	
Exhibit Registration	2,375.00
Exhibit Drawing	248.37
Total Tradeshow - Meeting Exhibit	2,623.37
Workshops	
Facility Rental	575.50
Lodging	1,199.99
Travel	
Meal Reimbursement	131.91
mileage reimbursement	942.74
Total Travel	1,074.65
Total Workshops	2,850.14
Total Education and Outreach	34,470.90
Hosting	
Bandwidth	44,681.43
Domain Registration	755.10
Software	
FTP Software	997.92
Jira/Confluence	332.64
Cloud Storage	831.55
City State Zip data	200.00
Security Monitoring	39.00
Total Software	2,401.11
Total Hosting	47,837.64
ILR External Develo-Programming	
Redaction Services	
Back File Redaction	25,425.93
Forward File Redaction	66,792.47
Total Redaction Services	92,218.40
Total ILR External Develo-Programming	92,218.40
ILR Internal Develo-Programming	
Technical Lead	137,758.90
Total ILR Internal Develo-Programming	137,758.90
Miscellaneous	40.30
Office Operations	
B&W copying-printing	488.36
Office Space Lease	29,800.00
Office Supplies	274.55
Official Publication Expense	457.41
Postage	248.84
Teleconference	2,739.17
Telephone/Internet	5,760.00
Office Tech Support	6,482.16
Total Office Operations	46,250.49
Total Expense	613,841.30
Net Ordinary Income	-20,933.30
Net Income	-20,933.30

Iowa Land Records - Fund 255
Balance Sheet
As of June 30, 2019

	Jun 30, 19
ASSETS	
Current Assets	
Checking/Savings	
State Treasurer	
Unrestricted Operating Reserve	107,118.09
Equipment Replacement Fund	350,000.00
Restricted Operating Reserve	100,000.00
Redaction Reserve Account	38,292.03
State Treasurer - Other	76,700.29
Total State Treasurer	672,110.41
Total Checking/Savings	672,110.41
Total Current Assets	672,110.41
TOTAL ASSETS	672,110.41
LIABILITIES & EQUITY	
Equity	
Opening Bal Equity	433,569.23
Retained Earnings	1,016,049.98
Reserved Retained Earnings	-756,575.50
Net Income	-20,933.30
Total Equity	672,110.41
TOTAL LIABILITIES & EQUITY	672,110.41

4:28 PM

07/30/19

Accrual Basis

Iowa Land Records - Fund 255
Profit & Loss Budget vs. Actual
July 2018 through June 2019

	Jul '18 - Jun 19	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
Reserve Expenses Spent	25,425.93	0.00	25,425.93
E-Recording Fee	553,490.69	560,279.45	-6,788.76
Interest	13,991.38	14,039.45	-48.07
Total Income	592,908.00	574,318.90	18,589.10
Expense			
Administration			
Business Analysis & QA	24,447.50	24,447.50	0.00
Communications	37,902.50	37,902.50	0.00
Accounting	5,575.00	5,575.00	0.00
Administrative Assistant	11,710.00	11,710.00	0.00
Bank Service Charges	0.00	0.00	0.00
Computer Equipment	21.19	21.19	0.00
Computer Software	0.00	0.00	0.00
ESS Meetings			
ESS Travel Expenses	2,730.09	3,184.76	-454.67
ESS Meeting Expenses	1,504.12	1,360.42	143.70
ESS Meetings - Other	0.00	0.00	0.00
Total ESS Meetings	4,234.21	4,545.18	-310.97
Insurance			
Directors and Officers	3,269.00	0.00	3,269.00
Errors and Omissions	0.00	0.00	0.00
Liability Insurance	1,089.00		
Property and General Liability	650.00	0.00	650.00
Insurance - Other	0.00	5,985.00	-5,985.00
Total Insurance	5,008.00	5,985.00	-977.00
Legal Fees	12,000.00	12,000.00	0.00
Legal Fees - Govt. Relations	9,000.00	9,000.00	0.00
Professional Fees			
Aureon	3,380.00	3,380.00	0.00
Total Professional Fees	3,380.00	3,380.00	0.00
Project Management	65,712.50	65,712.50	0.00
Admin Asst Computer Software	0.00	0.00	0.00
Personnel Recruitment	0.00	0.00	0.00
Total Administration	178,990.90	180,278.87	-1,287.97

4:28 PM

07/30/19

Accrual Basis

Iowa Land Records - Fund 255
Profit & Loss Budget vs. Actual
July 2018 through June 2019

	Jul '18 - Jun 19	Budget	\$ Over Budget
Customer Support			
Computer Software	0.00	0.00	0.00
Remote Customer Service Rep.	0.00	0.00	0.00
Account Manager	76,273.77	76,459.33	-185.56
Business Analyst & QA	0.00	0.00	0.00
Total Customer Support	76,273.77	76,459.33	-185.56
Education and Outreach			
Postage	50.76		
Stakeholder Engagement	99.28		
ICRA Meetings	399.87		
Electronic E-Sub Promo Content	700.00		
MISMO Meetings	2,290.91		
MISMO Membership	2,500.00		
CBI Membership	775.00		
Printed E-Sub Promo Materials	254.25		
Legislative Meetings	9.36		
ICRA Conference	194.08		
IMA Membership	200.00		
Misc. Color Printing	2,023.05		
Online Educational Tools			
Survey Monkey	741.21		
Adobe Connect	1,000.00		
Salesforce-Exact Target	6,572.94		
Salesforce-CRM	2,700.00		
Online Educational Tools - Other	1,260.48		
Total Online Educational Tools	12,274.63		
PRIA Meetings	5,541.89		
PRIA Membership	675.00		
Promotional Items	1,009.31		
Tradeshow - Meeting Exhibit			
Exhibit Registration	2,375.00		
Exhibit Drawing	248.37		
Total Tradeshow - Meeting Exhibit	2,623.37		
Workshops			
Facility Rental	575.50		
Lodging	1,199.99		
Travel			
Meal Reimbursement	131.91		
mileage reimbursement	942.74		
Total Travel	1,074.65		
Total Workshops	2,850.14		

Iowa Land Records - Fund 255
Profit & Loss Budget vs. Actual
July 2018 through June 2019

	Jul '18 - Jun 19	Budget	\$ Over Budget
Education and Outreach - Other	0.00	35,507.25	-35,507.25
Total Education and Outreach	34,470.90	35,507.25	-1,036.35
Hosting			
Bandwidth	44,681.43	44,441.70	239.73
Domain Registration	755.10	755.10	0.00
Software			
Jet Brains	0.00	0.00	0.00
Nessus	0.00	0.00	0.00
Accusoft-Prizm	0.00	0.00	0.00
DB 2 Maintenance	0.00	0.00	0.00
FTP Software	997.92	997.92	0.00
Jira/Confluence	332.64	332.64	0.00
Web Monitoring	39.00		
Cloud Storage	831.55	1,223.23	-391.68
GeolP database	0.00	0.00	0.00
City State Zip data	200.00	200.00	0.00
VMWare	0.00	0.00	0.00
Security Monitoring	0.00	0.00	0.00
Total Software	2,401.11	2,753.79	-352.68
Total Hosting	47,837.64	47,950.59	-112.95
ILR External Develo-Programming			
Redaction Services			
Back File Redaction	25,425.93		
Forward File Redaction	66,792.47	66,524.39	268.08
Redaction Services - Other	0.00	0.00	0.00
Total Redaction Services	92,218.40	66,524.39	25,694.01
Software-System Development	0.00	0.00	0.00
SysAdmn-DB Support	0.00	0.00	0.00
Total ILR External Develo-Programming	92,218.40	66,524.39	25,694.01
ILR Internal Develo-Programming			
Technical Lead	137,758.90	138,305.80	-546.90
Training	0.00	0.00	0.00
Total ILR Internal Develo-Programming	137,758.90	138,305.80	-546.90
Miscellaneous	40.30	40.30	0.00

4:28 PM

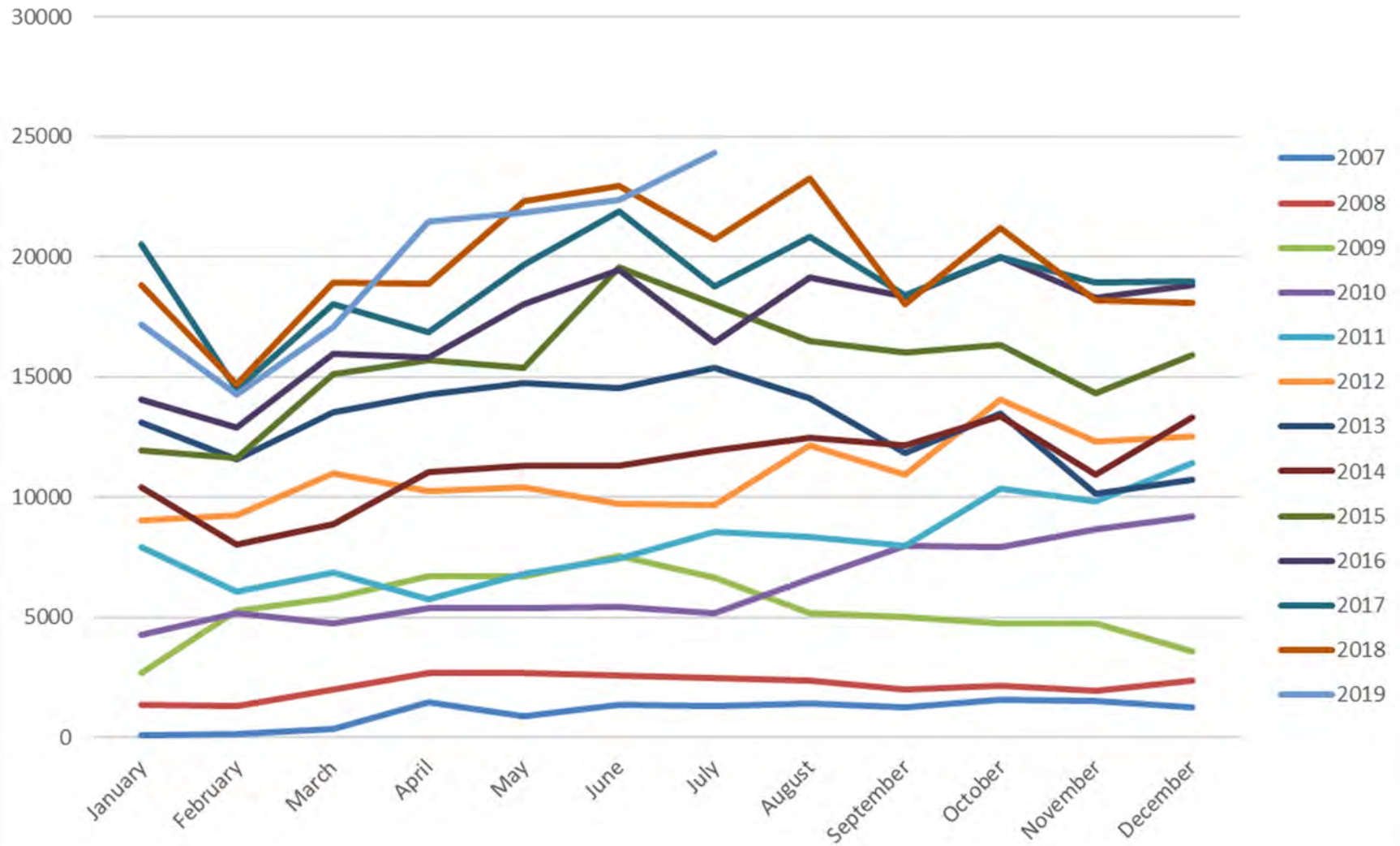
07/30/19

Accrual Basis

Iowa Land Records - Fund 255
Profit & Loss Budget vs. Actual
 July 2018 through June 2019

