

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 AND INDUSTRY,
7 STATE OF NEVADA,

8 Petitioner,

9 vs.

10 BORDEAUX HOMEOWNERS
11 ASSOCIATION, INC.
(Entity Number E0266622005-3),

12 Respondent.

Case No. 2023-771

FILED

APR 24 2024

NEVADA COMMISSION FOR
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

mgallo

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 Bordeaux Homeowners Association, Inc. ("RESPONDENT") of an administrative hearing
19 before the Commission for Common-Interest Communities and Condominium Hotels,
20 State of Nevada, which is to be held pursuant to Chapters 233B and Chapters 116 of the
21 Nevada Revised Statutes ("NRS") and Chapter 116 of the Nevada Administrative Code
22 ("NAC"). The purpose of the hearing is to consider the allegations stated below and to
23 determine if an administrative penalty will be imposed on the RESPONDENT pursuant
24 to the provisions of NRS and NAC including, but not limited to NRS 116.785 and
25 NRS 116.790.

26 ///

27 ///

28 ///

1 8. RESPONDENT thought this was acceptable and admitted its mistaken
2 understanding. *Exhibit C, CICC 027.*

3 9. RESPONDENT represented to the Division that it had provided all its
4 minutes from its Open and Executive sessions for 2021 and 2022. *Exhibit C, CICC 027.*

5 10. But the RESPONDENT did not provide the 2021 and 2022 minutes for the
6 annual unit owners and budget ratification meetings. *Exhibit A, CICC 014.*

7 11. RESPONDENT then admitted it had not provided all the minutes.
8 *Exhibit C, CICC 027.*

9 12. RESPONDENT admitted its alleged numerous management transitions
10 have caused a deficit in its records. *Exhibit C, CICC 028.*

11 13. RESPONDENT supplied the Division with numerous unsigned draft
12 minutes, and in some instances without detail of Executive Board actions, and/or without
13 being put to vote. *Exhibit C, CICC 048 – 106.*

14 14. At RESPONDENT'S meeting minutes for its Open Meeting on November 22,
15 2022, indicated under New Business discussed, ratification of an emailed vote for a pool
16 landscape enhancement project - "GEL for \$1,478.00" - when the project was already
17 complete. *Exhibit C, CICC103.*

18 15. The minutes did not regularly include the amounts approved, nor all
19 Executive Board member actions regarding petty cash approval and/or election details.
20 *Exhibit A, CICC 014.*

21 16. At RESPONDENT'S Regular Session Meeting on August 18, 2021, without
22 any proof nomination forms were sent, the Board approved the appointment of Gita Saval
23 for the Director's seat with an undetermined expiration term. *Exhibit C, CICC 064.*

24 17. RESPONDENT supplied the Division with financials for March and April of
25 2023, but did not include statements of Association's accounts, including but not
26 limited to:

- 27 • Operating and Reserve;
- 28 • Front & Back Check Images;

- 1 • 2021 and 2022 Bank Signature Cards;
- 2 • Some Interim Financial Statements;
- 3 • 2020 and 2021 CPA Audits;
- 4 • From 2021 through April 30, 2023, all invoices and receipts for disbursements
- 5 made from the Operating and Reserve Accounts; and/or
- 6 • Board member reimbursements and petty cash receipts.

7 *Exhibit A, CICC 008.*

8 18. On or about March 17, 2022, RESPONDENT reversed \$40,149.42 in Reserve
9 contributions, which was transferred to the Operating account to be used for operating
10 expenses. *Exhibit B, CICC 009.*

11 19. Accordingly, on or about February 20, 2024, the Division noticed the
12 RESPONDENT the case would proceed formally before the Commission. *Exhibit D,*
13 *CICC 220 – 222.*

14 VIOLATIONS OF LAW

15 20. RESPONDENT violated NRS 116.31144 by admission for failing to have a
16 CPA audit performed annually.

17 21. RESPONDENT violated NRS 116.3115(2)(b) by admission for having a low
18 reserve funding.

19 22. RESPONDENT violated NRS 116.31152(1)(a), (b), and/or (c) by admission on
20 two counts:

- 21 a. For having a low reserve funding, and/or
- 22 b. Making a large transfer from the Reserve fund to the Operating
- 23 account for operating expenses.

24 23. RESPONDENT violated NRS 116.31153 for failing on at least 73 occasions
25 to demonstrate two approved signers on its checks.

