

Special Note: The following is a summary of the Minutes taken from the Recorder's Advisory Council meeting held on Thursday, March 19, 2009, and does not necessarily provide a detailed verbatim transcription of the Minutes.

MINUTES

**RECORDER'S ADVISORY COUNCIL
THURSDAY, MARCH 19, 2009
10:30 A.M.**

**CLARK COUNTY GOVERNMENT CENTER
500 SOUTH GRAND CENTRAL PARKWAY
1st FLOOR, ODC ROOM #3
LAS VEGAS, NEVADA 89155**

Members Present

Debbie Conway, Recorder, Clark County Recorder's Office
Charles Harvey, Assistant Recorder, Clark County Recorder's Office
Mary Ann Porter, Community Title Services of Nevada
Valerie Connor, First American Title Company of Nevada
Linda Arillano, First American Title Company of Nevada
Sue Naumann, Greater Las Vegas Association of Realtors (GLVAR)
Paul Bell, Greater Las Vegas Association of Realtors (GLVAR)
Keith Kelley, Kelley and Associates Real Estate
Steve Dover, Lawyers Title
Rene Espinosa, Nations Title Company of Nevada
Lisa Forbes, Nevada Title Company
Amanda Terrill, Nevada Title Company
Laurie Miller, Noble Title
Nick Nicholson, North American Title Company
Kehau Haia, Old Republic Title Company of Nevada
Jack Woodcock, Prudential Americana Group, REALTORS
Jerry R. Smith, Realty One Group
Brad Berrett, Republic Services
Tracy Sabol, SPL Inc

Members Absent

Bob Cannata, Chicago Title
Debra Pomponio, Commerce Title Company
Tracey Keller, DHI Title
Debra Leatham, Equity Title of Nevada
Caesar Espinosa, FNTG Las Vegas Title Group (servicing CTT, FNT, & TT)
Laurie Quigley, Legal Wings
Robert C. Sherratt, Mesquite Title Company
Phillip Bouchard, National Title Company
Diana Andersen, Nevada State Title
Troy Hicks, Red Rock Title & Escrow Company
Ann Stuart, Stewart Title of Nevada
Norman Spaeth, TitleOne of Las Vegas Inc.

Guests

Barbara Bell, Clark County Recorder's Office
Dennis Freimann, Clark County Recorder's Office
Denise Gulia, Clark County Recorder's Office
Laurel Jimenez, Clark County Recorder's Office
Shauna Johnson, Clark County Recorder's Office
Eugene Mendiola, Clark County Recorder's Office

I. Call to Order

Debbie Conway, Clark County Recorder, called the meeting to order at approximately 10:45 AM.

II. Introductions

The committee members each introduced him or herself and the company that they represented.

III. New Business

a. Approval of December 11, 2008 Minutes

The RAC members unanimously approved the minutes for the December 11, 2008 meeting.

b. RAC Member Survey Results

Debbie Conway, Clark County Recorder, briefly discussed the results from the RAC member survey that was handed out at the previous meeting. She mentioned that the survey's purpose was to gain input and feedback on how the RAC meetings are handled. A few responses were discussed.

In terms of the effectiveness of the RAC Committee, it was mentioned that it is a good way for the public to be heard. It helps that you are aware of the issues that the business sector is up against. Additionally, the information provided at each meeting is well prepared and informative. Another response stated that the council is effective because it presents an atmosphere where several companies can solve problems and find solutions with companies who do similar work. It also provides an open forum for discussion with a County office which they all use as well.

In regards to any suggestions on how the RAC Committee may improve its effectiveness, it was mentioned that it appears members come in to hear new rules instead of discussing better ways to do things (i.e. recording cut off times, number of documents allowed at satellite offices, etc). Another response suggested having one of the recording supervisors attend the meeting in order to provide clarification on some issues; someone who has to deal with the staff and the phone calls from the customers and/or title companies on a daily basis. The supervisor may be able to provide a different perspective and first hand information to the Council. Additionally, there are a number of e-recording issues and questions that are still present. Possibly, there could be an after session for that topic and those who do not wish to stay can be excused.

In response to the survey results, the RAC Committee made a few changes. Denise Gulia, supervisor, was present at the meeting to help answer any questions the committee had on recording and e-recording processes.

Jack Woodcock, Prudential Americana Group, REALTORS, commented that the RAC Committee is a great collaboration between government and businesses. It should be looked at as a prototype. In many respects, it can be looked at as a model in order to gain efficiency and benefit the public. This working relationship has proven to be extremely successful; definitely something the government can look upon, embrace, and continue moving forward. **Woodcock** asked if a white paper could be prepared by the committee to capture the process.

Keith Kelley, Kelley and Associates Real Estate, mentioned how great it is that the Recorder's Office talks about themselves as a team. It is very seldom that you hear of a government agency working together as a team.