	Jul '18 - Jun 19	Budget	\$ Over Budget
Office Operations			
B&W copying-printing	488.36	488.42	-0.06
Office Space Lease	29,800.00	29,800.00	0.00
Office Supplies	274.55	274.55	0.00
Official Publication Expense	457.41	448.71	8.70
Parking	0.00	0.00	0.00
Postage	248.84	248.84	0.00
Teleconference	2,739.17	2,880.59	-141.42
Telephone/Internet	5,760.00	5,760.00	0.00
Office Tech Support	6,482.16	6,482.16	0.00
Total Office Operations	46,250.49	46,383.27	-132.78
Total Expense	613,841.30	591,449.80	22,391.50
Net Ordinary Income	-20,933.30	-17,130.90	-3,802.40
Net Income	-20,933.30	-17,130.90	-3,802.40

E-Submission Trends





Electronic Services System Coordinating Committee
Electronic Services System
Johnston, Iowa

We have audited the financial statements of Electronic Services System for the year ended December 31, 2018, and have issued our report thereon dated June 19, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 1, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Electronic Services System are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We evaluated the accounting estimates used and found them reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. We evaluated the disclosures and found them reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes the uncorrected misstatement of the financial statements. Management has determined that its effect is immaterial to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 19, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those financial statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Electronic Services System Coordinating Committee and management of Electronic Services System, and is not intended to be and should not be used by anyone other than these specified parties.



DENMAN & COMPANY, LLP

West Des Moines, Iowa
June 19, 2019

Entity: Statement of Financial Position Date:

Description (Nature) of Audit Difference (AD)	Factual (F), Judgmental (J), or Projected (P)	Financial Statement Effect—Amount of Over (Under) Statement of: \$14,050						
		Total Assets	Total Liabilities	Net Assets	Revenues	Expenses	Change in Net Assets	Working Capital
							-	
							-	
December 2018 Fund 255 Reimbursement	F	(20,544)		(20,544)	(20,544)		(20,544)	
							-	
							-	
							-	
							-	
							-	
							-	
Total		(20,544)	-	(20,544)	(20,544)	-	(20,544)	-
Less Audit Adjustments Subsequently Booked							-	
Unadjusted AD—Current Year (Iron Curtain Method)		(20,544)	-	(20,544)	(20,544)	-	(20,544)	-
Effect of Unadjusted AD—Prior Years					19,083		19,083	
Combined Current and Prior Year AD (Rollover Method)		(20,544)	-	(20,544)	(1,461)	-	(1,461)	-
Financial Statement Caption Totals		1,210,503	207,375	1,003,128	19,325,032	19,084,337	\$240,695	
Current Year AD as % of FS Captions (Iron Curtain Method)		-1.70%	0.00%	-2.05%	-0.11%	0.00%	-8.54%	0.00%
Current and Prior Year AD as % of FS Captions (Rollover Method)		-1.70%	0.00%	-2.05%	-0.01%	0.00%	-0.61%	0.00%

**Electronic Services System
Johnston, Iowa**

FINANCIAL REPORT

December 31, 2018 and 2017

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	3-4
MANAGEMENT'S DISCUSSION AND ANALYSIS	5-7
BASIC FINANCIAL STATEMENTS	
Special-purpose statements of net position	8
Special-purpose statements of revenues, expenses, and changes in net position	9
Special-purpose statements of cash flows	10
Notes to financial statements	11-13
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	14-15



INDEPENDENT AUDITOR'S REPORT

Electronic Services System Coordinating Committee
Electronic Services System
Johnston, Iowa

Report on the Financial Statements

We have audited the accompanying financial statements of Electronic Services System, as of and for the years ended December 31, 2018 and 2017, and the related notes to the financial statements, which collectively comprise Electronic Services System's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting requirements of the County Electronic Services System 28E Agreement, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Electronic Services System as of December 31, 2018 and 2017, and changes in its financial position, and its cash flows for the years then ended, on the basis of accounting described in Note 1.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Basis of Accounting

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared to present the operations of the Electronic Services System pursuant to the 28E agreement described in Note 1, and is not intended to be a complete presentation of the financial statements of Electronic Services System. Our opinion is not modified with respect to that matter.

Restriction on Use

This report, a public record by law, is intended solely for the information and use of the Electronic Services System Coordinating Committee, management of Electronic Services System, members of the Iowa County Recorders Association and other parties to whom they report. This report is not intended to be used and should not be used by anyone other than these specified parties.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2019 on our consideration of Electronic Services System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is solely an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Electronic Services System's internal control over financial reporting and compliance.



DENMAN & COMPANY, LLP

West Des Moines, Iowa
June 19, 2019

**Electronic Services System
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2018**

Management of Electronic Services System (the Organization) provides this Management's Discussion and Analysis of the Organization's annual financial statements. This narrative overview and analysis of the financial activities is for the year ended December 31, 2018. We encourage readers to consider this information in conjunction with the Organization's financial statements, which follow.

FINANCIAL HIGHLIGHTS

Electronic Services System's cash balance at December 31, 2018 was \$705,469, representing an increase of \$49,714 from December 31, 2017. The increase in cash balance is due primarily to continued growth in submittal fees and a decrease in planned reserve expenses.

Recording fee income increased 13.1% or approximately \$1,911,000 to \$16,531,175 for the year ended December 31, 2018.

Recording distributions increased 13.0% or approximately \$1,902,000 to \$16,520,536 for the year ended December 31, 2018.

Variance in the amounts for recording fees and distributions are related to timing of cash flow.

USING THIS REPORT

The report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the Organization's financial activities.

The Special-Purpose Statements of Net Position present information on the Organization's assets and liabilities, along with the composition of its net position.

The Special-Purpose Statements of Revenues, Expenses, and Changes in Net Position present information on the Organization's operating revenues and expenses.

The Special-Purpose Statements of Cash Flows present the change in the Organization's cash during the year. This information can help describe how the Organization generated and used cash through its operating and capital and related financing activities.

The Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

FINANCIAL ANALYSIS

Special-Purpose Statements of Net Position

Net position serves as an indicator of the Organization's overall financial position. The Organization's net position increased \$240,695 or 31.6% during the year ended December 31, 2018. The increase is due predominately to the capitalization of employee compensation pertaining to software development activities during the fiscal year. A summary of the statements of net position is presented below.

	December 31		
	2018	2017	2016
ASSETS			
Cash	\$ 705,469	\$ 655,755	\$ 830,356
Other current assets	161,838	167,872	169,427
Capital assets, less accumulated depreciation	343,196	174,811	68,819
Total assets	<u>1,210,503</u>	<u>998,438</u>	<u>1,068,602</u>
LIABILITIES			
Current liabilities	<u>207,375</u>	<u>236,005</u>	<u>226,814</u>
NET POSITION			
Net investment in capital assets	343,196	174,811	68,819
Unrestricted	<u>659,932</u>	<u>587,622</u>	<u>772,969</u>
Total net position	<u>\$1,003,128</u>	<u>\$ 762,433</u>	<u>\$ 841,788</u>

Special-Purpose Statements of Revenues, Expenses, and Changes in Net Position

Operating revenues are received from the electronic submission of real estate documents for official recording and processing fees from credit card transactions performed at local county recorders' offices.

Electronic Services System is reimbursed by the local counties for service maintenance associated with the integration of county land records management system with the Electronic Services System. The Organization's operational costs are in part reimbursed by the State of Iowa through Fund 255 administered by the Office of the Treasurer of State in addition to the operating revenues received from the Bank of America treasury management account.

Electronic Services System distributes electronic recording fees and taxes to the local counties on a daily basis.

A summary of the statements of revenues, expenses, and changes in net position is presented below:

	Year ended December 31		
	2018	2017	2016
REVENUES			
Recording fees	\$16,531,175	\$14,619,913	\$12,103,258
Over the Counter (OTC) payment system	1,605,639	1,380,996	1,784,641
Other fees and income	892,788	866,441	786,795
Reimbursements from State of Iowa	295,430	293,101	343,408
Total revenues	<u>19,325,032</u>	<u>17,160,451</u>	<u>15,018,102</u>
EXPENSES			
Recording distributions	16,520,536	14,618,533	12,103,324
Over the counter (OTC) payment system	1,549,769	1,315,855	1,705,982
Depreciation	53,567	43,800	33,633
Budgeted operational and payroll expenses	387,065	649,923	377,380
Planned reserve expenses	4,948	47,963	—
Other operating expenses	276,997	272,445	278,320
Project reimbursed expenses	291,455	291,287	328,183
Total expense	<u>19,084,337</u>	<u>17,239,806</u>	<u>14,826,822</u>
INCREASE (DECREASE) IN NET POSITION	240,695	(79,355)	191,280
NET POSITION, beginning	<u>762,433</u>	<u>841,788</u>	<u>650,508</u>
NET POSITION, ending	<u>\$ 1,003,128</u>	<u>\$ 762,433</u>	<u>\$ 841,788</u>

Total revenues increased by 12.6% or \$2,164,581 in 2018, primarily due to increases in recording fee income. Expenses increased by 10.7% or \$1,844,531 in 2018, primarily due to increases in recording distributions to local counties. Total documents processed increased by 3.9% or 8,763 documents to 236,040 in 2018. This increase is due to the percent of documents filed electronically statewide increasing from approximately 37% in 2017 to 41% in 2018.

ECONOMIC FACTORS

Several economic factors will affect the financial future of Electronic Services System. Changes in the real estate market and State economy as a whole may result in changes in recording activity and revenue. Organizational efforts to promote electronic submissions may also result in revenue growth. Potential future changes in service fees for e-submission may both positively and negatively affect future revenue. The Organization continually monitors economic and other factors to protect the financial condition of Electronic Services System.

