

WISCONSIN DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES



Wisconsin Department of Safety and Professional Services Access to the Public Records of the Reports of Decisions

This Reports of Decisions document was retrieved from the Wisconsin Department of Safety and Professional Services website. These records are open to public view under Wisconsin's Open Records law, sections 19.31-19.39 Wisconsin Statutes.

Please read this agreement prior to viewing the Decision:

- The Reports of Decisions is designed to contain copies of all orders issued by credentialing authorities within the Department of Safety and Professional Services from November, 1998 to the present. In addition, many but not all orders for the time period between 1977 and November, 1998 are posted. Not all orders issued by a credentialing authority constitute a formal disciplinary action.
- Reports of Decisions contains information as it exists at a specific point in time in the Department of Safety and Professional Services data base. Because this data base changes constantly, the Department is not responsible for subsequent entries that update, correct or delete data. The Department is not responsible for notifying prior requesters of updates, modifications, corrections or deletions. All users have the responsibility to determine whether information obtained from this site is still accurate, current and complete.
- There may be discrepancies between the online copies and the original document. Original documents should be consulted as the definitive representation of the order's content. Copies of original orders may be obtained by mailing requests to the Department of Safety and Professional Services, PO Box 8935, Madison, WI 53708-8935. The Department charges copying fees. *All requests must cite the case number, the date of the order, and respondent's name* as it appears on the order.
- Reported decisions may have an appeal pending, and discipline may be stayed during the appeal. Information about the current status of a credential issued by the Department of Safety and Professional Services is shown on the Department's Web Site under "License Lookup."

The status of an appeal may be found on court access websites at:

<http://ccap.courts.state.wi.us/InternetCourtAccess> and <http://www.courts.state.wi.us/wscca>

- Records not open to public inspection by statute are not contained on this website.

By viewing this document, you have read the above and agree to the use of the Reports of Decisions subject to the above terms, and that you understand the limitations of this on-line database.

Correcting information on the DSPS website: An individual who believes that information on the website is inaccurate may contact DSPS@wisconsin.gov

STATE OF WISCONSIN
BEFORE THE REAL ESTATE EXAMINING BOARD

IN THE MATTER OF DISCIPLINARY
PROCEEDINGS AGAINST

ROBERTA ENGSTROM GERMOND,
STEVEN R. GERMOND AND
E G G OF SUPERIOR, INC.,
RESPONDENTS.

:
:
:
:
:
:
:

FINAL DECISION AND ORDER

0003347

Division of Legal Services and Compliance Case No. 13 REB 060

The parties to this action for the purpose of Wis. Stat. § 227.53 are:

Roberta Engstrom Germond
2603 Maryland Ave.
Superior, WI 54880

Steven R. Germond
2603 Maryland Ave.
Superior, WI 54880

E G G of Superior, Inc.
2603 Maryland Ave.
Superior, WI 54880

Wisconsin Real Estate Examining Board
P.O. Box 8366
Madison, WI 53708-8366

Division of Legal Services and Compliance
Department of Safety and Professional Services
P.O. Box 7190
Madison, WI 53707-7190

The parties in this matter agree to the terms and conditions of the attached Stipulation as the final disposition of this matter, subject to the approval of the Wisconsin Real Estate Examining Board (Board). The Board has reviewed this Stipulation and considers it acceptable.

Accordingly, the Board in this matter adopts the attached Stipulation and makes the following Findings of Fact, Conclusions of Law and Order.

FINDINGS OF FACT

1. Respondent Roberta Engstrom Germond (dob March 11, 1943) is licensed in the State of Wisconsin as a real estate broker, having license number 38906-90, first issued on October 20, 1986 and current through December 14, 2014. Roberta Engstrom Germond's most recent address on file with the Wisconsin Department of Safety and Professional Services (Department) is 2603 Maryland Ave., Superior, WI 54880.

