

# Real Estate Fraud Prosecution Trust Fund Committee Annual Meeting Minutes: FY 2021/2022

**DATE:** July 12, 2022

## **ATTENDEES:**

Kimberley McAdams – Program Manger, Department of Health & Human Services  
(*voting member-proxy for Daniel Del Monte*)  
Joe Alexander – Chief Assistant District Attorney  
Jeff Dreher – Chief DA Investigator  
James Clinchard – Assistant District Attorney  
Jodie Jensen – Deputy District Attorney, District Attorney’s Office  
Ted Horlbeck – Investigator, District Attorney’s Office  
Kimberly Beal - El Dorado County Association of Realtors  
Kerri Williams-Horn – Agency Chief Fiscal Officer, CAO’s Office (*voting member-proxy for CAO Ashton*)  
Bryan Golmitz – Undersheriff, El Dorado County Sheriff’s Office (*voting member-proxy for Sheriff D’Agostini*)  
Vern Pierson – District Attorney (*voting member*)  
Justene Cline – Administrative Analyst, CAO’s Office  
Savannah Broddrick – Administrative Technician, District Attorney’s Office

## **Absent Member(s):**

Don Ashton – CAO, El Dorado County (*voting member*)  
Daniel Del Monte – Department of Health & Human Resources (*voting member*)  
John D’Agostini – Sheriff, El Dorado County Sheriff’s Office (*voting member*)

**CALL TO ORDER:** 3:21 PM

## **DISTRIBUTION OF AGENDA AND ANNUAL REPORT FY 2021/2022**

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

## **DISCUSSION / REVIEW OF CASES:**

DAI Horlbeck discussed and summarized the 2021-2022 Real Estate Fraud Program:

- The number of cases reported to the District Attorney’s Office during FY 21/22 is lower than in years past and it appears as the Coronavirus (COVID-19) pandemic

has had an impact on the number of real estate fraud cases reported to the District Attorney's Office. As of June 30, 2021 a total of 13 cases have been reported to and investigated by the El Dorado County District Attorney's Office. This number is up 7 from last year. 3 cases were received in the month of June and will follow over into the next fiscal year. One of the cases that was reported in June was due to the outreach efforts from the DA's office fair booth where the reporting party was encouraged to report to the office for investigation.

- The El Dorado County District Attorney Office's ongoing outreach and awareness of vacation rental fraud in the South Lake Tahoe area continues to produce effective results. For the second consecutive year there were NO reported cases. The Office is currently working on updating its Vacation Rental Fraud public service announcement video which, when completed, will be available for viewing on its website and various social media platforms. The Real Estate Fraud "Tips & Resources" brochure and the Vacation Rental Scam Warning Flyer continue to be available in the front lobby of the District Attorney's Office and on its website.
- On August 14, 2021, the Caldor Fire erupted in the Grizzly Flats area. Over the course of 69 days, 221,835 acres burned, 50,000+ residents were evacuated, and 1,003 structures were destroyed. In response to the fire, the Real Estate Fraud Program created a Fraud Warning letter that was posted on social media to assist fire victims. Following the fire, the Caldor Fire Local Assistance Center was opened by the California Office of Emergency Services. Investigator Horlbeck was part of a large contingent of District Attorney's Office personnel who represented the Office at the Center. Their purpose was to provide real estate related assistance to fire victims while also warning them about potential scam targeting them during their clean-up and rebuilding process.
- While maintaining its commitment to keeping the citizens of El Dorado County informed, the District Attorney's Office used its social media presence by utilizing Facebook to post educational and preventive information related to real estate fraud. This year, the Real Estate Fraud Program prepared and posted six articles focused on a variety of topics associated with real estate fraud and its warning signs. Additionally, District Attorney Pierson, Deputy District Attorney Jodie Jensen, and Investigator Horlbeck made a presentation at the August meeting of the El Dorado County Board of Realtors. Investigator Horlbeck and other members of the Real Estate Fraud Program also met with personnel from the El Dorado County Assessor's Office to establish avenues of communication for better reporting of potential real estate fraud discovered by their office.
- The number of Notice of Default's by homeowners between 7/1/21 and 6/30/22 was 177, an increase of 38% from the 128 reported in FY 2020/21. The number of Notice of Trustee Sale's this year was 111 which represents a 79% increase from the 62 reported last year. Over the past three years however, the county has seen a consistent decrease in these numbers. The number of Notice of Default's

has dropped 28% from 247 to 177. Likewise, the number of Notice of Trustee Sale's has dropped from 150 to 111 which represents a 26% decrease.

**OUTREACH:**

- 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.

**FY 21/22 EXPENDITURE REPORT:**

- Discussion: Justene Cline reviewed the FY 21/22 Real Estate Fraud Summary. Total revenue of \$95,709.99 and expenses of \$27,901.01.

Trust Fund Beginning Balance as of July 1, 2021	\$535,110.14
Revenue from Recorded Documents	\$95,295.80
Interest	<u>\$2,414.19</u>
Total Revenue	\$630,820.13
Total Estimated Expenditures FY 21/22	<u>\$27,901.01</u>
Adjusted Ending Fund Balance	<u><u>\$602,919.12</u></u>

- Vote approving transfer of \$27,901.01 from Trust Fund:
  - Motion by: Kerri Williams-Horn
  - Second by: Kimberley McAdams
  - Approved by all voting members
- This Report is scheduled to be filed by the Board of Supervisors on July 26, 2022.
- It was suggested the Real Estate Recording fee be suspended based on the current health of the Real Estate Fraud Prosecution Fund balance. The current fee is \$2.00 per recording.
- District Attorney Vern Pierson motioned the suspension of the Real Estate Fraud Recording Fee for a period of three years.
- Vote approving the suspension of the Real Estate Fraud Recording Fee for a period of three years.
  - Motioned by: Vern Pierson

Real Estate Fraud Prosecution Trust Fund  
Annual Meeting Minutes: FY 2021/2022  
July 12, 2022

- Second by: Kerri Williams-Horn
- Approved by all voting members

**MEETING ADJOURNED: 3:40 P.M.**