CONTACTING ELECTRONIC SERVICES SYSTEM FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the Organization's financial and operating activities. If you have any questions or require additional information, please contact the Project Manager at Electronic Services System, 8711 Windsor Parkway, Suite 2, Johnston, IA 50131

**Electronic Services System
SPECIAL-PURPOSE STATEMENTS OF NET POSITION**

	ASSETS	December 31	
		2018	2017
CURRENT ASSETS			
Cash		\$ 705,469	\$ 655,755
Accounts receivable		3,091	1,143
Due from State of Iowa		9,151	21,044
Prepaid expenses		<u>149,596</u>	<u>145,685</u>
Total current assets		<u>867,307</u>	<u>823,627</u>
CAPITAL ASSETS			
Computer equipment		566,393	566,393
Software development in progress		<u>221,952</u>	<u>—</u>
		788,345	566,393
Accumulated depreciation		<u>(445,149)</u>	<u>(391,582)</u>
Total capital assets		<u>343,196</u>	<u>174,811</u>
Total assets		<u>1,210,503</u>	<u>998,438</u>
	LIABILITIES		
CURRENT LIABILITIES			
Accounts payable		8,597	20,034
Accrued compensation		23,491	41,173
Customer deposits		37,616	39,088
Unearned revenues		<u>137,671</u>	<u>135,710</u>
Total current liabilities		<u>207,375</u>	<u>236,005</u>
	NET POSITION		
Net investment in capital assets		343,196	174,811
Unrestricted		<u>659,932</u>	<u>587,622</u>
Net position		<u>\$1,003,128</u>	<u>\$ 762,433</u>

See Notes to Financial Statements.

Electronic Services System
SPECIAL-PURPOSE STATEMENTS OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION

	Year ended December 31	
	2018	2017
REVENUES		
Submitting fees	\$ 730,458	\$ 686,632
Recording fees	16,531,175	14,619,913
Over the counter (OTC) payment system	1,605,639	1,380,996
Reimbursements from State of Iowa	295,430	293,101
Local service maintenance fees, (net of discounts \$111,369, 2018; \$101,881, 2017)	162,289	175,609
Miscellaneous income	41	4,200
Total revenues	<u>19,325,032</u>	<u>17,160,451</u>
EXPENSES		
Recording distributions	16,520,536	14,618,533
Over the Counter payment system distributions	1,549,769	1,315,855
Local service maintenance	276,997	272,445
Depreciation	53,567	43,800
Budgeted operational expenses	376,632	342,643
Budgeted payroll expenses	10,433	307,280
Planned reserve expenses	4,948	47,963
Project reimbursed expenses	81,453	87,606
Project reimbursed payroll expenses	210,002	203,681
Total expenses	<u>19,084,337</u>	<u>17,239,806</u>
CHANGE IN NET POSITION	240,695	(79,355)
NET POSITION , beginning	<u>762,433</u>	<u>841,788</u>
NET POSITION , ending	<u>\$ 1,003,128</u>	<u>\$ 762,433</u>

See Notes to Financial Statements.

**Electronic Services System
SPECIAL-PURPOSE STATEMENTS OF CASH FLOWS**

	Year ended December 31	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from recording fees, submitting fees and OTC payment services	\$18,865,800	\$16,683,220
Cash received from counties for maintenance fees	162,302	178,326
Reimbursements received from State of Iowa	307,323	291,939
Cash received from other revenue	41	5,100
Cash paid to employees for services	(238,117)	(498,051)
Cash paid to suppliers for goods and services	(774,880)	(751,057)
Recording and OTC distributions to counties	(18,050,803)	(15,934,286)
Net cash provided by (used in) operating activities	<u>271,666</u>	<u>(24,809)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	<u>(221,952)</u>	<u>(149,792)</u>
NET INCREASE (DECREASE) IN CASH	49,714	(174,601)
CASH		
Beginning	<u>655,755</u>	<u>830,356</u>
Ending	<u>\$ 705,469</u>	<u>\$ 655,755</u>
RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Change in net position	\$ 240,695	\$ (79,355)
Adjustments to reconcile change in net position to net cash provided by (used in) operating activities		
Depreciation	53,567	43,800
Change in assets and liabilities		
Accounts receivable	(1,948)	(609)
Due from State of Iowa	11,893	(1,162)
Prepaid expenses	(3,911)	3,326
Accounts payable	(11,437)	3,152
Accrued compensation	(17,682)	12,910
Customer deposits	(1,472)	(3,421)
Unearned revenues	<u>1,961</u>	<u>(3,450)</u>
Net cash provided by (used in) operating activities	<u>\$ 271,666</u>	<u>\$ (24,809)</u>

See Notes to Financial Statements.

**Electronic Services System
NOTES TO FINANCIAL STATEMENTS
December 31, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Electronic Services System (ESS) was formed as a result of legislation adopted by the Iowa General Assembly. ESS is managed under an agreement (County Electronic Services System 28E Agreement), as executed within the meaning of Iowa Code Chapter 28E, between Iowa's ninety-nine counties and Iowa County Records Association (ICRA). ESS was formed to facilitate the submitting of real estate and other legal documents electronically to Iowa County Recorders for official recording, to provide public access to records through the Internet, and to provide other electronic services. The executed 28E agreement appoints ICRA with the authority to administer the operations of ESS.

Measurement Focus and Basis of Accounting

The financial statements include the financial activities administered by the ICRA and the Electronic Services System Coordinating Committee. They include all transactions of the Electronic Services System treasury management account and capital asset account. The treasury management account is used primarily as the central clearinghouse for receipt of payments to the ESS system and the distribution of funds to Iowa counties for recording and other services. The treasury management account is also used for certain operating expenses. The capital asset account includes the equipment and software used to host the Electronic Services System web site.

In accordance with State statute, a portion of all transaction fees recorded by Iowa county recorders is to be deposited to the State of Iowa's Electronic Transaction Fund, administered by the Office of the Treasurer of State to be used for the payment of claims approved by the Electronic Services System Coordinating Committee. The receipts and disbursements of this fund are not included in the financial statements of Electronic Services System, in accordance with the reporting requirements of the County Electronic Services System 28E Agreement. Receipts from the Electronic Transaction Fund to Electronic Services System's treasury management account are recorded as reimbursements from the State of Iowa and are included in revenue.

ESS has elected to apply all applicable GASB pronouncements. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred; regardless of the timing of related cash flows.

Use of Estimates

The preparation of special-purpose financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

ESS is a governmental subdivision of the State of Iowa and is exempt from federal and state income taxes.

Computer Equipment

Computer equipment is stated at cost. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets which are three to five years.

**Electronic Services System
NOTES TO FINANCIAL STATEMENTS
December 31, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Position

The Special-Purpose Statements of Net Position present ESS's assets and liabilities, with the difference reported as net position. Net position is reported in three categories:

Net investment in capital assets, consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.

Restricted net position results when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions or enabling legislation. Electronic Services System had no restricted net position at December 31, 2018 and 2017.

Unrestricted net position consists of net position not meeting the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

Customer Deposits

Electronic Services System allows customers to hold funds on account with ESS for future electronic submittals. These funds are recorded as a liability on the Special-Purpose Statements of Net Position until an electronic submission is initiated by the customer, at which time it is recorded to revenue.

Unearned Revenues

Electronic Services System is reimbursed for costs associated with local service maintenance contracts by local county recorders offices. These local service maintenance contracts are paid for in advance by ESS, resulting in prepaid expenditures for services not yet performed at the end of the reporting period. In order to match the period of recognition for both revenues and expenses associated with these service contracts, ESS has recorded as a liability the payments made by county recorders associated with services which have not yet been performed as of the end of the reporting period.

NOTE 2 CONCENTRATIONS OF CREDIT RISK

Electronic Services System maintains a checking account at a commercial bank. Cash in this account at times exceeded the FDIC insurance limit of \$250,000.

NOTE 3 RETIREMENT PLAN

ESS has a retirement plan covering employees who have met certain eligibility requirements. Contributions to the plan for the year ended December 31, 2018 and 2017 were \$5,881 and \$3,789, respectively.

Electronic Services System
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE 4 SOFTWARE DEVELOPMENT IN PROCESS

Electronic Services System is currently developing a new electronic submission system. The costs of this system's development have been capitalized by ESS and reported as software development in process on the Special-Purpose Statements of Net Position until the system is placed in service at which time the capitalized costs will be amortized over the system's estimated useful life. The system is expected to be placed in service during 2019.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Electronic Services System Coordinating Committee
Electronic Services System
Johnston, Iowa

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Electronic Services System, which comprise the special-purpose statement of net position as of December 31, 2018, and the related special-purpose statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 19, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Electronic Services System's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Electronic Services System's internal control. Accordingly, we do not express an opinion on the effectiveness of Electronic Services System's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Electronic Services System's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Electronic Services System's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Electronic Services System's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Denman & Company, LLP". The signature is written in a cursive, flowing style.

DENMAN & COMPANY, LLP

West Des Moines, Iowa
June 19, 2019

Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2018Open to Public
Inspection**A For the 2018 calendar year, or tax year beginning and ending****B** Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C Name of organization

IOWA COUNTY RECORDERS ASSOCIATION

Doing business as

Number and street (or P.O. box if mail is not delivered to street address)

PO BOX 82

Room/suite

City or town, state or province, country, and ZIP or foreign postal code

TOLEDO, IA 52342

F Name and address of principal officer: DEB KUPKA

PO BOX 82, TOLEDO, IA 52342

D Employer identification number

42-1213325

E Telephone number

641-484-3320

G Gross receipts \$

19,330,737.

