

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,

Petitioner,

vs.

Sierra Ranchos Property Owners
Association, Sabrina Brin, Tony Boggs, and
Greg Mayer,

Respondents.

Case No. 2018-1663

FILED

JUL 29 2019

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, Aaron D. Ford, Attorney General of the State of Nevada, and Michelle D. Briggs, Senior Deputy Attorney General, hereby notifies RESPONDENTS SIERRA RANCHOS PROPERTY OWNERS ASSOCIATION, SABRINA BRIN, TONY BOGGS, AND GREG MAYER (hereinafter, "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.

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3 **JURISDICTION AND NOTICE**

4 1. During the relevant times mentioned in this complaint, RESPONDENTS
5 SABRINA BRIN, TONY BOGGS, AND GREG MAYER served as board members and/or
6 officers of SIERRA RANCHOS PROPERTY OWNERS ASSOCIATION (the
7 "Association"), a common-interest community located in Reno, Nevada.

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

13 **FACTUAL ALLEGATIONS**

14 3. SIERRA RANCHOS PROPERTY OWNERS ASSOCIATION (the
15 "Association"), is a self-managed, planned community consisting of 197 units.

16 4. The Association has an annual budget of \$50,880.

17 5. The Association submitted checks to the Division with signatures from a
18 prior board member, Roger Seifert, and the Association's bookkeeper, Joy Marvin.

19 6. The Division initiated an investigation against the Association and its board
20 members.

21 7. Joy Marvin signed over 160 Association checks from June 2016 to June 2018
22 and was paid \$425 a month.

23 8. Mr. Seifert agreed to step down from the board to resolve a disciplinary case
24 before this Commission in June 2016, but he continued to sign checks through March
25 2018.

26 9. The Association's attorney responded to the Division saying:

27 The Association is self-managed and was unaware of the limitations and
28 requirements regarding the signing of checks.

10. The Association's records show that the Association's bookkeeper performs
the services of a community manager, including without limitation, by signing

1 Association checks, preparing financial statements and delinquency reports,
2 participating in board meetings, preparing resale packages, and being the custodian of
3 the Association's records.

4 11. The Association transferred all of its reserve funds totaling \$15,000 to its
5 operating account in October and November 2017.

6 12. The Association imposed a special reserve assessment in 2018 and deposited
7 the funds in its operating account.

8 13. In 2019, the Association put \$10,672.15 in its reserve account.

9 14. The Association employs a homeowner, Don Lingle, to perform road grading
10 services and maintenance, but he is not a Nevada contractor licensed to provide those
11 services.

12 15. Mr. Lingle was paid over \$90,000 in two years from June 2016 to June 2018.

13 16. The Association's financial statements do not comply with NAC 116.451.

14 VIOLATIONS OF LAW

15 17. RESPONDENTS violated NRS 116.31153(2) by allowing a former board
16 member and the Association's bookkeeper to sign over 160 Association checks.

17 18. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(3)) by
18 failing to act in good faith and in the best interests of the Association when they
19 committed multiple acts or omissions which amount to incompetence, negligence or gross
20 negligence by failing to comply with Nevada law.

21 19. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(a)) by
22 failing to act in good faith and in the best interests of the Association when they failed to
23 keep informed of laws, regulations and developments relating to common-interest
24 communities.

25 20. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(d)) by
26 failing to act in good faith and in the best interests of the Association when they failed to
27 obtain bids from reputable service providers who possess the proper licensing before
28 purchasing any service for use by the Association.

1 21. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(e)) by
2 failing to act in good faith and in the best interests of the Association when they failed to
3 consult with appropriate professionals as necessary before making any major decision
4 affecting the Association or the common elements.

5 22. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(g)) by
6 failing to act in good faith and in the best interests of the Association by failing to
7 maintain current, accurate and properly documented financial records.

8 23. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(j)) by
9 failing to act in good faith and in the best interests of the Association by failing to prepare
10 interim and annual financial statements that will allow the Division, the executive board,
11 the units' owners to determine whether the financial position of the association is fairly
12 presented in accordance with the provisions of NAC 116.451.

