

A Newsletter from the Common-Interest Communities &  
Condominium Hotels Program

# Community Insights

SPRING EDITION

Department of Business & Industry, Real Estate Division

## OMBUDSMAN'S HUDDLE

### Nevada Real Estate Division

**Sharath Chandra**  
Administrator

**Perry Faigin**  
Deputy Administrator

**Charvez Foger**  
Ombudsman

**Monique Williamson**  
Editor

### Inside this Issue:

Education Corner: What Should be Included in a Resale Package?	2
Farewell to Sharon Jackson/New CIC Compliance Investigator II	3
Questions from our Constituents/ Ombudsman Office Statistics/ Reminders for Community Managers	4
New Advisory Opinion No. 19-01	5
New SNHD Pool Regulations	6
What Happened at Commission?	7
Mission Statements, Holidays, CIC Commissioners/ Commission Meetings	8

As the Ombudsman for Owners in Common-Interest Communities and Condominium Hotels, it is impossible to talk about the status of homeowner associations without also talking about trends in the Real Estate industry. Over the last few years, job growth in Nevada has led to a rise in demand for housing, in turn, leading to a resurgence in the construction of new housing communities.

In 2018 alone, the Office registered over 100 new associations, encompassing over 10,000 new units. With each new association comes a new board of directors in need of specific training and guidance, as well as a fresh wave of unit owners with questions about their rights and obligations.

In order to reach all of these constituents, it has become more important than ever to revitalize the Office and ensure that we are providing pertinent information in an easily accessible format to those who need it most.

To meet this goal, the Office of the Ombudsman has been working diligently to revamp its webpage: <http://red.nv.gov/Content/CIC/Main/>. Under the 'training' link, we have added new brochures, class presentations, as well as "CIC Cheat Sheets" all in the hope that by simplifying the way in which the public can obtain information, such information will be used proactively. We hope that all those in the industry will find our efforts beneficial, and as always, we are open to any feedback.

### Meet Michael J. Brown, the New Director of the Department of Business & Industry!

Director Brown has a Master of Business Administration from George Washington University and has had quite a prestigious career. He served in the Reagan Administration at the U.S. Treasury, was appointed by Senator Harry Reid to serve on the U.S. Mint's Citizens Coinage Advisory Committee, and most recently, retired as president of Barrick Gold, the world's largest gold mining company.



Director Michael J. Brown (left) with  
Ombudsman Charvez Foger

In Nevada, Director Brown has served as a board member of the Clark County Public Education Foundation,

Nevada Mining Association, Nevada Taxpayers Association, Three Square Food Bank, Opportunity Village and Nevada Ballet Theatre. He is the founder of the new Nevada Corporate Giving Council, an organization dedicated to improving the practice of corporate philanthropy, and currently serves as a board member on the Council for a Better Nevada.

Director Brown is known for his charity and has been especially understanding and compassionate when it comes to the needs and concerns of unit owners in Nevada CICs. In his short time as Director, he has already proven himself to be an asset to the Ombudsman's Office, and we are sincerely grateful for it.



## EDUCATION CORNER

### ***WHAT SHOULD BE INCLUDED IN A RESALE PACKAGE?***

Found on our new "[Cheat Sheets](http://red.nv.gov/Content/CIC/Program_Training/Cheat_Sheets)" page located at [http://red.nv.gov/Content/CIC/Program\\_Training/](http://red.nv.gov/Content/CIC/Program_Training/)

#### **RESALE PACKAGE - NRS 116.4109**

Within 10 days after receipt of a written request by a unit's owner or his or her authorized agent, the association shall furnish, **at the expense of the unit owner**, all of the following to the unit's owner or his or her authorized agent for inclusion in the resale package:

**Maximums that can be charged to a unit's owner** (*the association may not charge the unit's owner any other fees for preparing or furnishing resale documents*):

##### **COPIES OF:**

The declaration (CC&Rs), other than any plats  
 The bylaws of the association  
 The rules & regulations of the association  
 The information statement required by NRS 116.41095 ("Before You Purchase... Did You Know?")  
 A copy of the current operating budget of the association  
 A current year-to-date financial statement, which must include a summary of the reserves and a: summary of the inspection of major components, an estimate of the remaining useful life of each component, a listing of any components with a remaining useful life of less than 30 years, an estimate of the cost of maintenance, repair, replacement or restoration of each major component during and at the end of its useful life, and an estimate of the total annual assessment/funding plan necessary to cover future reserve costs