H(a) Is this a group returnfor subordinates? ☐ Yes ☒ No**H(b)** Are all subordinates included? ☐ Yes ☐ No

If "No," attach a list. (see instructions)

H(c) Group exemption number ▶**I** Tax-exempt status: ☐ 501(c)(3) ☒ 501(c) (4) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: ▶ WWW.IOWALANDRECORDS.ORG**K** Form of organization: ☐ Corporation ☐ Trust ☒ Association ☐ Other ▶**L** Year of formation: 2004**M** State of legal domicile: IA**Part I Summary**

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: TO PROVIDE ACCESS TO COUNTY AND STATEWIDE LAND RECORDS AND RELATED INFORMATION.
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.
	3	Number of voting members of the governing body (Part VI, line 1a) 3 8
	4	Number of independent voting members of the governing body (Part VI, line 1b) 4 8
	5	Total number of individuals employed in calendar year 2018 (Part V, line 2a) 5 5
	6	Total number of volunteers (estimate if necessary) 6 0
	7a	Total unrelated business revenue from Part VIII, column (C), line 12 7a 0.
7b	Net unrelated business taxable income from Form 990-T, line 38 7b 0.	
Revenue	8	Contributions and grants (Part VIII, line 1h) 27,452. 0.
	9	Program service revenue (Part VIII, line 2g) 17,166,578. 19,329,992.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d) 500. 745.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 0. 0.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) 17,194,530. 19,330,737.
	Expenses	13
14		Benefits paid to or for members (Part IX, column (A), line 4) 0. 0.
15		Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) 502,218. 212,479.
16a		Professional fundraising fees (Part IX, column (A), line 11e) 0. 0.
b		Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.
17		Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) 16,753,953. 18,889,537.
18		Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) 17,256,171. 19,102,016.
19	Revenue less expenses. Subtract line 18 from line 12 -61,641. 228,721.	
Net Assets or Fund Balances	20	Total assets (Part X, line 16) 1,089,074. 1,289,165.
	21	Total liabilities (Part X, line 26) 236,005. 207,375.
	22	Net assets or fund balances. Subtract line 21 from line 20 853,069. 1,081,790.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date			
	DEB KUPKA, TREASURER Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN
	GARY D. WILGENBUSCH, CPA	GARY D. WILGENBUSCH,	07/23/19		P01425279
Firm's name	Firm's EIN ▶			Firm's EIN ▶	
	BERGANKDV, LTD.			41-1431613	
Firm's address	Firm's address ▶			Phone no.	
	9207 NORTH PARK DRIVE JOHNSTON, IA 50131			515-727-5700	

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐**1** Briefly describe the organization's mission:**TO PROVIDE ACCESS TO COUNTY AND STATEWIDE LAND RECORDS AND RELATED INFORMATION.****2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 19,076,260. including grants of \$) (Revenue \$ 19,325,031.)
MEETINGS WERE HELD AND NEW COUNTY WEBSITES HAVE BEEN ESTABLISHED TO STREAMLINE AND MAKE PUBLICLY AVAILABLE DOCUMENTS RETRIEVABLE ONLINE BY COUNTY CONSTITUENTS. FEES ARE CHARGED TO COVER EXPENSES OF THE SERVICE.

4b (Code:) (Expenses \$ 18,671. including grants of \$) (Revenue \$ 4,961.)
TO PROVIDE EDUCATION TO COUNTY RECORDERS AND IMPROVE RECORDING METHODS IN THE STATE OF IOWA.

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses **19,094,931.**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>		X
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	X	
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X

Part IV Checklist of Required Schedules (continued)

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a	X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b	X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>	26	X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27	X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a	X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b	X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37	X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	X

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

	Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	0
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

		Yes	No
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 5		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	X	
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		X
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O	3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state?	13a		
Note. See the instructions for additional information the organization must report on Schedule O.			
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c Enter the amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year?	15		X
If "Yes," see instructions and file Form 4720, Schedule N.			
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income?	16		X
If "Yes," complete Form 4720, Schedule O.			

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

☒

Section A. Governing Body and Management

	1a	1b	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	8			
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.				
b Enter the number of voting members included in line 1a, above, who are independent		8		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?			2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?			3	X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?			4	X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?			5	X
6 Did the organization have members or stockholders?			6	X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?			7a	X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?			7b	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a The governing body?			8a	X
b Each committee with authority to act on behalf of the governing body?			8b	X
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O			9	X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?		X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13		X
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?		
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done		
13 Did the organization have a written whistleblower policy?		X
14 Did the organization have a written document retention and destruction policy?		X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official		X
b Other officers or key employees of the organization		X
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **NONE**

18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records

THE ORGANIZATION - 641-484-3320
PO BOX 82, TOLEDO, IA 52342

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
1b Sub-total								180,707.	0.	0.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								180,707.	0.	0.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **1**

- 3** Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? *If "Yes," complete Schedule J for such individual*
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*

	Yes	No
3		X
4		X
5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
TYLER TECHNOLOGIES 2730 FORD ST, AMES, IA 50010	PROGRAM SOFTWARE & SUPPORT	112,889.
SOLUTIONS INC, 2311 WEST 18TH ST, PO BOX 857, SPENCER, IA 51301	SERVER MAINTENANCE & SUPPORT	107,513.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **2**

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a						
	b Membership dues	1b						
	c Fundraising events	1c						
	d Related organizations	1d						
	e Government grants (contributions)	1e						
	f All other contributions, gifts, grants, and similar amounts not included above	1f						
	g Noncash contributions included in lines 1a-1f: \$							
	h Total. Add lines 1a-1f							
Program Service Revenue	2 a ELECTRONIC RECORDING RECEIPTS	Business Code	900099	19,324,990.	19,324,990.			
	b HOSPITALITY		900099	4,894.	4,894.			
	c OTHER INCOME		900099	108.	108.			
	d							
	e							
	f All other program service revenue							
	g Total. Add lines 2a-2f				19,329,992.			
	3 Investment income (including dividends, interest, and other similar amounts)				745.		745.	
4 Income from investment of tax-exempt bond proceeds								
5 Royalties								
Other Revenue	6 a Gross rents	(i) Real	(ii) Personal					
	b Less: rental expenses							
	c Rental income or (loss)							
	d Net rental income or (loss)							
	7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other					
	b Less: cost or other basis and sales expenses							
	c Gain or (loss)							
	d Net gain or (loss)							
	8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a						
	b Less: direct expenses	b						
	c Net income or (loss) from fundraising events							
	9 a Gross income from gaming activities. See Part IV, line 19	a						
	b Less: direct expenses	b						
	c Net income or (loss) from gaming activities							
	10 a Gross sales of inventory, less returns and allowances	a						
	b Less: cost of goods sold	b						
	c Net income or (loss) from sales of inventory							
	Miscellaneous Revenue			Business Code				
	11 a							
	b							
c								
d All other revenue								
e Total. Add lines 11a-11d								
12 Total revenue. See instructions				19,330,737.	19,329,992.	0.	745.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	129,383.	129,383.		
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	54,037.	54,037.		
10 Payroll taxes	29,059.	29,059.		
11 Fees for services (non-employees):				
a Management	65,643.	65,643.		
b Legal	23,500.	23,500.		
c Accounting	69,868.	62,793.	7,075.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	25,937.	25,937.		
12 Advertising and promotion	45,736.	45,736.		
13 Office expenses	9,158.	9,148.	10.	
14 Information technology	331,098.	331,098.		
15 Royalties				
16 Occupancy				
17 Travel	12,497.	12,497.		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
19 Conferences, conventions, and meetings	3,760.	3,760.		
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	53,567.	53,567.		
23 Insurance	23,894.	23,894.		
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a COUNTY DISTRIBUTIONS	16,593,113.	16,593,113.		
b PAYMENT DISTRIBUTIONS	1,457,690.	1,457,690.		
c SERVICE CHARGES AND TRA	164,393.	164,393.		
d OTHER EXPENSES	9,683.	9,683.		
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	19,102,016.	19,094,931.	7,085.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ☐ if following SOP 98-2 (ASC 958-720)

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	746,390.	1	784,130.
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	22,188.	4	12,242.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	145,685.	9	149,596.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 788,346.		
	b Less: accumulated depreciation	10b 445,149.	10c	343,197.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11		15	
16 Total assets. Add lines 1 through 15 (must equal line 34)	1,089,074.	16	1,289,165.	
Liabilities	17 Accounts payable and accrued expenses	61,207.	17	32,088.
	18 Grants payable		18	
	19 Deferred revenue	135,710.	19	137,671.
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	39,088.	25	37,616.
	26 Total liabilities. Add lines 17 through 25	236,005.	26	207,375.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	853,069.	27	1,081,790.
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	853,069.	33	1,081,790.
34 Total liabilities and net assets/fund balances	1,089,074.	34	1,289,165.	

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	19,330,737.
2	Total expenses (must equal Part IX, column (A), line 25)	2	19,102,016.
3	Revenue less expenses. Subtract line 2 from line 1	3	228,721.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	853,069.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	1,081,790.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☐

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2a	X
b Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2b	X
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	2c	X
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? _____	3a	X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits _____	3b	

Form 990 (2018)

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527
▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2018

**Open to Public
Inspection**

If the organization answered "Yes," on Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," on Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," on Form 990, Part IV, line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization

IOWA COUNTY RECORDERS ASSOCIATION

Employer identification number

42-1213325

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.

2 Political campaign activity expenditures ▶ \$

3 Volunteer hours for political campaign activities

Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527
exempt function activities ▶ \$

3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL,
line 17b ▶ \$

4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule C (Form 990 or 990-EZ) 2018

LHA

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

A Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).

B Check ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)															
b Total lobbying expenditures to influence a legislative body (direct lobbying)															
c Total lobbying expenditures (add lines 1a and 1b)															
d Other exempt purpose expenditures															
e Total exempt purpose expenditures (add lines 1c and 1d)															
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.															
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
g Grassroots nontaxable amount (enter 25% of line 1f)															
h Subtract line 1g from line 1a. If zero or less, enter -0-															
i Subtract line 1f from line 1c. If zero or less, enter -0-															
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?															

☐ Yes ☐ No

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.

See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2018

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

For each "Yes," response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?			
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c Media advertisements?			
d Mailings to members, legislators, or the public?			
e Publications, or published or broadcast statements?			
f Grants to other organizations for lobbying purposes?			
g Direct contact with legislators, their staffs, government officials, or a legislative body?			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i Other activities?			
j Total. Add lines 1c through 1i			
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?		X
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	X	
3 Did the organization agree to carry over lobbying and political campaign activity expenditures from the prior year?		X

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No," OR (b) Part III-A, line 3, is answered "Yes."

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	
b Carryover from last year	2b	
c Total	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (see instructions); and Part II-B, line 1. Also, complete this part for any additional information.

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**▶ **Complete if the organization answered "Yes" on Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990.**▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2018
Open to Public
Inspection**Name of the organization**

IOWA COUNTY RECORDERS ASSOCIATION

Employer identification number

42-1213325

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1

(ii) Assets included in Form 990, Part X

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenue included on Form 990, Part VIII, line 1

b Assets included in Form 990, Part X

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a ☐ Public exhibition d ☐ Loan or exchange programs
 b ☐ Scholarly research e ☐ Other _____
 c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☒ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☒ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☒ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment ☐ %
 b Permanent endowment ☐ %
 c Temporarily restricted endowment ☐ %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
 (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? ☐

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		566,393.	445,149.	121,244.
e Other		221,953.		221,953.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				343,197.

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value	
(1) Federal income taxes		
(2) CUSTOMER DEPOSITS	37,616.	
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	37,616.	

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☐

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	19,325,032.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	19,325,032.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	5,705.
c	Add lines 4a and 4b	4c	5,705.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	19,330,737.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	19,084,337.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	19,084,337.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	17,679.
c	Add lines 4a and 4b	4c	17,679.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	19,102,016.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART XI, LINE 4B - OTHER ADJUSTMENTS:

GENERAL ACCOUNT ACTIVITY NOT AUDITED

PART XII, LINE 4B - OTHER ADJUSTMENTS:

GENERAL ACCOUNT ACTIVITY NOT AUDITED

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2018

Open to Public
Inspection

Name of the organization

IOWA COUNTY RECORDERS ASSOCIATION

Employer identification number

42-1213325

FORM 990, PART VI, SECTION B, LINE 11B:

A COPY OF THE FORM 990 IS PROVIDED TO THE GOVERNING BODY OF THE
ORGANIZATION FOR REVIEW PRIOR TO THE ANNUAL FILING OF THE FORM 990.

