

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
6 OF BUSINESS & INDUSTRY, STATE OF
7 NEVADA,

8 Petitioner,

9 vs.

10 DIANA D. STEGEMAN,
11 (CAM.0009065 - REVOKED)

12 Respondent.

Case No. 2023-599

FILED

OCT 12 2023

NEVADA COMMISSION FOR
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

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

15 The Real Estate Division of the Department of Business and Industry, State of
16 Nevada (the "Division"), by and through its counsel, Aaron D. Ford, Attorney General of
17 the State of Nevada, and Christal P. Keegan, Deputy Attorney General, hereby notifies
18 DIANA D. STEGEMAN ("RESPONDENT") of an administrative hearing before the
19 Commission for Common-Interest Communities and Condominium Hotels, State of
20 Nevada, which is to be held pursuant to Chapters 233B and Chapters 116 and 116A of
21 the Nevada Revised Statutes ("NRS") and Chapter 116 and 116A of the Nevada
22 Administrative Code ("NAC"). The purpose of the hearing is to consider the allegations
23 stated below and to determine if an administrative penalty will be imposed on the
24 RESPONDENT pursuant to the provisions of NRS and NAC including, but not limited to
25 NAC 116A.360.

26 **JURISDICTION AND NOTICE**

27 During all relevant times mentioned in this complaint, RESPONDENT held a
28 community manager certificate from the Division (CAM.0009065) and is, therefore,
subject to the jurisdiction of the Division and the provisions of NRS Chapters 116 and

1 116A and NAC Chapters 116 and 116A. RESPONDENT'S certificate is currently in
2 "revoked" status.

3 **FACTUAL ALLEGATIONS**

4 1. At all times relevant to this Complaint, RESPONDENT, by and through her
5 company, Heritage Management Group LLC, was the exclusive manager for The
6 Heathers Homeowners Association ("Association"). *CICC0091 –CICC139.*

7 2. Over the course of 2021 to 2023, the RESPONDENT overpaid her
8 management company above her contractually agreed upon rate in amounts estimated at
9 \$52,475.82. *CICC014–CICC019, CICC0091–CICC139, CICC141.*

10 3. During times relevant to this Complaint, the Association approved and
11 paid vendor, Eagle Restoration, LLC, which was a business owned by a relative of
12 the RESPONDENT however, the Association believed such payments were for a different
13 approved vendor who had performed the work, Lighting Services of Nevada, Inc., also
14 a relative of the RESPONDENT. *CICC016–CICC018, CICC144–174, CICC266,*
15 *CICC286, CICC291.*

16 4. From April 2022 through March 2023, the RESPONDENT provided
17 the Association's Board with packets of financial information that included discrepancies
18 to the copies of checks, bank statements data and entries. *CICC009–CICC013,*
19 *CICC408–CICC413, CICC020–CICC089, CICC316–CICC320, CICC182–CICC315,*
20 *CICC321–CICC405.*

21 5. From November 2022 through March 2023, checks from both
22 the Association's operating and reserve accounts indicated the applied signature
23 of a former treasurer despite his resignation from the Board on October 27, 2022.
24 *CICC177–CICC181, CICC286, CICC291–CICC292, CICC297, CICC301, CICC306.*

25 6. On or about June 29, 2023, the Division received information from the
26 Association's Board President regarding the RESPONDENT'S acts of fraud and theft.
27 *CICC001–CICC005.*

28 *///*

1 17. RESPONDENT violated NAC 116A.355(3)(b) for failing to exercise
2 reasonable skill and care with respect to the Association when the signature of a person
3 who was no longer on the board was being applied to checks paid out.

4 18. RESPONDENT violated NRS 116A.640(2)(a) for impeding or otherwise
5 interfering with the Division's investigation by failing to provide documents.

6 **DISCIPLINE AUTHORIZED**

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

- 10 (a) Revoke or suspend the certificate;
11 (b) Refuse to renew or reinstate the certificate;
12 (c) Place the community manager on probation;
13 (d) Issue a reprimand or censure to the community manager;
14 (e) Impose a fine of not more than \$5,000 for each violation of a statute or
15 regulation;
16 (f) Require the community manager to pay restitution;
17 (g) Require the community manager to pay the costs of the investigation and
18 hearing;
19 (h) Require the community manager to obtain additional education relating to
20 the management of common-interest communities; and
21 (i) Take such other disciplinary action as the Commission deems appropriate.