**A fee not to exceed \$20** for providing documents in electronic format

##### **OR**

**\$0.25 per page for the first 10 pages and \$0.10 per page thereafter only** if the association is **unable** to provide such documents in electronic format

##### **A CERTIFICATE**

Including a:  
 Statement of any unsatisfied judgments or pending legal actions against the association and the status of any pending legal actions relating to the common-interest community of which the unit's owner has actual knowledge  
 Statement of any transfer fees, transaction fees, or any other fees associated with the resale of a unit  
 Statement describing all current and expected fees or charges for each unit, including, without limitation:  
     Association fees  
     Fines  
     Assessments  
     Late charges or penalties  
     Interest rates on delinquent assessments  
     Additional costs for collecting past due fines and charges for opening or closing any file for each unit (look to your collection policy)

**A fee not to exceed \$160**

##### **OR**

To expedite receiving the certificate to sooner than 3 business days after request, a **fee not to exceed \$125**

[NAC 116.465](#)

##### **A STATEMENT OF DEMAND**

Setting forth:  
 The amount of monthly assessment needed for common expenses; and  
 Any unpaid obligation of any kind currently **due from the selling unit's owner**, including, without limitation, management fees, transfer fees, fines, penalties, interest, collection costs, foreclosure fees and attorney's fees

**A fee not to exceed \$150**

##### **OR**

To expedite receiving the demand to sooner than 3 business days after request, a **fee not to exceed \$100**

## SAYING FAREWELL TO OUR DEPUTY ADMINISTRATOR

After 30 years of service, the State of Nevada is saying farewell to the Nevada Real Estate Division's Deputy Administrator, Sharon Jackson.

While many may remember Sharon as the previous Ombudsman for Owners in Common-Interest Communities and Condominium Hotels, a position in which served from 2014 to 2017, Sharon began her career with NRED in 2011, as the Supervisory Compliance Investigator, working difficult cases and preparing them for the CICCH Commission.

Prior to her time with NRED, Sharon Jackson served as the Deputy Director of Administration for the Department of Business and Industry and held a number of key positions with the Consumer Affairs Division, including interim Commissioner, acting Mediator and Chief Investigator and Deputy Chief Investigator.

Sharon has always been devoted to serving the public and working hard to find resolutions to disputes. Regarding the area of common-interest communities in particular, Sharon has also been a staunch proponent of education,

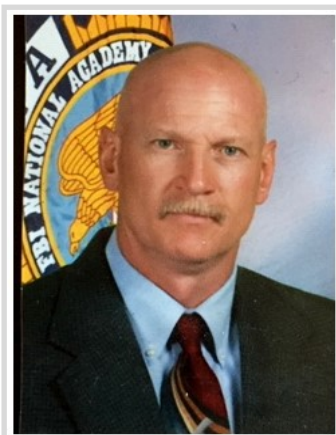
believing education to be the first step to tackling the types of misunderstandings that arise between those living and working in homeowner associations.

Sharon was sent off by a room full of those who currently work with her and those who have worked with her in the past. For all her hard work and compassion, Sharon will be sincerely missed by the Ombudsman's Office, and we wish her and her family nothing but health and happiness throughout her retirement.

To quote Sharon Jackson herself, "through protecting and educating the public, we can continue to create a better Nevada."



## NEW CIC COMPLIANCE INVESTIGATOR II



The Office of the Ombudsman is excited to announce new CIC Compliance Investigator, Chris Carter. Chris will be stationed in our Carson City office.

Chris Carter grew up in rural North Carolina and enlisted in the U.S. Army following high school graduation. He served for a total of nine years in

various units, including Military Police, Armored Cavalry and the Criminal Investigation Division (CID), on active duty, guard and reserve status.

After his active duty time, Chris served as a Police Officer in Southern California for 20 years and thereafter moved with his wife and daughter to Bishop, CA, where he served an additional 13 years, retiring in 2015 as Chief of Police of the Bishop Police Department.

