

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

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

Case No. 2018-1027

6                                   Petitioner,

7 vs.

8 Malinda Ann Baldrige,

9                                   Respondent.

**FILED**

APR 01 2019

NEVADA COMMISSION OF  
COMMON INTEREST COMMUNITIES  
AND CONDOMINIUM HOTELS

10                                   **FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER**

11                   This matter came on for hearing before the Commission for Common-Interest  
12 Communities and Condominium Hotels, Department of Business and Industry, State of  
13 Nevada (the "Commission"), during a regular agenda on March 12, 2019, at the Nevada  
14 State Business Center, 3300 W. Sahara Avenue, Nevada Room, Suite 400, Las Vegas,  
15 Nevada 89102 with videoconferencing to Division of Insurance, 1818 East College Parkway,  
16 Suite 103, Carson City, Nevada 89706 (the "Hearing"). The **RESPONDENT, MALINDA**  
17 **ANN BALDRIDGE**, did not appear or submit an answer to the Complaint. Michelle D.  
18 Briggs, Esq., Senior Deputy Attorney General with the Nevada Attorney General's Office,  
19 appeared on behalf of the Real Estate Division of the Department of Business and Industry,  
20 State of Nevada (the "Division"). Having decided the summary suspension, Chairman  
21 Burke recused himself. Teralyn Lewis, Administration Section Manager for the Division,  
22 testified regarding the notices sent to Respondent. Lori Burger appeared in Carson City,  
23 and testified regarding her personal knowledge of Respondent's conduct. Documents  
24 evidencing the violations were presented to the Commission. The Commission voted  
25 unanimously to find Respondent in default. The Commission enters the following Findings  
26 of Fact, Conclusions of Law, and Order. Under Nevada Revised Statutes (NRS) and Nevada  
27 Administrative Code (NAC) Chapters 116 and 116A, the Commission has legal jurisdiction

1 and authority over this matter.

## 2 FINDINGS OF FACT

3 Based on the Commission's finding of a default against BALDRIDGE for failing to  
4 appear and failing to answer the Complaint and the testimony and documents presented,  
5 the Commission accepted as true all of the following factual allegations by unanimous vote:

6 1. BALDRIDGE worked as a supervisory community manager for Eugene  
7 Burger Management Company (EBMC) until resigning in June 2018.

8 2. EBMC discovered certain financial discrepancies concerning BALDRIDGE  
9 and investigated their records.

10 3. EBMC notified the Division of its investigation which was still in progress.

11 4. According to evidence provided by EBMC, BALDRIDGE, as an officer and  
12 board member for Sky Vista Homeowners' Association which was managed by EBMC, but  
13 not BALDRIDGE herself, redrafted and falsified Sky Vista's May 27, 2014 meeting minutes  
14 to include board approval for payment to "Gorg E. French" in the amount of \$65,000 for  
15 alleged damage caused to Mr. French as a result of an overflowing ditch on Sky Vista's  
16 property.

17 5. BALDRIDGE falsified letters to Mr. French and signed Sky Vista's  
18 community manager's signature.

19 6. Using the falsified documents, BALDRIDGE first tried to have a check  
20 generated for the full \$65,000, but was told by the EBMC accounting department that  
21 checks over \$45,000 require the actual signature of the board's president.

22 7. On June 11, 2018, BALDRIDGE forged the board president's name on a check  
23 request for Mr. French in the amount of \$45,000.

24 8. EBMC determined that there is no such person as "Gorg E. French" and no  
25 check was generated in that name.

26 9. After being confronted about the discrepancy, BALDRIDGE resigned from  
27 EBMC on June 27, 2018.

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1           10.    EBMC then conducted audits of the associations managed by BALDRIDGE  
2 and discovered additional nefarious conduct.

3           11.    There are two vendor accounts for Eldorado Villas Homeowners' Association  
4 and Stonefield II Homeowners' Association that cannot be verified.

5           12.    George Frank / Angels Landscaping and Construction received 29 checks  
6 totaling \$221,589.00 since July 2016 for alleged landscaping services and construction work  
7 at Eldorado Villas.

8           13.    George Thomas / Wolf Pack Lawn and Landscaping received 43 checks  
9 totaling \$197,953.52 since November 2012 for landscaping work at Stonefield II.

10          14.    BALDRIDGE took possession of the checks for those vendors with the  
11 expectation that she hand-delivered them.

12          15.    Checks paid to both Mr. Frank and Mr. Thomas are deposited in the same  
13 bank account and endorsed by the same person.

14          16.    The addresses on file for Mr. Frank and Mr. Thomas do not exist, and the  
15 company names do not exist.

16          17.    Invoices from the two vendors contain forged board members' signatures for  
17 approval of payment and incorrect contractor's licenses.

18          18.    BALDRIDGE admitted to EBMC that she never met the vendors.

19          19.    BALDRIDGE'S desk contained IRS documents addressed to the vendors for  
20 the prior year.

21          20.    BALDRIDGE created and signed a letter purporting to be on behalf of  
22 Stonefield II's attorney requesting payment in the amount of \$4,900 be paid to George  
23 Thomas.

