

**COMMISSION FOR COMMON-INTEREST COMMUNITIES AND
CONDOMINIUM HOTELS MEETING MINUTES JUNE 13, 2023**

**VIA IN PERSON AND WEBEX VIRTUAL MEETING
JUNE 13, 2023**

Nevada State Business Center
3300 W. Sahara Avenue
4th Floor, Nevada Room
Las Vegas, Nevada 89102

The meeting was called to order at 9:05 A.M.

1-A) Introduction of Commissioners in attendance

Michael Burke, Phyllis Tomasso, Charles Niggemeyer, June Heydarian, James Bruner, and Patricia Morse Jarman.

Commission Counsel: Deputy Attorney General Ziwei Zheng

1-B) Introduction of Division staff in attendance

Sharath Chandra, Administrator; Charvez Foger, Deputy Administrator; Sonya Meriweather, Program Officer; Shareece Bates, Administration Section Manager; Terry Wheaton, Chief Compliance Audit Investigator; Shalayna Thayer, Compliance Audit Investigator; Kelly Valadez, Commission Coordinator; Maria Gallo, Commission Coordinator; Phil Su, Senior Deputy Attorney General; Christal Keegan, Deputy Attorney General, Daren Gonzales, Intern-Attorney General's Office.

2) Public Comment

Sandy Krause stated she believed the investigative department is turning a blind eye to the legitimate concerns of unit owners. Ms. Krause stated in the Ombudsman Report that 79 Intervention Affidavits closed in Southern Nevada, 56 % were closed in 90 days or less and 89% of the total were closed in 6 months. Ms. Krause noted that many cases were closed for an unsubstantiated violation, no violation, terminated or resolved. Ms. Krause stated she filed 2 Intervention Affidavits that were closed before their ink was dry. Ms. Krause stated that one was closed without prejudice with no reason provided, the second was closed for insufficient evidence to move forward. Ms. Krause stated that both cases were closed without a sufficient explanation from the Division. Ms. Krause stated unit owners that file an Intervention Affidavit should be entitled to an explanation that does not violate state statute, sending a two-page notice that the case is closed without an explanation is not sufficient. Ms. Krause stated she wanted the Commission to initiate steps for an independent review of the outcome of past investigations that have been closed. Ms. Krause stated the Division could do more for the unit owners and their concerns about their management of their HOA's.

Fred Blaskovich stated he sent a letter to his management company requesting records, but the management company did not respond. Mr. Blaskovich stated he filed a complaint with the

Ombudsman's Office and received a phone call from Terry Wheaton, the Chief Investigator. Mr. Blaskovich stated Mr. Wheaton informed him that he had filed the complaint incorrectly, and it was too hard to determine what documents were being requested. Mr. Blaskovich stated he is entitled to see the documents, per the governing documents and the NRS. Mr. Blaskovich stated he has only received a fraction of the documents he requested.

Mike Kosor stated he hopes he is recognized and remembered because he has appeared before the Commission 3 times a year for the last 6 years and his plea is the same; the investigative arm of the Division is broken, maybe compromised. Mr. Kosor stated that owners in HOA's are entitled to due process that is provided by law, and a hearing before the Commission is being restricted. Mr. Kosor stated that "unsubstantiated" is not a resolution and being informed you cannot be advised of anything because of confidentiality is also not a resolution. Mr. Kosor stated, "is the complainant's understanding of the statute incorrect", that is not confidential information. Mr. Kosor stated the Division cannot find that nearly half of all the investigations are found to be "unsubstantiated" and think that is acceptable. Mr. Kosor stated there is not an appeal process or any accountability for the determinations being made. Mr. Kosor stated his personal experiences, having filed several affidavits with the Division, are similar. Mr. Kosor stated he has 3 complaints that are "closed". Mr. Kosor stated the complaints are straight forward, he is asking for records of the Association for which he is a Director. Mr. Kosor stated he was denied Directors and Officers insurance. Mr. Kosor stated he is a named exclusion on the insurance policy. Mr. Kosor stated the reason the 3 cases were closed was because of "insufficient evidence", no other contact was made by the Division to know what was insufficient. Mr. Kosor stated that when the gatekeeper is absent disorder and intimidation follows. Mr. Kosor stated he lives in a 9000-unit community where the developer has been in control for nearly 24 years. Mr. Kosor stated this year, only one director was elected. Mr. Kosor stated less than 6% of the homeowners voted in the election and is reflective of a community where owners have no hope of change or having their voices heard and are aware opposition will be met with intimidation and the Division is sitting on the sideline. Mr. Kosor stated the majority appointed Board, led by a well-known Attorney, declared VOID one of the owners' elected Directors, 18- months into his term. Mr. Kosor stated the Director neither committed nor was accused of any violation of law. Mr. Kosor stated the elected Board Member was removed from the Board because the Board Member expressed opposition and challenged the actions of the majority of the Directors. Mr. Kosor stated the reason he knows this is because he was the duly elected Board Member. Mr. Kosor stated the sense of helplessness and intimidation is widespread, the Division is sitting on the sidelines not communicating with homeowners and not taking the appropriate action. Mr. Kosor stated the Commission is the only one that can do something about it and is asking that something be done.

