

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

MAY 10 2024

NEVADA COMMISSION FOR
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

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16 **COMPLAINT FOR DISCIPLINARY**
17 **ACTION AND NOTICE OF HEARING**

18 The Real Estate Division of the Department of Business and Industry, State of
19 Nevada (the "Division"), by and through its counsel, Aaron D. Ford, Attorney General of
20 the State of Nevada, and Phil W. Su, Senior Deputy Attorney General, hereby notifies
21 Regency Village Owner's Association Inc("RESPONDENT ASSOCIATION") and
22 association board members Ralph Glover, Kari Cramer, and Yolanda McAnnaly,
23 ("RESPONDENT BOARD MEMBERS") of an administrative hearing before the
24 Commission for Common-Interest Communities and Condominium Hotels, State of
25 Nevada, which is to be held pursuant to Chapters 233B and Chapters 116 of the Nevada
26 Revised Statutes ("NRS") and Chapter 116 of the Nevada Administrative Code ("NAC").
27 The purpose of the hearing is to consider the allegations stated below and to determine if
28 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.

JURISDICTION AND NOTICE

During all relevant times, RESPONDENT is a common-interest community located

1 in Las Vegas, Nevada (Entity Number C2520-1970) and is, therefore, subject to the
2 provisions of Chapter 116 of each the Nevada Revised Statutes (“NRS”) and the Nevada
3 Administrative Code (“NAC”) (hereinafter collectively referred to as “NRS 116”) and are
4 subject to the jurisdiction of the Division, and the Commission for Common-Interest
5 Communities pursuant to the provisions of NRS 116.750.

6 **FACTUAL ALLEGATIONS**

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

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

12 3. At all relevant times, the RESPONDENT ASSOCIATION was governed by
13 RESPONDENT BOARD MEMBERS Ralph Glover, Kari Cramer, and Yolanda
14 McAnnaly.¹ *CCIC0004; 0017-0025*.

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

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

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

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

28 _____
¹ 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 8. The Audit further found that the RESPONDENTS failed to accurately
2 account in meeting minutes for specific details and board decisions including, but not
3 limited to, approvals for bids on association projects and petty cash and debit card
4 transactions. *CCIC 0010-0011*.

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

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

11 11. The Request for Information letter alleged:

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

15 #2, the Board failed to establish policies and procedures for petty cash;

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

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

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

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

27 13. Codi McDermott, Provisional CAM, was assigned to the RESPONDENT
28 ASSOCIATION in October 2023 and requested several extensions of time to respond. The

1 CAM ultimately never provided a response to the RFI on behalf of the RESPONDENT
2 ASSOCIATION. *CCIC0117-0121*.

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

6 VIOLATIONS OF LAW

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

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

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

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

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

24 DISCIPLINE AUTHORIZED

25 Pursuant to the provisions of NRS 116.615; NRS 116.755; NRS 116.785; and NRS
26 116.790 the Commission has discretion to take any or all of the following actions:

27 1. Issue an order directing Respondent to take affirmative action to correct any
28 conditions resulting from the violation.

1 continued until later in the day or from day to day. It is your responsibility to
2 be present when your case is called. If you are not present when your hearing
3 is called, a default may be entered against you and the Commission may decide
4 the case as if all allegations in the complaint were true. If you need to negotiate
5 a more specific time for your hearing in advance because of coordination with
6 an out of state witness or the like, please call Maria Gallo, Commission
7 Coordinator, at (702) 486-4074.

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

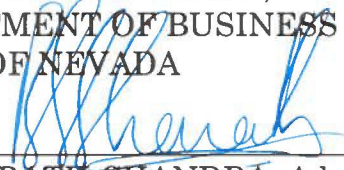
20 You have the right to request that the Commission issue subpoenas to compel
21 witnesses to testify and/or evidence to be offered on your behalf. In making this request,
22 you may be required to demonstrate the relevance of the witness' testimony and/or
23 evidence. Other important rights and obligations, including your obligation to answer the
24 complaint, you have are listed in NRS Chapter 116 and NAC Chapter 116, including
25 without limitation, NRS 116.770 through 116.780, and NAC 116.500 through NAC
26 116.635 and NRS Chapter 233B.

27 Note that under NAC 116.575, not less than five (5) working days before a hearing,
28 RESPONDENT must provide to the Division a copy of all reasonably available documents

1 that are reasonably anticipated to be used to support his position, and a list of witnesses
2 RESPONDENT intend to call at the time of the hearing. Failure to provide any document
3 or to list a witness may result in the document or witness being excluded from
4 RESPONDENT'S defense. The purpose of the hearing is to determine if the
5 RESPONDENT has violated the provisions of NRS 116, and to determine what
6 administrative penalty is to be assessed against RESPONDENT.

7
8 DATED this 9 day of May, 2024.

9 REAL ESTATE DIVISION,
10 DEPARTMENT OF BUSINESS & INDUSTRY,
11 STATE OF NEVADA

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