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**BEFORE THE COMMISSION FOR COMMON-INTEREST  
COMMUNITIES AND CONDOMINIUM HOTELS  
STATE OF NEVADA**

JOSEPH (J.D.) DECKER, Administrator,  
REAL ESTATE DIVISION, DEPARTMENT  
OF BUSINESS & INDUSTRY, STATE OF  
NEVADA,

Petitioner,

vs.

LAS BRISAS HOMEOWNERS  
ASSOCIATION; DONALD PIET; TED  
CHAMPAIGN; JUDY ENGLAND; RICK  
ERNEST; JERRY PRICE; and JOHN  
CHRISTENSEN,

Respondents.

Case No. 2014-697

**FILED**

**SEP 22 2015**

NEVADA COMMISSION OF  
COMMON INTEREST COMMUNITIES  
AND CONDOMINIUM HOTELS

**STIPULATION AND ORDER FOR SETTLEMENT OF DISCIPLINARY ACTION**

Petitioner, Real Estate Division of the Department of Business and Industry, State of Nevada (the "Division"), through its Administrator, JOSEPH (J.D.) DECKER, and Respondents, LAS BRISAS HOMEOWNERS ASSOCIATION; TED CHAMPAIGN; JUDY ENGLAND; RICK ERNEST; JERRY PRICE; and JOHN CHRISTENSEN by and through their undersigned counsel, stipulate and agree as follows.

**JURISDICTION AND NOTICE**

1. During the relevant times mentioned in this complaint, RESPONDENTS TED CHAMPAIGN; JUDY ENGLAND; RICK ERNEST; JERRY PRICE; and JOHN CHRISTENSEN were directors of RESPONDENT LAS BRISAS HOMEOWNERS' ASSOCIATION (the "ASSOCIATION") located in Las Vegas, Nevada.

2. RESPONDENTS are subject to the provisions of Chapter 116 of each the Nevada Revised Statutes ("NRS") and the Nevada Administrative Code ("NAC") (hereinafter collectively referred to as "NRS 116") and are subject to the jurisdiction of the Division, and the Commission for Common-Interest Communities and Condominium Hotels pursuant to the provisions of NRS 116.750.



1 of the reserve study, minutes evidencing the board adopted the reserve study, and bank  
2 statements for the reserve account for the prior 12 months.

3 15. RESPONDENTS responded with a typed letter with a separate signature page  
4 signed by all the board members stating that the cost to do a reserve study or audit is the  
5 same as replacing a roof or deck for a homeowner, which they maintain is their priority.

6 16. The only documents provided by RESPONDENTS were 4 bank statements  
7 purported to be their reserve account which reflects a balance of approximately \$13,000 from  
8 August 2014.

9 17. The Reserve Study Summary form submitted in July 2014 states the reserve  
10 balance was \$100,000 as of the beginning of the fiscal year and \$100,000 is projected to be in  
11 the account at the end of the fiscal year.

12 18. RESPONDENTS did not provide the reserve study allegedly performed by "Jim  
13 Coats" or minutes of the board meeting where the board took action to adopt the study.

14 **VIOLATIONS OF LAW ALLEGED IN THE COMPLAINT**

15 19. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(3)) by  
16 committing an act or omission which amounts to incompetence, negligence, or gross  
17 negligence by failing to comply with NRS 116.31144 and have their financial statements  
18 audited by an independent CPA each fiscal year.

19 20. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(3)) by  
20 committing an act or omission which amounts to incompetence, negligence, or gross  
21 negligence by failing to comply with NRS 116.31152 and have a reserve study conducted  
22 once every five years.

23 21. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(a)) by failing  
24 to cause the ASSOCIATION to comply with all state laws by failing to comply with NRS  
25 116.31144 and NRS 116.31152.

26 22. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(e)) by  
27 failing to cause the ASSOCIATION to consult with appropriate professionals as necessary  
28 before making any major decisions affecting the ASSOCIATION or the common elements.



1           2.     The ASSOCIATION agrees to hire a community manager to manage the affairs  
2 of the ASSOCIATION and to maintain professional management for no less than 10 years  
3 from the date this Stipulation and Order is signed by the Commission.