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

24 **NOTICE OF HEARING**

25 **PLEASE TAKE NOTICE** that a disciplinary hearing has been set to consider this
26 Administrative Complaint against the above-named RESPONDENT in accordance with
27 Chapters 233B and 116 and 116A of the Nevada Revised Statutes and Chapter 116 and
28 116A of the Nevada Administrative Code.

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1 **THE HEARING WILL TAKE PLACE** at the Commission meeting(s) scheduled
2 for December 12-14, 2023, beginning at approximately 9:00 a.m. each day, or until such
3 time as the Commission concludes its business. The Commission meeting will be held at
4 the Nevada State Business Center, 3300 W. Sahara Avenue, 4th Floor, Nevada Room,
5 Las Vegas, Nevada 89102 with videoconferencing to Department of Business & Industry,
6 Division of Insurance, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706.

7 **STACKED CALENDAR: Your hearing is one of several hearings that may**
8 **be scheduled at the same time as part of a regular meeting of the Commission**
9 **that is expected to take place on December 12-14, 2023. Thus, your hearing may**
10 **be continued until later in the day or from day to day. It is your responsibility**
11 **to be present when your case is called. If you are not present when your hearing**
12 **is called, a default may be entered against you and the Commission may decide**
13 **the case as if all allegations in the complaint were true. If you need to negotiate**
14 **a more specific time for your hearing in advance because of coordination with**
15 **an out of state witness or the like, please call Maria Gallo, Commission**
16 **Coordinator, at (702) 486-4074.**

17 **YOUR RIGHTS AT THE HEARING:** Except as mentioned below, the hearing is
18 an open meeting under Nevada's open meeting law and may be attended by the public.
19 After the evidence and arguments, the commission may conduct a closed meeting to
20 discuss your alleged misconduct or professional competence. You are entitled to a copy of
21 the transcript of the open and closed portions of the meeting, although you must pay for
22 the transcription. As a RESPONDENT, you are specifically informed that you have the
23 right to appear and be heard in your defense, either personally or through your counsel
24 of choice. At the hearing, the Division has the burden of proving the allegations in the
25 complaint and will call witnesses and present evidence against you. You have the right
26 to respond and to present relevant evidence and argument on all issues involved. You
27 have the right to call and examine witnesses, introduce exhibits, and cross-examine
28 opposing witnesses on any matter relevant to the issues involved.

1 You have the right to request that the Commission issue subpoenas to compel
2 witnesses to testify and/or evidence to be offered on your behalf. In making this request,
3 you may be required to demonstrate the relevance of the witness's testimony and/or
4 evidence. Other important rights and obligations, including your obligation to answer
5 the complaint, are listed in NAC 116A.560 through NAC 116A.655, NRS Chapter 233B,
6 and NRS Chapters 116 and 116A and NAC 116 and 116A.

7 Note that under NAC 116A.585, not less than five (5) working days before a
8 hearing, RESPONDENT must provide to the Division a copy of all reasonably available
9 documents that are reasonably anticipated to be used to support his or her position, and
10 a list of witnesses RESPONDENT intends to call at the time of the hearing. Failure to
11 provide any document or to list a witness may result in the document or witness being
12 excluded from RESPONDENT'S defense. The purpose of the hearing is to determine if
13 the RESPONDENT has violated any of the provisions of NRS and NAC Chapters 116 and
14 116A, and to determine what administrative penalty is to be assessed against
15 RESPONDENT, if any, pursuant to NAC 116A.360.

16 DATED this 10 day of October, 2023.

REAL ESTATE DIVISION,
DEPARTMENT OF BUSINESS & INDUSTRY,
STATE OF NEVADA

17
18
19 By: 

SHARATH CHANDRA
Administrator
3300 W. Sahara Avenue, Suite 350
Las Vegas, Nevada 89102
(702) 486-4033

20
21
22 DATED this 10th day of October, 2023.

AARON D. FORD
Attorney General

23
24
25 By: 

CHRISTAL P. KEEGAN
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