FORM 990, PART VI, SECTION C, LINE 19:

THE ORGANIZATION'S GOVERNING DOCUMENTS, POLICIES AND FINANCIAL STATEMENTS
ARE MADE AVAILABLE TO THE PUBLIC UPON REQUEST.

Depreciation and Amortization
(Including Information on Listed Property)

990

OMB No. 1545-0172

2018Attachment
Sequence No. **179**

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form4562 for instructions and the latest information.**IOWA COUNTY RECORDERS ASSOCIATION****FORM 990 PAGE 10****42-1213325****Part I Election To Expense Certain Property Under Section 179** Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	1,000,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	2,500,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2017 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2019. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Don't include listed property. See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2018	17	53,567.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B - Assets Placed in Service During 2018 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2018 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 30-year	/		30 yrs.	MM	S/L	
d 40-year	/		40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	53,567.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? ☐ **Yes** ☐ **No** **24b** If "Yes," is the evidence written? ☐ **Yes** ☐ **No**

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
--	-------------------------------------	--	-------------------------------	--	---------------------------	------------------------------	----------------------------------	---------------------------------------

25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use **25**

26 Property used more than 50% in a qualified business use:

	:	:	%					
	:	:	%					
	:	:	%					

27 Property used 50% or less in a qualified business use:

	:	:	%			S/L -		
	:	:	%			S/L -		
	:	:	%			S/L -		

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 **28**

29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 **29**

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle	(b) Vehicle	(c) Vehicle	(d) Vehicle	(e) Vehicle	(f) Vehicle
30 Total business/investment miles driven during the year (don't include commuting miles)						
31 Total commuting miles driven during the year ...						
32 Total other personal (noncommuting) miles driven						
33 Total miles driven during the year. Add lines 30 through 32						
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?						
36 Is another vehicle available for personal use?						

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **aren't** more than 5% owners or related persons.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
-----------------------------	------------------------------------	------------------------------	------------------------	---	--------------------------------------

42 Amortization of costs that begins during your 2018 tax year:

	:	:			
	:	:			

43 Amortization of costs that began before your 2018 tax year **43**

44 **Total.** Add amounts in column (f). See the instructions for where to report **44**

**Application for Automatic Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-1709

► **File a separate application for each return.**
 ► **Go to www.irs.gov/Form8868 for the latest information.**

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

		Enter filer's identifying number
Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions. IOWA COUNTY RECORDERS ASSOCIATION	Employer identification number (EIN) or 42-1213325
	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 82	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. TOLEDO, IA 52342	

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 1

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

THE ORGANIZATION

- The books are in the care of ► **PO BOX 82 - TOLEDO, IA 52342**
Telephone No. ► **641-484-3320** Fax No. ► _____
- If the organization does not have an office or place of business in the United States, check this box ☐ _____
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

- 1 I request an automatic 6-month extension of time until **NOVEMBER 15, 2019**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ► ☒ calendar year **2018** or
 ► ☐ tax year beginning _____, and ending _____.

- 2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

Contract Terms and Conditions

Amendment and Extension Number 1

This first amendment to the Contract for e-Recording Documents with County Officials (Contract) made and effective as of September 1, 2016 by and between the Electronic Services System, DBA Iowa Land Records (“ESS”), and the Iowa Department of Revenue (“Iowa Department of Revenue” and “External Submitter”). The parties agree to the following:

Section 1. Extension. Section 2.3 of the Contract allows for up to three one-year terms following the completion of the initial term. The parties hereby agree to extend the Contract one-year, expiring August 31, 2020. Two optional one-year extensions remain available.

Section 2. Amendment. Appendix A is hereby struck and replaced as follows:

Iowa Department of Revenue Confidential Information Requirements for Contractors

I. Access to Confidential Data

The contractor’s employees, agents and subcontractors may have access to confidential data maintained by the Iowa Department of Revenue (hereafter referred to as ‘IDR’ or ‘the Department’) to the extent necessary to carry out its responsibilities under the Contract. The contractor shall presume that all information received pursuant to the Contract is confidential unless otherwise designated by the Department.

II. Performance

In performance of the Contract, the contractor agrees to comply with and assume responsibility for compliance by its employees, agents, or subcontractors with the following requirements:

- 1) All work will be done under the supervision of the contractor or the contractor’s employees.
- i) The contractor must designate one individual who shall remain the responsible authority in charge of all data collected, used, or disseminated by the contractor in connection with the performance of its duties under the Contract.
- ii) The contractor shall provide adequate supervision and training to its employees, agents, or subcontractors to ensure compliance with the terms of the Contract.
- iii) The contractor shall provide acceptance by its employees, agents, or subcontractors, by signature, of the terms of state confidentiality disclosure (see Exhibit 1 Acknowledgment of Statements of Confidentiality). Any disclosure of state tax information as governed by the Iowa Code, Sections 422.20, 422.72, and 324.63, shall be subject to a fine of not less than \$100 or more than \$1,000 and/or be confined in jail for not less than thirty (30) days nor more than six (6) months.
- iv) The contractor shall provide to the Department a written description of its policies and procedures to safeguard confidential information. Policies of confidentiality shall address, as appropriate, information conveyed in verbal, written, and electronic formats.
- v) The contractor will maintain a list of employees, agents or subcontractors with authorized access to the Department’s data. Such list will be provided to IDR upon request.
- vi) No work furnished under this Contract will be subcontracted without prior written approval from the Department.
- vii) No data can be accessed by contractor, or contractor’s employees, agents, and sub-contractor located offshore or via any information systems located offshore.
- viii) The contractor will complete a security risk assessment questionnaire annually as part of a certification process with the Department.

- 2) Any tax information made available in any format shall be used only for the purpose of carrying out the provisions of this Contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of its duties under this contract. Inspection by or disclosure to anyone other than an officer, employee, agent or subcontractor of the contractor is prohibited.
- 3) All tax information will be accounted for upon receipt and properly safeguarded in accordance with security requirements set forth in this Contract before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.
- 4) Upon completion of duties under this Contract or the specific direction of IDR, the contractor will certify that the data processed and any output generated during the performance of duties under this Contract will be completely purged from all data storage components, including, but not limited to data center facility, laptops, computers and other storage devices. If immediate purging of all data storage components is not possible, the contractor will certify that any tax information remaining in any storage component will be safeguarded to prevent unauthorized disclosures until it has been purged. Once all data processed and output generated has been completely purged, the contractor shall submit a signed certification to the Department to that effect.
- 5) Any spoilage or intermediate output that may result during the processing of tax information will be given to the Department. When this is not possible, the contractor will be responsible for the destruction of the output, and will provide the Department with a statement containing the date of destruction, description of material destroyed, and the method used. Destruction method must meet specifications as defined in IRS Publication 1075 Section 8.3
- 6) The contractor shall implement security controls for their computer systems processing, storing, or transmitting tax information that conform to mutually approved security framework (NIST 800-53, SOC2, ISO27001:2005, etc.). The security features of the computer systems must meet all functional and assurance requirements for the managerial, operational, and technical security controls. All security features must be available and activated to protect against unauthorized use of and access to tax information. The contractor shall provide IDR with their most recent risk assessment or Type II audit report, including identified gaps or plan of action to mitigate identified issues prior to receiving tax information from IDR, and annually thereafter.
- 7) The use of personally owned computers for accessing IDR information is strictly prohibited
- 8) Any data supplied by IDR to the contractor or contractor's employees, agents, or subcontractors or created by the contractor or contractor's employees, agents, or subcontractors in the course of the performance of its duties under this Contract shall be considered the property of IDR. No confidential information collected, maintained, or used in the course of performance of the Contract shall be disseminated by the contractor or contractor's employees, agents, or subcontractors except as authorized by law and only with the prior written consent of the Department, either during the period of the Contract or thereafter. The contractor may be liable for an unauthorized disclosure if it fails to comply with federal and state confidential safeguard requirements
- 9) In the event that a subpoena or other legal process is served upon the contractor for records containing confidential information, the contractor shall promptly notify IDR and cooperate with the Department in any lawful effort to protect the confidential information.
- 10) The contractor shall immediately (within twenty-four (24) hours after the unauthorized disclosure or security breach of confidential information provided by IDR to Contractor) report to IDR any unauthorized disclosure or security breach of confidential information. These include, but are not limited to: (i) Unauthorized access or disclosure of confidential information; (ii) Illegal technology transfer; (iii) Sabotage, destruction, theft or loss of confidential information or the information systems; and (iv) Compromise or denial of confidential information or information systems.
- 11) IDR, with 24 hour notice, shall have the right to send its officers and employees into the offices and plants of the contractor for inspection of the facilities and operations provided for the performance of any work under this Contract. In lieu of an on-site visit, the contractor can respond to an inspection questionnaire. An inspection questionnaire may be used in lieu of an on-site visit. On the basis of such inspection, specific remedial actions may be required of the contractor in cases where the contractor is found to be noncompliant with Contract safeguards.
- 12) If the Department is required to notify taxpayers of a security or confidentiality breach caused by the contractor, the Department is entitled to reimbursement of such costs related to this notification

from the contractor (see Iowa Code § 715C.2)

- 13) If the contractor fails to provide the safeguards described above, IDR will have the right to void the Contract immediately.
- 14) The contractor's confidentiality obligations under this section shall survive the termination of this Contract.
- 15) Any disclosure of state tax information as governed by the Iowa Code Ann., §§ 422.20, 422.72, and 452A.63, shall be subject to penalties prescribed therein.

Exhibit 1
Acknowledgment of Statement of Confidentiality

Release of Confidential Iowa Department of Revenue Information

Pursuant to the Code of Iowa, I understand the willful release of confidential information in a manner inconsistent with Iowa law is punishable as set forth below. I also understand that the willful inspection (browsing) of tax records is a violation of Iowa law. A person committing an offense against the above provisions shall be guilty of a serious misdemeanor and, upon conviction thereof, shall be fined up to \$1,000 and/or imprisoned up to one year. In addition, that person will be discharged from employment and may face the potential of personal liability in a lawsuit brought by the affected taxpayer.

Employee's Initials

I understand I am expected to be knowledgeable on the above penalties.

Name

Signature

Date

Company Name

Section 3. Ratification and Authorization. Except as expressly amended or supplemented herein, the Amended Contract shall remain in full force and effect, and the parties hereby ratify and confirm the terms and conditions thereof. Each party to this Amendment and Extension represents and warrants to the other that it has the right, power, and authority to enter into and perform its obligations under this Amendment, and it has taken all requisite actions to approve execution, delivery, and performance of this Agreement, and that this Amendment constitutes a legal valid, and binding obligation.

Section 4. Execution. IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the above Amendment to the Contract and have caused their duly authorized representatives to execute this Amendment to the Contract.