Howard McCarley stated on May 18, 2023, the Assembly Judiciary Committee discussed SB417. Mr. McCarley stated fortunately this bill did not maintain its original form after initial presentation of the bill by the sponsor, a question-and-answer session ensued. Mr. McCarley stated during the Q & A session the Assemblywoman Danielle Gallant noted that she had heard that "some concerns that the Ombudsman isn't stepping up to the plate". Mr. McCarley stated there should be some concern that the perception is prevalent and matches his experience dealing with NRED. Mr. McCarley stated complaints are closed with no justification provided. Mr. McCarley stated before retirement he had extensive experience dealing with performance

metrics. Mr. McCarley stated many providers create reports to determine the level of satisfaction of their customers. Mr. McCarley stated the Division has a significant number of clients that are not satisfied with the service provided. Mr. McCarley stated on November 11, 2022, he was informed by his Association that he was denied his right to run for the Board of Directors. Mr. McCarley stated denying owners their rights is serious. Mr. McCarley stated the reason he was denied running for the Board is because he allegedly stood to gain from a position on the Board of Directors. Mr. McCarley stated he sees it as retaliation for having opposed the actions of the Board and being a party to a lawsuit against the Board not seeking money damages but a determination. Mr. McCarley stated he filed an Intervention Affidavit on December 16, 2022, to prompt an investigation to determine whether opposition to the board or being party to a lawsuit violated NRS. Mr. McCarley stated on January 31, 2023, he received a response from the Division Investigator that no violation can be substantiated at this time, OR there is no good cause to move on with the matter. Mr. McCarley stated the wording in the letter makes it unclear which statement is correct. Mr. McCarley stated he was deprived of his rights as a homeowner in good standing and the Division did not address the question of whether the HOA applied the NRS correctly. Mr. McCarley stated without this intervention, he may have to engage counsel and file a suit to determine if the statute was applied correctly. Mr. McCarley stated a Commission hearing is intended to be an alternative for homeowners using the court system to resolve disputes with HOA's or management companies. Mr. McCarley stated in its current form it only serves as one more bureaucratic speed bump on the way to resolution, frustrating owners acting in good faith and encouraging abuse. Mr. McCarley stated some owners may have financial means to take their concerns through the court system, however the relationship between most owners and large HOA's or management company is extremely asymmetric. Mr. McCarley stated HOA's have extensive financial resources as do management companies. Mr. McCarley stated an individual homeowner has difficulty finding legal representation that does not claim a conflict of interest, or even finding one that has experience dealing with HOA's or management companies. Mr. McCarley stated that the Division, through its practices and procedures, is failing to assist property owners in resolving this asymmetric relationship.