24          21.    The letter references parcels that do not exist and a transaction that never  
25 occurred.

26          22.    The association's attorney confirmed that the letter did not come from her or  
27 her office.

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1           32.    BALDRIDGE violated NAC 116A.345(3) and NRS 116A.640(4) by using  
2 money of a client for her own personal use.

3           33.    BALDRIDGE violated NRS 116A.630(6)(a) 144 times by failing to ensure that  
4 the financial transactions of her clients' are current, accurate and properly documented.

5           34.    BALDRIDGE violated NAC 116A.355(1)(a)(1) (NAC 116A.355(2)(g)) 144 times  
6 by failing to act in the best interest of her clients.

7           35.    BALDRIDGE violated NAC 116A.355(1)(a)(2) (NAC 116A.355(3)(a)) more  
8 than 144 times by engaging in conduct constituting professional incompetence by  
9 demonstrating a significant lack of ability, knowledge or fitness to perform a duty or  
10 obligation owed to the Associations.

11          36.    BALDRIDGE violated NAC 116A.355(1)(a)(2) (NAC 116A.355(3)(b)) more  
12 than 144 times by engaging in conduct constituting professional incompetence by failing to  
13 exercise reasonable skill and care with respect to a duty or obligation owed to her clients.

14          37.    BALDRIDGE violated NRS 116A.630(1)(a) more than 144 times by failing to  
15 act as a fiduciary in her relationship with her clients.

16          38.    BALDRIDGE violated NRS 116A.630(1)(b) more than 144 times by failing to  
17 exercise ordinary and reasonable care in the performance of her duties for her clients.

18          39.    BALDRIDGE violated NRS 116A.630(2)(a) by failing to comply with federal  
19 and state laws.

20          40.    BALDRIDGE violated NRS 116.3103 (through NAC 116.405(2)) by breaching  
21 her fiduciary duty to Sky Vista and failing to act in its best interests when she acted for  
22 reasons of self-interest and gain by forging a board member's signature on a check request.

23          41.    BALDRIDGE violated NRS 116.3103 (through NAC 116.405(2)) by breaching  
24 her fiduciary duty to Sky Vista and failing to act in its best interests when she acted for  
25 reasons of self-interest and gain by falsifying minutes to be used to obtain money from the  
26 association.

27          42.    BALDRIDGE violated NRS 116.3103 (through NAC 116.405(2)) by breaching  
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1 her fiduciary duty to Sky Vista and failing to act in its best interests when she acted for  
2 reasons of self-interest and gain by forging the association's manager's signature on a check  
3 request.

4 43. BALDRIDGE violated NRS 116.3103 (through NAC 116.405(3)) by breaching  
5 her fiduciary duty to Sky Vista and failing to act in its best interests when she committed  
6 acts which amount to incompetence or gross negligence by forging a board member's  
7 signature on a check request.

8 44. BALDRIDGE violated NRS 116.3103 (through NAC 116.405(3)) by breaching  
9 her fiduciary duty to Sky Vista and failing to act in its best interests when she committed  
10 acts which amount to incompetence or gross negligence by falsifying minutes to be used to  
11 obtain money from the association.

12 45. BALDRIDGE violated NRS 116.3103 (through NAC 116.405(3)) by breaching  
13 her fiduciary duty to Sky Vista and failing to act in its best interests when she committed  
14 acts which amount to incompetence or gross negligence by forging the association's  
15 manager's signature on a check request.

16 46. BALDRIDGE violated NRS 116.3103 (through NAC 116.405(8)(g)) by  
17 breaching her fiduciary duty to Sky Vista and failing to act in its best interests when she  
18 acted deliberately not to maintain current, accurate and properly documented financial  
19 records by requesting a check with forged signatures and false minutes.

## 20 ORDER

21 The Commission being fully apprised in the premises, and good cause appearing to  
22 the Commission, by a unanimous vote, ORDERS as follows:

23 1. BALDRIDGE'S community manager certificate is revoked for a period of no less  
24 than ten years from the date of this Order, but in no event sooner than all fines and restitution  
25 imposed by the Commission are paid in full.

26 2. BALDRIDGE shall pay an administrative fine to the Division in the total  
27 amount of \$186,640.55 – which includes a fine of \$180,000 for the violations of law and  
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1 \$6,640.55 representing the total amount due for the Division's attorney's fees and costs – no  
2 later than 60 days from the date of this Order.

3 3. BALDRIDGE shall pay restitution to the associations as follows: \$221,589 to  
4 Eldorado Villas HOA and \$197,953.52 to Stonefield II HOA. If Eugene Burger Management  
5 Company (EBMC) repays the associations, then such restitution shall be paid to EBMC.

6 4. The Division may institute debt collection proceedings for failure to timely pay  
7 the total fine, including action to reduce this Order to a judgment. Further, if collection goes  
8 through the State of Nevada, then BALDRIDGE shall also pay the costs associated with  
9 collection.


10 Dated: March 22, 2019.

11 Commission for Common-Interest Communities  
12 and Condominium Hotels, Department of Business  
& Industry, State of Nevada

13  
14 By:   
James Rizzi, Vice-Chairman

15 Submitted by:

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17 Attorney General

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