2. Respondent Steven R. Germond (dob September 27, 1957) is licensed in the State of Wisconsin as a real estate broker, having license number 45125-90, first issued on July 9, 1991 and current through December 14, 2014. Respondent Steven R. Germond's most recent address on file with the Department is 2603 Maryland Ave., Superior, WI 54880.

3. Respondent E G G of Superior, Inc. (d/b/a ReMax Twin Ports) is licensed in the State of Wisconsin as a real estate business entity, having license number 833818-91, first issued on March 7, 1989 and current through December 14, 2014. Respondent E G G of Superior, Inc.'s most recent address on file with the Department is 2603 Maryland Ave., Superior, WI 54880.

4. Respondents Roberta Engstrom Germond and Steven R. Germond co-own Respondent E G G of Superior, Inc.

5. Respondent Roberta Engstrom Germond is identified in Department records as the responsible broker for Respondent E G G of Superior, Inc.

6. Respondents maintain two trust accounts: a common real estate trust account at Superior Savings Bank designated as ReMax Twin Ports MN Trust with account number ending in -89 and a second common real estate trust account at Superior Savings Bank designated as EGG of Superior, Inc. Property Management Trust Account with account number ending in -20.

7. Respondent Roberta Engstrom Germond did not timely register the trust account with account number ending in -20 with the Department.

8. On August 19, 2013, an auditor with the Department audited Respondents' real estate trust accounts. The audit revealed the following:

- a. Ledgers were not maintained.
- b. Bank reconciliations were not performed.
- c. Trial balances were not prepared.
- d. Validations were not completed.
- e. Both trust accounts were underfunded.

- f. Respondents Roberta Engstrom Germond and Steven R. Germond explained they had experienced theft in the amount of over \$73,000 by their bookkeeper, a licensed real estate salesperson, who they fired in January 2012.
- g. The bookkeeper had not properly maintained trust account records for months prior to January 2012.
- h. The trust account with account number ending in -20 was opened using Respondents' miscellaneous or personal funds to pay outstanding balances.
- 9. Respondents failed to adequately supervise their bookkeeper.
- 10. Respondents did not report their bookkeeper's misconduct to the Department.
- 11. Respondents' trust account records are now in compliance.
- 12. In resolution of this matter, Respondents consent to the entry of the following Conclusions of Law and Order.

CONCLUSIONS OF LAW

- 1. The Wisconsin Real Estate Examining Board has jurisdiction to act in this matter pursuant to Wis. Stat. § 452.14, and is authorized to enter into the attached Stipulation pursuant to Wis. Stat. § 227.44(5).
- 2. By the conduct described in the Findings of Fact, Roberta Engstrom Germond violated Wis. Stat. § 452.133(1)(f) by failing to safeguard trust funds.
- 3. By the conduct described in the Findings of Fact, Roberta Engstrom Germond violated Wis. Admin. Code § REEB 18.13(2)–(5) by failing to:
 - a. Maintain a ledger;
 - b. Reconcile the real estate trust account monthly;
 - c. Prepare a trial balance monthly; and
 - d. Validate the account monthly.
- 4. By the conduct described in the Findings of Fact, Roberta Engstrom Germond violated Wis. Stat. § 452.13(2)(b)1. and Wis. Admin. Code § REEB 18.035(1) by failing to provide the department with the required consent to examine and audit trust account form within ten days after opening a new trust account.
- 5. By the conduct described in the Findings of Fact, Roberta Engstrom Germond and E G G of Superior, Inc. violated Wis. Admin. Code § REEB 17.08(1) by failing to adequately supervise the activities of their employee.

6. By the conduct described in the Findings of Fact, Steven R. Germond violated Wis. Admin. Code § REEB 24.17(3) by aiding or abetting the above violations.

7. By the conduct described in the Findings of Fact, Roberta Engstrom Germond, Steven R. Germond and E G G of Superior, Inc. violated Wis. Admin. Code § REEB 24.17(3) by aiding or abetting the employee's violations.

8. As a result of the above violations, Roberta Engstrom Germond is subject to discipline pursuant to Wis. Stat. § 452.14(3)(h), (i) and (L).

