



## **Professional Fiduciaries Bureau Advisory Committee Meeting Minutes Wednesday, September 11, 2024**

### Committee Members Present

Bertha Hayden Sanchez, Chair (attending remotely)  
Elizabeth Ichikawa, Vice Chair (attending remotely)  
Joyce Anthony (attending remotely)  
James Moore (attending remotely)  
Linda Ng (attending remotely)  
Alfred Torregano (attending remotely)

### Staff Present

Terri McClain, Program Manager, Professional Fiduciaries Bureau  
Helen Geoffroy, Legal Counsel, Department of Consumer Affairs  
Angela Cuadra, Program Analyst, Professional Fiduciaries Bureau (attending remotely)

1. Call to Order – Bertha Sanchez Hayden, Chair  
Chair Sanchez Hayden called the meeting to order at 10:02 a.m.
2. Roll Call and Establishment of Quorum – Angela Cuadra, Program Analyst  
Ms. Cuadra called roll. Committee members Chair Sanchez Hayden, Ms. Ichikawa, Ms. Anthony, Mr. Moore, Ms. Ng, and Mr. Torregano were present. A quorum was established with six members present.
3. Advisory Committee Members, Bureau Program Manager, Staff and Legal Counsel Introductions –

Committee members, Bureau staff, and legal counsel introduced themselves. Chair Sanchez Hayden noted that former Bureau Chief, Rebecca May's last day with the Bureau was July 12, 2024. Chair Sanchez Hayden also introduced and welcomed Terri McClain who is the Bureau's new Program Manager as of August 5, 2024.

4. Public Comment on Items Not on the Agenda

Chair Sanchez Hayden explained this agenda item is intended for the public to comment on items not included on today's agenda.

Public Comment:

DCA Chief Deputy Director, Christine Lally, joined in with the committee's appreciation of Ms. McClain joining the Bureau in August and stated she did not miss a beat, she is doing a wonderful job and assured the members and stakeholders that they are in good hands. Ms. McClain thanked Ms. Lally for her kind words.

Jodee Sussman commented the Bureau's mission is to protect consumers, but the Bureau is not protecting consumers. She stated there is a group of fiduciaries in Southern California and they are not doing what is in the best interest of the client, they are taking out loans and forcing sale of property. This is being done with corrupt attorneys who issue gag orders. She also stated her complaints to the Bureau have been ignored by the Bureau for a couple of years.

Farnaz Rahimi seconded Ms. Sussman's comment and stated she is one of the victims Ms. Sussman spoke about. She also stated her complaint has been ignored by the Bureau.

5. Reading of the Professional Fiduciaries Bureau Mission Statement – Terri McClain, Program Manager

Ms. McClain read the Bureau's mission statement.

Public Comment:

Jodee Susman commented the Bureau does not hold its licensees accountable.

6. Discussion and Approval of the Advisory Committee Meeting Minutes from June 12, 2024 – Bertha Sanchez Hayden, Chair

Ms. Ng suggested the Bureau remove "a" from the second to last line on page four and change the title of agenda item number ten to read "equity" on page five. Ms. Anthony motioned to approve the meeting minutes with the suggested changes by Ms. Ng and to allow Bureau staff to make non-substantive edits as needed. Ms. Ng seconded the motion. There was no discussion from the committee members.

Public Comment: None.

A roll call vote was held. Chair Sanchez Hayden, Ms. Ichikawa, Ms. Anthony, Mr. Moore, Ms. Ng, and Mr. Torregano voted to approve the motion. The motion carried with six votes. Ms. Cuadra noted that the minutes will be posted to the Bureau's website.

#### 7. Update from the Director's Office – DCA Executive Staff

Melissa Gear, Deputy Director of Board and Bureau Relations, provided an update on behalf of the Department of Consumer Affairs (DCA). Ms. Gear welcomed Ms. McClain.

She updated the Committee on Budget Letter (BL) 24-20, vacancy savings and position eliminations. Work continues to address the state's budget deficit. At the end of July, the Department of Finance issued BL 24-20 to reduce the state's workforce by 10,000 vacancies for a total of \$1.5 billion.

On August 16, 2024, the Department of Finance issued BL 24-24 which outlines the reduction of state department budgets by 7.95% for a total of \$2.1 billion. DCA has identified exempt costs that cannot be reduced. The final reduction plan will be submitted later this month.

On August 20, 2024, Jason Piccone, DCA Deputy Director of Office of Information Services, was honored for developing DCAs Federal Professional Licensing Portability and State Registration Portal. He received the best of California Award at the 2024 California Government Innovation Summit.

The last Board Member Orientation Training (BMOT) for 2024 will be offered on October 22.

#### Member Comment:

Mr. Torregano asked about the online portal which was implemented. Ms. Gear responded the portal is to assist military members and their spouses with the licensing process.

Public Comment: None.

#### 8. Budget Report – DCA Budget Analyst

Brendan Vue, Budget Analyst, Department of Consumer Affairs, provided the Bureau's budget update including the Bureau's expenditure projections and fund condition

statement. Related to expenditures, Mr. Vue noted the projections on the expenditure's handout are based on pre-actual data for 2023-2024 and includes 2022-2023 actual expenditures, and 2023-2024 budgeted and pre-actual expenditures. Mr. Vue stated the Bureau had a beginning base budget of a little over \$1.1 million and is projected to spend \$751,000 creating a reversion to the Bureau's fund of approximately \$369,000 or 33.04%.