The Electronic Services System (ESS)

Iowa Department of Revenue (IDR)

<u>Signature</u>	<u>Date</u>
Name: <u>Phil Dunshee</u>	
Title: <u>Project Manager</u>	

<u>Signature</u>	<u>Date</u>
Name: <u>Kraig Paulsen</u>	
Title: <u>Director</u>	

Amendments to Chapter 1
ESS Policies and Procedures
County Land Record Information System Governance and Electronic Recording

Section 1.5(11) of the Electronic Services System Policies and Procedures is amended to update policies relating to the ESS Point of Sale system with respect to the acceptance of payment through the use of gift or charge cards which are not programmed to accept a surcharge.

1. Section 1.5(11) of the ESS Policies and Procedures is amended by adding the following lettered paragraph:

ESS – 1.5 Funding.

(Iowa Code Section 331.603, Subsection 5a; Section 331.604, Subsection 3; Section 331.605B, Subsection 2; Section 331.606A, Subsection 6)

1.5(11) Point of Sale Credit/Debit Payment System (POS). The Electronic Services System has established a Point of Sale Credit/Debit Payment System to facilitate credit, debit, mobile and digital wallet payments for services provided at authorized locations including but not limited to organizations which are members of the Electronic Services System (ESS). Participation in the POS system is subject to the following standards and guidelines.

- a. An authorized location shall agree to the Terms and Conditions and other business requirements established by the Electronic Services System and the designated merchant payment service provider.
- b. An authorized location shall agree to the application of a Surcharge to each transaction amount, as specified in Section 1.5(3). The authorized location shall display information about the Surcharge at the point of sale to inform customers about the amount of the Surcharge and its purpose. ESS shall provide text or standard information about the Surcharge to each authorized location.
- c. An authorized location shall accept all forms of POS payments and shall follow the operational instructions provided by ESS and the designated merchant payment service provider.
- d. An authorized location may void a transaction which occurs during a business day, but not later than 5:30 PM Central Time.
- e. An authorized location shall not issue a refund through the POS system. Refunds shall only be made to customers through payment methods available to the location such as a check or cash. A refund

made by a location shall exclude the Surcharge amount. In the event that an authorized location issues a refund through the POS system, the location shall reimburse ESS for the amount of the refund. ESS shall monthly issue an invoice to a location for the reimbursement amount. There shall be a \$25.00 handling fee for each monthly invoice submitted to a location.

- f. An authorized location shall ensure that the credit/debit card surcharge is applied to every point of sale transaction, including but not limited to the procedures for bypassing the entry of a personal identification number (PIN) for debit cards. In the event that an authorized location fails to apply the credit/debit card surcharge to a transaction, the location shall reimburse ESS for the amount of the credit/debit card surcharge. ESS shall issue an invoice to the location for the reimbursement amount. There shall be a \$25.00 handling fee for each monthly invoice submitted to a location.

- g. A location may accept payment through a charge card, gift card, or other card which does not permit the application of a surcharge for any reason. However, when a location accepts payment through a charge card, gift card, or other card which does not permit the application of a surcharge, the amount of the surcharge shall be manually added to the transaction amount by the location. When necessary, a location shall either back out of the transaction, or if completed, void a transaction, and then manually re-enter the total transaction amount including the surcharge.

If a location accepts payment through a charge card, gift card, or other card which does not permit the application of a surcharge, and the location fails to manually add the surcharge to the transaction amount, then the surcharge amount shall be deducted from the transaction amount when funds for the transaction are distributed to the location. A location shall not be reimbursed for the balance of a transaction by ESS.

- h. Certain point of sale devices may require the installation of supplemental software or an “add-in” application. If such software or application is required for a device, ESS shall issue an invoice to the location for the actual cost of the software or application. The frequency of invoices shall be determined by the mutual agreement of ESS and the location, but the frequency shall be no more than monthly.

Section 1.5(11) shall be renumbered as necessary.

This amendment shall be effective September, 1, 2019.

From: SecurityMetrics Support Team <support@securitymetrics.com>
Sent: Monday, July 29, 2019 4:04 PM
To: phil@clris.com
Subject: PCI Scan Passed [iowalandrecords.org]



Hello ,

Thank you for choosing SecurityMetrics as your PCI compliance partner.

The scan has passed for the following PCI compliance certification:
Target: iowalandrecords.org SCID: 1679530

[Log in to your account](#) to view detailed scan results and ensure you have completed all of your compliance requirements and additional required scans.

If 'iowalandrecords.org' is a publicly accessible website, you may now place the SecurityMetrics Site Certified logo on that specific website by following the instructions at https://www.securitymetrics.com/portal/reports/site_logo.

If you have any questions or encounter any problems resolving vulnerabilities, please contact our Technical Support team at:

801.705.5700 (USA)
877.705.6070 (Canada)
0203.014.7825 (UK)

If you have not setup your password or you have forgotten it, please click [here to reset your password](#).

Sincerely,

SecurityMetrics

Technical Support

801.705.5700 (USA)

877.705.6070 (Canada)

0203.014.7825 (UK)

support@securitymetrics.com

www.securitymetrics.com

This is a service message from SecurityMetrics, Inc., 1275 West 1600 North, Orem, UT 84057.

Iowa Land Records Sitemap

KEY

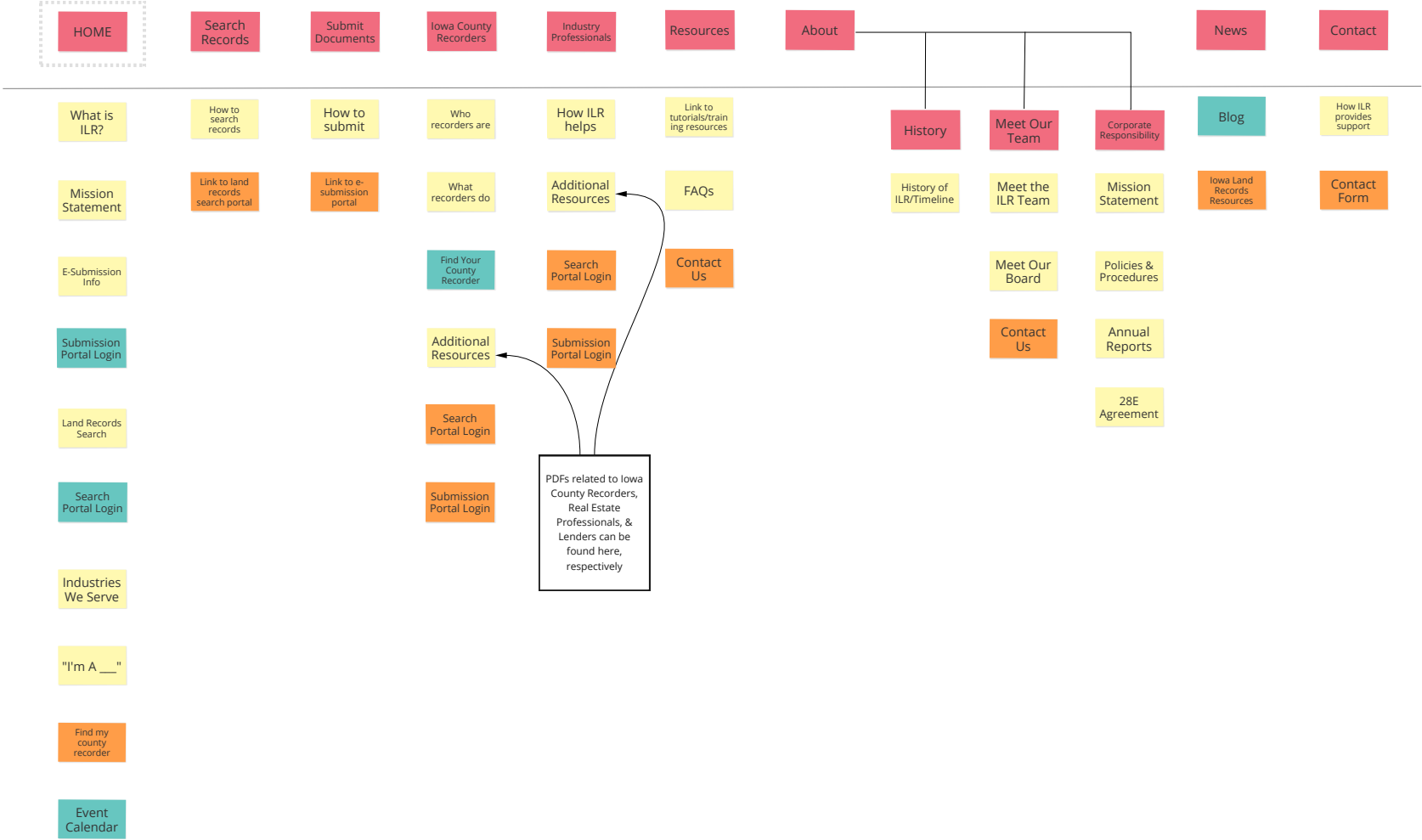
PARENT PAGE

CORE CONTENT

FEATURE

USER ACTION

MAIN NAVIGATION



FOOTER:

Contact Info

Newsletter Sign-Up

FY 2019-2020 New Customer Campaigns

Reimagine your recording routine.

Did you know that you can save time and money by submitting documents electronically?

- ✓ Affidavits
- ✓ Easements
- ✓ Condemnations
- ✓ Satisfaction of liens
- ✓ Satisfaction of mortgages



"Nonihili entemprobus fur. Bonfess ulerte factalegere aritum ius bonos sendam publis Ad sen hos, fue nihi."

Jane Doe, City of West Des Moines



"Nonihili entemprobus fur. Bonfess ulerte factalegere aritum ius bonos sendam publis Ad sen hos, fue nihi."

John Doe, City of Bettendorf



Iowa Land Records

Search. Submit. Succeed.

Timeline

Three different groups will be targeted from July 2019 to June 2020.

1. Follow up Counties to Customers - Leads List Campaign (Banks & Law Firms)

- a. Mailing to be sent August 15, 2019
- b. Webinar to take place on September 15, 2019
- c. End of campaign = September 30

2. City Administrators/Planners

- a. Mailing to be sent November 1, 2019
- b. Webinar to take place on December 11, 2019
- c. End of campaign = December 31

3. Surveyors

- a. Mailing to be sent February 1, 2019
- b. Webinar to take place on March 11, 2019
- c. End of campaign = March 31

Electronic Services System/CLIRS

8711 Windsor Parkway, Suite 2
Johnston, Iowa 50131

July 18, 2019

To: Ruth Coleman
Disclosure and Security Officer
Business Services Division
Iowa Department of Revenue
Hoover State Office Building
1305 E. Walnut
Des Moines, IA 50319

From: Phil Dunshee
ESS (CLRIS) Project Manager

Re: Document Retention and Destruction Policy

Effective June 26, 2019, the Electronic Services System (ESS or CLRIS) implemented a Document Retention and Destruction Policy. Under the provisions of this policy, any submitted tax lien or tax lien release from the Iowa Department of Revenue will be purged (destroyed) from the ESS/CLRIS E-Submission service after it is officially recorded and stamped by an Iowa county. The purge or destruction of a submitted tax lien or tax lien release will occur within one day of the recording action or as soon as possible.