During his career in Law Enforcement, Chris worked various assignments including: patrol; investigations; professional standards; SWAT; training, etc. Prior to retirement, he served as Adjunct Professor and Lead Instructor/Academy Coordinator for the Cerro Coso College Regional Training Center, where he instructed recruits in Firearms, Defensive Tactics, Chemical Agents, Less-Lethal Weapons, Use of Force and other related areas.

Chris has a Bachelor's in Business Administration and an Associates in Criminal Justice, is a Graduate of the FBI National Academy, Session 235, and graduated as a Certified Use of Force Analyst through the Force Science Institute.

"I am extremely excited to begin this next step in my professional journey, working with the Office of the Ombudsman and the great staff in CIC Compliance. My wife and I fell in love with Carson City and the surrounding area and we're looking forward to becoming residents of Northern Nevada. The opportunity to have a great job in a great place is truly a blessing."



## QUESTIONS FROM OUR CONSTITUENTS

Q. When completing the candidate disclosure statement, what is considered a “potential conflict of interest” for a candidate running for a seat on the executive board?

A. Pursuant to NRS 116.31187(1), a member of an executive board or an officer of an association shall not enter into a contract with the association to provide financing, goods or services, or otherwise accept any commission, personal profit or compensation of any kind from the association. Candidates running for the board must make a good faith effort to disclose any relationship or interest that would appear to a reasonable person to result in such a potential conflict of interest if the candidate were to be elected.

Q. Can the association charge me a set up fee when I purchase a unit?

A. While an association cannot charge any fees in addition to what is listed on page 2 **for a resale package**, it can charge a set up/transfer fee if that language is included in the association’s governing documents. Pursuant to NRS 116.4109(1)(b), any transfer fees must be *disclosed* as part of the resale package. Transfer fees **cannot** be charged *with* the resale package, as requesting the package does not guarantee that the sale will take place. Transfer fees can only be applied **after** the sale occurs.

## OMBUDSMAN INFORMATION - January through March 2019

Total Associations Registered in the State of Nevada	3,334
Complaints Received	83
Alternative Dispute Resolution (ADR) Filings	79
Audits Conducted	25
Records Requests Processed	10
Training Sessions Conducted	17
Classroom Attendees	346

Main Page: <http://red.nv.gov/>

All forms can be found at:  
<http://red.nv.gov/Content/Forms/All/>

Class calendars can be found at:  
[http://red.nv.gov/Content/CIC/Program\\_Training/](http://red.nv.gov/Content/CIC/Program_Training/); and

<http://red.nv.gov/Content/Education/Calendars/CIC/>

If you have any questions, please email:  
[CICombudsman@red.nv.gov](mailto:CICombudsman@red.nv.gov)

## REMINDERS FOR COMMUNITY MANAGERS

A **COMMUNITY MANAGER** shall give written notice to the Division (on Form 616) of any change of name, address or status **within 10 business days** after the change occurs and pay the appropriate fee (\$20).

Each time a **COMMUNITY MANAGER** enters into a contractual agreement with a new association, he or she must notify the Division (on Form 623) that there has been a change in correspondence with the association so that any communications sent from the Division to the association will correctly reach the intended recipient.

A **PROVISIONAL COMMUNITY MANAGER** shall give written notice to the Division (on Form 616A) of any change of his or her supervising community manager **within 10 business days** after the change occurs and pay the appropriate fee (\$20).

A community manager with a **TEMPORARY CERTIFICATE** will have their certificate expire 1 year after the date on which it is issued, **unless** the manager ceases to be employed by the association that made the offer of employment. At that time, the temporary certificate **expires when the employment ceases**.

Not later than **10 days** after a person with a **TEMPORARY CERTIFICATE** ceases to be employed, the association or managing agent shall notify the Division, by letter, with voided certificate attached, that the employment of the holder of the temporary certificate has ceased.

A **TEMPORARY CERTIFICATE** may NOT be renewed, and no person may obtain another temporary certificate after the temporary certificate issued to that person has expired.



## NEW ADVISORY OPINION NO. 19-01

**QUESTION:** Does “voting members” as used in NRS 116 include members who are temporarily suspended from voting according to [NRS 116.31031\(1\)\(a\)\(1\)](#)?

**SHORT ANSWER:** No. If an association’s board suspends a unit’s owner from voting, the unit’s owner cannot vote and cannot be called a “voting member” at the time their rights are suspended.

