

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 REGENCY VILLAGE OWNER'S  
11 ASSOCIATION INC., RALPH GLOVER,  
12 KARI CRAMER, and YOLANDA  
13 MCANNALY,  
14 (Entity Number C2520-1970)

15                                   Respondents.

Case No. 2023-713

**FILED**

JAN 27 2025

NEVADA COMMISSION FOR  
COMMON INTEREST COMMUNITIES  
AND CONDOMINIUM HOTELS

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16                                   **FIRST AMENDED**  
17                                   **FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER**

18                                   This matter came on for hearing before the Commission for Common-Interest  
19 Communities and Condominium Hotels, State of Nevada (the "Commission") on  
20 Tuesday, December 3, 2024. (the "Hearing") Respondent Regency Village Owner's  
21 Association Inc. ("RESPONDENT ASSOCIATION") and association board members Ralph  
22 Glover, Kari Cramer, and Yolanda McAnnaly, ("RESPONDENT BOARD MEMBERS")  
23 appeared by and through their attorney, Steven Loizzi, Esq. Phil W. Su, Senior Deputy  
24 Attorney General, appeared on behalf of the Real Estate Division of the Department of  
25 Business and Industry, State of Nevada (the "Division").

26                                   The parties agreed to stipulate as to the facts and legal violations as set forth in the  
27 Complaint. Attorney Su further noted that RESPONDENT ASSOCIATION has provided  
28 the Division with proof of its adoption of the draft reserve study and has provided proof of  
adoption of a petty cash resolution. Attorney Loizzi agreed with the substance of the  
Division's representations.

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1 **FINDINGS OF FACT**

2 Based on a preponderance of the evidence in the record and the documents admitted  
3 at the Hearing, the Commission hereby finds that the following factual allegations were  
4 proven:

5 1. RESPONDENT ASSOCIATION is a common-interest community located in  
6 Las Vegas, Nevada (Entity Number C2520-1970) with 297 units. *CCIC0017-0025*.

7 2. At all times relevant to the Complaint, the Respondent’s management  
8 company was The Management Trust, and managed by provisional community managers  
9 Barbara Hargiss and Crystal Kaufman. *CCIC0004; 0017*.

10 3. At all relevant times, the RESPONDENT ASSOCIATION was governed by  
11 RESPONDENT BOARD MEMBERS Ralph Glover, Kari Cramer, and Yolanda  
12 McAnnaly.<sup>1</sup> *CCIC0004; 0017-0025*.

13 4. The Office of the Ombudsman for Owners in Common-Interest Communities  
14 and Condominium Hotels (“Ombudsman”) initiated an audit (“Initial Audit”) of  
15 RESPONDENT ASSOCIATION in May of 2023, completing the audit on August 24, 2023.  
16 *CCIC0001–CCIC0016*.

17 5. The Audit noted that the RESPONDENTS had initial non-compliance issues  
18 including delinquent reserve study, delinquent reserve study form 609, and sole-signed  
19 checks. *CCIC 0005; 0007*.

20 6. The Audit further found that the RESPONDENTS did not have proper  
21 policies and procedures for use of petty cash. *CCIC 0008-0010*.

22 7. The Audit further found that the RESPONDENTS allowed unit owners and  
23 family members of unit-owners to be employed or to contract with the Association to  
24 provide services, and that some of those services required a license which the contractors  
25 did not have. *CCIC 0009-0010*.

26 8. The Audit further found that the RESPONDENTS failed to accurately  
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28 <sup>1</sup> Former Board Member Nancy Tresch was a board member during the Audit and the investigation, but by March 2024 was no longer a member of the Board.

1 account in meeting minutes for specific details and board decisions including, but not  
2 limited to, approvals for bids on association projects and petty cash and debit card  
3 transactions. *CCIC 0010-0011*.

4 9. On September 7, 2023, the Ombudsman referred the Initial Audit to the  
5 Division's compliance division for further investigation. *CCIC0001; 0012*.

6 10. On October 20, 2023, the Division issued a Request for Information (RFI)  
7 letter via certified mail to the RESPONDENT ASSOCIATION'S CAM, Crystal Kaufman,  
8 with cc: to Board Members Ralph Glover, Kari Cramer, Yolanda McAnnaly, and Nancy  
9 Tresch, requesting response within ten (10) business days of the letter. *CCIC0024-0026*.

10 11. The Request for Information letter alleged:

11 #1, the Association did not perform the required quinquennial Reserve Study  
12 after its last one performed in December 2017, and failed to submit the required  
13 Reserve Study Summary (Form 609) since January 2018;

14 #2, the Board failed to establish policies and procedures for petty cash;

15 #3, the Board used its petty cash fund to hire unit owners and/or family  
16 members of unit owners to perform services that require a license (e.g. pool services  
17 and landscaping);

18 #4, the Board took votes on items in Executive Session that need to be voted  
19 on in an open meeting, or which were otherwise not permitted under statute and  
20 meeting minutes failed to include sufficient specific details of board actions, and

21 #5, the Board allowed approximately fifty (50) checks to be signed by a single  
22 board member, Nancy Tresch, from January 1, 2022, through March 30, 2023.