Conway responded that a white paper can be created. It was suggested that **Barbara Bell, Clark County Recorder's Office**, work closely with **Jack Woodcock** and **Keith Kelley** in order to draft the paper. Hopefully, by the next meeting, a draft can be presented for the members to review and provide feedback.

The remaining items on the agenda were open discussions led by several staff members from the Recorder's Office.

c. Open Discussion – E-Recording

Shauna Johnson, Clark County Recorder's Office, gave a brief update on e-recording. The previous minutes indicated that approximately 25 – 27% of documents are electronically recorded each month, which has remained quite steady. However, the Recorder's Office would like to increase this percentage.

A current e-recording issue has been file-locking. There are times when there are issues with the stamp and challenges in the upload queue. However, most of these performance challenges are quickly recognized and met.

The Recorder's Office is meeting with Simplifile to cover any issues that may exist. **Johnson** opened up for discussion regarding any e-recording questions, concerns, and or issues the committee members would like brought to the attention of Simplifile.

Eugene Mendiola, Clark County Recorder's Office, also mentioned that **Lisa Forbes, Nevada Title Company**, came into the office this morning to see what happens on the Recorder Office's end. An open invitation after the meeting was extended to any RAC members who would like to see how the Recorder's Office operates behind the scenes.

Mary Ann Porter, Community Title Services of Nevada, inquired if the file-locking issue was the reason why documents stay in the queue for several hours. **Mendiola** responded that this issue is a large cause of that. However, another reason is that some documents require the Audit Team's attention to review and approve.

Dennis Freimann, Clark County Recorder's Office, mentioned that Ceasar Espinosa brought up the issue of e-Recording Deed In Lieu of Foreclosure at the previous meeting. **Freimann** provided a handout. He went on to say that in the past, Deed in Lieu's could not be recorded electronically because all of the requirements regarding Deed in Lieu's were not available for entry through e-Recording (specially line 3c). **Shauna Johnson, Clark County Recorder's Office**, added to the discussion that recently DTS graciously set up a demo site

to test the transaction of Simplifile processing a Deed in Lieu through the Recorder's system that proved to be successful and says that is what led to **Dennis Freimann's** instructions pertaining to the discussion. She then mentioned that there has been a request made to Simplifile to design a notification for Clark County submitters to create awareness when it is okay to submit their Deed in Lieus. **Freimann** then stated that the Department of Taxation is changing the law for Deed in Lieus sometime in June.

Lisa Forbes, Nevada Title Company, asked if submitters should wait for Simplifile notifications and **Johnson** replied yes, please wait. In fact, Simplifile will be asked to release a notification the following day so that everyone will know Deed in Lieus are now acceptable.

Steve Dover, Lawyers Title, addressed his concern about the order of the documents coming into the office. **Johnson** responded that all submitters will merge into the same system so it remains a race to record state. She then asked if any council members had questions or concerns that they would like discussed at the meeting with Simplifile.

Valerie Conner, First American Title, questions the rejection of Trustee Deeds because of RPTT through e-Recording. **Johnson** reassures her that the issue is a main topic for discussion for the upcoming meeting.

Steve Dover, Lawyers Title, then addressed his concern about being able to have all errors on a document noticed at one time instead of the document being returned for different reasons. **Eugene Mendiola, Clark County Recorder's Office**, mentioned that the Recorder's Office is currently working on this. Training is being conducted and they are working closely with staff to catch all errors during the first review. He then goes on to say that there has to be a cut off time of 3:30 PM for e-recording documents to provide sufficient time for the office to produce record copies for other customers. A RAC member adds that she has personally seen an improvement in turnaround time and error. **Mendiola** points out that once issues are noticed the aim is to work to fix the problems immediately. In addition, **Johnson** indicated that there has been efforts to review a way in which the cut off time could be adjusted. **Denise Gulia, Clark County Recorder's Office**, included that in critical situations documents can be emailed to her for review before submitting, but she advises the members to use this method of review only when absolutely necessary.

d. Declaration of Value Forms

Dennis Freimann, Clark County Recorder's Office, addressed trying to eliminate the number of rejections, but implied that the problem in the past has been Declaration of Value forms not being submitted properly or not being complete. **Freimann** expressed the concern that, in some cases, the grantor/grantee section is not completed. In addition, the form is not always signed and/or the capacity is not filled in. He clarified that the Department of Taxation required the form to be entirely complete. In addition, he informed the members about the change of the Declaration of Value forms. He advised them that it will look somewhat like California's form. He asked that companies would review and assure that all forms are complete and contain the correct information. It was expressed that there are three (3) available and acceptable forms, one on the Recorder's website and two on the Department of Taxation's website. **Tracy Sabol, SPL Inc**, questioned if deputies are aware of the current information dealing with Declaration of Value forms and **Freimann** reassured her that they are aware.

