

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

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

7                                   Petitioner,

8 vs.

9 Greenridge Homeowners Association, Leslie  
10 Holland, Diane Leyva, Joshua Schaper,  
11 Carline Roks, Steve Hall, Dave Reid and  
12 Janet Meyers,

13                                   Respondents.

Case No. 2018-993

**FILED**

**APR 25 2019**

NEVADA COMMISSION OF  
COMMON INTEREST COMMUNITIES  
AND CONDOMINIUM HOTELS

14                                   **COMPLAINT FOR DISCIPLINARY  
15                                   ACTION AND NOTICE OF HEARING**

16                   The Real Estate Division of the Department of Business and Industry, State of  
17 Nevada (the "Division"), by and through its counsel, Aaron D. Ford, Attorney General of  
18 the State of Nevada, and Michelle D. Briggs, Senior Deputy Attorney General, hereby  
19 notifies RESPONDENTS GREENRIDGE HOMEOWNERS ASSOCIATION, LESLIE  
20 HOLLAND, DIANE LEYVA, JOSHUA SCHAPER, CARLINE ROKS, STEVE HALL,  
21 DAVE REID, AND JANET MEYERS (hereinafter, "RESPONDENTS") of an  
22 administrative hearing before the Commission for Common-Interest Communities and  
23 Condominium Hotels, State of Nevada, which is to be held pursuant to Chapters 233B  
24 and 116 of the Nevada Revised Statutes ("NRS") and Chapter 116 of the Nevada  
25 Administrative Code ("NAC"). The purpose of the hearing is to consider the allegations  
26 stated below and to determine if an administrative penalty will be imposed on the  
27 RESPONDENTS pursuant to the provisions of NRS and NAC including, but not limited  
28 to, NRS 116.785 and NRS 116.790.

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1 h. The Association's bank records show multiple overdraft charges; and

2 i. The assessments have not increased since 2009.

3 8. The Division initiated an investigation of the Association and requested the  
4 board members respond to the allegations.

5 9. The Division sent four certified letters to the board for a response to the  
6 allegations and requesting Association documents.

7 10. RESPONDENT DIANE LEYVA said she paid her assessments through the  
8 money owed to her husband for services he provided to the Association.

9 11. RESPONDENTS provided no documents to the Division's investigator and  
10 no other response to the allegations.

11 12. The Association is not in good standing with the Division.

12 13. The Division could not complete its investigation of the Association due to  
13 RESPONDENTS failure to cooperate during the investigation.

#### 14 VIOLATIONS OF LAW

15 14. RESPONDENTS violated NRS 116.31152 by failing to have a reserve study  
16 conducted once every five years.

17 15. RESPONDENTS violated NRS 116.3115(2)(b) by failing to adequately fund  
18 its reserves.

19 16. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(3)) by  
20 failing to act in good faith and in the best interests of the Association when they  
21 committed an act or omission which amounts to incompetence, negligence or gross  
22 negligence by failing to comply with Nevada law.

23 17. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(a)) by  
24 failing to act in good faith and in the best interests of the Association when they failed to  
25 cause the Association to comply with all state laws.

26 18. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(5)) by  
27 failing to act in good faith and in the best interests of the Association when they failed to  
28 comply with a request by the Division to provide documents and concealed facts and

1 documents relating to the business of the Association.

2 19. RESPONDENT DIANE LEYVA violated NRS 116.31034(10) by serving on  
3 the board when she stood to gain personal profit or compensation from a matter before  
4 the executive board.

5 20. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(g)) by  
6 failing to maintain current, accurate and properly documented financial records.

7 21. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(i)) by  
8 failing to establish policies and procedures that are designed to provide reasonable  
9 assurances in the reliability of financial reporting, including, without limitation, proper  
10 maintenance of accounting records, documentation of the authorization for receipts and  
11 disbursements, verification of the integrity of the data used in making business decisions,  
12 facilitation of fraud detection and prevention, and compliance with the applicable laws  
13 and regulations governing financial records.

14 22. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(j)) by  
15 failing to prepare interim and annual financial statements that will allow the Division,  
16 the executive board, the units' owners and the accountant or auditor to determine  
17 whether the financial position of the association is fairly presented in accordance with  
18 the provisions of NAC 116.451 to 116.461, inclusive.

19 **DISCIPLINE AUTHORIZED**

20 Pursuant to the provisions of NRS 116.615; NRS 116.755; NRS 116.785; and NRS  
21 116.790 the Commission has discretion to take any or all of the following actions:

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

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

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

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

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

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

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

11 8. Take whatever further disciplinary action as the Commission deems  
12 appropriate.

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

17 **NOTICE OF HEARING**

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

22 **THE HEARING WILL TAKE PLACE** at the Commission meeting scheduled for June  
23 4-6, 2019, beginning at approximately 9:00 a.m. each day, or until such time as the  
24 Commission concludes its business. On June 4 and 5, 2019, the Commission meeting will  
25 be held at the Nevada State Business Center, 3300 W. Sahara Avenue, Nevada Room, Suite  
26 400, Las Vegas, Nevada 89102 with videoconferencing to Division of Insurance, 1818 E  
27 College Parkway, Carson City, Nevada 89706. On June 6, 2019, the Commission meeting  
28 will be held at the Nevada State Business Center, 3300 W. Sahara Avenue, Tahoe Room,

1 Fourth Floor, Las Vegas, Nevada 89102, with videoconferencing to Division of Insurance,  
2 1818 E. College Parkway, Carson City, Nevada 89706.

3       **STACKED CALENDAR:** Your hearing is one of several hearings that may be  
4 scheduled at the same time as part of a regular meeting of the Commission that is  
5 expected to take place on June 4-6, 2019. Thus, your hearing may be continued until later  
6 in the day or from day to day. It is your responsibility to be present when your case is  
7 called. If you are not present when your hearing is called, a default may be entered  
8 against you and the Commission may decide the case as if all allegations in the complaint  
9 were true. If you need to negotiate a more specific time for your hearing in advance  
10 because of coordination with out of state witnesses or the like, please call Teralyn Lewis,  
11 Administration Section Manager, at (702) 486-4036.

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

18       As a **RESPONDENT**, you are specifically informed that you have the right to  
19 appear and be heard in your defense, either personally or through your counsel of choice.  
20 At the hearing, the Division has the burden of proving the allegations in the complaint  
21 and will call witnesses and present evidence against you. You have the right to respond  
22 and to present relevant evidence and argument on all issues involved. You have the right  
23 to call and examine witnesses, introduce exhibits, and cross-examine opposing witnesses  
24 on any matter relevant to the issues involved.

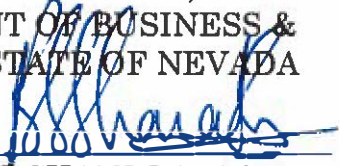
25       You have the right to request that the Commission issue subpoenas to compel  
26 witnesses to testify and/or evidence to be offered on your behalf. In making this request,  
27 you may be required to demonstrate the relevance of the witness' testimony and/or  
28 evidence. Other important rights and obligations, including your obligation to answer the

1 complaint, you have are listed in NRS Chapter 116 and NAC Chapter 116, including  
2 without limitation, NRS 116.770 through 116.780, and NAC 116.500 through NAC  
3 116.635 and NRS Chapter 233B.

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

12 DATED: April 24, 2019.

13  
14 REAL ESTATE DIVISION,  
15 DEPARTMENT OF BUSINESS &  
INDUSTRY, STATE OF NEVADA

16 By:   
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