

Administrative Office of the Courts



INVESTIGATION SUMMARY, DETERMINATION, PROBABLE CAUSE REVIEW, AND RECOMMENDATION REPORT

Complaint No. 23-0027

License No. [REDACTED]

June 3, 2024

Certification and Licensing Division

**ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE OF THE COURTS
INVESTIGATION SUMMARY, DETERMINATION, PROBABLE
CAUSE REVIEW, AND RECOMMENDATION REPORT**

LICENSEE INFORMATION	License Holder: Patricia Flores License Number: [REDACTED] Type of License: Individual Fiduciary
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COMPLAINANT	Name: HeidiAnn Hinrichs
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INVESTIGATION INFORMATION	Complaint Number: 23-0027 Investigator: Janelle Bauserman
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Complaint Received:	June 27, 2023
Complaint Forwarded to the Licensee:	August 18, 2023
Licensee Received Complaint:	August 23, 2023
Response From Licensee:	December 22, 2023
Period of Active Licensure:	August 22, 2006 – Present
Status of License:	Active
Availability of Licensee:	Available
Availability of Complainant:	Available
Report Date:	June 3, 2024

ALLEGATIONS:

1. Patricia Flores failed to timely respond to the heirs' inquiries.
2. Patricia Flores failed to practice competently.
3. Patricia Flores failed to provide annual accountings to the estate heirs.
4. Patricia Flores failed to timely settle the estate.

DIVISION'S ALLEGATIONS:

5. Patricia Flores failed to provide a written response to the complaint within thirty days and failed to submit a request for an extension of time to provide a written response.
6. Patricia Flores failed to fully cooperate with the Division's investigation.

List of sources for obtaining information: (Investigative, records, outside resources, etc.):

- Written complaint and documentation submitted by HeidiAnn Hinrichs ("HeidiAnn")
- Written response and documentation submitted by Patricia Flores ("Flores")

- Review of applicable Certification and Licensing Division (“Division”) records
- Review of applicable sections of Arizona Revised Statutes (“A.R.S.”), Arizona Codes of Judicial Administration (“ACJA”) § 7-201 and § 7-202, and Arizona Supreme Court Rules
- Pima County Superior Court of Arizona docket for probate case numbers PB20200833 and PB20220297.

PERSONS INTERVIEWED:

1. HeidiAnn Hinrichs
2. Ken Byrd
3. Patricia Flores

SUMMARY OF INVESTIGATION & ANALYSIS OF ALLEGATIONS:

James Hinrichs (“Hinrichs”) died intestate on April 1, 2020. HeidiAnn, and her sister, Melissa; and brother, Connan; were the estate heirs. In June 2020, HeidiAnn and Melissa contacted attorney Joan Sacramento (“Sacramento”) to engage her services to settle Hinrichs’ estate. Sacramento suggested the heirs enlist the assistance of a fiduciary instead and recommended Flores. Sacramento explained that she would then represent Flores and Hinrichs’ estate.

Flores was appointed as Personal Representative for the estate on November 20, 2020, per Letters of Appointment. The inventory Flores filed with the court on August 20, 2021, shows the estate had two bank accounts and a safe deposit box with a combined balance of \$45,508; real property valued at \$76,112; and \$500 in personal effects.

Allegation 1: Flores failed to timely respond to the heirs’ inquiries.

HeidiAnn’s complaint, attached to this investigation summary as Exhibit 1, was received by the Division on June 27, 2023. In the complaint, HeidiAnn alleged that Flores’ “non-communication,” even when asked direct questions, has been a problem throughout Flores’ estate administration. She said the heirs have begged for information and they enlisted Sacramento’s assistance to pressure Flores to respond to the heirs’ emails and text messages.

In a November 19, 2023, follow-up email to the Division, HeidiAnn said that during Flores’ administration of the estate, there were many times when the heirs wanted questions answered and would have to “badger” Flores or her staff for weeks or months to get any reply.

During her February 12, 2024, interview with the Division, HeidiAnn was asked how much time would pass between asking Flores a question or requesting information and receiving an answer. HeidiAnn said several weeks to a month or more would go by, and they would ask Flores again. HeidiAnn said she often had to ask Flores multiple times for the answers

or information they sought. She said there were times they never received an answer from Flores.

In her November 19, 2023, email to the Division, HeidiAnn said she has not heard from Flores since filing the complaint. She said the heirs emailed Flores and Sacramento for a status update in June 2023. They received no response from Flores and only an email from Sacramento saying she was starting the closing process. HeidiAnn noted that in October 2023, Sacramento emailed the heirs to get their social security numbers, which HeidiAnn said had been provided to Flores multiple times. HeidiAnn said they still have no idea what is happening or when the estate might be closed.

Although Flores did not timely submit a written response to the complaint, due on or about September 23, 2023, the Division eventually received a written response from Flores' counsel, Samantha Stirling ("Stirling"), on December 22, 2023. In the response, Stirling, for Flores, opined that the communication issues primarily cited in HeidiAnn's complaint occurred from December 2022 to March 2023, following the shooting, hospitalization, and subsequent death of Flores' husband, Jose. Stirling said that Flores was less available during that time. Stirling noted that "none of the delayed responses from [Ms.] Flores to the heirs' emails breaches any fiduciary duty set forth in A.R.S. Title 14 or responsibilities under the ACJA. [Ms.] Flores provided the information required under the statutes to keep the beneficiaries reasonably informed." Because Flores did not initially sign the December 22, 2023, response to the complaint authorized by Stirling, the Division requested and received a signed statement from Flores verifying the information contained in the response was true, accurate, and complete.

During her February 16, 2024, interview, Flores was asked if she has a standard policy for returning telephone calls and emails. She said she generally tries to respond within 48 hours. She said it would be ideal if a response could be done within 24 to 48 hours every time, but she acknowledged that does not always happen.

The Division reviewed several emails Flores and HeidiAnn provided, demonstrating the heirs' frustration with Flores' communication. In emails sent throughout 2022 and into 2023, the heirs asked Flores for updates on the estate administration, including accounting information, details on the repair and sale of Hinrichs' real property, and a projected distribution and closing date.

The Division did not find evidence that Flores provided any of the requested accounting information or details of the repairs and improvements she made to Hinrichs' property or the cost of those repairs. The Division did not find evidence that Flores discussed the needed repairs with the heirs or advised them that undertaking the repairs would prolong the estate administration.

The email records provided by Flores and HeidiAnn show the heirs frequently followed up on their requests for information. For example, on November 5, 2022, HeidiAnn's husband, Ken Byrd ("Ken"), wrote to Flores:

Good Afternoon,

I have texted you this week without any reply. I hope you are well and not ill or otherwise. I can't think of any other reason for not at least acknowledging a message. Not meaning to be a sneaky wheel but wondering if you had a timeframe of when this would be over since we are 2 months past closing. We have no idea how long it takes to make sure the estate has been settled with everyone. I assume it has cleared the probate officially? With no communication it's hard for us to understand what to expect. There is no need to be defensive of explain what you have done and all the work you have put into this.....that is not in question. We only wonder what happens NEXT. I'm sure you are very busy but 5 minutes to answer a text or email would be appreciated so I don't have to start calling people at the court house in Arizona to get a status of things.

After Flores' prolonged absence [December 2022 through March 2023] following her husband's death, Ken wrote the following to Sacramento on March 7, 2023:

From: [Ken Byrd](#)
Sent: Tuesday, March 7, 2023 6:44 PM
To: [Joan Sacramento](#); [HeidiAnn Hinrichs](#)
Subject: Re: Consultation

Hello Joan,

I am aware of the horrible situation that Patricia went through back in December with her husband. Her and her daughter are unresponsive to emails and texts. I am wondering if you know their status or when they might return to work? We are coming up on three years since the start of the process and were supposedly very close to ending it when things went down with her husband (the house had sold in October/November)I am very sympathetic to her situation. I just don't know what to do if she won't communicate her plans/status. Heidi and Melissa want to be able to move forward and finally put the grief of THEIR father behind them and it's hard to do until the estate is finalized. Any advice on what to do would be appreciated.

Ken & Heidi



The email records provided by Flores and HeidiAnn demonstrate that Flores' responses to the heirs' inquiries were delayed and, sometimes, there was no response.

Despite Flores' attorney, Stirling, contending that Flores kept the heirs reasonably informed, the Division found little evidence that Flores provided sufficient information about the financials, house repairs, expenses, and probate process to allow the heirs to protect their interests throughout the estate administration. For instance, Ken's November 5, 2022, email shows the heirs were unfamiliar with the probate process and requested Flores to provide more information and clarity.

The Division notes that similar allegations have been lodged and substantiated against Flores in previous complaints before the Fiduciary Board. For example, in complaint number 20-0003, the complainant said that Flores had a "tendency" to avoid answering estate-related questions and did not provide information that was requested from her. In complaint numbers 21-0045/21-0046, the complainants provided numerous documents showing difficulty obtaining information and answers from Flores. The Board accepted the Division's recommendation substantiating these findings in complaint numbers 21-0045/21-0046 and the matter is under review with the Presiding Disciplinary Judge at the time of this report.

The evidence demonstrates that Flores failed to timely respond to the heirs' inquiries in violation of the following authorities:

ACJA § 7-201(H)(6)(a) Failed to perform any duty to discharge any obligation in the course of the certificate holder's responsibility as required by law, court rules, this section or the applicable section of the ACJA.

ACJA § 7-201(H)(6)(k)(6) Failed to practice competently by use of unsafe or unacceptable practices.

ACJA § 7-201(H)(6)(k)(7) Failed during the performance of any responsibility or duty of the profession or occupation to use the degree of care, skill and proficiency commonly exercised by the ordinary skillful, careful and prudent professional certificate holder engaged in similar practice under the same or similar conditions regardless of any level of harm or injury to the client or customer.

ACJA § 7-201(H)(6)(k)(8) Failed to practice competently by reason of any cause on a single occasion or on multiple occasions by performing unsafe or unacceptable client or customer care or failed to conform to the essential standards of acceptable and prevailing practice.

ACJA § 7-202(J)(6)(e) A fiduciary shall resolve questions in good faith and make decisions that are most beneficial to the estate.

ACJA § 7-202(J)(6)(d) A fiduciary shall exercise intelligence, prudence, and diligence in providing competent management of the property and income of the estate. A fiduciary acting as a personal representative must observe the standards of care and duties applicable to trustees.

ARS § 14-3703(A) Except as provided in the will of the decedent, a personal representative is a fiduciary who shall observe the standards of care applicable to trustees as described by sections 14-10804 and 14-10806 and the duties of accounting applicable to trustees as provided in section 14-10813, subsection C. A personal representative is under a duty to settle and distribute the estate of the decedent in accordance with the terms of any probated and effective will and this title, and as expeditiously and efficiently as is consistent with the best interests of the estate. The personal representative shall use the authority conferred by this title, the terms of the will, if any, and any order in proceedings to which the personal representative is a party for the best interests of successors to the estate.

ARS § 14-10813(A) Unless the trust instrument provides otherwise, a trustee shall keep the qualified beneficiaries of the trust reasonably informed about the administration of the trust and of the material facts necessary for them to protect their interests. Unless the trustee determines that it is unreasonable under the circumstances to do so, a trustee shall promptly respond to a beneficiary's request for information related to the administration of the trust.

Allegation 1 is substantiated.

Allegation 2: Flores failed to practice competently.

In her complaint, HeidiAnn said, "in the best-case scenario, Flores is incompetent and should not be trusted with a license to handle people's estates." HeidiAnn identified three areas of concern, which she described as a lack of attention to detail:

1. The heirs had to correct typographical errors on documents before they were filed.
2. When HeidiAnn moved from Germany to Japan, Flores failed to update her address and mailed legal documents to the wrong address.
3. Flores could not complete wire transfers to HeidiAnn and Melissa without problems, which Flores repeatedly blamed on the banks.