**ANALYSIS OF THE ISSUE:** NRS 116 uses the term “voting members” seven times. It relates to removal elections ([NRS 116.31036](#)), owners requesting special meetings ([NRS 116.3108](#)) and audits ([NRS 116.31144](#)), quorum requirements for owner meetings ([NRS 116.3109](#)), and owners collectively initiating a civil action for damages against the manager ([NRS 116.4117](#)). The complete text refers to the “total number of voting members of the association.” The issue of how to compute the total number of voting members of the association came as a question to the Division in the context of a removal election. The association in question had 25 owners whose voting rights were suspended by the board due to violations of the governing documents. As this large amount of suspended owners changed the outcome of the removal election, the Division found it necessary to clarify the issue of “voting members” for all associations in the same situation.

NRS 116 does not provide a definition of “voting members” or “total number of voting members of the association.” There is no indication in the law whether the maximum number of votes in an association would be the total number of voting members in all circumstances or whether that number would change depending on the suspension of voting rights for certain members. The concept of reducing the total number of owners by the number of ineligible owners is not a foreign concept. For example, Nevada law prohibits the association from casting a ballot on behalf of a unit it owns, so it could not be a voting member. [NRS 116.311\(11\)](#).

[NRS 116.31031\(1\)\(a\)\(1\)](#) allows an association to prohibit owners (for a reasonable time and if provided in the governing documents) from voting on matters related to the community. From a practical perspective, it makes sense that an owner who is suspended from voting would not be considered a voting member. *They cannot*

*vote, so how could they be called a voting member?* The issue also raises public policy considerations. The statutory requirements for owner percentages would be more difficult if owners who are suspended from voting are counted as voting members.

In an association with 250 units (not owned by the association) and 25 units’ owners suspended from voting; there would need to be 88 votes in favor if suspended owners are considered voting members (35% of 250). That would increase the percentage from 35% to 39% of the owners who could *actually* vote. If the suspended owners are NOT considered voting members, the association would need 79 votes in favor of removal (35% of 225). Likewise, ballots cast by unit owners not entitled to vote should not be included in the “total” count necessary when calculating the “majority” needed pursuant to [NRS 116.31036\(1\)\(b\)](#). There is no reason to make the difficult removal process harder for owners when the board decided to suspend voting rights for other owners. California law takes this into account by defining “voting power” to exclude those with “the right to vote upon the happening of some condition or event which has not yet occurred” (California’s Corporate Code §5078).

The Division does not believe the Nevada Legislature intended for board members to be able to increase their chances of defeating a removal effort by suspending voting privileges. Interpreting “voting members” to exclude those owners who are suspended, serves the public policy of allowing the owners to accomplish things like removal based on the *actual* percentages in the statutes. This makes sense in other places where voting members is used; as in the number of owners necessary to petition for a special meeting ([NRS 116.3108](#)) and to establish a quorum ([NRS 116.3109\(2\)\(a\)](#)), meaning that suspended voters cannot sign a petition for removal, audit or special meeting.

**ADVISORY CONCLUSION:** Based on the foregoing, the Division concludes that it is appropriate to calculate the number of voting members based on the number of owners who are *entitled* to vote at the time the vote is taking place, by subtracting the number of suspended owners from the total number of eligible owners. For example, in a 100 unit association where no units are owned by the association and 10 owners are suspended from voting, the total number of voting members would be 90.

## NEW SNHD POOL REGULATIONS

Following more than three years of collaboration with industry groups including HOAs, resort representatives, pool companies and other interested parties, the Southern Nevada Health District's (SNHD) new Aquatic Facility Regulations, based on the CDC's 2016 Model Aquatic Health Code (MAHC), were approved by the Nevada State Board of Health on June 8, 2018. These new regulations will go into effect on July 1, 2019. Any association that has not already done so, should log into <https://www.southernnevadahealthdistrict.org/permits-and-regulations/aquatic-health-program/> to view these new regulations.

For those thinking of constructing a new pool or spa, several field inspections, including a final inspection, need to be conducted to ensure compliance prior to the issuance of a permit. For those associations who already maintain a pool or spa, environmental health specialists from SNHD should be performing routine inspections of all permitted swimming areas, as well as the preventative maintenance plan, to ensure health and life safety compliance.

Every permitted public bathing facility must be maintained by a company or individual *certified by the health district*, and if a pool closure is recommended for any reason (see list below), appropriate fees may apply.