William Roth stated he has 3 general topics to address. Mr. Roth stated the Ombudsman education program is an excellent program for Board Members, and he hopes they can start up that program again. Mr. Roth stated that based on his 3-year experience on the Board, the membership does not know what a reserve study is for, they do not understand reserve studies or why purchases cannot be made by credit card. Mr. Roth stated that over half of the community management companies who worked with his Association, do not know the difference between items that are done 3 times a year versus something that is a long-term plan over a period of years, and they want to use the reserve fund for routine maintenance. Mr. Roth stated the members have the power through the elections of the Board. Mr. Roth stated more than half of the membership believes that the Community Manager gives the orders not the Board Members of the Association. Mr. Roth stated there is a difference between engineer standards versus opinions. Mr. Roth stated most of the homes in his Association sit on the floor of a pre-historic lakebed that is dry most of the time but is prone to some serious flooding. Mr. Roth stated engineering standards for civil engineering have international standards, county, state, and federal officials have progressed from local standards to international standards. Mr. Roth stated a person should receive the same answer from any engineer because they all have the same standards. Mr. Roth stated we are supposed to be a democracy, members are the power voters

and have had trouble with people believing that Community Managers are in control of the Association and that the members have no say. Mr. Roth stated no one is interested in attending Board Meetings nor are they interested in sitting on the Board. Mr. Roth stated that the answer is education and if NRED could get their program back online and find some way to get people to take these courses would help a lot.

Samuel Covelli stated the majority of the complaints he has filed with the Compliance Section have been closed with no explanation beyond the standard boiler plate language, such as “none of your allegations were substantiated and a call was made to the CAM on your behalf and the CAM was working diligently on collecting the records you have requested and the records will be made available to you soon, therefore this case is closed.” Mr. Covelli stated he was never contacted for follow-up to see if he received the documents that were requested. Mr. Covelli stated he had not received many of the documents and found out the case was closed by an email from the respondent, not the investigator. Mr. Covelli stated the 3 most misused, abused, and weaponized statutes in his opinion NRS 116.757, 239.0115 and 116.760 all of which deal with confidentiality of records. Mr. Covelli stated it seems like the investigator is told or assumes that the Board approved an action taken, therefore there was no violation, simply because the Board approved it. Mr. Covelli stated from documents and responses from the Ombudsman’s Office is consulting with a certain HOA attorney like they are a staff member. Mr. Covelli stated gaslighting people who file complaints is routine and pervasive. Mr. Covelli stated he wanted the Commission to review the Division’s complaint program and an Inspector General oversee investigations and provide the integrity that is missing in the process. Mr. Covelli stated homeowners need to be provided with the same respect, service and consideration as the HOA Board, the HOA Attorney, and the Community Managers. Mr. Covelli stated the Ombudsman’s office is not fair nor impartial and not following their Mission Statement.

3-A) NRED v. Monterey Grand Manor Owners Association, Dale Milligan, Susan Moore, Richard Jagodzinski, and Saturday Aisuan, for possible action.

Case No. 2021-1049

Type of Respondent: Board Members

Parties Present

Phil Su, Senior Deputy Attorney General was present representing the Division.
I-Che Lai, Esq. was present representing Monterey Grand Manor OA.

Preliminary Matters

Mr. Su stated the parties have reached a settlement.

Mr. Lai stated there is a settlement in principle, the only thing that is missing is the signature from the current Board Members.

Mr. Su read the summary of the facts and allegations into the record.

Mr. Su read the settlement into the record as follows:

- RESPONDENTS agree that each of the Association’s current executive board members will complete three (3) hours of continuing education in relevant subject matter areas: budget and reserve study, financial management and/or record keeping and reporting, to be completed within one (1) year from the date of the order approving this Stipulation.

The required hours of continuing education may be completed via in-person or remotely, and, upon completion, proof of completion will be supplied to the Division.

Chairman Burke motioned to approve the settlement. Motion seconded by Commissioner Niggemeyer. Motion carried.

4-B) NRED v Rancho San Juan Homeowners Association, Christopher Seckler, Sebastian Mayo, and Cesar Valdez, for possible action

Case No. 2021-161

Type of Respondent: Board Members

Parties Present

Phil Su, Senior Deputy Attorney General was present for the Division.
Patrick Orme, Esq. was present representing Rancho San Juan HOA.

Preliminary Matters

Mr. Su stated not much has been accomplished since the meeting in March. Mr. Su stated there has not been a solution to installing individual water meters within the Association. Mr. Su stated he reached out to the North Las Vegas utility district and is waiting to hear back from their engineers with what options may be available to the Association. Mr. Su stated there may not be a way to wind down the Association like they had hoped for back in March.