When asked about the typographical errors during her interview with the Division, HeidiAnn could not recall the specific documents the heirs corrected. She said she remembers that her last name was frequently misspelled in communications. The Division was unable to independently verify through its review of records provided by HeidiAnn and Flores that the errors referenced by HeidiAnn were made by Flores.

During her interview, HeidiAnn was asked about the issue with her mailing address. She said Flores sent the settlement paperwork for Hinrichs' real estate to the wrong address. She said she gave Flores their updated address when they moved, but the documents were still sent to the incorrect address. A review of the emails provided by HeidiAnn and Flores shows that HeidiAnn reminded Flores of her updated address on at least three occasions and requested the documents that were mailed to the wrong address several times.

Flores' billing records show that HeidiAnn provided an updated address in November 2021. In her billing, Flores noted that she updated the address in the Hinrichs file and advised her assistant of the change. Despite her acknowledgement of the new address, Flores sent the closing statement to HeidiAnn's old address in 2022. In an email dated March 14, 2023, Flores told HeidiAnn that "a change of address was indeed made to your office file but apparently that change of address did not make its way to the mailing envelope." An email from Flores' assistant to HeidiAnn shows that the closing statement was mailed to HeidiAnn's correct address on April 11, 2023.

The Division asked HeidiAnn about the difficulties with the wire transfers that she alleged in her complaint. HeidiAnn said Flores told the heirs that she sent wire transfers several times, but they did not arrive. After several days, HeidiAnn followed up and told Flores they had not received the transfers. She said Flores always had an excuse or would blame the bank when the money did not arrive. HeidiAnn said Flores sent too much money to Melissa one time and wanted Melissa to cancel the transfer. HeidiAnn said the transfer did not go through another time because Flores had one wrong number in HeidiAnn's bank account information. HeidiAnn said she thought Flores should be able to handle a wire transfer since it is part of her business.

In her March 22, 2023, email to the heirs, Flores explained that she could only transfer \$25,000 at one time and only one time per day from her desk computer. Each heir received \$60,000, necessitating Flores to make three separate and individual wire transfers to each heir.

Flores was asked about the issues with the wire transfers during her February 16, 2024, interview. She said that every time she set up a transfer the bank would stop it or reverse it. Flores said she called the bank each time and thought she had gotten everything straightened out, only to have the next transfer stopped or reversed. When asked if she considered going to the bank branch to complete the transfers, she said she would have to make an appointment to go to the bank and she was trying to get the heirs their money as fast as she could. When Flores was asked how long it took her to complete the \$60,000 transfers she said, “about a week, it wasn’t that long.”

The email records provided by Flores show the considerable difficulty she had making the wire transfers. In an email dated June 14, 2023, Flores told the heirs that Chase Bank stopped it every time she initiated a transfer and requested verbal verification. Flores also told the heirs that the Chase Bank representative sent Melissa an extra transfer of \$50,000. In her email, Flores said she would never again think this type of transfer was a good idea. Despite encountering the same issues with each wire transfer, Flores persisted in her efforts to complete the transfers from her desk computer rather than going to a bank branch.

The Division notes that some of the complexity might have been avoided had Flores gone to a bank branch to send the \$60,000 transfers to HeidiAnn and Melissa. In her May 31, 2023, email to the heirs, Flores said she could not get an appointment at the bank branch until the following week. Flores said she would initiate the three transfers from her desk computer to each heir instead. Flores said it was “a long way around” getting the funds to the heirs, but she claimed it would be faster in the long run. The email and bank records show it took Flores from June 1, 2023, until June 20, 2023, to complete the six transfers to HeidiAnn and Melissa.

The Division notes that many of the “competency” issues alleged by HeidiAnn are similar to those in previous complaints before the Board. For example, in complaint numbers 21-0045/21-0046, Flores mailed documents and a disbursement check to an incorrect address after being notified multiple times of the beneficiary’s change of address. The Division contends that Flores has demonstrated a pattern of a lack of attention to detail, care, and skill commonly exercised by a fiduciary with her experience. The Board accepted the Division’s recommendation substantiating these findings in complaint numbers 21-0045/21-0046 and the matter is under review with the Presiding Disciplinary Judge at the time of this report.

The evidence demonstrates that Flores failed to practice competently in violation of the following authorities:

ACJA § 7-201(H)(6)(a) Failed to perform any duty to discharge any obligation in the course of the certificate holder's responsibility as required by law, court rules, this section or the applicable section of the ACJA.

ACJA § 7-201(H)(6)(k)(6) Failed to practice competently by use of unsafe or unacceptable practices.

ACJA § 7-201(H)(6)(k)(7) Failed during the performance of any responsibility or duty of the profession or occupation to use the degree of care, skill and proficiency commonly exercised by the ordinary skillful, careful and prudent professional certificate holder engaged in similar practice under the same or similar conditions regardless of any level of harm or injury to the client or customer.

ACJA § 7-201(H)(6)(k)(8) Failed to practice competently by reason of any cause on a single occasion or on multiple occasions by performing unsafe or unacceptable client or customer care or failed to conform to the essential standards of acceptable and prevailing practice.

ACJA § 7-202(J)(6)(d) A fiduciary shall exercise intelligence, prudence, and diligence in providing competent management of the property and income of the estate. A fiduciary acting as a personal representative must observe the standards of care and duties applicable to trustees.

Allegation 2 is substantiated.

Allegation 3: Flores failed to provide annual accountings to the estate heirs.

In her complaint, HeidiAnn claimed to have received no annual statements or details of the estate administration. She said the heirs were concerned Flores was misusing money to which she had access.

In a request for additional documents, the Division asked Flores to provide all estate accountings and financial statements prepared on behalf of the estate. In response, Stirling, for Flores, sent the Division the waivers of formal accounting signed by each heir in 2023. Stirling's accompanying statement was, "Formal Accountings were waived by the heirs."

Email records provided by Flores through Stirling show the following interactions between Flores and the heirs regarding the accountings:

- On December 1, 2021, Flores informed the heirs that she would "put a short accounting together" to show what had occurred that year.
- On August 28, 2022, HeidiAnn wrote to Flores asking when she would send the statement showing all the estate assets and vehicles found and sold, repairs, and final distribution amounts.
- On January 16, 2023, Flores told the heirs that she anticipated having the estate accounting finished and sent to them by the end of January.

- On March 22, 2023, Flores told HeidiAnn that the waiver of final accounting did not mean the heirs would not receive an accounting, but that a formal accounting would not be filed with the court. Flores indicated that the formal accounting has many court forms and other extraneous information, so the heirs would receive an informal accounting.
- On March 31, 2023, Flores told the heirs that documents supporting the accounting to be provided were being prepared and would accompany banking information.
- On April 3, 2023, Flores told the heirs that she would provide a full informal accounting that would include funds in and out of the estate, what funds were spent on, and her billing statements for Hinrichs' and Janette's estates.
- On April 18, 2023, Flores emailed Sacramento and her legal assistant, saying, "you mentioned that you do not want to allow Heidi, Melissa, and Connan to sign a waiver of formal accounting. I am afraid I am going to override you on that. These folks are now in a rush to get this "finished." I don't know in what way things changed for them but nevertheless, I would like to send them the documents to sign and avoid a formal accounting. Of course (*sic*) there will be an accounting and as "informal" as it may be (*sic*) it will be an accounting." Flores went on to say, "Once they send back and I have received the waiver of accounting signed and returned, THEN I will (*sic*) the funds can be distributed."
- On June 7, 2023, HeidiAnn asked Flores when the heirs could expect to receive "the statement and balance sheet" for the estate. Flores responded on June 7, 2023, saying the full accounting was nearly finalized. Flores said she would provide "the accounting along with all invoices and receipts for all bills, construction, repairs, equipment, and funds received for the Estate."

Flores' claim that documents were being compiled to support the accounting and that an accounting would be forthcoming, but her billing records do not reflect time spent on these activities or that the information was ever provided to the heirs.

During her interview with the Division, HeidiAnn was asked what accountings or other financial information the heirs received from Flores. HeidiAnn said the only information they received was the settlement statement from the house sale. She said no other accountings or financial statements have been provided. She said they have not received Flores' billing statements, estate bank statements, or an accounting of the assets sold.

Regarding waiving a formal accounting, the email records show Flores told the heirs that it would delay the estate closing if they elected to receive a formal accounting. For example, in one email dated March 22, 2023, Flores told Ken and HeidiAnn that a formal accounting has many court forms and other extraneous information. In an email dated April 3, 2023, Flores told the heirs that if a formal accounting is prepared, additional documents must be generated, filed, and approved by the judge, often at a hearing. Flores said a formal accounting would take longer and require extra time from her and her attorneys' offices.

During her interview, HeidiAnn was asked why the heirs decided to sign the waiver of formal accounting. She said it was because Flores and Sacramento said they would still get an informal accounting. HeidiAnn noted that she and Melissa were hesitant to sign

anything waiving the formal accounting, but Sacramento told them a formal accounting would “drag things out for more months.” HeidiAnn said she and Melissa discussed it and decided since they were not receiving requested information and felt they probably never would, they might as well sign the waiver and “be done with it.”

HeidiAnn was asked if the heirs intended to waive all accountings. HeidiAnn replied, “No, absolutely not.” She said they have been asking Flores for communication and information from the beginning, but Flores “just went and did stuff without discussing anything.”

During her February 16, 2024, interview, Flores was asked to explain the difference between an informal and a formal accounting provided by a Personal Representative. She said a formal accounting would be filed with and approved by the court before assets were released to the beneficiaries. She said that with formal accountings, each beneficiary receives a copy of the accounting and must unanimously approve it. Flores said an informal accounting in a situation such as the Hinrichs matter would not be filed with the court. In this case, she said the informal accounting would be more of a “quick and dirty kind of information about what went on with the finances.”

During the interview, Flores was asked why the heirs did not receive annual accountings in 2021 and 2022 before signing the formal accounting waiver in 2023. Flores said she would have to check her records to see what was provided to the heirs.

Despite the Division’s repeated requests to Flores to provide all accountings prepared on behalf of the estate, the Division has no record of receiving these records from Flores.

The Division notes that similar allegations have been lodged and substantiated against Flores in prior complaints before the Board. For example, in complaint number 20-0003, the beneficiaries received two incomplete accountings over Flores’ four-year administration. The first accounting lacked Flores’ invoices/billing and her attorney’s invoices/billing. The second and final accounting the beneficiaries received did not include Flores’ invoices/billing for the final year of her administration. Similarly, in complaint numbers 21-0045/21-0046, the heirs did not receive any full annual accountings that detailed Flores’ fees and costs. The Board accepted the Division’s recommendation substantiating these findings in complaint numbers 21-0045/21-0046 and the matter is under review with the Presiding Disciplinary Judge at the time of this report.

The evidence demonstrates that Flores failed to provide annual accountings to the estate heirs in violation of the following authorities:

ACJA § 7-201(F)(1): Each individual certificate holder shall adhere to the code of conduct or standards of conduct, subsection (J) in the applicable section of the ACJA.

ACJA § 7-201(H)(6)(a) Failed to perform any duty to discharge any obligation in the course of the certificate holder’s responsibility as required by law, court rules, this section or the applicable section of the ACJA.

ACJA § 7-201(H)(6)(k)(6) Failed to practice competently by use of unsafe or unacceptable practices.

ACJA § 7-201(H)(6)(k)(7) Failed during the performance of any responsibility or duty of the profession or occupation to use the degree of care, skill and proficiency commonly exercised by the ordinary skillful, careful and prudent professional certificate holder engaged in similar practice under the same or similar conditions regardless of any level of harm or injury to the client or customer.