This policy also provides that any other document will be purged or destroyed 30 days after it is submitted for recording. As you know, the recorded and stamped version of any submitted document will be retained perpetually by Iowa counties in their land records management systems.

I also wish to inform you that all tax liens and tax lien releases previously submitted to Iowa Land Records have been purged from the E-Submission system. Only recorded and stamped tax liens and tax lien releases have been retained for future reference.

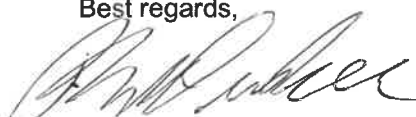
Finally, I wish to assure you that any equipment used to temporarily store any tax liens or tax lien releases during the submission and recording process, when retired, will be appropriately wiped and destroyed. If there are any specific requirements for verifying this process, please notify us.

It is our understanding that documents submitted for recording through the ESS/CLRIS E-Submission service by the Department of Revenue will no longer include confidential federal taxpayer information. Please verify the effective date of this change.

I wish to thank you for the collaborative approach to improving the security of our respective systems. This has been a valuable process. We will be moving our updated application into production sometime in August.

Please let me know if you have questions.

Best regards,



Phil Dunshee

From: phil@clris.com
Sent: Thursday, July 25, 2019 10:23 AM
To: 'Travis Case'; 'Kathy Jurries'; 'Deb Kupka'
Cc: Lisa Long
Subject: Post

Travis, Deb and Kathy,

Lisa reports that the following message was posted on the ISAC/ICRA message board this morning by
in County.

Hi All,

Have anyone of you been short funds in your credit card deposit? We were shorted a penny on one of our credit card deposits for this month? When I emailed Lisa at ILR she told me she would send me the penny! That's not my point I could put a penny in the deposit to make up the shortage, my point is I feel this is TERRIBLE business practice. In my opinion it shouldn't matter if the deposit is short .01 cent, 1.00 or such ILR or whomever should fix it! I asked her to add a penny onto one of our other deposits to make up for the shortage. I haven't heard back from her! I haven't been credited the penny yet either. We are quickly approaching the end of the month too. Has anyone else had this same thing happen? Suggestions and/or guidance as to what I should do?

As I understand it the facts are that on July 1, 2019 a point of sale transaction was made in County in the amount of \$209.25, but the distribution made was off by one cent: \$209.24. The cause of the error related to the transition to the updated surcharge amount of 3% during the first week of July. During this period there were some counties which made the change right away, while others made it later in the week. During this transition period, the charge reports being generated by Bank Card USA needed to be manually adjusted to ensure that the distribution amounts were correct. Either Lisa or I made these manual adjustments. The actual cause of the one cent error was without doubt a human error by me or Lisa when manually making changes to the charge report.

The POS surcharge transition process has been completed and the reports no longer require manual adjustment. We do take the distribution process very seriously, and understand that even one cent can cause an issue with end of month reconciliations. We will manually adjust an upcoming distribution to County to add the penny back to the system and we will treat it as a miscellaneous expense. As far as we know there aren't any other outstanding distribution issues. But if you hear anything to the contrary, please let us know.

Phil

From: phil@clris.com
Sent: Friday, July 19, 2019 3:27 PM
To: 'Stevie Kernick'; 'stevie@pria.us'; Zachary Zaharek; 'larry.burtness8@gmail.com'; 'Larry Burtness'
Subject: Bylaws
Attachments: PRIAMEMO-071919-final.pdf

Stevie, Larry and Zach,

We have had the opportunity to review the draft amendments to the Bylaws and wish to offer some comments.

Regarding the proposed amendments advanced by the Board of Directors, we would generally acknowledge that the redline versions have been posted on the web site and that Larry has encouraged members to review them in his "In Touch" articles in May and June. But we believe it would be helpful to provide the members with a written explanation and rationale behind the various changes. The members should have this information well before the Annual Meeting convenes, in our opinion. You have 30 minutes scheduled for the Annual meeting, and this doesn't provide much time for a presentation or for questions.

Some natural questions members might ask are:

- Why are you eliminating the Registered Observer membership? Is anyone currently a member in this category?
- The current Bylaws provide that "Action By Consent" can be taken without a meeting if all of members agree. Explain why it is being changed to "majority." Could you provide a recent example of an Action by Consent?
- Regarding "Voting List and Voting", can you provide some background information about why information like telephone numbers and email addresses are being removed?
- Regarding the Duties of the Treasurer, the proposed amendment would remove the requirement for a bond. What is the reason for this change? Is a bond no longer needed?
- Regarding Authorization of Indemnification, who will make the "determination" that an individual did not meet the standard of conduct?
- Can you provide an example of a Waiver of Notice?

We understand that these changes are intended to clean up some language and align with current practices. Members should have a better understanding of their own Bylaws and operating rules, and to this end, some additional information may be helpful to them.

On behalf of the Iowa County Records Association we also wish to propose a few amendments to the Bylaws. These proposed amendments are described in the attached memo.

We ask that you clarify the procedures which should be followed to put these proposals before the membership for action. It is understood that you may wish to confer with the Governance Committee. However, it is our belief that advanced approval of the Governance Committee or the Board of Directors is not required, and that a member may independently present a motion to amend the Bylaws provided that the proposed amendments to the Bylaws are submitted to the members at least 30 days prior to the meeting. By the submittal of this message, we respectfully request that you immediately forward a copy of the attached memo to the PRIA membership so that the amendments described herein may be considered at the Annual meeting currently scheduled for August 28, 2019.

Additionally, in accordance with Article III of the current Bylaws, we request that you provide us with the following information.

- Voting List and Voting. Please provide us with the name, email address and phone number of each member who will be eligible to vote at the Annual Meeting in August, 2019. We understand that registration is still open and that the attendance list is not yet final. For this reason, we would request a preliminary list based on the registrations received as of August 16, 2019. We would then ask for a final list on Tuesday, August 27, 2019.
- Proxies. Article III provides that “the method and procedures for voting by proxy shall be determined by the Secretary of the Corporation or its designated agent, and such method and procedures shall be provided to members entitled to vote.” Please provide any necessary information concerning the method and procedures for proxy voting at the Annual Meeting in August, 2019. For example, will you require a signed statement of some kind to indicate that a regular member has granted their proxy to another regular member?

Thank you very much for receiving these requests. We look forward to seeing you at the conference.

Phil

From: phil@clris.com
Sent: Thursday, July 25, 2019 10:21 AM
To: 'Kathy Jurries'; 'Travis Case'; 'Diane Swoboda Peterson'
Cc: 'Joan McCalmant'; 'Kim Painter'; 'John Murphy'
Subject: RE: Updated Version of the PRIA memo - thanks everyone for your input

Good morning,

I just want to be sure you are aware of the response received from PRIA concerning the By Laws. In short, the PRIA Board has decided to defer action on the By Laws until a future meeting. The message threads and the PRIA newsletter article below should give you the essence of the conversation thus far. Let me know if you have questions or comments.

Thanks very much.

Phil

From: Stevie Kernick <stevie@pria.us>
Sent: Tuesday, July 23, 2019 11:39:07 AM
To: phil@clris.com <phil@clris.com>
Cc: Larry Burtness <lburtness@figure.com>; Zachary Zaharek <zzaharek@firstam.com>
Subject: PRIA Bylaws Amendments

Dear Phil:

Given the scope of the questions and proposed amendments received from ICRA, President Larry and the PRIA Board of Directors have decided to remove the vote on the bylaws from the August Annual Meeting agenda to provide time for the Bylaws Committee to carefully consider these recommendations. You obviously put significant time and thought into formulating your observations and amendments and we believe that the Bylaws Committee should spend a commensurate amount of time to carefully weigh each of the concerns that were noted and not make hasty decisions that could adversely affect our members.

The vote on revised bylaws will move to the 2020 Winter Symposium or, potentially, be held electronically. I will inform the voting membership of this decision.

Best regards,

Stevie



Main: 919.459.2081
Direct: 919.459.6096
Fax: 919.459.2075
Email: stevie@pria.us
Web: www.pria.us

Stevie Kernick
Chief Staff Officer
Property Records Industry Association

110 Horizon Drive, Suite 210
Raleigh, NC 27615

[Managed by IMI Association Executives](#)

President's Message

Dear Members:

As reported back in June when revisions to the PRIA bylaws were posted for member review and comment, a vote was scheduled on these revisions during the Annual Membership Meeting on August 28 in Colorado Springs.

Based on comments received late last week on the proposed revisions and the bylaws, in general, the board determined that further review and consideration is needed before calling for a vote on the revisions.

The Bylaws Committee will reconvene to review the proposed revisions with the goal of holding a vote no later than the 2020 Winter Symposium.

As always, should you have any questions about these decisions, please contact me, the PRIA offices at info@pria.us or call 919.459.2081.

See you in Colorado Springs!

Larry Burtness
President



From: Stevie Kernick <stevie@pria.us>
Sent: Tuesday, July 23, 2019 2:14 PM
To: phil@clris.com
Cc: 'Larry Burtness' <lburtness@figure.com>; 'Zachary Zaharek' <zzaharek@firstam.com>
Subject: RE: PRIA Bylaws Amendments

And, I am on vacation so next week so if we need to talk, it will be week of August 5!

From: phil@clris.com [<mailto:phil@clris.com>]
Sent: Tuesday, July 23, 2019 2:31 PM
To: stevie@pria.us
Cc: Larry Burtness <lburtness@figure.com>; Zachary Zaharek <zzaharek@firstam.com>
Subject: Re: PRIA Bylaws Amendments

Thanks for the update Stevie. I will inform our leadership and Iowa members. I have tried to imagine how the propositions we advanced would adversely affect PRIA members but haven't come up with any examples. So we will look forward to the discussion.

Electronic Services System - Iowa Land Records
Iowa County Recorders Association
8711 Windsor Parkway, Suite 2
Johnston, Iowa 50131

April 22, 2019

To: PRIA Board of Directors

From: Phil Dunshee, Project Manager

Re: PRIA Strategic Planning Topics



Colleagues,

I look forward to participating in the discussion this week. In anticipation of the meeting, and on behalf of the Iowa County Recorders Association, we would like to share a few ideas and thoughts for your consideration. Generally, we hope the Board will consider some ideas which would elevate and expand the participation and active engagement of County Recorders in PRIA, and to freely disseminate the knowledge and best practices ideas which emerge from the work of the various PRIA Committees. We would also ask that you consider some ideas for improving methods for gathering and reporting data and information, and for respecting the boundary between the development of policy recommendations or models, and the direct advocacy of legislative and executive policy making in our respective states.