Mr. Orme stated dissolving the Association is not feasible. Mr. Orme stated even with a large reduction in the fees to establish individual water meters, the cost is not feasible for the homeowners either. Mr. Orme stated he sent a letter to the community in both English and Spanish stating that dissolving the Association is not an option, and the homeowners need to start paying their assessments. Mr. Orme stated there are only two (2) accounts that have a lien on their property because they have not paid. Mr. Orme stated since the March meeting some other assessment accounts have been caught up. Mr. Orme stated 30% of the Association is still behind between 1 and 60 days and the formal collection process begins after 60 days with the collection company. Mr. Orme stated he will be withdrawing as legal counsel after the meeting and letting the collection process take its course.

Chairman Burke stated there is no right answer to resolving the problems of the Association.

Mr. Su stated the initial issue of the complaint was insufficient reserves. Mr. Su stated there might be some headway on that issue.

Chairman Burke stated the issues are insufficient reserves because homeowners are not paying their assessments, the pool and clubhouse being in disrepair and a hazard to the community. Chairman Burke stated this issue should be brought in front of the Commission once a year to monitor the progress of the Association.

Mr. Su stated the Division would like monitoring to occur every 6 months.

Commissioner Morse Jarman asked Mr. Orme whether everyone is compliant with paying the current assessment amount.

Mr. Orme stated 30% are behind on the current assessment amount of \$226.

Commissioner Niggemeyer asked Mr. Orme if they have a functioning Board.

Mr. Orme stated between the last hearing and this hearing there used to be 3 Board Members, there are only 2 Board Members currently. Mr. Orme stated one of the Board Members resigned because of a few aggressive homeowners.

Commissioner Bruner stated that 70% of the homeowners are paying their assessment and those payments will add to the reserve account amount. Commissioner Bruner stated letting the due process play out with the collection process, and the Association come before the Commission every 6 months is a good idea.

Chairman Burke stated the only action should be to continue this case until the December meeting for another status update. Chairman Burke stated since the Association will not have attorney representation the Board Members should be present at the December meeting to give the status update.

Commissioner Bruner stated he wanted a financial statement/update from the Community Manager at the December meeting.

Chairman Burke stated the financial statement/update should be given to Division Counsel two weeks before the December meeting.

Chairman Burke made a motion that the case will be continued until the December meeting and the Association provide Division Counsel a financial statement/update two weeks before the meeting and the Association Community Manager or Counsel give an update at the December meeting. Motion seconded by Commissioner Niggemeyer. Motion carried.

3-C) NRED v. Sierra Ranchos Property Owners Association, for possible action

Case No. 2018-1663

Type of Respondents: Board Members

Parties Present

Phil Su, Senior Deputy Attorney General was present representing the Division.

Loren Pierce, Sierra Ranchos POA, President was present virtually.

Betty (BJ) Brown, Equus Management, Sierra Ranchos POA Supervising Community Association Manager was present virtually.

Preliminary Matters

Mr. Su stated the two previous Board Members resigned since the March meeting. Mr. Su stated Loren Pierce joined the Board and is currently the only Board Member.

Ms. Brown stated there are two other Board Members, three Board Members total. Ms. Brown stated the two new Board Members were not present at the meeting because of their work schedules.

Mr. Su stated the final version of the Nortech report was delivered to the Association. Mr. Su stated the Nortech report is a soils report and does not serve the purpose as intended to allow an engineering firm to provide quotes. Mr. Su stated the Association has brought in another firm to conduct the services necessary to create the engineering report.

Chairman Burke stated the other two Board Members resigned, now there are three Board Members. Chairman Burke asked what the process was for getting those new Board Members elected.

Ms. Brown stated the two new Board Members were appointed by the remaining Board Member per legal counsel's opinion. Ms. Brown stated because Mr. Pierce was the only Board Member that remained and with the resignations of the other two Board Members, Mr. Pierce could appoint two new Board Members until the next election. Ms. Brown stated they called an emergency Board of Directors meeting to appoint the new Board Members so the Association could continue to conduct business.

Chairman Burke asked Ms. Brown who the two new Board Members were.

Ms. Brown stated that Pauline Murray and Toni Burton were the two new Board Members.

