

### AUG 1 2 2025

ANS LEACH KERN GRUCHOW SONG 2 RYAN D. HASTINGS, ESQ. Nevada Bar No. 12395 3 E-mail: rhastings@lkglawfirm.com 2525 Box Canyon Drive Las Vegas, Nevada 89128 (702) 538-9074 Telephone: (702) 538-9113 5 Facsimile:

**NEVADA COMMISSION FOR** COMMON INTEREST COMMUNITIES AND CONDOMINIUM HOTELS mgallo

Attorneys for Respondent

### BEFORE THE COMMISSION FOR COMMON-INTEREST **COMMUNITIES AND CONDOMINIUM HOTELS** STATE OF NEVADA

SHARATH CHANDRA, Administrator, REAL **ESTATE** DIVISION. **DEPARTMENT** OF **BUSINESS** AND INDUSTRY, STATE OF NEVADA,

Petitioner.

VS.

1

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

**VILLAS PARK CHEYENNE** HOMEOWNERS ASSOCIATION, INC.

Respondent.

Case No.: 2024-606

### ANSWER TO COMPLAINT FOR DISCIPLINARY **ACTION AND NOTICE OF HEARING**

The Respondent, CHEYENNE PARK VILLAS HOMEOWNERS ASSOCIATION, INC. ("Respondent"), hereby submits this Answer to the Real Estate Division of the Department of Business and Industry, State of Nevada ("Division") Complaint for Disciplinary Action and Notice of Hearing ("Complaint").

### JURISDICTION AND NOTICE

Respondent acknowledges that the Division and the Commission for Common-1. Interest Communities and Condominium Hotels has jurisdiction of this matter.

### FACTUAL ALLEGATIONS

Respondent generally acknowledges and admits the factual allegations set forth in 2. Paragraphs 1 through 41 of the Complaint.

28

LEACH KERN GRUCHOW ANDERSON SONG Telephone: (702) 538-9074 - Facsimile (702) 538-9113 2525 Box Canyon Drive, Las Vegas, Nevada 89128

# LEACH KERN GRUCHOW ANDERSON SONG 2525 Box Canyon Drive. Las Vegas. Nevada 89128 Telephone: (702) 538-9074 – Facsimile (702) 538-9113

### **VIOLATIONS OF LAW**

3. Respondent generally acknowledges and admits the factual allegations set forth in Paragraphs 42-62 of the Complaint.

### DISCIPLINE AUTHORIZED

4. With respect to the "Discipline Authorized," the Respondent acknowledges that the Commission has the authority to impose the sanctions set forth therein.

### PROPOSED RESOLUTION/SETTLEMENT

The Association, has obtained new management and legal counsel since the filing of the Complaint in this matter. Both management and legal counsel have been working with counsel for the Division, Ms. Keegan, with regard to crafting a proposed plan by which the Association can be brought into compliance. The Association is committed to the following actions which it understands the Division would find satisfactory and seeks the Commission's guidance as it relates to the specific commitments set forth below.

Violation #1: The Association is committed to obtaining 3 board members (by way of the Form 623 - change in Board and reporting the CAM), or advise of its efforts to obtain 3 board members by the September 2025 Commission hearings. Since the filing of the Complaint, management has secured one additional board member, so there are now currently 2 active board members of the Association. Carl Manthei was appointed to the board at the July 15, 2025 board meeting. Management is actively working on securing a third member of the Board, but it is important to note that the original board member, Mr. Pankey, directly owns (fully or partially) 83 of the 92 units in this complex, so the owner pool is quite small. Additionally, the Board is in agreement to complete 1.5 Hours of Board Member CE training in Welcome to the Board.

Violation #2: Management has assisted the Association in obtaining a new bank signature card with AAB and a copy of the Association's Strongroom Payables Lockbox form/signature card. Invoices are uploaded to the Association's individual Strongroom portals in order to review & approve invoices. Once both board members have approved the invoices in the system, management is notified and then a check is authorized to be cut to the vendor with the board

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

2.7

28

members' signatures imprinted on the check. The Association believes that these actions taken have resolved the concerns set froth in Violation #2 in the Complaint.

Violations #3 & 4: The Association will provide prior to the September Commission Hearings, the 2022 Annual Unit Owner's Meeting minutes, and management assures the Commission that meetings where decisions are being made are held with quorum and meetings are being held no more than 100 days apart pursuant to NRS 116.31083.