26 24. RESPONDENT violated NRS 116.31083(8), (9)(a), (b), (c), (d), and/or (e),
27 and/or (11) for failing to include in its minutes the substance of all matters proposed,
28 discussed or decided at meetings.

1 25. RESPONDENT violated NRS 116.3103 by failing its fiduciary duties with
2 regard to the Association's missing or omitted documents and records.

3 **DISCIPLINE AUTHORIZED**

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

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

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

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

12 4. IF RESPONDENT IS FOUND TO HAVE KNOWINGLY AND WILLFULLY
13 COMMITTED A VIOLATION of NRS or NAC 116 AND it is in the best interest of the
14 Association, such RESPONDENT may be removed from his/her position as a director
15 and/or officer.

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

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

20 7. Take whatever further disciplinary action the Commission deems
21 appropriate.

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

26 ///

27 ///

28 ///

1 **NOTICE OF HEARING**

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

6 **THE HEARING WILL TAKE PLACE** at the Commission meeting(s) scheduled
7 for June 11-13, 2024, beginning at approximately 9:00 a.m. each day, or until such time as
8 the Commission concludes its business. The Commission meeting will be held at the
9 Nevada State Business Center, 3300 W. Sahara Avenue, 4th Floor, Nevada Room, Las
10 Vegas, Nevada 89102 on June 11 & 12, 2024, with videoconferencing to Department of
11 Business and Industry, Division of Insurance, 1818 E. College Parkway, Suite 103, Carson
12 City, Nevada 89706. The Commission meeting will be held at the Nevada State Business
13 Center, 3300 W. Sahara Avenue, 4th Floor, Tahoe Room, Las Vegas, Nevada 89102 on
14 June 13, 2024, with videoconferencing to Department of Business and Industry, Division
15 of Insurance, 1818 E. College Parkway, suite 103, Carson City,
16 Nevada 89706.

17 **STACKED CALENDAR:** Your hearing is one of several hearings that may
18 be scheduled at the same time as part of a regular meeting of the Commission
19 that is expected to take place on June 11-13, 2024. Thus, your hearing may be
20 continued until later in the day or from day to day. It is your responsibility to
21 be present when your case is called. If you are not present when your hearing
22 is called, a default may be entered against you and the Commission may decide
23 the case as if all allegations in the complaint were true. If you need to negotiate
24 a more specific time for your hearing in advance because of coordination with
25 an out of state witness or the like, please call Maria Gallo, Commission
26 Coordinator, at (702) 486-4074.

27 ///

28 ///

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

13 You have the right to request that the Commission issue subpoenas to compel
14 witnesses to testify and/or evidence to be offered on your behalf. In making this request,
15 you may be required to demonstrate the relevance of the witness' testimony and/or
16 evidence. Other important rights and obligations, including your obligation to answer the
17 complaint, you have are listed in NRS Chapter 116 and NAC Chapter 116, including
18 without limitation, NRS 116.770 through 116.780, and NAC 116.500 through NAC
19 116.635 and NRS Chapter 233B.

20 Note that under NAC 116.575, not less than five (5) working days before a hearing,
21 RESPONDENT must provide to the Division a copy of all reasonably available documents
22 that are reasonably anticipated to be used to support his position, and a list of witnesses
23 RESPONDENT intends to call at the time of the hearing. Failure to provide any document
24 or to list a witness may result in the document or witness being excluded from
25 RESPONDENT'S defense. The purpose of the hearing is to determine if the

26 ///

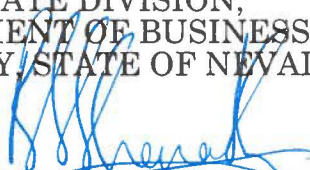
27 ///

28 ///

1 RESPONDENT has violated the provisions of NRS 116, and to determine what
2 administrative penalty is to be assessed against RESPONDENT.

3
4 DATED this 23 day of April 2024.

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

5
6
7 By: 
SHARATH CHANDRA, Administrator
3300 W. Sahara Ave. Ste 350
Las Vegas, Nevada 89102
(702) 486-4033

8
9
10 DATED this 23rd day of April 2024.

AARON D. FORD
Attorney General

11
12 By: 
CHRISTAL P. KEEGAN
Deputy Attorney General
Nevada State Bar No. 12725
5420 Kietzke Lane, Suite 202
Reno, Nevada 89511
(775) 687-2141
ckeegan@ag.nv.gov

13
14
15
16
17 *Attorney for Real Estate Division*