Nick Nicholson, North American Title Company, inquired if the Department of Taxation is working on creating a definition for nominal. **Freimann** stated that they did have a workshop in February and Taxation is in the process of putting a specific percentage on nominal. He further elaborated that there has been a visible drop in the taxable value, anywhere from

30% – 65%, but the property value has gone up which makes the situation very optimistic. **Nicholson** then asks how the value will be determined after the transaction has been closed. **Freimann** advised him that in situations of that sort to call and talk to the Audit team. He mentioned that a good rule of thumb to use is the 2009-2010 tax values depending on the percentage. He further stresses that, according to the Department of Taxation, a distress sale is viewed as a nominal value, not an arms length transaction. **Mary Ann Porter, Community Title Services of Nevada**, commented that she does believe Department of Taxation has been out to see the properties and the conditions they are in.

e. Notary Stamp on Documents

Eugene Mendiola, Clark County Recorder's Office briefly discussed notary stamps. He clarified that the statute states that the notary stamp cannot be placed over text. Through discussions within the Recorder's Office and with the District Attorney, the decision has been made that if it is in the acknowledgment area, it can be accepted. In the cases of a notary stamp being illegible, the Recorder will ask for clarification. Questionable notary issues are brought to the attention of management for a decision.

Lisa Forbes, Nevada Title Company, raised her concerns about being able to attach an in-house duplicate of the document as clarification in the case that the stamp is covering important information. **Mendiola** responded that it is a case-by-case issue. **Nick Nicholson, North American Title Company**, added that because some documents come from out of the country, he feels it would be very beneficial to the consumer to be able to provide a duplicate in the case of needing clarification. In response, **Mendiola** reiterates that a blanket statement cannot be made; the situation must be handled on a case-by-case basis. He clarified that the goal is to apply the same requirements consistently whether it be in state or out of state notary issues.

f. Check Acceptance Procedures

Eugene Mendiola, Clark County Recorder's Office, touched on the Check Acceptance Policy. Originally, the Recorder's Office was looking for a way to minimize the amount of check refunds that are being processed daily. Changes will occur when the new recording system is in effect.

Tracy Sabol, SPL Inc, asked if each company should keep track of their total amount of refunds for the month or if that will be the Recorder's Office responsibility. **Mendiola** stated that the Recorder's Office keeps a record of the transaction as well as the book and instrument number associated with the refund. However, he says that the individual companies can also keep track as they feel it necessary. **Sue Naumann, Greater Las Vegas Association of Realtors (GLVAR)**, inquired about the escrow number being tied in. **Mendiola** answers that it can be considered; however, the only issue is that all documents that come in will not have an escrow number.

g. Open Discussion re: Recording Issues

Eugene Mendiola, Clark County Recorder's Office, informed all members that previously Death Certificates were rejected through e-Recording because of watermarks. He stated that Simplifile has agreed to work with companies to get their settings correct so that Death Certificates can be submitted effectively through e-Recording.

h. Technological Updates

Laurel Jimenez, Clark County Records Office, talks about information she has obtained concerning the State adopting the Electronic Notarization Act. She further explains by saying the Secretary of State's Office has reported that it will take at least a year for the program to get into place if the state decides to adopt this Act. **Jimenez** then goes on to reveal the success of the credit card enhancement added to the Recorder's Office at the beginning of March. She then advises the members about the \$3.50 fee for amounts up to \$100.00 and 3.5% fee for amounts over \$100.00. She informed the members that the Recorder's Office is in the last stages of review for the web aspect of the credit card service which will allow customers to order copies over the internet.

Jimenez also talks about the lab reconfiguration and the microfilm enhancement projects. She was excited about the new recording system, OnCore. The upcoming kiosk project was also discussed. **Jimenez** describes that the kiosk project is underway and they are waiting until the vendor presents a prototype. At that time, she expects other departments to join in and make the kiosk multipurpose. As for the two microfilm projects, she indicates that the in-house facilities are set up in the Government Building. The bid for the microfilm backfile was published in February; the expected bid opening date is April 27, 2009.

IV. Miscellaneous Discussions

Lisa Forbes, Nevada Title Company, questioned if there could be an email sent out regarding the regulations for notary stamps. **Debbie Conway, Clark County Recorder's Office**, replied that she has spoken with the District Attorney and that he has provided her with guidelines as to what the office can and cannot do, but she will make it a point to speak with him and compose directions to be emailed out to the title companies and also to the recorders.

V. Public Comments

There were no public comments at this time.

VI. Next Meeting Date: Thursday, June 11, 2009, 10:30 AM, 1st Floor, **Pueblo Room**,
Clark County Government Center, 500 S. Grand Central Pkwy., Las Vegas, NV 89155

VII. Adjournment

The meeting was adjourned at 11:49 AM.