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

Sharath Chandra, Administrator, Real Estate Division, Department of Business & Industry, State of Nevada,

Case No. 2016-3611

Petitioner,

vs.

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Dorothy Keith and Hacienda La Caliente Homeowners Association,

NEVADA COMMISSION OF COMMON INTEREST COMMUNITIES AND CONDOMINIUM HOTELS

FILED

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Respondents.

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, Senior Deputy Attorney General, hereby notifies Respondents Dorothy Keith and Hacienda La Caliente Homeowners Association, (hereinafter, collectively "RESPONDENTS") 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 116 of the Nevada Revised Statutes ("NRS") and Chapter 116 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 RESPONDENTS pursuant to the provisions of NRS and NAC including, but not limited to, NRS 116.785 and NRS 116.790.

JURISDICTION AND NOTICE

1. During the relevant times mentioned in this complaint, RESPONDENT DOROTHY KEITH (KEITH) was an officer or director of RESPONDENT HACIENDA LA CALIENTE HOMEOWNERS ASSOCIATION (the "Association"), a homeowners' association located in Las Vegas, Nevada.

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payment be made to KEITH and handwritten statements of work performed.

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- 12. KEITH identified Robert Doerr as the person performing work for the Association and that the checks to her were for petty cash reimbursement.
 - 13. KEITH never provided any evidence that she made payments to Mr. Doerr.
- 14. Two of three checks actually written to Mr. Doerr are endorsed by Mr. Doerr and appear to have been deposited into KEITH's bank account.
- 15. The minutes provided do not mention Mr. Doerr as a vendor or that he provides services to the Association.

VIOLATIONS OF LAW

- 16. KEITH knowingly and willfully violated NRS 116.3103 (through NAC 116.405(1)) by failing to act in good faith and in the best interests of the Association when she acted outside the scope of her authority granted in the governing documents.
- 17. KEITH knowingly and willfully violated NRS 116.3103 (through NAC 116.405(3)) by committing an act or omission which amounts to incompetence, negligence or gross negligence.
- 18. KEITH knowingly and willfully violated NRS 116.3103 (through NAC 116.405(8)(g)) by failing to act in good faith and in the best interests of the Association when she failed to maintain current, accurate and properly documented financial records.
- 19. KEITH knowingly and willfully violated NRS 116.3103 (through NAC 116.405(2)) by failing to act in good faith and in the best interests of the Association when she acted for reasons of self-interest.
- 20. KEITH knowingly and willfully violated NRS 116.3103 (through NAC 116.405(5)(c)) by failing to act in good faith and in the best interests of the Association when she impeded the Division's investigation by concealing facts and documents relating to the business of the Association.
- 21. KEITH knowingly and willfully violated NRS 116.3103 (through NAC 116.405(8)(i)) by failing to act in good faith and in the best interests of the Association when she failed to cause the Association to establish policies and procedures that are designed to provide reasonable assurances in the reliability of financial reporting.

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DISCIPLINE AUTHORIZED

Pursuant to the provisions of NRS 116.615; NRS 116.755; NRS 116.785; and NRS 116.790 the Commission has discretion to take any or all of the following actions:

- 1. Issue an order directing RESPONDENTS to cease and desist from continuing to engage in the unlawful conduct that resulted in the violation.
- 2. Issue an order directing RESPONDENTS to take affirmative action to correct any conditions resulting from the violation.
- 3. Impose an administrative fine of up to \$1,000 for each violation by RESPONDENTS.
- 4. IF RESPONDENT IS FOUND TO HAVE KNOWINGLY AND WILLFULLY COMMITTED A VIOLATION of NRS or NAC 116 AND it is in the best interest of the Association, such RESPONDENT may be removed from his/her position as a director and/or officer.
 - 5. Order an audit of the ASSOCIATION, at the expense of the ASSOCIATION.
- 6. Require the BOARD MEMBERS to hire a community manager who holds a certificate.
- 7. Require RESPONDENTS to pay the costs of the proceedings incurred by the Division, including, without limitation, the cost of the investigation and reasonable attorney's fees.
- 8. Take whatever further disciplinary action as the Commission deems appropriate.

The Commission may order one or any combination of the discipline described above. If the Commission finds that the RESPONDENT knowingly and willfully violated the provisions of NRS or NAC 116, the Commission may order that RESPONDENT be personally liable for all fines and costs imposed.

NOTICE OF HEARING

PLEASE TAKE NOTICE, that a disciplinary hearing has been set to consider this Administrative Complaint against the above-named RESPONDENTS in accordance

with Chapters 233B and 116 and 116A of the Nevada Revised Statutes and Chapters 116 and 116A of the Nevada Administrative Code.

THE HEARING WILL TAKE PLACE at the Commission meeting scheduled for November 14-16, 2017, beginning at approximately 9:00 a.m. each day, or until such time as the Commission concludes its business. The Commission meeting will be held at the Nevada State Business Center, 3300 W. Sahara Avenue, Nevada Room, Suite 400, Las Vegas, Nevada 89102 with videoconferencing to Department of Business & Industry, Director's Office, 1830 East College Parkway, Suite 100, Carson City, Nevada 89706.

STACKED CALENDAR: Your hearing is one of several hearings that may be scheduled at the same time as part of a regular meeting of the Commission that is expected to take place on November 14-16, 2017. Thus, your hearing may be continued until later in the day or from day to day. It is your responsibility to be present when your case is called. If you are not present when your hearing is called, a default may be entered against you and the Commission may decide the case as if all allegations in the complaint were true. If you need to negotiate a more specific time for your hearing in advance because of coordination with out of state witnesses or the like, please call Claudia Rosolen, Commission Coordinator, at (702) 486-4606.

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

As a RESPONDENT, you are specifically informed that you have the right to appear and be heard in your defense, either personally or through your counsel of choice. At the hearing, the Division has the burden of proving the allegations in the complaint and will call witnesses and present evidence against you. You have the right to respond and to present relevant evidence and argument on all issues involved. You have the right

to call and examine witnesses, introduce exhibits, and cross-examine opposing witnesses on any matter relevant to the issues involved. You have the right to request that the Commission issue subpoenas to compel witnesses to testify and/or evidence to be offered on your behalf. In making this request, you may be required to demonstrate the relevance of the witness' testimony and/or evidence. Other important rights and obligations, including your obligation to answer the complaint, you have are listed in NRS Chapter 116 and NAC Chapter 116, including without limitation, NRS 116.770 through 116.780, and NAC 116.500 through NAC 116.635 and NRS Chapter 233B.

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Note that under NAC 116.575, not less than five (5) working days before a hearing, RESPONDENT must provide to the Division a copy of all reasonably available documents that are reasonably anticipated to be used to support his position, and a list of witnesses RESPONDENTS intend to call at the time of the hearing. Failure to provide any document or to list a witness may result in the document or witness being excluded from RESPONDENTS' defense. The purpose of the hearing is to determine if the RESPONDENTS have violated the provisions of Chapter 116, and to determine what administrative penalty is to be assessed against RESPONDENTS.

DATED this 29 day of September, 2017.

REAL ESTATE DIVISION, DEPARTMENT OF BUSINESS & INDUSTRY, STATE OF NEVADA

By:

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