

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 Nos. 2016-4195; 2016-173; 2015-3800
2015-3802; 2015-3803

Petitioner,

vs.

Jodi Kelly-Mehr,

Respondent.

FILED

SEP 18 2017

NEVADA COMMISSION OF
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

STIPULATION AND ORDER FOR

SETTLEMENT OF DISCIPLINARY ACTION

Petitioner, Real Estate Division of the Department of Business and Industry, State of Nevada (the "Division"), through its Administrator, Sharath Chandra, and Respondent, Jodi Kelly-Mehr stipulate and agree as follows.

JURISDICTION

1. MEHR engages in the management of common-interest communities as defined by NRS 116A.110 in the state of Nevada under certificate number (CAM.0001214).

2. MEHR is subject to the provisions of Chapters 116 and 116A of both the Nevada Revised Statutes ("NRS") and the Nevada Administrative Code ("NAC") and is subject to the jurisdiction of the Division, and the Commission for Common-Interest Communities and Condominium Hotels.

FACTUAL ALLEGATIONS ALLEGED IN THE COMPLAINT

3. On September 22, 2015, this Commission accepted a settlement with Leslie White whereby Ms. White voluntarily surrendered her community manager certificate.

4. The settlement involved multiple investigations of the Division some of which had resulted in complaints before this Commission and some had not yet been filed.

5. The settlement detailed investigations of the Division involving approximately

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21 associations which, among other things, alleged that Ms. White provided forged contracts and checks to the Division; managed associations without board members for several years; managed associations without a management contract for several years; provided false information to the Division over the course of several years regarding the associations; took multiple payments over the course of several years by electronic transfer; and was the sole signor on multiple association checks.

6. The settlement required payment of an administrative fine and costs in the amount of \$41,000.

7. Ms. White had been providing community management services under her company NCF Corporation, doing business as, Associated Community Management.

8. After surrendering her certificate, Ms. White hired two community managers to work for her under her new name, Path Community Management.

9. The Division requested contracts and other documents from the new community managers to determine compliance with NRS 116.

10. Respondent MEHR and Yvonne Jones were hired by Ms. White in September of 2015.

11. By letter dated October 9, 2015, the Division notified MEHR of the settlement between the Division and Ms. White that was approved by the Commission.

12. Based on the issues the Division had with the associations managed by Ms. White, the Division requested the following documents for each association:

- a. The management contract;
- b. Names, addresses and phone numbers for each board member;
- c. Copies of meeting minutes/elections that evidence the election of each board member; and
- d. Copies of bank signature cards.

13. By email dated October 26, 2015, MEHR provided management contracts for the associations she managed.

14. The management contracts permitted management fees to be taken by electronic

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transfers.

15. Beginning in January 2016, the Division requested from MEHR bank statements and financial statements for associations she managed.

16. By letter dated February 2, 2016, MEHR and Yvonne Jones complained about the investigation to the ombudsman saying "we feel like we are being singled out and attacked simply because of where we are employed."

17. MEHR and Ms. Jones state in the letter that they "are also aware that [they] are the licensed community managers that are responsible for ensuring that the communities and boards are in compliance with the law."

18. The Division continued requesting bank records and financial statements.

19. Upon review of the financial records provided by MEHR, the Division found that payments to the management company were much higher than what was stated in the income and expense statements and were in excess of the contracted fee.

20. Income and expense statements provided to board members did not accurately reflect the association money paid to the management company.

21. By letter dated May 17, 2016, the Division requested a response from MEHR regarding the allegation that amounts paid to the management company by Amber Wood Homeowners Association were much higher than the amounts noted in the income and expense statements.

22. Yvonne Jones terminated her employment with Ms. White on May 20, 2016.

23. By affidavit dated May 25, 2016, MEHR stated:

24.

25. I deny the allegations opened upon me as Community Manager of Amber Wood Homeowners Association regarding proper documentation of the management amounts paid to ACM/PATH community management. The figures on the balance sheets do reflect the general ledger reports.

26. Yvonne Jones reported to the Division in June 2016 that Ms. White controlled all the financial records of the associations, prepared the board packets, and used board

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members' signatures on checks without approval.

