

Real Estate Fraud Prosecution Trust Fund Committee Annual Meeting Minutes: FY 2014/2015

DATE: July 30, 2015

ATTENDEES:

Vern Pierson - District Attorney (voting member)
Larry Combs - Chief Administrative Officer (voting member)
Don Ashton - Director Human Services (voting member)
Kimberly Beal- El Dorado County Association of Realtors
Robert Leach – Investigator, District Attorney’s Office
James Clinchard – Assistant DA, District Attorney’s Office
Tracy Nolan – Detective, El Dorado County Sheriff’s Office
Shaneen May – District Attorney’s Office

Absent Members:

John D’Agostini – Sheriff, El Dorado County Sheriff’s Office (voting member)

Proxy Members (for absent voting members):

Tracy Nolan, Detective, EDSO, for John D’Agostini, Sheriff (voting member)

CALL TO ORDER: 3:00 p.m.

INTRODUCTIONS:

DISTRIBUTION OF ANNUAL REPORT FY 2014/2015

DISCUSSION / REVIEW OF CASES:

ADA Clinchard advised of District Attorney Investigator Leach’s past experience: 15 years as a police officer and 20 years as a real estate developer. DAI Leach discussed the current trends in real estate fraud and several ongoing cases:

- Internet real estate fraud is on the rise. Real estate offices are opening escrow accounts with out of country buyers – disbursing funds from the deposit (forged cashier’s check).
- The east slope of the County (South Lake Tahoe) is experiencing a large increase in Craigslist rental thefts. Victims are renting properties via electronic posts/pictures and sending rental funds to real bank accounts (out of state) – only to realize that upon arrival the property is already occupied.
- Construction fraud is occurring wherein people are selling land that they do not own.
- Asbestos matter – property owner purposely applied the wrong APN on documents and filed a false permit with the County of El Dorado.
- Seniors are at a higher risk for real estate fraud.

- Beal inquired that if a matter has real estate charges combined with additional charges – what source of funding is being used. DAI Leach informed her that he only works on the matters that have real estate charges. Detective Nolan (EDSO) advised that he works on the elder abuse matters.

ADA Clinchard reviewed the stats listed within the Report:

- CAO Combs had a question regarding the number of cases filed vs the number of cases investigated. ADA Clinchard explained that many cases are found to be civil matters – however this is not determined until after investigation. Additionally, many cases are not provided to the District Attorney’s office until after the statute has run.
- Detective Nolan commented that the January, 2013 statutes changed the guidelines as to which real estate fraud cases may be prosecuted.

OUTREACH:

DAI Leach has had several meetings with brokerage firms. A presentation on mortgage fraud has been provided to the El Dorado County Senior Center. DAI Leach spoke with the El Dorado County Association of Realtors. Beal advised that 50% of the 1,000 members of the El Dorado County Association of Realtors work from small (5 or less staff) offices. DAI Leach would like to see an increase of marketing to realtors. DA Pierson advised that the website is in the process of being upgraded to include more information about real estate fraud.

REVENUE FROM RECORDED DOCUMENTS:

- DA Pierson does not anticipate needing to increase the current \$3.00 fee received from the County from specific real estate documents. If, in the future, the need arises, the issue will be brought back for discussion.

FY 14/15 EXPENDITURE REPORT:

- ADA Clinchard presented the Annual Expenditure Report of 7/1/14 – 6/30/15.

Trust Fund Beginning Balance as of July 1, 2014	\$ 84,793.26
Revenue from Recorded Documents	128,700.90
Interest	<u>443.04</u>
Unadjusted Ending Balance as of June 30, 2015	\$213,937.20
Total Expenditures FY 14/15	<u>\$ 62,279.64</u>
Adjusted Ending Fund Balance	<u>\$ 151,657.56</u>

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- Vote approving transfer of \$62,279.64 from Trust Fund:
 - Motion by Larry Combs – Chief Administrative Officer
 - Second by Don Ashton – Director, Human Services
 - Approved by all voting members: Larry Combs, Don Ashton, Vern Pierson, Tracy Nolan (for Sheriff D’Agostini).

- DA to present report at Board of Supervisors on August 11, 2015.

MEETING ADJOURNED: 3:30 p.m.