### Pool Closure Issues with Immediate Fee Assessment

1. Loose, damaged or missing main drain covers.
2. Water clarity (turbidity) – the inability to see the main drain cover.
3. All depth markers missing or illegible.
4. Non-functional re-circulating systems.
5. Gates and doors that do not self close and positively self latch and major barrier issues.
6. Fecal matter incidence without the proper response.
7. GFCI (lighting)  
Note: When water is found in the light fixture - If GFCI is not working properly the body of water will be closed and a re-opening fee will be assessed. If GFCI is tripped, or can be tripped, the body of water will be closed, with no fee assessed.
8. No detectable disinfectant.
9. Complete absence of functional life saving equipment and absence of lifeguards.

### Required Sign Inclusions per NAC 444:

- If a pool is not designed for diving, a sign stating “No Diving,” in contrasting characters not less than 4 inches (10.16 centimeters) in height, must be posted. Maximum depth must also be indicated.
- A sign stating that extended exposure to hot water or vapors may be detrimental to the health of persons with heart conditions must be posted.
- If no lifeguard service is provided, a warning sign must be placed in plain view for all bathers stating “Warning - No Lifeguard on Duty” with clearly legible letters, at least 4 inches (10 centimeters) in height. The sign must state “Children Under 14 Years Old Should Not Use Facility Without An Adult in Attendance,” and “Solo Bathing is Prohibited.”
- A sign with at least 4-inch letters on a contrasting background must be posted near the spa which indicates that children 12 years of age or younger must be supervised by an adult and that the maximum recommended time for such children to use the spa is 10 minutes.
- Placards directing behavior of bathers must be prominently posted in locker rooms, showers, toilets or elsewhere about the spa enclosure. A sign must be posted in the immediate vicinity of the spa, stating the location of the nearest telephone, with information that emergency numbers are posted on or near the telephone.
- The number of persons allowed to enter a spa must be limited to a number which allows 10 square feet (0.93 square meters) of water surface area for each person using the spa. A sign must be posted within the spa area stating the maximum number of people allowed in the spa at one time.

### Spa Signs

1. A sign with at least **4-inch** letters on a contrasting background must be posted near the spa which indicates that **CHILDREN 12 YEARS OF AGE OR YOUNGER MUST BE SUPERVISED BY AN ADULT** and that **THE MAXIMUM RECOMMENDED TIME FOR SUCH CHILDREN TO USE THE SPA IS 10 MINUTES.** (NAC 444.526)
2. **Extended exposure to the hot water or vapors may be detrimental to the health of persons with heart conditions.** (NAC 444.524)
3. A sign must be posted in **the immediate vicinity** of the spa, stating the **location of the nearest telephone** with the information that emergency telephone numbers are posted on or near the telephone. (NAC 444.530)
4. **Pool Operator Information** (NAC 444.268) (SNHD "Regulations Governing the Certification of Swimming Pool Service Companies, Technicians, Technician Apprentices, and Pool Operators in Clark County 3.1.6 & 7.5)
5. **911/Emergency Numbers** – on or near telephone (NAC 444.530)
6. **Pool Rules** (NAC 444.530)
7. **Capacity** (NAC 444.534)