23 12. Between October 26, 2023, and October 30, 2023, the Division received  
24 responses from RESPONDENT BOARD MEMBERS Ralph Glover, Nancy Tresch, and  
25 Kari Cramer, and from then-Board Member Nancy Tresch. *CCIC00034-0116*.

26 13. Codi McDermott, Provisional CAM, was assigned to the RESPONDENT  
27 ASSOCIATION in October 2023 and requested several extensions of time to respond. The  
28 CAM ultimately never provided a response to the RFI on behalf of the RESPONDENT

1 ASSOCIATION. *CCIC0117-0121*.

2 14. On February 1, 2024, the Division notified RESPONDENTS in writing that  
3 it would pursue disciplinary action in a hearing before the Commission for potential  
4 violations of NRS 116. *CCIC0122-0124*.

5 **CONCLUSIONS OF LAW**

6 Based on the foregoing factual findings and the preponderance of the evidence, the  
7 Commission voted that all the following violations of law occurred:

8 1. RESPONDENTS violated NRS 116.3103 pursuant to NRS 116.31152 by  
9 failing to perform the required quinquennial Reserve Study and to submit the Reserve  
10 Study Form (Form 609) to the Division.

11 2. RESPONDENTS violated NRS 116.3103 pursuant to NAC 116.405(8)(i) by  
12 failing to exercise ordinary and reasonable care by establishing policies and procedures to  
13 provide reasonable assurances regarding the accuracy of the association's petty cash  
14 disbursements.

15 3. RESPONDENTS violated NRS 116.3103 pursuant to NAC 116.405(8)(d) by  
16 failing to exercise ordinary and reasonable care in not seeking reputable service providers  
17 who possess the proper licensing before purchasing such service for use by the association.

18 4. RESPONDENTS violated NRS 116.3108 pursuant to NRS 116.31083 by  
19 failing to provide accurate and specific details regarding actions taken, topics discussed,  
20 including, but not limited to, approvals for bids on association projects and petty cash and  
21 debit card transactions.

22 5. RESPONDENTS violated NRS 116.3103 pursuant to NRS 116.31153 by  
23 failing to exercise ordinary and reasonable care in allowing a single board member to sign  
24 off on approximately fifty (50) association checks without the required countersignature.

25 **ORDER**

26 The Commission, being fully apprised in the premises and good cause appearing,  
27 ORDERS as follows:

1           1.       RESPONDENT ASSOCIATION shall pay to the Division a total amount of  
2 SEVEN THOUSAND TWO HUNDRED SEVENTY ONE DOLLARS and 92/100 cents  
3 (\$7,271.92) ("Amount Due"), within sixty (60) days of entry of Order. This total amount  
4 reflects no administrative fine amounts for committing the above-stated violation of law,  
5 but the costs of the investigation, the attorney's fees, and the hearing;

6           2.       If payment is not actually received by the Division on or before its due date,  
7 it shall be construed as a default by RESPONDENT ASSOCIATION. In the event of  
8 default, the unpaid balance of the administrative fine and costs, together with any  
9 attorney's fees and costs that may have been assessed, shall be due in full to the Division  
10 within ten (10) calendar days of the date of default, and the Division may obtain a  
11 judgment for the amount owed, including collection fees and costs;

12           3.       Any RESPONDENT BOARD MEMBERS currently serving at the time of the  
13 effective date of this Order is required to take six (6) hours of NRED board member unit  
14 training and/or Community Association Manager Continuing Education, with at least  
15 three (3) hours of instruction in board finances and/or reserve study, with proof of  
16 completion to be submitted to the Division, within six (6) months of the effective date of  
17 this Order.

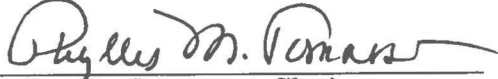
18           4.       RESPONDENT ASSOCIATION is on notice that if it violates any order by  
19 the Commission, the Commission may impose an administrative fine of not more than  
20 \$1,000 for each violation; and

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1 5. The Commission retains jurisdiction for correcting any errors that may have  
2 occurred in the drafting and issuance of this document.

3 DATED: January 27<sup>th</sup>, 2025

4 COMMISSION FOR COMMON-  
5 INTEREST COMMUNITIES AND  
6 CONDOMINIUM HOTELS,  
7 DEPARTMENT OF BUSINESS  
8 AND INDUSTRY, STATE OF NEVADA

9 By:   
10 Phyllis Tomasso, Chairwoman

11 Submitted by:

12 AARON D. FORD  
13 Attorney General

14 By: /s/ Phil W. Su  
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