27. MEHR continued to work for Ms. White after Ms. Jones quit.

28. MEHR became responsible for all the associations previously managed by Ms. Jones.

29. MEHR terminated her employment with Ms. White in August 2016.

30. From October 2015 through August 2016, the associations managed by MEHR overpaid the management company approximately \$300,000, as follows:

1.	Alterra Homeowners Association	\$7,892.01
2.	Amber Wood Homeowners Association	\$12,400.00
3.	Avignon Homeowners Association	\$21,500.00
4.	Avila Court Association	\$9,841.02
5.	Bella Lago Homeowners Association	\$3,400.00
6.	Benton Homeowners Association	\$5,400.00
7.	Bonita Vista Homeowners Association	\$17,000.00
8.	Brighton Homeowners Association	\$5,621.44
9.	Calabria Homeowners Association	\$19,000.00
10.	Carmel Ridge Association	\$6,600.00
11.	Centennial and Lamb Association	\$6,300.00
12.	Chatham Hills Association	\$9,000.00
13.	Cherry Lane Association	\$2,800.00
14.	Country Glen Association	\$14,100.00
15.	Crestwood Homeowners Association	\$2,700.00
16.	Cumberland Homeowners Association	\$14,800.00
17.	Fiore Homeowners Association	\$8,555.82
18.	Greenwood Homeowners' Association, Inc.	\$17,350.00
19.	Hillcrest Homeowners Association	\$6,980.00
20.	Manchester at Westlake Association	\$10,300.00
21.	Mesa Verde Homeowners Association	\$17,950.00

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22.	Moreno Valley Association	\$32,300.00
23.	Murano Homeowners Association	\$10,000.00
24.	Paloma Valley Homeowners	\$14,740.24
25.	Pinecrest Homeowners Association II	\$20,947.23
26.	Whisper Rock Homeowners Association	\$5,100.00

VIOLATIONS OF LAW

ALLEGED IN THE COMPLAINT

31. MEHR violated NRS 116A.630(1)(a) more than 26 times by failing to act as a fiduciary in her relationship with the associations she managed by allowing Ms. White to control the financial records of the associations.

32. MEHR violated NRS 116A.630(1)(b) more than 26 times by failing to exercise ordinary and reasonable care in the performance of her duties by allowing Ms. White to control the financial records of the associations.

33. MEHR violated NRS 116A.630(6)(a) more than 214 times by failing to ensure that the financial transactions of a client are current, accurate and properly documented.

34. MEHR violated NRS 116A.630(6)(b) 26 times by failing to establish policies and procedures that are designed to provide reasonable assurances in the reliability of the financial reporting.

35. MEHR violated NRS 116A.630(15) 26 times by failing to maintain internal accounting controls, including, without limitation, segregation of incompatible accounting functions.

36. MEHR violated NAC 116A.355(1)(a)(1) (NAC 116A.355(4)(g)) more than 214 times by committing unprofessional conduct by failing to act in the best interests of the associations by failing to disclose to the associations that Leslie White controlled the financial records of the associations.

37. MEHR violated NAC 116A.355(1)(a)(2) (NAC 116A.355(3)(a)) more than 214 times by committing professional incompetence by demonstrating a significant lack of ability, knowledge or fitness to perform a duty or obligation owed to a client.

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38. MEHR violated NAC 116A.355(1)(a)(2) (NAC 116A.355(3)(b)) more than 214 times by committing professional incompetence by failing to exercise reasonable skill and care with respect to a duty or obligation owed to a client.

DISCIPLINE AUTHORIZED

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

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

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

SETTLEMENT

1. The Division was prepared to present its case based upon the Complaint filed with the Commission and the Respondent was prepared to defend against the Complaint.

2. The Parties desire to compromise and settle the instant controversy, with neither assenting to the claims or defenses of the other, pursuant to the following terms and conditions.

3. MEHR'S community manager certificate is **SUSPENDED** until MEHR completes the pre-certification course and passes the community manager test. Upon

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completion of the class and passing the community manager test MEHR'S certificate shall be downgraded to provisional status for one year.

4. MEHR may not apply for and is not eligible to receive a supervisory community manager certificate sooner than 5 years from the date MEHR receives her full community manager certificate after completing the requirements of Subsection 3 above.

5. In lieu of the foregoing, MEHR may voluntarily surrender her certificate to the Division, and if so, shall not apply for any license or certificate from the Division for no less than 10 years from the date of such surrender.

6. The Division agrees not to pursue any other or greater remedies or fines in connection with MEHR'S alleged conduct referenced herein.

7. MEHR and the Division agree that by entering into this Stipulation, the Division does not concede any defense or mitigation MEHR may assert and that once this Stipulation is approved and fully complied with by MEHR, the Division will close this matter.

