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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.

Srdjan Pantic,

Respondent.

Case No. 2019-836

FILED

APR 19 2021

NEVADA COMMISSION FOR
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

Kelly Valadez

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**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 Karissa D. Neff, Senior Deputy Attorney General, hereby notifies RESPONDENT Srdjan Pantic ("Pantic" or "RESPONDENT") 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 Chapters 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 RESPONDENT pursuant to the provisions of NRS and NAC including, but not limited to, NRS 116.785 and NRS 116.790.

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JURISDICTION AND NOTICE

1. During the relevant times mentioned in this complaint, RESPONDENT served as a member and/or officer of Sierra Madre Homeowners Association ("Association"), a common-interest community located in Las Vegas, Nevada.

2. RESPONDENT is subject to the provisions of Chapter 116 of each the

1 Nevada Revised Statutes ("NRS") and the Nevada Administrative Code ("NAC")
2 (hereinafter collectively referred to as "NRS 116") and is subject to the jurisdiction of the
3 Division, and the Commission for Common-Interest Communities pursuant to the
4 provisions of NRS 116.750.

5 **FACTUAL ALLEGATIONS**

6 1. At all relevant times alleged herein through approximately August of 2018,
7 the Association was managed by Pinnacle Community Association Management at which
8 time Denise Vargas ("Vargas") was its community manager.

9 2. In September of 2018, Epic Association Management ("Epic") took over
10 management of the Association.

11 3. On July 18, 2019, board member David Bashaw ("Bashaw"), filed a
12 complaint with the Division against RESPONDENT.

13 4. The complaint alleged that RESPONDENT, while on the Association's
14 board, owned a company that was not licensed or insured, and performed work for the
15 community and received compensation for doing so, totaling more than \$420,000.00.

16 5. On July 16, 2019, Epic's community manager also filed a complaint with the
17 Division alleging that RESPONDENT, who was a board member, owned a company that
18 was not licensed or insured, but performed work in the community and received
19 compensation for doing so in the amount of \$420,671.04

20 6. The types of services RESPONDENT and/or his companies provided to the
21 Association included general construction, dry wall repair of the clubhouse, plumbing,
22 electrical, pony wall repair/replacement; balcony/porch repair, window removal from the
23 clubhouse, and painting.

24 7. The Association's October 30, 2018, executive meeting minutes reflect that
25 RESPONDENT had a hearing before the Association's executive board regarding his
26 being compensated for performing work for the Association while serving as the
27 Association's president.

28 8. At his hearing before the executive board, RESPONDENT stated that he

1 was guilty of performing Association work while not holding a contractor's license, that
2 he understood he violated Nevada law by profiting from the Association while on the
3 board, and that he would like to reimburse the Association for monies collected for work
4 not completed by his company.

5 9. Following RESPONDENT'S hearing before the executive board, he was
6 removed from the Association's board.

7 10. An action was also brought against RESPONDENT in Clark County Justice
8 Court as Case No. 19M08678X on May 15, 2019 by the State against RESPONDENT for
9 engaging in the contractor business/submitting bids without being licensed ("Action").

10 11. On August 15, 2019, RESPONDENT pled guilty to misdemeanor charges in
11 the Action and provided that the following conditions are met, the Action was to be
12 dismissed: (1) stays out of trouble, (2) pays restitution to the Association in the amount
13 of \$77,646.62, and (3) pays \$419.69 to the Nevada State Contractor's Board.

14 12. On August 23, 2019, the Division properly notified RESPONDENT it had
15 opened an investigation and requested that RESPONDENT provide documents that
16 included the following: (1) scope of work for each job performed for the Association, (2)
17 invoices for all jobs from 2017 through 2018, and (3) work orders from the Association for
18 all jobs ("Requested Documents").

19 13. The Division again requested a response from RESPONDENT on September
20 10, 2019 and the Requested Documents.

21 14. The Division received RESPONDENT'S response to its investigation on
22 September 20, 2019 but not the Requested Documents.

23 15. In his response, RESPONDENT stated that he only owned Nevada Property
24 Concepts and that the board members approved all jobs his company performed and used
25 his company to save money.

26 16. RESPONDENT also stated that his signature was legal and on deposit with
27 the bank at all times, has always been on record for signing checks, and that Epic had
28 the Requested Documents.

1 17. Bashaw also responded to the Division's investigation on January 27, 2020.

2 18. Bashaw stated that Bashaw was on the Association's board since 2015, that
3 Denise Johnson (also known as Denise Vargas) was their community manager for years
4 through Pinnacle Community Association Management ("Pinnacle"), that Vargas told
5 them that RESPONDENT was licensed to do work for the Association, and that the board
6 relied on Vargas' representations.

7 19. Bashaw further stated that as a board member, he never saw an invoice
8 from RESPONDENT because Vargas just paid them.

9 20. D. Wayne Mauldin ("Mauldin") also responded to the Division's
10 investigation.

11 21. Mauldin stated that he was on the Association's board for approximately 18
12 years, that RESPONDENT stated that he was licensed as a property inspector and that
13 Pinnacle stated the licensure was sufficient for RESPONDENT to perform work for the
14 Association.

15 22. Mauldin was unaware that Pinnacle was signing checks from the
16 Association's operating account.

17 23. Association meeting minutes do not reflect that the board approved most of
18 the work RESPONDENT performed for the Association, nor were there contracts for the
19 work performed.

20 24. Association meeting minutes do not reflect that the board approved payment
21 to Pantic or his companies for the work performed.