County Recorder Engagement

We would like to encourage PRIA membership participation for County Recorders in higher numbers throughout the U.S. Here in Iowa we have had a history of strong participation and engagement in PRIA. We know it could be higher, and we observe that it is not as strong in other States or regions. Here are a few ideas that could be explored.

- Consider a discounted or even "free" membership for an elected leader of the respective State County Recorders Association. Grant them status as a "Regular" member, with the expectation that they or their designee will attend both PRIA conferences each year, and that they organize their resources and volunteers to at least monitor and share information with their fellow Recorders.
- Consider a "Statewide" membership dues option, whereby for a certain fee or sponsorship level through an Association, all of the Recorders in a State would be Regular members of PRIA with all the privileges associated with that membership including voting, etc.
- Consider allocating a portion of the PRIA budget (or reserve) to the creation of a full-time PRIA staff position with the mission of facilitating participation by and communication among County Recorders throughout the United States. The primary intent of this is to elevate the engagement of County Recorders and the expression of their ideas and needs through the PRIA organization. While this position would help disseminate PRIA knowledge, standards and best practices to County Recorders, we wish to be clear that their primary role is to act as an advocate for their perspective as public servants, not as an advocate for the business perspective. This is NOT intended to replace PRIA Local, but rather as a supplement to that work already being done.

Dissemination of Knowledge and Best Practices

Sections 9 and 12 of the Operating Rules include references to the dissemination of information. Section 9 states: "PRIA shall take such steps as are appropriate to disseminate to the public the recommended work products that it develops. The Board, consistent with the objective of making recommended work products available as widely as possible, may protect the intellectual property rights of such work products." Section 12. 1 includes the following sentence: "The objectives of the organization favor free exchange of ideas, practices, procedures, and systems for the development of national standards and the overall enhancement of the property records industry." [Emphasis added]

We wish to express support for the free exchange of ideas, and that the goal of PRIA making recommended work products available as widely as possible. When balancing the interests of any PRIA intellectual property with the objective of promoting free and open communication, the goal of making information available as widely as possible should prevail. The following are some ideas to consider in support of this position.

- Make all PRIA work products freely available to the property records industry including County Recorders. Any participant in the industry, should have access to work products – even if they are not members of PRIA. Limiting information access to PRIA members, or providing it through limited channels such as a web site with "members only" access, or at conferences where only a portion of the membership attends, serves as an echo chamber that may not effectively advance the goals of the industry or County Recorders.
- Create new communication channels such as topical, moderated blogs by PRIA members and subject matter experts; or free podcasts on various issues of interest.
- Continue to develop and implement webinars, perhaps with no fees, and evaluate whether resources are available to support travel expenses for the speakers bureau program .
- Enable web conferences of Committees and Project Teams to be "broadcast" over the Internet so that members could "listen" from their work stations without having to dial in. Members could also participate via chat pod, if a member of a committee or project team acted as a co-presenter or facilitator.
- When deemed appropriate by the Committee or Project Team Co-Chairs, record the web conference meetings so that participants and members could listen or view the web conference at a later time. Recordings can be password protected if necessary, as we know that not all meetings are suitable for a wide audience.
- Consider creating an online "digest" for reporting on committee and project team (and Board of Directors) activities. MISMO has an interesting platform for this function that may be considered.
- Proactively communicate issues and topics being considered by the Board to the PRIA membership. Currently, meeting minutes and agendas are posted on the PRIA web site (thank you!). More would be better. Consider options for:
 - Pushing e-mail notices to interested members
 - Publish a short article in the newsletter to describe topics that are expected to come up in the next meeting
 - Invite questions from members seeking further information
 - Post background documents provided to the Board for their deliberations

- Post substantive policy documents at least one month prior to a proposed policy action to be considered by the Board
- Consider whether a less cumbersome PRIA attribution statement such as “Includes information developed and published by the Property Records Industry Association (PRIA).” is sufficient to fulfill the “intellectual property” attribution. Generally, is now a good time to review the IP policy for practicality and relevance?

Property Records Information Research

We recognize that many PRIA volunteers have worked very hard to gather and maintain data information about electronic recording jurisdictions, the volume and types of electronic recording, recording policies and practices in jurisdictions through the United States, pending legislation, and much more. But the extent to which volunteers can engage in the necessary follow-up to secure higher response rates and improve the quality of data is limited. This is an area where the expenditure of resources on professional or academic assistance may help produce better or higher quality results. Better research and information can lead to better work products and produce better results for the industry. Policy making also is better if it is data-driven. For these reasons, with the financial resources available to the organization, it may be appropriate to consider securing some external assistance. This could come in several forms. Options include:

- Hiring a part-time or full-time research associate to focus on efforts to gather and maintain information and data of importance to the members and the industry.
- Compensation for a research organization already affiliated with PRIA to produce and publish desired information.
- Establishing a relationship with an academic institution or business school with a focus on real estate or property to assist with research activities. (We know of a school in Cedar Falls, Iowa that might be interested, but it might make sense to identify an institution proximate to the area where the PRIA management firm is located.)
- Co-sponsor, provide matching funds, or otherwise help underwrite “proof of concept” projects or planning discussions to explore certain ideas at a deeper level (balancing the interests of Recorders and businesses) – the topics of block chain, GIS and others come to mind here, and could be pursued in partnership with other stakeholder groups.

There will still be a need for PRIA members to volunteer in this area, but with a designated human resource to guide and facilitate things, perhaps more could be accomplished. The County Recorder “advocate” role which was referenced previously might also be able to increase response rates from recording jurisdictions.

PRIA Advocacy

In a meeting with Mark Ladd many months ago, he stated that “PRIA has a long tradition of advocacy.” It can truthfully be said that promoting standards is one of those accepted advocacy areas. However, when a background paper, or standard or model legislation is presented by PRIA, the line between advocacy of an idea and “tracking” legislation, and the act of lobbying can be blurred. Article II of the PRIA bylaws appropriately promotes the ideas of “bringing together”, “consensus”, and “trustworthiness”. While advocating for standards and best practices, PRIA must also be mindful of the potential for unintended consequences and be respectful of the “diversity” of viewpoints within regions and states. As an example, the Iowa General Assembly is considering legislation which would establish a “flat” fee for recording groundwater statements at a fee level far below what would be required of any other document. If enacted, it would establish a troubling precedent for future consideration of legislation that might include other document types. The “Predictable Recording Fees” background

paper statement "Fee policy changes to improve the predictability of fees are not intended to negatively affect local budgets" didn't seem to be considered by the stakeholders or policy makers.

For these reasons, we wish to suggest that Section 8.1 of the Operating Rules be amended to include a statement such as the following: "While advocating for standards and best practices, PRIA will consider and respect the circumstances and environment of each region and state. Additionally, PRIA shall not engage in direct advocacy or lobbying for the passage or defeat of legislation in a government member's region or state, including advocacy through an allied organization."

Consideration should also be given to openly disclosing to the PRIA membership the existence of any Alliance agreement established under Section 7 of the Operating rules, especially relating to any advocacy activities. The terms of any Alliance agreement should be published and distributed to the membership.

In summary, we hope these comments will help stimulate discussion, and we are certainly open to other ideas. I look forward to seeing you later this week.

cc. Diane Swoboda Peterson, Woodbury County, Iowa
ESS Coordinating Committee member
Travis Case, Grundy County, Iowa
Iowa County Recorders Association President
Iowa County Recorders Association Executive Board
ESS Coordinating Committee Members

Electronic Services System - Iowa Land Records
Iowa County Recordors Association
8711 Windsor Parkway, Suite 2
Johnston, Iowa 50131

July 19, 2019

To: Larry Burtness
Zachary Zaharek
Stevie Kernick

From: Phil Dunshee, Project Manager

Re: PRIA By Laws and Operating Rules

We have had the opportunity to review the draft amendments to the Bylaws, and we wish to follow up on some of the suggestions which were made in conjunction with the PRIA strategic planning in April, 2019. These suggestions are not represented in the amendments proposed by the Board of Directors. Therefore, we wish to present them to the PRIA members in the form of some proposed amendments for consideration at the upcoming Annual meeting.

Article II – Purpose and Objectives. While we agree that a core mission of PRIA is to develop models for standards and best practices in the property records industry, we do not believe it is appropriate for PRIA to directly or indirectly promote the passage of specific federal or state legislation or policies. Recordors, vendors and other stakeholders are free to exercise their rights to communicate with policy makers through their respective organizations, but the PRIA organization should remain neutral and should not engage in lobbying activity.

Specifically, we wish to advance the following amendment to the Bylaws.

1. Amend Article II, numbered paragraph III to read as follows:

“III. Encourage consideration ~~adoption~~ of such model standards and practices;”

2. Amend Article II, by adding the following unnumbered paragraphs following paragraph V.

“PRIA shall not directly, or indirectly through any Alliance or other arrangement, engage in lobbying or activities relating to the passage of federal or state legislation. PRIA shall not track legislation or prepare tool kits or resource materials for the purpose of promoting or opposing legislation. PRIA may monitor and report on the status of various legislative activities relating to the property industry.”

“PRIA shall publish and disclose to the members information about any Alliance formed with other property industry related groups. Such information shall include but not be limited to the following: the groups participating in the Alliance, the purpose of the Alliance, the name and contact information for the principal representative of each group in the Alliance, and any terms or agreements which may exist among the members of the Alliance.”

Article IV - Board of Directors. We ask that the PRIA Board of Directors take more direct action to ensure that the members are informed of all activities, actions and proposed actions of the Board. Recorders operate in a public environment with high expectations for openness and transparency when considering organization and policy issues, and PRIA should reflect these same values. Specifically, we wish to advance the following amendment to the Bylaws.

Amend Article IV – Board of Directors, by inserting the following new numbered section.

“##. Agendas, Summaries and Supporting Materials. The Board of Directors shall timely publish and make available to the membership the following items associated with any official meeting including the Annual Meeting, Regular Meetings and Special Meetings of the Board.

- An agenda which shall be posted no less than 24 hours prior to a meeting and which calls out any item which may be acted on by the Board, the Executive Board, or the membership
- A summary of the actions taken by the Board or the membership at any meeting which shall be posted immediately following the review and approval of the summary by the Board at the next meeting
- The documents presented to the Board which describe the background of any topic and the proposed action to be taken
- Any resolution or document presented to the Board for voting by electronic means

Upon request, members shall receive a notification via email or other contemporaneous means when agendas, summaries and meeting materials are posted.”

Thank you very much for your assistance and consideration. We look forward to hearing from you. Please let us know if you have questions.

Best regards,

cc. Diane Swoboda Peterson, Woodbury County, Iowa
ESS Coordinating Committee member
Travis Case, Grundy County, Iowa
Iowa County Recorders Association President
Iowa County Recorders Association Executive Board
ESS Coordinating Committee Members