ACJA § 7-201(H)(6)(k)(8) Failed to practice competently by reason of any cause on a single occasion or on multiple occasions by performing unsafe or unacceptable client or customer care or failed to conform to the essential standards of acceptable and prevailing practice.

ACJA § 7-202(J): Code of conduct establishes minimum standards of performance for licensed fiduciaries, is adopted by the supreme court under A.R.S. § 14- 5651(A)(1), and must be followed by all licensed fiduciaries in the state of Arizona. A violation of the code of conduct is unprofessional conduct and is grounds for discipline under ACJA § 7-201(H)(6)(k).

ACJA § 7-202(J)(1)(a) The fiduciary shall perform all duties and discharge all obligations in accordance with current Arizona law, federal law, administrative rules, court orders, court rules, administrative orders, and the Arizona Code of Judicial Administration.

ACJA § 7-202(J)(6)(d) A fiduciary shall exercise intelligence, prudence, and diligence in providing competent management of the property and income of the estate. A fiduciary acting as a personal representative must observe the standards of care and duties applicable to trustees.

ARS § 14-3703(A) Except as provided in the will of the decedent, a personal representative is a fiduciary who shall observe the standards of care applicable to trustees as described by sections 14-10804 and 14-10806 and the duties of accounting applicable to trustees as provided in section 14-10813, subsection C. A personal representative is under a duty to settle and distribute the estate of the decedent in accordance with the terms of any probated and effective will and this title, and as expeditiously and efficiently as is consistent with the best interests of the estate. The personal representative shall use the authority conferred by this title, the terms of the will, if any, and any order in proceedings to which the personal representative is a party for the best interests of successors to the estate.

ARS § 14-3933(A)(3) Sent a copy of the statement to all distributees of the estate and to all creditors or other claimants of whom the personal representative is aware whose claims are neither paid nor barred and has furnished a full account in writing of the personal representative's administration to the distributees whose interests are affected thereby.

ARS § 14-10813(A) Unless the trust instrument provides otherwise, a trustee shall keep the qualified beneficiaries of the trust reasonably informed about the administration of the trust and of the material facts necessary for them to protect their interests. Unless the trustee determines that it is unreasonable under the circumstances to do so, a trustee shall promptly respond to a beneficiary's request for information related to the administration of the trust.

ARS § 14-10813(C): A trustee shall send to the distributees or permissible distributees of trust income or principal and to other beneficiaries who request it, at least annually and at the termination of the trust, a report of the trust property, liabilities, receipts and disbursements, including the source and amount of the trustee's compensation, a listing of the trust assets and, if feasible, their respective market values. On a vacancy in a trusteeship, unless a cotrustee remains in office, a report must be sent to the qualified beneficiaries by the former trustee. A personal representative, conservator or guardian may send the qualified beneficiaries a report on behalf of a deceased or incapacitated trustee.

Allegation 3 is substantiated.

Allegation 4: Flores failed to timely settle the estate.

In her complaint, HeidiAnn said that for the first two years of Flores' estate administration, COVID was the "default excuse" for the delays in the estate administration. HeidiAnn said after Hinrichs' home was sold in August 2022, the heirs were told the estate would be finalized in December 2022. HeidiAnn acknowledged the death of Flores' husband in December 2022, which caused work on the estate to halt. In March 2023, the heirs started giving Flores deadlines and threatening legal action. HeidiAnn said the heirs tried to give Flores time but thought 90 days seemed ample. She said the heirs implored Sacramento to push Flores to "finish what she started after missing multiple promised dates." HeidiAnn said she and her sister have tried to be patient, but after three years, they are "at the end of [their] rope."

In her response to the complaint, Stirling, for Flores, stated:

"While three years for an estate administration may seem like a very long time to a lay-person beneficiary, this time frame for an estate of this nature is not uncommon. The length of time that the Estates have taken to administer does not mean that Ms. Flores has violated any provision in the ACJA or Title 14 of the Arizona Revised Statutes. It is entirely unclear what rule or regulation would be implicated by the timing of this administration."

During the Division's interview with Ken and HeidiAnn, Ken said he found Stirling's comment that "to a layperson, three years may seem like a long time" very condescending. Ken said they have been through legal proceedings and understand there are delays, but Flores should have at least answered their inquiries and kept them apprised of what was going on.

In the response to the complaint, Stirling cited several issues that complicated the administration of this estate. Following is the summary she provided:

1. Issues with the real property on which a house and detached trailer were located.
 - a. The property was titled to [Hinrichs] and his late wife, Janette. A probate was necessary for Janette Hinrichs' Estate (herein, "Janette's Estate") in order for the property to be sold. There were no documents regarding Janette in the property, so Ms. Flores had to obtain a death certificate from the County before initiating her probate.
 - b. There were squatters living in the trailer that had to be evicted, which due to COVID eviction restrictions, delayed the sale of the property considerably.
 - c. Damage to the trailer was substantial and had to be remediated before sale. The trailer was not affixed to the property. In order to sell the property and include the value of the trailer, the trailer had to be affixed, which required skirting, tacking the trailer down, and changing the legal description of the property with the County.
 - d. Numerous repairs were necessary to the main house, as well, including painting and extensive cleaning.
 - e. The property is located 32 miles outside of Tucson, and finding vendors to provide the work needed was time-consuming and difficult.
 - f. The initial offer on the property was \$190,000. After Ms. Flores undertook the repairs described above, it ultimately sold for over \$300,000.
2. Liquidation of personal property included vehicles, an airplane engine, an RV, and tangible personal property. Towing and repairs were needed for the vehicles and the RV had to be towed, as well.
3. Allegations between family members/heirs regarding alleged misappropriations by one heir.
4. Confirmation of liability for [Hinrichs'] nursing home care, and assessment of whether one heir should bear that expense.
5. Claims against [Hinrichs'] Estate were filed that had to be litigated.
6. In 2021, COVID was still causing substantial delays across the board that impacted the administration of these Estates. From delays on the part of financial institutions to delays related to the trailer repairs and the aforementioned eviction moratorium.

The Division reviewed numerous documents provided by Flores through Stirling in consideration of Stirling's statements in the response to the complaint, and found as follows:

Item 1a: Janette's Estate

In the response to the complaint, Stirling said that the need to obtain Janette's death certificate and open a probate for Janette's estate delayed the Hinrichs estate administration. Email and billing records provided by Flores show:

- On May 21, 2021, Flores told the heirs that she did not want to open Janette's probate until the property sold, and she needed the authority to close on the sale.
- On May 26, 2021, Flores requested and received a copy of Janette's death certificate from HeidiAnn. Flores billed the estate \$37.50 to request and receive the death certificate from HeidiAnn.
- On February 18, 2022, Flores filed an application for informal probate.
- On March 15, 2022, Flores received letters of appointment as Janette's estate's personal representative.
- On May 14, 2022, Flores told the heirs that the estate property was under a sales contract.
- On July 29, 2022, Flores asked the heirs for a screenshot of Janette's death certificate.
- On August 10, 2022, Flores closed on the estate property sale.
- On August 11, 2022, Flores billed 3.2 hours for going to vital records to apply for and obtain Janette's death certificate.
- On November 29, 2022, Flores filed a closing statement for Janette's estate.

The records reviewed show Flores had an electronic copy of Janette's death as early as May 26, 2021. Flores said she intentionally held off on opening the probate for Janette until Flores was ready to sell the property. Once Flores filed an application for informal probate, Flores received letters of appointment within a month and nearly three months before notifying the heirs that Janette's property was under a sales contract.

The records demonstrate Flores timely received Janette's death certificate, which was required to open the probate, but Flores did not file to open a probate until nearly nine months later, on February 18, 2022. The records do not demonstrate that Janette's probate unduly delayed the administration of Hinrichs' estate.

Item 1b: Eviction of Squatters

Flores' January 18, 2021, billing records show she contacted landlord/tenant attorneys regarding eviction proceedings against the people living in a small trailer on Hinrichs' property. The individuals living in the trailer were doing so without a lease and, by all information, had never paid rent.

Flores' email records show that on February 18, 2021, the attorneys advised Flores they could either issue a 5-day notice to vacate or a 30-day non-renewal notice. With COVID-19 restrictions on the eviction of tenants behind on rental payments in place at that time, the attorneys said either option could get caught up in the moratorium. Flores responded that they should proceed with the 30-day non-renewal notice. In an email dated February 25, 2021, the attorneys advised Flores they had prepared the notice of nonrenewal effective March 31, 2021 and would send it to the squatters by certified and regular mail.

In an email to the heirs on May 17, 2021, Flores confirmed that the individuals vacated the property on March 31, 2021. The squatters were successfully evicted within four months of Flores' appointment as the estate's personal representative.

Flores' billing records show she spent approximately 2.3 hours communicating with the attorneys regarding the eviction. Email records show Sacramento had a conversation with Connan regarding the squatters on one occasion. This appears to be the extent of time Flores devoted to the eviction of the squatters.

Items 1c and 1d: Repairs/Improvements to the Main Home and Trailer

Flores' billing records show she began the process of cleaning out the estate's main house and grounds in December 2020. Cleaning the small trailer and repairs to the main house and small trailer started around August 2021 after Flores located approximately \$44,000 in Hinrichs' safety deposit box.

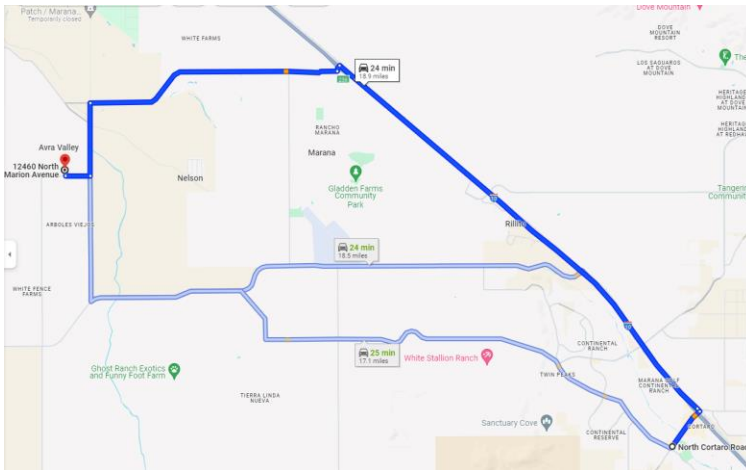
In an email dated December 1, 2021, Flores notified the heirs that cash in Hinrichs' safety deposit box allowed her to replace the carpet in both dwellings, repair holes in the walls of both dwellings, replace the skirting on the back mobile home, repaint the entire main house, replace bathroom vanities, repair the septic system, repair skirting, replace appliances, and clean up the yard. Flores' billing records show she inspected the contractor's work on the property on December 22, 2021.

Flores put Hinrichs' property on the market on or around February 26, 2022. After seven price reductions, an offer was received on the property on May 14, 2022, and the sale closed on August 10, 2022. Between May 2022 and August 2022, additional repairs were made to the property. The repairs appear to be a condition of the sale and were paid with sale proceeds.