9. As a result of the above violations, Steven R. Germond and E G G of Superior, Inc. are subject to discipline pursuant to Wis. Stat. § 452.14(3)(L).

ORDER

1. The attached Stipulation is accepted.
2. Respondent Roberta Engstrom Germond is REPRIMANDED.
3. Respondent Steven R. Germond is REPRIMANDED.
4. Respondent E G G of Superior, Inc. is REPRIMANDED.
5. The real estate broker licenses issued to Roberta Engstrom Germond (license number 38906-90) and Steven R. Germond (license number 45125-90) are LIMITED as follows:
 - a. Within 30 days of the date of this Order, Respondents shall each successfully complete the following education: 3 hours in the topic of trust accounts and 3 hours in the topic of business management. The course(s) shall be offered by a provider pre-approved by the Board's monitoring liaison, including taking and passing any exam offered for the courses.
 - b. Respondents shall each submit proof of successful completion of the ordered education in the form of verification from the institution providing the education to the Department Monitor at the address stated below. None of the education completed pursuant to this requirement may be used to satisfy any continuing education requirements that have been or may be instituted by the Board or Department, and also may not be used in future attempts to upgrade a credential in Wisconsin.
 - c. This limitation shall be removed from Respondents' licenses after satisfying the Board or its designee that Respondents have successfully completed all of the ordered education.
6. Within 90 days from the date of this Order, Roberta Engstrom Germond shall pay one-half of the COSTS of this matter in the amount of \$300.

7. Within 90 days from the date of this Order, Steven R. Germond shall pay one-half of the COSTS of this matter in the amount of \$300.

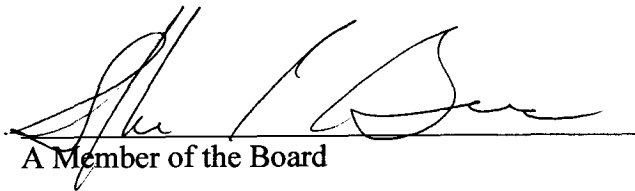
8. Payment of costs shall be made payable to the Wisconsin Department of Safety and Professional Services and sent by Respondents to the Department Monitor at the address below:

Department Monitor
Division of Legal Services and Compliance
Department of Safety and Professional Services
P.O. Box 7190, Madison, WI 53707-7190
Telephone (608) 267-3817; Fax (608) 266-2264
DSPSMonitoring@wisconsin.gov

9. Violation of any of the terms of this Order may be construed as conduct imperiling public health, safety and welfare and may result in a summary suspension of Respondents' licenses. The Board in its discretion may in the alternative impose additional conditions and limitations or other additional discipline for a violation of any of the terms of this Order. In the event Respondents fail to timely submit payment of the costs or complete the education as ordered, Respondents' licenses (no. 38906-90 and no. 45125-90) may, in the discretion of the Board or its designee, be SUSPENDED, without further notice or hearing, until Respondents have complied with payment of the costs and completion of the education.

10. This Order is effective on the date of its signing.

WISCONSIN REAL ESTATE EXAMINING BOARD

by: 
A Member of the Board

8-21-14
Date

STATE OF WISCONSIN
BEFORE THE REAL ESTATE EXAMINING BOARD

IN THE MATTER OF DISCIPLINARY
PROCEEDINGS AGAINST

ROBERTA ENGSTROM GERMOND,
STEVEN R. GERMOND AND
E G G OF SUPERIOR, INC.,
RESPONDENTS.