Mr. Vue reviewed the Bureau's revenue projections handout. He noted this handout includes receipts collected through June and the projected revenue through year-end and explained he would go further into the projections as he presented the fund condition document.

Mr. Vue explained the fund condition document is read top to bottom, then left to right. The Bureau began 2023-2024 with \$254,000, collected \$841,000 in revenue, and expended \$797,000. The Bureau closed 2023-2024 with \$298,000 or 3 months in reserve. For current year, 2024-2025 the Bureau projects just over \$1.1 million in revenue and \$1.192 million in expenditures based on the Governor's Budget which will leave the Bureau with \$276,000 or 2.7 months in reserve.

Public comment: None.

#### 9. Legislative Update and Discussion – DCA Legislative Analyst

Julianne Allen, Legislative Analyst, Department of Consumer Affairs provided important upcoming 2024 legislative dates and an update regarding bills affecting the Bureau. Ms. Allen noted, AB 2148 (Low) bill failed passage out of the Senate Committee on Appropriation's Suspense file and will not be moving forward.

Public comment: None.

#### 10. Bureau Updates –Terri McClain, Program Manager

- Application, Licensing and Enforcement Statistics - Ms. McClain presented application, licensing and enforcement statistics from July 1, 2023, through June 30, 2024. Ms. McClain noted that in response to Ms. Anthony's question at the meeting in June, the Bureau looked at the third quarter renewal numbers in past years and determined the third quarter for each year is historically lower than the other quarters which may be based on the expiration date being based on birth month. Beginning January 1, 2024, new licenses will expire 12 months from issuance and will no

longer be based on the licensee's birth month. Additionally, the Bureau has received 38 more applications than last fiscal year. Ms. McClain stated the Bureau will continue to monitor the statistics for new applications and renewal numbers going forward to determine if the fee increases are a factor in less licensees applying and renewing.

- Outreach Events – Ms. McClain thanked Chair Sanchez Hayden for bringing to the Bureau's attention an outreach event that Ms. McClain will be attending on October 8, 2024. The event is California for all Ages and Disabilities Day of Action.
- E-Newsletter – Ms. McClain noted that the summer 2024 e-newsletter has been disseminated to the Bureau's interested parties list and is available on the Bureau's website and. She also stated if there are any items members of the committee, or the public would like to see in the newsletter to please reach out to the Bureau. Ms. McClain encouraged the members and the public to sign up for the interested parties list and to follow the Bureau on its social media platforms.
- Hiring enforcement staff – Ms. McClain noted that the Bureau is happy to announce the Bureau hired an enforcement analyst who began working for the Bureau in July 2024. The Bureau is excited to have a new team member who will assist the Bureau in protecting vulnerable consumers who receive professional fiduciary services.
- Strategic Plan Update – Ms. McClain stated that the Bureau is in process of moving to a paperless system which includes establishing a retention policy, purging obsolete files, and scanning files to retain electronically. Bureau staff is in process of completing desk manuals for enforcement and licensing manuals. In the future the Bureau will be cross training all staff in enforcement and licensing duties. In regard to the Diversity Equity and inclusion (DEI), the Bureau is updating the strategic plan to include DEI objectives in its plan. In July and August of 2024, the Solid team conducted a survey, and the Bureau staff will be meeting to update the Strategic Plan.

Ms. Anthony thanked Ms. McClain for researching the third quarter renewal numbers and noted that the fourth quarter also appear to be lower on this report. She noted she appreciates the Bureau continuing to look at this. Ms. Anthony also asked if the three cases initiated with the AG were on for this year and Ms. McClain stated this was for the fiscal year 2023-2024.

Mr. Torregano asked about the process during the 150-day processing time of a complaint. He also asked, how many citations would be issued before a license is

revoked. Ms. McClain stated the process in general is that the complaint is received and determines how to proceed. If an investigation is warranted, the analyst will investigate based on the Bureau's authority. Ultimately, if the allegations of a complaint are substantiated, the Bureau may move to citation or other discipline based on the severity of the violation. All licensees have the option of an informal conference with the Bureau when a citation is issued or to request a formal hearing with the Attorney General's office. The Bureau is hoping to see the numbers improve with the hiring of the new analyst. Ms. McClain also stated revocation is based on the egregiousness of the violation.

Ms. Ng stated the average number of new licenses issued per year is under 100. Ms. Ng asked if the Bureau's goal was to increase licensee numbers and how will outreach be conducted. Ms. McClain responded one of the goals is to reach out with the Advisory Committee Members to determine ways the Bureau can reach out to the public. Also, the Bureau will start reaching out with reminder notifications to licensees which will minimize the number of citations issued for licensing issues.

Public comment: Farnaz Rahini commented that her complaint has been with the Bureau for longer than 150 days.

Ms. Sussman commented that her complaint was submitted in 2021 and is still pending and that the statistics are misleading.

Michael Kanotz, Legal Counsel for DCA, interjected to state this is off topic and does not relate to the statistics.

#### 11. Future Agenda Items – Angela Cuadra, Program Analyst

Ms. Cuadra noted there was one request from Ms. Ng to include an item on how the Bureau plan specifically to increase its licensing numbers.

Public comment: None.

- Future Meeting Dates

Chair Sanchez Hayden provided the following confirmed meeting dates and tentative 2025 meeting dates: Wednesday, December 11, 2024; Wednesday, March 12, 2025; Wednesday, June 11, 2025; Wednesday, September 10, 2025; and, Wednesday, December 10, 2025.

Public comment: None.

12. Adjournment

Chair Sanchez Hayden adjourned the meeting at 11:13 a.m.