22 25. RESPONDENT was not a licensed contractor.

23 26. While on the Association's board, RESPONDENT performed work within
24 the Association through the companies he owned and was compensated by the Association
25 in the amount of \$421,671.04 for said work in approximately a one-year period.

26 27. While on the Association's board, RESPONDENT signed checks to his
27 companies in the amount of \$52,515.29 from the operating account and \$269,155.75 from
28 the reserve account.

1 28. RESPONDENT was not a signatory to the Associations' accounts.

2 29. The Division properly notified RESPONDENT on September 23, 2020 that
3 it intended to bring a disciplinary action against him for hearing before the Commission.

4 **VIOLATIONS OF LAW**

5 30. RESPONDENT violated NRS 116.31187(1)(b) by receiving personal profit
6 or compensation by performing services to the Association while being on the board.

7 31. RESPONDENT violated NRS 116.3103 through NAC 116.405(3) by
8 committing an act or omission which amounts to incompetence, negligence or gross
9 negligence.

10 32. RESPONDENT violated NRS 116.3103 through NAC 116.405(2) by failing
11 to act in good faith and in the honest belief that his actions are in the best interests of the
12 Association by acting for reasons of self-interest and gain.

13 33. RESPONDENT violated NRS 116.3103 through NAC 116.405(5)(a) by
14 impeding or otherwise interfering with the Division's investigation by failing to provide
15 the Division with the Requested Documents during its investigation.

16 **DISCIPLINE AUTHORIZED**

17 Pursuant to the provisions of NRS 116.615; NRS 116.755; NRS 116.785; and NRS
18 116.790 the Commission has discretion to take any or all of the following actions:

19 34. Issue an order directing RESPONDENT to cease and desist from continuing
20 to engage in the unlawful conduct that resulted in the violation.

21 35. Issue an order directing RESPONDENT to take affirmative action to correct
22 any conditions resulting from the violation.

23 36. Impose an administrative fine of up to \$1,000 for each violation by
24 RESPONDENT.

25 37. IF RESPONDENT IS FOUND TO HAVE KNOWINGLY AND WILLFULLY
26 COMMITTED A VIOLATION of NRS or NAC 116 AND it is in the best interest of the
27 Association, RESPONDENT may be removed from his/her position as a director and/or
28 officer.

1 38. Order an audit of the ASSOCIATION, at the expense of the ASSOCIATION.

2 39. Require the BOARD MEMBERS to hire a community manager who holds a
3 certificate.

4 40. Require RESPONDENT to pay the costs of the proceedings incurred by the
5 Division, including, without limitation, the cost of the investigation and reasonable
6 attorney's fees.

7 41. Take whatever further disciplinary action as the Commission deems
8 appropriate.

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

13 NOTICE OF HEARING

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

18 THE HEARING WILL TAKE PLACE at the Commission meeting scheduled
19 for June 1-3, 2021, beginning at approximately 9:00 a.m. each day, or until such
20 time as the Commission concludes its business. The Commission uses WebEx for its
21 meetings. To join the hearing go to the website Webex.com and put in the Meeting ID and
22 Password:

23 TUESDAY, JUNE 1, 2021 MEETING NUMBER ACCESS CODE: 146 354 4074
24 MEETING PASSWORD: gJmpEp32E2 (45673733232 from phones and video systems)

25 WEDNESDAY, JUNE 2, 2021 MEETING NUMBER ACCESS CODE: 146 462 9950
26 MEETING PASSWORD: JpKZBPq8r77 (57592778777 from phones and video systems)

27 THURSDAY, June 3, 2021 MEETING NUMBER ACCESS CODE: 146 515 5878
28 MEETING PASSWORD: Yxt7M7xdej9 (99876793359 from phones and video systems)

If you do not have internet access, you may attend by phone at (844) 621-3956.

1 Some mobile devices may ask attendees to enter a numeric meeting password provided
2 above. If you would like an email containing this information, before the hearing, please
3 contact Kelly Valadez, Commission Coordinator, at (702) 486-4606 or
4 KValadez@red.nv.gov.

5 **STACKED CALENDAR:** Your hearing is one of several hearings that may
6 be scheduled at the same time as part of a regular meeting of the Commission
7 that is expected to take place on June 1-3, 2021. Thus, your hearing may be
8 continued until later in the day or from day to day. It is your responsibility to
9 be present when your case is called. If you are not present when your hearing
10 is called, a default may be entered against you and the Commission may decide
11 the case as if all allegations in the complaint were true. If you need to negotiate
12 a more specific time for your hearing in advance, please call Kelly Valadez,
13 Commission Coordinator, at (702) 486-4606.

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

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

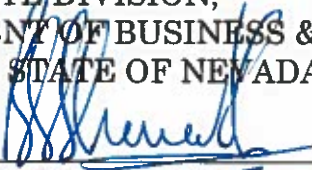
27 You have the right to request that the Commission issue subpoenas to compel
28 witnesses to testify and/or evidence to be offered on your behalf. In making this request,

1 you may be required to demonstrate the relevance of the witness's testimony and/or
2 evidence. Other important rights and obligations, including your obligation to answer the
3 complaint, you have are listed in NRS Chapter 116 and NAC Chapter 116, including
4 without limitation, NRS 116.770 through 116.780, and NAC 116.500 through NAC
5 116.635 and NRS Chapter 233B.

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

14 DATED this 16th day of April, 2021.

16 REAL ESTATE DIVISION,
17 DEPARTMENT OF BUSINESS &
18 INDUSTRY, STATE OF NEVADA

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