Chairman Burke asked Ms. Brown when the next scheduled election was.

Ms. Brown stated the next scheduled election is in November.

Chairman Burke stated he wanted to talk about the Nortech report and what is the next step and getting the right reports to get bids on what is required for the roads.

Ms. Brown stated the Nortech report was a soils report and rebuilding the old roads is not necessary. Ms. Brown stated an engineering consultant looked at the report. Ms. Brown stated they are currently working with Washoe County to submit the proper report to obtain a permit.

Mr. Pierce stated the Washoe County denied the Nortech report for permitting because it did not address the violations in question.

Chairman Burke asked if there was any timeline for a proposal.

Ms. Brown stated they had already received some proposals that were waiting for Board approval. Ms. Brown stated once the proposals are approved the work can begin. Ms. Brown stated the next meeting is scheduled for June 28th.

Commissioner Bruner asked if there was a special assessment to fund these road projects.

Ms. Brown stated the original special assessment was not done properly and a special assessment will be done at the June 28th meeting to correct the old one and to get additional funds for the reserve account. Ms. Brown stated over 50% of the community has paid and there have been

some that have not paid. Ms. Brown stated their bi-annual payment is due July 1st, and more money will be coming in. Ms. Brown stated there are shortfalls that will be addressed at the June meeting.

Commissioner Bruner stated the Association needs to collect a lot of money for the road proposals or else they will be at a standstill having the proposals done and no money to complete the road projects.

Chairman Burke stated this issue may be better served to be revisited at the December meeting.

Chairman Burke motioned that the special assessment be put forward, the Association make progress with Washoe County, come back with an update at the December meeting and any information be given to Division Counsel at least two weeks before the December meeting. Motion seconded by Commissioner Niggemeyer. Motion carried.

3-D) NRED v Villager Townhouses Association, Erica Darke, Ellen Dauscher, for possible action

Case No.2021-1032

Type of Respondent: Board Members

Parties Present:

Phil Su, Senior Deputy Attorney General was present representing the Division.

Paul Maynard, President was present virtually.

Carl Buchholz Secretary was present virtually.

Alvan Donnan Treasurer was present virtually.

Preliminary Matters

Mr. Su. stated that all parties have agreed to a settlement, however not all the current board members have signed the settlement.

Mr. Su read the summary of the facts and allegations into the record.

Mr. Su read the settlement into the record as follows:

- RESPONDENT Association, by and through its current board members, agrees to retain a Community Association Manager (“CAM”) within three (3) months of the effective date of this order, to perform, at minimum, the necessary services to ensure that the Association is compliant with its obligation regarding financial reporting and disclosure requirements pursuant to NRS 116, including, but limited to, reserve funding, interim financial statements, and audit reporting. The Association will provide written proof to the Division of the retention of the CAM, including any contracts for services. The Association will also, for a period of one year from the date of this order, inform the Division in writing and seek approval from the Commission at its next regularly scheduled meeting if the Association wishes to retain a new CAM.
- RESPONDENT Association agrees that each of its current executive board members will complete five (5) hours of “CICCH/HOA Board Member and Unit Owner Training” in the relevant subject matter areas budget and reserve study, board meeting, financial management, and/or record keeping and reporting. Training is to be completed within

one (1) year from the date of the order approving this Stipulation, with proof of completion supplied to the Division.

- RESPONDENT Donnan will return to the Association the \$1800.00 (Eighteen Hundred Dollars) that he and/or his spouse received from the association for the bookkeeping and/or clerical services provided to the association from February 2018 through July 2020. Within three (3) months of the effective date of this order and provide written proof to the Division regarding the same.

Chairman Burke asked the Board Members if they agreed with the terms of the settlement.

Mr. Maynard, Mr. Donnan and Mr. Buchholz stated they all agreed with the terms of the settlement.

Chairman Burke made a motion to accept the terms of the settlement. Motion seconded by Commissioner Morse Jarman. Motion carried.

3-E) NRED v Wine Ridge Estates Homeowners' Association, Fernando Hernandez, Rebecca Coins for possible action

Case No. 2021-942

Type of Respondent: Board Members

Parties Present:

Christal Keegan, Deputy Attorney General, was present virtually representing the Division. Ryan Hasting, Esq. was present representing Wine Ridge Estates HOA.

