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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.

RENNAE RAGSDALE,

Respondent.

Case Nos. 2014-2721, 2014-2965, and  
2015-846

**FILED**

**MAR 31 2016**

NEVADA COMMISSION OF  
COMMON INTEREST COMMUNITIES  
AND CONDOMINIUM HOTELS

**COMPLAINT FOR DISCIPLINARY  
ACTION AND NOTICE OF HEARING**

The Real Estate Division of the Department of Business and Industry, State of Nevada (the "Division"), by and through its counsel, Adam Paul Laxalt, Attorney General of the State of Nevada, and Michelle D. Briggs, Esq., Senior Deputy Attorney General, hereby notifies Respondent RENNAE RAGSDALE ("RESPONDENT" or "RAGSDALE") of an administrative hearing before the Commission for Common-Interest Communities and Condominium Hotels, State of Nevada, which is to be held pursuant to Chapters 233B and Chapters 116 and 116A of the Nevada Revised Statutes ("NRS") and Chapter 116 and 116A of the Nevada Administrative Code ("NAC"). The purpose of the hearing is to consider the allegations stated below and to determine if an administrative penalty will be imposed on the RESPONDENT pursuant to the provisions of NRS and NAC including, but not limited to, NAC 116A.360.

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1 13. The Division's letter was returned with a forwarding address.

2 14. The Division sent the letters to the new forwarding address provided by the post  
3 office.

4 15. RAGSDALE did not respond to any of the letters.

5 16. The Division issued an administrative fine to RAGSDALE in the amount of  
6 \$3,000 (\$1,000 for each investigation) for her failure to respond to all three investigations.

7 17. The administrative fine documents were returned to the Division marked  
8 "unclaimed".

9 18. RAGSDALE has never updated her address with the Division.

#### 10 VIOLATIONS OF LAW

11 19. RAGSDALE violated NRS 116A.630(1)(a) by failing to act as a fiduciary in her  
12 relationship with the Association by failing to turn over records and by sending disparaging  
13 emails to a group of unit owners.

14 20. RAGSDALE violated NRS 116A.630(1)(b) by failing to exercise ordinary and  
15 reasonable care in the performance of her duties.

16 21. RAGSDALE violated NRS 116A.630(10) by failing to cooperate with the  
17 Division in resolving complaints filed with the Division.

18 22. RAGSDALE violated NRS 116A.620(6) and NAC 116A.325(6) by failing to  
19 transfer all Association records within 30 days after termination of her management contract.

20 23. RAGSDALE violated NAC 116A.340 by failing to notify the Division of a change  
21 of address within 10 business days after the change occurred.

22 24. RAGSDALE violated NRS 116A.640(1) and NAC 116A.345(1) by disclosing  
23 confidential information relating to the Association's board to unit owners without the consent  
24 of the board.

25 25. RAGSDALE violated NRS 116A.640(2)(a) and NAC 116A.345(2)(a) by  
26 impeding or otherwise interfering with an investigation of the Division by failing to comply with  
27 a request by the Division to provide documents.

28 26. RAGSDALE violated NRS 116A.640(2)(c) and NAC 116A.345(2)(c) by

1 impeding or otherwise interfering with an investigation of the Division by concealing facts or  
2 documents relating to the business of her client.

3 27. RAGSDALE violated NAC 116A.355(1)(a)(1) by committing unprofessional  
4 conduct when she engaged in deceitful, fraudulent or dishonest conduct by communicating  
5 false, misleading or fraudulent information by email to unit owners about her client.

6 28. RAGSDALE violated NAC 116A.355(1)(a)(1) by committing unprofessional  
7 conduct when she failed to cooperate with the Division in the investigation of three  
8 complaints.

9 29. RAGSDALE violated NAC 116A.355(1)(a)(1) by committing unprofessional  
10 conduct when she exceeded the authority granted to her by her client when she emailed unit  
11 owners about specific board members.

12 **DISCIPLINE AUTHORIZED**

13 Pursuant to the provisions of NAC 116A.360 the Commission has discretion to impose  
14 discipline as it deems appropriate, including, but not limited to one or more of the following  
15 actions:

- 16 1. Revoke or suspend the certificate;
- 17 2. Refuse to renew or reinstate the certificate;
- 18 3. Place the community manager on probation;
- 19 4. Issue a reprimand or censure to the community manager;
- 20 5. Impose a fine of not more than \$5,000 for each violation of a statute or  
21 regulation;
- 22 6. Require the community manager to pay restitution;
- 23 7. Require the community manager to pay the costs of the investigation and  
24 hearing;
- 25 8. Require the community manager to obtain additional education relating to the  
26 management of common-interest communities; and
- 27 9. Take such other disciplinary action as the Commission deems appropriate.