4           3.     The ASSOCIATION agrees to provide audits for the years 2013 and 2014 in  
5 accordance with NRS 116.31144 to the Division within 90 days from the date this Stipulation  
6 and Order is signed by the Commission.

7           4.     The ASSOCIATION acknowledges that it never maintained a reserve account  
8 and that based on its May 15, 2015 reserve study the ASSOCIATION is deficient in reserves  
9 by more than \$1.7 million.

10          5.     The ASSOCIATION agrees to open a reserve account, and adopt and follow a  
11 funding plan to properly fund its reserve account based on its May 15, 2015 reserve study.

12          6.     The ASSOCIATION agrees to provide to the Division all documents and  
13 evidence of the ASSOCIATION'S compliance with this Stipulation and Order as requested by  
14 the Division.

15          7.     The ASSOCIATION agrees to comply with NAC 116.385 within ten days from  
16 the date this Stipulation and Order is signed by the Commission.

17          8.     RESPONDENTS and the Division agree that by entering into this Stipulation and  
18 Order, the Division does not concede any defense or mitigation RESPONDENTS may assert  
19 and that once this Stipulation and Order is approved and fully performed, the Division will  
20 close its file in this matter.

21          9.     This Stipulation and Order includes any claims that could have been included in  
22 a supplemental or amended complaint arising from the same operative facts, transactions and  
23 occurrences in existence as of the effective date of this Stipulation and Order. However, this  
24 Stipulation and Order does not include claims arising from facts or circumstances which have  
25 been concealed by RESPONDENTS.

26          10.    RESPONDENTS agree that if the terms and conditions of this Stipulation and  
27 Order are not met, the Division may, at its option, rescind this Stipulation and Order and  
28 proceed with prosecuting the Complaint before the Commission.

1           11.   RESPONDENTS agree and understand that by entering into this Stipulation and  
2 Order, RESPONDENTS are waiving their right to a hearing at which RESPONDENTS may  
3 present evidence in their defense, their right to a written decision on the merits of the  
4 Complaint, their rights to reconsideration and/or rehearing, appeal and/or judicial review, and  
5 all other rights which may be accorded by the Nevada Administrative Procedure Act, the  
6 Nevada Common Interest Ownership statutes and accompanying regulations, and the federal  
7 and state constitutions. RESPONDENTS understand that this Stipulation and Order and other  
8 documentation may be subject to public records laws. The Commission members who review  
9 this matter for approval of this Stipulation and Order may be the same members who  
10 ultimately hear, consider and decide the Complaint if this Stipulation and Order is either not  
11 approved by the Commission or is not timely performed by RESPONDENTS.  
12 RESPONDENTS fully understand that they have the right to be represented by legal counsel  
13 in this matter at their own expense.

14           12.   Each party shall bear its own attorney's fees and costs.

15           13.   Stipulation and Order is Not Evidence. Neither this Stipulation and Order nor  
16 any statements made concerning this Stipulation and Order may be discussed or introduced  
17 into evidence at any hearing on the Complaint, if the Division must ultimately present its case  
18 based on the Complaint filed in this matter.

19           14.   Approval of Stipulation and Order. Once executed, this Stipulation and Order  
20 will be filed with the Commission and will be placed on the agenda for approval at its  
21 September 2015 public meeting. The Division will recommend to the Commission approval of  
22 the Stipulation and Order. RESPONDENTS agree that the Commission may approve, reject,  
23 or suggest amendments to this Stipulation and Order and that it must be accepted or rejected  
24 by RESPONDENTS before any amendment is effective.

25           15.   Withdrawal of Stipulation and Order. If the Commission rejects this Stipulation  
26 and Order or suggests amendments unacceptable to RESPONDENTS, RESPONDENTS may  
27 withdraw from this Stipulation and Order and the Division may pursue its Complaint before the  
28 Commission at the Commission's next regular public meeting.