13 **DISCIPLINE AUTHORIZED**

14 Pursuant to the provisions of NRS 116.615; NRS 116.755; NRS 116.785; and NRS
15 116.790 the Commission has discretion to take any or all of the following actions:

16 1. Issue an order directing RESPONDENT to cease and desist from continuing
17 to engage in the unlawful conduct that resulted in the violation.

18 2. Issue an order directing RESPONDENT to take affirmative action to correct
19 any conditions resulting from the violation.

20 3. Impose an administrative fine of up to \$1,000 for each violation by
21 RESPONDENT.

22 4. IF RESPONDENTS ARE FOUND TO HAVE KNOWINGLY AND
23 WILLFULLY COMMITTED A VIOLATION of NRS or NAC 116 AND it is in the best
24 interest of the Association, such RESPONDENTS may be removed from his/her position
25 as a director and/or officer.

26 5. Order an audit of the ASSOCIATION, at the expense of the ASSOCIATION.

27 6. Require the BOARD MEMBERS to hire a community manager who holds a
28 certificate.

1 7. Require RESPONDENTS to pay the costs of the proceedings incurred by the
2 Division, including, without limitation, the cost of the investigation and reasonable
3 attorney's fees.

4 8. Take whatever further disciplinary action as the Commission deems
5 appropriate.

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

10 **NOTICE OF HEARING**

11 **PLEASE TAKE NOTICE**, that a disciplinary hearing has been set to consider
12 this Administrative Complaint against the above-named RESPONDENTS in accordance
13 with Chapters 233B and 116 of the Nevada Revised Statutes and Chapter 116 of the
14 Nevada Administrative Code.

15 **THE HEARING WILL TAKE PLACE** at the Commission meeting scheduled for
16 September 17-19, 2019, beginning at approximately 9:00 a.m. each day, or until such time
17 as the Commission concludes its business. The Commission meeting will be held at the
18 Nevada Division of Insurance at 1818 East College Parkway, Suite 103, Carson City,
19 Nevada 89706, with video conferencing at the Nevada State Business Center at 3300 West
20 Sahara Ave., Fourth Floor, Nevada Room, Las Vegas, Nevada 89102.

21 **STACKED CALENDAR:** Your hearing is one of several hearings that may be
22 scheduled at the same time as part of a regular meeting of the Commission that is
23 expected to take place on September 17-19, 2019. Thus, your hearing may be continued
24 until later in the day or from day to day. It is your responsibility to be present when your
25 case is called. If you are not present when your hearing is called, a default may be entered
26 against you and the Commission may decide the case as if all allegations in the complaint
27 were true. If you need to negotiate a more specific time for your hearing in advance
28 because of coordination with out of state witnesses or the like, please call Jan Unger,

1 Administration Section Manager, at (702) 486-4036.

2 YOUR RIGHTS AT THE HEARING: Except as mentioned below, the hearing is an
3 open meeting under Nevada's open meeting law, and may be attended by the public. After
4 the evidence and arguments, the commission may conduct a closed meeting to discuss
5 your alleged misconduct or professional competence. The proceeding will be audio
6 recorded. You are entitled to a copy of the transcript of the open and closed portions of
7 the meeting, although you must pay for the transcription.

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

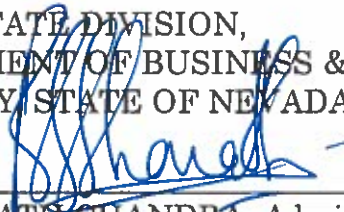
15 You have the right to request that the Commission issue subpoenas to compel
16 witnesses to testify and/or evidence to be offered on your behalf. In making this request,
17 you may be required to demonstrate the relevance of the witness' testimony and/or
18 evidence. Other important rights and obligations, including your obligation to answer the
19 complaint, you have are listed in NRS Chapter 116 and NAC Chapter 116, including
20 without limitation, NRS 116.770 through 116.780, and NAC 116.500 through NAC
21 116.635 and NRS Chapter 233B.

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


1 determine what administrative penalty is to be assessed against RESPONDENTS.

2 DATED: July 29, 2019.

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

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