Preliminary Matters:

Ms. Keegan stated the parties wish to settle this matter but there are still some outstanding matters. Ms. Keegan stated the parties have agreed to a settlement however they do not have a signed stipulation.

Ms. Keegan read a summary of the facts and allegations into the record.

Ms. Keegan read the settlement into the record as follows:

- RESPONDENT Association agrees to provide the Division with the 2018, 2019 and 2020 CPA Audits identified in the October 5, 2021, Request for Information Letter by October 5, 2023. After this date, the Respondent shall pay the reasonable and necessary costs of the continued proceedings incurred by the Division, including its attorney's fees, to perform status checks on this matter.

Upon receipt of the CPA audits, such information shall be submitted to the auditor at the expense of the Association.

- Each RESPONDENT board member further agrees to complete six (6) hours of continued education in relevant subject matters areas of budget and reserve study, board meeting, financial management, and/or record keeping and reporting, to be completed within one (1) year from the date of the order approving this Stipulation, with proof of completion supplied.

Chairman Burke asked Mr. Hasting if what was read reflect his understanding of the settlement reached.

Mr. Hastings stated it does.

Chairman Burke made a motion to accept the terms of the settlement. Motion seconded by Commissioner Niggemeyer. Motion carried.

3-F) NRED v Yvonne A. Culliver, for possible action

Case No. 2023-190

Type of Respondent: Community Association Manager

License No: CAM:0007452 (Inactive)

Parties Present:

Christal Keegan, Deputy Attorney General, was present representing the Division.
Yvonne Culliver was present virtually.

Preliminary Matters:

Ms. Keegan stated the parties have reached a settlement.

Chairman Burke asked Ms. Culliver if she understood the terms and conditions of the settlement.

Ms. Culliver stated she did understand the terms and conditions of the settlement.

Ms. Keegan stated since the settlement agreement had been reached Ms. Culliver did re-activate her CAM license and has provided the outstanding requested documents except the audits.

Ms. Keegan stated the Ms. Culliver has taken steps to ensure the audits are being completed by a CPA and will deliver to the current Management Company when completed.

Chairman Burke made a motion to accept the terms of the settlement. Motion seconded by Commissioner Niggemeyer. Motion carried.

3-G) NRED V. Michael Steven Skahill, for possible action

Case no. 2022-507

Type of Respondent: Community Association Manager

License No: CAM.0007489-SUPR (Revoked)

3-H) NRED V. Michael Steven Skahill, for possible action

Case no. 2022-508

Type of Respondent: Community Association Manager

License No: CAM.0007489-SUPR (Revoked)

Parties Present:

Phil Su, Senior Deputy Attorney General, was present representing the Division.
Michael Skahill was not present.

Preliminary Matters:

Mr. Su stated there was no response from Mr. Skahill for both cases.

State's Witness

Maria Gallo, Commission Coordinator, testified regarding service of complaints 2022-507 and 2022-508.

Commissioner Niggemeyer made a motion that the Division properly served Mr. Skahill in case numbers 2022-507 and 2022-508 and that Mr. Skahill is in default. Seconded by Chairman Burke. Motion carried.

Mr. Su stated he wanted to admit into the record the Division's records stamped NRED for both matters.

Commissioner Niggemeyer made a motion that the Respondent was properly served, find Respondent in Default, and admit into evidence the State's documents for both cases. Seconded by Chairman Burke. Motion carried.

Case # 2022-507 Factual Allegations

Commissioner Niggemeyer moved that providing that Mr. Skahill has been found to be in default for case number 2022-507 that the factual allegations as pled in paragraphs 1-17 are deemed to be admitted. Seconded by Chairman Burke. Motion.

Case # 2022-507 Violations of Law

Commissioner Niggemeyer moved that based on the factual allegations being proven that the violations of laws pled in paragraphs 1-4 have been proven. Seconded by Chairman Burke. Motion carried.

Case #2022-507 Division's Recommendations

Mr. Su presented the recommendations as follows:

- The respondent pays a fine of up to \$5,000 for each violation of law.
- The respondent pays the Division's investigative fees and costs of \$3347.61.