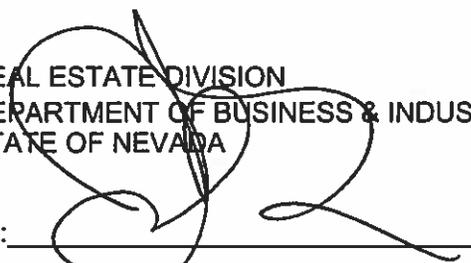
1           16. Release. In consideration of execution of this Stipulation and Order, the  
2 RESPONDENTS for themselves, their heirs, executors, administrators, successors, and  
3 assigns, hereby releases, remises, and forever discharges the State of Nevada, the  
4 Department of Business and Industry and the Division, and each of their respective members,  
5 agents, employees and counsel in their individual and representative capacities, from any and  
6 all manner of actions, causes of action, suits, debts, judgments, executions, claims, and  
7 demands whatsoever, known and unknown, in law or equity, that the RESPONDENTS ever  
8 had, now has, may have, or claim to have, against any or all of the persons or entities named  
9 in this section, arising out of or by reason of the Division's investigation, this disciplinary  
10 action, and all other matters relating thereto.

11           17. Indemnification. RESPONDENTS hereby indemnify and hold harmless the  
12 State of Nevada, the Department of Business and Industry, the Division, and each of their  
13 respective members, agents, employees and counsel in their individual and representative  
14 capacities against any and all claims, suits, and actions brought against said persons and/or  
15 entities by reason of the Division's investigation, this disciplinary action and all other matters  
16 relating thereto, and against any and all expenses, damages, and costs, including court costs  
17 and attorney fees, which may be sustained by the persons and/or entities named in this  
18 section as a result of said claims, suits, and actions.

19           18. RESPONDENTS have signed and dated this Stipulation and Order only after  
20 reading and understanding all terms herein.

21 Dated: 09/22/15  
22

23 REAL ESTATE DIVISION  
24 DEPARTMENT OF BUSINESS & INDUSTRY  
25 STATE OF NEVADA

26 By:   
27 JOSEPH (J.D.) DECKER, Administrator  
28

Office of the Attorney General  
555 E. Washington Avenue, Suite 3900  
Las Vegas, Nevada 89101

1 Dated: 9/21/15

LAS BRISAS HOMEOWNERS ASSOCIATION,  
RESPONDENT

2  
3 By:   
LARRY PANZER, PRESIDENT

4 Dated: 9-21-15

5 By:   
TED CHAMPAIGN, RESPONDENT

6  
7 Dated: 9/21/15

8 By:   
JUDY ENGLAND, RESPONDENT

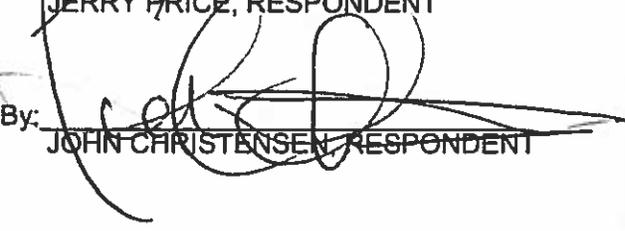
9  
10 Dated: 9/21/15

11 By:   
RICK ERNEST, RESPONDENT  
ERNEST RE

12 Dated: 9/22/15

13 By:   
JERRY PRICE, RESPONDENT

14  
15 Dated: 9/21/15

16 By:   
JOHN CHRISTENSEN, RESPONDENT

17  
18 Approved as to form:

19 ADAM PAUL LAXALT,  
20 Attorney General

PIET & WRIGHT

21 Dated: 9.22.15

22 Dated: 9/21/15

23 By:   
24 Michelle D. Briggs, Esq.,  
25 Senior Deputy Attorney General  
26 Attorney for the Division

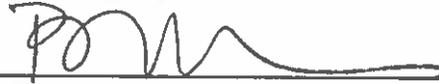
27 By:   
28 John A. Piet, Esq.  
Attorneys for Respondents

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IT IS ORDERED that the foregoing Stipulation and Order is approved in full.

Dated this 22 day of September, 2015.

COMMISSION FOR COMMON-INTEREST  
COMMUNITIES AND CONDOMINIUM HOTELS  
DEPARTMENT OF BUSINESS & INDUSTRY  
STATE OF NEVADA

By: 

Name: Barry Buslow

Title: Chair

Office of the Attorney General  
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Las Vegas, Nevada 89101