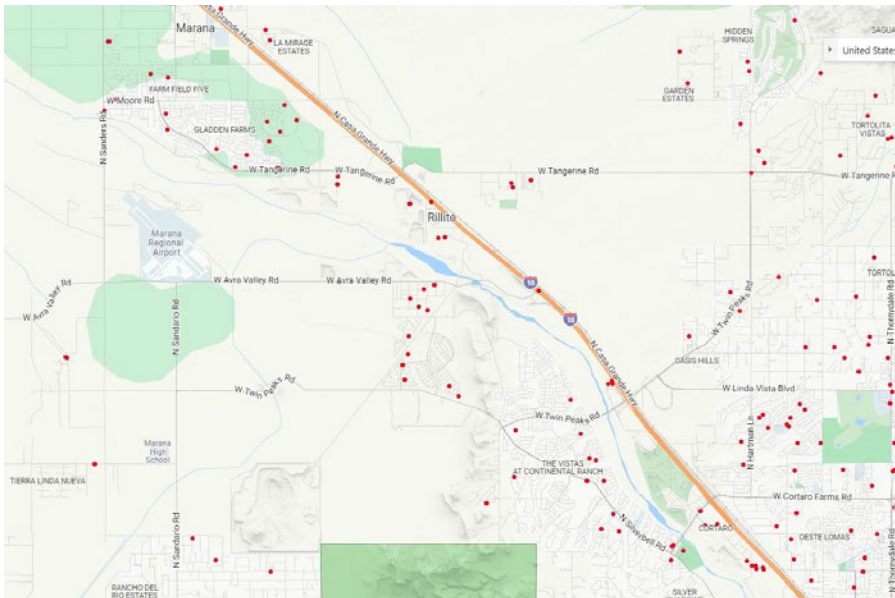
Based on the records reviewed, the property repairs, combined with the shortage of funds available for the repairs, did delay the estate administration between December 2020 and December 2021.

Item 1e: Property Remoteness

The Division consulted Googlemaps.com to assess the remoteness of Hinrichs' property. Flores' office in downtown Tucson is roughly thirty miles from the property. However, the distance from the property to the highly populated area around North Cortaro Road is less than 19 miles.



An internet search for general contractors between North Cortaro Road and Hinrichs' property returned the following results:



Flores' billing does not mention having difficulty finding contractors or spending extensive time seeking and obtaining quotes for work.

Flores' billing records show she received multiple quotes for the repair work at the Hinrichs property. She selected the best quote and coordinated the work with the project manager. None of the contractor invoices provided by Flores show charges to the estate for excessive mileage or "trip charges" that would typically be expected for service in remote areas.

During her interview, HeidiAnn was asked if her father's property was in a remote or unpopulated area. She said she would not consider it remote. She said her father never mentioned having difficulty finding companies to provide work if he needed it.

Based on the property's location and the availability of contractors within 20 miles, it is unclear the reason that the “remoteness of the property” contributed to the delay in the estate administration, as Flores contends.

Item 1f: Increased Property Value

In her response to the complaint, Stirling said Flores received an offer of \$190,000 for the Hinrichs property before the repairs and that the property ultimately sold for over \$300,000 after the repairs.

On December 1, 2021, Flores emailed the heirs an update on the estate. She described the repairs and upgrades to the main manufactured home and the smaller mobile home on Hinrichs’ property in her email. The improvements included new carpeting in both dwellings, repair of holes in the walls in both dwellings, replacement of the skirting on the mobile home, repainting of the entire mobile home, replacement of the bathroom vanities in the mobile home, repair of the septic system, repairs to the skirting on the mobile home, appliances replaced in the mobile home, the entire yard cleaned out, and several other items that either needed repair or replacement. Flores told the heirs that because of these repairs, the listing price for the sale of the property increased by close to \$100k.

The July 19, 2021, property appraisal provided to the Division by Flores is a retrospective report as of May 28, 2020 and opines a market value of \$144,000 based on a sales comparison approach. The mobile home was not included in the valuation because it was not affixed to the property and was considered personal property. Flores’ billing records show she contacted the appraiser and received a revised appraisal that included the mobile home value. Although her billing records show she received appraisals on February 21, 2021; July 28, 2021; and August 2, 2021; and a “property report” on April 8, 2021; Flores did not provide the Division with any information showing what the property appraised for after the repairs were made.

The Division reviewed the property listing on Zillow.com and Redfin.com. Zillow.com shows the property was listed for sale on February 26, 2022, for \$450,000. The list price was lowered seven times between March 25, 2022, and May 2, 2022, before receiving a contingent offer of \$379,000 on May 6, 2022. The closing statement provided by Flores shows the final sale price for the property was \$359,000. The closing statement also reflects \$12,099.58 of additional reductions in the proceeds for repairs to the roof and plumbing.

Because Flores did not provide the Division with all the invoices for the repairs made, it is difficult to know how much was invested in the property. Based on the invoices the Division received from Flores and her billing notes, it appears Flores invested between \$42,000 and \$59,000 in the cleanout and repair of the property. In response to the Division’s request for the full property appraisal, Flores only provide one of the appraisals that she received which was done prior to the repairs. Without comparative appraisals before and after the repairs, the Division cannot determine if the property value did increase due to the repairs or if the amount invested in the repairs was recouped in the sale. Without

more information, it is difficult to say if Flores' extensive repairs to the property were a prudent use of time and estate funds.

Item 2: Liquidation of Personal Property

Flores prepared and filed an inventory with the court on July 26, 2021, and an amended inventory on August 20, 2021. Both inventories filed with the court value Hinrichs' personal effects at \$500. Flores also prepared an Asset List for the heirs on November 19, 2020. The asset list included an RV, bank accounts, several pieces of furniture, appliances, televisions, stereo equipment, a baby grand piano, dishes, and various household decorations.

Email records provided by Flores show she gave the heirs additional information regarding Hinrichs' personal property. She noted that the estate had a Hyundai car, a Toyota truck, an Xbox system, a flat-screen television, a high-efficiency washer and dryer set, DeGrazia prints, an airplane engine, an upright freezer, and an extra refrigerator. Flores referred to the assets in her emails as minimal, scant, and very dated. She told the heirs there were few saleable tools and little market for the piano.

In her emails to the heirs, Flores said she had buyers for the car and truck and was making connections to sell the RV. She said the furniture and household items would be sold at a yard sale, listed online, or donated. On May 14, 2021, Flores told HeidiAnn the house and trailer were completely empty.

The billing records provided by Flores show six entries relating to time spent on the sale of Hinrichs' personal property for a total of 4.7 hours between March 2021 and May 2023:

03/23/2021	Meet with PM at my office (.8); Deposit funds from sale of property \$4,200 and \$1,500 (.6)
05/21/2021	Meet with project manager and review items posted for sale Inventory of items that are available (.7)
11/08/2021	Text photos of items that appear to be ready for the landfill (.6)
03/18/2022	TC with Auto Broker (.6)
04/14/2022	Meet with project manager (.3), Prepare and make deposit for sale of personal items (.7)
05/05/2023	Review inventory and note sold v. donated (.4)

There are also charges for text messages regarding the sale and disposal of personal property and repairs to Hinrichs' vehicles:

06/19/2020	Text message and photos to and from auto broker
04/24/2021	Automobile attempt to charge battery and purchase new
04/30/2021	Tow Vehicle from yard into town
05/01/2021	Repair of vehicle to allow availability of sale
07/12/2021	Texts from TYO re items for sale
08/10/2021	Auto Repair for Hyundai (<i>sic</i>)

10/27/2021 Photos from PM assistant re sale of items

It appears Flores allowed the project manager and his assistant to handle the sale of Hinrichs' personal property, and the Division could not independently determine how much time was expended or when those efforts ceased.

During the review of Flores' records, the Division noted that except for the \$5,700 Flores said she received for the sale of the vehicles, there is no accounting for funds that may have been received for the estate assets. The bank statements provided by Flores show the following deposits with no explanation:

01/06/2023	\$97.09
04/14/2023	\$280.00
06/05/2023	\$1,954.00
10/16/2023	\$360.00
01/09/2024	\$91.88

Flores billed the estate for time involving the bank deposits on January 6, 2023, and April 14, 2023, but the billing does not identify where the funds came from. The remaining deposits do not appear in the billing records. It is unknown if these financial deposits are the proceeds from the sale of Hinrichs' personal property. Additionally, the billing entry on April 14, 2023, that reads, "meet with project manager (.3), prepare and make deposit for sale of personal items," does not have a corresponding deposit on any of the bank statements provided by Flores. Therefore, the Division cannot determine if a significant amount of the assets were sold on or around April 14, 2023.

Flores' apparent use of the personal property proceeds to pay the contractors working on the property contributes to the difficulty of tracking the liquidation of Hinrichs' assets. In a March 15, 2021, email, Flores told the heirs, "I only have approximately \$300 in the bank, and all the work done as mentioned above has been done by me and all the wonderful people that I call on with full knowledge that they will be paid as items are sold and funds come in. That proves to be highly motivational in obtaining their best assistance in selling the estate items at a good price." This could explain why there are so few deposits into the estate accounts, as noted above.

The lack of accounting information and inadequate timekeeping for the liquidation of Hinrichs' personal property make it difficult to determine if the process contributed to the lengthy estate administration. In her emails to the heirs, Flores indicated that there were few saleable assets, which would infer that the liquidation process should not have been abundantly time-consuming.

Item 3: Allegations of Misappropriation of Estate Funds by One Heir

Email records provided by Flores show that HeidiAnn believed Connan withdrew funds from Hinrichs' Wells Fargo account after Hinrichs died and that Connan kept the money for himself, leaving Hinrichs' nursing home bill unpaid. HeidiAnn wanted Flores to hold

Connan accountable for the funds by withholding money from his inheritance to pay Hinrichs' outstanding Nursing Home bill.

HeidiAnn's insistence that Connan was responsible for Hinrichs' nursing home bill was based on misinformation. HeidiAnn mistakenly thought the Wells Fargo account balance shown on the Asset List provided by Flores in November 2020 was as of Hinrichs' date of death. However, the statement Flores used to establish the Wells Fargo account value of \$26,570.57 was dated one year before Hinrichs' passing. Had Flores used the April 2020 Wells Fargo statement to establish the actual account value as of Hinrichs' date of death, it would have been approximately \$1,231. HeidiAnn was also unaware that Connan used the money he withdrew from Wells Fargo to pay a portion of Hinrichs' nursing home bill. The account statement provided to Flores by the Nursing Home shows Connan paid \$24,263.73 of the \$44,340.42.

In December 2021, Flores told HeidiAnn and Melissa that it appeared Hinrichs had \$21,000 in the Wells Fargo account, but the funds were used to pay his nursing home bill. Flores said she would need to do a detailed look back at the income and expenses before she could say with certainty what became of the money.

Bank records provided by Flores show that Connan withdrew \$21,000 on January 24, 2020, and \$3,273.73 on January 27, 2020.

1, 2020 ■ Page 2 of 3

WELLS FARGO

Transaction history

Date	Check Number	Description	Deposits/ Additions	Withdrawals/ Subtractions	Ending daily balance
1/2		Bank of America Mortgage Dec 19 xxxxxx [REDACTED] Hinrichs Jd		1,058.47	24,842.81
1/7		Recurring Payment authorized on 01/06 ATT*Bill Payment		108.34	24,734.47
1/8		[REDACTED] Hinrichs	1,836.00		26,570.47
1/13		Recurring Payment authorized on 01/11 AT&T*Bill Payment		139.05	
1/13		Recurring Payment authorized on 01/11 Homeowners Insuran		15.51	26,415.91
1/21		Southwest Gas App 200117 [REDACTED] Hinrichs James		16.43	
1/21		Southwest Gas App 200117 [REDACTED] Hinrichs James		125.76	26,273.72
1/24		Purchase Bank Check OR Draft		10.00	
1/24		Withdrawal Made In A Branch/Store		21,000.00	5,263.72
1/27		Purchase Bank Check OR Draft		3,273.73	1,969.99
1/28		< Business to Business ACH Debit - Pima County [REDACTED] Cash C&D [REDACTED] Hinrichs, James		36.50	
1/28		< Business to Business ACH Debit - Pima County [REDACTED] Cash C&D [REDACTED] Hinrichs, James		46.52	1,904.97
1/30		Trico Electric Elect Pmnt [REDACTED] James Hinrichs		11.97	
1/30		Trico Electric Elect Pmnt [REDACTED] James Hinrichs		69.34	1,823.66
1/31		Mechanists Pen. Pension Feb 20 [REDACTED] James D Hinrichs	149.85		1,973.52
Ending balance on 1/31					1,973.52
Totals			\$1,985.86	\$25,913.62	

Withdrawal

(Check One) Checking Savings Money Market Access Command

Account Number [REDACTED] Date 01/24/20

Please print Name
Connan Hinrichs

Please print Street Address, City, State, Zip Code
[REDACTED] POA

I authorize this withdrawal from the account listed above.
Please sign in teller's presence. Two forms of ID may be required.