**SAMPLE**

## WHAT HAPPENED AT COMMISSION?

NAME	ALLEGATIONS/ VIOLATIONS	DISCIPLINARY ACTIONS
<u><a href="#">NRED v. Malinda Baldridge</a></u> <u><a href="#">Case No. 2018-1027</a></u> <u><a href="#">Type of Respondent:</a></u> <u><a href="#">Community Manager</a></u> <u><a href="#">CAM.1405</a></u> <u><a href="#">(REVOKED)</a></u>	Respondent Baldridge worked as a supervisory community manager for Eugene Burger Management Company (EBMC). After conducting audits of the associations managed by Baldridge, EBMC discovered nefarious conduct in the form of vendor accounts that could not be verified (addresses and company names that do not exist) and bogus payments to attorneys and insurance claims, all totaling approximately \$419,542.52. Invoices contained forged board members' signatures for approval of payment and account records recovered from her work computer showed multiple transfers of money to her personal bank. Respondent violated: NAC 116A.355 72 times by engaging in deceitful, fraudulent or dishonest conduct and failing to act in the best interest of her clients; NAC 116A.345(3) and NRS 116A.640(4) by using money of a client for her own personal use; NRS 116A.630(6)(a) 144 times by failing to ensure that the financial transactions of her clients are current, accurate and properly documented; NRS 116A.630(1)(a) more than 144 times by failing to act as a fiduciary in her relationship with her clients; NRS 116A.630(2)(a) by failing to comply with federal and state laws; etc.	Baldridge's community manager certificate is revoked for a period of no less than ten years from the date of this Order, but in no event sooner than all fines and restitution are paid in full. She shall pay an administrative fine to the Division totaling \$186,640.55—\$180,000 for violations of law and \$6,640.55 for the Division's attorney's fees and costs, and restitution to the associations as follows: \$221,589 to Eldorado Villas HOA and \$197,953.52 to Stonefield II HOA. If EBMC repays the associations, then restitution shall be paid to EBMC. The Division may institute debt collection proceedings for failure to timely pay, adding costs associated with collection.
<u><a href="#">NRED v. Mountain Gate Homeowners Association, Doris Markham, Lillie Wyatt, Susan South and Robert South</a></u> <u><a href="#">Case No. 2017-2046</a></u> <u><a href="#">Type of Respondent:</a></u> <u><a href="#">Executive Board</a></u>	The Division conducted an audit of the association, and based on the results, commenced an investigation. Respondents Robert and Susan South are married and served on the association's board together. Robert performed "handyman" services for the association and was paid during his time on the board approximately \$6,950. Respondents violated NRS 116.3103 (through NAC 116.405(3)) by committing acts or omissions which amount to incompetence, negligence or gross negligence for hiring a board member to perform work he was not licensed to provide and allowing him to receive payment from the association prohibited by NRS 116.31187. Respondents also violated NRS 116.3103 (through NAC 116.405(2)) by acting out of reasons of self-interest or gain.	Respondents Susan and Robert South shall resign from the association's board immediately, and shall not serve as an officer or director for any common-interest community in the state of Nevada for a period of no less than ten years (five years for Respondents Lillie Wyatt and Doris Markham), but in no event prior to completion of the payments agreed to be paid to the association—\$6,950 paid in monthly installments of no less than \$115.83.
<u><a href="#">NRED v. Thomas Kelly</a></u> <u><a href="#">Case No. 2018-395</a></u> <u><a href="#">Type of Respondent:</a></u> <u><a href="#">Community Manager</a></u> <u><a href="#">CAM.25</a></u>	The Division opened three investigations against Riverwalk HOA based on complaints filed and began requesting documents from its community manager, Thomas Kelly. After receiving no response, the Division opened its investigation against Kelly for impeding the Division's investigation. Kelly violated: NRS 116A.630(10) and NAC 116A.320 by failing to cooperate with the Division in resolving complaints filed; NRS 116A.640 (2)(a) and NAC 116A.345(2)(a) by impeding or otherwise interfering with an investigation of the Division by failing to comply with a request to provide documents; and NRS 116A.630(1)(a) and NAC 116A.320 by failing to act as a fiduciary in his client relationship.	Kelly shall pay an administrative fine in the amount of \$5,000. Payment of the fine shall be due 30 days from the date of this Stipulation and Order. The fine shall bear interest at the rate of 5.5% per annum beginning on the day after it becomes due. Kelly shall complete 10 hours of continuing education in courses approved by the Commission within 6 months from the date of this Stipulation and Order.
<u><a href="#">NRED v. Teresa Drakeley</a></u> <u><a href="#">Case No. 2018-68</a></u> <u><a href="#">Type of Respondent:</a></u> <u><a href="#">Community Manager</a></u> <u><a href="#">CAM.8767</a></u> <u><a href="#">(REVOKED)</a></u>	Respondent Drakeley embezzled funds from the association through a fraud scheme called lapping. Drakeley changed deposit slips prepared by other employees and altered the daily log book. The association's CPA conducted an audit and concluded that the loss was approximately \$75,634.19 from April 2013 to April 2017. Drakeley violated: NRS 116A.630 when she failed to act as a fiduciary; NRS 116A.630(2)(a) and NAC 116A.320 by failing to comply with state laws; NRS 116A.630(6) (a) by failing to ensure that the financial transactions of the association are current, accurate and properly documented; NRS 116A.640(4) by using association money for her own personal use; NAC 116A.355(1)(a)(l) by engaging in deceitful, fraudulent or dishonest conduct; etc.	Drakeley's provisional community manager certificate is revoked for a period of no less than ten years from the date of this Order, but in no event sooner than all fines and restitution are paid in full (\$75,634.19 to the association and \$22,345.50 to the Division—\$20,000 for violations of law and \$2,345.50 for attorney's fees and costs). The Division may institute debt collection proceedings for failure to timely pay, adding costs associated with collection.
<u><a href="#">NRED v. Shadow Wood Homeowners Association and Jose Escalona</a></u> <u><a href="#">Case No. 2018-680</a></u> <u><a href="#">Type of Respondent:</a></u> <u><a href="#">Executive Board</a></u>	Respondent Escalona presently serves as the association's treasurer and was paid approximately \$3,450 for performing bookkeeping services under a fictitious company name. Respondent violated: NRS 116.31187 (1) by receiving compensation from the association in exchange for services; NRS 116.31034(10)(a)(2) by serving as a board member and officer of the association when he stood to gain personal profit or compensation; NRS 116.3103 (through NAC 116.405(2)) by acting for reasons of self-interest or gain; and NRS 116.3103 (through NAC 116.405 (5)(c)) by impeding the Division's investigation by concealing facts and documents regarding his work for the association.	Respondent is removed from the association's board and may not serve as a board member or officer for any common-interest community in the state of Nevada for a period of no less than ten years and in no event sooner than all fines and restitution are paid in full (\$3,450 in restitution and \$4,962.87 to the Division—\$2,500 for violations of law and \$2,462.87 for the Division's attorney's fees and costs).