8. This Stipulation includes any claims that could have been included in a supplemental or amended complaint arising from the same operative facts, transactions and occurrences in existence as of the effective date of this Agreement. However, this Settlement does not include claims arising from facts or circumstances which have been concealed by MEHR.

9. MEHR agrees that if the terms and conditions of this Stipulation are not met, the Division may, at its option, rescind this Stipulation and proceed with prosecuting the Complaint before the Commission.

10. MEHR agrees and understands that by entering into this Stipulation, MEHR is waiving her right to a hearing at which MEHR may present evidence in her defense, her right to a written decision on the merits of the Complaint, her rights to reconsideration and/or rehearing, appeal and/or judicial review, and all other rights which may be accorded by the Nevada Administrative Procedure Act, the Nevada Common Interest Ownership statutes and accompanying regulations, and the federal and state constitutions. MEHR understands that this Stipulation and other documentation may be subject to public records laws. The

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Commission members who review this matter for approval of this Stipulation may be the same members who ultimately hear, consider and decide the Complaint if this Stipulation is not performed by MEHR.

11. Each party shall bear its own attorney's fees and costs.

12. Stipulation is Not Evidence. Neither this Stipulation nor any statements made concerning this Stipulation may be discussed or introduced into evidence at any hearing on the Complaint, except as it pertains to the hearing regarding the remaining Respondents, if the Division must ultimately present its case based on the Complaint filed in this matter.

13. Release. In consideration of execution of this Stipulation, RESPONDENT MEHR for herself, her heirs, executors, administrators, successors, and assigns, hereby releases, remises, and forever discharges the State of Nevada, the Department of Business and Industry and the Division, and each of their respective members, agents, employees and counsel in their individual and representative capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known and unknown, in law or equity, that RESPONDENT MEHR ever had, now has, may have, or claim to have, against any or all of the persons or entities named in this section, arising out of or by reason of the Division's investigation, this disciplinary action, and all other matters relating thereto.

14. Indemnification. RESPONDENT MEHR hereby indemnifies and holds harmless the State of Nevada, the Department of Business and Industry, the Division, and each of their respective members, agents, employees and counsel in their individual and representative capacities against any and all claims, suits, and actions brought against said persons and/or entities related to the Release set forth above, including against any and all expenses, damages, and costs, including court costs and attorney fees, which may be sustained by the persons and/or entities named in this section as a result of said claims, suits, and actions.

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15. MEHR has signed and dated this Stipulation only after reading and understanding all terms herein.

DATE: 08/25/17

State of Nevada
Department of Business and Industry
Real Estate Division

By: [Signature]
Name: SHARATH CHANDRA
Title: ADMINISTRATOR

DATE: 8-25-17.

[Signature]
Jodi Kelly-Mehr

Approved by:

ADAM PAUL LAXALT
Attorney General

By: _____
Michelle D. Briggs
Senior Deputy Attorney General
555 E. Washington Ave. Ste 3900
Las Vegas, Nevada 89101
(702) 486-3420
Attorneys for Real Estate Division

By: [Signature] #7853
8/25/17
Patrick Orme
BOYACK ORME & ANTHONY
7432 W. Sahara Ave., Ste. #101
Las Vegas, Nevada 89117
Attorney for Jodi Mehr

IT IS ORDERED that the foregoing Stipulation is approved in full.

Dated this 18 day of September 2017.

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

By: [Signature]
James Rizzi, Chairman

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1 15. MEHR has signed and dated this Stipulation only after reading and
2 understanding all terms herein.

3 DATE: _____

DATE: _____


4 State of Nevada
5 Department of Business and Industry
6 Real Estate Division

Jodi Kelly-Mehr

6 By: _____
7 Name: _____
8 Title: _____

8 Approved by:

9 ADAM PAUL LAXALT
10 Attorney General

11 By: 
12 Michelle D. Briggs
13 Senior Deputy Attorney General
14 555 E. Washington Ave. Ste 3900
Las Vegas, Nevada 89101
(702) 486-3420
Attorneys for Real Estate Division

By: _____
Patrick Orme
BOYACK ORME & ANTHONY
7432 W. Sahara Ave., Ste. #101
Las Vegas, Nevada 89117
Attorney for Jodi Mehr

16 IT IS ORDERED that the foregoing Stipulation is approved in full.

17 Dated this _____ day of _____, 2017.

18 Commission for Common-Interest Communities
19 and Condominium Hotels Department of Business
& Industry State of Nevada

21 By: _____
22 James Rizzi, Chairman