(X) [REDACTED]

Twenty-one thousand _____ Dollars \$ 21,000.00

Bank Use Only (What SVT is No. 101010) TELLER/DATE/AMOUNT/REASON

Customer ID [REDACTED] Exp date [REDACTED] Token Validated (Y/N) [REDACTED] Approval [REDACTED]

<https://oibservices.wellsfargo.com/OIB/PrintImage.jsp> 12/29/2020

Flores' email records provided to the Division included a statement of account from Hinrichs' nursing home. Flores received the statement on May 4, 2021. The statement shows that two payments, \$21,000 and \$3,263.73, were made on January 29, 2020.

12/27-31/19	UHC Therapy Member Resp		\$210.00	
01/01-20/20	Room & Board @ \$300/Day	20	\$6,000.00	
	Payment 1/29/20			\$21,000.00
	Payment 1/29/20			\$3,263.73
02/09-29/20	Room & Board @ \$239.96/Day	21	\$5,039.16	
03/01-31/20	Room & Board @ \$239.96/Day	31	\$7,438.76	

The withdrawals and payments to the nursing home occurred approximately two months before Hinrichs' death while Connan was the agent under the Power of Attorney ("POA"). After the withdrawals, the balance remaining in the Wells Fargo account was \$1,231.00, which Flores marshaled on January 8, 2021. The date stamp at the bottom of the copy of Connan's withdrawal slip provided to Flores by the bank shows it was printed on December 29, 2020. Additionally, an email from Flores to the bank on January 5, 2021, refers to the bank statement that showed the withdrawals made by Connan. Therefore, by December 29, 2020, Flores knew Connan had withdrawn the money while acting as POA before his father's death. By May 4, 2021, Flores had the statement from the Nursing home, which showed Connan had used the money from Wells Fargo to pay part of the nursing home bill.

A review of Flores' billing records does not show any additional research regarding Connan's use of his father's Wells Fargo account. The available records do not demonstrate that HeidiAnn's allegation of Connan's misappropriation of funds caused a substantive delay in the estate administration.

Item 4: Determining Responsibility for [Hinrichs'] Nursing Home Claim

As noted in Item 3, by December 29, 2020, Flores knew Connan had withdrawn the money from the Wells Fargo account before Hinrichs' death. By May 4, 2021, Flores confirmed that Connan had withdrawn cash from Hinrichs' Wells Fargo account to make payments to the nursing home Hinrichs was living in before his death.

When Flores received the account statement from Hinrichs' nursing home on May 4, 2021, she was informed that the nursing home was unable to locate Hinrichs' service contract. The nursing home provided a "consent to treat" which was signed by Hinrichs to demonstrate the estate's financial responsibility for the outstanding bill. However, on December 1, 2021, seven months after learning there was no service contract to review, Flores told HeidiAnn that she needed to look at the contract and the laws in Washington State before she could definitively say the nursing home bill was not Connan's responsibility. Flores' billing records do not reflect any time spent researching laws in Washington State and show that Flores spent 4.6 hours on emails and telephone calls dealing with the nursing home.

Available records do not demonstrate that the estate administration was delayed because of Flores' efforts to assess whether Connan should bear the expense of Hinrichs' nursing home care and to confirm the estate's liability for the claim.

Item 5: Litigation of Claims Against the Estate

Billing records show Flores' assistant and daughter, Carla Skinner ("Skinner"), published the estate's notice to creditors on January 19, 2021. Seven creditor claims were filed with the court in 2021 and 2022, but the estate did not have sufficient funds to satisfy the claims until the property was sold in August 2022. The Satisfaction of Lien and Release that Flores filed with the court on November 21, 2022, shows one claim was paid on November 10,

2021, before the sale of the property. Flores paid the remaining six claims on September 16, 2022. The estate had not closed by December 2023.

Billing records show Flores devoted 11.6 hours to creditor claims, including the 4.6 hours she spent dealing with emails and telephone calls about the creditor claim from Hinrichs' unpaid nursing home bill. Time billed by Flores for creditor claims activities included telephone calls, emails, check writing, and filings with the court.

Records do not demonstrate that there was a lengthy litigation of claims against the estate, which would have contributed to the delay in the estate administration.

Item 6: COVID-19 Delays

Stirling's response to the complaint, on Flores' behalf, identified factors related to the COVID-19 pandemic as contributing to the delay in administering Hinrichs' estate during 2021. Stirling said the delays on the part of financial institutions, delays related to trailer repairs, and an eviction moratorium contributed to the lengthy estate administration.

The Division reviewed Flores' billing and email records for documentation that COVID-19 protocols hindered her activities in the estate administration. The only mention of COVID-19 referred to the possibility that the squatters on the estate property could refuse to leave because of the moratorium on the eviction of tenants behind on their rent. However, the squatters left the property on the date outlined in the eviction notice.

Records demonstrate that Flores routinely met with banks, bond companies, contractors, and the project manager throughout the estate administration. Aside from account openings, trips to the bank appear to have been made without an appointment, Flores did not record excessive time waiting for service. Records do not show that COVID-19 caused significant delays in the estate administration.

The reasons cited for the delay in Flores' administration of the Hinrichs estate are primarily the usual steps necessary to administer any estate. Based on Flores' billing records, she did not devote excessive time to the issues that were presented as impeding the administration of the estate. Except for the extensive repairs to the property and lack of liquidity, the estate is not overly complex for a fiduciary with Flores' extensive experience. Without addressing whether the repairs were or were not a prudent use of time and resources, they did cause a delay in listing and selling the property and administering the estate throughout 2021.

Records show that the repairs on Hinrichs' property were completed at the end of 2021, and the house sold within five months. However, the closing was delayed until August 2022 because more repairs were required. After the property sale closed, Flores paid the remaining creditor claims on September 16, 2022. In an email on November 7, 2022, Flores told Ken that all the utility bills and contractor reimbursements had been paid, the mortgage was settled, and tax information had been sent to the accountant. Flores indicated that the estate administration was close to being completed.

As noted in Flores' response to the complaint, Flores' husband was shot in December 2022, which took Flores away from her work. Email records show that on January 16, 2023, Flores advised the heirs that there had been a "hold-up in production" following her husband's shooting and hospitalization. Flores said she would step in as her husband's conservator, and Skinner would be his guardian. Flores said she thought they would resume their regular schedules once those legal issues were resolved. However, on February 7, 2023, Skinner wrote:

"I wanted to give you a quick update. I understand Patricia advised everyone, we would have an accounting prepared for your father's estate by the end of January, but unfortunately my father passed away on the 23rd of last month and we have been focusing on getting several things taken care of including the preparation of his funeral services. I assure you, we are not trying to delay the process, but family matters do take precedence. We will provide the informal accounting and closing documents once things have calmed down on our end."

In the following email string, beginning the week of March 14, 2023, Ken expressed his frustration over the promised and missed estate closing dates.

From: Ken Byrd [redacted]
Sent: Thursday, April 13, 2023 3:17:35 PM
To: Joan Sacramento [redacted]; Carla M Skinner [redacted]
Patricia Flores [redacted]; HeidiAnn Hinrichs [redacted]
Subject: Re: Consultation

Do we have a good timeline for the end of this yet? 14 March we heard by the end of that week.....a few days later things were to be finalized within 10 business days. Now we are on 14 April and have not heard anything or seen the documents we need to sign to move things forward. Please advise and let's get this finished.

On Tue, Mar 14, 2023 at 12:26 AM Joan Sacramento [redacted] wrote:
Good morning Mr. Byrd,

I talked with Pat on Friday and she has assured me that she will be completing this estate by the end of the week. I will follow up with her on Friday if she hasn't sent us any information.



In an April 18, 2023, email to Sacramento and her legal Assistant, Flores wrote:

"As I also mentioned over dinner, I have several other cases that Carla and I are working on. These cases also needed our attention but they also had to be placed on the back burner given the time frame of events involving Jose. I am now coming up for air as is Carla but we are both still in the midst of probating Jose's assets, and accessing his pension, 401k, SS, and a survivor annuity, repairing the house, making arrangements to have his ashes spread in New Mexico so that his family can be present and of course the investigation into his death which is very very time intensive. Given that I don't like to feel that I am whining to clients, I also don't want to appear to be bitter or angry at them for situations that are taking up my time otherwise."

In an email dated May 22, 2023, Flores told HeidiAnn that she had not responded to recent emails because she had been busy packing and cleaning the house that she and Jose owned so she could start a remodel. In that email, Flores asked HeidiAnn and Melissa for their banking information for the wire transfer of heirs' distributions. Flores initiated the first wire transfers on June 1, 2023, ten months after the sale of Hinrichs' property.

A review of Flores' billing records shows one entry of 1.2 hours devoted to the estate administration between the time of her husband's injury on December 18, 2022, and his passing on January 23, 2023. Skinner had one entry during that same period for .2 hours. Flores had no additional time entries involving the estate until April 14, 2023 (.6), May 5, 2023 (.4), and June 17, 2023 (.2). Skinner had one entry on February 13, 2023 (.2) and one entry on April 24, 2023 (.5). Based on the billing records, Flores' work on the estate appears to have essentially stopped for several months after December 2022.

Flores filed a status report with the court on September 26, 2023, stating the estate would take another year to close. In her report, Flores said the estate closing was pending the filing of the estate taxes, making a final distribution to Connan, and completing the closing documents. Flores' banking records show the distribution to Connan was made on September 18, 2023. The court held a hearing on Flores' status report on December 21, 2023. As of April 16, 2024, there have been no filings since the hearing.

Although the repairs to Hinrichs' property caused a delay early in the estate administration, Flores' personal issues effectively halted the administration of the estate from December 2022 through May 2023. Flores and Skinner told HeidiAnn, Melissa, and Sacramento that managing their own family matters took precedence over Hinrichs' and several other estates. Despite being unable to prioritize and fulfill her fiduciary duties, Flores did not seek direction from the court or enlist the assistance of other professionals, thus delaying the estate administration.

The Division notes that the complainants in prior complaints presented to the Board also alleged that Flores' estate administration was not timely. In complaint number 20-0003, Flores was appointed as successor trustee on February 18, 2016, made final distributions less a \$20,000 holdback in January and July 2019, and provided an incomplete final accounting on April 13, 2020. In a November 2022 consent agreement, Flores was ordered to provide the beneficiaries with a Final Trust Accounting and proposal for final distributions by November 10, 2022. If the beneficiaries approved the proposed distribution, Flores was required to make that distribution no later than December 7, 2022, nearly seven years after her appointment. In complaint numbers 21-0045/21-0046, Flores was appointed as personal representative on December 15, 2015, made final distributions on April 14, 2020, and filed a closing statement with the court on December 1, 2021, almost six years after her appointment. Flores identified issues such as taxes, discovered assets, and delays by other professionals and financial institutions as reasons the estates lingered.

The evidence demonstrates that Flores failed to timely settle the estate in violation of the following authorities:

ACJA § 7-201(H)(6)(a) Failed to perform any duty to discharge any obligation in the course of the certificate holder's responsibility as required by law, court rules, this section or the applicable section of the ACJA.