Chairman Burke stated no other action is required because Mr. Skahill's license is already revoked.

Chairman Burke asked the Commissioners if a \$20,000 fine and the \$3347.61 in fees in costs is fair and reasonable.

Commissioner Morse Jarman asked if the Division knew where Mr. Skahill was, or if this is a moot point.

Chairman Burke stated that the action is warranted because it will be part of the public record that someone would be able to look up and prevent Mr. Skahill from doing any future bad acts.

Commissioner Bruner stated he was in favor of the \$20,000 fine and \$3347.61 in fees and costs.

Commissioner Niggemeyer stated they should put that Mr. Skahill cannot reapply for a license for 10 years.

Chairman Burke made a motion to fine Mr. Skahill \$20,000 and the Division's fees and costs of \$3347.61 payable within 60 days of the order, and not be able to reapply as a Community Association Manager for not less than 10 years or until such time all fines, fees and costs have been paid to the Division. Seconded by Commissioner Morse Jarman. Motion carried.

Case #2022-508 Factual Allegations

Commissioner Niggemeyer moved that providing that Mr. Skahill has been found to be in default for case number 2022-508 that the factual allegations as pled in paragraphs 1-11 are deemed to be admitted. Seconded by Chairman Burke. Motion carried.

Case #2022-508 Violation of Law

Commissioner Niggemeyer moved that based on the factual allegations being proven, that the violations of law as pled in paragraphs 1-3 are found to be proven. Seconded by Chairman Burke. Motion carried.

Case #2022-508 Division's Recommendation

Mr. Su's presented the recommendations as follows:

- The respondent pays a fine of up to \$5,000 for each violation of law.
- The respondent pays the Division's investigative fees and costs of \$2915.11.

Chairman Burke made a motion to fine Mr. Skahill \$15,000 and the Division's fees and costs of \$2915.11 payable within 60 days of the order, and not be able to reapply as a Community Association Manager for not less than 10 years or until such time all fines, fees and costs have been paid to the Division. Seconded by Commissioner Tomasso. Motion carried.

4-A) Administrator's Report

Sharath Chandra stated we just came out of a legislative session and a few CIC bills were passed. Mr. Chandra stated there are 3 bills to highlight, 2 have been signed by the Governor and one is awaiting his signature. Mr. Chandra stated bill AB309 makes significant changes to communications, association elections, payments, and Commission regulations. Mr. Chandra stated that the bill allows for the use of electronic ballots, removal of the executive board, removes additional notice provision with respect to election communications and money in the operating account may be removed without the required signatures for automatic payment for services that are billed on a monthly, quarterly, or yearly basis. Mr. Chandra stated the bill also requires the Commission to adopt regulations regarding the transfer of the possession of all books, records, and other papers of the client upon termination or assignment of the management agreement. Mr. Chandra stated SB 378 is still waiting for the Governor's signature and makes changes to SB 186, a bill that was passed in a previous session. Mr. Chandra stated this bill required associations of 150 or more units to establish and maintain a secure internet website with a portal for homeowners to make payments. Mr. Chandra stated this bill established insurance requirements for those associations that contract out to a payment provider to have cyber security insurance. Mr. Chandra stated the bill also specifies a minimum number of documents that are required to be displayed on the association's website. Mr. Chandra stated

there is also language that removes additional notice provisions with respect to communications, communication defaults to electronic means except for items that are specified in statute like foreclosures which must be done by mail. Mr. Chandra stated SB 417 was signed by the Governor. Mr. Chandra stated existing law allows HOA's to charge \$10 an hour to review books, records, contracts, or other papers of the association. Mr. Chandra stated the new law increases the maximum amount to \$25 an hour. Mr. Chandra stated this law also states that if the Commission finds a person to knowingly filed a false or fraudulent affidavit with the Division the maximum amount of the fine can be up to \$10,000 instead of the previous amount of \$1000. Mr. Chandra stated there is also language that allows the Commission to impose sanctions that disqualify a person from serving as a member of the executive board for up to 10 years. Mr. Chandra stated the Commission can also designate a person as a vexatious affiant if the Commission has imposed an administrative fine or sanctions against that person for knowingly filing a false or fraudulent affidavit with the Division on 2 or more occasions, with the Ombudsman having the discretion of reviewing the complaints and what we could except and what we do not have to except. Mr. Chandra stated the Division is working on getting Commissioners laptops to utilize during the meeting. Mr. Chandra stated the Ombudsman position is open and if the Commissioners have suggestions or ideas let the Commission Coordinator know. Mr. Chandra stated the education section is in a rebuild because of turnover.