:
:
:
:
:
:
:

STIPULATION

0003347

Division of Legal Services and Compliance Case No. 13 REB 060

Respondents Robert Engstrom Germond, Steven R. Germond and E G G of Superior, Inc. and the Division of Legal Services and Compliance, Department of Safety and Professional Services stipulate as follows:

1. This Stipulation is entered into as a result of a pending investigation by the Division of Legal Services and Compliance. Respondents consent to the resolution of this investigation by Stipulation.
2. Respondents understand that by signing this Stipulation, Respondents voluntarily and knowingly waive the following rights:
 - the right to a hearing on the allegations against Respondents, at which time the State has the burden of proving those allegations by a preponderance of the evidence;
 - the right to confront and cross-examine the witnesses against Respondents;
 - the right to call witnesses on Respondents' behalf and to compel their attendance by subpoena;
 - the right to testify on Respondents' own behalf;
 - the right to file objections to any proposed decision and to present briefs or oral arguments to the officials who are to render the final decision;
 - the right to petition for rehearing; and
 - all other applicable rights afforded to Respondents under the United States Constitution, the Wisconsin Constitution, the Wisconsin Statutes, the Wisconsin Administrative Code, and other provisions of state or federal law.
3. Respondents are aware of Respondents' right to seek legal representation and have been provided an opportunity to obtain legal counsel before signing this Stipulation. Respondents are represented by Kyle H. Torvinen.
4. Respondents agree to the adoption of the attached Final Decision and Order by the Wisconsin Real Estate Examining Board (Board). The parties to the Stipulation consent to the entry of the attached Final Decision and Order without further notice, pleading, appearance

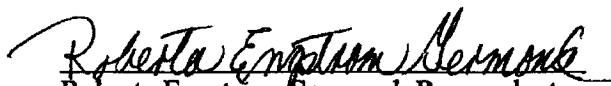
or consent of the parties. Respondents waive all rights to any appeal of the Board's order, if adopted in the form as attached.

5. If the terms of this Stipulation are not acceptable to the Board, the parties shall not be bound by the contents of this Stipulation, and the matter shall then be returned to the Division of Legal Services and Compliance for further proceedings. In the event that the Stipulation is not accepted by the Board, the parties agree not to contend that the Board has been prejudiced or biased in any manner by the consideration of this attempted resolution.

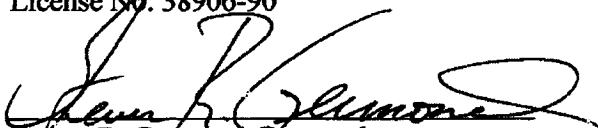
6. The parties to this Stipulation agree that the attorney or other agent for the Division of Legal Services and Compliance and any member of the Board ever assigned as an advisor in this investigation may appear before the Board in open or closed session, without the presence of Respondents or Respondents' attorney, for purposes of speaking in support of this agreement and answering questions that any member of the Board may have in connection with deliberations on the Stipulation. Additionally, any such advisor may vote on whether the Board should accept this Stipulation and issue the attached Final Decision and Order.

7. Respondents are informed that should the Board adopt this Stipulation, the Board's Final Decision and Order is a public record and will be published in accordance with standard Department procedure.


8. The Division of Legal Services and Compliance joins Respondents in recommending the Board adopt this Stipulation and issue the attached Final Decision and Order.


Roberta Engstrom Germond, Respondent
2603 Maryland Ave.
Superior, WI 54880
License No. 38906-90

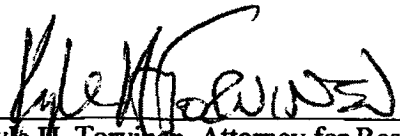
6-9-14
Date


Steven R. Germond, Respondent
2603 Maryland Ave.
Superior, WI 54880
License No. 45125-90

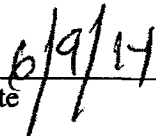
06.09.2014
Date


E G G of Superior, Inc., Respondent
By: Roberta Engstrom Germond
2603 Maryland Ave.
Superior, WI 54880
License No. 833818-91

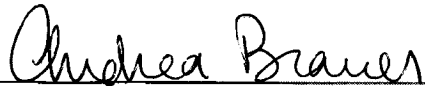
6-9-14
Date



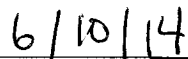
Kyle H. Torvonen, Attorney for Respondents
823 Belknap Street, #222
Superior, WI 54880



Date



Andrea Brauer, Attorney
Division of Legal Services and Compliance
P.O. Box 7190
Madison, WI 53707-7190



Date