ACJA § 7-201(H)(6)(k)(7) Failed during the performance of any responsibility or duty of the profession or occupation to use the degree of care, skill and proficiency commonly exercised by the ordinary skillful, careful and prudent professional certificate holder engaged in similar practice under the same or similar conditions regardless of any level of harm or injury to the client or customer.

ACJA § 7-202(J)(6) A fiduciary acting as personal representative shall settle and distribute the estate of the decedent efficiently, timely, and in the best interests of the estate and, if appropriate, in accordance with the terms of any probated and effective will. (7) A licensed fiduciary who is acting as a trustee or agent under a power of attorney shall abide by this code of conduct, regardless of whether that person is acting pursuant to court appointment.

ACJA § 7-202(J)(6)(d) A fiduciary shall exercise intelligence, prudence, and diligence in providing competent management of the property and income of the estate. A fiduciary acting as a personal representative shall observe the standards of care and duties applicable to trustees.

ARS § 14-3703(A) Except as provided in the will of the decedent, a personal representative is a fiduciary who shall observe the standards of care applicable to trustees as described by sections 14-10804 and 14-10806 and the duties of accounting applicable to trustees as provided in section 14-10813, subsection C. A personal representative is under a duty to settle and distribute the estate of the decedent in accordance with the terms of any probated and effective will and this title, and as expeditiously and efficiently as is consistent with the best interests of the estate. The personal representative shall use the authority conferred by this title, the terms of the will, if any, and any order in proceedings to which the personal representative is a party for the best interests of successors to the estate.

ARS § 14-10801 On acceptance of a trusteeship, the trustee shall administer the trust in good faith, in accordance with its terms and purposes and the interests of the beneficiaries and in accordance with this chapter.

Allegation 4 is substantiated.

Allegation 5: Patricia Flores failed to provide a written response to the complaint within thirty days and failed to submit a request for an extension of time to provide a written response.

On August 4, 2023, the Division sent Flores notice of the complaint, via certified mail and by email to a valid point of contact, and included a copy of HeidiAnn's complaint. The notice letter advised Flores that a written response to the complaint was required within thirty days, per ACJA § 7-201(H)(3)(c). Flores was instructed to submit a written request

to the division director if she was unable to respond to the complaint within the time frame established by the code. The Division did not receive a response to the complaint within 30 days nor a request from Flores that she required additional time to submit a response to the complaint.

On October 20, 2023, more than 30 days after the ACJA's required response deadline, the Division sent a follow-up letter informing Flores that the Division had no record of receiving her response or a written request for an extension of time to respond. Flores was advised that her failure to respond was a violation of the ACJA and that the investigation would proceed forthwith. The follow-up letter was sent to Flores' email address and by U.S. mail to her office. The Division did not receive a response to the complaint from Flores.

On November 20, 2023, more than 60 days after the ACJA's required response deadline, the Division sent Flores a letter requesting additional documentation as part of the investigation into the complaint and informing her that she had not yet responded to the initial complaint. Flores was given a deadline of December 5, 2023, to provide the documentation related to the investigation that was underway, notwithstanding Flores' failure to participate up to that point. On November 22, 2023, the Division received an email from Stirling, for Flores, requesting an extension of time to December 22, 2023, to provide the requested documents. The Division granted the extension of time and advised Stirling that a response to the complaint had not been received from Flores. Stirling was asked to confirm that Flores intended for the investigation to proceed without her written response to the complaint.

On December 3, 2023, Stirling responded to the Division's email and said her office was working on Flores' initial response to the complaint when they received the request for additional documents. Stirling said she would provide that response with the requested documents on December 22, 2023.

Flores' written response to the initial complaint was received on December 22, 2023, more than 90 days after the ACJA's 30-day response deadline, but was authored by Stirling, not Flores. On February 2, 2024, the Division requested a signed statement from Flores affirming that she agreed with the information and opinions in Stirling's response to the complaint. Flores' affirmation was received on February 9, 2024.

Flores' response to the initial complaint was received more than 90 days past the due date of September 4, 2023. Flores' request through counsel for an extension of time in November 2023 was more than 60 days past the initial response deadline and was related to the Division's request for documentation as the investigation was moving forward without Flores' participation at the time. The evidence demonstrates that Flores failed to provide a written response to the complaint within 30 days and failed to timely submit a request for an extension of time to submit a response in violation of the following authorities:

ACJA § 7-201(F)(1): Each individual certificate holder shall adhere to the code of conduct or standards of conduct, subsection (J) in the applicable section of the ACJA.

ACJA § 7-201(F)(4): A certificate holder shall respond by the specific time stated in any request for information from, and shall provide documents to the director, deputy director, division staff, or board pertaining to certification, renewal of certification, complaints alleging acts of misconduct or violations by the certificate holder, investigative inquiries and compliance audits or defensive driving course monitorings of the practice of the certificate holder.

ACJA § 7-201(H)(3)(c) The certificate holder shall provide a written response to the complaint within thirty days of the notification of the complaint. The board shall not proceed with disciplinary action without providing the certificate holder the complaint and an opportunity to respond to the complaint, except in a matter regarding an emergency suspension pursuant to subsection (H)(9)(d). Failure by the certificate holder to accept notification of a complaint or failure to respond to the complaint shall not prevent division staff from proceeding with an investigation and the board from taking any disciplinary action.

ACJA § 7-201(H)(6)(a) Failed to perform any duty to discharge any obligation in the course of the certificate holder's responsibility as required by law, court rules, this section or the applicable section of the ACJA.

ACJA § 7-201(H)(6)(c) Failed to cooperate with or supply information to the director, deputy director, division staff or board by the specific time stated in any request.

ACJA § 7-201(H)(6)(k)(7) Failed during the performance of any responsibility or duty of the profession or occupation to use the degree of care, skill and proficiency commonly exercised by the ordinary skillful, careful and prudent professional certificate holder engaged in similar practice under the same or similar conditions regardless of any level of harm or injury to the client or customer.

ACJA § 7-202(J): Code of conduct establishes minimum standards of performance for licensed fiduciaries, is adopted by the supreme court under A.R.S. § 14- 5651(A)(1), and must be followed by all licensed fiduciaries in the state of Arizona. A violation of the code of conduct is unprofessional conduct and is grounds for discipline under ACJA § 7-201(H)(6)(k).

Allegation 5 is substantiated.

Allegation 6: Flores failed to fully cooperate with the Division's investigation.

On November 20, 2023, the Division notified Flores that additional documentation was necessary in furtherance of the investigation into Hinrichs' complaint. The notice was sent

via email and U.S. Mail to Flores' valid points of contact. The Division requested that Flores supply the following by December 5, 2023:

- 1) Letters of Appointment and Order to Personal Representative for case numbers PB20200833 and PB20220297.
- 2) All fiduciary billing records and invoices for services rendered during your administration of the Estates.
- 3) All Estate Accountings and Financial Statements prepared on behalf of the Estates.
- 4) All inventories and appraisements prepared on behalf of the Estates.
- 5) All monthly transaction registers for the Estate checking and/or savings accounts beginning June 2020 to Present.
- 6) All status reports filed with the court.
- 7) Documentation showing what distributions have been made from the Estates to the beneficiaries and when those distributions were made.
- 8) Documentation showing the valuation of the small trailer located on the Estate property.
- 9) Documentation showing any and all repairs or improvements made to the small trailer located on the Estate property and for any repairs or improvements to the primary Estate house. Documentation should also include invoices and itemized costs of each repair or improvement.
- 10) Documentation showing that Estate heirs/beneficiaries were notified of any repair or improvement to the small trailer located on the primary Estate house prior to any repair or improvement being made. Supporting documentation should include the Estate heirs' response prior to any repair or improvement.
- 11) Full Appraisal report for the Estates' real estate.
- 12) Final settlement statement for the sale of the Estates' real estate.
- 13) Written and electronic communications including, but not limited to, emails, letters, internal documentation, case notes, and call logs involving the heirs/beneficiaries of the Estates.
- 14) List of specific tasks remaining to complete the administration of the James Hinrichs Estate, including assets yet to be distributed.

On November 22, 2023, Stirling notified the Division she was representing Flores in the matter and required an extension of time to fulfill the request. The Division extended the deadline to December 22, 2023.

On December 22, 2023, Stirling, for Flores, provided the Division with several documents in response to the November 20, 2023, request. Stirling's letter indicated that the submission was intended to fulfill everything requested except for items seven and nine, which she said Flores would provide. However, during the Division's review of the documents, it was discovered that Flores had not provided records for all estate banking accounts as requested in item five.

On February 2, 2024, the Division sent a follow-up letter to Stirling, for Flores, advising that the documents in response to items seven and nine from the November 20, 2023, request had not been received from Flores. Additionally, the Division requested bank statements and transaction registers for the bank accounts that Flores did not provide with Stirling's December 22, 2023, response to the complaint but were discovered during the review of Flores' records. Stirling, for Flores, was given a deadline of February 9, 2024, to submit the missing documents. The February 2, 2024, letter included a request to interview Flores during the week of February 12, 2024. On February 9, 2024, the Division received the requested bank statements, a complete response to item seven, and a partial response to item nine from the November 20, 2023, request. More information about incomplete responses appears in Exhibit 2, below.

On February 16, 2024, the Division interviewed Flores, along with counsel, Stirling, via Microsoft Teams. Stirling advised the Division that additional documents in response to item nine of the Division's November 20, 2023, request had been located and would be forwarded to the Division following the interview. Later in the day, the Division received an additional bank statement and another partial response to item nine. The response was incomplete as it did not fully address the information the Division sought. More information about incomplete responses appears in Exhibit 2, below.

On February 23, 2024, the Division sent a follow-up email requesting documentation for sixteen items that Flores could not answer during the interview. The email also included a detailed list of items still missing from the partial response to item nine of the November 20, 2023, request. Flores, via Stirling, was given a deadline of March 1, 2024, to provide the information requested or for her to request an extension of time to respond.

On February 27, 2024, Stirling, on behalf of Flores, requested, and the Division granted, a seven-day extension, making the deadline to provide the information/response March 8, 2024. As of April 16, 2024, the Division does not have a record of receiving the information from Flores/Stirling. Exhibit 2, attached to this Investigation Summary, is the list of follow-up items/responses the Division has not received from Flores. Additionally, the Division notes that the accountings prepared on behalf of the estate and all invoices for repairs to the estate property have been requested from Flores three times: on November 20, 2023, February 16, 2024, and February 23, 2024. No accountings have been received, and at least seven requested invoices have not been provided to the Division.

Flores' participation in this complaint investigation is consistent with her participation in prior complaint investigations. During the investigation into complaint number 21-0045/21-0046, the Division requested additional documentation on February 27, 2023. The Division provided an extension of time and sent five follow-up requests from March 17, 2023, to September 29, 2023, requesting documents that had not been received from the February 27, 2023, request. Several of the requested documents were never received from Flores. Similarly, during the investigation of complaint 20-0003, the Division made repeated requests for specific documents from Flores. In response, Flores sent numerous extraneous and irrelevant documents while providing only some of the requested documents. In this matter, the Division has repeatedly requested needed documentation as

part of the investigative process and the Division has provided extensions of time for Flores to provide certain documents without success.