Violation #5, 11, 12, 13, 14, 15: The Association has provided the Division with updated Reserve Study and Funding Plan (demonstrating increase to annual assessments) in accordance with NRS 116.3115(2). Additionally, the Board agrees to the Division's demand that the Board complete 1.5 Hours of Board Member Training CE in the area of Reserve Studies.

Violation #6, 21: The Board is committed to completing 3 Hours of Board Member Training CE in the areas of: Budgeting and Financial Management in a CIC, and Fiduciary Duty in order to satisfy the concerns set forth in Violations #6 & 21.

Violation #7: The Board and management affirm that the Association will utilize licensed vendors, to include verifying licenses or securing contracts and bids before utilizing these vendor services, with reexamination of services from Peerless Cleaning, D&C Investments - Stacy Wilson, and to produce the checks and contracts related to these vendors as requested from the Investigator.

Violation #8: The Board and management are working towards producing finalized and adopted 2022 and 2023 Audits, and proof of affirmative steps to correct issues moving forward.

Violations #9, 10: The Board and management are working towards producing the Annual Budget Ratification Meetings for 2020, 2021, 2022 with proof of proper notice to the community (to include budget packets, right to vote on the budget, etc.), and assurances that the Association is conducting annual budget ratification meetings for the community.

Violations #16, 17, 18: The Association did not have directors and officers, crime/fidelity, cyber crime or work comp insurance policies when current management was engaged. The Association did have general liability and property coverage. Since the filing of the Complaint, management has assisted the Association in securing cyber crime, crime/fidelity &

# LEACH KERN GRUCHOW ANDERSON SONG 2525 Box Canyon Drive. Las Vegas. Nevada 89128 Felephone: (702) 538-9074 – Facsimile (702) 538-9113

work comp coverage and a cert of insurance for those policies has been provided to counsel for the Division. Additionally, management assisted the Board submit an application on an existing quote for directors and officers coverage and the policy premium for the year was paid in full on 7/31/2025; proof of payment for this policy has been provided to counsel for the Division. The Association is awaiting the policy itself and a certificate of insurance, which the Association will provide once received. The Association now has all required coverages in accordance with statutory requirements.

### SCHEDULED HEARING

5. The Association understands that this matter is placed on a stacked calendar to be heard on September 9-11, 2025, and will be available to answer any questions the Commission may have at that time.

DATED this 11th day of August, 2025.

### LEACH KERN GRUCHOW SONG

By: /s/ Ryan D. Hastings
RYAN D. HASTINGS, ESQ.
Nevada Bar No. 12395
2525 Box Canyon Drive
Las Vegas, Nevada 89128

Attorneys for Respondent

## LEACH KERN GRUCHOW ANDERSON SONG 2525 Box Canyon Drive, Las Vegas, Nevada 89128 Telephone: (702) 538-9074 – Facsimile (702) 538-9113

1

## **CERTIFICATE OF SERVICE**

2	Pursuant to NRCP 5(b), the undersigned, an employee of LEACH KERN GRUCHOW						
3	SONG, hereby certified that on the 11th day of August, 2025, she served a true and correct copy						
4	of the foregoing, ANSWER TO COMPLAINT FOR DISCIPLINARY ACTION AND						
5	NOTICE OF HEARING, by:						
6		Depositing for mailing, in a sealed envelope, U.S. postage prepaid, at Las Vegas, Nevada					
7 8		Personal Delivery					
9		_ Facsimile					
10	Federal Express/Airborne Express/Other Overnight Delivery						
11		Las Vegas Messenger Service					
12	X_	Electronic Service – via E-mail					
13	addressed as follows:						
14	Common-Interest Communities Aaron D. Ford, Esq. and Condominium Hotels Attorney General						
15	Attn: Maria (	•	Christal P. Keegan, Esq. Deputy Attorney General				
16	3300 W. Sah Las Vegas, N	5420 Kietzke Lane, Suite 202 Reno, NV 89511					
17	Email: mgall		Via Email: ckeegan@ag.nv.gov			v	
18	;						
19		/s/ Bonnie L. Cibura An employee of LEACH KERN GRUCHOW					
20	SONG						GROCHOW
21							
22							
23							
<ul><li>24</li><li>25</li></ul>							
26							
27							
28							
	II.						