Commissioner Bruner asked for more clarification on the status of the education section.

Mr. Chandra stated the educational materials are still available on the website, having a fully staffed education section would bring back the live portion of the classes.

Charvez Foger stated the Division is in the process of hiring an Education Officer and a Training Officer in Las Vegas and a Training Officer in Carson City by the end of July. Mr. Foger stated hiring qualified people is hard, due to wages and other factors.

Commissioner Morse Jarman asked what happened to the Ombudsman.

Mr. Chandra stated the Ombudsman left for another opportunity.

Commissioner Morse Jarman stated she took several of the online classes and they were excellent and hoped the Division will be able to fully implement the program again.

Mr. Foger stated the Division is going to have that program again it will just take time to get the right people in place and trained.

Commissioner Bruner asked if the respondents that were ordered to take education from the Commission will they be notified when the education is available for them to take.

Mr. Chandra stated there are two pieces of the education department, there is the education provided to the homeowners and then there is the licensing education that CAM's must complete for them to renew their license. Mr. Chandra stated there are a lot more providers for licensees than the education providers for homeowners. Mr. Chandra stated the Division's education section was focused on getting homeowners educated with online and live classes. Mr. Chandra

stated the Division could develop a lot of new material and go out to the HOA's in the community.

4-B) Ombudsman's Summary Report

Sonya Meriweather presented this report that was provided to the Commission in the meeting packet.

4-C) CIC Compliance Caseload Report and Summary

Terry Wheaton presented this report that was provided to the Commission in the meeting packet.

4-D) Licensee and Board Member Discipline Report

Shareece Bates presented this report that was provided to the Commission in the meeting packet.

5-A) Discussion regarding Commissioner's speaking engagement requests

None

5-B Discussion regarding the State of Nevada Controller's Office debt collection process for fines issued by the Commission

Commissioner Niggemeyer stated there was no update because of the legislative session going on and there was no change from the last report.

5-C) Discussion and decision to approve minutes of the March 7-9, 2023, Commission meeting

Commissioner Niggemeyer moved to approve the March 7-9, 2023, meeting minutes. Seconded by Chairman Burke. Motion passed.

6) FOR POSSIBLE ACTION: FOR DISCUSSION AND DECISION ON DATE, TIME, PLACE AND AGENDA ITEMS FOR UPCOMING MEETING(S).

Next meeting is September 26-28, 2023.

7) Public Comment

Mike Kosor stated he wanted to comment on Senate Bill 378. Mr. Kosor stated he was in favor of the bill because it requires that meetings, minutes of meetings, budgets and proposed budgets be put online. Mr. Kosor stated the problem is there is no definition in NRS 116 of what a budget or what a proposed budget is. Mr. Kosor stated Senate Bill 417 was a problematic bill and the Assembly gutted the bill and will have a nominal impact. Mr. Kosor stated he is bringing it to our attention because the legislature is being highjacked by lobbyists and special interest groups. Mr. Kosor stated what it attempted to do and did do is pass a bill in 2019 that required a CIC task force and the whole purpose of the task force is to bring together the stake holders and work thru legislation and make any changes that needed to be done and provide that to the legislature. Mr. Kosor stated unfortunately that the committee met only twice since it was formed in 2019 and the last time it was in August of 2020. Mr. Kosor stated there is a lot that needs to be done based on what was heard here at the meeting today and in your day-to-day operations. Mr. Kosor stated the fact that this task force has not been used by the Administration to advance some efforts is a shame. Mr. Kosor stated the Commission needs to speak up and ask why we aren't using this great tool.

8) Adjournment

Meeting adjourned at 11:40 AM.

Minutes prepared by:

Maria Gallo
Commission Coordinator

To be Approved by Commission