The Division has ongoing concerns about a pattern of conduct that indicates Flores' lack of transparency and accountability with her clients and the Division. Following are several examples of issues the Division has been unable to fully investigate due to Flores' lack of full cooperation and transparency:

1. Transfer of estate funds from Flores' own account to the estate account:

Date	Check Number	Description	Deposits/ Additions	Withdrawals/ Subtractions	Ending daily balance
3/18		Transfer to Flores Patricia on 03/18 Re [REDACTED]		200.00	74.61
3/2		Transfer From Flores Patricia on 03/22 Re [REDACTED]	500.00		1,574.61
3/2		Deposit Made in A Branch/Store [REDACTED]	4,200.00		
3/2	104	Check [REDACTED] Vehicle		5,247.81	526.80
3/29		Transfer to Flores Patricia on 03/27 Re [REDACTED]		500.00	26.80
3/30		Monthly Service Fee [REDACTED]		10.00	16.80
Ending balance on 3/30					16.80
Totals			\$5,700.00	\$5,957.81	

During her interview, Flores was asked why money was transferred from her account to the estate account. The transcript of her response is shown below:

So I would need to look and see when the truck was actually sold, which to me would explain what I was transferring money from.

My office account.

Did I even have an account that day that the truck was sold?

Do you know what I'm saying?

Like I got money if I didn't have a bank account.

What do I do with it?

Well, I can either keep cash or check in my office or I can put it in my LLC account, which has accountability.

And then transfer it later.

2. Bank statements previously provided to the Division by Flores where information has been obscured:

Date	Check Number	Description	Deposits/ Additions	Withdrawals/ Subtractions	Ending daily balance
3/18		Transfer to Flores Patricia on 03/18 Re [REDACTED]		200.00	74.61
3/2		Transfer From Flores Patricia on 03/22 Re [REDACTED]	500.00		1,574.61
3/2		Deposit Made in A Branch/Store [REDACTED]	4,200.00		
3/2	104	Check [REDACTED] Vehicle		5,247.81	526.80
3/29		Transfer to Flores Patricia on 03/27 Re [REDACTED]		500.00	26.80
3/30		Monthly Service Fee [REDACTED]		10.00	16.80
Ending balance on 3/30					16.80
Totals			\$5,700.00	\$5,957.81	

TRANSACTION DETAIL			
DATE	DESCRIPTION	AMOUNT	BALANCE
	Beginning Balance		\$0.00
08/30	Deposit [REDACTED]	44,107.00	44,107.00
08/30	Check [REDACTED]	3,000.00	41,107.00
09/02	Zelle Payment To Sheila Moore [REDACTED]	850.00	40,257.00
09/03	09/03 Withdrawal [REDACTED]	9,000.00	31,257.00
09/07	09/07 Online Transfer To Chk ... 1825 Transaction# [REDACTED]	500.00	30,757.00
09/08	Check OR Supply Order PPD ID [REDACTED]	-24.00	30,733.00
	Ending Balance		\$30,733.00

When asked about the missing information on the bank statements, Flores said:

It was most of it was, if not all of it was, you know, written notes on the statement, you know, like I wrote in PEN or just made a note about something. You know, I was on the phone and had to jot something down, and that was like sitting right there when talking about the case.

- Cash withdrawal of \$9,000 from the estate checking with no explanation or matching invoice:

TRANSACTION DETAIL			
DATE	DESCRIPTION	AMOUNT	BALANCE
	Beginning Balance		\$0.00
08/30	Deposit [REDACTED]	44,107.00	44,107.00
08/30	Check [REDACTED]	3,000.00	41,107.00
09/02	Zelle Payr [REDACTED]	850.00	40,257.00
09/03	09/03 With [REDACTED]	9,000.00	31,257.00
09/07	09/07 Onl [REDACTED]	500.00	30,757.00
09/08	Check OR [REDACTED]	-24.00	30,733.00
	Ending Balance		\$30,733.00

- Numerous online transfers to Patricia Flores, LLC business accounts (ending in [REDACTED]) with no explanation or matching invoice. It should be noted that Patricia Flores, LLC is not a licensed fiduciary business:

TRANSACTION DETAIL			
DATE	DESCRIPTION	AMOUNT	BALANCE
	Beginning Balance		\$30,733.00
09/10	09/10 Online Transfer To [REDACTED]	4,000.00	26,733.00
09/16	Zelle Payment To Patrici [REDACTED]	2,000.00	24,733.00
09/17	09/17 Online Transfer To [REDACTED]	2,000.00	22,733.00
10/04	10/04 Online Transfer To [REDACTED]	2,400.00	20,333.00
	Ending Balance		\$20,333.00

TRANSACTION DETAIL				
DATE	DESCRIPTION		AMOUNT	BALANCE
	Beginning Balance			\$231,665.27
09/28	09/28 Online Realtime Transfer To Flores, LLC	[REDACTED] Transaction#:	-5,000.00	226,665.27
10/04	10/04 Online Realtime Transfer To Flores, LLC	[REDACTED] Transaction#:	-5,000.00	221,665.27
10/05	Check # 110		-20,076.69	201,588.58
10/06	10/06 Online Realtime Transfer To Flores, LLC	[REDACTED] Transaction#:	-5,000.00	196,588.58
10/11	10/10 Online Realtime Transfer To Flores, LLC	[REDACTED] Transaction#:	-3,000.00	193,588.58
10/12	Check # 111		-360.00	193,228.58
10/21	10/21 Online Realtime Transfer To Flores, LLC	[REDACTED] Transaction#:	-2,000.00	191,228.58
	Ending Balance			\$191,228.58

5. Transfer of funds from the estate account to Flores' business account to pay a contractor:

TRANSACTION DETAIL (continued)				
DATE	DESCRIPTION		AMOUNT	BALANCE
09/21	Check	[REDACTED] Inco	-230.81	242,316.14
09/21	Check	[REDACTED] Inco	-653.27	241,662.87
09/21	Check	[REDACTED] Emergency Health	-2,974.27	238,688.60
09/21	Check	[REDACTED] Providence	-325.00	238,363.60
09/22	Check	[REDACTED] Woods	-1,936.13	237,027.47
09/22	09/22 Online Realtime Transfer To Flores, LLC	[REDACTED] Transaction# [REDACTED] CONSTRUCTION	-5,000.00	232,027.47
09/22	Check	[REDACTED] A.F. NI	-362.20	231,665.27
	Ending Balance			\$231,665.27

Flores' full cooperation with the investigative process is necessary for the Division to investigate the complaint and fulfill the program's purpose for the protection of the public. Flores was not forthcoming with documentation or answers to the Division's questions and concerns. The evidence demonstrates Flores failed to fully cooperate with the Division's investigation in violation of the following authorities:

ACJA § 7-201(F)(1): Each individual certificate holder shall adhere to the code of conduct or standards of conduct, subsection (J) in the applicable section of the ACJA.

ACJA § 7-201(F)(4): A certificate holder shall respond by the specific time stated in any request for information from, and shall provide documents to the director, deputy director, division staff, or board pertaining to certification, renewal of certification, complaints alleging acts of misconduct or violations by the certificate holder, investigative inquiries and compliance audits or defensive driving course monitorings of the practice of the certificate holder.

ACJA § 7-201(H)(6)(a) Failed to perform any duty to discharge any obligation in the course of the certificate holder's responsibility as required by law, court rules, this section or the applicable section of the ACJA.

ACJA § 7-201(H)(6)(c) Failed to cooperate with or supply information to the director, deputy director, division staff or board by the specific time stated in any request.

ACJA § 7-201(H)(6)(k)(7) Failed during the performance of any responsibility or duty of the profession or occupation to use the degree of care, skill and proficiency commonly exercised by the ordinary skillful, careful and prudent professional certificate holder engaged in similar practice under the same or similar conditions regardless of any level of harm or injury to the client or customer.

ACJA § 7-202(J): Code of conduct establishes minimum standards of performance for licensed fiduciaries, is adopted by the supreme court under A.R.S. § 14- 5651(A)(1), and must be followed by all licensed fiduciaries in the state of Arizona. A violation of the code of conduct is unprofessional conduct and is grounds for discipline under ACJA § 7-201(H)(6)(k).

Allegation 6 is substantiated.

DISCIPLINARY HISTORY:

The Division’s records show the following complaint history where at least one allegation was substantiated and resulted in discipline.

1. Licensee Name: Patricia Flores
Complaint number: 20-0003
Substantiated Allegation(s):

- Failed in duty to inform and report;
- Failed to timely settle the estate;
- Failed to timely control and protect assets;
- Material misrepresentation to Division staff;
- Charged estate for costs related to answering the complaint.

Date of Board Decision: July 23, 2021
Discipline: Consent Agreement and Censure

SUBMITTED BY:

[Redacted Signature]

06/03/2024

Janelle Bauserman
Certification and Licensing Division

Date

REVIEWED BY:



6/3/2024

Aaron Nash, Director
Certification and Licensing Division Date

EXHIBIT 1

Complaint from HeidiAnn

To whom it may concern:

We have encountered problems with Patricia Flores, an Arizona licensed fiduciary. She was hired in June of 2020 to settle the estate of James Hinrichs who died in April of 2020 without a will. Her lack of attention to detail and non-communication, even when asked direct questions, has been a problem the entire time. We had to correct typos in documents before they filed. We have constantly had to beg for information and now she seems unable to even complete simple wire transfers without some kind of problems.....and she always blames the bank for "messaging up". We moved from being stationed in Stuttgart Germany in 2022 to Yokota AB Japan and provided her with the new mailing address in December 2022 and she STILL mailed legal documents to the old address in March 2023.

The process began in June of 2020 with a referral from the Pima County Bar Lawyer Referral Service. A consultation with Joan Sacramento was arranged to start settling the estate on James Daniel Hinrichs who had passed away in April of 2020. Joan was professional and introduced us to the concept of a fiduciary. We were not aware of such a thing but she said they specialize in this sort of thing and fees were not as large as a law firm. She recommended Patricia Flores, whom she had worked with previously. I will stress that Joan has been nothing but professional and when needed, has helped apply pressure on Mrs. Flores to respond to our emails and text messages. We have no problem with Mrs. Sacramento in any way.

COVID was the default excuse the first two years of the process, and I am sure it did slow things down. We did our best to try to be understanding and not badger her for information but after three years and counting we are really at the end of our rope.

The property was sold in August of 2022 and we only received word second hand in November. We were told things would be settled in December. December brought the completely avoidable tragedy of her husband's death after being arrested. It was only after we started giving deadlines and threatening legal action in March that things began to move a little. We tried to give them time to deal with this unfortunate event, but 90 days seemed like ample time to get your head together. Anyone else would have to continue doing their job with only a few days of bereavement leave.

In the best case we feel that Mrs. Flores is incompetent and should not be trusted with a license to handle people's estates. In the worst case we feel she may be dishonest. In either case, and after learning that the board has already issued a censure to her in January of 2023, we feel that it is your responsibility to take a closer look at how she does business and keeps her records and ledgers. She obviously has not learned anything or changed the way she works since this censure was issued.

We have never been provided annual statements or details of anything. We now get the feeling she may be playing the shell game with funds and misusing the money she has access to. We have discovered multiple other families that have the same problems with Mrs. Flores.

We only got some movement after we threatened legal action, and signaled that we were considering filing complaints and asked Joan Sacramento to try to push Mrs. Flores to finish what she started after missing multiple promised dates.

She has now made some distributions but even after being asked directly last week to reply to us by Friday and let us know that next steps and when we could expect it to be 100% complete and closed, we have had no replyjust crickets from her.