28 The Commission may order one or any combination of the discipline described above.

NOTICE OF HEARING

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2 **PLEASE TAKE NOTICE**, that a disciplinary hearing has been set to consider this  
3 Administrative Complaint against the above-named RESPONDENT in accordance with  
4 Chapters 233B and 116 and 116A of the Nevada Revised Statutes and Chapters 116 and  
5 116A of the Nevada Administrative Code.

6 THE HEARING WILL TAKE PLACE on June 7-9, 2016 beginning at 9:00 a.m. each  
7 day or until such time as the Commission concludes its business. The Commission  
8 meeting on June 7 and 8, 2016, will be located at the Grant Sawyer Building, 555 East  
9 Washington Avenue, Room 4412, Las Vegas, Nevada 89101, with videoconferencing at  
10 the Legislative Building, 401 South Carson Street, Room 2134, Carson City, Nevada  
11 89701. The Commission meeting on June 9, 2016, will be located at the Department of  
12 Business and Industry, 2501 E. Sahara Avenue, 2<sup>nd</sup> Floor Conference Room, Las Vegas  
13 Nevada 89104, with videoconferencing to the Department of Business and Industry,  
14 Director's Office, 1830 East College Parkway, Suite 100, Carson City, Nevada 89706.

15 **STACKED CALENDAR:** Your hearing is one of several hearings that may be  
16 scheduled at the same time as part of a regular meeting of the Commission that is expected  
17 to take place on June 7-9, 2016. Thus, your hearing may be continued until later in the day or  
18 from day to day. It is your responsibility to be present when your case is called. If you are  
19 not present when your hearing is called, a default may be entered against you and the  
20 Commission may decide the case as if all allegations in the complaint were true. If you need  
21 to negotiate a more specific time for your hearing in advance because of coordination with  
22 out of state witnesses or the like, please call Claudia Rosolen, Commission Coordinator, at  
23 (702) 486-4606.

24 **YOUR RIGHTS AT THE HEARING:** Except as mentioned below, the hearing is an  
25 open meeting under Nevada's open meeting law, and may be attended by the public. After  
26 the evidence and arguments, the commission may conduct a closed meeting to discuss your  
27 alleged misconduct or professional competence. A verbatim record will be made by a  
28 certified court reporter. You are entitled to a copy of the transcript of the open and closed

1 portions of the meeting, although you must pay for the transcription.

2 As a RESPONDENT, you are specifically informed that you have the right to appear  
3 and be heard in your defense, either personally or through your counsel of choice. At the  
4 hearing, the Division has the burden of proving the allegations in the complaint and will call  
5 witnesses and present evidence against you. You have the right to respond and to present  
6 relevant evidence and argument on all issues involved. You have the right to call and  
7 examine witnesses, introduce exhibits, and cross-examine opposing witnesses on any matter  
8 relevant to the issues involved.

9 You have the right to request that the Commission issue subpoenas to compel  
10 witnesses to testify and/or evidence to be offered on your behalf. In making this request, you  
11 may be required to demonstrate the relevance of the witness' testimony and/or evidence.  
12 Other important rights and obligations, including your obligation to answer the complaint, you  
13 have are listed in NAC 116A.560 through NAC 116A.655, NRS Chapter 233B, and NRS  
14 Chapters 116 and 116A and NAC 116 and 116A.

15 Note that under NAC 116A.585, not less than five (5) working days before a hearing,  
16 RESPONDENT must provide to the Division a copy of all reasonably available documents  
17 that are reasonably anticipated to be used to support his or her position, and a list of  
18 witnesses RESPONDENT intends to call at the time of the hearing. Failure to provide any  
19 document or to list a witness may result in the document or witness being excluded from  
20 Respondent's defense. The purpose of the hearing is to determine if the RESPONDENT has

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1 violated any of the provisions of NRS and NAC Chapters 116 and 116A, and to determine  
2 what administrative penalty is to be assessed against RESPONDENT, if any, pursuant to  
3 NAC 116A.360.

4 DATED this 30 day of MARCH, 2016.

5 REAL ESTATE DIVISION  
6 DEPARTMENT OF BUSINESS & INDUSTRY  
7 STATE OF NEVADA

8 By:   
9 JOSEPH (J.D.) DECKER, Administrator  
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ADAM PAUL LAXALT  
Attorney General

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