### Allegations/Stipulations

Stipulations occur when both the respondent and the Division have agreed to conditions reviewed and accepted by both sides. A stipulation may or may not be an admission of guilt.

### Actions/Decisions

Acts of the Commission for Common-Interest Communities and Condominium Hotels are not published in this newsletter until after the 30-day period allowed for filing under Judicial Review. If a stay on discipline is issued by the court, the matter is not published until the final outcome of the review.



Nevada State Business Center  
Real Estate Division  
Office of the Ombudsman  
3300 W. Sahara Ave. Suite 325  
Las Vegas, NV 89102

Phone: 702-486-4480  
Fax: 702-486-4520  
E-mail: [CICOmbudsman@red.nv.gov](mailto:CICOmbudsman@red.nv.gov)



### *Nevada Real Estate Division Mission*

*To protect the public and Nevada's real estate sectors by fairly and effectively regulating real estate professionals through licensure, registration, education and enforcement.*

### *Office of the Ombudsman Mission*

*To provide a neutral and fair venue to assist homeowners, board members and community managers in handling issues that may arise while living in a common-interest community or condominium hotel.*

*Community Insights is an official publication of the*

STATE OF NEVADA  
DEPARTMENT OF BUSINESS AND INDUSTRY  
Michael J. Brown  
Director

REAL ESTATE DIVISION  
Sharath Chandra  
Administrator

Perry Faigin  
Deputy Administrator

COMMON-INTEREST COMMUNITIES &  
CONDOMINIUM  
HOTELS  
Office of the Ombudsman  
Charvez Foger  
Ombudsman

COMMISSION FOR  
COMMON-INTEREST COMMUNITIES &  
CONDOMINIUM HOTELS

Michael Burke, Esq., Chairman  
Attorney Member

James Rizzi, Vice-Chairman  
Developer Member

Richard Layton, Secretary  
Certified Public Accountant Member

Charles Niggemeyer, Commissioner  
Homeowner Member

Ryan Henderson, Commissioner  
Homeowner Member

Doris Woods, Commissioner  
Homeowner Member

Ken Williams, Commissioner  
Community Manager Member

## 2019 CIC COMMISSION MEETINGS

June 4-6, 2019  
September 17-19, 2019—North  
December 3-5, 2019

Further details located at:  
[http://red.nv.gov/Content/Meetings/CIC\\_Calendar/](http://red.nv.gov/Content/Meetings/CIC_Calendar/)

Our office will be closed:

*Memorial Day*  
Monday, May 27, 2019

*Independence Day*  
Thursday, July 4, 2019

*Labor Day*  
Monday, September 2, 2019