ReplyForward

EXHIBIT 2

Interview Follow-up Request

1. Provide documentation, including receipts and deposit slips, for the sale of vehicles showing when they were sold and how much they were sold for.
2. Provide an explanation for the following: You noted on the March 2021 WF bank statement that the deposits of \$1,500 and \$4,200 were from the sale of the vehicles, but the billing records show one vehicle was towed into town on April 30, 2021, and repaired on May 1, 2021. The other vehicle was repaired on August 10, 2021. How/why were repairs made on the vehicles months after they were sold?
3. If the deposits of \$1,500 and \$4,200 in March 2021 were not from the sale of the vehicles, where did those funds come from?
4. Why was the \$1,500 deposit in March 2021 a transfer from your personal or business account to the estate account?
5. Provide documentation showing the disposition of the RV.
6. Provide the pictorial inventory of cash found in the safe deposit box.
7. A billing entry on October 27, 2021, says "Sale of Personal Property/Photos from PM Assistant re: sale of items." And on April 14, 2022, there is a billing entry that says "Prepare and make deposit for sale of personal items, update checking." Why aren't there corresponding bank deposits around those times? What property was sold and for how much?
8. The beneficiaries requested a statement showing all the estate assets and vehicles found and sold, repairs, and final distribution amounts. When was that provided to them?

[Get Outlook for iOS](#)

From: Ken Byrd
 Sent: Sunday, April 10, 2022
 To: Patricia Florio
 Cc: HeidiAnn Hinrichs
 Subject: Estate

So we received a document from Mizzy entitled Final ALTA statement. I have limited real estate experience but I believe that is the American Land and Title Association statement that is required for closing and title purposes. We noticed it still had our German address on it. We provided our new address here at Yokota AB Japan back in November, but please send all new documents to:

Heidi Ann Hinrichs

I assume you are waiting to hear back from the bank that everything is correct. **Before you draft and send out the statement from your office that includes all the assets and vehicles found and sold, repairs, and final distribution amounts?** You will have to explain it to us like we are children I am afraid. Estate transactions are not our forte'. Would like to have the basics down before we send it to our accountants to go over.

V/r
 Ken, Heidi, & Missy

Re: Wire Transfer

9 messages

HeidiAnn Hinrichs

Wed, Jun 7, 2023 at 11:55 AM

Funds have not been received by either of us. I'm going to need you to provide transfer confirmation numbers to us so that we can call Chase. I also would like your to answer questions that we have asked multiple times before, especially with regards to what the balance due after these transfers. **When can we receive the statement and balance sheet for the estate?** I truly just want this all done, and not have to elevate or escalate this to another level but going into the 4th year.....something has to give.

9. What estate accountings have been prepared and when? What accountings have been filed with the court? What accountings have been provided to the beneficiaries? Provide copies of all accountings.
10. Provide a reconciliation of the following discrepancy:

- Estate bank statements show you transferred a total of \$53,100.65 to your business checking accounts and took a cash withdrawal from the estate account of \$9,000 on 9/3/2021 for a total of \$62,100.65 paid to you.
 - Your Time & Expenses reports show total billable time and expenses of \$46,493.67.
 - Your invoices show payments made to you in the amount of \$36,682.56.
1. Provide a breakdown of what the \$9,000 cash withdrawal on 9/3/2021 was used for and the reason you made a cash withdrawal.
 2. Provide a breakdown of what payments were transferred from the estate checking accounts to your business accounts and then paid to contractors. Explain the payment method to the contractor(s)
 3. Provide a breakdown of what payments were made to you from the estate checking accounts as reimbursements for your out-of-pocket expenses including supporting documentation.
 4. There was a withdrawal from [REDACTED] for \$1,020 in January 2021 and one for \$5,247.84 by check number [REDACTED] in March 2021. What were those for?
 5. Explanation of why billable hours for fees appear as an expense/cost on the Time & Expenses report.
 6. Provide missing invoices for:
 - a. \$4,000 to Juan for carpeting on 11/18/21 and 11/23/21
 - b. \$1,960 to Shuron Harvey for property clean-up on 1/3/21
 - c. \$405 to Diggins Environmental for roll-off on 1/5/21
 - d. \$2,412.65 for cleanout of Marana Property on 4/23/21
 - e. \$4,250 for payment to project manager, payment to roll off company on 5/30/21
 - f. \$750 for back trailer cleaning crew on 8/21/21
 - g. \$5,300 for repairs and painting of main house on 12/20/21
 7. Because you used Flores LLC Chase checking account ending in [REDACTED] in transactions involving the estate, provide bank statements for Flores LLC Chase checking account ending in [REDACTED] for September and October 2022.

**ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE OF THE COURTS
REVIEW AND DECISION OF THE PROBABLE CAUSE
EVALUATOR**

REVIEW AND DECISION OF THE PROBABLE CAUSE EVALUATOR:

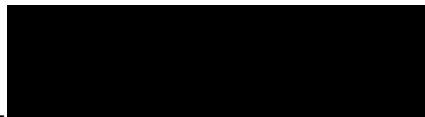
Under ACJA § 7-201(H)(5)(a), the deputy director, serving in the capacity of probable cause evaluator under ACJA § 7-201(D)(3)(a), having conducted an independent review of the facts and evidence gathered during the course of the investigation of complaint number **23-0027**:

- Directs division staff to investigate further.

 - Determines probable cause does not exist demonstrating the certificate holder has committed any acts of misconduct or violations of the statutes, court rules, this section, or the applicable section of the ACJA and enters a written finding to that effect as to Allegation(s):
-

- Determines probable cause exists demonstrating the certificate holder has committed one or more acts of misconduct or violations of the statutes, court rules, this section, or the applicable section of the ACJA and enters a written finding to that effect as to Allegation(s):

1, 2, 3, 4, 5, and 6



Marcus Reinkensmeyer
Probable Cause Evaluator

6/27/2024

Date

**ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE OF THE COURTS
RECOMMENDATION TO THE BOARD**

LICENSE HOLDER INFORMATION **License Holder:** Patricia Flores
License Number: ██████████
Type of License: Individual Fiduciary

RECOMMENDATION TO THE FIDUCIARY BOARD (“BOARD”):

It is recommended the Board accept the finding of the Probable Cause Evaluator and enter a finding **Patricia Flores** has committed the alleged act(s) of misconduct as detailed in the Investigation Summary, Determination, Probable Cause Review, and Recommendation Report in complaint number **23-0027**.

It is further recommended the Board enter a finding grounds for formal disciplinary action exists under Arizona Code of Judicial Administration (“ACJA”) § 7-201(H)(6) for act(s) of misconduct involving ACJA §§ 7-201(F)(1) and F(4); 7-201 (H)(3)(c); 7-201 (H)(6)(a) and (c); and 7-201 (H)(6)(k)(6), (7) and (8); ACJA §§ 7-202(J); 7-202 (J)(1)(a); 7-202 (J)(6); 7-202 (J)(6)(d), and (e); A.R.S. §§ 14-3703(A); 14-3933(A)(3); 14-10801; 14-10813 (A) and (C).

Mitigating factors under ACJA § 7-201(H)(22)(b)(1):

- The absence of a prior disciplinary record;
- The absence of a dishonest motive;
- The absence of a selfish motive;
- Personal or emotional problems;
- A timely good faith effort to make restitution or to rectify consequences of misconduct;
- Full and free disclosure to the division staff, the board or the hearing officer;
- A cooperative attitude toward any proceedings;
- Inexperience in the practice of the profession or occupation;
- Character or reputation;
- Physical or mental disability;
- Physical or mental impairment;
- Delays in the disciplinary proceedings;
- Interim rehabilitation;
- Imposition of other penalties or sanctions;
- Remorse;
- The remoteness of prior offenses;
- Other: _____

Aggravating factors under ACJA § 7-201(H)(22)(b)(2):

- A prior disciplinary record;

- A dishonest motive;
- A selfish motive;
- Multiple offenses;
- Bad faith obstruction of the disciplinary proceedings by intentionally failing to comply with this section, the applicable section of ACJA, court rules or orders of the hearing officer; (Failure to respond to Division requests sent to a valid point of contact reflects an uncooperative attitude toward the investigation)
- Submission of false evidence, false statements or other deceptive practices during the discipline process;
- Refusal to acknowledge wrongful nature of the conduct;
- Vulnerability of the victim;
- Substantial experience in the profession or occupation;
- Indifference to making restitution;
- Other: _____

Patricia Flores has demonstrated a pattern of failing to satisfactorily cooperate with regulators during regulatory investigations. Patricia Flores has demonstrated a pattern of practice that lacks the requisite degree of care, skills, professionalism, competency, and proficiency expected of a licensed fiduciary. Patricia Flores has demonstrated a pattern of practice that is inconsistent with the essential and prevailing standards of professional fiduciary practice. This pattern predates, and has continued beyond, Patricia Flores' documented personal challenges between December 2022 and March 2023.

It is recommended the Board suspend Patricia Flores' fiduciary license for a period of six months, beginning on the date of the Board's final order, and subject to the reinstatement requirements of ACJA §7-201(E)(9).

It is further recommended the Board direct that during the suspension, Patricia Flores undergo a compliance audit of her fiduciary practice. If the compliance audit identifies deficiencies in Flores' compliance with statutes, court rules, administrative orders, court orders, local rules, the ACJA or other legal or ethical requirements relating to fiduciaries, Flores must implement a corrective action plan to provide the Board with reasonable assurance that Flores has cured any deficiencies and is in compliance with all requirements.

It is further recommended that if reinstated after suspension, the Board place Patricia Flores on probation for 12 months.

After reinstatement, completion of the compliance audit, implementation of any corrective action recommended by the audit, and Board concurrence that Patricia Flores is in compliance and has demonstrated reasonable assurance that she will remain in compliance, the Board may approve the early termination of probation.

SUBMITTED BY:



8/14/2024

Aaron Nash, Director Date
Certification and Licensing Division

**ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE OF THE COURTS
DECISION AND ORDER OF THE BOARD**

DECISION AND ORDER:

The Board, having reviewed the above Investigation Summary, Determination, Probable Cause Review, and Recommendation Report regarding complaint number 23-0027 and license number [REDACTED], makes a finding of facts and this decision, based on the facts, evidence, and analysis as presented and:

- Request division staff to conduct further investigation;
- Refer the complaint to another entity with jurisdiction;

Referral to: _____

- Determine no violation exists and dismiss the complaint
 - with prejudice
 - without prejudice
- Determine no acts of misconduct or violation occurred and no discipline is warranted; however the certificate holder's actions need modification or elimination and issue an advisory letter pursuant to subsection (D)(5)(c)(1)(g);
- Enter a finding the certificate holder has violated any provisions of the statutes, court rules, this section, or the applicable ACJA specific sections or subsection (H)(6) and order an emergency summary suspension, pursuant to subsection (H)(9)(d);
- Enter a finding the certificate holder has violated any of the provisions of the statutes, court rules, this section, the applicable ACJA sections or subsection (H)(6) and issue an order imposing any or a combination of the following information or formal disciplinary sanctions:
 - Issue a letter of concern
 - Issue a censure
 - Resolve any found acts of misconduct or violations by consent order or other negotiated settlement
 - Place specific restrictions on a certificate
 - Place the certificate holder on probation or a set period of time under specified conditions

- Mandate additional training for the certificate holder
- Issue a cease and desist order pursuant to subsection (E)96)
- Order suspension of a certificate for a set period of time with specific conditions for reinstatement

- Order revocation of a certificate with specific conditions for reinstatement
- Assess costs associated with the investigation and disciplinary proceedings; or
- Impose civil penalties associated with the investigation and disciplinary proceedings.

Order the preparation of documents necessary for informal or formal disciplinary actions under subsection (H)(7)(b), (H)(8)(b) or (H)(9)(b)

Request the license holder appear before the Board to participate in a Formal Interview, pursuant to ACJA § 7-201(H)(8).


Enter a finding the public health, safety or welfare is at risk, requires emergency action, and orders the immediate emergency suspension of the license and sets an expedited hearing for:

Date, Time, and Location: _____

Order the filing of Notice of Formal Charges, pursuant to ACJA § 7-201(H)(10).

Adopts the recommendations of the Division Director.

Does not adopt the recommendations of the Division Director and orders:



The Hon. Jennifer Perkins, Chair
 Fiduciary Board

09/13/2024

 Date