

Real Estate Fraud Prosecution Trust Fund Committee Annual Meeting Minutes: FY 2022/2023

DATE: July 6, 2023

ATTENDEES:

Leslie Griffith – Assistant Director, Department of Health & Human Services
(*voting member-proxy for Olivia Byron-Cooper*)
Richard Pesce – Assistant Chief Investigator
April Flores – Deputy District Attorney, District Attorney’s Office
Simon Brown – Investigator, District Attorney’s Office
Kimberly Beal- El Dorado County Association of Realtors
Sue Hennike, Deputy Chief Administrative Officer, CAO’s Office
(*voting member-proxy for CAO Tiffany Schmid*)
Jeff Leikauf – Sheriff, El Dorado County Sheriff’s Office (voting member)
Bryan Golmitz – Undersheriff, El Dorado County Sheriff’s Office
Justene Cline – Administrative Analyst, CAO’s Office
Jeremy Apodaca – Administrative Analyst Supervisor, CAO’s Office
Savannah Broddrick – Administrative Technician, District Attorney’s Office
Alison Winter –Principal Management Analyst, CAO’s Office
Joe Alexander – Chief Assistant District Attorney, District Attorney’s Office
(*voting member-proxy for DA Vern Pierson*)

Absent Member(s):

Tiffany Schmid – CAO, El Dorado County (voting member)
Olivia Byron-Cooper – HHSA Director, El Dorado County (voting member)
Vern Pierson – DA, El Dorado County (voting member)

CALL TO ORDER: 1:01 PM

DISTRIBUTION OF AGENDA AND ANNUAL REPORT FY 2022/2023

Assistant District Attorney James Clinchard welcomed everyone. Roundtable introductions were made.

DISCUSSION / REVIEW OF CASES:

DAI Brown discussed and summarized the 2022-2023 Real Estate Fraud Program:

- Investigator Ted Horlbeck worked from beginning of fiscal year 2022-2023 until October 2022 in the Real Estate Fraud Program. Investigator Simon Brown took over as the primary investigator assigned to the Real Estate Fraud Program starting in October 2022 and continued throughout the remaining of the 2022-2023 fiscal year
- As of June 30, 2023, a total of 12 cases have been reported to and investigated by the El Dorado County District Attorney's Office.
- Vacation Rental Scams: Discussion of consistent reduction of South Lake Tahoe vacation rental scams being reported. The DA's Office is actively working a case of vacation rental fraud.
- The number of Notice of Default's by homeowners between 7/1/22 and 6/30/23 was 281, an increase of 63% from the 177 reported in FY 2021/22. The number of Notice of Trustee Sales this year was 166 which represents a 49% increase from the 111 reported last year.
- According to the California Association of Realtors, the median price of homes sold in El Dorado County in March of this year was \$680,750. This represents a 4.7% increase from the median price in March 2022. Housing prices seem to have leveled off and the economy is dealing with rising inflation and interest rates.

OUTREACH:

- On September 6th 2022, the Mosquito Fire erupted in the Volcanoville area. 76,788 acres burned, and 38 structures in El Dorado County were destroyed. In response to the fire, the Real Estate Fraud Program provided information to be distributed at the local assistance center for victims of the fire and provided information on social media. At the in-person events held at the fairgrounds, the Real Estate Fraud Program provided literature helping fire victims protect themselves from fraud.
- Ongoing outreach and awareness of rental scams continues to produce effective results.
- Continuing efforts to educate and inform the public by enhancing social media outreach presence by creating a Twitter account in addition to its already existing Facebook account. The office plans to utilize both of these networking sites to post educational and preventative information related to real estate fraud. Visitors to these Sites will also be provided with links that will allow them to view the El Dorado County District Attorney's Office Vacation Rental Scam public service announcement, the Real Estate Fraud "Tips Resources" brochure and the Vacation

Rental Scam Warning Flyer. Copies of the brochure and flyer are available to the public in the front lobby of the DA's office, County Recorder's Office, and at both the El Dorado County and El Dorado Hills Chamber of Commerce offices.

- The DA's office is once again partnering with Craigslist to create an ad on their website for a vacation rental property that when accessed, redirects the visitor to the District Attorney's Office website for information on rental fraud.
- The DA's Office has continued to do outreach through social media to alert the public to the signs of vacation rental fraud.
- This year, the Real Estate Fraud Program prepared and posted three articles focused on a variety of topics associated with real estate fraud and its warning signs.
- Investigator Brown and other members of the Real Estate Fraud Program also met with personnel from the El Dorado County Recorder Clerk's Office to establish avenues of communication for better reporting of potential real estate fraud discovered by their office.

PROGRAM RECOMMENDATIONS:

- The DA's Office once again had a presence at the El Dorado County Fair that ran from June 15-18, 2023.
- The Real Estate Fraud program also had a presence at the Marshall Hospital sponsored Dementia Care Seminar at the El Dorado County Fairgrounds on March 31st 2023.
- The DA's Office continues to work collaboratively with all local, State, and Federal agencies to better serve the citizens of El Dorado County to address their real estate fraud concerns and investigate all cases reported.
- Moving forward in fiscal year 2022-2023, the El Dorado County District Attorney's Office will strive to improve its outreach efforts to include the following:
 - Continue/increase social media presence to better serve citizens of El Dorado County.
 - Complete (in-progress) billboard advertisement project in El Dorado County associated with real estate fraud.
 - Continue to develop office protocols to allow real estate funds to bolster other investigations wherein real estate fraud is a component but not the main focus.
 - Work with local Law Enforcement agencies to help them identify and investigate real estate fraud cases.
- The DA's Office hopes that its ongoing community outreach efforts will not only continue to provide education to its citizens but increase the number of real estate fraud related cases reported within the county.

FY 22/23 EXPENDITURE REPORT:

- Discussion: Justene Cline reviewed the FY 22/23 Real Estate Fraud Summary. Total revenue of \$24,596.37 and expenses of \$39,007.46.

Trust Fund Beginning Balance as of July 1, 2022	\$ 602,874.97
Revenue from Recorded Documents	\$14,485.60
Interest	<u>\$10,110.77</u>
Total Revenue	\$24,596.37
Total Estimated Expenditures FY 22/23	<u>\$ 39,007.46</u>
Adjusted Estimated Ending Fund Balance	<u>\$ 588,463.88</u>

- Vote approving transfer of estimated \$39,007.46 from Trust Fund:
 - Motion by: Jeff Leikauf
 - Second by: Sue Hennike
 - Approved by all voting members
- This Report is scheduled on the Consent Calendar for the Board of Supervisors Meeting on July 25, 2023.

MEETING ADJOURNED: 1:15 P.M.